

Wockhardt's Robust Annual Results

Sales surge by 53% to Rs. 2,653 crore
Net Profit soars by 60% to Rs. 386 crore
Operating Margin at 24.1% up 90 basis points

Mumbai, February 20, 2008

Pharmaceutical and biotechnology major Wockhardt Limited today announced its results for the year ended 31st December 2007. Sales revenues surged by 53% to Rs. 2,653 crore, net profits soared by 60% to Rs. 386 crore and operating margins at 24.1% improved by 100 basis points.

"In 2007 Wockhardt moved into another trajectory of globalisation and growth. Not only did sales grow by 53%, operating profit margins improved 90 basis points resulting in 60% improvement in net profit," said Wockhardt Chairman Habil Khorakiwala. "The value creation in the new acquisitions of Pinewood and Negma in Europe, contributed to the growth in profits."

Elaborating further on Wockhardt's strategic plans for the future, Chairman Habil Khorakiwala said, "We are fundamentally focussed at consolidating, integrating, rationalising and optimising our global resources to create value for the company and all our stakeholders."

For the fourth quarter of 2007, net profits climbed to Rs. 107 crore, thereby crossing the 100 crore mark for the third consecutive quarter. Sales peaked at 45% to Rs. 762 crore and operating margin at 24.9% improved by 170 basis points.

The total dividend for the financial year ended December 31, 2007 is Rs. 11.25 per equity share i.e. 225%. An interim dividend of Rs.8.75 per equity share i.e. 175% was paid in November 2007. The Board has now recommended an additional dividend of Rs. 2.50 per equity share, i.e. 50%.

On the India business front there has been a strategic thrust with Wockhardt signing in-licensing agreements with 6 European and US companies for 11 products, of which 5 products have already been launched in the country in the field of Dermatology, Nutraceuticals and Osteo-arthritis.

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PRESS RELEASE



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India Business:

As per ORG-IMS, the domestic business recorded an annual growth of 19% vis-à-vis 13% industry growth rate. Dexolac joins Spasmo-Proxyvon in the elite 'Top 100' brands in India. Overall 8 brands feature in the list of 'Top 300' brands of the industry (ORG-IMS Dec 2007).

Europe Business:

UK, Ireland, Germany and France recorded double-digit growth, almost twice the industry growth in these markets. The European formulation business grew 97% FTY 2007. Wockhardt UK also saw an opportunity and launched the NRT (Nicotine Replacement Therapy) in patches and lozenges forms for curbing smoker's habit.

US Business:

With the Morton Grove acquisition, Wockhardt now has a complete range of dosage forms from tablets, capsules, liquids and injectibles. Morton Grove has a portfolio of 31 products, 13 of which occupy the No.1 market position. All others are in the Top 3. The overall product range has now swelled to around 56 products for the US market, of which Wockhardt USA Inc is currently marketing 25 products. The US FDA also approved 13 ANDA's, of which 11 products have already been launched

Wockhardt Limited is a global pharmaceutical and biotechnology major with an innovative research and development programme. Wockhardt has global footprints including UK, France, Germany, Ireland and USA. Wockhardt employs around 6000 people worldwide belonging to 14 different nationalities.

WOCKHARDT LIMITED

**CONSOLIDATED AUDITED FINANCIAL RESULTS
FOR THE YEAR ENDED 31ST DECEMBER, 2007**



(RS IN MILLION)

PARTICULARS	Quarter Ended 31/12/2007	% To Sales	Quarter Ended 31/12/2006	% To Sales	Growth%	Year Ended 31/12/2007	% To Sales	Year Ended 31/12/2006	% To Sales	Growth%
Income from operations	7,620	100.0	5,264	100.0	44.8	26,532	100.0	17,290	100.0	53.5
Total Expenditure	5,719	75.1	4,044	76.8	41.4	20,141	75.9	13,287	76.8	51.6
a) (Increase)/Decrease in stock	(710)	(9.3)	(127)	(2.4)	459.1	-1,431	(5.4)	(613)	(3.5)	(133.4)
b) Consumption of raw material	2,317	30.4	2,012	38.2	15.2	7,374	27.8	5,085	29.4	45.0
c) Purchase of Finished Goods	931	12.2	230	4.4	304.8	3,985	15.0	2,206	12.8	80.6
Material Consumption	2,538	33.3	2,115	40.2	20.0	9,928	37.4	6,678	38.6	48.7
d) Staff Cost	1,448	19.0	822	15.6	76.2	4,433	16.7	2,532	14.6	75.1
e) R & D Expenditure	88	1.2	130	2.5	(32.3)	505	1.9	610	3.5	(17.2)
f) Other expenditure	1,645	21.6	977	18.6	68.4	5,275	19.9	3,467	20.1	52.1
Other Expenditure	3,181	41.7	1,929	36.6	64.9	10,213	38.5	6,609	38.2	54.5
Gross Profit before Interest, Depreciation & Taxation	1,901	24.9	1,220	23.2	55.8	6,391	24.1	4,003	23.2	59.7
Financing Cost (Net)	492	6.5	115	2.2	327.8	974	3.7	26	0.2	3646.2
Gross Profit after Interest but before Depreciation & Taxation	1,409	18.5	1,105	21.0	27.5	5,417	20.4	3,977	23.0	36.2
Depreciation	236	3.1	212	4.0	11.3	785	3.0	621	3.6	26.4
Profit after Interest & depreciation	1,173	15.4	893	17.0	31.4	4,632	17.5	3,356	19.4	38.0
Other Income	37	-	77	-	-	110	-	190	-	-
Exceptional Items	0	-	0	-	-	0	-	604	-	-
Profit before Tax	1,210	15.9	970	18.4	24.7	4,742	17.9	2,942	17.0	61.2
Provision for Taxation										
Current Tax	30	0.4	130	2.5	(76.9)	527	2.0	436	2.5	20.9
MAT Credit Entitlement	0	-	(83)	-	-	0	-	(199)	-	-
Fringe Benefit Tax	10	0.1	10	0.2	0.0	36	0.1	32	0.2	12.5
Deferred Taxation	115	1.5	43	0.8	167.4	354	1.3	260	1.5	(36.2)
Profit After Tax	1,055	13.8	870	16.5	21.3	3,825	14.4	2,413	14.0	58.5
Add: Share of Profit/ (Loss) from Associates	14		0			33		0		
Net Profit	1,069	14.0	870	16.5	22.9	3,858	14.5	2,413	14.0	59.9
Paid-up Equity Share Capital (Rs.5/-each)	547		547		-	547		547		-
Reserves excluding Revaluation Reserve (as per last audited Balance-Sheet)	-		-		-	12,188		10,116		-
Basic Earning Per Share (Rs)	9.77		7.96		22.7	35.25		22.05		59.9
Diluted Earning Per Share (Rs)	9.77		7.96		22.7	35.25		22.04		59.9
Aggregate of Public Shareholding										
- Number of Shares	2,88,50,521		2,88,50,521			2,88,50,521		2,88,50,521		
- Percentage to Paid-up Capital	26.36%		26.36%			26.36%		26.36%		