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## **Wockhardt's Q4 Results 2009**

**Consolidated Sales: Rs. 889 crore**  
**Operating Profits: Rs 134 crore**

***Wockhardt's UK & India branded business posts double-digit growth***

**Mumbai, January 25, 2010**

Pharmaceutical and biotechnology major Wockhardt Limited today announced its fourth quarter results for the quarter ending December 31, 2009. Consolidated sales revenues stood at Rs. 889 crore. Operating profit (EBIDTA) was Rs. 134 crore. Due to exceptional items, the net loss is Rs. 181 crore.

### **India Business:**

As per ORG-IMS, Wockhardt's India branded business grew by 23% in the fourth quarter of 2009 over the corresponding period of 2008. There were 2 new products launched during this period in the large volume markets of Non Steroidal Anti-Inflammatory Drugs (Pain Management) and Azithromycin antibiotic. Overall 10 brands featured in the list of 'Top 300' brands of the industry with 2 brands in the 'Top 100'. Wockhardt's Power Brands are showing good consistent growth.

### **Europe Business:**

Wockhardt UK grew by 21% compared to the industry growth of only 4% in Q4-2009. Growth drivers being Hospital products that grew by 16% and exports by 38%. Pinewood Healthcare in Ireland maintains steady sales showing a growth of more than 8% in exports. Negma Laboratories' cardio-vascular brand, Nebilox grew by 25% and it has also entered into a sales & marketing collaboration with Novartis on 2 products – Voltarene (Pain Management) and Eucreas (DPP-IV inhibitor for Diabetes Management).

### **USA Business:**

Wockhardt USA received 5 ANDA approvals in the fourth quarter of 2009, of which 1 ANDA approval was for an injectible. Wockhardt's US FDA approved Nicardipine Injection was a 1<sup>st</sup> Day launch. In many instances, Wockhardt has first-to-file ANDA status and such filings are a critical growth factor in the highly competitive US generic market. Wockhardt's US Paediatric Business is growing consistently and gaining a good market share amongst the targeted physicians. Wockhardt currently markets 74 products in the US.

### **About Wockhardt**

Wockhardt is a technology-driven global pharmaceutical and biotechnology major with an innovative multi-disciplinary research and development programme. It has 5 research centres with over 500 scientists and 14 world-class manufacturing plants dotting various countries. Wockhardt's manufacturing plants are compliant to international regulatory standards such as the US FDA, MHRA and other global regulatory bodies. It has end-to-end integrated capabilities for its products, right from development and manufacture of the oral and sterile API's to manufacturing of formulation dosage forms as well as marketing of these products through its various business divisions. Wockhardt has a global footprint including the US, UK, Ireland and France with a multi-ethnic workforce from 14 different nationalities.

WOCKHARDT LIMITED

UNAUDITED CONSOLIDATED FINANCIAL RESULTS  
FOR THE QUARTER ENDED 31ST DECEMBER, 2009



(Rs. In Million)

PARTICULARS	QUARTER ENDED 31/12/2009	% TO SALES	QUARTER ENDED 31/12/2008	% TO SALES	GROWTH %	12 MONTHS ENDED 31/12/2009	% TO SALES	12 MONTHS & YEAR ENDED 31/12/2008	% TO SALES	GROWTH %
Income from Operations	8,893	100.0	9,776	100.0	(9.0)	36,294	100.0	35,898	100.0	1.1
Total Expenditure	7,554	84.9	7,687	78.6	(1.7)	29,643	81.7	28,044	78.1	5.7
a) (Increase)/Decrease in stock	(119)	(1.3)	480	4.9	(124.8)	514	1.4	(297)	(0.8)	(273.1)
b) Consumption of raw material	2,453	27.6	2,043	20.9	20.1	9,538	26.3	7,912	22.0	20.6
c) Purchase of Finished Goods	1,554	17.5	1,593	16.3	(2.4)	5,926	16.3	5,947	16.6	(0.4)
Material Consumption	3,888	43.7	4,116	42.1	(5.5)	15,978	44.0	13,562	37.8	17.8
d) Staff Cost	1,414	15.9	1,295	13.2	9.2	5,650	15.6	6,074	16.9	(7.0)
e) R & D expenditure	118	1.3	13	0.1	807.7	552	1.5	513	1.4	7.6
f) Other expenditure	2,134	24.0	2,263	23.1	(5.7)	7,463	20.6	7,895	22.0	(5.5)
Other Expenditure	3,666	41.2	3,571	36.5	2.7	13,665	37.7	14,482	40.3	(5.6)
Gross Profit before Interest, Depreciation & Taxation	1,339	15.1	2,089	21.4	(35.9)	6,651	18.3	7,854	21.9	(15.3)
Interest/ Financing Cost										
(a) Interest	510	5.7	817	8.4	(37.6)	2,720	7.5	2,590	7.2	5.0
(b) (Income)/Expense due to Exchange Rate Fluctuation	4		(599)			99		(105)		
(c) Premium on FCCB	5		1,295			268		1,295		
Gross Profit after Interest but before Depreciation & Taxation	820	9.2	576	5.9	42.4	3,564	9.8	4,074	11.3	(12.5)
Depreciation	310	3.5	369	3.8	(16.0)	1,217	3.4	1,130	3.1	7.7
Profit after Interest & depreciation	510	5.7	207	2.1	146.4	2,347	6.5	2,944	8.2	(20.3)
Other Income	18	-	131	-	-	245	-	356	-	-
Exceptional Item Profit/(Loss)	(2,393)		(5,546)			(6,616)		(5,810)		
Profit/(Loss) before Tax	(1,865)	(21.0)	(5,208)	(53.3)	64.2	(4,024)	(11.1)	(2,510)	(7.0)	(60.3)
Provision for Taxation	0		(171)			283		237		
Fringe Benefit Tax	0		9			9		39		
Deferred Taxation	-		(1,331)			118		(1,192)		
Profit/ (Loss) After Tax	(1,865)	(21.0)	(3,715)		49.8	(4,434)	(12.2)	(1,594)		(178.2)
Add: Share of Profit/ (Loss) from Associates	53		137			79		205		
Net Profit/(Loss)	(1,812)	(20.4)	(3,578)	(36.6)	49.4	(4,355)	(12.0)	(1,389)	(3.9)	(213.5)
Paid-up Equity Share Capital (Rs 5/-each)	547		547		-	547		547		-
Reserves excluding Revaluation Reserve (as per last audited Balance-Sheet)	-		-		-	-		9,630		-
Earning Per Share										
Basic Earning Per Share (Rs)	(16.56)		(32.69)			(39.79)		(12.69)		
Diluted Earning Per Share (Rs)	(16.56)		(32.69)			(39.79)		(12.69)		

Public Shareholding						
- Number of Shares	<b>28,193,643</b>	28,102,803		<b>28,193,643</b>	28,102,803	
- Percentage to Paid-up Capital	<b>25.76%</b>	25.68%		<b>25.76%</b>	25.68%	
Promoters and promoter group shareholding						
a) Pledged/ Encumbered						
- Number of shares	<b>57,800,000</b>	69,280,667		<b>57,800,000</b>	69,280,667	
-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	<b>71.73%</b>	85.97%		<b>71.73%</b>	85.97%	
-Percentage of shares (as a % of the total share capital of the Company)	<b>52.82%</b>	63.31%		<b>52.82%</b>	63.31%	
b) Non-encumbered						
- Number of shares	<b>22,785,382</b>	11,304,715		<b>22,785,382</b>	11,304,715	
-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	<b>28.27%</b>	14.03%		<b>28.27%</b>	14.03%	
-Percentage of shares (as a % of the total share capital of the Company)	<b>20.82%</b>	10.33%		<b>20.82%</b>	10.33%	

**Notes To Consolidated Financials:-**

- 1) The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on January 25, 2010.
- 2) The outstanding liabilities of the Company are being restructured under the aegis of Corporate Debt Restructuring (CDR) Scheme. As required under the Scheme, the Master Restructuring Agreement (MRA) and other necessary documents have been executed and signed by majority of the lenders. The CDR scheme comprehensively covers the FCCB liability and crystallised derivative/ hedging liabilities. In respect of unilaterally terminated contracts pertaining to crystallised derivatives/ hedging liabilities which are disputed, the amount payable is presently not ascertainable and hence not provided.
- 3) The Company has accounted Mark-to-Market (MTM)/ realised loss of Rs. 2,350 million for the quarter ended December 31, 2009 as an Exceptional Item. As negotiations are in progress in respect of derivatives/hedging instruments outstanding as on December 31, 2009, relative amounts held as margins and premiums in current assets are unconfirmed.
- 4) As on October 1, 2009 the Company had no investors complaints pending. During the quarter the Company has not received any complaints. Accordingly, no complaints are pending as on December 31, 2009.
- 5) The Company is exclusively into Pharmaceutical business Segment.
- 6) The Company's accounting period end has been extended from December to March. The next accounting period will therefore be of fifteen months ending March 31, 2010.
- 7) Previous period figures have been recast/ re-classified to conform to the current period's presentation.