



May 18, 2016

My Dear Share Owners,

It is my pleasure to share with you that our Company's Board of Directors have approved the financial results for 4th Quarter (January-March) and the Financial Year 2015-16. I take this opportunity to share with you the Company's performance this year along with some key business highlights.

#### Financial Highlights for Q4 (January-March) FY 2015-16

- ◆ Consolidated revenue for the quarter is INR 1013 crore. Excluding one-time opportunity business in UK, revenues grew by 4%.
- ◆ EBITDA excluding one-time opportunity and before R&D spend was INR 147 crore for Q4FY16.
- ◆ Profit After Tax is INR 43 crore, growth of 26% as compared to FY14-15.

#### Financial Highlights for FY 2015-16

- ◆ Consolidated revenue for FY15-16 is INR 4461 crore. Excluding one-offs, revenue grew by 6%.
- ◆ EBITDA excluding one-offs and before R&D spend was INR 708 crore.
- ◆ Profit After Tax is INR 326 crore, which projects a PAT margin of 7%.

#### Business Highlights

- ◆ Emerging Market business grew by 59% during quarter & 36% in FY15-16.
- ◆ The India Business continued to display strong performance with growth of 16% in FY15-16 & launched 48 new products.
- ◆ The International Business contributes 66% & 68% of the global revenue both for Q4FY16 and FY15-16 respectively.
- ◆ The US Business attributes a valuable 22% to the global revenue in Q4FY16 and FY15-16 both. The company received 2 approvals and have filed 17 ANDA's with US FDA taking it to total 84 ANDA's pending for approval.
- ◆ The UK Business, excluding one-time opportunity, improved by 40% in Q4FY16 & 15% in FY15-16. The Irish Market remained flat on € basis for Q4FY16 and improved by 5% on € basis for FY15-16.

During the Year, the Company received Qualified Infectious Disease Product (QIDP) status for its Breakthrough drug discovery programme in antibiotics for further three of its drugs namely WCK 4873, WCK 4282 and WCK 5222. During FY 14-15, Wockhardt received approval for WCK 771 and WCK 2349. Wockhardt is currently the only company globally to receive QIDP status for 5 drugs from US FDA.

The Company has undergone inspections at its L1-Chikalthana, Aurangabad manufacturing facility by UK MHRA and have received communication confirming the closure of the inspection and issuance of an unrestricted GMP certificate. Accordingly, Supplies have been resumed from L1 facility to UK Market. US FDA has also recently completed inspections of our manufacturing unit at Ankleshwar, Gujarat and Shendra, Aurangabad and made some observations for which appropriate reply has been submitted. Shendra manufacturing unit is a new facility supplying to India, UK & Irish market. Presently there are no supplies of products from the said facility to the US market. Waluj Facility received the Establishment Inspection Report (EIR) from US FDA. The company's on-going efforts towards remediation and compliance measures for its manufacturing facilities continue to be in place.

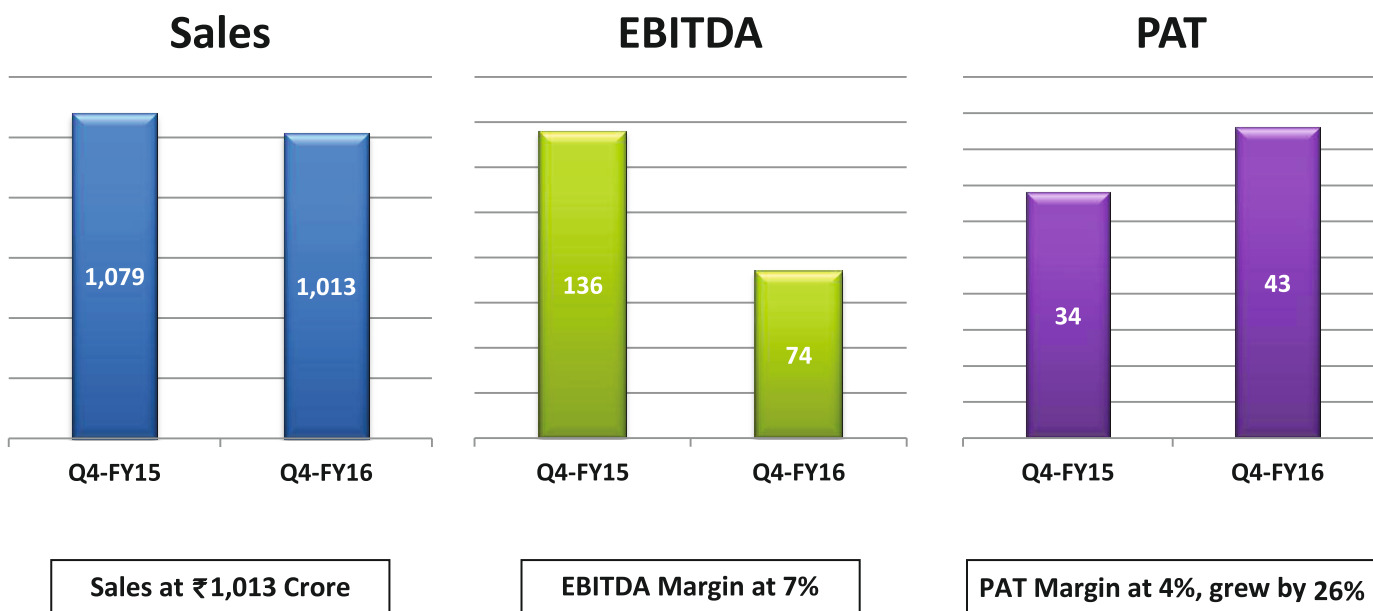
We wish to thank each one of you for your continued support and confidence in Wockhardt. We continue to stay focused and build a strong business at Wockhardt and we solicit your unstinted support.

Warm Regards,

Dr. Habil Khorakiwala  
Founder Chairman

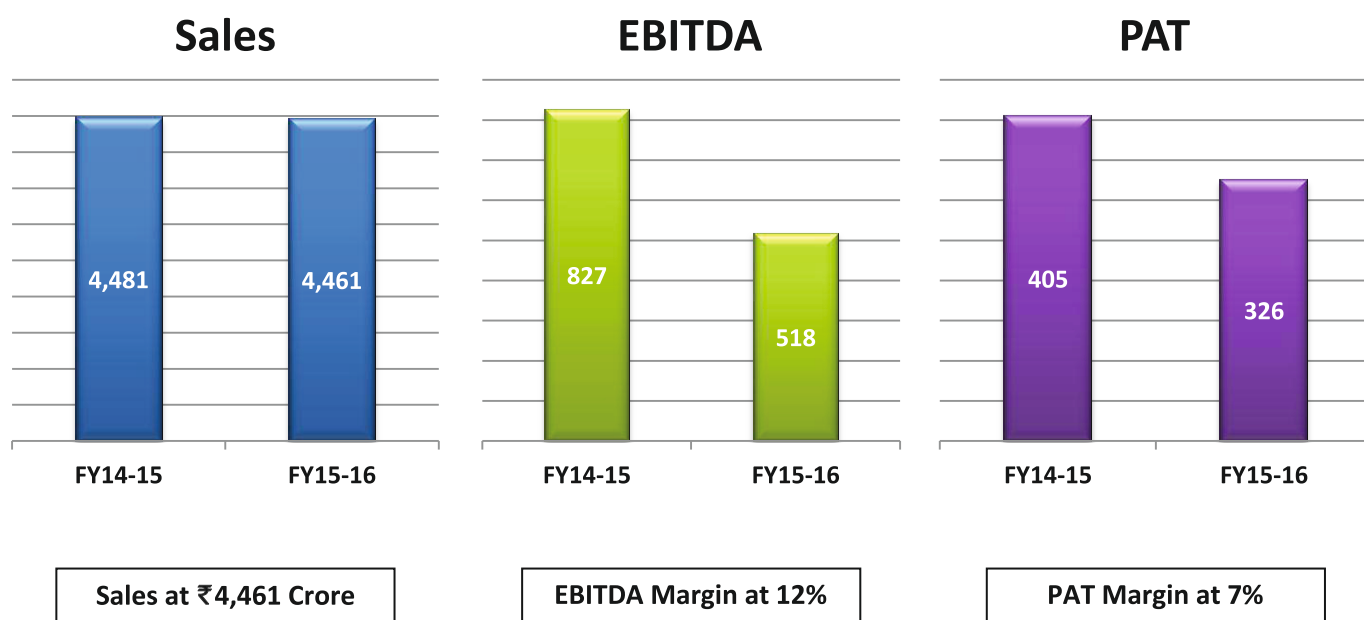


# PERFORMANCE HIGHLIGHTS Q4FY16 vs. Q4FY15



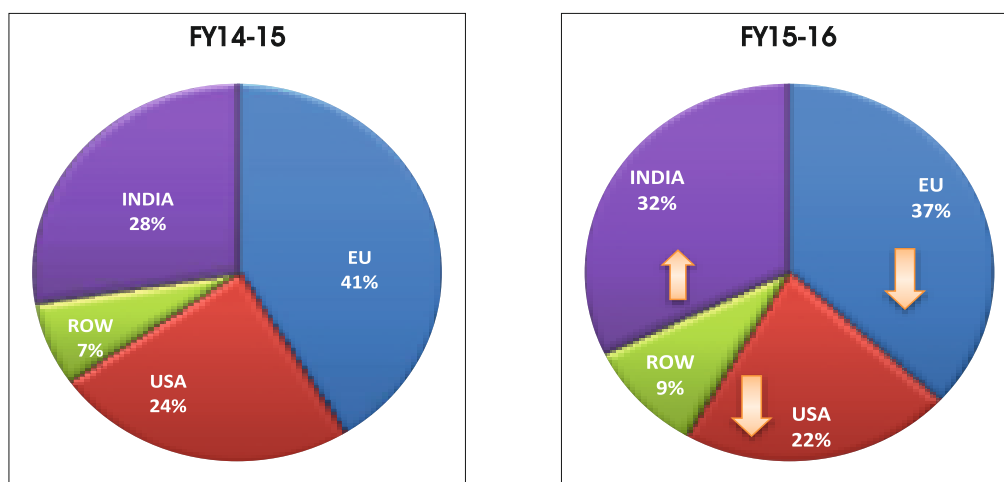
- Consolidated revenues at ₹ **1,013** crore in **Q4FY16** vs ₹ **1,079** crore in **Q4FY15**.
  - Emerging market Business **grew** by **59%** during **Q4FY16**.
  - UK revenues **grew** by **40%** (excluding one-time opportunity).
- Gross Margins at **61%** in **Q4FY16** compared to **66%** in **Q4FY15**.
- EBITDA excluding one-time opportunities and before R&D spend was ₹**147** crore (Margin at 15% to sales) compared to ₹**176** crore (Margin at 18% to sales) in corresponding previous period.
- Profit After Tax at ₹**43** crore in **Q4FY16** **grew** by **26%**.

# PERFORMANCE HIGHLIGHTS FY15-16 vs. FY14-15



- Consolidated revenues at ₹4,461 crore in FY15-16 versus ₹4,481 crore in FY14-15. Excluding one-offs revenues grew by 6%.
  - Emerging Markets Business grew by 36%.
  - India Business grew by 16%.
  - UK Business (excluding one-time opportunity) grew by 15%.
- Gross Margins at 64% in FY15-16 compared to 67% in FY14-15.
- EBITDA excluding one offs and before R&D spend was ₹708 crore (Margin at 17% to sales) compared to ₹752 crore (Margin at 19% to sales) in corresponding previous period.
- Profit After Tax at ₹326 crore in FY15-16.

# SHARE OF GLOBAL REVENUES



## FINANCIALS

### Consolidated P&L

₹ Crore

Particulars	Q4-FY16	Q4-FY15	Growth %	FY15-16	Growth %
<b>Revenues from Operations</b>	<b>1,013</b>	<b>1,079</b>	<b>-6.1%</b>	<b>4,461</b>	<b>-0.4%</b>
<b>Revenues from Operations excl "one offs"</b>	1,013	970	4.4%	4,150	6.1%
Material Consumption	394	372	5.9%	1,592	7.7%
<b>Gross Margins</b>	<b>619</b>	<b>707</b>	<b>-12.4%</b>	<b>2,869</b>	<b>-4.5%</b>
<b>Gross Margin %</b>	<b>61.1%</b>	<b>65.5%</b>		<b>64.3%</b>	<b>-4.0%</b>
Staff Cost	185	192	-3.6%	792	8.0%
R&D Expenses	73	148	-50.7%	498	1.8%
Other Expenditure	287	231	24.2%	1,061	11.2%
<b>Total Expenditure</b>	<b>939</b>	<b>943</b>	<b>-0.4%</b>	<b>3,943</b>	<b>7.9%</b>
<b>EBITDA</b>	<b>74</b>	<b>136</b>	<b>-45.6%</b>	<b>518</b>	<b>-37.4%</b>
<b>EBITDA Margin</b>	<b>7.3%</b>	<b>12.6%</b>		<b>11.6%</b>	
<b>EBITDA excl "one offs" &amp; before R&amp;D</b>	<b>147</b>	<b>176</b>	<b>-16.5%</b>	<b>708</b>	<b>-5.9%</b>
<b>EBITDA Margin excl "one offs" &amp; before R&amp;D</b>	<b>14.5%</b>	<b>18.2%</b>		<b>17.1%</b>	
Interest Expenses (Net)	20	13	53.8%	56	19.1%
(Income)/Expense due to Exchange Rate Fluctuation	5	40		14	
Depreciation	38	35	8.6%	143	-1.4%
Other Income	2	12		52	
<b>Profit/(Loss) Before Tax before exceptional items</b>	<b>13</b>	<b>60</b>	<b>-78.0%</b>	<b>357</b>	<b>-37.9%</b>
Tax Expense (Including Deferred Tax)	(29)	27		26	
<b>Profit/(Loss) After Tax</b>	<b>42</b>	<b>33</b>	<b>27.3%</b>	<b>331</b>	<b>-19.9%</b>
Add: Share of Profit/(Loss) from Associates	0	0		1	
Less: Minority Interest	-1	-1		6	
<b>Net Profit/(Loss)</b>	<b>43</b>	<b>34</b>	<b>26.5%</b>	<b>326</b>	<b>-19.5%</b>
<b>Net Profit Margin %</b>	<b>4.2%</b>	<b>3.2%</b>		<b>7.3%</b>	

For further clarification, write to: Investor Service Cell, Wockhardt Limited, Wockhardt Towers, Bandra-Kurla Complex, Bandra East, Mumbai 400 051 or Email:investorrelations@wockhardt.com

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