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**Wockhardt's Financial Results – Q3 (Oct-Dec) FY 2011-12**

## Wockhardt's best quarter results

**Sales grew by 27.1% to ₹1,209 crore**

**Net Profit up by 50% to ₹213 crore**

**Operating Profit (EBIDTA) up by 54.5% to ₹376 crore**

**Mumbai, February 13, 2012**

Pharmaceutical and Biotechnology major, Wockhardt Limited today announced its 3<sup>rd</sup> Quarter (Oct-Dec 2011) results for the financial year 2011-12. Consolidated sales revenues grew by 27.1% at ₹1,209 crore over the corresponding quarter of 2010. Net Profit was up by 50% at ₹213 crore and operating profit (EBIDTA) was up by 54.5% to ₹376 crore. Operating margins at 31.1% improved by 550 basis points.

*“Wockhardt is exhibiting robust growth worldwide and our US operations has for the first time surpassed all records by crossing the US\$100 million mark in a single quarter”, said Wockhardt Chairman Dr. Habil Khorakiwala. “This is one of our best quarter results so far with our Net Profit margins growing by 50% on a quarter-on-quarter basis. We are confident of closing this financial year on a high note”, he further added.*

For the 9 months ended 31<sup>st</sup> December 2011, Wockhardt has shown a huge turnaround in profitability and a continuous improvement in margins. Consolidated sales revenues grew by 19.9% at ₹3,372 crore. Net Profit was ₹534 crore and operating profit (EBIDTA) was up by 57% to ₹1,011 crore. Operating margins at 30% improved by 710 basis points.

Wockhardt's international sales currently contribute 74% to the overall turnover. Wockhardt USA has for the very first time logged US\$102.5 million in a single quarter and its prime products are consistently improving market share in this highly competitive market scenario. India branded business continues to perform strongly with a market share of 2% (MAT Dec - IMS). Wockhardt brands continue to feature in the TOP-300 brands of the industry, with Spasmo-Proxyvon ranked 11<sup>th</sup> in the listing (Dec 2011-IMS). Wockhardt UK continues to be the No.1 Indian generic company and overall the 4<sup>th</sup> generic company in the UK. Overall, there were 13 product launches in Europe during these 3 quarters.

### **About Wockhardt**

Wockhardt is a high technology global pharmaceuticals and biotechnology major with innovative multi-disciplinary research and development programmes. It has 4 research centres and 14 world-class manufacturing plants globally. Wockhardt has a multi-ethnic workforce of 8600 people from 14 different nationalities.

**WOCKHARDT LIMITED**

 Wockhardt Towers, Bandra-Kurla Complex  
 Bandra (East), Mumbai 400 051, India

**UNAUDITED CONSOLIDATED FINANCIAL RESULTS  
 FOR THE QUARTER ENDED 31ST DECEMBER, 2011**

(Rs. in Million)

PARTICULARS	QUARTER ENDED 31/12/2011	% TO SALES	QUARTER ENDED 30/09/2011	% TO SALES	GROWTH %	QUARTER ENDED 31/12/2010	% TO SALES	GROWTH %	NINE MONTHS ENDED 31/12/2011	% TO SALES	NINE MONTHS ENDED 31/12/2010	% TO SALES	GROWTH %	YEAR ENDED 31/03/2011	% TO SALES
Income from Operations	12,087	100.0	11,105	100.0	8.8	9,508	100.0	27.1	33,724	100.0	28,125	100.0	19.9	37,512	100.0
Total Expenditure	8,323	68.9	7,872	70.9	5.7	7,071	74.4	17.7	23,618	70.0	21,688	77.1	8.9	28,425	75.8
a) (Increase)/Decrease in stock	(139)	(1.1)	(717)	(6.5)	(80.6)	146	1.5	(195.2)	(983)	(2.9)	552	2.0	(278.1)	617	1.6
b) Consumption of raw material	3,271	27.1	3,390	30.5	(3.5)	1,833	19.3	78.5	9,005	26.7	6,586	23.4	36.7	8,750	23.3
c) Purchase of Finished Goods	1,629	13.5	1,660	14.9	(1.9)	1,785	18.8	(8.7)	4,823	14.3	4,607	16.4	4.7	5,786	15.4
Material Consumption	4,761	39.4	4,333	39.0	9.9	3,764	39.6	26.5	12,845	38.1	11,745	41.8	9.4	15,153	40.4
d) Staff Cost	1,399	11.6	1,149	10.3	21.8	1,229	12.9	13.8	3,858	11.4	3,809	13.5	1.3	5,247	14.0
e) R & D expenditure	134	1.1	157	1.4	(14.6)	84	0.9	59.5	479	1.4	363	1.3	32.0	483	1.3
f) Other expenditure	2,029	16.8	2,233	20.1	(9.1)	1,994	21.0	1.8	6,436	19.1	5,771	20.5	11.5	7,542	20.1
Other Expenditure	3,562	29.5	3,539	31.9	0.6	3,307	34.8	7.7	10,773	31.9	9,943	35.4	8.3	13,272	35.4
Gross Profit before Interest, Depreciation & Taxation	3,764	31.1	3,233	29.1	16.4	2,437	25.6	54.5	10,106	30.0	6,437	22.9	57.0	9,087	24.2
<b>Interest/ Financing Cost</b>															
(a) Interest	679	5.6	398	3.6	70.6	561	5.9	21.0	1,662	4.9	1,770	6.3	(6.1)	2,671	7.1
(b) (Income)/Expense due to Exchange Rate Fluctuation	295		430			223		32.3	762		228			(1,366)	
Depreciation	277	2.3	280	2.5	(1.1)	301	3.2	(8.0)	937	2.8	895	3.2	4.7	1,166	3.1
Other Income	85	-	28	-	-	65	-	-	167	-	136	-	-	159	-
Profit/(Loss) Before Tax before exceptional items	2,598	21.5	2,153			1,417	14.9		6,912	20.5	3,680			6,775	18.1
Exceptional Item Profit/(Loss)	(97)		(681)			165			(778)		(4,011)			(5,732)	
Profit/(Loss) before Tax	2,501	20.7	1,472	13.3	69.9	1,582	16.6	58.1	6,134	18.2	(331)	(1.2)	1953.2	1,043	2.8
Provision for Taxation	568		219			120			1,049		221			338	
Deferred Taxation	(198)		25			53			(219)		153			(252)	
Profit/(Loss) After Tax	2,131	17.6	1,228	11.1	73.5	1,409	14.8	51.2	5,304	15.7	(705)	(2.5)	852.3	957	2.6
Add: Share of Profit/(Loss) from Associates	(3)		47			8			39		(8)			(52)	
<b>Net Profit/(Loss)</b>	<b>2,128</b>	<b>17.6</b>	<b>1,275</b>	<b>11.5</b>	<b>66.9</b>	<b>1,417</b>	<b>14.9</b>	<b>50.2</b>	<b>5,343</b>	<b>15.8</b>	<b>(713)</b>	<b>(2.5)</b>	<b>849.4</b>	<b>905</b>	<b>2.4</b>
<b>Paid-up Equity Share Capital</b> (Rs 5/-each)	<b>547</b>		<b>547</b>			<b>547</b>			<b>547</b>		<b>547</b>			<b>547</b>	
Reserves excluding Revaluation Reserve (as per last audited Balance-Sheet)	-		-			-			-		-			1,251	
<b>Earning Per Share</b>															
Basic Earning Per Share (Rs)	19.44		11.66			12.95			48.82		(6.52)			8.27	
Diluted Earning Per Share (Rs)	19.31		11.66			12.95			48.71		(6.52)			8.27	

Public Shareholding										
- Number of Shares	<b>28,421,193</b>	28,421,193		28,279,021			<b>28,421,193</b>	28,279,021		<b>28,392,021</b>
- Percentage to Paid-up Capital	<b>25.97%</b>	25.97%		25.97%			<b>25.97%</b>	25.97%		<b>25.94%</b>
Promoters and promoter group shareholding										
a) Pledged/ Encumbered										
- Number of shares	<b>70,158,917</b>	70,158,917		70,158,917			<b>70,158,917</b>	70,158,917		<b>70,158,917</b>
-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	<b>87.06%</b>	87.06%		87.06%			<b>87.06%</b>	87.06%		<b>87.06%</b>
-Percentage of shares (as a % of the total share capital of the Company)	<b>64.11%</b>	64.11%		64.11%			<b>64.11%</b>	64.11%		<b>64.11%</b>
b) Non-encumbered										
- Number of shares	<b>10,426,465</b>	10,426,465		10,426,465			<b>10,426,465</b>	10,426,465		<b>10,426,465</b>
-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	<b>12.94%</b>	12.94%		12.94%			<b>12.94%</b>	12.94%		<b>12.94%</b>
-Percentage of shares (as a % of the total share capital of the Company)	<b>9.53%</b>	9.53%		9.53%			<b>9.53%</b>	9.53%		<b>9.53%</b>

**Notes To Consolidated Financials:-**

- 1) The results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on February 13, 2012.
- 2) During the quarter, Company has issued 10,818,605 Non Convertible Cumulative Redeemable Preference Shares (NCRPS) of Rs. 5/- each amounting to Rs. 54.09 million to various banks/financial institutions. The NCRPS are redeemable in the year 2018.
- 3) Against the pending petition, the Company has filed a consent decree in the Hon'ble High Court of Bombay and has agreed to pay the FCCB holders the amounts outstanding along with interest on reducing balance, by August 2012. Further, the Hon'ble High Court of Bombay has permitted the divestment of Nutrition Business.
- 4) The Company has entered into definitive agreement on August 2, 2011 with Danone, for divestment of the Nutrition business. As the said transaction is subject to various closing conditions and approvals, the impact of this transaction will be accounted during the quarter in which the same is closed. Further, Wockhardt EU Operations (Swiss) AG, has taken an option towards hedging of part of the consideration to be received on the above mentioned divestment and the premium towards the said option has been included in exceptional items.
- 5) As on October 1, 2011 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, 2011.
- 6) The Company is exclusively into Pharmaceutical business Segment.
- 7) Previous period figures have been recast/ re-classified to conform to the current period's presentation.