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My dear Shareowners,

You will be happy to learn that your Company has achieved one of the greatest turnarounds in the corporate world. Here are some of the highlights.

Wockhardt has had a dramatic turn around and is back to its positive financial health.

Over the past 2 years, our Debt/Equity ratio has come down from a high of 4.4 to 1.9 this financial year. Our EBITDA and EBITDA margins at 31% Y-o-Y and 35% Q-o-Q is significantly higher than the industry average. Wockhardt has shown immense growth of 57% on EBITDA during the year.

Annual Financial Highlights (2011-2012):

- ~ Consolidated sales revenues grew by 23% Y-o-Y at ₹4,614 crore
- ~ Gross margins at 64% for the year compared to 60% in 2010-11
- ~ Operating profit (EBITDA) was ₹1,440 crore, up by 57% Y-o-Y
- ~ Operating margins at 31% improved by 700 basis points
- ~ PAT without exceptional items was ₹947 crore during the year

4th Quarter Financial Highlights (Jan - Mar 2012):

- ~ Consolidated sales revenues grew by 32% Q-o-Q at ₹1,241 crore
- ~ Gross margins at 68% for the quarter compared to 64% in same quarter last year
- ~ Operating profit (EBITDA) was ₹429 crore, up by 58% Q-o-Q
- ~ Operating margins at 35% improved by 600 basis points
- ~ Adjusted Net Profit was ₹410 crore
- ~ 9th consecutive quarter of sequential growth in EBITDA
- ~ 4th consecutive quarter of sequential growth in Sales
- ~ Gross margin consistently above 60% for the last 6 quarters, with Q4 being the highest at 68%

Business Highlights:

Our International operations contribute 75% of global revenues for 2011-12, showing a growth of 27%. The US business has surpassed all expectations and has logged in 41% to the overall revenues for the year showing a growth of 78%. Wockhardt USA received 9 ANDA product approvals and launched 6 products during the year. Overall it currently markets more than 70 products and is consistently growing market share for majority of its products in the US.

Wockhardt UK has grown by 13% and has now become the 3rd largest generic company in the UK. Pinewood in Ireland continues to grow markets for its leading products. Negma in France has completed its restructuring and Wockhardt's European business excluding France has grown by 7%.

India & Emerging Markets business grew by 17%. The Indian Formulation business grew by 13% backed by strong growth of 16% in the branded segment. The branded segment has outperformed market growth.

Wockhardt's global business is leveraged by its strong R&D programmes. It has filed 1,570 patents till date, of which 152 global patents have been granted. Wockhardt has received for the 3rd consecutive year, the Government of India Patents Award for the 'Maximum Patents granted to an Indian Company'.

I know you will be very happy about these results and will be brimming with confidence on the future prospects of the company, like we do. But in all this euphoria, we will never forget the perseverance you have shown as an astute investor. I thank you and all my Wockhardt Associates worldwide on a fantastic all round performance.

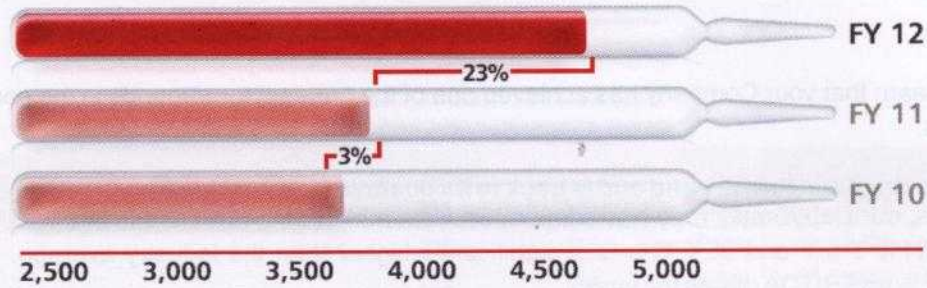
In this letter, we have put together an abridged version of the Investor Communication for your reading. For a detailed report on Investor Communication and my video comments, please visit our website: www.wockhardt.com

God bless you and your family.

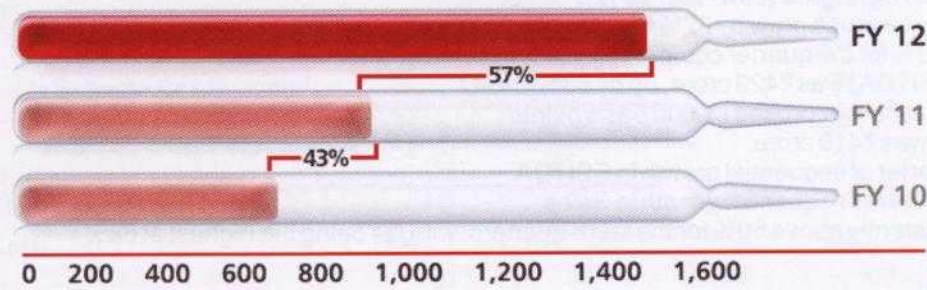
Warm regards,

HEALTHY BUSINESS

SALES (₹ CR.)
FY12 at ₹4,614 crore with Y-o-Y growth of 23%

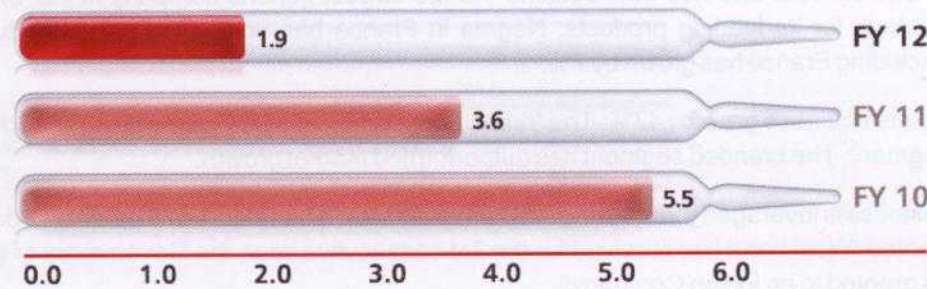


EBITDA (₹ CR.)
FY12 at ₹1440 crore with Y-o-Y growth of 57%
Margins at 31% for FY12 significantly higher than industry average

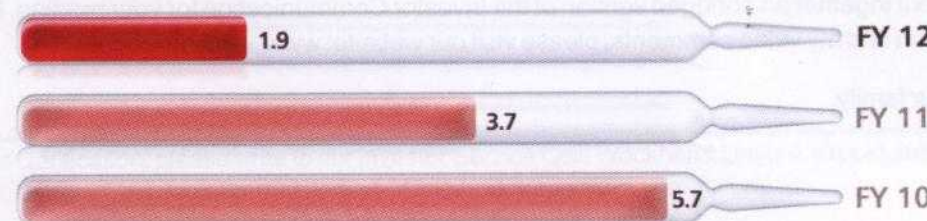


HEALTHY FINANCIALS

NET DEBT / EQUITY
Reduces to 1.9 from 3.6 in previous year



DEBT SERVICE- NET DEBT / EBITDA
Reduces to 1.9 from 3.7 in previous year



1 USD = ₹ 50.83

Particulars	FY12			FY11			FY10		
	\$m	₹cr.	%	\$m	₹cr.	%	\$m	₹cr.	%
Net Sales	908	4,614	100%	738	3,751	100%	716	3,638	100%
<i>Growth</i>		23%			3%				
Material Consumption	331	1,682	36%	298	1,517	40%	320	1,625	45%
<i>Growth</i>		11%			-7%				
Gross Margins	577	2,932	64%	440	2,234	60%	396	2,013	55%
<i>Growth</i>		31%			11%				
Other Expenses	294	1,492	32%	259	1,318	35%	270	1,372	38%
<i>Growth</i>		13%			-4%				
EBITDA	283	1,440	31%	180	916	24%	126	642	18%
<i>Growth</i>		57%			43%				
PAT	67	343	7%	18	90	2%	-195	-990	-27%
<i>Growth</i>		281%			-109%				
Adjusted PAT	186	947	21%	115	585	16%	41	210	6%
<i>Growth</i>		62%			178%				
Key Ratios									
Net Debt ⁴ / Equity		1.9			3.6			5.5	
Debt Servicing Ratio <i>(Net Debt / EBITDA)</i>		1.9			3.7			5.7	
Interest Coverage Ratio <i>(EBIT / Interest)</i>		3.7			1.4			-2.8	
Current Ratio <i>(Current Assets ³ / Current Liabilities ³)</i>		1.3			1.0			1.0	
Basic EPS (₹)		31			8			-91	
Adjusted EPS (₹)		87			53			19	
EV/EBITDA as on 31st Mar		7.0			8.4			9.2	

Notes :

1. USD values are at a convenience translation of 1USD = ₹50.83 (exchange rate as on 31st March 2012)
2. Adjusted PAT is after excluding one time Exceptional items and the tax effect thereon
3. Current Assets and Current Liabilities are as per Revised Schedule VI definition.
4. Net Debt = Debt - Cash

HEALTHY BUSINESS

FY12 vs FY11 CAGR with Yo-Y growth of 23%

₹ Crore

Particulars	Q4-FY12	Q4-FY11	Gr%	FY12	FY11	Gr%
Revenues from Operations	1,241	939	32.2%	4,614	3,751	23.0%
Material Consumption	397	341	16.4%	1,682	1,517	10.9%
Gross Margins	844	598	41.1%	2,932	2,234	31.2%
Gross Margin %	68.0%	63.7%		63.5%	59.6%	
Staff Cost	181	143	26.6%	589	542	8.7%
Other Expenditure	234	183	27.9%	903	776	16.4%
Total Expenditure	812	667	21.7%	3,174	2,835	12.0%
EBITDA	429	272	57.7%	1,440	916	57.2%
EBITDA Margin	34.6%	29.0%		31.2%	24.4%	
Interest & Financing Cost						
a. Interest	48	90	-46.7%	214	267	-19.9%
b. (Income)/Expense due to Exchange Rate Fluctuation	-54	-160		21	-137	
Depreciation	29	27	7.4%	123	117	5.1%
Other Income	7	2		23	16	
Profit/(Loss) Before Tax before exceptional items	413	317	30.3%	1,105	685	61.3%
Exceptional Item Profit/(Loss)	-450	-180		-528	-581	
Profit/(Loss) before Tax	-37	137	-127.0%	577	104	454.8%
Provision for Taxation	-43	12		62	34	
Deferred Taxation	195	-41		173	-25	
Profit/(Loss) After Tax	-189	166	-213.9%	342	95	260.0%
Add: Share of Profit/(Loss) from Associates	-3	-4		1	-5	
Net Profit/(Loss)	-192	162	-218.5%	343	90	281.1%
Adjustments:						
Divestment (Profit)/Loss		0			-4	
France Restructuring (Profit) / Loss	-85	93		-100	178	
Settlement / Derivatives	42	76		134	376	
CDR Recompense	160			160		
Goodwill write off (Negma - France)	333			333		
Others Exceptional items		3			22	
Tax impact of above	-58	-14		-70	-81	
Deferred Tax impact of above	210	-3		147	4	
Adjusted PAT	410	317	29.3%	947	585	61.9%

In case you need further clarification, please write to our Investor Service Cell, Wockhardt Limited, Wockhardt Towers, Bandra-Kurla Complex, Bandra East, Mumbai 400 051 or Email : vkhetan@wockhardt.com

Please do visit our corporate website www.wockhardt.com