



Wockhardt Limited
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May 1, 2009

Dear Shareowners,

I am happy to be writing to you once again and would like to take this opportunity to keep you posted on the Company's progress and developments during the fourth quarter of 2008 and the first quarter of 2009.

But firstly, I would like to personally inform you of the Board's decision to appoint and induct on the Board of Directors, my sons, Huzaifa Khorakiwala as Executive Director and Murtaza Khorakiwala as Managing Director of Wockhardt Limited. This decision was taken to develop a long-term succession plan in the best interest of the company and all its stakeholders. This will also give me an opportunity to mentor and develop the next generation leaders whilst I am fully involved in providing leadership, strategic vision and direction to the company's business operations. I will continue to remain as Chairman of Wockhardt with all executive powers to lead the company in its future course of direction. Please join me in congratulating my two sons on this momentous occasion.



Habil Khorakiwala,
Chairman
Wockhardt Limited



Dr. Murtaza Khorakiwala,
Managing Director
Wockhardt Limited



Huzaifa Khorakiwala,
Executive Director
Wockhardt Limited

2008 - The year of economic turmoil

We have had an exceptional year in all ways, both in terms of sales revenues and operating profits. Our acquisitions have started paying-off and have posted double-digit growth in their markets. With 73% of our turnover coming from our international operations, in the normal course of the business, it was prudent to hedge our foreign exchange exposure. But due to the meltdown in the global markets and the consequent currency volatility, we had to make provisions for MTM losses, which had a marked impact on our bottomline. We are taking significant management initiatives towards containing these MTM losses during the current financial year.

Wockhardt has applied to its lending banks for Corporate Debt Restructuring (CDR) and the same has been admitted. The passage of this in the coming few months will ensure enough liquidity for operations and mitigate most of our current issues, which in turn will facilitate our planned growth and benefit all our stakeholders. Let me assure you that we will be back to normal, much sooner than otherwise.

Main performance highlights of 2008

- ◆ Sales grew to Rs. 3,593 crores, up by 35.4%
- ◆ Operating profit (EBIDTA) grew to Rs. 808 crores, up by 26.5%
- ◆ MTM losses of Rs. 581 crores was due to steep devaluation of the rupee resulting in the company posting a net loss of Rs. 139 crores
- ◆ Secured highest number of 23 ANDA approvals from the US FDA in 2008

US business shows phenomenal growth

Wockhardt's US business, including Morton Grove Pharmaceuticals, grew by 140%. Currently, it markets 65 products in the US; all manufacturing plants in India are US FDA compliant. Wockhardt was one of the top 5 companies in the world to have received the highest number of 23 Abbreviated New Drug Approvals (ANDAs) by the US FDA for 2008 (source - Generics Bulletin 2009)

European business shows resilience

Revenues from Europe grew by 30%. Wockhardt UK is the key driver with generics and hospital business showing phenomenal thrust. Pinewood market share improved to 29%. Negma in France and Wockhardt UK operations are showing resurgence. Restructuring in manufacturing and a strong focus on contract manufacturing has helped in overall consolidation.

Wockhardt's India branded business improves market share

Wockhardt is the first company in the world, after the innovator company, to launch Glaritus, a long-acting insulin analogue. As a part of the overall strategy to get in-licensed products into India, Wockhardt has already launched 13 new products that are showing tremendous promise for the future. As per ORG IMS, India branded business grew at 20% in 2008 as compared to the industry growth of 10%, showing an improved market share to 2.08% vis-à-vis 1.9% in 2007. It also gained two places in the ranking order to the 16th position from 18th in 2007. Overall 11 brands featured in the list of 'Top 300' brands of the industry in 2008.

Fourth quarter highlights of 2008

- ◆ Sales grew to Rs. 952 crores, up 24.9%
- ◆ Operating profit (EBIDTA) at Rs. 196 crores, was up by 20.6%
- ◆ Net loss was Rs. 358 crores.

First quarter highlights of 2009

- ◆ Sales grew to Rs. 869 crores, up by 10.7%
- ◆ Operating profit (EBIDTA) at Rs. 171 crores, was up by 22.1%
- ◆ MTM loss of Rs. 32 crores resulted in the company posting a net loss of Rs. 20 crores.

Lastly, let me thank you for your unwavering support, which has always been the backbone of Wockhardt's progress and success. On behalf of all Wockhardians worldwide, we assure to continue the growth momentum in the coming quarters.

Thank you and God bless you!

Regards,



Habil Khorakiwala
Chairman

WOCKHARDT LIMITED - CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST DECEMBER 2008

(Rs. in Million)

Quarter Ended 31/12/2007	Quarter Ended 31/12/2008	% Growth	Particulars	Year Ended 31/12/2008	% To Sales	% Growth	Year Ended 31/12/2007	% To Sales
7620	9519	24.9	Sales	35926	100.0	35.4	26532	100.0
5719	7555	32.1	Operating Expenditure	27844	77.5	38.2	20141	75.9
1901	1964	3.3	EBITDA	8082	22.5	26.5	6391	24.1
529	1389	162.6	Interest	4008	11.2	202.7	1324	5.0
236	369	56.4	Depreciation	1130	3.1	43.9	785	3.0
1136	206	(81.9)	Profit from Operations	2944	8.2	(31.2)	4282	16.1
-	(5545)	-	Exceptional Item Profit/(Loss)	(5810)	-	-	-	-
74	131	-	Other Income	356	-	-	460	-
(155)	1493	-	Provision for Taxation (Expense) /Credit	916	-	-	(917)	-
1055	(3715)	-	Profit / (Loss) After Tax	(1594)	-	-	3825	14.4
33	137	-	Share of Profit/(Loss) from Associates	205	-	-	33	-
1088	(3578)	-	Net Profit / (Loss)	(1389)	-	-	3858	14.5
547	547	-	Paid-up Equity Capital	547	-	-	547	-
9.94	(32.69)	-	Earning Per Share (Rs.)	(12.69)	-	-	35.25	-

Financial year of Wockhardt Limited is Jan - Dec

WOCKHARDT LIMITED - CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST MARCH 2009

(Rs. in Million)

MAT Ended 31/03/2008	MAT Ended 31/03/2009	% Growth	Particulars	Quarter Ended 31/03/2009	% To Sales	% Growth	Quarter Ended 31/03/2008	% To Sales
29161	36798	26.2	Sales	8694	100.0	10.7	7857	100.0
22192	28712	29.4	Operating Expenditure	6988	80.4	14.2	6120	77.9
6969	8086	16.0	EBITDA	1706	19.6	(1.8)	1737	22.1
1410	3143	123.0	Interest	1131	13.0	-	595	7.6
-	1440	-	Premium on FCCB	145	1.7	-	-	-
845	1201	42.1	Depreciation	311	3.6	29.0	241	3.1
4714	2302	(51.2)	Profit from Operations	119	1.4	(86.8)	901	11.5
(279)	(5748)	-	Exceptional Item Profit/(Loss)	(316)	-	-	(510)	-
133	317	-	Other Income	141	-	-	75	-
(914)	844	-	Provision for Taxation (Expense) /Credit	(142)	-	-	25	-
3654	(2285)	-	Profit / (Loss) After Tax	(198)	-	-	491	6.2
50	184	-	Share of Profit/(Loss) from Associates	(4)	-	-	17	-
3704	(2101)	-	Net Profit / (Loss)	(202)	-	-	508	6.5
547	547	-	Paid-up Equity Capital	547	-	-	547	-
33.85	(19.20)	-	Earning Per Share (Rs.)	(1.85)	-	-	4.64	-

Financial year of Wockhardt Limited is Jan - Dec

MAT = Moving Annual Total

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 E-mail : rgandhi@wockhardt.com

Please do visit our corporate website www.wockhardt.com