

Mumbai, 28th January, 2019

**Wockhardt Q3FY19 Net Sales at Rs.1,046 crore,
 up by 4% over Q3FY18**

	Q3-FY19	Q2-FY19	Q3-FY18	9M FY19	9M FY18	FY18
	Oct - Dec	Jul - Sep	Oct - Dec	Apr - Dec	Apr - Dec	Apr - Mar
	2018	2018	2017	2018	2017	2018
	INR Cr	INR Cr	INR Cr	INR Cr	INR Cr	INR Cr
Sales	1,046	1,125	1,005	3,179	2,919	3,937
EBITDA before R&D	98	134	107	322	185	232
EBITDA % to Sales	9.4%	11.9%	10.7%	10.1%	6.3%	5.9%
R&D	79	82	62	222	210	287
R&D % to Sales	7.6%	7.3%	6.2%	7.0%	7.2%	7.3%
EBITDA	19	52	45	100	(25)	(55)
EBITDA Margins %	1.9%	4.6%	4.5%	3.2%	-0.9%	-1.4%
PBT before exceptional item	(121)	(32)	(16)	(252)	(165)	(283)
Exceptional item*	-	-	-	-	(358)	(358)
PBT after exceptional item	(121)	(32)	(16)	(252)	(523)	(641)
Profit After Tax	(71)	(23)	(41)	(180)	(454)	(608)
PAT Margins %	-6.8%	-2.0%	-4.1%	-5.7%	-15.6%	-15.4%
EPS (Rs)	(6.4)	(2.1)	(3.7)	(16.3)	(41.0)	(55.0)

* Exceptional Item:

During the previous year, the on-going commercial litigation between the Company and two of its subsidiaries namely Wockhardt UK Holdings Limited and CP Pharmaceuticals Limited (CP) in relation to a supply contract with Cephalon Inc. (Cephalon) and affiliate of Teva Pharmaceuticals USA Inc. (Teva) before the High Court in London, United Kingdom, was settled at cost of GBP 43 million to the Group.

Wockhardt Limited, the Pharmaceutical and Biotechnology major, reported its 3rd Quarter and Nine Months Results for Financial Year 2018-19, today.

Business review for the 3rd quarter and Nine Months ended 31st December, 2018:

The business performance of the Company during the quarter ended 31st December, 2018 showed marked improvement with Sales growth of 4% over same period of previous year driven by growth in US and Emerging Markets.

The increase in revenue and gross margin was partially offset by increase in R&D and other expenses leading to decrease in EBITDA from Rs. 45 Crore in Q3 FY 18 to Rs. 19 Crore in current quarter. Costs of on-going remedial measures also continued to impact profitability.

The focus in strategic R&D initiatives of the Company in the global arena continued to remain one of the key priorities. Such strategic R&D expenses though meant for the future are expensed off.

India Business:

India Business stood at Rs.363 crore in Q3FY19 vs Rs.392 crore in Q3FY18. India Business contributed 35% of the Global Revenue.

US Business:

US Business grew by 39% in Q3FY19 over Q3FY18 in INR terms mainly on account of New Products launches and increased market share of some of the products of the Company. US Business contributed 23% of the Global Revenue.

Emerging Market Business of the Company witnessed growth of 15% in Q3FY19 over Q3FY18 and contributed about Rs.125 crore. (about 12% of the Global Revenue)

EU Business:

UK Business during the quarter de-grew by 6% in INR terms over Q3FY18. The Company successfully filed 1 new product during the quarter. UK Business contributed about 24% of Global Revenue.

Irish Business de-grew by 16% in INR terms in Q3FY19 vs Q3FY18.

Total EU Business contributed 30% of the Global Revenue and de-grew by 4% in INR terms over Q3FY18.

Research & Development expenditure during the quarter was at Rs.79 crore (8% to sales) and including capital expenditure is at 14% to sales.

Capital expenditure during the quarter was Rs.92 crore.

Nine months ended 31st December, 2018

India Business:

India Business grew by 6% in 9MFY19 over 9MFY18 and stood at Rs.1,213 crore in 9MFY19 vs Rs.1,147 crore in 9MFY18. Eight products were launched during 9MFY19. India Business contributed 38% of the Global Revenue.

US Business:

US Business grew by 26% in 9MFY19 over 9MFY18 in INR terms mainly on account of New Products launches and increased market share of some of the products of the Company. US Business contributed 19% of the Global Revenue.

Emerging Market Business of the Company grew by 38% in 9MFY19 over 9MFY18 and stood at Rs.388 crore vs Rs.282 crore.

EU Business:

UK Business de-grew by 5% in INR terms over 9MFY18. The Company launched two new products, received 1 new approval and successfully filed 3 new products during 9M FY19.

Irish Business grew by 5% in INR terms in 9MFY19 vs 9MFY18.

Total EU Business contributed 30% of the Global Revenue and de-grew by 4% in INR terms over 9MFY18.

Research & Development expenditure during 9M FY19 was at Rs.222 crore (7% to sales) and including capital expenditure is at 11% to sales.

Capital expenditure during 9M FY19 was Rs.252 crore.

Intellectual Property (IP) :

The company's continued pursuit in creating strong **Intellectual Property (IP)** base resulted into filing of 23 patents **during the Quarter ended 31st December, 2018** taking the cumulative filings to 3,126. The company was granted 8 patents during the quarter and now holds 680 patents.

Preference Shares:

During the quarter, the Company issued 4% Non-Convertible Non-Cumulative Redeemable Preference Shares ('NCCRPS'), on preferential basis, for an aggregate amount of Rs. 250 Crore in accordance with the approval of the Shareholders of the Company obtained on December 14, 2018. The NCCRPS were completely subscribed by the members of the promoter group.

The above sum was utilised to redeem the existing Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS Series 2) and Non-Convertible Cumulative Redeemable Preference Shares (NCCRPS Series 2 and Series 3) on its due date of redemption during the quarter. The total amount of redemption was Rs. 271 Crore.

About Wockhardt :

Wockhardt is a Global Pharmaceutical and Biotech company employing over 9,000 people and 27 nationalities with presence in USA, UK, Ireland, Switzerland, France, Mexico, Russia and many other countries. It has manufacturing and research facilities in India, USA & UK and a manufacturing facility in Ireland. Wockhardt has a significant presence in USA, Europe and India, with 62% of its global revenues coming from international businesses. Wockhardt is home to 600 plus scientists, of whom, 70 plus are doctorates. Wockhardt is the only company in the world where USFDA has given QIDP Status (Qualified Infectious Diseases Programme) for 5 of our Anti-bacterial discovery programmes – 2 of them are Gram Negative and 3 Gram Positive effective against untreatable "Superbugs". Wockhardt's entire Anti-infective portfolio particularly addresses the specific bacterial organism where resistances are high and breakthrough antibiotics are needed.