



Sales*

- Q2FY15 at Rs.948 crore.
- H1FY15 at Rs.1939 crore.

Adj. EBITDA*

- Q2FY15 at Rs.84 crore.
- H1FY15 at Rs.145 crore.
- Margins at 8.9% for Q2FY15 compared to 16.4% in Q2FY14 and at 7.5% for H1FY15 compared to 24% in H1FY14.

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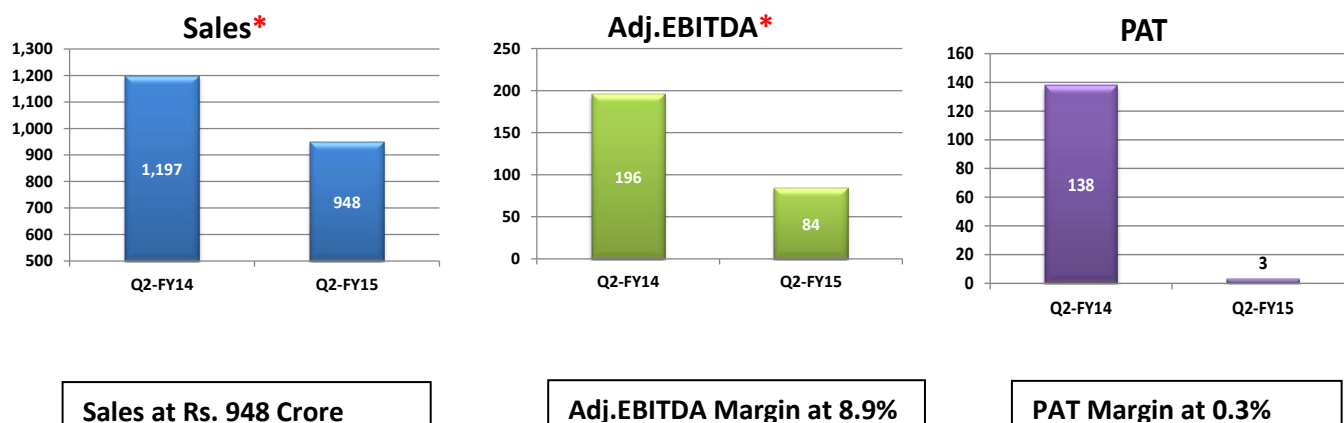
- Q2FY15 at Rs.3 crore.
- H1FY15 at Rs. 23 crore.

KEY INDICATORS

- Net Debt to Equity at 0.13 as of 30th Sep 2014
- Capital Expenditure of Rs.194 crore during H1FY15 and at Rs.127 crore for Q2FY15
- R&D expenses at 12.1% of Sales in Q2FY15 and at 11.9% of Sales in H1FY15

** Sales & Adj. EBITDA above does not include the compensation for litigation received by one of the subsidiaries of Rs.81 crores during Q2FY15.*

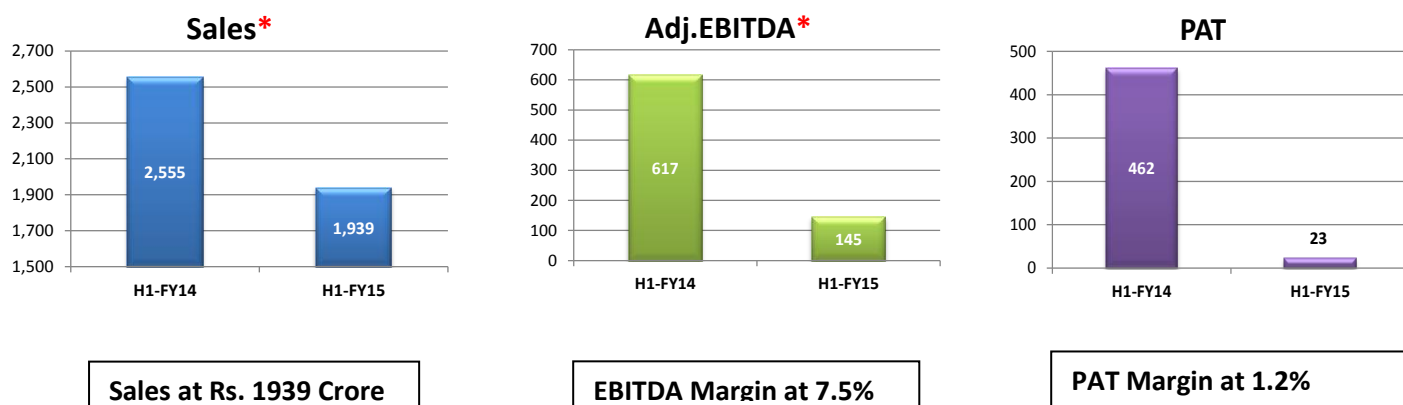
PERFORMANCE HIGHLIGHTS Q2FY15 vs. Q2FY14



- Consolidated revenues* at Rs.948 crore in **Q2FY15** versus Rs.1197 cores in **Q2FY14**, year-on-year decline of **20.8%**.
 - India & Emerging Markets Business grows by **14.9%**, India Business **grows** by **18.1%**
 - Europe Business (excluding France) marginally declines by **6.5%** (France grows by **45.3%**)
 - USA Business declines by **56.3%** (**56.7%** in \$ terms)
- Gross Margins at **65.1%** in **Q2FY15** improves from **59%** in **Q2FY14**.
- Adj.EBITDA* at Rs. **84** crore in **Q2FY15** versus Rs. **196** crore in **Q2FY14** declines **57%**.
- Adj.EBITDA* margins at **8.9%** in **Q2FY15** versus **16.4%** in **Q2FY14**.
- R&D Expenses at **12.1%** of Sales in **Q2FY15**.
- Profit After Tax at Rs. **3** crore in **Q2FY15**.

* Sales & Adj. EBITDA above excludes the compensation for litigation received by one of the subsidiaries of Rs.81 crores during Q2FY15.

PERFORMANCE HIGHLIGHTS H1FY15 vs. H1FY14



- Consolidated revenues* at Rs. **1939** crore in **H1FY15** versus Rs. **2555** cores in **H1FY14**, year-on-year decline of **24.1%**.
 - India & Emerging Markets Business grows by **15.7%**; India Business grows by **18%**.
 - Europe Business (excluding France) marginally **declines** by **3.6%** for **H1FY15** (France grows by **56.9%**)
 - USA Business declines by **58.6%** (**60%** in \$ terms)
- Steady Gross Margins at **63%** in **H1FY15** versus **62.8%** in **H1FY14**.
- Adj. EBITDA* at Rs. **145** crore in **H1FY15** versus Rs. **617** crore in **H1FY14** declines **76%**.
- Adj. EBITDA* margins at **7.5%** in **H1FY15** versus **24.1%** in **H1FY14**.
- R&D Expenses at **11.9%** of Sales in **H1FY15** and growth of **2.2%** over **H1FY14**.
- Profit After Tax at Rs. **23** crore in **H1FY15**.

* Sales & Adj. EBITDA above excludes the compensation for litigation received by one of the subsidiaries of Rs. 81 crores during Q2FY15.

Business Highlights

- **International operations**

- at Rs.639 crore, contributes **67.4%** of global revenues **for Q2FY15**, declines by **31.7%**
- at Rs.1335 crore, contributes **68.8%** of global revenues **for H1FY15**, declines by **34.7%**

- **US Business**

- At Rs. **228** crore **for the quarter** and at Rs. **515** crore **for H1FY15**.
- contributes **24%** of global revenues **for Q2FY15** with decline of **56.3%** (**56.7% on \$ basis**)
- contributes **26.6%** of global revenues **for H1FY15** with decline of **58.6%** (**60.1% on \$ basis**)

- **Europe Business**

- At Rs. **282** crore (excluding France) **for Q2FY15** and at Rs. **579** crore **for H1FY15**.
- Declines by **6.5%** (excluding France) **for Q2FY15**. France grows by **45.3%**.
- EU excluding France declines by **3.6%** for **H1FY15**. France grows by **56.9%**.
- Decline in **UK** markets at **3.8%** (decline by **11.7% £ basis**) for **Q2FY15**. Decline of **2%** (Decline of **13%** on **£ basis**) in **H1FY15**.
- 2nd largest generic company in the hospital segment and among top 5 Generic companies in UK.
- Irish market grows by **14.5%** (**11.9% on € basis**) **for Q2FY15**. Grows by **13.8%** (**6.3% on € basis**) in **H1FY15**. Launched **1** New Product in **Q2FY15**.

- **India & Emerging Markets Business**

- **India Business** grows by **18.1%** in **Q2FY15** and growth of **18%** in **H1FY15**.
- **Emerging Markets (Including India)** Business grows by **14.9%** for **Q2FY15** and grows by **15.7%** in **H1FY15**.

Financials

Consolidated P&L

Rs. Crore

Particulars	Q2-FY15	Q2-FY14	Growth %	H1FY15	Growth %
Revenues from Operations	1,029	1,197	-14.0%	2,020	-20.9%
Material Consumption	333	491	-32.2%	720	-24.3%
Gross Margins	696	706	-1.4%	1,300	-19.0%
Gross Margin %	67.6%	59.0%		64.4%	2.5%
Staff Cost	176	166	6.0%	353	10.0%
R&D Expenses	110	106	3.8%	221	8.3%
Other Expenditure	245	238	2.9%	500	8.2%
Total Expenditure	864	1,001	-13.7%	1,794	-7.4%
EBITDA	165	196	-15.8%	226	-63.4%
EBITDA Margin	16.0%	16.4%		11.2%	
Interest & Financing Cost					
a. Interest	14	19	-26.3%	29	-19.4%
b. (Income)/Expense due to Exchange Rate Fluctuation	48	25		43	
Depreciation	38	40	-5.0%	74	2.8%
Other Income	17	17		25	
Profit/(Loss) Before Tax before exceptional items	82	129	-36.1%	105	-78.4%
Exceptional Item Profit/(Loss)	0	0		2	
Profit/(Loss) before Tax	82	129	-36.1%	107	-78.2%
Provision for Taxation	78	13		79	
Deferred Taxation	-3	-22		-1	
Profit/(Loss) After Tax	7	138	-94.6%	29	-93.7%
Add: Share of Profit/(Loss) from Associates	0	0		0	
Less: Minority Interest	4	0		6	
Net Profit/(Loss)	3	138	-97.5%	23	-95.0%
Net Profit Margin %	0.3%	11.5%		1.1%	

Revenue from Operations for the quarter above includes compensation for litigation received by one of the subsidiaries Rs.81 Cr.

Business Review

US Operations

USA business for Wockhardt contributed 24% of the Global Revenues in Q2FY15 compared to 43.6% in the Q2FY14. Revenues from the US Business were at Rs. 228 crore in Q2FY15 versus Rs. 522 crore in Q2FY14, representing a decline of 56.3% in INR terms and 56.7% in USD terms.

The business contributed 26.6% of the Global Revenues in H1FY15 compared to 48.9% in H1FY14 with revenues at Rs.515 crore in H1FY15 compared to Rs. 1244 crore in H1FY14 representing a decline of 58.6% in INR terms and 60.1% in USD terms.

During H1FY15 13 ANDA's were filed, a total of 75 ANDA's pending for approval.

Europe Operations

Europe Operation (including France) contributed 34% of the Global Revenues in Q2FY15 and 34.4% in H1FY15. Revenues from EU Operations (excluding France) were at Rs.282 crore in Q2FY15 and at Rs.579 crore in H1FY15, representing a decline of 6.5% in INR terms in Q2FY15 and 3.6% in H1FY15. Revenues from French Operations were at Rs.42 crore in Q2FY15 and at Rs.88 crore in H1FY15, versus Rs.29 crore in Q2FY14 and Rs.56 crore in H1FY15, representing a growth of 45.3% in INR terms in Q2FY15 and a growth of 56.9% in H1FY15.

UK Operations (including Pinewood's UK business) revenues were at Rs.230 crore in Q2FY15 and at Rs.467 crore in H1FY15, versus Rs.239 crore in Q2FY14 and Rs.477 crore in H1FY14, representing a degrowth of 3.8% in INR terms in Q2FY15 and degrowth of 2% in H1FY15. UK received 4 approvals and made 9 filings in H1FY15.

Irish Business revenues were at Rs.38 crore in Q2FY15 and at Rs.82 crore in H1FY15, versus Rs.34 crore in Q2FY14 and Rs.72 crore in H1FY14, representing a growth of 14.5% in INR terms in Q2FY15 and a growth of 13.8% in H1FY15. 1 New Product was launched in Irish market in H1FY15.

India & Emerging Markets

India and Emerging Markets contributed 41.7% of the global revenues in Q2FY15. Revenues from India and Emerging Markets were at Rs.396 crore in Q2FY15 and at Rs.757 crore in H1FY15, versus Rs.344 crore in Q2FY14 and Rs.654 crore in H1FY14, representing a growth of 14.9% in Q2FY15 and growth of 15.7% in H1FY15.

- India Business grew by 18.1% during Q2FY15 and 18% for H1FY15.
- Emerging Markets business grew by 4.8% during the quarter and by 7.1% in H1FY15.
- 17 New products launched in Domestic Market during Q2FY15 and 33 new products launched in Domestic Market during H1FY15.

Financial Highlights

Key Consolidated Balance Sheet Items

Particulars	Sep-14	Mar-14
a. Fixed assets	2,223	2,152
b. Goodwill on consolidation	809	850
c. Other Assets	303	264
d. Cash, Bank balances, Liquid Investment	1,212	1,700
e. Net Current Assets	1,053	1,071
Total Assets	5,600	6,037
a. Shareholders funds	3,516	3,718
b. Loans	1,688	1,906
c. Other liabilities	396	413
Total Liabilities	5,600	6,037

Status Update on Recent Events

The status on the Import alerts on the Chikalthana and Waluj facility remains unchanged. The Companies effort to put the remediation measures in place continues.

About Wockhardt

Wockhardt is a highly technology intensive global pharmaceutical and biotechnology company. It's multi-disciplinary and innovative R&D programmes globally are strongly focused on creating Intellectual Properties. It has 3 research centres globally and manufacturing facilities across India, USA, UK and Ireland. Wockhardt has a significant presence in USA, Europe and India, with 79% of its global revenues coming from international businesses. With a large pool of Patents and Intellectual Property knowhow, Wockhardt is home to 850 scientists, of whom 80 are doctorates. In all, Wockhardt has 300 Patents granted worldwide. In biotechnology research, it has built competent 'Concept to Market' capability in all facets of development and manufacture of recombinant biopharmaceuticals. Wockhardt boasts of a multi-ethnic workforce of more than 8600 people from 21 different nationalities.

Disclaimer

Except for historical information contained herein, statements in this communication, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue" and similar expressions or variations of such expressions may constitute "forward looking statements". These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. Wockhardt Limited does not undertake any obligation to update forward looking statements to reflect events or circumstances after the date thereof.

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