

Sales

- Q2FY16 at Rs.1231crore.
- H1FY16 at Rs.2372crore.

EBITDA

- Q2FY16 at Rs.201 crore.
- H1FY16 at Rs.368 crore.
- Margins at 16% for Q2FY16 and H1FY16.

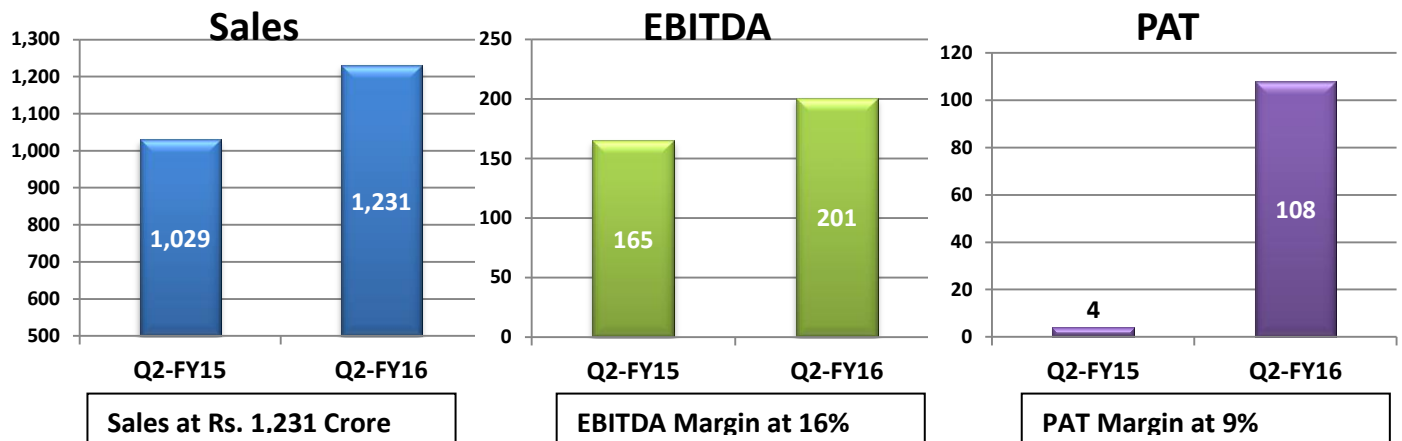
PAT

- Q2FY16 at Rs.108 crore.
- H1FY16 at Rs.222crore.

KEY INDICATORS

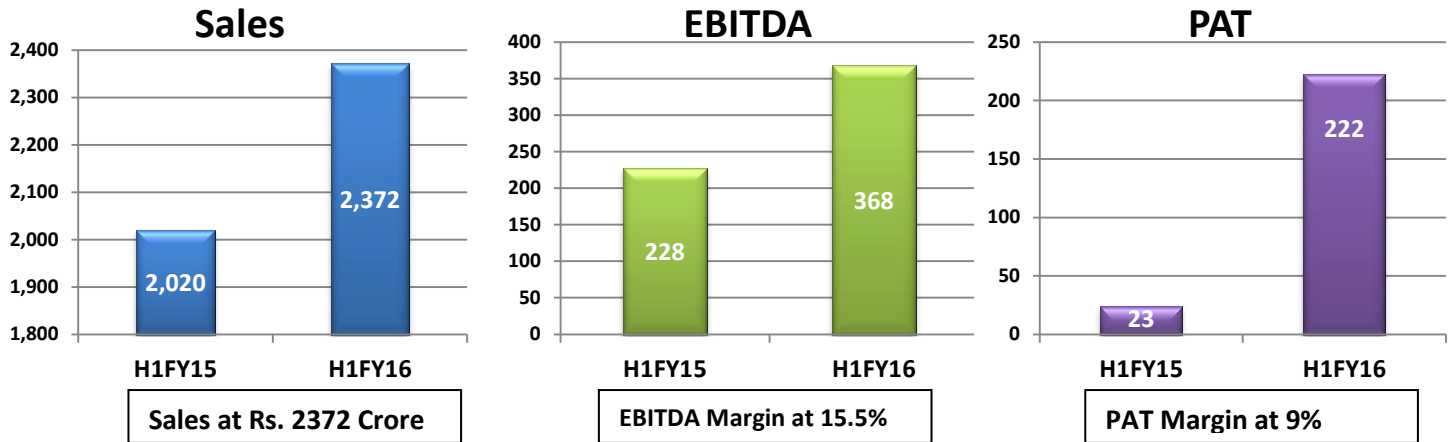
- Capital Expenditure of Rs.204 crore during H1FY16 and at Rs.97 crore for Q2FY16.
- R&D expenses at 13% of Sales in Q2FY16 and in H1FY16.

PERFORMANCE HIGHLIGHTS Q2FY16 vs. Q2FY15



- Consolidated revenues at Rs. **1,231** crore in **Q2FY16** versus Rs. **1,029** crore in **Q2FY15**, year-on-year growth of **20%**.
 - India & Emerging Markets Business grows by **24%**, India Business **grows** by **22%**
 - Europe Business (excluding France) grows by **36%** (France declines by **65%**)
 - USA Business grows by **2%** in INR & declines by **5%** USD terms.
- Gross Margins remains steady at **67%** in **Q2FY16** compared to **68%** in **Q2FY15**.
- EBITDA at Rs. **201** crore in **Q2FY16** versus Rs. **165** crore in **Q2FY15** grows by **22%**.
- EBITDA margins at **16%** in **Q2FY16**.
- R&D Expenses at **13%** of Sales in **Q2FY16**.
- Profit After Tax at Rs. **108** crore in **Q2FY16**.

PERFORMANCE HIGHLIGHTS H1FY16 vs. H1FY15



- Consolidated revenues at Rs.**2372** crore in **H1FY16** versus Rs.**2020** crore in **H1FY15**, year-on-year growth of **17%**.
 - India & Emerging Markets Business grows by **27%**.
 - Europe Business (excluding France) grew by **39%** for **H1FY16** (France degrows by **66%**)
 - USA Business declines by **11%** (**16%** in \$ terms)
- Steady Gross Margins at **66%** in **H1FY16** compared to **64%** in **H1FY15**.
- EBITDA at Rs. **368** crore in **H1FY16** versus Rs. **228** crore in **H1FY15** growth of **61%**.
- EBITDA margins at **16%** in **H1FY16** versus **11%** in **H1FY15**.
- R&D Expenses at **13%** of Sales in **H1FY16** and growth of **37%** over **H1FY15**.
- Profit After Tax at Rs. **222** crore in **H1FY16**.

Business Highlights

- **International operations**

- at Rs.854 crore, contributes **69%** of global revenues **for Q2FY16**, grows by **19%**
- at Rs.1620 crore, contributes **68%** of global revenues **for H1FY16**, grows by **14%**

- **US Business**

- At Rs. **232** crore **for the quarter** and at Rs. **459** crore **for H1FY16**.
- Contributes **19%** of global revenues **for Q2FY16** with growth of **2% in INR &** declines by **5% in USD terms**.
- Contributes **19%** of global revenues **for H1FY16** with decline of **11% (16% on \$ basis)**.

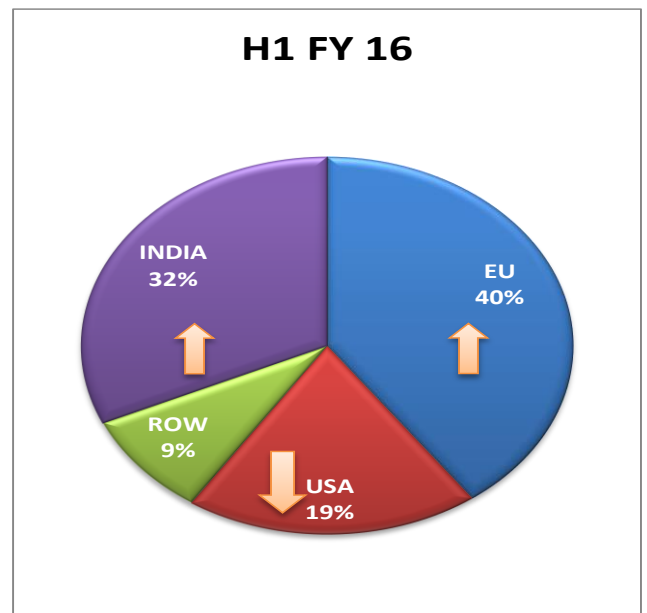
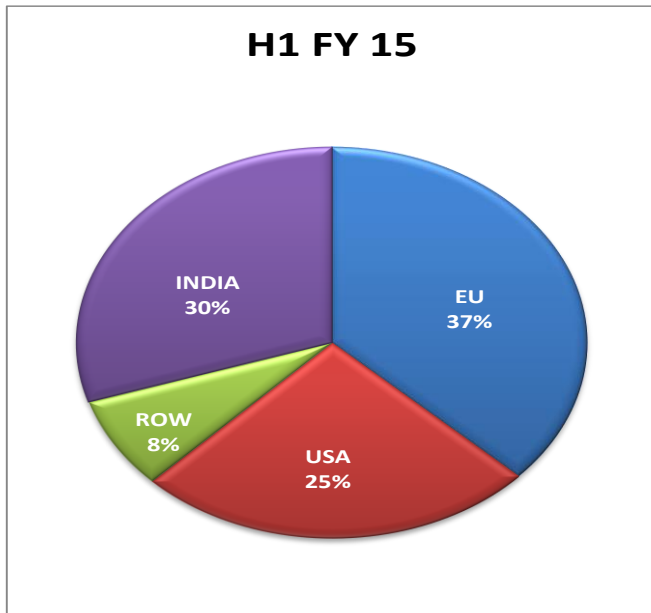
- **Europe Business**

- At Rs. **491** crore (excluding France) **for Q2FY16** and at Rs. **918** crore **for H1FY16**.
- Grows by **36%** (excluding France) **for Q2FY16**. France declines by **65%**.
- EU excluding France grows by **39%** for **H1FY16**. France degrows by **66%**.
- **UK** markets grows by **88%** (grows by **91% £ basis**) for **Q2FY16**. Growth of **71%** (growth of **75%** on **£ basis**) in **H1FY16**.
- Irish market remains **Flat** (grows by **11%** on **€ basis**) **for Q2FY16**. Declines by **6%** (grows by **7%** on **€ basis**) in **H1FY16**.

- **India & Emerging Markets Business**

- **India Business** grows by **22%** in **Q2FY16** and growth of **24%** in **H1FY16**.
- **Emerging Markets (Including India)** Business grows by **24%** for **Q2FY16** and grows by **27%** in **H1FY16**.

Share of Global Revenues:-



Financials

Consolidated P&L

Rs. Crore

Particulars	Q2-FY16	Q2-FY15	Growth %	H1FY16	Growth %
Revenues from Operations	1,231	1,029	19.6%	2,372	17.4%
Material Consumption	412	333	23.7%	817	13.5%
Gross Margins	819	696	17.7%	1,555	19.6%
Gross Margin %	66.5%	67.6%		65.6%	1.9%
Staff Cost	210	176	19.3%	403	14.2%
R&D Expenses	140	110	27.3%	283	28.1%
Other Expenditure	268	245	9.4%	501	0.6%
Total Expenditure	1,030	864	19.2%	2,004	11.8%
EBITDA	201	165	21.8%	368	61.4%
EBITDA Margin	16.3%	16.0%		15.5%	
Interest & Financing Cost					
Interest Exp	23	14	64.3%	40	37.9%
(Income)/Expense due to Exchange Rate Fluctuation	16	49		1	
Depreciation	35	37	-5.4%	69	-6.8%
Other Income	7	17		30	
Profit/(Loss) Before Tax before exceptional items	134	82	63.7%	288	169.2%
Exceptional Item Profit/(Loss)	-	-		-	
Profit/(Loss) before Tax	134	82	63.7%	288	169.2%
Tax Expense	18	75		52	
Profit/(Loss) After Tax	116	7	1557.1%	236	713.8%
Add: Share of Profit/(Loss) from Associates	0	0		1	
Less: Minority Interest	8	3		15	
Net Profit/(Loss)	108	4	2600.0%	222	865.2%
Net Profit Margin %	8.8%	0.4%		9.4%	

Business Review

US Operations

USA business for Wockhardt contributed 19% of the Global Revenues in Q2FY16 compared to 22% in the Q2FY15. Revenues from the US Business were at Rs. 232 crore in Q2FY16 versus Rs. 228 crore in Q2FY15, representing a growth of 2% in INR and decline of 5% in USD terms.

The business contributed 19% of the Global Revenues in H1FY16 compared to 25% in H1FY15 with revenues at Rs.459 crore in H1FY16 compared to Rs. 515 crore in H1FY15 representing a decline of 11% in INR terms and 16% in USD terms.

The company received 1 approval during the quarter & 2 approvals during H1FY16 and have filed 5 ANDA's with US FDA in H1FY16. Total of 72 ANDA's are pending for approval till date.

Europe Operations

Europe Operation (including France) contributed 41% of the Global Revenues in Q2FY16 and 40% in H1FY16. Revenues from EU Operations (excluding France) were at Rs.491 crore in Q2FY16 and at Rs.918 crore in H1FY16, representing a growth of 36% in INR terms in Q2FY16 and 39% in H1FY16. Revenues from French Operations were at Rs.15 crore in Q2FY16 and at Rs.30 crore in H1FY16, versus Rs.42 crore in Q2FY15 and Rs.88 crore in H1FY15, representing a decline of 65% in INR terms in Q2FY16 and a degrowth of 66% in H1FY16.

UK Operations (including Pinewood's UK business) revenues were at Rs.432 crore in Q2FY16 and at Rs.801 crore in H1FY16, versus Rs.230 crore in Q2FY15 and Rs.467 crore in H1FY15, representing a growth of 88% in INR terms in Q2FY16 and growth of 71% in H1FY16. UK made 1 new filings and received 6 new approvals in H1FY16.

Irish Business revenues were at Rs.38 crore in Q2FY16 and at Rs.77 crore in H1FY16, versus Rs.38 crore in Q2FY15 and Rs.82 crore in H1FY15, remaining flat in INR terms in Q2FY16 and a de-growth of 6% in H1FY16.

India & Emerging Markets

India and Emerging Markets contributed 40% of the global revenues in Q2FY16. Revenues from India and Emerging Markets were at Rs.493 crore in Q2FY16 and at Rs.965 crore in H1FY16, versus Rs.397 crore in Q2FY15 and Rs.758 crore in H1FY15, representing a growth of 24% in Q2FY16 and growth of 27% in H1FY16.

- India Business grew by 22% during Q2FY16 and 24% for H1FY16.
- Emerging Markets business grew by 32% during the quarter and grew by 38% in H1FY16.
- 8 New products launched in Domestic Market during Q2FY16 and 32 new products launched in Domestic Market during H1FY16.

Financial Highlights

Particulars	Sep-15	Mar-15
a. Fixed assets	2,570	2,416
b. Goodwill on consolidation	776	715
c. Other Assets	326	287
d. Cash, Bank balances, Liquid Investment	1,440	1,573
e. Net Current Assets	1,787	1,368
Total Assets	6,899	6,359
a. Shareholders funds	3,789	3,715
b. Minority Interest	478	144
c. Loans	2,131	2,010
d. Other liabilities	501	489
Total Liabilities	6,899	6,359

- ✓ Net Debt to Equity now at 0.18 as against 0.12 as of 31st Mar 2015.
- ✓ Capital Expenditure of Rs 204 during H1FY16.
- ✓ R&D expenses at 13% of sales in Q2FY16 and H1FY16.

Status Update on Recent Events

During the quarter the company had got approval from US FDA for marketing Memantine HCL Tablets from Third Party facilities. The company had also received approval for Oxycodone last Quarter. During six months ended, the company received the coveted Breakthrough discovery (QIDP) status for another NCE product WCK 4873 by US FDA. The company's on-going efforts towards remediation and compliance measures for Chikalthana and Waluj facilities continue to be in place. Supplies has been resumed from L1 facility to UK Market.

About Wockhardt

Wockhardt is a Research based and 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 68% 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 411 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 from 21 different nationalities.

Disclaimer

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