

<p><b>Sales</b></p>	<ul style="list-style-type: none"> <li>• Q4FY17 : Rs.864 crore vs Rs 1,010 crore in PY</li> <li>• FY16-17 : Rs.4,015 crore vs Rs 4,453 crore in PY (PY excluding "one offs" Rs.4,142 crore)</li> </ul>
<p><b>EBITDA</b> Excluding "One offs &amp; R&amp;D"</p>	<ul style="list-style-type: none"> <li>• Q4FY17 : Rs.(87) crore vs Rs 145 crore in PY</li> <li>• FY16-17 : Rs.423 crore vs Rs 699 crore in PY</li> <li>• Margins : 11% Vs 17% in PY.</li> </ul>
<p><b>EBITDA</b></p>	<ul style="list-style-type: none"> <li>• Q4FY17 : Rs.(177) crore vs Rs 72 crore in PY</li> <li>• FY16-17 : Rs.26 crore vs Rs 509 crore in PY</li> </ul>
<p><b>PAT</b></p>	<ul style="list-style-type: none"> <li>• Q4FY17 : Rs (175) crore vs Rs (5) crore in PY</li> <li>• FY16-17 : Rs.(196) crore vs Rs 251 crore in PY</li> </ul>
<p><b>KEY INDICATORS</b></p>	<ul style="list-style-type: none"> <li>• Capital Expenditure of Rs.409 crore during FY16-17 and at Rs 95 crore for Q4FY17.</li> </ul>

# PERFORMANCE HIGHLIGHTS

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## Consolidated Financials – Q4 :

- Consolidated revenues at Rs. **864** crore in **Q4FY17** vs Rs. **1,010** crore in **Q4FY16**.
  - India Business de grew by **4%** in **Q4FY17**.
  - UK revenues de grew by **14%** in GBP terms.
  - Emerging market Business grew by **15%** in Q4FY17 compared to Q4FY16.
  - US Business de grew by **31%** in **Q4FY17**.
- Gross Margins at **50%** in **Q4FY17**.
- EBITDA at Rs. **(177)** crore (Margin at -20% to sales) compared to Rs. **72** crore (Margin at 7% to sales) in **Q4FY16**.

## Consolidated Financials – Full Year :

- Consolidated revenues at Rs. **4,015** crore in **FY16-17** versus Rs. **4,453** crore in **FY15-16**.  
Excluding one-offs revenues de grew by **3%**.
  - India Business grew by **6%** in **FY16-17**.
  - UK revenues in GBP terms grew by **8%** excluding one time opportunity
  - Emerging market Business de grew by 10% whereas US Business de grew by 25% in FY16-17.
- Gross Margins at **59%** in **FY16-17** compared to **64%** in **FY15-16**.
- EBITDA excluding one offs and before R&D spend was Rs. **423** crore (Margin at 11% to sales) lower than Rs. 699 crore (Margin at 17% to sales) in corresponding previous period.
- EBITDA at Rs. **26** crore compared to Rs. **509** crore in **FY15-16**.

# Business Highlights

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- **International operations**

- at Rs. **536** crore, contributes **62%** of global revenues **for Q4FY17**, de grows by 20% compared to **Q4FY16** mainly on account of subdued business in US market.
- at Rs. **2,488** crore, contributes **62%** of global revenues **for FY16-17**, de grows by 18% compared to **FY15-16** mainly on account of one-time opportunity in UK in corresponding previous period; excluding which it degrew by 8% mainly on account of subdued business in US market and impact of Brexit in UK.

- **India & Emerging Markets Business**

- **India Business** grew by **6%** and de grew by 4% in **FY16-17** and Q4FY17 respectively.
- **Emerging Markets Business** stood at Rs. 114 crore in Q4FY17 compared to Rs. 99 crore in corresponding previous quarter and Rs. 369 crore in FY16-17 compared to Rs. 412 crore in FY15-16.

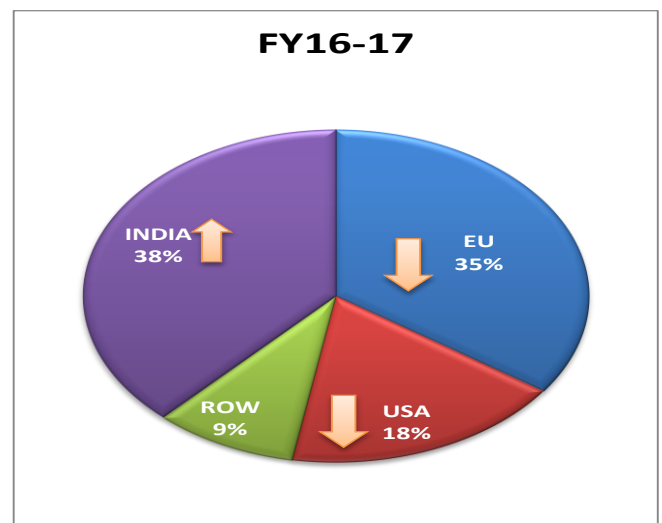
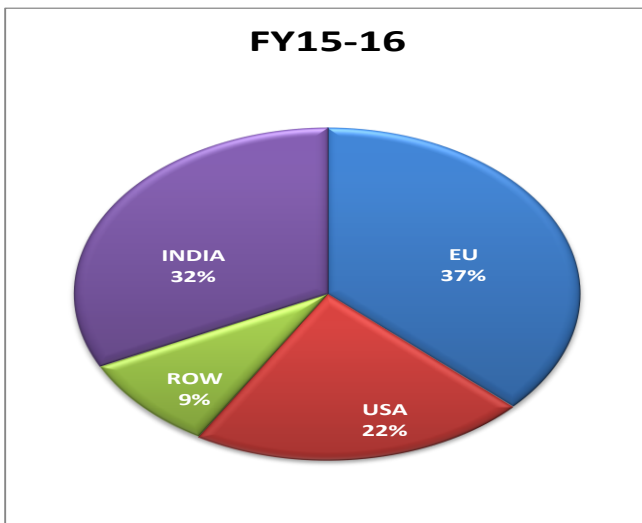
- **Europe Business**

- At Rs. **251** crore (excluding France) **for Q4FY17** against Rs. 326 crore in Q4FY16 and at Rs. **1,327** crore **for FY16-17** against Rs. 1,583 crore in FY15-16 (excluding one time opportunity in FY 15-16 Rs. 1,272 crore representing a **growth of 4%**).
- **UK** markets de **grew** by **14%** in GBP terms in **Q4FY17** compared to **Q4FY16** and **grew by 8%** in **FY16-17** (GBP terms) over FY15-16 (excluding one time opportunity).
- France remained Flat in **Q4FY17** and grew by 12% in **FY16-17**.
- Irish market de grew by 9% in INR terms in **Q4FY17** and de grew by 6% in INR terms in **FY16-17**.

- **US Business**

- At Rs. **156** crore **for the quarter** and at Rs. **726** crore **for FY16-17**.
- Contributes **18%** of global revenues in **Q4FY17** & **FY16-17**. De grows by 31% for Q4FY17 and de grew by 25% for FY16-17 mainly due to subdued business in US.

### Share of Global Revenues:-



## Financials

### Consolidated P&L

Rs. Crore

Particulars	Q4-FY17	Q3-FY17	Q4-FY16	FY16-17	FY15-16
Revenues from Operations	864	995	1010	4015	4453
Revenues from Operations excl "one offs"	864	995	1010	4015	4142
Material Consumption	436	410	397	1650	1602
<b>Gross Margins</b>	<b>428</b>	<b>585</b>	<b>613</b>	<b>2365</b>	<b>2851</b>
<b>Gross Margin %</b>	<b>50%</b>	<b>59%</b>	<b>61%</b>	<b>59%</b>	<b>64%</b>
Staff Cost	195	211	187	826	799
R&D Expenses	90	100	73	397	498
Other Expenditure	320	256	281	1116	1045
<b>Total Expenditure</b>	<b>1041</b>	<b>977</b>	<b>938</b>	<b>3989</b>	<b>3944</b>
<b>EBITDA</b>	<b>(177)</b>	<b>18</b>	<b>72</b>	<b>26</b>	<b>509</b>
<b>EBITDA Margin</b>	<b>-20%</b>	<b>2%</b>	<b>7%</b>	<b>1%</b>	<b>11%</b>
<b>EBITDA excl "one offs" &amp; before R&amp;D</b>	<b>(87)</b>	<b>118</b>	<b>145</b>	<b>423</b>	<b>699</b>
<b>EBITDA Margin excl "one offs" &amp; before R&amp;D</b>	<b>-10%</b>	<b>12%</b>	<b>14%</b>	<b>11%</b>	<b>17%</b>
Interest Expenses (Net)	44	44	29	162	84
(Income)/Expense due to Exchange Rate Fluctuation	(13)	17	6	13	15
Depreciation	37	38	37	149	142
Other Income / (Loss)	41	5	4	51	21
<b>Profit/(Loss) Before Tax before exceptional items</b>	<b>(204)</b>	<b>(76)</b>	<b>4</b>	<b>(247)</b>	<b>289</b>
Exceptional Item Profit/(Loss)	0	0	0	0	0
<b>Profit/(Loss) before Tax</b>	<b>(204)</b>	<b>(76)</b>	<b>4</b>	<b>(247)</b>	<b>289</b>
Tax Expense (Including Deferred Tax)	3	(15)	17	(21)	37
<b>Profit After Tax (PAT)</b>	<b>(207)</b>	<b>(61)</b>	<b>(13)</b>	<b>(226)</b>	<b>252</b>
Add: Share of Profit/(Loss) from Associates	0	0	0	0	1
Less: Non-Controlling Interest	(32)	(7)	(8)	(30)	2
<b>PAT after Non-Controlling Interest</b>	<b>(175)</b>	<b>(54)</b>	<b>(5)</b>	<b>(196)</b>	<b>251</b>
<b>PAT after Non-Controlling Interest Margin %</b>	<b>-20%</b>	<b>-5%</b>	<b>-1%</b>	<b>-5%</b>	<b>6%</b>

# Business Review

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## India & Emerging Markets

India and Emerging Markets contributed 51% of the global revenues in Q4FY17 and stood at Rs.442 crore in Q4FY17 and at Rs.1,896 crore in FY16-17, vs Rs.442 crore in Q4FY16 and Rs.1,847 crore in FY15-16, representing a growth of 3% in FY16-17.

- India Business de grew 4% over Q4FY16 and grew by 6% in FY16-17.
- 24 new products launched during FY16-17 in line with focused strategies on various therapies and new products launches.
- Emerging Markets business grew by 15% in Q4FY17 compared to Q4FY16 and de grew by 10% in FY16-17.

## Europe Operations

Europe Operation (including France) contributed 31% of the Global Revenues in Q4FY17 and 35% in FY16-17. Revenues from EU Operations (excluding France) were at Rs.251 crore in Q4FY17 and at Rs.1,327 crore in FY16-17. Revenues from French Operations were at Rs.15 crore in Q4FY17 and at Rs.66 crore in FY16-17, versus Rs.15 crore in Q4FY16 and Rs.59 crore in FY15-16, representing a growth of 12% in INR terms in FY16-17.

UK Operations (including Pinewood's UK business) revenues were at Rs.210 crore in Q4FY17 and at Rs.1,041 crore in FY16-17, vs Rs.278 crore in Q4FY16 and Rs.1,362 crore in FY15-16, representing a degrowth of 24% in Q4FY17 and FY16-17 in INR terms. The de growth was mainly on account of one-time opportunity in previous period FY15-16. UK made 7 new filings and received 3 new approvals in FY16-17.

Irish Business revenues were at Rs.32 crore in Q4FY17 and at Rs.139 crore in FY16-17, vs Rs.35 crore in Q4FY16 and Rs.148 crore in FY15-16, de grew by 9% Q4FY16 in INR terms and a de-growth of 6% in FY16-17.

## US Operations

US business for Wockhardt contributed 18% of the Global Revenues in Q4FY17 compared to 22% in the Q4FY16. Revenues from the US Business were at Rs. 156 crore in Q4FY17 versus Rs. 227 crore in Q4FY16.

In FY16-17, US business stood at 18% of the Global Revenues compared to 22% in FY15-16 with revenues at Rs.726 crore in FY16-17 compared to Rs. 964 crore in FY15-16.

The company filled 4 new ANDA's in Q4FY17 and received 2 new approvals, taking cumulative pending for approval as on date at 83.

## Financial Highlights

Particulars	Mar-17	Mar-16
a. Fixed assets (including Intangibles)	3,280	3,052
b. Goodwill on consolidation	737	793
c. Other Assets	643	584
d. Cash, Bank balances, Liquid Investment	2,166	1,478
e. Net Current Assets	1,570	1,543
<b>Total Assets</b>	<b>8,396</b>	<b>7,450</b>
a. Shareholders funds	3,337	3,775
b. Non-Controlling Interest	382	465
c. Loans	4,147	2,677
d. Other liabilities	530	533
<b>Total Liabilities</b>	<b>8,396</b>	<b>7,450</b>

- ✓ Net Debt to Equity now at 0.59 as against 0.32 as of 31<sup>st</sup> Mar 2016.
- ✓ Capital Expenditure of Rs 409 crore during FY17.

## Other Update

In a recent meeting between Wockhardt Research Team and US FDA New Drug Antibiotic Regulatory Team, US FDA agreed to abridged clinical trial for Phase III for Wockhardt's superdrug antibiotic WCK 5222. This was based on evaluation by US FDA of its preclinical and clinical data of Phase I establishing safety and clinical scope of efficacy for the drug. WCK 5222 contains Zidebactam coming out of Wockhardt's Drug Discovery team 140 strong scientists working for antibiotic research since last 20 years.

## About Wockhardt

Wockhardt is a Global Pharmaceutical and Biotech company employing over 10,000 people and 27 nationalities with presence in USA, UK, Ireland, 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 850 scientists, of whom 100 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. Wockhardt's entire Anti-infective portfolio particularly addresses the specific bacterial organism where resistances are high and breakthrough antibiotics are needed

## Disclaimer

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