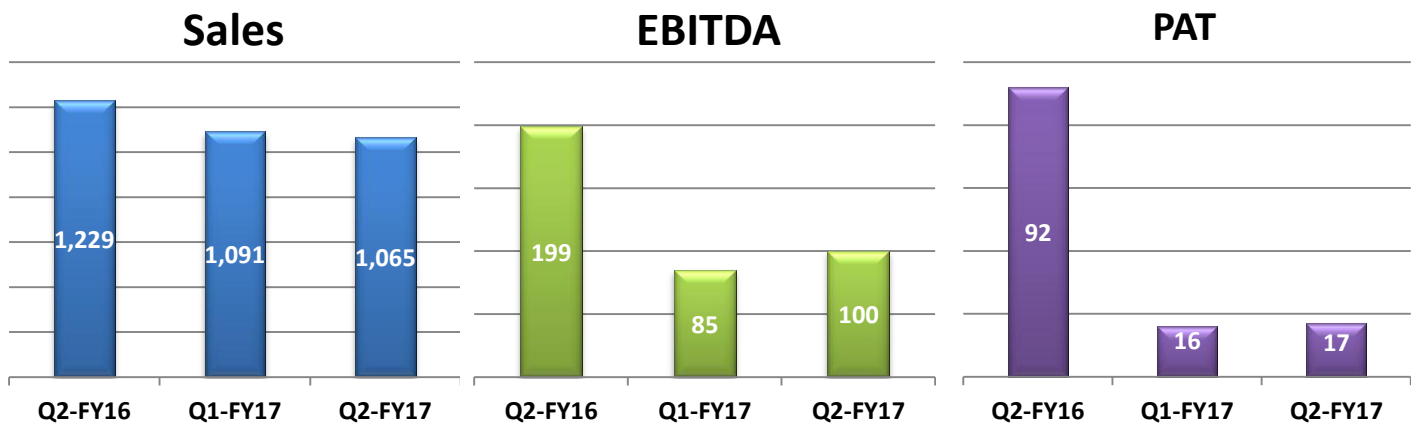


<p><b>Sales</b></p>	<ul style="list-style-type: none"> <li>• Q2FY17 : Rs.1,065 crore vs Rs 1,229 crore in PY (PY excluding "one offs" Rs.1,050 crore)</li> <li>• H1FY17 : Rs.2,156 crore vs Rs 2,368 crore in PY(PY excluding "one offs" Rs.2,057 crore)</li> </ul>
<p><b>EBITDA</b> Excluding "One offs &amp; R&amp;D"</p>	<ul style="list-style-type: none"> <li>• Q2FY17 : Rs.199 crore vs Rs 162 crore in PY</li> <li>• Margins : 19% Vs 15% in PY.</li> <li>• H1FY17 : Rs.392 crore vs Rs 339 crore in PY</li> <li>• Margins : 18% Vs 16% in PY.</li> </ul>
<p><b>EBITDA</b></p>	<ul style="list-style-type: none"> <li>• Q2FY17 : Rs.100 crore vs Rs 199 crore in PY</li> <li>• Margins : 9% Vs 16% in PY.</li> <li>• H1FY17 : Rs.185 crore vs Rs 364 crore in PY</li> <li>• Margins : 9% Vs 15% in PY.</li> </ul>
<p><b>PAT</b></p>	<ul style="list-style-type: none"> <li>• Q2FY17 : Rs.17 crore vs Rs 92 crore in PY</li> <li>• H1FY17 : Rs.33 crore vs Rs 184 crore in PY</li> </ul>
<p><b>KEY INDICATORS</b></p>	<ul style="list-style-type: none"> <li>• Capital Expenditure of Rs.204 crore during H1FY17 and at Rs 88 crore for Q2FY17.</li> </ul>

# PERFORMANCE HIGHLIGHTS Q2FY17 vs. Q2FY16



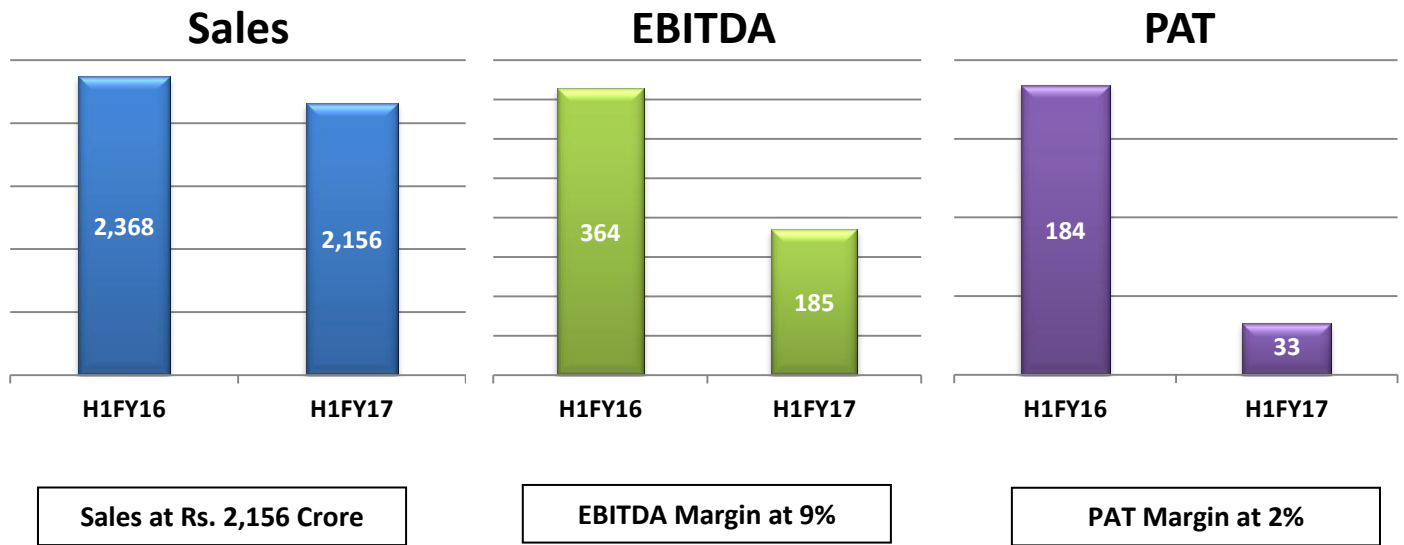
Sales at Rs. 1,065 Crore

EBITDA Margin at 9%

PAT Margin at 2%

- Consolidated revenues at Rs. **1,065** crore in **Q2FY17** vs Rs. **1,229** crore in **Q2FY16**. Excluding one-offs, revenues **grew** by **1%** compared to Q2FY16.
  - India Business grew by **15%** in **Q2FY17**.
  - UK revenues de grew by **37%** (excluding one-time opportunity **grew** by **8%**).
  - Emerging market Business de grew by **26%** whereas US Business de grew by **22%** in **Q2FY17**.
- Gross Margins at **64%** in **Q2FY17** compared to **66%** in **Q2FY16**.
- EBITDA excluding one-time opportunities and before R&D spend was Rs. **199** crore (Margin at 19% to sales) compared to Rs. **162** crore (Margin at 15% to sales) in corresponding previous period.
- EBITDA at Rs. **100** crore (Margin at 9% to sales) compared to Rs. **199** crore (Margin at 16% to sales) in **Q2FY17**.
- PAT grew marginally to Rs. **17** crore in **Q2FY17**.

# PERFORMANCE HIGHLIGHTS H1FY17 vs. H1FY16



- Consolidated revenues at Rs. **2,156** crore in **H1FY17** versus Rs. **2,368** crore in **H1FY16**. Excluding one-offs revenues **grew** by **5%**.
  - India Business grew by **12%** in **H1FY17**.
  - UK revenues de grew by **29%** (excluding one-time opportunity **grew** by **17%**).
  - Emerging market Business de grew by **21%** whereas US Business de grew by 19% in H1FY17.
- Gross Margins at **63%** in **H1FY17** compared to **65%** in **H1FY16**.
- EBITDA excluding one offs and before R&D spend was Rs. **392** crore (Margin at 18% to sales) compared to Rs. **339** crore (Margin at 16% to sales) in corresponding previous period.
- EBITDA at Rs. **185** crore (Margin at 9% to sales) compared to Rs. **364** crore (Margin at 15% to sales) in **H1FY16**.
- PAT at Rs. **33** crore in **H1FY17**.

# Business Highlights

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- **International operations**

- at Rs. **633** crore, contributes **59%** of global revenues **for Q2FY17**, de grows by **26%** compared to **Q2FY16** mainly on account of one-time opportunity in UK in corresponding previous period; excluding which it **de grew** marginally by **6%** in spite of major devaluation of GBP post Brexit.
- at Rs. **1,312** crore, contributes **61%** of global revenues **for H1FY17**, de grows by **19%** compared to **H1FY16** mainly on account of one-time opportunity in UK in corresponding previous period; excluding which it **grew** by **1%**.

- **India & Emerging Markets Business**

- **India Business grew** by **15%** and by **12%** in **Q2FY17** and **H1FY17**.
- Emerging Markets Business stood at Rs. 84 crore in Q2FY17 compared to Rs. 114 crore in corresponding previous quarter and Rs. 164 crore in H1FY17 compared to Rs. 208 crore in H1FY16.

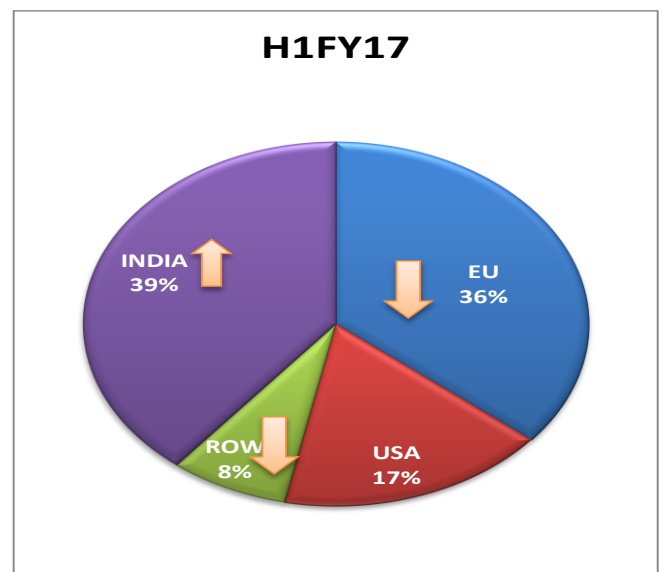
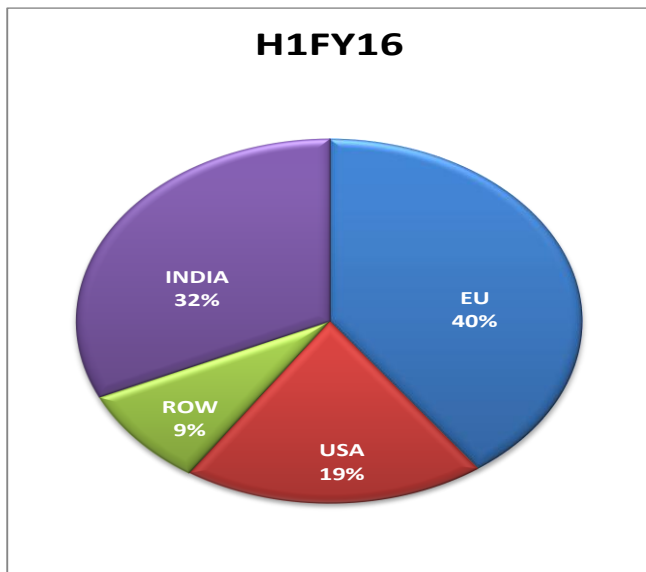
- **Europe Business**

- At Rs. **350** crore (excluding France) **for Q2FY17** and at Rs. **739** crore **for H1FY17**.
- **UK** markets, excluding one-time opportunity, **improved** by **8%** in **INR terms** for **Q2FY17** compared to **Q2FY16**.
- France grew by **13%** in **Q2FY17** and by **20%** in **H1FY17**.
- Irish market **grew** by **3%** in INR terms in **Q2FY17** whereas de grew by **8%** in INR terms in **H1FY17**.

- **US Business**

- At Rs. **182** crore **for the quarter** and at Rs. **373** crore **for H1FY17**.
- Contributes **17%** of global revenues both **for Q2FY17 & H1FY17**. De grows by **22%** for **Q2FY17** and de grew by **19%** for **H1FY17**.

### Share of Global Revenues:-



## Financials

### Consolidated P&L

Rs. Crore

Particulars	Q2-FY17	Q1-FY17	Q2-FY16	H1FY17	H1FY16
<b>Revenues from Operations</b>	<b>1,065</b>	<b>1,091</b>	<b>1,229</b>	<b>2,156</b>	<b>2,368</b>
<i>Revenues from Operations excl "one offs"</i>	<i>1,065</i>	<i>1,091</i>	<i>1,050</i>	<i>2,156</i>	<i>2,057</i>
Material Consumption	388	416	415	804	822
<b>Gross Margins</b>	<b>677</b>	<b>675</b>	<b>814</b>	<b>1,352</b>	<b>1,546</b>
<i>Gross Margin %</i>	<i>63.6%</i>	<i>61.9%</i>	<i>66.2%</i>	<i>62.7%</i>	<i>65.3%</i>
Staff Cost	207	213	210	420	406
R&D Expenses	99	108	140	207	283
Other Expenditure	271	269	265	540	493
<b>Total Expenditure</b>	<b>965</b>	<b>1,006</b>	<b>1,030</b>	<b>1,971</b>	<b>2,004</b>
<b>EBITDA</b>	<b>100</b>	<b>85</b>	<b>199</b>	<b>185</b>	<b>364</b>
<i>EBITDA Margin</i>	<i>9.4%</i>	<i>7.8%</i>	<i>16.2%</i>	<i>8.6%</i>	<i>15.4%</i>
<b>EBITDA excl "one offs" &amp; before R&amp;D</b>	<b>199</b>	<b>193</b>	<b>162</b>	<b>392</b>	<b>339</b>
<i>EBITDA Margin excl "one offs" &amp; before R&amp;D</i>	<i>18.7%</i>	<i>17.7%</i>	<i>15.4%</i>	<i>18.2%</i>	<i>16.5%</i>
Interest Expenses (Net)	39	34	19	73	34
(Income)/Expense due to Exchange Rate Fluctuation	-1	10	16	9	1
Depreciation	38	36	35	74	69
Other Income / (Loss)	2	2	-19	4	-22
<b>Profit/(Loss) Before Tax before exceptional items</b>	<b>26</b>	<b>7</b>	<b>110</b>	<b>33</b>	<b>238</b>
Exceptional Item Profit/(Loss)	-	-	-	-	-
<b>Profit/(Loss) before Tax</b>	<b>26</b>	<b>7</b>	<b>110</b>	<b>33</b>	<b>238</b>
Tax Expense (Including Deferred Tax)	1	(10)	12	(9)	43
Provision for Taxation	8	3	8	11	36
Deferred Taxation	-7	-13	4	-20	7
<b>Profit After Tax (PAT)</b>	<b>25</b>	<b>17</b>	<b>98</b>	<b>42</b>	<b>195</b>
Add: Share of Profit/(Loss) from Associates	0	0	0	0	1
Less: Non-Controlling Interest	8	1	6	9	12
<b>PAT after Non-Controlling Interest</b>	<b>17</b>	<b>16</b>	<b>92</b>	<b>33</b>	<b>184</b>
<i>PAT after Non-Controlling Interest Margin %</i>	<i>1.6%</i>	<i>1.5%</i>	<i>7.5%</i>	<i>1.5%</i>	<i>7.8%</i>

# Business Review

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## India & Emerging Markets

India and Emerging Markets contributed 48% of the global revenues in Q2FY17 and stood at Rs.516 crore in Q2FY17 and at Rs.1,008 crore in H1FY17, vs Rs.491 crore in Q2FY16 and Rs.962 crore in H1FY16, representing a growth of 5% both in Q2FY17 and H1FY17.

- India Business grew by 5% quarter on quarter, 15% over Q2FY17 and grew by 12% in H1FY17.
- 10 New products launched in India during Q2FY17 and 21 new products launched during H1FY17.
- Emerging Markets business grew by 6% quarter on quarter however, de grew by 26% in Q2FY17 compared to Q2FY16 and de grew by 21% in H1FY17.

## Europe Operations

Europe Operation (including France) contributed 34% of the Global Revenues in Q2FY17 and 36% in H1FY17. Revenues from EU Operations (excluding France) were at Rs.349 crore in Q2FY17 and at Rs.738 crore in H1FY17. Revenues from French Operations were at Rs.17 crore in Q2FY17 and at Rs.36 crore in H1FY17, versus Rs.15 crore in Q2FY16 and Rs.30 crore in H1FY16, representing a growth of 13% in INR terms in Q2FY17 and a growth of 20% in H1FY17.

UK Operations (including Pinewood's UK business) revenues were at Rs.273 crore in Q2FY17 and at Rs.571 crore in H1FY17, vs Rs.432 crore in Q2FY16 and Rs.801 crore in H1FY16, representing a degrowth of 37% in Q2FY17 and degrowth of 29% in H1FY17 in INR terms. The de-growth was mainly on account of one-time opportunity in the corresponding previous period excluding which UK Operation grew by 8% in Q2FY17 and 17% in H1FY17 and in spite of major GBP devaluation post Brexit. UK made 4 new filings and received 3 new approvals in H1FY17.

Irish Business revenues were at Rs.39 crore in Q2FY17 and at Rs.71 crore in H1FY17, vs Rs.38 crore in Q2FY16 and Rs.77 crore in H1FY16, representing a growth of 3% in Q2FY16 in INR terms and a de-growth of 8% in H1FY17.

## US Operations

US business for Wockhardt contributed 17% of the Global Revenues in Q2FY17 compared to 19% in the Q2FY16. Revenues from the US Business were at Rs. 182 crore in Q2FY17 versus Rs. 232 crore in Q2FY16.

In H1FY17, US business stood at 17% of the Global Revenues compared to 19% in H1FY16 with revenues at Rs.373 crore in H1FY17 compared to Rs. 459 crore in H1FY16.

The company's ANDA's pending for approval as on date stood at 84.

## Financial Highlights

Particulars	Sep-16	Mar-16
a. Fixed assets (including Intangibles)	2,899	2,790
b. Goodwill on consolidation	784	793
c. Other Assets	478	486
d. Cash, Bank balances, Liquid Investment	2,301	1,478
e. Net Current Assets	2,054	1,842
<b>Total Assets</b>	<b>8,515</b>	<b>7,389</b>
a. Shareholders funds	3,622	3,643
b. Non-Controlling Interest	449	477
c. Loans	3,962	2,677
d. Other liabilities	481	593
<b>Total Liabilities</b>	<b>8,515</b>	<b>7,389</b>

- ✓ Net Debt to Equity now at 0.46 as against 0.33 as of 31<sup>st</sup> Mar 2016.
- ✓ Capital Expenditure of Rs 204 during H1FY17.

## About Wockhardt

Wockhardt is a Global Pharmaceutical 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 61% 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

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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