

URGENT
PRESS RELEASE



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Wockhardt's 2008 Annual Results

Consolidated sales grew by 35.4% to Rs. 3,593 crores. Operating Profits (EBITDA) grew by 26.5% to Rs. 808 crores. • Mark-to-Market losses at Rs 581 crores • Overseas acquisitions grew significantly and got accretive
• Secured 23 ANDA approvals from the US FDA in 2008

Mumbai, 24 Apr, 2009

Pharmaceutical and biotechnology major Wockhardt Limited today announced its results for the year ended 31st December 2008. Wockhardt's year of consolidation and rationalisation has borne fruit with all its acquisition getting fully accretive. Sales revenues grew by 35.4% to Rs. 3,593 crores and operating profit (EBITDA) was up by 26.5% to Rs. 808 crores. Wockhardt's international business, contributing 73% of the total, grew 40.3%. However, MTM losses of Rs 581 crores was due to steep devaluation of the rupee resulting in the company posting a net loss of Rs 139 crores for the financial year 2008.

Some of the banks, based on the early termination clause in the agreement had terminated certain forex contracts and claimed an amount of Rs. 4895.24 million. The Board is of the view the forex transactions were unilaterally cancelled by the banks and the mark to market losses had arisen on account of counter positions advised by the banks. The Company has obtained a legal opinion that these contracts can be disputed, and accordingly no provision for the same has been made. "We have had an exceptional year in all ways, both in terms of sales revenues and operating profits. Our acquisitions have started paying-off and have posted double-digit growth in their markets. With 73% of our turnover coming from our international operations, in the normal course of the business, it was prudent to hedge our foreign exchange exposure. But due to the meltdown in the global markets and the consequent currency volatility, we had to make provisions for MTM losses, which had a marked impact on our bottomline," said Wockhardt Chairman, Habil Khorakiwala. "Wockhardt has applied to its lending banks for Corporate Debt Restructuring (CDR) and the same has been admitted. The passage of this in the coming few months will ensure enough liquidity for operations and mitigate most of our current issues, which in turn will facilitate our planned growth and benefit all our stakeholders," he further elaborated. For the fourth quarter of 2008, sales peaked at 24.9% to Rs. 952 crores and operating margin (EBITDA) at 20.6% to Rs. 196 crores. Net loss was Rs. 358 crores. US Business: Wockhardt's US business, including Morton Grove Pharmaceuticals, grew by 140%. Currently, it markets 65 products in the US and all its manufacturing plants in India are US FDA compliant. Wockhardt was one of the top 5 companies in the world to have received the highest number of 23 Abbreviated New Drug Approvals (ANDAs) by the US FDA for 2008 (source – Generics Bulletin 2009) Europe Business: Revenues from Europe grew by 30%. Wockhardt UK is the key driver with generics and hospital business showing phenomenal thrust. Pinewood market share improved to 29%. Negma in France and esparma in Germany are showing a healthy resurgence. Restructuring in manufacturing and a strong focus on contract manufacturing has helped in overall consolidation. India

For more information, visit www.wockhardt.com

Corporate Relations Department

Business: Wockhardt is the first company in the world, after the innovator company, to launch Glaritus, a long-acting insulin analogue. As a part of the overall strategy to get in-licensed products into India, Wockhardt has already launched 13 new products that are showing tremendous promise for the future. As per ORG IMS, India branded business grew at 20% in 2008 as compared to the industry growth of 10%, showing an improved market share to 2.08% vis-à-vis 1.9% in 2007. It also gained two places in the ranking order to the 16th position from 18th in 2007. Overall 11 brands featured in the list of 'Top 300' brands of the industry in 2008. Wockhardt's Q1-2009 Results: The company also announced a 10.7% increase in consolidated sales revenues to stand at Rs. 869 crores for the first quarter ended March 31, 2009 over the corresponding quarter of 2008. Operating profit (EBITDA) grew by 22.1% to Rs. 171 crores. Net loss stood at Rs. 20 crores. MTM losses stood at 32 crores. "We are taking significant management initiatives towards containing these MTM losses during the current financial year," stated Wockhardt Chairman, Habil Khorakiwala. US Business: In the first quarter of 2009, Wockhardt's US business grew by 70% and it received 7 ANDA approvals from the US FDA with a market potential of US \$2 billion. Europe Business: Wockhardt's European business remains steady with Wockhardt UK showing a 6% growth, double than the industry growth. It has also won large tender business from other countries with a total business potential of £4.5 million. Besides, esparma recorded a 15% growth against the industry growth of 7%. India Business: As per ORG IMS, Wockhardt's growth recorded for March 2009 (MAT) has been 15% against the industry growth of 10% and it improved its rank to the 15th position from 17th in March 2008. About Wockhardt Wockhardt is a technology-driven global pharmaceutical and biotechnology major with an innovative multi-disciplinary research and development programme. It has 5 research centres and 15 world-class manufacturing plants dotting various countries and continents that are compliant to international regulatory standards such as the US FDA, MHRA and other global regulatory bodies. It has end-to-end integrated capabilities for its products, starting with manufacture of the oral and sterile API's, the dosage forms and marketing through its wholly owned subsidiary in the US. Wockhardt has a global footprint including the US, UK, Ireland, France and Germany with a multi-ethnic workforce from 14 different nationalities.