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February 9, 2005

Dear Shareowners,

A momentous year has just gone by at Wockhardt. Your company has stepped up its performance during 2004.

It is wonderful to communicate with you once again; more so because I would like to share with you recent initiatives in expanding our global footprints and the highlight of our audited financial results for 2004 - doubling of Net Profit in two years. Your company has recommended a 100% dividend for the year. The quantum of dividends has doubled, and this represents the management's confidence in the future.

### Globalisation Game plan now extends to Mexico, South Africa and Brazil

Your company has entered into **majority (51:49) Joint Ventures** in **Mexico** and **South Africa**, and has established a **wholly owned subsidiary in Brazil**. This marks a new milestone as your company now has a ground presence in almost all major markets of the world.

In Mexico, Wockhardt has signed a Joint Venture agreement with Representaciones E Investigaciones Medicas, S.A. de C.V., one of Mexico's leading national companies. In South Africa, Wockhardt has signed a Joint Venture with Pharma Dynamics, the 10th largest generic pharmaceutical company in South Africa. Wockhardt Farmaceutica do Brasil Ltda is the company's new sales and marketing subsidiary in Brazil.

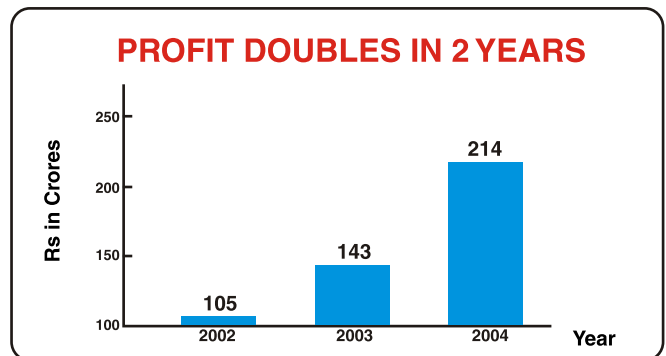
### Biopharmaceuticals -- our core competency and growth driver

These new ventures are part of Wockhardt's ongoing effort to establish a global presence in biopharmaceuticals. Your company has already received nine approvals for biopharmaceuticals and another 25 approvals are expected during the year in Russia, former CIS countries, South America, South East Asia and North Africa.

Biotechnology is now a strategic business unit and Mr. Dinesh Dua, with over 20 years of experience in chemical and pharmaceutical industries, will now lead the business as its President.

### International Operations continue to spearhead growth

During the year, **US and Europe** accounted for **50%** of Wockhardt's sales, with sales in these two markets growing by 55%. Wockhardt became the market leader in bethanechol chloride in US by capturing a 40% market share. European Union sales have crossed the Rs. 500-crore mark. Wockhardt has turned around the operations of its German subsidiary esparma within months of acquisition, and has appointed a managing director, Mr. Georg Cubuk, to head its operations.



### Indian Business records double growth vis-à-vis industry growth

**Domestic Business** grew at **13%** during the year, compared to 6.4% growth achieved by the Indian industry. **Power Brands** posted an **18%** growth, contributing to almost 80% of the domestic business. **Domestic Biopharmaceuticals Sales** grew by **81%**. Biopharmaceuticals now constitute 10% of the domestic business.

All these developments are a testimony of your valued support to Wockhardt and the efforts of its 4,000 employees. You will be happy to know that your company donated Rs. 10 lakhs in medicines and Rs. 50 lakhs in cash (including employees salary contribution) to the Prime Minister's Relief Fund towards the tsunami victims.

I wish you and your family health and happiness in the new year.

With regards,

Habil Khorakiwala  
Chairman

# Wockhardt Profit Doubles in 2 years

President of India Dr. A P J Abdul Kalam lauds Wockhardt's biotech research for providing India with world-class biopharmaceutical products. Biotechnology portfolio grows by 81%.

Wockhardt establishes majority Joint Ventures in Mexico and South Africa, and a subsidiary in Brazil.

US and Europe business now contributes 50% to total sales. Grows by 55% in 2004.

Annual Sales rise by 32% in 2004. Net Profit up by 50%. Operating Profit grows by 57%. Net Profit doubles to Rs. 214 crores in 2 years.



President of India inaugurates Wockhardt Biotech Park in Aurangabad.

## WOCKHARDT LIMITED - CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST DECEMBER, 2004

(Rs. in Million)

Quarter Ended 31/12/2003	Quarter Ended 31/12/2004	% Growth	Particulars	Year Ended 31/12/2004	% To Sales	% Growth	Year Ended 31/12/2003	% To Sales
2838	3438	21.1	<b>Sales</b>	12389	100.0	31.5	9420	100.0
2242	2697	20.3	Operating Expenditure	9577	77.3	25.6	7626	81.0
596	741	24.3	<b>EBITDA</b>	2812	22.7	56.7	1794	19.0
(27)	(119)	-	Interest	(17)	(0.1)	-	4	0.0
83	99	19.3	Depreciation	368	3.0	37.8	267	2.8
540	761	40.9	<b>Profit from Operations</b>	2461	19.9	61.6	1523	16.2
0	113	-	Extra Ordinary Expenditure	113	0.9	-	0	0.0
65	152	-	Other Income	158	-	-	74	-
102	168	64.7	Provision for Taxation	371	3.0	117.0	171	1.8
503	632	25.6	<b>Profit After Tax</b>	2135	17.2	49.7	1426	15.1
363	545	-	Paid-up Equity Capital	545	-	-	363	-
4.03	5.80	43.9	<b>Earning Per Share (Rs.)</b>	19.59	-	49.5	13.10	-

Financial year of Wockhardt Limited is Jan - Dec

In case you need any further clarification, please write to our Investor Service Cell, Wockhardt Limited, Wockhardt Towers, Bandra-Kurla Complex, Bandra East, Mumbai 400 051 or E-mail [rgandhi@wockhardt.com](mailto:rgandhi@wockhardt.com)

Please do visit our corporate website [www.wockhardt.com](http://www.wockhardt.com)