



For Immediate Release

Syngene Q3 Revenue up by 23%

EBITDA and PAT grew by 23% and 12%

Bengaluru, January 24, 2017: Commenting on the results, **Mr. Jonathan Hunt, Chief Executive Officer - Syngene International Limited** said, “We are happy to report revenue and EBITDA growth of 23% for the third quarter. EBITDA and PAT margins continue to be strong at 37% and 21% respectively, although PAT growth of 12% was impacted by comparison to an unusually strong prior year performance. During the quarter we made good progress on client service delivery across all of the business verticals despite a fire incident damaging one of our research facilities; effective implementation of our Business Continuity Plan and continued normal operations of all our other facilities helped minimize the impact of the incident on our overall earnings for the quarter. We expect most of our losses to be recovered through insurance coverage and expect rebuilding of the damaged facility to continue throughout the remainder of the calendar year.”

Quarterly Financial Highlights

	Q3 FY17	Q3 FY16	YoY Change (%)
Revenue	347	281	23
EBITDA	127	104	23
EBITDA Margin (%)	37%	37%	
PAT	74	67	12
PAT Margin (%)	21%	24%	

All numbers in INR Cr except Margins

Year to Date Financial Highlights

All numbers in INR Cr except Margins

	9M FY17	9M FY16	YoY Change (%)
Revenue	956	779	23
EBITDA	354	266	33
EBITDA Margin (%)	37%	34%	
PAT	209	162	29
PAT Margin (%)	22%	21%	

Business Update

Syngene's business is categorized into three verticals - Dedicated R&D Centers, Discovery Services and Development & Manufacturing Services. Its research and manufacturing facilities are spread across 1.3 mn sq ft space in Bangalore and cater to more than 250 global clients across multiple industries.

During the quarter, there was a fire accident at one of its research facilities in Bangalore. This facility, including office and lab space, makes up approximately 10% of Syngene's total infrastructure. All the other facilities were unaffected by the fire and continued to operate normally. The fire was caused due to a chemical reaction that was being conducted at the facility. There was no injury or loss of life although substantial damage was caused to the equipment, infrastructure and materials in the facility. The company implemented its Business Continuity Plan, relocated most of the affected operations to other locations within the campus where the necessary infrastructure and capacity was available. This helped in resuming most of the operations impacted due to the incident thereby minimizing the impact on the ongoing client projects.



EARNINGS RELEASE

Q3 FY 2016-17

The Company has lodged an initial estimate of loss with the insurance company and the survey is currently ongoing. During the quarter ended 31 December 2016, it has written off the net book value of assets aggregating to Rs 80 crores and recognized a minimum insurance claim receivable for an equivalent amount. In addition, the Company is in the process of determining its claim for Business Interruption and has accordingly not recorded any claim arising therefrom at this stage.

One of the company's clients has discontinued its on-going agreement with Syngene as part of the client's Business Continuity Plan related to the fire incident. Syngene had entered into an agreement with the client in 2011 for discovery research which was valid till December 2017.

Abbott Nutrition has extended its ongoing collaboration with Syngene for one year till 31st December 2017. Syngene and Abbott had entered into a collaboration in 2012 to set up a dedicated center for developing science-based affordable nutrition products.

Phase I of Syngene's formulation manufacturing facility is on-track to commence operations by mid-Q4 FY17. The facility, spread across 17,000 sq ft space, will be capable of manufacturing clinical supplies as well as commercial supplies of small volume niche technology products and will comply with regulatory requirements of the USFDA, EMEA and other authorities.

Note on New Accounting Standard

The financials for Q3 FY17 are as per the new Ind-AS (Indian Accounting Standard). The previous year financials have also been restated under the new accounting standards. As a result, the PAT for Q3 FY16 is Rs 67 Cr. This increase is primarily on account of Mark-to-Market adjustments on forex contracts.

Encl.: Fact Sheet - Standalone Income Statement and Balance Sheet (Ind-AS)

Earnings Call



EARNINGS RELEASE

Q3 FY 2016-17

The company will conduct a 45 minutes long call at 3.30 pm IST on 25th January, 2017 where the senior management will discuss the company's performance and answer questions from participants. To participate in this conference call, please dial the numbers provided below ten minutes ahead of the scheduled start time. The dial-in number for this call is +91 22 3960 0674/ 3940 3977. Other toll numbers are listed in the conference call invite which is posted on the company website www.syngeneintl.com. The operator will provide instructions on asking questions before the start of the call. A replay of this call will also be available till 1st February, 2017 on +91 22 3065 2322 / 6181 3322, Playback ID: 96431. We will aim to post the transcript of the conference call on the company website within seven working days of the investor conference call.

About Syngene

Syngene International Limited, (**BSE code: 539268, NSE Id: SYNGENE, ISIN Id: INE398R01022**) is one of Asia's largest Contract Research Organizations. It provides discovery and developmental services for new molecular entities across multiple platforms including Small Molecules, Large Molecules, Antibody-Drug Conjugates and Oligonucleotides. These services are aimed towards bringing novel molecules to the market by supporting the R&D efforts of organizations across diverse sectors like pharma, biotechnology, nutrition and animal health. Syngene offers an integrated platform for R&D focussed organizations to optimize their R&D investments and develop their novel molecules with a distinctive cost advantage. In FY2016, Syngene serviced 256 clients including 8 of the top 10 global pharma companies. For more details, visit: www.syngeneintl.com

For further information please reach out to:

Investor Contact	Media Contact
Chanderlekha Nayar P: +91 80 6775 8821 M: +91 7259192001 Fax: +91 80 2852 3423 E: chanderlekha.nayar@syngeneintl.com	Sandeep Nair P: +91 80 6775 8775 M: +91 88843 67776 Fax: +91 80 2852 3423 E: sandeep.nair@syngeneintl.com



Syngene

Putting Science to Work

Confidentiality

Quality

Innovation

Science



EARNINGS RELEASE

Q3 FY 2016-17

Disclaimer: *Certain of the statements that may be made or discussed at the conference call may be forward-looking statements and/or based on management's current expectations and beliefs concerning future developments and their potential effects upon Syngene International Limited ("Syngene") and its associates. There can be no assurance that future developments affecting Syngene and its associates will be those anticipated by management. These forward-looking statements are not a guarantee of future performance and involve risks and uncertainties and there are important factors that could cause actual results to differ, possibly materially, from expectations reflected in such forward-looking statements. Syngene does not intend, and is under no obligation, to update any particular forward-looking statement made at the conference call.*

SYNGENE INTERNATIONAL LIMITED

FACT SHEET

December - 2016

SYNGENE INTERNATIONAL LIMITED			
BALANCE SHEET		(Rs. Crores)	
	Dec 31, 2016	March 31, 2016	
ASSETS			
Non-current assets			
Property, plant and equipment	662	574	
Capital work-in-progress	218	237	
Intangible assets	16	6	
Financial assets			
Other financial assets	112	66	
Deferred tax assets (net)	68	71	
Current tax assets (net)	37	36	
Other non-current assets	46	33	
Total	1,159	1,023	
Current assets			
Inventories	40	38	
Financial assets			
Investments	331	277	
Trade receivables	188	185	
Cash and cash equivalents	15	387	
Bank Balances other than above	566	333	
Other financial assets	95	83	
Other current assets	130	32	
Total	1,365	1,335	
Total assets	2,524	2,358	
EQUITY AND LIABILITIES			
Equity			
Equity share capital	200	200	
Other equity	1,085	825	
Total	1,285	1,025	
LIABILITIES			
Non - current liabilities			
Financial liabilities			
Borrowings	744	725	
Provisions	23	18	
Other non-current liabilities	51	54	
Total	818	797	
Current liabilities			
Financial liabilities			
Borrowings	199	166	
Trade payables	108	74	
Other financial liabilities	30	18	
Provisions	9	8	
Other current liabilities	55	258	
Current tax liabilities (net)	20	12	
Total	421	536	
Total	2,524	2,358	
Note: a) The Amounts are arrived in compliance with Indian Accounting Standards (Ind AS)			

SYNGENE INTERNATIONAL LIMITED
PROFIT & LOSS STATEMENT

(Rs. Crores)

Particulars	Q3 FY 17	Q3 FY 16	Variance
<u>INCOME</u>			
Revenue from operations	332	281	18%
Other income	15	-	4767%
Total Revenue	347	281	23%
<u>EXPENDITURE</u>			
Material & Power Costs	98	90	9%
Staff costs	80	60	33%
Other Expenses	42	27	55%
Material, Power, staff & other expenses	220	177	
EBITDA	127	104	23%
Interest & finance charges	7	1	467%
Depreciation & Amortisation	29	26	14%
PBT	91	77	19%
Taxes	17	10	
NET PROFIT FOR THE PERIOD	74	67	12%
EPS - Basic	3.80	3.44	
EPS - Diluted	3.76	3.38	

Note: a) The figures are rounded off to the nearest crore, percentages are based on absolute numbers
b) The Amounts are arrived in compliance with Indian Accounting Standards (Ind AS)

SYNGENE INTERNATIONAL LIMITED			(Rs. Crores)
PROFIT & LOSS STATEMENT			
Particulars	Q3 FY 17	Q2 FY 17	Variance
INCOME			
Revenue from operations	332	303	10%
Other income	15	16	-10%
Total Revenue	347	319	9%
EXPENDITURE			
Material & Power Costs	98	87	12%
Staff costs	80	77	4%
Other Expenses	42	33	23%
Material, Power, staff & other expenses	220	197	
EBITDA	127	122	5%
Interest & finance charges	7	3	152%
Depreciation & Amortisation	29	28	4%
PBT	91	91	0%
Taxes	17	16	
NET PROFIT FOR THE PERIOD	74	75	0%
EPS - Basic	3.80	3.81	
EPS - Diluted	3.76	3.77	
Note: a) The figures are rounded off to the nearest crore, percentages are based on absolute numbers b) The Amounts are arrived in compliance with Indian Accounting Standards (Ind AS)			

SYNGENE INTERNATIONAL LIMITED
PROFIT & LOSS STATEMENT (Rs. Crores)

Particulars	9M FY 17	9M FY 16	Variance
<u>INCOME</u>			
Revenue from operations	910	776	17%
Other income	46	3	1276%
Total Revenue	956	779	23%
<u>EXPENDITURE</u>			
Material & Power Costs	264	241	9%
Staff costs	231	175	32%
Other Expenses	107	97	12%
Material, Power, staff & other expenses	602	513	
EBITDA	354	266	33%
Interest & finance charges	15	7	99%
Depreciation & Amortisation	83	71	17%
PBT	256	188	36%
Taxes	47	26	
NET PROFIT FOR THE PERIOD	209	162	29%
EPS - Basic	10.70	8.35	
EPS - Diluted	10.58	8.21	

Note: a) The figures are rounded off to the nearest crore, percentages are based on absolute numbers
b) The Amounts are arrived in compliance with Indian Accounting Standards (Ind AS)