

Ref: Syn/Acts/CS/SE/PR/BSE/NSE

**Syngene International Limited**

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[www.syngeneintl.com](http://www.syngeneintl.com)

April 27, 2017

|                                                                                                                  |                                                                                                                                                 |
|------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| To,<br>The Manager Listing<br>BSE Limited<br>Corporate Relationship Department<br>Dalal Street, Mumbai – 400 001 | To,<br>The Manager Listing<br>National Stock Exchange of India Limited<br>Corporate Communication Department<br>Bandra (EAST), Mumbai – 400 051 |
| <b>Scrip Code: 539268</b>                                                                                        | <b>Scrip Symbol: SYNGENE</b>                                                                                                                    |

Dear Sir/Madam,

**Subject: Press Release in respect of results for the quarter and year ended March 31, 2017**

This has reference to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Please find enclosed the press release titled **“Syngene Delivers 14% Revenue Growth in FY17.”**

The above mentioned press release will also be available on website of the Company [www.syngeneintl.com](http://www.syngeneintl.com).

This is for your information and records.

Thanking You,

Yours faithfully,

For **SYNGENE INTERNATIONAL LIMITED**

MAYANK VERMA  
Digitally signed by  
MAYANK VERMA  
Date: 2017.04.27  
19:53:22 +05'30'

Mayank Verma

**Company Secretary**

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**Enclosed: Press Release along with Fact Sheet**



## EARNINGS RELEASE

Q4 FY 2016-17

For Immediate Release

### Syngene Delivers 14% Revenue Growth in FY17

#### FY17 Revenue of Rs 1272 Cr; EBITDA up by 24% to Rs 478 Cr

**Bengaluru, April 27 2017:** Commenting on the results, **Mr. Jonathan Hunt, Chief Executive Officer - Syngene International Limited** said, *“As expected our 4Q performance was dampened by the impact of the facility fire in Dec 2016. Q4 revenues dropped 6% over the prior year, from Rs 334 Cr to Rs 315 Cr. On a full year basis, we saw revenue growth of 14% across our businesses, supported by higher interest income. Profitability was up strongly, with EBITDA and PAT for the full year registering healthy growth of 24% and 19%. We made good progress through the year on our strategic priorities; including continued strong growth within our Discovery Biology group, the successful integration of our bioinformatics acquisition as well as the expansion of our strategic collaboration with Amgen. Additionally in 4Q we signed a strategic agreement with a Canadian biotech firm, which has the potential to boost our biologics business in coming years. The quarter also saw Phase I of our new Formulation facility beginning operations. The successful conclusion of a USFDA inspection of our Clinical Development facility further strengthens our track record in quality and regulatory compliance. With Syngene’s expanding capabilities and capacities, we look forward to accelerating our growth in the coming year.”*

#### Quarterly Financial Highlights

All numbers in INR Cr except Margins

|                   | Q4 FY17 | Q4 FY16 | YoY Change |
|-------------------|---------|---------|------------|
| Revenue           | 315     | 334     | (6)        |
| EBITDA            | 124     | 120     | 3          |
| EBITDA Margin (%) | 39      | 36      |            |
| PAT               | 78      | 79      | (1)        |
| PAT Margin (%)    | 25      | 24      |            |



## EARNINGS RELEASE

Q4 FY 2016-17

### FY 17 Financial Highlights

All numbers in INR Cr except Margins

|                   | FY17 | FY16 | YoY Change |
|-------------------|------|------|------------|
| Revenue           | 1272 | 1113 | 14         |
| EBITDA            | 478  | 387  | 24         |
| EBITDA Margin (%) | 38   | 35   |            |
| PAT               | 287  | 241  | 19         |
| PAT Margin (%)    | 23   | 22   |            |

### Business Update

Syngene delivers services to its clients through three business verticals - Dedicated R&D Centers, Discovery Services and Development & Manufacturing Services.

During the quarter ended 31<sup>st</sup> March, 2017, Herbalife partnered with Syngene to set up a dedicated nutrition R&D Center. This is Syngene's fifth dedicated R&D Center and Herbalife's first R&D Center in India. The facility will help Herbalife Nutrition develop and formulate world-class nutrition products for Indian consumers and will be staffed by a small group of Syngene scientists.

Most of the ongoing projects that were impacted due to the fire incident in December 2016 have been relocated to other facilities within the campus and are back on track without any significant delays. Rebuilding activities of the S2 facility will commence after obtaining the necessary approvals and we expect the facility to be operational within the next 12 months.

The company also commissioned a cGMP manufacturing plant at its new Formulation facility. The plant is spread across 17000 sq ft area and has the capability to manufacture a range of solid oral dosage forms including tablets, pellets, capsules, granules, powders and NDDS (Novel Drug Delivery Systems). The new facility also has a Formulation Development center covering 6000 sq ft.

The clinical development facility successfully completed a USFDA audit without any Form 483s. This is Syngene's sixth successful USFDA audit in the last three years.

Syngene has also signed an agreement with a Canadian biotechnology company for development and manufacturing (for clinical studies) of five novel antibodies.

Peter Bains, Non-Executive Director and former CEO of Syngene, has stepped down from the Board of Directors from 27<sup>th</sup> April 2017. Peter has been associated with Syngene since 2010 and was instrumental in driving its growth and a successful IPO.

## EARNINGS RELEASE

Q4 FY 2016-17

The Board of Directors have appointed Jonathan Hunt as an additional Director on the Board, effective from 1<sup>st</sup> May 2017. Jonathan will be the Whole time Director for a period of five years effective from the same date, subject to shareholders approval at the forthcoming AGM.

### Declaration of final dividend

The Board of Directors has recommended a final dividend of Rs. 1.00/- per share for FY2017, subject to shareholder approval at the forthcoming AGM.

### Key Business Highlights for FY17:

- Infrastructure
  - Commissioned the first phase of Syngene Research Center across 50,000 sq ft
  - Commissioned first phase of new Formulation Center
  - Upcoming Mangalore commercial manufacturing plant has received the Environment Clearance
- Dedicated R&D Centers
  - Signed a strategic deal for setting up a dedicated R&D center for Amgen; Syngene's fourth dedicated R&D center
  - Set up a dedicated R&D center for Herbalife Nutrition; Syngene's fifth dedicated R&D center
  - Abbott Nutrition extended its ongoing collaboration with Syngene till December 2017
- New Capabilities
  - Added new capabilities in bio-informatics and brought onboard a team of highly skilled data scientists to add to Syngene's scientific capabilities.
  - Set up a Viral testing facility to provide viral testing services for the pharma and biotech clients
- Regulatory Audits and Compliance
  - Clinical development facility successfully completes USFDA and EMA audits
- Fire incident at one of the research facilities causing extensive damage to infrastructure but no loss of life or injuries; relocated all the affected operations to other locations within the campus

### Encl.: Fact Sheet - Standalone Income Statement and Balance Sheet (Indian GAAP)

### Earnings Call

The company will conduct a 45 minutes long call at 3.30 PM IST on April 28, 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. Other toll numbers are listed in the conference call invite which is posted on the company website [www.syngeneintl.com](http://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 May



## EARNINGS RELEASE

Q4 FY 2016-17

5, 2017 on +91 22 3065 2322, 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 FY2017, Syngene serviced 290 clients including 8 of the top 10 global pharma companies. For more details, visit: [www.syngeneintl.com](http://www.syngeneintl.com)

For further information please reach out to:

| Investor Contact                                                                                                                                                                         | Media Contact                                                                                                                                                           |
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**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**

**March - 2017**

| SYNGENE INTERNATIONAL LIMITED                                                            |                |                |
|------------------------------------------------------------------------------------------|----------------|----------------|
| BALANCE SHEET                                                                            |                |                |
|                                                                                          | (Rs. Crores)   |                |
|                                                                                          | March 31, 2017 | March 31, 2016 |
| <b>ASSETS</b>                                                                            |                |                |
| <b>Non-current assets</b>                                                                |                |                |
| Property, plant and equipment                                                            | 794            | 574            |
| Capital work-in-progress                                                                 | 175            | 237            |
| Intangible assets                                                                        | 16             | 6              |
| Financial assets                                                                         |                |                |
| Derivative Assets                                                                        | 106            | 60             |
| Other financial assets                                                                   | 3              | 6              |
| Deferred tax assets (net)                                                                | 64             | 72             |
| Income tax assets (net)                                                                  | 44             | 33             |
| Other non-current assets                                                                 | 49             | 33             |
| <b>Total</b>                                                                             | <b>1,251</b>   | <b>1,021</b>   |
| <b>Current assets</b>                                                                    |                |                |
| Inventories                                                                              | 32             | 38             |
| Financial assets                                                                         |                |                |
| Investments                                                                              | 540            | 277            |
| Trade receivables                                                                        | 199            | 185            |
| Cash and cash equivalents                                                                | 235            | 387            |
| Bank Balances other than above                                                           | 293            | 333            |
| Derivative Assets                                                                        | 93             | 49             |
| Other financial assets                                                                   | 24             | 34             |
| Other current assets                                                                     | 107            | 32             |
| <b>Total</b>                                                                             | <b>1,523</b>   | <b>1,335</b>   |
| <b>Total assets</b>                                                                      | <b>2,774</b>   | <b>2,356</b>   |
| <b>EQUITY AND LIABILITIES</b>                                                            |                |                |
| <b>Equity</b>                                                                            |                |                |
| Equity share capital                                                                     | 200            | 200            |
| Other equity                                                                             | 1,213          | 825            |
| <b>Total</b>                                                                             | <b>1,413</b>   | <b>1,025</b>   |
| <b>LIABILITIES</b>                                                                       |                |                |
| <b>Non - current liabilities</b>                                                         |                |                |
| Financial liabilities                                                                    |                |                |
| Borrowings                                                                               | 690            | 725            |
| Provisions                                                                               | 20             | 18             |
| Other non-current liabilities                                                            | 52             | 54             |
| <b>Total</b>                                                                             | <b>762</b>     | <b>797</b>     |
| <b>Current liabilities</b>                                                               |                |                |
| Financial liabilities                                                                    |                |                |
| Borrowings                                                                               | 97             | 166            |
| Trade payables                                                                           | 103            | 74             |
| Other financial liabilities                                                              | 103            | 18             |
| Provisions                                                                               | 13             | 8              |
| Other current liabilities                                                                | 275            | 258            |
| Current tax liabilities (net)                                                            | 8              | 10             |
| <b>Total</b>                                                                             | <b>599</b>     | <b>534</b>     |
| <b>Total</b>                                                                             | <b>2,774</b>   | <b>2,356</b>   |
| Note: a) The Amounts are arrived in compliance with Indian Accounting Standards (Ind AS) |                |                |

**SYNGENE INTERNATIONAL LIMITED**  
**PROFIT & LOSS STATEMENT**

**(Rs. Crores)**

| Particulars                                        | Q4<br>FY 17 | Q4<br>FY 16 | Variance   |
|----------------------------------------------------|-------------|-------------|------------|
| <b><u>INCOME</u></b>                               |             |             |            |
| Revenue from operations                            | 291         | 331         | -12%       |
| Other income                                       | 24          | 3           | 724%       |
| <b>Total Revenue</b>                               | <b>315</b>  | <b>334</b>  | <b>-6%</b> |
| <b><u>EXPENDITURE</u></b>                          |             |             |            |
| Material & Power Costs                             | 88          | 100         | -12%       |
| Staff costs                                        | 78          | 74          | 5%         |
| Other Expenses                                     | 25          | 40          | -38%       |
| <b>Material, Power, staff &amp; other expenses</b> | <b>191</b>  | <b>214</b>  |            |
| <b>EBITDA</b>                                      | <b>124</b>  | <b>120</b>  | <b>3%</b>  |
| Interest & finance charges                         | 3           | 1           | 180%       |
| Depreciation & Amortisation                        | 31          | 26          | 20%        |
| <b>PBT</b>                                         | <b>90</b>   | <b>93</b>   | <b>-3%</b> |
| Taxes                                              | 12          | 14          |            |
| <b>NET PROFIT FOR THE PERIOD</b>                   | <b>78</b>   | <b>79</b>   | <b>-1%</b> |
| <b>EPS - Basic</b>                                 | <b>4.00</b> | <b>4.07</b> |            |
| <b>EPS - Diluted</b>                               | <b>3.95</b> | <b>4.00</b> |            |

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                                        | Q4<br>FY 17 | Q3<br>FY 17 | Variance   |
|----------------------------------------------------|-------------|-------------|------------|
| <b><u>INCOME</u></b>                               |             |             |            |
| Revenue from operations                            | 291         | 332         | -12%       |
| Other income                                       | 24          | 15          | 64%        |
| <b>Total Revenue</b>                               | <b>315</b>  | <b>347</b>  | <b>-9%</b> |
| <b><u>EXPENDITURE</u></b>                          |             |             |            |
| Material & Power Costs                             | 88          | 98          | -10%       |
| Staff costs                                        | 78          | 80          | -3%        |
| Other Expenses                                     | 25          | 42          | -40%       |
| <b>Material, Power, staff &amp; other expenses</b> | <b>191</b>  | <b>220</b>  |            |
| <b>EBITDA</b>                                      | <b>124</b>  | <b>127</b>  | <b>-2%</b> |
| Interest & finance charges                         | 3           | 7           | -59%       |
| Depreciation & Amortisation                        | 31          | 29          | 8%         |
| <b>PBT</b>                                         | <b>90</b>   | <b>91</b>   | <b>-2%</b> |
| Taxes                                              | 12          | 17          |            |
| <b>NET PROFIT FOR THE PERIOD</b>                   | <b>78</b>   | <b>74</b>   | <b>5%</b>  |
| <b>EPS - Basic</b>                                 | <b>4.00</b> | <b>3.80</b> |            |
| <b>EPS - Diluted</b>                               | <b>3.95</b> | <b>3.76</b> |            |

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                                                                                                                                                                                | FY 17        | FY 16        | Variance     |
| <b><u>INCOME</u></b>                                                                                                                                                                       |              |              |              |
| Revenue from operations                                                                                                                                                                    | 1,201        | 1,107        | 8%           |
| Other income                                                                                                                                                                               | 71           | 6            | 1022%        |
| <b>Total Revenue</b>                                                                                                                                                                       | <b>1,272</b> | <b>1,113</b> | <b>14%</b>   |
| <b><u>EXPENDITURE</u></b>                                                                                                                                                                  |              |              |              |
| Material & Power Costs                                                                                                                                                                     | 352          | 341          | 3%           |
| Staff costs                                                                                                                                                                                | 309          | 249          | 24%          |
| Other Expenses                                                                                                                                                                             | 133          | 136          | -3%          |
| <b>Material, Power, staff &amp; other expenses</b>                                                                                                                                         | <b>794</b>   | <b>726</b>   |              |
| <b>EBITDA</b>                                                                                                                                                                              | <b>478</b>   | <b>387</b>   | <b>24%</b>   |
| Interest & finance charges                                                                                                                                                                 | 18           | 9            | 108%         |
| Depreciation & Amortisation                                                                                                                                                                | 114          | 97           | 17%          |
| <b>PBT</b>                                                                                                                                                                                 | <b>346</b>   | <b>281</b>   | <b>23%</b>   |
| Taxes                                                                                                                                                                                      | 59           | 40           |              |
| <b>NET PROFIT FOR THE YEAR</b>                                                                                                                                                             | <b>287</b>   | <b>241</b>   | <b>19%</b>   |
| <b>EPS - Basic</b>                                                                                                                                                                         | <b>14.71</b> | <b>12.39</b> |              |
| <b>EPS - Diluted</b>                                                                                                                                                                       | <b>14.55</b> | <b>12.19</b> |              |
| Note: a) The figures are rounded off to the nearest crore, percentages are based on absolute numbers<br>b) The Amounts are arrived in compliance with Indian Accounting Standards (Ind AS) |              |              |              |