



## EARNINGS RELEASE

**Q1 FY 17**

For Immediate Release

# Syngene's Robust Growth Continues in Q1 FY17

**Revenue grows 23% to Rs 290 Cr; PAT up by 28% to Rs 60 Cr**

**Bengaluru, July 21, 2016:** Commenting on the results, Mr. Jonathan Hunt, Chief Executive Officer - Syngene International Limited said, *"We are pleased to report a good start for the year with all our three verticals performing as expected. First quarter revenue grew at 23% compared to last year, while EBITDA and PAT grew by 30% and 28% respectively. We are also happy to announce that two new facilities are now operational – the first phase of the Syngene Research Centre and a Viral Testing Facility. Viral Testing is a highly specialized niche service that strengthens our biologics business. We are confident that these new facilities will add to our capabilities and contribute to our growth in the future."*

## Quarterly Financial Highlights

All numbers in INR Cr except Margins

|                   | Q1 FY17 | Q1 FY16* | YoY Change |
|-------------------|---------|----------|------------|
| Revenue           | 290     | 236      | 23         |
| EBITDA            | 105     | 80       | 30         |
| EBITDA Margin (%) | 36      | 34       |            |
| PAT               | 60      | 47       | 28         |
| PAT Margin (%)    | 21      | 20       |            |

\*Restated as per the new Ind AS

## Business Update

Syngene's business is organized into three verticals - Dedicated R&D Centers, Discovery Services and Development & Manufacturing Services. Its flexible 'plug-and-play' business model allows it to offer a range of services to its clients ranging from a single component service to a cluster of services to fully integrated discovery-development services.

During the quarter, Syngene recorded robust growth in its Discovery Services and Development & Manufacturing Services. The company commissioned the first phase of its Syngene Research Centre (SRC), spread across 50,000 sq ft area. When fully commissioned, SRC will have a total area of 200,000 sq ft that will support integrated discovery and development programs.

The company also commissioned its Viral Testing Facility in Bengaluru on 1<sup>st</sup> July 2016. The facility will provide niche services to support the viral testing requirements of the pharma and biotech sectors. The state-



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of-the-art BSL-2 (Bio Safety Level - 2) facility is GMP (Good Manufacturing Practices) and GLP (Good Laboratory Practices) compliant and has well-equipped and segregated cell culture, viral testing, molecular and analytical laboratories.

The Viral Testing Facility as well as SRC are part of Syngene's ongoing USD 200 million CAPEX program of which approximately 30% has been spent till date.

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

#### Note on New Accounting Standard

The financials for Q1 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 is higher by Rs 3 Cr for Q1 FY16 and by Rs 20 Cr for the full year FY16. This increase is primarily on account of Mark-to-Market adjustments on forex contracts.

### Earnings Call

The company will conduct a 45 minutes long call at 3:00 PM IST on July 22, 2016 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 6746 5915 / 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 28<sup>th</sup> July, 2016 on +91 22 3065 2322 / 6181 3322, Playback ID: 26328. 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 FY16, Syngene serviced 256 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:**

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The top section of the page features a dark blue background with a city skyline at night. Overlaid on this are several icons and text elements: 'Quality' with a ribbon icon, 'Innovation' with a lightbulb icon, 'Confidentiality' with a padlock icon, and 'Science' with a molecular structure icon. A hand is shown holding a glowing DNA double helix. The Syngene logo is prominently displayed on the left.

# Syngene

Putting Science to Work

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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.