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Syngene

Syngene International Limited
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CIN No. L85110KA1993PLC014937
www.syngeneintl.com

October 24, 2018

To, The Manager, BSE Limited Corporate Relationship Department Dalal Street, Mumbai – 400 001 Scrip Code: 539268	To, The Manager, National Stock Exchange of India Limited Corporate Communication Department Bandra (EAST), Mumbai – 400 051 Scrip Symbol: SYNGENE
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Sub: Press Release in respect of results for the quarter and half year ended September 30, 2018

Dear Sir/Madam,

This has reference to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Please find enclosed the press release titled **“Syngene Q2 FY19 revenue up 24% to Rs. 437 Cr.”**

The above mentioned press release will also be available on website of the Company www.syngeneintl.com.

This is for your information and records.

Thanking You,

Yours faithfully,
For **SYNGENE INTERNATIONAL LIMITED**

Mayank Verma

Mayank Verma
Company Secretary and Compliance Officer

Enclosed: Press Release along with fact sheet





EARNINGS RELEASE

Q2 FY 2018-19

Syngene Q2 FY19 revenue up 24% to Rs. 437 Cr

Bengaluru, October 24, 2018: Syngene International Limited today announced its second quarter and half-year financial results for FY19.

The Company posted quarterly revenue of Rs.437 Cr, an increase of 24% from the year-ago quarter. Its half-yearly revenue increased 31% over the corresponding quarter last year to Rs. 862 Cr.

Commenting on the results, **Mr. Jonathan Hunt, Chief Executive Officer - Syngene International Limited**, said, *"We are happy to report sustained growth in the second quarter with revenue up 24% to Rs. 437 Cr. over Q2 of last year. Both our Discovery Services and Dedicated Centre verticals performed well, with the latter benefiting from expansions announced earlier in the year of our collaboration with Baxter. Overall, we are making good progress on our strategic plan; margins for the quarter reflect our ongoing investments in safety, quality and expanded sales and marketing, which are already starting to deliver operational benefits, and look forward to maintaining momentum through the year."*

Quarterly Financial Highlights (All numbers in INR Cr except Margins)

	Q2 FY19	Q2 FY18	YoY Change (%)
Revenue	437	352	24
EBITDA	145	130	12
EBITDA Margin (%)	33	37	
PAT	78	77	1
PAT Margin (%)	18	22	



EARNINGS RELEASE

Q2 FY 2018-19

H1 Financial Highlights (All numbers in INR Cr except Margins)

	H1 FY19	H1 FY18	YoY Change (%)
Revenue	862	660	31
EBITDA	273	243	12
EBITDA Margin (%)	32	37	
PAT	144	139	4
PAT Margin (%)	17	21	

Business Updates:

Q2 FY19 performance was primarily driven by good growth in Discovery Services and increased traction in the Dedicated R&D Centres. Syngene's Dedicated R&D Centre vertical was boosted with the renewal of the collaboration with Baxter. The renewal included a widened scope of engagement and setting up of additional infrastructure. Syngene also commissioned a new facility for BMS during the quarter.

Management Update:

As part of its ongoing efforts to strengthen its management and leadership team, the Company made the following key recruitments during the quarter.

Mr. Alok Mehrotra was appointed as Chief Quality Officer. Alok is an M.Tech in Chemical Technology and has over 25 years' experience in the areas of manufacturing operations, quality assurance, sustainability/EHS, production and supplier technical assurance across a diverse range of industries. As Chief Quality Officer, Alok will be responsible for Syngene's Quality and Compliance functions and will spearhead initiatives to further strengthen Syngene's track record in quality and compliance.

Mr. Harry Jose was appointed as Head of Marketing. A Pharma graduate with an MBA in Marketing, Harry comes with a rich experience in the marketing domain having worked across various organisations including Infosys, NIS Sparta and a number of start-ups. As

EARNINGS RELEASE

Q2 FY 2018-19

the Head of Marketing, Harry will drive Syngene's strategic marketing and branding initiatives.

Dr. Manoj Nerurkar, Chief Operating Officer, stepped down from his position with effect from 1st October, 2018 and will continue to be associated with Syngene in a Strategic Advisory role focussed on innovation.

Earnings Call

The Company will conduct a 60-minute-long call at 3.00 pm IST on 25th October 2018 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 62801279 / +91 22 71158180. 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 6th November 2018 on +91 22 71945757, Playback ID: 54482. 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 Ltd. (BSE: 539268, NSE: SYNGENE, ISIN: INE398R01022), an innovation focused global discovery, development and manufacturing organisation provides integrated services to the pharmaceutical, biotechnology, nutrition, animal health, consumer goods and specialty chemical industries across the world. Syngene's clientele include market leaders such as Bristol-Myers Squibb, Baxter, Amgen, GSK, Zoetis, Merck KGaA and Herbalife. It's innovative culture is driven by a strong team of over 3500 scientists working with clients around the world to improve R&D productivity, while reducing development time and cost. For more details, visit www.syngeneintl.com.

Contact details

Syngene

Putting Science to Work

Confidentiality

Quality

Innovation

Science

EARNINGS RELEASE

Q2 FY 2018-19

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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 forward-looking statement made at the conference call.

SYNGENE GROUP

FACT SHEET

September - 2018



SYNGENE INTERNATIONAL LIMITED (CONSOLIDATED)		
BALANCE SHEET		(Rs. Crores)
	Sep 30, 2018	March 31, 2018
ASSETS		
Non-current assets		
Property, plant and equipment	1,181	1,012
Capital work-in-progress	249	156
Intangible assets	16	18
Financial assets		
(i) Investments	220	-
(ii) Derivative Assets	58	108
(iii) Other financial assets	11	8
Deferred tax assets (net)	153	72
Income tax assets (net)	50	51
Other non-current assets	44	44
Total non-current assets	1,982	1,469
Current assets		
Inventories	73	86
Financial assets		
(i) Investments	201	157
(ii) Trade receivables	270	267
(iii) Cash and cash equivalents	85	253
(iv) Bank Balances other than (iii) above	453	715
(v) Derivative assets	46	88
(vi) Other financial assets	113	91
Other current assets	76	63
Total current assets	1,317	1,720
Total assets	3,299	3,189
EQUITY AND LIABILITIES		
Equity		
Equity share capital	200	200
Other equity	1,381	1,520
Total equity	1,581	1,720
LIABILITIES		
Non - current liabilities		
Financial liabilities		
(i) Borrowings	650	585
(ii) Derivative liabilities	170	12
Provisions	33	29
Other non-current liabilities	82	59
Total non-current liabilities	935	685
Current liabilities		
Financial liabilities		
(i) Borrowings	185	78
(ii) Trade payables	160	203
(iii) Derivative liabilities	66	1
(iv) Other financial liabilities	187	205
Provisions	16	14
Income tax liabilities (net)	18	13
Other current liabilities	151	270
Total current liabilities	783	784
Total equity and liabilities	3,299	3,189
Note:		
a) The Company has incorporated its wholly owned overseas subsidiary, Syngene USA Inc., USA during the previous year and operational from 1 November 2017. Accordingly, the consolidated financial results have been presented for the half year ending 30 September 2018 and for the comparative figures of the year ending 31 March 2018.		



SYNGENE INTERNATIONAL LIMITED (CONSOLIDATED)
PROFIT & LOSS STATEMENT

(Rs. Crores)

Particulars	Q2 FY 19	Q2 FY 18	Variance
INCOME			
Revenue from operations	419	335	25%
Other income	18	17	11%
Total Revenue	437	352	24%
EXPENDITURE			
Material and power costs	121	88	37%
Staff costs	115	94	23%
Foreign exchange (net)	5	(12)	-142%
Other expenses	51	52	-1%
Material, power, staff, forex & other expenses	292	222	
EBITDA	145	130	12%
Interest & finance charges	8	5	58%
Depreciation & Amortisation	40	30	32%
PBT	97	95	3%
Taxes	19	18	
NET PROFIT FOR THE PERIOD	78	77	1%
EPS - Basic	3.96	3.88	
EPS - Diluted	3.94	3.87	

Note: a) The figures are rounded off to the nearest crore, percentages are based on absolute numbers

b) The Company has incorporated its wholly owned overseas subsidiary, Syngene USA Inc., USA and operational from 1 November 2017. With the incorporation of Subsidiary, the Company has prepared consolidated financial statements for the quarter ended 30 September 2018 and comparative figures for quarter ending 30 September 2017 is based on Standalone financial statements.



SYNGENE INTERNATIONAL LIMITED (CONSOLIDATED)
PROFIT & LOSS STATEMENT

(Rs. Crores)

Particulars	Q2 FY 19	Q1 FY 19	Variance
INCOME			
Revenue from operations	419	406	3%
Other income	18	19	-3%
Total Revenue	437	425	3%
EXPENDITURE			
Material and power costs	121	140	-14%
Staff costs	115	108	7%
Foreign exchange (net)	5	(11)	-147%
Other expenses	51	60	-14%
Material, power, staff, forex & other expenses	292	297	
EBITDA	145	128	13%
Interest & finance charges	8	8	4%
Depreciation & Amortisation	40	37	7%
PBT	97	83	16%
Taxes	19	17	
NET PROFIT FOR THE PERIOD	78	66	18%
EPS - Basic	3.96	3.34	
EPS - Diluted	3.94	3.33	

Note: a) The figures are rounded off to the nearest crore, percentages are based on absolute numbers

b) The Company has incorporated its wholly owned overseas subsidiary, Syngene USA Inc., USA during the previous year and operational from 1 November 2017. Accordingly, the consolidated financial results have been presented for the quarter ending 30 September 2018 and for the comparative figures for the quarter ending 30 June 2018.



SYNGENE INTERNATIONAL LIMITED (CONSOLIDATED)
PROFIT & LOSS STATEMENT

(Rs. Crores)

Particulars	H1 FY 19	H1 FY 18	Variance
<u>INCOME</u>			
Revenue from operations	825	626	32%
Other income	37	34	10%
Total Revenue	862	660	31%
<u>EXPENDITURE</u>			
Material and power costs	260	167	56%
Staff costs	223	180	24%
Foreign exchange (net)	(6)	(28)	-80%
Other expenses	112	98	13%
Material, power, staff, forex & other expenses	589	417	
EBITDA	273	243	12%
Interest & finance charges	16	11	53%
Depreciation & Amortisation	77	62	24%
PBT	180	170	6%
Taxes	36	31	
NET PROFIT FOR THE PERIOD	144	139	4%
EPS - Basic	7.30	7.02	
EPS - Diluted	7.28	7.00	

Note: a) The figures are rounded off to the nearest crore, percentages are based on absolute numbers

b) The Company has incorporated its wholly owned overseas subsidiary, Syngene USA Inc., USA and operational from 1 November 2017. With the incorporation of Subsidiary, the Company has prepared consolidated financial statements for the half year ended 30 September 2018 and comparative figures for the half year ended 30 September 2017 is based on Standalone financial statements.

