SYNGENE INTERNATIONAL LIMITED

CIN : L85110KA1993PLC014937 Website: www.syngeneintl.com

Registered office: Biocon SEZ, Biocon Park, Plot No. 2 & 3, Bommasandra Industrial Area IV Phase, Jigani Link Road, Bommasandra, Bangalore - 560099

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2018

(Rs. in million, except per share data)

Sl. No.	Particulars	3 months ended 30 June 2018	Preceding 3 months ended 31 March 2018	Corresponding 3 months ended in the previous year 30 June 2017	Previous year ended 31 March 2018
		(Unaudited)	(Audited) (Refer note 4)	(Unaudited)	(Audited)
1	**Income**				
	a) Revenue from operations	4,060	4,091	2,911	14,231
	b) Other Income	188	166	172	618
	Total Income	**4,248**	**4,257**	**3,083**	**14,849**
2	**Expenses**				
	a) Cost of chemicals, reagents and consumables consumed	1,368	1,170	783	3,952
	b) Changes in inventories of finished goods and work-in-progress	(80)	86	(90)	(135)
	c) Employee benefits expense	1,056	1,020	860	3,769
	d) Finance costs	79	71	53	227
	e) Depreciation and amortisation expense	373	342	319	1,314
	f) Other expenses	730	836	559	2,740
	g) Foreign exchange fluctuation (net)	(106)	(309)	(161)	(739)
	Total expenses	**3,420**	**3,216**	**2,323**	**11,128**
3	**Profit before tax and exceptional item (1-2)**	**828**	**1,041**	**760**	**3,721**
4	Exceptional Item [refer note 3]	-	-	-	-
5	**Profit before tax (3-4)**	**828**	**1,041**	**760**	**3,721**
6	Tax expense	168	198	140	670
7	**Profit for the period / year (5-6)**	**660**	**843**	**620**	**3,051**
8	**Other comprehensive income**				
	(A) (i) Items that will not be reclassified to profit or loss	(36)	11	(7)	(10)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	8	(1)	1	2
	(B) (i) Items that will be reclassified to profit or loss	(1,717)	(452)	86	133
	(ii) Income tax relating to items that will be reclassified to profit or loss	381	84	(18)	(38)
	Other comprehensive income for the period / year, net of taxes	**(1,364)**	**(358)**	**62**	**87**
9	**Total comprehensive income for the period / year (7+8)**	**(704)**	**485**	**682**	**3,138**
10	Paid-up equity share capital (Face value of Rs.10 each)	2,000	2,000	2,000	2,000
11	Reserves excluding revaluation reserves as per balance sheet i.e. 'Other Equity'				15,201
12	**Earnings per share (of Rs.10 each)**	(not annualised)	(not annualised)	(not annualised)	(annualised)
	a) Basic	3.33	4.26	3.16	15.46
	b) Diluted	3.32	4.24	3.13	15.41
	See accompanying notes to the financial results				

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Syngene International Ltd., Bangalore

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2018

(Rs. in million, except per share data)

Sl. No.	Particulars	3 months ended 30 June 2018	Preceding 3 months ended 31 March 2018	Previous year ended 31 March 2018
		(Unaudited)	(Audited) (Refer note 4)	(Audited)
1	**Income**			
	a) Revenue from operations	4,060	4,091	14,231
	b) Other Income	188	166	618
	Total Income	**4,248**	**4,257**	**14,849**
2	**Expenses**			
	a) Cost of chemicals, reagents and consumables consumed	1,368	1,170	3,952
	b) Changes in inventories of finished goods and work-in-progress	(80)	86	(135)
	c) Employee benefits expense	1,077	1,041	3,796
	d) Finance costs	79	71	227
	e) Depreciation and amortisation expense	373	342	1,314
	f) Other expenses	706	812	2,709
	g) Foreign exchange fluctuation (net)	(106)	(309)	(739)
	Total expenses	**3,417**	**3,213**	**11,124**
3	**Profit before tax and exceptional item (1-2)**	**831**	**1,044**	**3,725**
4	Exceptional Item [refer note 3]	-	-	-
5	**Profit before tax (3-4)**	**831**	**1,044**	**3,725**
6	Tax expense	169	199	671
7	**Profit for the period / year (5-6)**	**662**	**845**	**3,054**
8	**Other comprehensive income**			
	(A) (i) Items that will not be reclassified to profit or loss	(36)	11	(10)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	8	(1)	2
	(B) (i) Items that will be reclassified to profit or loss	(1,717)	(452)	133
	(ii) Income tax relating to items that will be reclassified to profit or loss	381	84	(38)
	Other comprehensive income for the period / year, net of taxes	**(1,364)**	**(358)**	**87**
9	**Total comprehensive income for the period / year (7+8)**	**(702)**	**487**	**3,141**
10	Paid-up equity share capital (Face value of Rs.10 each)	2,000	2,000	2,000
11	Reserves excluding revaluation reserves as per balance sheet i.e. 'Other Equity'			15,204
12	**Earnings per share (of Rs.10 each)**	(not annualised)	(not annualised)	(annualised)
	a) Basic	3.34	4.27	15.47
	b) Diluted	3.33	4.25	15.43
	See accompanying notes to the financial results			

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Syngene International Ltd. Bangalore

Notes :

1 The statement of unaudited standalone and consolidated financial results ("the Statements") of Syngene International Limited ('the Company') for the quarter ended 30 June 2018 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 25 July 2018. The above Statements have been subjected to limited review by the statutory auditor of the Company. The reports of the statutory auditor are unqualified. The Statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2 The Company had incorporated its wholly owned overseas subsidiary, Syngene USA Inc., USA ('the Subsidiary') during the previous year and operational from 1 November 2017. With the incorporation of the Subsidiary, the Company had prepared consolidated financial results for the first time for the quarter ended 31 December 2017. Accordingly, comparative figures for only preceding 3 months ended 31 March 2018 has been presented. The Company and the Subsidiary are collectively referred to as 'the Group'.

In addition to the above, the standalone and consolidated financial results also include the financial results in respect of Syngene Employees Welfare Trust.

3 Pursuant to a fire incident on 12 December 2016, certain fixed assets, inventory and other contents in one of the buildings were damaged. The Company lodged an estimate of loss with the insurance company and the survey is currently ongoing. The Company had recorded a loss of Rs. 1,032 million arising from such incident till 31 March 2018. The Company has not recorded any further loss during the quarter. The Company also recognised a minimum Insurance claim receivable for equivalent amounts in the respective periods. The aforementioned loss and the corresponding credit arising from insurance claim receivable has been presented on a net basis (Rs. Nil) under Exceptional items in these financial results.

In addition, the Company is in the process of determining its final claim for loss of fixed assets and Business Interruption and has accordingly not recorded any further claim arising therefrom at this stage.

4 The figures of the preceding 3 months ended 31 March 2018 are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures upto the end of the third quarter of the previous financial year. Also the figures upto the end of the third quarter were only reviewed and not subjected to audit.

5 Ind AS 115: Revenues from Contracts with Customers establishes a five-step approach to revenue recognition that includes identifying contracts with customers, identifying performance obligations, determining transaction prices, allocating transaction prices to performance obligations, and recognising revenue when or as performance obligations are satisfied. The adoption of this Standard did not have a material impact on the Revenue from Operations and results for the quarter ended June 30, 2018. Comparative periods were not restated given the Group adopted the standard using the cumulative effect approach.

6 The Group operates in a single segment of providing Contract Research and Manufacturing Services.

7 Prior period/ year figures have been reclassified wherever required to conform to the classification of the current period/ year.

For and on behalf of the Board of Directors of
Syngene International Limited

Kiran Mazumdar Shaw
Managing Director

Place :- Bangalore
Date :- 25 July 2018

B S R & Co. LLP * BANGALORE 560 071 * CHARTERED ACCOUNTANTS

Syngene International Ltd., * Bangalore

B S R & Co. LLP
Chartered Accountants

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Limited Review report

To
Board of Directors of Syngene International Limited

We have reviewed the accompanying statement of unaudited standalone financial results ("Statement") of Syngene International Limited ('the Company') for the quarter ended 30 June 2018 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Attention is drawn to the fact that the figures for the 3 months ended 31 March 2018 as reported in the Statement are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity'* specified under section 143(10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

S Sethuraman
Partner
Membership Number: 203491

Place: Bengaluru
Date: 25 July 2018

B S R & Co. LLP
Chartered Accountants

KRM Tower, 1st & 2nd Floor,
No 1, Harrington Road, Chetpet,
Chennai - 600 031, India.

Telephone : +91 44 4608 3100
Fax : +91 44 4608 3199

Limited Review report

To
Board of Directors of Syngene International Limited

We have reviewed the accompanying statement of unaudited consolidated financial results ("Statement") of Syngene International Limited ('the Company'), and its subsidiary (Refer to Note 2 of the Statement), for the quarter 30 June 2018 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Attention is drawn to the fact that the figures for the 3 months ended 31 March 2018 as reported in the Statement are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* specified under section 143(10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

S Sethuraman
Partner
Membership Number: 203491

Place: Bengaluru
Date: 25 July 2018