

Fiscal year 2014:**Renewed sales growth and sharply higher profits**

- Sales grow 7.8%
- Disproportionate EBIT growth of 21.8%
- EBIT margin climbs to 19.5%
- Net income increases 23.1% to 29.1 million CHF
- Slight growth in core business with research ingredients marks a turn-around; strong growth with NCEs; surge in generics sales in the second half
- Increase in dividend to 2.00 CHF proposed, of which 1.16 CHF from reserves from capital contribution
- Further sales and profit growth expected

Bubendorf/Basel, March 20, 2015 – Bachem Group (SIX: BANB), the technology leader in the field of peptide chemistry with a focus on quality and innovation, performed well in fiscal year 2014. The Group generated sales of 183.9 million CHF (2013: 170.7 million CHF, +7.8% in CHF and +7.9% in local currency/LC). Thanks to targeted cost-savings and further efficiency gains, operating profit (EBIT) increased by 21.8% to 35.9 million CHF. This figure includes a gain of 2.0 million CHF on the divestment of the non-core immunology product line. The EBITDA margin amounted to 29.9%, the EBIT margin was 19.5%. Net income rose by 23.1% to 29.1 million CHF. Bachem thus met its communicated sales targets in full amid an ongoing competitive market environment and grew its net income at a proportionally much faster rate after already reporting a 51.7% increase in net income for the previous fiscal year.

In 2014 Bachem pressed ahead with the systematic focus on its core peptides business initiated in 2012. Sales of research ingredients declined 6.9% due to the absence of the divested immunology product line sales. Factoring out this one-off effect, sales in the remaining core business lines showed a slight increase of 1.3% in CHF. The catalog business struggled with an unfavorable USD/CHF exchange rate during the first nine months of the year, but Bachem still managed to grow its sales, especially in the highly competitive custom synthesis business. Initial trends after the modernization of the online shop are clearly positive in the catalog business. Sales of patented substances (NCEs), an important indicator of future business developments, were about 16% higher, and sales of established generic active pharmaceutical ingredients rose 8.7% in LC or 6.6 million CHF. After a slow first half, especially in the USA, sales were far better than expected in the second half, especially in Europe. Sales of both peptide and non-peptide generics rose significantly above the prior-year levels. From a regional perspective, there was a shift in the sales mix towards Europe, where Bachem generated 66.5% of its total sales (2013: 61.8%).

After taking over the American Peptide Company, Inc. (APC) as announced in late February, Bachem will soon have more production capacity at its disposal in North America. APC offers a broad range of peptide products, from catalog peptides to custom peptides produced in small or bulk cGMP quantities. APC has 86 employees at its two sites at Sunnyvale and Vista, California.

High level of financial stability

Based on the solid results and in view of the company's stable financial position with a high equity ratio of 80.3%, the Board of Directors will propose an increase in the dividend to 2.00 CHF (previous year: 1.75 CHF). Part of the dividend (CHF 1.16) will be distributed from reserves from capital contribution.

	2014	2013	CHANGES IN %	
			CHF	LC
SALES (IN MCHF)	183.9	170.7	+7.8	+7.9
EBITDA (IN MCHF)	55.1	47.4	+16.3	+17.2
EBITDA IN % OF SALES	29.9	27.8		
EBIT (IN MCHF)	35.9	29.5	+21.8	+23.2
EBIT IN % OF SALES	19.5	17.3		
NET INCOME (IN MCHF)	29.1	23.6	+23.1	
NET INCOME IN % OF SALES	15.8	13.8		
EARNINGS PER SHARE (EPS - IN CHF)	2.15	1.75	+22.9	
CASH FLOW FROM OPERATING ACTIVITIES (IN MCHF)	47.2	49.2	-4.1	
RETURN ON EQUITY (IN %)	8.5	7.0		
NUMBER OF EMPLOYEES (IN FULL-TIME EQUIVALENTS)	711	649		
SALES PER EMPLOYEE ¹ (IN CHF)	283 000	277 000		

¹ Basis: average full-time equivalents excluding apprentices.

Direction-setting partner in core peptide business

With its enduring commitment to quality and reliability in its dealings with customers, Bachem is working steadfastly to further strengthen its leadership position in the peptides market. Besides organic growth, management is examining additional opportunities in the form of selective alliances and takeovers that would strengthen its market position. Dr. Thomas Früh, CEO and Chairman of the Corporate Executive Committee, remarks: "Close collaboration with our customers is crucial for Bachem's success. It is underpinned by a strong commitment to quality, innovation and partnership."

Outlook

Assuming the general economy remains stable and based on current exchange rates, management expects local top-line growth to be within the targeted long-term range of 6-10% per annum as well as a further improvement in profit.

The 2014 Annual Report can be viewed at the following website:

www.bachem.com/annual_report

Financial Calendar

April 27, 2015	Annual General Meeting
May 5, 2015	Payout Date for Dividend
August 28, 2015	Publication of Half-Year Report 2015

About Bachem

Bachem is a listed technology-based company focused on peptide chemistry. The company provides a full range of services to the pharma and biotech industries. It specializes in the development of innovative, efficient manufacturing processes and the reliable production of peptide-based active pharmaceutical ingredients. A comprehensive catalog of biochemicals and exclusive custom syntheses for research labs complete the service portfolio. Headquartered in Switzerland with subsidiaries in Europe and the US, the group has a global reach with more experience and knowhow than any other company in the industry. Towards its customers, Bachem shows total commitment to quality, innovation and partnership.

Bachem. Pioneering Partner for Peptides**For more information:**

Bachem Holding AG
Stephan Schindler, CFO
Tel.: +41 61 935 2333
Fax: +41 61 935 2324

www.bachem.com

ir@bachem.com