

First half of 2017: New record sales and a solid operating result

- Sales and EBIT further increased
- EBITDA at 26.6% and EBIT at 17.9% of sales
- Net profit affected by currency effects
- Capacity expanded and new jobs created
- Stronger second semester expected
- Fiscal 2017 expected to be a very good year
- Full-year guidance confirmed

Bubendorf/Basel, August 25, 2017 – Bachem Group (SIX: BANB) increased its sales in the first half of 2017 by 5.3% to a new record high of 119.5 million CHF (H1 2016: 113.4 million CHF). In contrast to the previous year, exchange rate movements did not have a relevant impact on the translation of local sales, which were up by 5.2% year-on-year. Generics sales reached 52.0 million CHF and were slightly below the very strong level achieved during the prior year period (53.9 million CHF). There were promising developments in the research ingredients product line. Catalog peptides and custom synthesis products performed well in the face of a challenging, highly competitive market environment. Bachem's New Chemical Entities (NCEs) product line delivered outstanding results again, with sales advancing about 24% year-on-year. Despite some project delays and temporarily reduced cost absorption due to capacity expansions, operating profit increased to 31.7 million CHF at the EBITDA level and to 21.4 million CHF at the EBIT level. Currency translation effects of -2.7 million CHF had a clearly negative impact on net profit for the first half 2017. This is largely attributed to the valuation at the balance sheet date of USD loans granted to subsidiaries by the holding company. Due to this negative effect, net profit for the period came in at 15.8 million CHF (H1 2016: 17.1 million CHF).

	2017	2016	CHANGE IN %	
			CHF	LC
SALES (IN MCHF)	119.5	113.4	+5.3	+5.2
EBITDA (IN MCHF)	31.7	29.8	+6.6	+6.1
EBITDA IN % OF SALES	26.6	26.2		
EBIT (IN MCHF)	21.4	20.8	+2.9	+2.1
EBIT IN % OF SALES	17.9	18.3		
NET INCOME (IN MCHF)	15.8	17.1	-7.6	
NET INCOME IN % OF SALES	13.2	15.1		
EARNINGS PER SHARE (EPS - IN CHF)	1.16	1.26	-7.7	
CASH FLOW FROM OPERATING ACTIVITIES (IN MCHF)	14.6	20.3	-28.0	
NUMBER OF EMPLOYEES (IN FULL-TIME EQUIVALENTS)	1 026	910		

Outlook: Strong and growing demand for peptides

Despite the delays encountered with some projects, Bachem Group had a strong start to 2017. Its current order backlog and the ongoing market developments confirm that the Group is on the right track with its strategic focus on the peptides business. Bachem is seeking to expand its undisputed leading market position and it will maintain its strong commitment to quality, reliability and customer partnerships to this end. Assuming exchange rates and the economy are stable, management expects fiscal 2017 to be another very good year for the Company. Sales growth in local currency is likely to come in at the upper end of the long-term guidance range of 6% to 10% per year. Despite capacity expansion and the growing workforce, profitability should show another year-on-year improvement compared to the previous year level.

The half-year report for 2017 can be downloaded from the following website:
www.bachem.com/half-year_report

Financial Calendar

March 16, 2018	Publication of Annual Report 2017; Media and Financial Analysts Conference
April 25, 2018	Annual General Meeting
August 24, 2018	Publication of Half-Year Report 2018

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:**

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