

First half 2014:

Strong sales and profit growth / guidance confirmed

- Sales increase 6.1% in CHF, up 8.2% in local currency
- EBITDA at 29.4% and EBIT at 18.9% of sales
- Operating cash flow of 19.3 million CHF
- Potential for further improvement in the second half of the year
- Guidance for the current year confirmed

Bubendorf/Basel, August 29, 2014 – Bachem Group (SIX: BANB) significantly improved its performance in terms of sales and profit during the first half of 2014 and confirmed its continuous growth expectations. Bachem increased its sales to 86.7 million CHF (+8.2% in local currency). Operating income advanced 28.8% to 16.4 million CHF. That figure includes a gain of 2.0 million CHF on the divestment of its immunology product line. The EBIT and net income margins rose to 18.9% and 14.3%, respectively, partly because of the non-recurring divestment gain. The equity ratio is at a solid level of 78.5%. Management is confident the targeted increases in full-year sales and net income will be achieved.

Stable generics and strong New Chemical Entities (NCEs)

Bachem performed well during the first six months of 2014 amid persisting market challenges. Generics sales amounted to 45.6 million CHF, matching the level achieved in the prior year period despite a negative currency translation effect. In the research ingredients business, catalog product sales were weakened by the USD/CHF movements. However, Bachem recorded significant growth in the highly competitive custom synthesis business. NCE sales grew more than 28% in local currency and Bachem was also able to grow the related NCE services business.

	FIRST HALF-YEAR 2014	FIRST HALF-YEAR 2013	CHANGE IN %	
			CHF	LC
SALES (IN MCHF)	86.7	81.8	+6.1	+8.2
EBITDA (IN MCHF)	25.5	21.7	+17.5	+22.8
EBITDA IN % OF SALES	29.4	26.6		
EBIT (IN MCHF)	16.4	12.8	+28.8	+37.5
EBIT IN % OF SALES	18.9	15.6		
NET INCOME (IN MCHF)	12.4	10.4	+19.2	
NET INCOME IN % OF SALES	14.3	12.7		
EARNINGS PER SHARE (EPS – IN CHF)	0.92	0.77	+19.5	
CASH FLOW FROM OPERATING ACTIVITIES (IN MCHF)	19.3	25.0	-22.8	
NUMBER OF EMPLOYEES (IN FULL-TIME EQUIVALENTS)	662	641		

Outlook: Extending the company's leadership in the peptide market

Bachem confirmed its operating performance from the prior year with the results reported for the first half of 2014 and it sees further potential for improvement. Judging by the current order situation, the conditions for a solid, even stronger performance in the second half of the year are in place. The growth trend in the core business affirms the strategic focus on peptides. With its resolute commitment to quality and reliability in all dealings with customers, Bachem aims to steadfastly extend its leading market position. Given stable exchange rates and a stable economic environment, management confirms its guidance of sales and profit growth.

The half-year report for 2014 can be downloaded from the following website:
www.bachem.com/half-year_report

Financial Calendar

March 20, 2015	Publication of Annual Report 2014; Media and Financial Analysts Conference
April 27, 2015	Annual General Meeting
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:**

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