

Half-Year Report 2013:

Confirmation of upward trend

- Sales increase 7.3% in CHF and 6.7% in local currency
- Significant improvement in profitability and net income
- Operating cash flow rises to 25.0 million CHF
- EBITDA margin of 26.6%, EBIT margin 15.6%
- Positive outlook for the second half of 2013, results should be slightly stronger than in the first half

Bubendorf/Basel, August 23, 2013 – Bachem Group (SIX: BANB) continued to grow in the first half of 2013. Sales increased 7.3% from the prior year period to 81.8 million CHF, which is the highest half-year sales figure Bachem has reported since 2009. Operating income rose by 18.3% to 12.8 million CHF (1H 2012: 10.8 million CHF) and was also 10.5% higher compared to the second half of 2012. The EBIT margin climbed to 15.6% (1H 2012: 14.2%) and the net income margin improved to 12.7% (1H 2012: 9.6%). Management is confident of reaching the targeted full-year sales and of achieving disproportionately higher profitability.

Sales of all product categories up

Overall, Bachem performed well given the persisting market challenges and strengthened its leading market position. Generics sales were slightly higher at 45.6 million CHF compared to the first half of 2012. In Europe, business was still somewhat weaker at the mid-year mark but this was more than offset by the pleasing sales growth achieved in the US. In the research ingredients business, the initial positive effects of measures taken to improve its organizational efficiency and market profile became apparent. Sales rose by 14.8% compared to the prior year period and were also higher on a sequential basis. Bachem recorded further significant sales growth of +13.9% in its New Chemical Entities business (NCEs) even though one customer unexpectedly withdrew a product from the market shortly after its launch. Services related to NCEs were likewise very strong, resulting in sales growth of +29.4%.

Significantly higher net income

Net income for the first six months of 2013 surged 43.0% to 10.4 million CHF, aided by the absence of the losses of associated companies reported in the prior year. Operating cash flow grew to 25.0 million CHF or 30.6% of sales (1H 2012: 8.2 million CHF or 10.8% of sales). Bachem's financial position remains very solid with an equity ratio of 75.0%.

Key Figures	First Half-Year 2013	First Half-Year 2012¹	Change in %	
			CHF	LC
Sales (in MCHF)	81.8	76.2	+ 7.3	+ 6.7
EBITDA (in MCHF)	21.7	20.0	+ 8.9	+ 7.5
EBITDA in % of sales	26.6 %	26.2 %		
EBIT (in MCHF)	12.8	10.8	+ 18.3	+ 15.9
EBIT in % of sales	15.6 %	14.2 %		
Net income (in MCHF)	10.4	7.3	+ 43.0	
Net income in % of sales	12.7 %	9.6 %		
Earnings per share (EPS – in CHF)	0.77	0.54	+ 42.6	
Cash flow from operating activities (in MCHF)	25.0	8.2	+ 204.7	
Number of employees (in full-time equivalents)	641	649	- 1.2	

¹ Since 2013 the consolidated financial statements are prepared in accordance with Swiss GAAP FER.
The prior year period has been restated to ensure comparability.

Outlook: Expansion of market leadership in peptides business

The results for the first half of 2013 confirm the company's operational performance in the previous year. The conditions for solid, somewhat stronger results in the second half of the year are in place. Judging by the current order situation, Bachem is confident that it will achieve the forecast increase in sales compared to the previous year.

The renewed improvement of profitability achieved in the first half is expected to carry forth in the second half. In view of this pleasing development, Bachem is expecting another significant year-on-year increase in profits.

Bachem Group remains well on track to achieve its medium-term goals. The company is confident sales will continue to grow. Given stable exchange rates and a stable economy, profits are likely to grow faster than sales in the near term.

The comprehensive Half-Year Report 2013 is available at the following website:
www.bachem.com/half-year_report

Financial calendar

March 21, 2014	Publication of Annual Report 2013; Press and Analyst Conference
April 28, 2014	Annual General Meeting

**About Bachem**

Bachem is an independent, technology-based, public biochemicals company providing full service to the pharma and biotech industry. Bachem is specialized in the process development and the manufacturing of peptides and complex organic molecules as active pharmaceutical ingredients (APIs), as well as innovative biochemicals for research purposes. With headquarters in Bubendorf, Switzerland, and affiliates in Europe and the US, Bachem works on a global scale and holds a leading position in the field of 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