

2012 financial year:

Bachem clearly tops prior-year results at all levels

- **Healthy top-line growth of 7.9%**
- **EBIT up sharply to 22.0 million CHF (+48.4%)**
- **Margins of 28.2% (EBITDA) and 14.0% (EBIT)**
- **Disproportionate bottom-line growth to 15.3 million CHF (+62.6%)**
- **Strong business with NCEs, research chemicals still under pressure, improved results from generic peptides**
- **Steady growth in sales and profits forecast**

Bubendorf/Basel, March 15, 2013 – Bachem Group (SIX: BANB) generated sales of 157.3 million CHF in the 2012 financial year in the face of various market and competitive challenges, which corresponds to sound growth of 7.9% (6.0% in local currencies) from the previous year. Active pharmaceutical ingredients showed pleasing growth. Business with patented substances (NCEs) was highlighted by three new marketing approvals and in the generics segment Bachem was able to more than offset persisting price pressure thanks to higher volumes. Research chemicals displayed much stronger growth again during the second half of 2012 but full-year sales were nevertheless lower than in the prior year. Group operating profit improved significantly. EBITDA amounted to 44.4 million CHF (+33.6%) and EBIT 22.0 million CHF (+48.4%). The EBITDA margin widened to 28.2% and the EBIT margin rose to 14.0%. Net income rose disproportionately by 62.6% to 15.3 million CHF. Bachem plans to steadily increase sales and profit in the coming years.

In the NCE market Bachem continued to perform well and achieved impressive sales growth of 32.8% in CHF (+29.1% in LC). Sales of research chemicals, in particular catalog products, remained under pressure. This business area is disadvantaged by the Swiss franc's appreciation and must therefore contend with growing global competition and corresponding price pressure. Research products sales declined by 1.5 million CHF (-5.6%). Bachem is aiming for a sustainable improvement in this business area after having modified its organizational structure and market strategy. The generics business was once again a stable source of sales. Thanks to higher volumes, overall sales in this product group advanced another 3.3% year-on-year in 2012 (+2.1% in LC).

Geographically, local sales growth in North America was much stronger than in Europe (+17.7% vs. +1.6%). This is mainly attributable to the new product approvals received in the USA and an increase in market share in the generics segment.

Jump in profits

Thanks to restrictive cost and personnel management policies, improved sourcing processes and continual efficiency gains, Bachem increased its bottom-line profit by 62.6% to 15.3 million CHF. In light of the solid operating results and the financial stability of the company, the Board of Directors will propose a dividend of CHF 1.50 per share at the pending general meeting of shareholders. As in the previous year, this payment will be distributed from capital contribution reserves.

| Key Figures | 2012 | 2011 | Changes in % | |
|--|---------|---------|--------------|--------|
| | | | CHF | LC |
| Sales (in MCHF) | 157.3 | 145.8 | + 7.9 | + 6.0 |
| EBITDA (in MCHF) | 44.4 | 33.2 | + 33.6 | + 29.0 |
| EBITDA in % of sales | 28.2 % | 22.8 % | | |
| EBIT (in MCHF) | 22.0 | 14.9 | + 48.4 | + 38.6 |
| EBIT in % of sales | 14.0 % | 10.2 % | | |
| Net income (in MCHF) | 15.3 | 9.4 | + 62.6 | |
| Net income in % of sales | 9.7 % | 6.5 % | | |
| Earnings per share (EPS – in CHF) | 1.13 | 0.70 | + 61.4 | |
| Cash flow from operating activities (in MCHF) | 36.9 | 24.6 | + 49.8 | |
| Return on equity (ROE) | 4.6 % | 2.7 % | | |
| Number of employees (in full-time equivalents) | 645 | 671 | | |
| Sales per employee ¹ (in CHF) | 252 000 | 231 000 | | |

¹ Basis: average full-time equivalents excluding apprentices.

Continuity in company management and focus on core business

In the spring of 2012 Dr. Kuno Sommer assumed the position of board chairman from Dr. Peter Grogg. At the executive helm, Dr. Thomas Früh succeeded Dr. Rolf Nyfeler, who is now applying his experience on the Board of Directors. Thomas Früh managed the operations of Bachem AG in Bubendorf for the past 11 years. Company strategy will remain unchanged under the new leadership: Bachem intends to strengthen its position as the world leader in peptides by delivering superior quality and innovation. It will continue to focus on its proven strengths in its core business while seeking additional growth potential in well-established as well as new segments of the peptide market and prudently exploiting opportunities that arise in the wake of industry consolidation. As part of its concentration on core business activities, Bachem already decided to discontinue cytotoxic API projects. The fixed assets for those projects at the Vionnaz plant were impaired during the year under review.

Assuming currency markets and the economy are stable, Bachem expects to maintain sound sales growth in the coming years. In view of the cost-savings and efficiency gains that have already been achieved, profitability should also continue to grow going forward.

The 2012 Annual Report can be downloaded from the following website:
www.bachem.com/annual_report

**Financial calendar**

April 24, 2013 Annual General Meeting
August 23, 2013 Publication of Half-Year Report 2013

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 queries, please contact:

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

www.bachem.com
ir@bachem.com