

First half of 2016:

New sales record and sharp jump in profits

- New sales record with 13.9% year-on-year growth
- EBITDA at 26.2% and EBIT at 18.3% of sales
- Net income jumps 35.5%
- Capacity expanded and 50 new jobs created
- High rate of utilization and continued hiring in the second half
- Fiscal 2016 expected to be a very good year
- Full-year guidance confirmed

Bubendorf/Basel, August 26, 2016 – Bachem Group (SIX: BANB) increased its sales in the first half of 2016 by 13.9% to a new record high of 113.4 million CHF (H1 2015: 99.6 million CHF). In local currency, sales grew 11.4%. Generics sales rose by approx. 9% to 53.9 million CHF. In the research ingredients business, catalog products and custom synthesis performed well in the face of a challenging, highly competitive market environment. Bachem achieved excellent local sales growth of more than 40% in the New Chemical Entities (NCEs) business. Operating profits rose despite an increase in operating costs due to expansion-related projects and non-recurring items, with EBITDA coming in at 29.8 million CHF and EBIT at 20.8 million CHF. Net income advanced to 17.1 million CHF. With this bottom-line growth of 35.5%, the Group continued its record of unbroken profit growth from the previous years. Judging by the high market demand, the good order backlog and the steady increase in utilization of new capacity, fiscal 2016 should be a very good year.

	2016	2015	CHANGE IN %	
			CHF	LC
SALES (IN MCHF)	113.4	99.6	+13.9	+11.4
EBITDA (IN MCHF)	29.8	26.8	+11.2	+5.8
EBITDA IN % OF SALES	26.2	26.9		
EBIT (IN MCHF)	20.8	17.6	+18.1	+10.1
EBIT IN % OF SALES	18.3	17.7		
NET INCOME (IN MCHF)	17.1	12.6	+35.5	
NET INCOME IN % OF SALES	15.1	12.7		
EARNINGS PER SHARE (EPS – IN CHF)	1.26	0.93	+35.4	
CASH FLOW FROM OPERATING ACTIVITIES (IN MCHF)	20.3	29.4	-31.0	
NUMBER OF EMPLOYEES (IN FULL-TIME EQUIVALENTS)	910	821		

Outlook: Booming peptide market

Demand for peptide-based active ingredients remains strong. New applications for peptides are constantly being investigated and supported by novel drug delivery technologies. Never before were so many peptide projects in the clinical pipeline as there are today. Bachem is seeking to strengthen its undisputed market leadership through selective capacity expansion and new hires. It will maintain its strong commitment to quality, reliability and customer partnerships to this end. Assuming a stable economy and based on today's exchange rates, full-year sales in local currency should exceed last year's result by more than 10% and therefore be above the long-term target range of 6% to 10% p.a. Management also expects another year-on-year improvement in profitability despite an increase in costs due to capacity expansion and new hires.

The half-year report for 2016 can be downloaded from the following website:
www.bachem.com/half-year_report

Financial Calendar

March 17, 2017	Publication of Annual Report 2016; Media and Financial Analysts Conference
April 24, 2017	Annual General Meeting
August 25, 2017	Publication of Half-Year Report 2017

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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