



## INTERIM STATEMENT, THIRD QUARTER 2008

Louvain-la-Neuve, Belgium, November 18, 2008 – Embargo until 5.40 p.m. (Belgian time)  
IBA (Ion Beam Applications S.A.: Reuters IBAB.BR and Bloomberg IBAB.BB)

### KEY FIGURES AND EVENTS

#### DOUBLE-DIGIT GROWTH IN SALES

- Sales are up by more than 50% for the first 9 months of the year, half of which is internal growth and the rest as a result of the acquisition of CISBIO on 1<sup>st</sup> June 2008.
- Recurring earnings are slightly up on the same period in 2007. At a constant rate it would have been up by more than 20%.
- Net profit is down, significantly influenced by the costs of restructuring and integrating CISBIO.
- The cash position is still broadly positive.

By sectors of activity, the key events of the quarter were as follows:

#### PHARMACEUTICALS

- Signing of a collaboration agreement in South Korea relating to 7 additional FDG – fluorodeoxyglucose – centers (5 operational and 2 under construction) which offers IBA customers a network of 45 sites for the production and distribution of PET (Positron Emission Tomography) radiopharmaceuticals on 3 continents.
- The implementation of the agreement with Lantheus Medical Imaging, Inc. for the exclusive distribution of Cardiolite® and Neurolite® in a number of European countries should get underway very soon.
- Although the shortage caused by the shutting down of 3 European reactors needed for the production of SPECT radioisotopes (Single Photon Emission Computed Tomography) has had a real impact, it has not been as severe as had been feared. Under these circumstances IBA was able to organize itself either to distribute the smaller amount of product available to its customers or to supply products as alternatives to technetium, which has become rare, so that patients would not be affected by this shortage. Even so, sales of these products were lower than expected.
- Collaboration agreement with Aposense® (formerly NST Ltd.) for the marking and distribution of APOSENSE® [18F]-ML-10, a new agent for the molecular imaging of apoptosis.



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### EQUIPMENT

- Protontherapy:
  - Obtaining by our customer Procure of the CON (Certificate of Need) for the protontherapy center at Central DuPage Hospital in Chicago.
  - IBA was selected by Procure Treatment Center, Inc. to provide the equipment for the protontherapy center at the William Beaumont Hospital in Royal Oak, Michigan.
  - IBA is continuing with the construction and installation of 7 protontherapy centers at the same time, 5 of which are on-site installations; this is a world first. All of the projects are on schedule.
- Accelerators:
  - 14 cyclotrons sold at the end of September, 3 of them during the third quarter of 2008.
  - 8 sales of electron-beam particle accelerators (Rhodotron® and Dynamitron®) for industrial applications over the first nine months of 2008, 3 of them during the third quarter of 2008.
- Dosimetry:
  - The order intake has remained good and steady and there were 8 Compass® orders over the first nine months of 2008, 2 of them during this third quarter.

### BALANCE SHEET ITEMS

- The net cash position remains broadly positive and, in anticipation of difficult circumstances in the financial world, additional steps have been taken to strengthen the company's credit capacities (increase in confirmed credit lines).
- The balance sheet's healthy financial structure and the growing proportion of recurring income are likely to help the company get through a slowdown in the world economy.

### PROSPECTS

Under the current economic circumstances, IBA customers could encounter difficulties mainly on 2 levels:

- first of all from possible reductions in healthcare spending (e.g. the "Deficit Reduction Act" in the USA), depending, amongst other factors, on the decisions taken by the new American administration;
- secondly the reduction in liquid assets which are required for the financing of their projects.

On the other hand, various different recent factors could exert a positive influence on the company's consolidated accounts:

- the dollar's recovery against the Euro means that we have become more competitive on American markets again, and reduces conversion losses for recurring business in the United States;
- the net fall in the prices of raw materials (especially steel and copper) could have a positive influence on gross margins for business involving sales of equipment for the fourth quarter of 2008 and for the whole of 2009.



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At the end of the third quarter, the company is thus reiterating its confidence in being able to show recurring income which will be up on 2007, provided that its customers, especially protontherapy customers, are able to finalize the financing of their projects. Even so, uncertainty about the world economy does mean that these guidances are less certain than they were over previous months.

More specifically, in terms of protontherapy, the company is still hoping to be able to conclude another 1 or 2 contracts by the end of the year, but is holding back its forecast until it knows whether the financing of these contracts can be finalized before then in the current banking context, remembering that IBA only begins to acknowledge earnings on projects if they are financed or a significant down payment has been made.

### SHAREHOLDER'S CALENDAR

Publication of the annual results to 31 <sup>st</sup> December 2008	March 5, 2009
Interim declaration, first quarter 2009	May 12, 2009
2009 General Meeting	May 13, 2009 at 10 am
Publication of the semi-annual results to 30 June 2009	August 31, 2009
Interim declaration, third quarter 2009	November 18, 2009

In line with the Royal Decree of 14<sup>th</sup> November 2007, IBA hereby states that this interim statement has been drawn up by the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO).

#### ABOUT IBA

IBA develops and markets leading edge technologies, pharmaceuticals and tailor-made solutions for healthcare with a focus on cancer diagnosis and therapy. Leveraging on its scientific expertise, IBA is also active in the field of industrial sterilization and ionization. Listed on the pan-European stock exchange EURONEXT, IBA is included in the BelMid Index.

(IBA: Reuters IBAB.BR and Bloomberg IBAB.BB). Website: <http://www.iba-worldwide.com>

#### Contact

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