



IBA RESULTS AT JUNE 30, 2009 OPERATING GROWTH CONFIRMED IN DIFFICULT ENVIRONMENT

Embargo until 5:40 PM (Belgian time), August 31, 2009

Louvain-la-Neuve, Belgium, August 31, 2009 – IBA (Ion Beam Applications S.A.) announced its consolidated results today for the half-year ended June 30, 2009.

KEY FACTS AND FIGURES

- Despite the difficult economic climate, IBA is publishing stronger operating results and pre-tax profits than for the same period in 2008.

Highlights of IBA's income statement for the first six months of 2009

- Sales of EUR 180.8 million, up 35.8 percent. Assuming the same scope of consolidation and same exchange rates, sales would have approximated those of 2008, with growth in the pharmaceutical sector offset by the following:
 - Decreased revenues from the US due to the general economic environment.
 - Decreased revenues from the Equipment segment due to the absence of Proton therapy orders in 2008 and weak orders for other accelerators in the first half of 2009.
- Recurring earnings before interest, taxes, depreciation, and amortization (REBITDA) of EUR 14.9 million, up 26.5 percent from the first half of 2008.
- Pre-tax profit of EUR 4.3 million, an increase of 55.2 percent over 2008. This was primarily due to the following:
 - Recurring earnings before interest and taxes (REBIT) of EUR 6.3 million, up 17.3 percent from 2008.
 - Net increase in financial charges (€2.7 million), primarily due to decreased liquidity within the group, lower interest on financial investments, the sale of financial assets (€0.7 million), and the financial impact of the revaluation of pension obligations incurred by IBA as a result of its May 2008 acquisition of Cisbio.
 - Non-recurring charges and income, including expenses for stock option plans, the amortization impact of asset revaluations in connection with the Cisbio acquisition, and an additional payment received on Cisbio's 2006 sale of its US-based SPECT¹ tracer distribution business.
- Net tax expense of EUR 1.0 million. In contrast, recognition of deferred taxes at June 30, 2008 resulted in net tax income of EUR 2.2 million, for a year-on-year tax difference of EUR 3.2 million.

¹ Single photon emission tomography



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- Net profit of EUR 3.2 million, compared to a net profit of EUR 4.9 million a year earlier. This difference is entirely due to the disparity in the deferred tax amounts recognized in the two periods.

	1H 2009 (EUR'000)	1H 2008 (EUR'000)	Change (EUR'000)	Change (%)
Sales and Services	180 805	133 121	47 684	35.8%
REBITDA	14 908	11 786	3 122	26.5%
<i>% of Sales</i>	8.2%	8.9%		
REBIT	6 284	5 359	925	17.3%
<i>% of Sales</i>	3.5%	4.0%		
Profit before Tax	4 267	2 749	1 518	55.2%
<i>% of Sales</i>	2.4%	2.1%		
Net Profit	3 219	4 875	-1 656	-34.0%
<i>% des Sales</i>	1.8%	3.7%		

REBITDA: Recurring earnings before interest, taxes, depreciation, and amortization.
REBIT: Recurring earnings before interest and taxes.

Balance sheet and order book highlights at June 30, 2009

- Positive current cash flow of EUR 15.9 million, but net debt of EUR 11.9 million. Net cash position down EUR 29.7 million from positive net position of EUR 17.8 million, due to the following:
 - Investments of EUR 15.4 million, primarily for renovation of the Saclay production site and construction of a new FDG production facility for Paris hospitals.
 - Negative operating cash flow caused by increased working capital requirements, particularly for Proton therapy projects.
- An equipment order backlog of EUR 182.6 million, up from the EUR 178.6 million reported at December 31, 2008.

RESULTS BY BUSINESS SEGMENT

Following the acquisition of Cisbio in late May 2008 (figures consolidated as from June 1, 2008), IBA's financial reporting has been subdivided into two business segments: Pharmaceuticals and Equipment.



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Here is a breakdown by segment of the key events for the first half of 2009:

PHARMACEUTICALS

- IBA's Pharmaceuticals segment develops radiopharmaceutical products used for medical diagnosis in oncology (primarily), neurology, and cardiology, as well as to treat cancer. This segment includes its bioassays division, which is developing a line of biomarkers for in vitro diagnosis and an HTRF² technology for the in vitro screening of new drugs in the pharmaceutical industry.

	1H 2009 (EUR'000)	1H 2008 (EUR'000)	Change (EUR'000)	Change (%)
Net Sales	102 514	49 887	52 627	105.5%
- Radiopharmaceuticals	84 319	46 705	37 614	80.5%
- Cisbio Bioassays	18 195	3 182	15 013	--
REBITDA	6 030	5 080	950	18.7%
% of Sales	5.9%	10.2%		
REBIT	-1 450	197	-1 647	-836.0%
% of Sales	-1.4%	0.4%		

REBITDA: Recurring earnings before interest, taxes, depreciation, and amortization.
REBIT: Recurring earnings before interest and taxes.

- Figures for sales growth strongly reflect the acquisition of Cisbio. As a reminder, the first half of 2008 included only one month of figures for Cisbio, compared to six months in 2009. Assuming a constant scope of consolidation, the growth rate would have been 6 percent, not 105.5 percent.
 - While sales and profitability in the Pharmaceuticals segment were affected by the economically depressed U.S. market, they did better than had been expected under current economic conditions.
 - In Europe, the shortage of SPECT radioisotopes, triggered in 2008 by the shutdown of reactors needed to produce these radioisotopes, was managed so as to limit the impact. IBA distributed the limited quantity of available product among its customers and supplemented the now scarce technetium with alternative products in order to lessen the shortage's impact on patients.
- When combined with increased amortization and depreciation, these factors (lower sales volume in the US and shortage of technetium) resulted in a decline in the division's recurring operating profit, even though recurring operating profit before amortization and depreciation rose 18.7 percent.

² Homogeneous time-resolved fluorescence



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- In the strategic arena, two agreements signed in the first six months of 2009 give IBA customers access to a network of 50 PET³ radiopharmaceutical production and distribution facilities on three continents.
 - In February 2009, a cooperation agreement was signed with Eczacibasi-Monrol Nuclear Products AS to develop the market for PET and SPECT radiopharmaceuticals in the Balkans, the Middle East, North Africa, and Central and Eastern Europe.
 - In May 2009, a partnership was signed with Amsterdam-based BV Cyclotron VU for the production and distribution of fluorine-18 - (18-F) labeled radiopharmaceuticals for positron emission tomography.
- Also to be noted: Cisbio's Bioassays division received the 2009 Frost & Sullivan award for technological innovation of the year.

EQUIPMENT

- This business segment is comprised of the following areas:
 - **Proton therapy.** Offers turnkey solutions using proton beams to target cancer therapy more precisely with fewer side effects.
 - **Particle accelerators.** Markets a line of cyclotrons used to produce PET or SPECT radioisotopes, as well as a line of industrial accelerators for sterilization and ionization (Rhodotron® and Dynamitron® E-beam and X-ray accelerators).
 - **Dosimetry.** Markets measurement and quality assurance instruments for radiotherapy and medical imaging enabling caregivers to verify that their equipment is delivering precise doses to the intended target.

	1H 2009 (EUR'000)	1H 2008 (EUR'000)	Change (EUR'000)	Change (%)
Net Sales	78 291	83 234	-4 943	-5.9%
- Proton Therapy	35 957	37 333	-1 376	-3.7%
- Dosimetry	19 099	19 621	-522	-2.7%
- Accelerators & Others	23 235	26 280	-3 045	-11.6%
REBITDA	8 878	6 706	2 172	32.4%
% of Sales	11.3%	8.1%		
REBIT	7 734	5 162	2 572	49.8%
% of Sales	9.9%	6.2%		

- Despite an overall revenue decline of 5.9 percent compared to the first half of 2008, profitability in the Equipment segment increased, from 6.2 percent of sales to 9.9 percent. This improvement was due to the following:

³ Positron emission tomography



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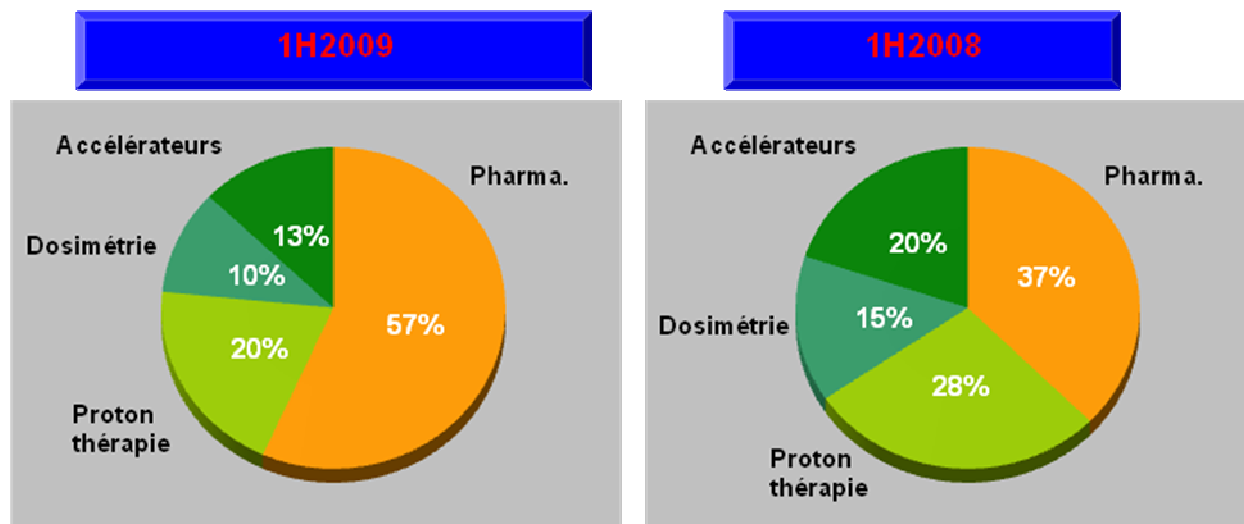
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- Renegotiation of sales contracts
 - Improvement in overall gross revenues as a result of lower production costs, enhanced manufacturing processes, and accumulation of experience across projects (particularly in Proton therapy)
- Proton therapy:
- In May 2009, IBA signed a contract to install a large proton therapy facility in Prague, Czech Republic. This contract also included an after-sale service and long-term maintenance agreement. The first patient should be treated in 2012.
 - The proton therapy facility installed at the ProCure Proton Therapy Center in Oklahoma City, Oklahoma, opened its doors in early July, just 27 months after construction startup—a world first. (It generally takes three years to build a complete facility.) IBA is the first company to demonstrate that, with enough experience, it is possible to reduce fabrication and installation times considerably, to the benefit of both customer and patients.
 - At present, IBA is building and equipping eight proton therapy facilities simultaneously—four in the United States and three in Europe—with seven at the on-site installation stage.
- Accelerators:
- In contrast with the first half of 2008, which set records, only a few orders for cyclotrons and industrial accelerators were logged during the first six months of 2009, owing to customer difficulties in obtaining bank financing. However, there were encouraging signs of improvement in this situation in July and August.
 - At this year's Society of Nuclear Medicine Annual Meeting, held in June in Toronto, Canada, IBA unveiled its new Cyclone® 11. The Cyclone® 11 is a self-shielded cyclotron with a proton beam energy of 11 MeV (million electron volts). It combines the advantage of a small footprint with the technology of high energy cyclotron systems. Leveraging its expertise, IBA can now offer the most advanced functionality to R&D and production departments operating in a hospital environment.
- Dosimetry:
- Dosimetry sales for the first half of 2009 slipped 2.7 percent compared to the same period in 2008. This deterioration was due to a slowdown in hospital equipment spending over the past two or three quarters.
 - Nevertheless, this period saw the successful launch of several new IBA products, including new versions of the Compass® and the MatriXX^{Evolution} adapted for rotational radiotherapy devices.

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DISTRIBUTION OF CONSOLIDATED SALES BY BUSINESS SEGMENT



EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

- ▣ On July 17, 2009, IBA announced that it had been selected by Italy's ATreP (Agenzia Provinciale Per la Protonterapia) to install a proton therapy facility for the province of Trento. This will be the first proton therapy facility with an isocentric rotating gantry to be installed in Italy in the context of a public-private partnership. The ATreP proton therapy facility will be built in the area chosen for Trento's future new hospital and should begin treating patients using an isocentric rotating gantry in early 2013.
- ▣ On August 3, 2009, Cardinal Health announced that it had bought out Biotech, an operator of PET cyclotrons and nuclear pharmacies that joined the IBA network in 2008. As a result of this transaction, the IBA network went from 53 to 50 sites.

SHAREHOLDER CALENDAR

Interim statement, third quarter 2009
 Publications of results at December 31, 2009
 Interim statement, first quarter 2010
 General Shareholders' Meeting, 2010
 Publications of results at June 30, 2010

November 18, 2009
 March 15, 2010
 May 11, 2010
 May 12, 2010, 10:00 a.m.
 August 31, 2010



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Pursuant to the Royal Decree of November 14, 2007, IBA declares that this half-year statement was prepared by its chief executive officer, Pierre Mottet, and its chief financial officer, Jean-Marc Bothy.

All financial statements for the first six months of 2009 will be posted in condensed form on the company's website at <http://www.iba-worldwide.com/>, under Investor Relations, Financial Results & Reports.

AUDITOR'S REPORT



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Report of the statutory auditor on the accounting data presented in the semi-annual communiqué of Ion Beam Applications SA

We have compared the accounting data presented in the semi-annual communiqué of Ion Beam Applications SA with the interim condensed consolidated financial statements as at 30 June 2009, which show a balance sheet total of € 488.528.145 and net income (group share) for the period of € 3.036.625. We confirm that these accounting data do not show any significant discrepancies with the interim condensed consolidated financial statements.

We have issued a review report on these interim condensed consolidated financial statements, in which we declare that, based on our review, nothing has come to our attention that causes us to believe that these interim condensed consolidated financial statements are not prepared, in all material aspects, in accordance with IAS 34 *Interim Financial Reporting*, as adopted for use in the European Union.

Diegem, August 28, 2009

Ernst & Young Réviseurs d'Entreprises SCCRL
Statutory Auditor
represented by



Martine Blockx
Partner

10MBO0008

Société civile ayant emprunté la forme d'une société coopérative à responsabilité limitée
Burgerlijke vennootschap die de rechtsvorm van een coöperatieve vennootschap met beperkte aansprakelijkheid heeft aangenomen
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OUTLOOK

Despite a promising first six months, IBA has decided not to issue a forecast of future earnings in view of the current economic uncertainties.

ABOUT IBA

Founded in 1986 in Louvain-la-Neuve, Belgium, IBA is primarily active in the medical industry. It develops and markets state-of-the-art equipment and radiopharmaceuticals for cancer diagnosis and treatment. Leveraging its scientific expertise, IBA also provides electron accelerators for industrial sterilization and ionization. Listed on the pan-European stock exchange Euronext, IBA is included in the BELL Mid Index (IBA: Reuters IBAB.BR and Bloomberg IBAB.BB).

Website: <http://www.iba-worldwide.com>

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CONSOLIDATED SEPARATED INCOME STATEMENT

	June 30, 2009	June 30, 2008	Change	% Change
Sales and services	180 805	133 121	47 684	35.82%
Cost of sales and services	111 646	90 157	21 489	23.83%
Gross profit	69 159 <i>38.3%</i>	42 964 <i>32.3%</i>	26 195	60.97%
Selling and marketing expenses	17 733	12 296	5 437	44.22%
General and administrative expenses	31 410	14 030	17 380	123.88%
Research and development expenses	13 732	11 279	2 453	21.75%
Operating expenses	62 875	37 605	25 270	67.20%
Operation result	6 284 <i>3.5%</i>	5 359 <i>4.0%</i>	925	17.73%
Other operating (income)/expenses	-319	852	-1 171	N/A
Financial expenses/(income)	2 603	-136	2 739	N/A
Share of (profit)/loss of companies consolidated using the equity method	-267	1 894	-2 161	N/A
Profit/(loss) before taxes	4 267	2 749	1 518	55.22%
Tax (income)/expenses	1 048	-2 126	3 174	N/A
Profit for the period from continuing operations	3 219	4 875	-1 656	-33.97%
Equity holders of the parent	3 036	4 832	-1 796	-37.17%
Non-controlling interests	183	43	140	325.58%
Profit for the period from continuing operations	3 219	4 875	-1 656	-33.97%
REBITDA	14 908	11 786	3 122	26.50%



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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<u>June 30, 2009</u>	<u>December 31, 2008</u>	<u>Change</u>
Goodwill	29 926	29 936	-10
Other intangible assets	36 240	37 768	-1 528
Property, plant and equipment	81 880	78 693	3 187
Investments accounted for using the equity method	4 207	3 643	564
Other investments	2 411	2 420	-9
Deferred tax assets	34 087	33 986	101
Other long-term assets	72 408	65 111	7 297
Non-current assets	261 159	251 557	9 602
Inventories and contracts in progress	96 567	85 759	10 808
Trade receivables	74 600	74 820	-220
Other receivables and accruals	37 731	42 341	-4 610
Short-term financial assets	2 529	2 275	254
Cash and cash equivalents	15 942	53 943	-38 001
Current assets	227 369	259 138	-31 769
TOTAL ASSETS	488 528	510 695	-22 167
Capital stock	37 475	37 285	190
Capital surplus	124 715	124 358	357
Treasury shares	-8 826	-7 563	-1 263
Hedging and other reserves	11 493	9 220	2 273
Cumulative translation differences	-15 989	-17 064	1 075
Retained earnings	6 048	5 446	602
Capital and reserves attributable to Company's equity holders	154 916	151 682	3 234
Non-controlling interests	867	684	183
TOTAL EQUITY	155 783	152 366	3 417
Long-term borrowings	10 203	11 885	-1 682
Deferred tax liabilities	561	470	91
Provisions	95 304	99 545	-4 241
Other long-term liabilities	53 210	45 515	7 695
Non-current liabilities	159 278	157 415	1 863
Short-term borrowings	16 732	24 252	-7 520
Short-term financial liabilities	728	2 498	-1 770
Trade payables	49 324	71 518	-22 194
Current income tax liabilities	2 052	1 942	110
Other payables and accruals	104 631	100 704	3 927
Current liabilities	173 467	200 914	-27 447
TOTAL EQUITY AND LIABILITIES	488 528	510 695	-22 167



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CONSOLIDATED CASH FLOW STATEMENT

	June 30, 2009 (EUR '000)	June 30, 2008 (EUR '000)
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss) for the period	3 036	4 832
Adjustments for:		
Depreciation and impairment of property, plant, and equipment	7 410	4 372
Amortization and impairment of intangible assets	2 581	982
Write-off on receivables	-307	452
Changes in fair value of financial assets (gains)/losses	-491	319
Change in provisions	732	565
Taxes	27	-2 914
Share of result of associates and joint ventures accounted for using the equity method	-267	1895
Other non-cash items	1 670	-1 057
Net profit/(loss) before changes in working capital	14 391	9 446
Trade receivables, other receivables, and deferrals	7 638	-8 489
Inventories and contracts in progress	-7 140	-10 652
Trade payables, other payables, and accruals	-24 849	6 750
Changes in working capital	-24 351	-12 391
Interest paid/received net	73	224
Net cash (used in)/generated from operations	-9 887	- 2 721
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisitions of property, plant, and equipment	-8 949	-7 729
Acquisitions of intangible assets	-976	-4 992
Disposals of fixed assets	57	165
Acquisitions of subsidiaries, net of acquired cash	0	47 208
Acquisitions of third party and equity-accounted companies	-336	-4 375
Other investing cash flows	-5 228	-76
Net cash (used in)/generated from investing activities	-15 432	30 201
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	10 274	895
Repayments of borrowings	-19 242	-4 101
Interest paid/received net	-670	-224
Capital increase (or proceeds from issuance of ordinary shares)	524	9 968
Purchase of treasury shares	-1 263	-499
Dividends paid	-1 809	-3 413
Other financing cash flows	416	564
Net cash (used in)/generated from financing activities	-11 770	3 190
Net cash and cash equivalents at beginning of the period	53 943	58 210
Change in net cash and cash equivalents	-37 089	30 670
Exchange gains/(losses) on cash and cash equivalents	-912	-2 278
Net cash and cash equivalents at end of the period	15 942	86 602