CONDENSED INTERIM FINANCIAL STATEMENTS AS OF JUNE 30, 2012

The condensed interim financial statements as of June 30, 2012 as well as the related explanatory notes have not been subject to a limited review of KPMG Bedrijfsrevisoren.

1.1 Consolidated statement of financial position

	For the period ending	
	June 30 2012	**December 31 2011**
	(in million Euro)	
ASSETS		
Non-Current Assets	**1,207**	**1,221**
Intangible assets	680	681
Property, plant and equipment	291	301
Investments	10	15
Deferred tax assets	226	224
Current Assets	**1,796**	**1,728**
Inventories	711	639
Trade receivables	652	672
Current tax assets	89	82
Other receivables and other assets	196	214
Deferred charges	23	20
Derivative financial instruments	-	1
Cash and cash equivalents	125	100
Total Assets	**3,003**	**2,949**

	For the period ending	
	June 30 2012	**December 31 2011**
	(in million Euro)	
EQUITY AND LIABILITIES		
Total Equity	**976**	**995**
Equity attributable to owners of the Company	***938***	***960***
Share capital	187	187
Share premium	210	210
Retained earnings	608	642
Reserves	(92)	(90)
Translation reserve	25	11
Non-controlling interests	***38***	***35***
Non-current liabilities	**1,043**	**988**
Liabilities for post-employment and long-term termination benefit plans	541	542
Other employee benefits	14	13
Loans and borrowings	421	352
Provisions	19	25
Deferred income	2	4
Deferred tax liabilities	46	52
Current Liabilities	**984**	**966**
Loans and borrowings	10	15
Provisions	220	223
Trade payables	293	275
Deferred revenue & advance payments	170	145
Current tax liabilities	54	47
Other payables	135	149
Employee benefits	83	94
Deferred income	4	4
Derivative financial instruments	15	14
Total Equity and Liabilities	**3,003**	**2,949**

1.2 Consolidated statement of profit or loss

	June 30	
	2012	**2011**
	(in million Euro)	
CONSOLIDATED INCOME STATEMENT		
Revenue	**1,513**	**1,499**
Cost of sales	(1,079)	(1,052)
Gross profit	**434**	**447**
Selling expenses	(197)	(198)
Research and development expenses	(86)	(83)
Administrative expenses	(97)	(99)
Other operating income	112	112
Other operating expenses	(134)	(122)
Result from operating activities	**32**	**57**
Interest income / (expense) − net	***(7)***	***(5)***
Interest income	2	1
Interest expense	(9)	(6)
Other finance income / (expense) – net	***(50)***	***(38)***
Other finance income	51	80
Other finance expense	(101)	(118)
Net finance costs	**(57)**	**(43)**
Profit before income tax	**(25)**	**14**
Income tax expense	(6)	(5)
Profit (loss) for the period	**(31)**	**9**
Profit (loss) attributable to:		
owners of the Company	(34)	7
non-controlling interests	3	2

EARNINGS PER SHARE	June 30	
	2012	**2011**
Earnings per share:		
Outstanding shares per end of period	167,751,190	167,751,190
Weighted number of shares used for calculation	167,751,190	167,751,190
Earnings per share (in euro)	(0.20)	0.04

	June 30	
	2012	2011
	(in million Euro)	
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME		
Profit (loss) for the period................	**(31)**	**9**
Other comprehensive income for the period recognised directly in equity, net of tax		
***Exchange differences* :**		
Exchange differences on translation of foreign operations........................	18	(42)
Exchange differences on net investment hedge	(3)	7
Income tax on exchange differences on net investment hedge	(1)	-
***Cash Flow Hedges* :**		
Effective portion of changes in fair value of cash flow hedges................	(7)	3
Changes in the fair value of cash flow hedges reclassified to profit or loss...	6	(4)
Income taxes	-	-
***Available-for-sale financial assets* :**		
Changes in fair values of available-for-sale financial assets....................	(1)	-
Total other comprehensive income ..	**12**	**(36)**
Total comprehensive income	**(19)**	**(27)**
attributable to owners of the Company	(22)	(28)
attributable to non-controlling interests..	3	1

The statement of comprehensive income for the current interim period with comparative statements of comprehensive income for the comparable interim period for the immediately preceding year, as required by IAS 34.20, has been included in addendum.

Consolidated statement of cash flows

	June 30	
	2012	2011
	(in million Euro)	
Profit (loss) for the period……………………..	(31)	9
***Adjustments for* :**		
Depreciation, amortisation and impairment losses	43	46
Changes in fair value of derivative financial instruments	2	1
Net finance costs	57	43
Income tax expense	6	5
	77	**104**
***Changes in* :**		
- Inventories..	(71)	(134)
- Trade receivables including cash inflows from securitisation	26	(12)
- Trade payables	15	31
- Deferred revenue and advance payments	23	20
- Other working capital......................................	(17)	(42)
- Non-current provisions....................................	(46)	(49)
- Current provisions...	(23)	(32)
Cash generated from/(used in) operating activities	**(16)**	**(114)**
Income taxes paid...	(4)	(11)
Net cash from/(used in) operating activities ...	**(20)**	**(125)**
Interest received	1	1
Dividends received	0	0
Proceeds from sale of intangible assets	1	0
Proceeds from sale of property, plant and equipment	2	1
Acquisition of intangible assets	(2)	(3)
Acquisition of property, plant and equipment	(21)	(24)
Changes in lease portfolio	18	6
Acquisition of subsidiary, net of cash acquired ..	0	(5)
Change in other investing activities...................	2	1
Net cash from/(used in) investing activities	**1**	**(23)**
Interest paid..	(13)	(11)
Dividends paid...	0	0
Proceeds from borrowings.................................	64	0
Repayment of borrowings	-	6
Other financial flows	(11)	(1)
Net cash from/(used in) financing activities....	**40**	**(6)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**21**	**(154)**
CASH AND CASH EQUIVALENTS AT JANUARY 1	**98**	**238**
EFFECT OF EXCHANGE RATE FLUCTUATIONS	**4**	**(3)**
CASH AND CASH EQUIVALENTS AT JUNE 30	**123**	**81**

1.3 Consolidated statement of changes in equity

(in million Euro)	Share capital	Share premium	Retained earnings	Reserve for own shares	Revaluation reserve	Share-based payments reserve	Hedging reserve	Translation reserve	Total	Non-controlling interest	Total equity
Balance at January 1, 2012.........	**187**	**210**	**642**	**(82)**	**(1)**	**0**	**(7)**	**11**	**960**	**35**	**995**
Comprehensive income for the period											
Profit (loss) for the period............	-	-	(34)	-	-	-	-	-	(34)	3	(31)
Other comprehensive income........	-	-	-	-	(1)	-	(1)	14	12	-	12
Total comprehensive income for the period	**-**	**-**	**(34)**	**-**	**(1)**	**-**	**(1)**	**14**	**(22)**	**3**	**(19)**
Balance at June 30, 2012	**187**	**210**	**608**	**(82)**	**(2)**	**-**	**(8)**	**25**	**938**	**38**	**976**

(in million Euro)	Share capital	Share premium	Retained earnings	Reserve for own shares	Revaluation reserve	Share-based payments reserve	Hedging reserve	Translation reserve	Total	Non-controlling interest	Total equity
Balance at January 1, 2011.........	**187**	**210**	**703**	**(82)**	**-**	**12**	**2**	**1**	**1,033**	**30**	**1,063**
Comprehensive income for the period											
Profit (loss) for the period............	-	-	7	-	-	-	-	-	7	2	9
Other comprehensive income........	-	-	-	-	-	-	(1)	(34)	(35)	(1)	(36)
Total comprehensive income for the period	**-**	**-**	**7**	**-**	**-**	**-**	**(1)**	**(34)**	**(28)**	**1**	**(27)**
Transactions with owners, recorded directly in equity											
Reclassification – share based payments recorded in profit or loss statement in previous periods……………………….	-	-	11	-	-	(12)	-	1	-	-	-
Total of transactions with owners	**-**	**-**	**11**	**-**	**-**	**(12)**	**-**	**1**	**-**	**-**	**-**
Balance at June 30, 2011	**187**	**210**	**721**	**(82)**	**-**	**-**	**1**	**(32)**	**1,005**	**31**	**1,036**

Selected explanatory notes to the condensed consolidated interim financial statements as of June 30, 2012

1. Reporting entity

Agfa-Gevaert NV (the "Company") is a company domiciled in Belgium. The condensed consolidated interim financial statements of the Company as at and for the six months ended June 30, 2012 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in associates. The consolidated financial statements of the Group as at and for the year ended December 31, 2011 are available on the Company's website: www.agfa.com.

2. Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the European Union. They do not include all of the information required for the full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended December 31, 2011. These condensed consolidated interim financial statements were approved by the Board of Directors on August 21, 2012.

3. Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended December 31, 2011.
The condensed consolidated interim financial statements are presented in Euro, rounded to the nearest million.

4. Unusual items affecting the condensed interim financial statements

During the first half year of 2012, no unusual items affected the condensed financial statements.

5. Critical accounting estimates and judgements

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from estimates.
In preparing the condensed consolidated interim financial statements, the judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended December 31, 2011.

6. Impairment testing of goodwill and other intangible assets with indefinite useful life

An impairment test is to be carried out once a year, and this at the same time, unless indicators would trigger an impairment loss on an earlier moment. The Group performs its impairment test during the fourth quarter. In accordance with IAS 36.12, the comparison of the market capitalization of Agfa-Gevaert per June 30, 2012 with the net asset value of the Company at the same moment is an indicator of a possible impairment, requiring carrying out an impairment test.

Based on IAS 36.99 management decided not to carry out a formal impairment test at June 30, 2012 since the annual impairment test performed at the Cash Generating Unit level had not revealed any impairment loss at December 31, 2011 and that the following criteria were met at June 30, 2012:

- The assets and liabilities making up the units have not changed significantly since the fourth quarter 2011;

- The recoverable amount calculation dated from the fourth quarter 2011 resulted in an amount that exceeded the carrying amount of the units by a substantial margin; and

- Based on an analysis of events that have occurred and circumstances that have changed since the fourth quarter 2011, the likelihood that a current recoverable amount determination would be less than the current carrying amount of the units is remote. In this respect, management also would like to point out that the silver price has decreased since December 2011.

7. Reportable segments

For the six months ended June 30

in million Euro	**Graphics**		**HealthCare**		**Specialty Products**		**Total**	
	2012	2011	2012	2011	2012	2011	2012	2011
Revenue	814	791	578	577	121	131	1,513	1,499
Recurring EBIT (*)	20	32	35	41	1	5	56	78
Segment result (**)	8	18	28	36	(2)	5	34	59

(*) Recurring EBIT is the result from operating activities before restructuring and non-recurring items

(**) Segment result is the profit from operating activities

Reconciliation of reportable segment result

For the six months ended June 30

	June 30, 2012	June 30, 2011
Segment result	34	59
Profit (loss) from operating activities not allocated to reportable segments	(2)	(2)
Results from operating activities	**32**	**57**
Other unallocated amounts:		
Interest income (expense) – net	(7)	(5)
Other finance income (expense) – net	(50)	(38)
Consolidated profit (loss) before income taxes	**(25)**	**14**

8. Net finance costs

Net finance costs for the first half year of 2012 and 2011 comprise the following income and expenses:

	June 30, 2012	June 30, 2011
Interest income on bank deposits	*2*	*1*
Interest expense	*(9)*	*(6)*
On bank loans	(5)	(2)
On debentures	(4)	(4)
Interest income / (expense) – net	**(7)**	**(5)**
Other finance income	51	80
Other finance expense	(101)	(118)
Other finance income / (expense) – net	**(50)**	**(38)**
Net finance costs	**(57)**	**(43)**

Other finance income / (expense) – net primarily comprise the portion of the net periodic pension cost that is treated as other finance income / (expense) and the interest portion of other interest-bearing provisions. Other finance income / (expense) moreover includes the impact of discounting of assets and liabilities, results on the disposal of marketable securities, changes in fair value of derivative financial instruments that are not part of a hedging relationship and are not linked to operating activities, as well as exchange results on non-operating activities.

9. Defined Benefit Plans

The unfunded status as of December 31, 2011 amounted to (1,091) million Euro for the Group's material countries which comprised of defined benefit obligations for 2,027 million Euro and plan assets for a total fair value of 936 million Euro. Given the expected decrease of the discount rates as of June 2012 compared to the discount rates applied at year-end 2011, resulting from the current financial market evolutions, Agfa expects that the unfunded status of its defined benefit plans has further increased as per 30 June 2012. Detailed calculations are only performed at year-end. Therefore, in order to understand the Group's sensitivity to the evolution of the discount rates, we refer to our Annual Financial Report 2011, disclosure note 20 'Employee Benefits'.

The difference between the funded status and the carrying amount of the defined benefit obligations of the Group's material countries is explained by unrecognized actuarial losses which amounted to 687 million Euro as at December 31, 2011. As explained above, any further increase of the unrecognized actuarial losses in the first half year of 2012 would be mainly explained by losses on plan liabilities due to the change in the assumption of the discount rate. As of 2013, due to amendments to IAS 19 *Employee Benefits*, the recognition of actuarial gains and losses in profit or loss over multiple accounting periods – generally known as the 'corridor approach' – is no longer allowed. Instead, the unrecognized actuarial loss as of December 31, 2012 should be recognized in full as per January 1, 2013 in other comprehensive income.

10. Contingencies

There were no significant changes in contingencies as those disclosed in the consolidated financial statements of the Group as at and for the year ended December 31, 2011.

11. Related party transactions

Transactions with Directors and members of the Executive Management

Key management personnel compensation included in the condensed consolidated interim income statements for the first half year of 2012 and 2011 can be detailed as follows:

	June 30, 2012	June 30, 2011
Directors	0.3	0.3
Executive Management	2.3	2.2

As of June 30, 2012 there were no loans outstanding to members of the Executive Management nor to members of the Board of Directors.

Other related party transactions

Transactions with related companies are mainly trade transactions and are priced at arm's length. The revenue and expenses related to these transactions are immaterial to the condensed consolidated interim financial statements as a whole.

12. Subsequent events

There are no subsequent events.

Addendum

This information has not been subject to a limited review of KPMG Bedrijfsrevisoren.

AGFA-GEVAERT GROUP

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME for the Quarter ending June 2012 / June 2011

	June 30	
	Q2 2012 only	**Q2 2011 only**
	(in million Euro)	
CONSOLIDATED INCOME STATEMENT		
Revenue	**779**	**763**
Cost of sales	(553)	(547)
Gross profit	**226**	**216**
Selling expenses	(100)	(98)
Research and development expenses...	(42)	(40)
Administrative expenses	(49)	(49)
Other operating income	66	53
Other operating expenses	(80)	(57)
Result from operating activities	**21**	**25**
Interest income / (expense) – net	***(3)***	***(2)***
Interest income	1	1
Interest expense	(4)	(3)
Other finance income / (expense) – net	***(24)***	***(18)***
Other finance income	30	28
Other finance expense	(54)	(46)
Net finance costs	**(27)**	**(20)**
Profit before income tax	**(6)**	**5**
Income tax expense	1	(1)
Profit (loss) for the period	**(5)**	**4**
Profit (loss) attributable to:		
owners of the Company	(7)	2
non-controlling interests	2	2

	June 30	
	Q2 2012 only	Q2 2011 only
	(in million Euro)	
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME		
Profit (loss) for the period.................	**(5)**	**4**
Other comprehensive income for the period recognised directly in equity, net of tax		
***Exchange differences* :**		
Exchange differences on translation of foreign operations.........................	31	(7)
Exchange differences on net investment hedge	(6)	2
Income tax on exchange differences on net investment hedge	-	-
***Cash Flow Hedges* :**		
Effective portion of changes in fair value of cash flow hedges.................	(7)	(1)
Changes in the fair value of cash flow hedges reclassified to profit or loss...	3	(2)
Income taxes	1	1
***Available-for-sale financial assets* :**		
Changes in fair values of available-for-sale financial assets.....................	-	-
Total other comprehensive income ..	**22**	**(7)**
Total comprehensive income	**17**	**(3)**
attributable to owners of the Company	15	(5)
attributable to non-controlling interests...	2	2