IBA
SHAPING THE FUTURE OF CANCER TREATMENT
ANNUAL REPORT 2012

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SHAPING THE FUTURE OF CANCER TREATMENT

In 2012, IBA opened a new chapter in its history with the refocus of its activities on its core business, proton therapy.

This refocus will enable IBA to position itself for the future and consolidate its dominant position in a proton therapy market with high growth potential. 2012 was a pivotal year with an objective to strengthen the foundations of the Company.

The Management Team is convincing. The strategy and financial objectives are clear. IBA has a bright future to look forward to.

HIGHLIGHTS 2012 & KEY FIGURES

OPERATING HIGHLIGHTS

- Seven proton therapy rooms sold in 2012, including three for Apollo in India in early 2013.
- Significant interest in IBA's smaller, more affordable proton therapy system, *Proteus®**ONE***.
- Efficiency program implemented to generate annual savings of EUR 10 million by 2014. First significant effects seen in H2, with Company on track to reach 10% EBIT margin in 2014.
- Sale of stake in IBA Molecular to SK Capital Partners for a net cash proceeds of EUR 74.7 million.
- ING hired to advise on disposal of Bioassays business.
- Following restructuring, IBA Equipment now operating as two segments, "Proton therapy & Particle accelerators" and Dosimetry. Bioassays reclassified as "Held for Sale" and excluded from operational numbers.
- Appointment of Olivier Legrain as new Chief Executive Officer.

PROTON THERAPY

IBA continues to demonstrate leadership on the proton therapy market. To date, IBA proton therapy systems are utilized in over half of the world's proton therapy clinics, amounting to thirteen operational centers and twelve further centers under development.

- Three proton therapy centers sold over the last 12 months, amounting to seven rooms in total.
- In June, a new contract worth EUR 20 million is signed for *Proteus®**ONE* in France combined with a ten-year service and maintenance agreement.
- In December, a contract for the installation of a multi-room proton therapy system in Irving-Las Colinas, Texas, is signed. This contract is worth approximately USD 50 million, including a five-year operation and maintenance agreement.
- Shortly after the year end, IBA signs a contract worth EUR 50 million with Apollo Hospitals, Asia's largest integrated healthcare group to establish the first proton therapy center in India.

Significant progress on the construction and installation of proton therapy centers.

- In 2012, IBA completes the installation of a number of Pencil Beam Scanning (PBS) solutions. This advanced treatment method allows physicians to precisely "paint the targeted cells" in 3-D with the treatment beam, thus further optimizing the targeting of the tumor while sparing the surrounding healthy tissue.
- The first patient receives treatment at the ProCure Proton Therapy Center in New Jersey after a record-breaking equipment installation time of 12 months. IBA and ProCure are able to achieve the same performance and complete the commissioning of ProCure's Seattle center in the same time frame.
- The Prague Proton Therapy Center begins patient treatment in December.

PARTICLE ACCELERATORS

- IBA sells 15 medical accelerators, mainly to emerging countries (BRIC countries and others). Half of the cyclotrons sold include the Company's IntegraLab® solution which combines equipment and services for the establishment of radiopharmaceutical production centers.
- IBA signs major contracts for the supply of Rhodotron® Electron Beam Sterilization (in Asia and in Brazil).
- In October, IBA launches a new CAREprogram that includes a complete portfolio of solutions to install, optimize, support and maintain its equipment.

DOSIMETRY

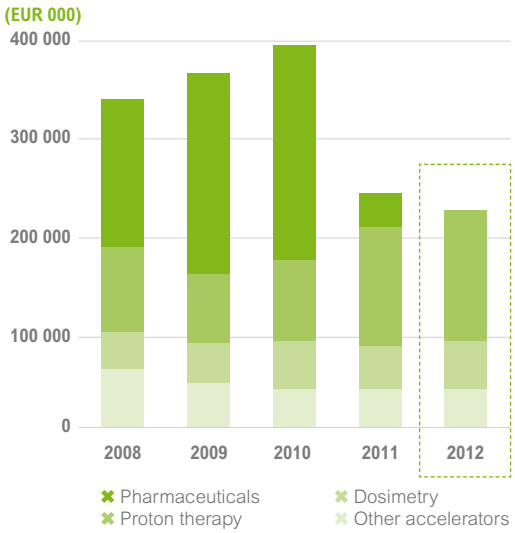
- IBA sees excellent growth in its Dosimetry business during 2012, attributed to the Company's increased success in building market share in emerging countries.
- IBA Dosimetry opens the International Competence Center (ICC), a training center which offers dosimetry training programs of the highest level.
- Dosimetry launches MagicMax Universal Multimeter Product Line and Sales & Service Network in North America for the Medical Imaging QA business.
- The high level of service at IBA Dosimetry is recognized in 2012 by the prestigious "Siemens Supplier of the Year" award in the Diagnostics segment.

IBA MOLECULAR

As part of the overall Group restructuring, IBA announces in April that it has agreed with SK Capital Partners, a US private investment firm, to create IBA Molecular, a jointly owned company derived from IBA's worldwide Radiopharmaceutical division. 40% owned by IBA, IBA Molecular is a worldwide leader in the manufacture and distribution of radioactive isotopes used for medical imaging and therapy, with over 1 000 employees and 50 locations in the US, Europe and Asia. On closing the deal, IBA receives a net payment of EUR 74.7 million from SK Capital Partners.

Proteus®ONE** is the brand name of a new configuration of the Proteus® 235, including some new developments subject to review by Competent Authorities (FDA, European Notified Bodies, et al.) before marketing.*

SALES TRENDS



- IBA is a high-technology medical company which concentrates its activities on radiotherapy.
- IBA is the worldwide leader on the proton therapy market.
- Quoted on the pan-European stock exchange Euronext.
- 1 200 employees worldwide.
- IBA now operates as two segments, “Proton therapy & Particle accelerators” and “Dosimetry”.

SALES TRENDS BY ACTIVITY

	2008 (EUR 000)	2009 (EUR 000)	2010 (EUR 000)	2011 (EUR 000)	2012 (EUR 000)	CAGR(1) (%)
SALES						
Pharmaceuticals	149 971	203 587	217 603	34 529 (*)	0	N.A.
Proton therapy	86 191	39 815	82 884	121 157	133 213	11.5%
Dosimetry	37 557	37 557	48 018	43 112	48 902	6.8%
Other accelerators	58 888	45 070	39 086	38 896	38 991	-9.8%

(1) Compound annual growth rate.

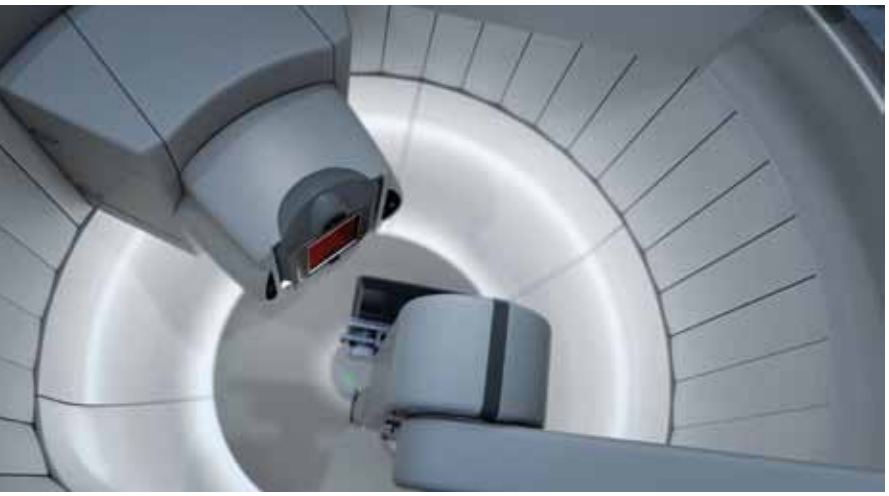
SALES TRENDS BY GEOGRAPHICAL SECTOR (%)

	2008	2009	2010	2011	2012
USA	40	30	31	35*	38**
ROW	60	70	69	65*	62**

** The financial statements have been restated to exclude the radiopharmaceutical operations that have been sold and reclassify them to discontinued operations. The figures affected are indicated with an asterisk. This impacts the interpretation of the ratios.*

*** The 2012 figures don't include any Radiopharmaceutical activity.*

IBA
AT A GLANCE



Created by Yves Jongen in March 1986 in Louvain-la-Neuve in Belgium, IBA (Ion Beam Applications SA) is the worldwide leader in advanced cancer radiotherapy and diagnostic technologies. The Company's special expertise lies in the development of innovative proton therapy technologies, supplying the oncological world with equipment of unequalled precision.

Headquartered in Belgium and employing more than 1 200 people worldwide, IBA has installed systems across the United States and Europe. More recently it has successfully entered developing markets.

IBA has developed and installed more than half of the proton therapy clinical installations in the world.

TODAY, IBA FOCUSES ON THREE PRINCIPAL ACTIVITIES

PROTON THERAPY

2012 ACTIVITY TURNOVER
133 213 (EUR 000)

Thanks to its more conformal dose distribution and reduced side effects, proton therapy is considered to be the most advanced and most targeted treatment in the fight against cancer. Protons deposit the majority of their energy within a precisely controlled zone, directly in the center of the tumor without damaging healthy surrounding organs. Today, proton therapy is used to treat many cancers. It is particularly appropriate when treatment options are limited and conventional radiotherapy presents risks to patients. These situations include eye and brain cancers, tumors close to the brain stem and spinal cord, as well as prostate, liver, breast and pediatric cancers.

While proton therapy is becoming more accessible throughout the world, IBA, with its concern for patient wellbeing, continues to innovate through the design of ergonomic treatment rooms with advanced features, in order to meet the highest standards of clinical oncology practice .

Today, more than half of proton therapy clinical facilities worldwide are IBA systems. This includes 13 proton therapy centers in operation and 12 additional centers under development. Over 20 000 patients have been treated on IBA equipment – more than on all major competitive installations combined (Hitachi, Varian, Sumitomo, Mevion, Protom). The IBA product offer ranges from complete solutions *Proteus®**PLUS*** with five treatment rooms to *Proteus®**ONE***, a single-room solution. With *Proteus®**ONE***, proton therapy is more accessible than ever.

PARTICLE ACCELERATORS

2012 ACTIVITY TURNOVER
38 991 (EUR 000)

To date, IBA has installed more than 400 accelerators. The majority of them are used for the production of radioisotopes for the detection of cancer. Capitalizing on its unique experience in radiopharmaceuticals, IBA is able to offer its customers better-integrated solutions. These solutions not only include equipment, but also services for setting up radiopharmaceutical production centers in total compliance with current norms.

In addition to its medical activity, IBA leverages its scientific expertise in radiation to develop its industrial sterilization and ionization activities.

DOSIMETRY

2012 ACTIVITY TURNOVER
48 902 (EUR 000)

Precision is everything in the delivery of radiation. For both diagnosis and therapy, delivering exactly the prescribed dose to a precisely defined area in the patient's body is absolutely crucial. Treatment success and safety depend on it. IBA offers a full range of monitoring equipment and software enabling radiologists to perform the necessary checks and calibration procedures.

MESSAGES FROM THE CEO AND CHAIRMAN

Olivier Legrain, Chief Executive Officer, Jean Stéphenne, Chairman of the Board.

INTERVIEW WITH OLIVIER LEGRAIN

WHAT IS THE EVENT THAT STANDS OUT MOST IN 2012?

Olivier Legrain : We have redefined the scope of our activities to refocus on our core business, proton therapy. This strategy is based on several simple observations.

We are witnessing unfortunately an unavoidable increase in the number of cancer cases in the world. We expect to see the share of cancers treated by radiotherapy double in the next 10 years. In parallel, the share of indications for which proton therapy is recommended is going to increase significantly. We therefore anticipate a strong worldwide increase in demand for proton therapy rooms in the years to come. We are also seeing a change in the profile of hospitals adopting this type of treatment. Historically, proton therapy was prevalent in research centers and prestigious institutions. Today, more and more of our customers are clinical institutions striving to offer their patients the best form of radiotherapy. With the contracts of McKesson, in Texas, and Apollo in India, IBA is now successfully reaching a new segment of the market: large hospital groups.

Proton therapy is therefore our principal source of growth for the future, particularly since IBA also enjoys the position of uncontested world market leader. More than half of the worldwide proton therapy market is equipped by IBA. Our installations have treated more than 20 000 patients. That's more than all the competitive systems combined! We are also widening our geographical coverage. The last proton therapy contract signed with Apollo will serve as a base for spreading proton therapy in Asian countries.

In addition, IBA has over time developed unique operational excellence in the installation of proton therapy centers. In 2012 we completed the installation of several centers in record time (Chicago, Somerset and Seattle) and our customers in Prague and Somerset treated their first patients.

AS LEADER, IS IBA CONTRIBUTING TO THE EFFORT OF SPREADING PROTON THERAPY?

OL : Indeed, making proton therapy more accessible is an important objective for us. The launch of *Proteus*® ***ONE*** is the most tangible embodiment: *Proteus*® ***ONE*** is a compact single-room solution which is smaller, more affordable, easier to install, easier to operate and ultimately easier to finance. With *Proteus*® ***ONE***, proton therapy becomes possible for more patients worldwide. We will soon be installing the first *Proteus*® ***ONE*** centers in Nice, France, and Shreveport, in Louisiana, USA.

Another factor which is going to accelerate the movement towards proton therapy is the growing number of clinical studies that establish the superiority of this treatment mode in an increasing number of cancer indications. Moreover, every year IBA brings together its customers to encourage the sharing of clinical studies and help develop the technology.

Proton therapy is therefore at a turning point in its history: it is progressively becoming mainstream. We are proud to be part of this.

THE DOSIMETRY SEGMENT ALSO APPEARS TO BE GROWING RAPIDLY?

OL : Yes indeed, expertise in dosimetry, both for medical imagery and radiotherapy, is indispensable today. Our technological leadership in the field is renowned throughout the world. Our 3 500 customers are a testament to this expertise.

Furthermore, with the Dosimetry division we benefit from the potential offered by markets which are complementary to proton therapy. This helps make IBA more resilient to fluctuations in the proton therapy sector.

THAT LEAVES US WITH INDUSTRIAL AND RADIOPHARMACEUTICAL PRODUCT LINES. HOW ARE THEY PROGRESSING?

OL : The Industrial division is doing very well. Our recent success in Asia reassures us that we have taken the right path. The Rhodotron® systems sold in China will be used for the sterilization of medical material by electron beam technology. Compared to classical sterilization modes using radioactivity or chemical products, IBA Rhodotron® electron beam technology enables users to avoid all the contamination associated with chemical products and radioactive materials.

Finally, the radiopharmacy equipment that we produce and sell also contributes to our success, particularly in emerging markets. Whether we are talking about multi-purpose automated synthesizers or complete radiopharmacy projects, our know-how is recognized throughout the world.

Clearly there is also great potential for us outside proton therapy.

ARE THERE CONCERNS ON THE HORIZON? THE CRISIS?

OL : Yes, of course. As far as proton therapy is concerned, the crisis makes access to financing more difficult in general. Projects take longer to complete. But as I have explained, this market is growing strongly.

Having said that, our order book – which stands at around EUR 240 million – gives us a good indication

of revenue in the 12 or 24 months to come. And maintenance of proton therapy sites also provides income which is recurrent and important for the growth of IBA.

COULD YOU TELL US ABOUT THE DISPUTES WITH WESTDEUTSCHES PROTONENTHERAPIEZENTRUM ESSEN GMBH (WPE) IN ESSEN AND SK CAPITAL PARTNERS?

OL : We are close to signing a new agreement with our client WPE in Essen, Germany. We are grateful to our financial partners for the effort they have made to find a solution and we look forward to working with WPE in the future. This center will treat its first patient in the coming weeks.

As for our partnership with SK Capital Partners, which assures the future of the IBA Molecular division, we can today confirm that it is progressing very well. We have a common aligned strategy.

We have made financial provisions for those disputes.

HOW DO YOU SEE THE FINANCIAL FUTURE OF IBA?

OL : We are going to continue to refocus our activities on our core business and obtain the benefits from it. We are confident that the cost reduction measures we have taken – which represent around 10 million euros for 2013 – will enable us to achieve the objective we have fixed of 10% operating profit margin by end 2014. Over the next three years, our cumulated annual growth rate should be between 5 and 10%.

Our financial objectives are clear. All our teams have made great efforts this year to support our strategy of refocusing our activities on proton therapy, with a view to improving profitability. And I thank them all very sincerely.

OLIVIER LEGRAIN

Chief Executive Officer

INTERVIEW WITH JEAN STÉPHENNE

2012 WAS CLEARLY A YEAR OF REFOCUS FOR IBA. WHAT DO YOU THINK OF THE STRATEGY OF THE NEW CEO?

Jean Stéphenne : 2012 was indeed a turning point. With the arrival of Olivier Legrain at the head of IBA, the Company repositioned to focus on its core business, proton therapy. During the strategic review in December, the Board of Directors was impressed by the clarity and lucidity of the strategy, and the competences of the new IBA Management Team. Olivier Legrain presented a strategic plan aimed at returning the Company to profitability. I have total confidence in his capacity to meet IBA's financial and technological challenges, while continuing to benefit from the expertise of Yves Jongen and Pierre Mottet who are still active in the Company. The role of the Board of Directors is to ensure a smooth transition in company management based on a clear strategic plan.

THE BOARD OF DIRECTORS HAS ALSO SEEN SOME CHANGES…

JS : Inevitably the composition of the Board changes, if only to find a balance between industrial, scientific and financial expertise. Professor Mary Gospodarowicz, who joined the Board in May 2012, is an important link both technically and medically (Prof. Mary Gospodarowicz is the Medical Director of the Princess Margaret Cancer Centre at the University Health Network in Toronto, Canada, and is also President of the Union for International Cancer Control). Mary understands better than anyone the issues around cancer and demonstrates the added value of proton therapy every day. She also represents the North American market on the Board, a market with enormous potential for proton therapy.

ON THIS SUBJECT, HOW IS IBA RESPONDING TO THE ISSUE OF ACCESSIBILITY TO THIS REVOLUTIONARY THERAPY?

JS : IBA has developed a proton therapy solution that is more standardized and more compact: *Proteus®**ONE***. This new system opens new doors for IBA because it makes proton therapy more accessible to a greater number of hospitals around

the world. It also allows IBA to penetrate new markets, particularly in Asia. *Proteus®**ONE*** will enable IBA to remain the indisputable leader of this market with strong growth potential.

WHAT HAPPENS TO THE RADIOPHARMACEUTICAL DIVISION IN VIEW OF IBA'S REFOCUS ON ITS CORE BUSINESS, PROTON THERAPY?

JS : Related to this refocus, IBA has created a new joint company with SK Capital Partners: IBA Molecular. The backing of SK Capital Partners will strengthen the potential of IBA Molecular to increase its production capacity, generate new products and widen its geographical coverage. On its own, IBA would not have sufficient financial resources to ensure this development. The relationship with SK Capital Partners is constructive, and we are aligned together on the strategy to follow.

SO YOU SEEM OPTIMISTIC ABOUT THE FUTURE OF IBA?

JS : Yes. Analysts and investors expect recurrent results. Olivier Legrain and his team are in the process of reestablishing the profitability of IBA. The Company has refocused on its flagship activities, where the potential is clear. *Proteus®**ONE*** is the response to the fundamental market changes taking place in proton therapy. 2012 was a key year aimed at strengthening the foundations of the Company. The strategy for the coming years is clear and explicit. The new IBA Management Team is extremely competent. IBA has a bright future to look forward to.

JEAN STÉPHENNE

Chairman of the Board

Pierre Mottet, Chief Executive Officer till May 2012, Olivier Legrain, Chief Executive Officer, Jean Stéphenne, Chairman of the Board.

GLOBAL STRATEGY

IBA is a medical technology company which concentrates its activities on the fight against cancer through integrated and innovative solutions for the diagnosis and treatment of the disease. The Group's priority is the development of proton therapy, the most advanced form of radiotherapy today. Other activities grouped around this principal activity include dosimetry and the development of particle accelerators for the medical world and industry.

These enable IBA to expand its range of products and help achieve the mission it has set itself: to protect, enhance and save lives.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The year 2012 saw important changes in Group strategy. A first change is the realignment towards its Equipment core activity. In order to ensure the necessary investment for its Equipment activity, IBA formed a strategic alliance with SK Capital Partners and created the IBA Molecular company on April 2nd 2012. This jointly-owned company regroups the Pharmaceutical activities of IBA, such as the production of radioisotopes, and the development of new tracers (products which enable the identification of the human body's organic activity).

A second significant change is the Management handover at the top of the Company. Pierre Mottet, Chief Executive Officer of IBA for more than 25 years passed on the baton to Olivier Legrain on May 9th 2012.

While maintaining the Group's leadership in proton therapy, these two changes have enabled IBA to embark on a new path that will significantly improve its profitability. Major initiatives have already been taken both to improve the productivity and efficiency within the organization, and to support growth in the Company's markets. Indeed IBA is convinced that these initiatives will enable the Group to achieve an operating profit of 10% from end 2014.

In order to maintain its technological market leadership, the Group has continued to invest in Research and Development. In 2012, R&D staff represented 21% of Group full-time equivalent employment with 275 units.

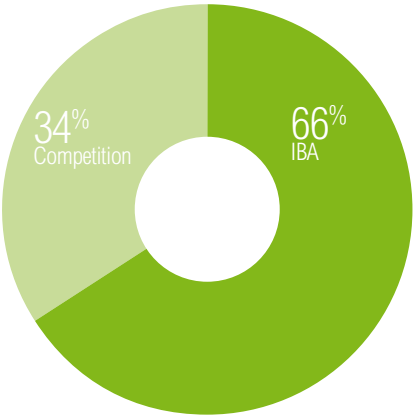
Actual expenditure for managing and developing the intellectual property of the Group reached approximately EUR 0.89 million.

In 2012 IBA reduced its patent portfolio to those actually used, in order to maintain the level of annual expenditure in this area while ensuring the protection of its new inventions.

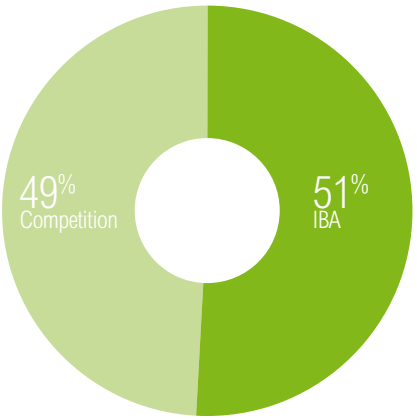
At December 31 2012, the IBA patent portfolio contained 405 patents and patent applications covering 86 different inventions.

MARKET SHARE

ROOMS IN OPERATION



ROOMS SOLD



PROTON THERAPY

PROTON THERAPY, A GROWING MARKET; IBA, A DRIVING FORCE

Proton therapy is a form of radiotherapy considered by many specialists to be the technology of the future in cancer treatment, due to the precision with which it is possible to target the tumor. The particular physical properties of the proton beam enable it to:

- reduce the radiation dose deposited in healthy tissue surrounding the tumor;
- reduce the risk of secondary cancers and growth anomalies linked to the radiation of healthy tissue;
- offer patients a better quality of life during and after treatment by significantly reducing side effects.

At the end of 2012, IBA confirmed its position as leader with a 50% share of market and the sale of 73 treatment rooms – of which 45 are in operation – to 25 institutions.

The growth potential of this market is enormous. While proton therapy today represents less than 1% of radiotherapy treatments, studies – such as the report by the Nederlands Gezondheidsraad (1) (Netherlands Health Council) – estimate that more than 17% of patients treated by radiotherapy would benefit from being treated by this technique.

MOVING TO SIMPLER, MORE ACCESSIBLE TECHNOLOGY

In order to make proton therapy accessible to a greater number of patients throughout the world, IBA has developed a new, more compact and economically affordable concept: *Proteus®**ONE***. This proton therapy system, simpler to install and operate, is also more easily financeable. While encompassing the most meaningful clinical functionalities, *Proteus®**ONE*** facilitates access to proton therapy.

Leveraging its unique expertise in the design and development of particle accelerators for clinical use, IBA has developed a more compact and affordable accelerator. This new accelerator incorporates the latest technologies available in the sector and is one of the innovative elements of *Proteus®**ONE***.

In its search for compactness, IBA has also developed a new compact isocentric gantry that enables the treatment of the widest range of clinical indications. The expertise provided by Philips Design in this project has enabled IBA to develop a treatment environment that is highly innovative technically in terms of patient wellbeing and safety of clinical teams.

In addition, IBA is also constantly reducing the installation time of its proton therapy centers, thereby reducing technological and financial risks for the customer and making IBA the preferred choice in the market.

DEPLOYING TECHNOLOGICAL SOLUTIONS WITH HIGH ADDED VALUE TO RESPOND TO CLINICAL CHALLENGES

IBA's mission is to provide technological solutions to meet the clinical challenges of cancers which are particularly complex to treat.

In order to provide a proton therapy solution with high precision assisted by advanced imagery, IBA has invested in two major research areas together with clinical and scientific partners:

(1) Health Council of the Netherlands. Proton radiotherapy. Horizon scanning report. The Hague: Health Council of the Netherlands, 2009; publication no. 2009/17E. ISBN 978-90-5549-786-7 http://www.gezondheidsraad.nl/ en/publications/healthcare/proton-radiotherapy

*The state-of-the-art technology of Proteus®**PLUS** offers compelling advantages in terms of simplicity, reliability and operability that are unequaled on the market.*

*Proteus®**ONE** benefits from 20 years of experience and the latest technologies in proton therapy developed by IBA with clinical partners. It is designed to enhance the patient experience by fostering a soothing environment and facilitate medical staff daily practice.*

PENCIL BEAM SCANNING (PBS): MILLIMETRIC PRECISION IN 3 DIMENSIONS TO DESTROY THE TUMOR

This advanced treatment modality allows physicians to precisely "paint the targeted cells" in 3-D with the treatment beam. PBS enables doctors to control the intensity and spatial distribution of the dose to the nearest millimeter, adapting it to the shape and heterogeneity of the tumor, while sparing surrounding healthy tissue.

MOVING TOWARDS IMAGE- AND DOSE-GUIDED PROTON THERAPY

In order to optimize treatment precision, IBA supports several initiatives aimed at creating innovative solutions for image- and dose-guided proton therapy.

The final goal of these techniques is to have, in real time, a very precise view of the tumor location and its immediate environment, to verify the position of the patient and the dose deposited during the actual treatment. These features will enable clinicians to fully leverage the precision of proton beam therapy.

DEMONSTRATING AND PROMOTING THE LONG-LASTING DIFFERENTIAL CLINICAL ADVANTAGE OF PROTON THERAPY

In addition to its investment in research aimed at developing the technology of tomorrow, as a leader, IBA actively supports its partners in the effort to build awareness and clinical acceptance of this treatment within the oncology and general healthcare sector.

Specifically, IBA assists its clinical partners in the setting up of clinical studies, and the development and distribution of protocols for new indications such as lung, breast and pancreatic cancer. IBA also helps distribute educational and didactic information to doctors and patients through the support of foundations, educational platforms and other patient associations. Finally, in cooperation with academic partners IBA builds training and clinical certification bodies.

DOSIMETRY

PROTECTING, ENHANCING AND SAVING PATIENTS' LIVES

There are two main applications of the use of radiation for patients: during diagnosis aided by medical imaging (such as X-ray or computer tomography) and in cancer therapy (radiation therapy). In both applications, radiation is used to improve the outcome of the patient. However radiation has to be applied wisely and carefully in order to both maximize the quality of the diagnosis and therapy, and minimize the associated risks. In medical imaging the goal is generally to decrease to a minimum the imaging doses to the patient whilst maintaining good image quality. In radiation therapy the goal is to focus high doses of cancer-cell-killing radiation with pinpoint accuracy on the tumor mass.

With over 3 500 users worldwide, IBA Dosimetry is the market leader in providing healthcare professionals with high-end solutions to measure and analyze the imaging and treatment doses received by patients. With the healthcare market's increasing awareness of higher patient safety, the dosimetry and Quality Assurance (QA) segment will grow further, with single digit annual growth rates in saturated markets and double digit growth in emerging markets. The accelerating trend of merging radiation therapy machines with imaging devices provides further synergies for IBA Dosimetry.

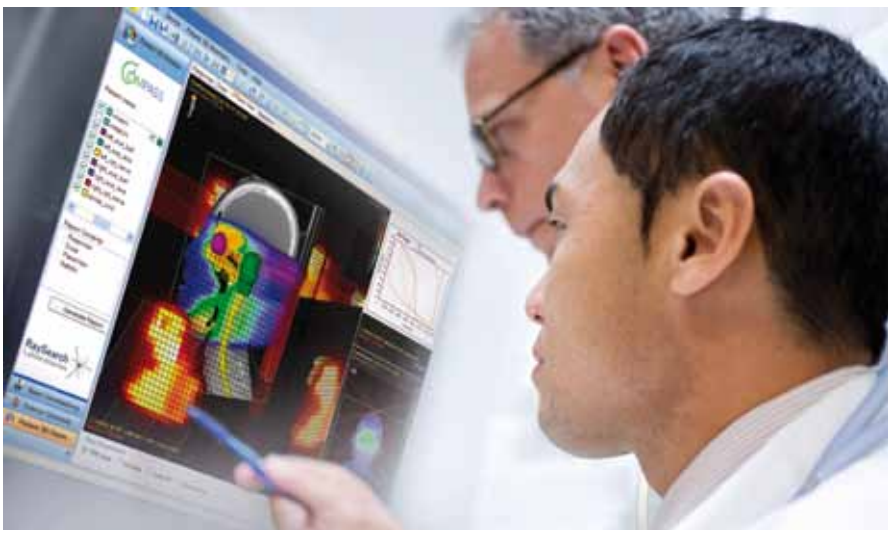
IBA Dosimetry's latest innovations are gaining more and more acceptance worldwide:

COMPASS® is the first and most advanced solution that overcomes traditional phantom based QA. In contrast, COMPASS® visualizes the exact dose distribution inside the patient, enabling healthcare professionals to make clinical decisions on the safety and efficiency of the treatment even before the dose is applied.

DigiPhant PT. Launched at the American Congress of Medical Physicists in 2012, this unique solution for modern proton therapy QA of Pencil Beam Scanning reduces the QA time for each patient by 30 minutes, thus providing proton therapy centers with higher patient throughputs and safer treatments.

In diagnostics, the launch of the new MagicMaX Universal multimeter at the 2012 European Congress of Radiology provides an extremely fast, yet very powerful solution for all diagnostic imaging, from X-ray to fluoroscopy, computer tomography, mammography and dental modalities.

IBA Dosimetry presents an excellent growth of 13.4% totaling EUR 48.9 million.



IBA DOSIMETRY CUSTOMER-TAILORED SOLUTIONS

IBA Dosimetry has launched the new CAREprogram to take customer focus to a level beyond traditional service offerings. The newly-opened International Competence Center (ICC) offers dosimetry training programmes of the highest level, enabling users to utilize high-end dosimetry equipment more efficiently and effectively.

The IBA Dosimetry Laboratory offers SSDL calibrations which meet international regulations and offer documented traceability to primary standards for leading-edge accuracy.

IBA Dosimetry offers also a new worldwide physics service enabling hospitals to commission new radiation therapy equipment much faster.

R&D IN DOSIMETRY

IBA Dosimetry's collaboration with leading healthcare institutions around the world is the core for future innovations that will make IBA's dosimetry and Quality Assurance solutions the preferred choice.

RADIOPHARMACY

IBA has developed in-depth experience in setting up medical radiopharmaceutical production centers. Based on this longstanding expertise, the IBA RadioPharma Solutions team helps nuclear medicine departments in hospitals and radiopharmaceutical distribution centers to design, build and operate a radiopharmacy. Acquiring a cyclotron is indeed only the first step in the complex project of acquiring a fully-functional radiopharmacy capability, one that requires all components and auxiliary equipment to be integrated into a consistent and efficient radiopharmacy center.

Thanks to this unique in-house expertise that no other competitor can claim, IBA won important contracts in all regions in 2012 (Asia, Europe, North America, Russia, Middle East, …).

Growth perspectives for IBA in this segment are positive with the increased demand for Positron Emission Tomography (PET) radiopharmaceuticals throughout the world, particularly in emerging countries.

IBA also continues to develop its leadership and differentiation through constant innovation: in 2012 the Company developed IntegraLab®ONE (a ready-to-run integrated radiopharmacy center), Nirta conical targets (reducing the operating cost and increasing productivity for the client) and also added new molecules that can be produced on the Company's chemistry module Synthera®.

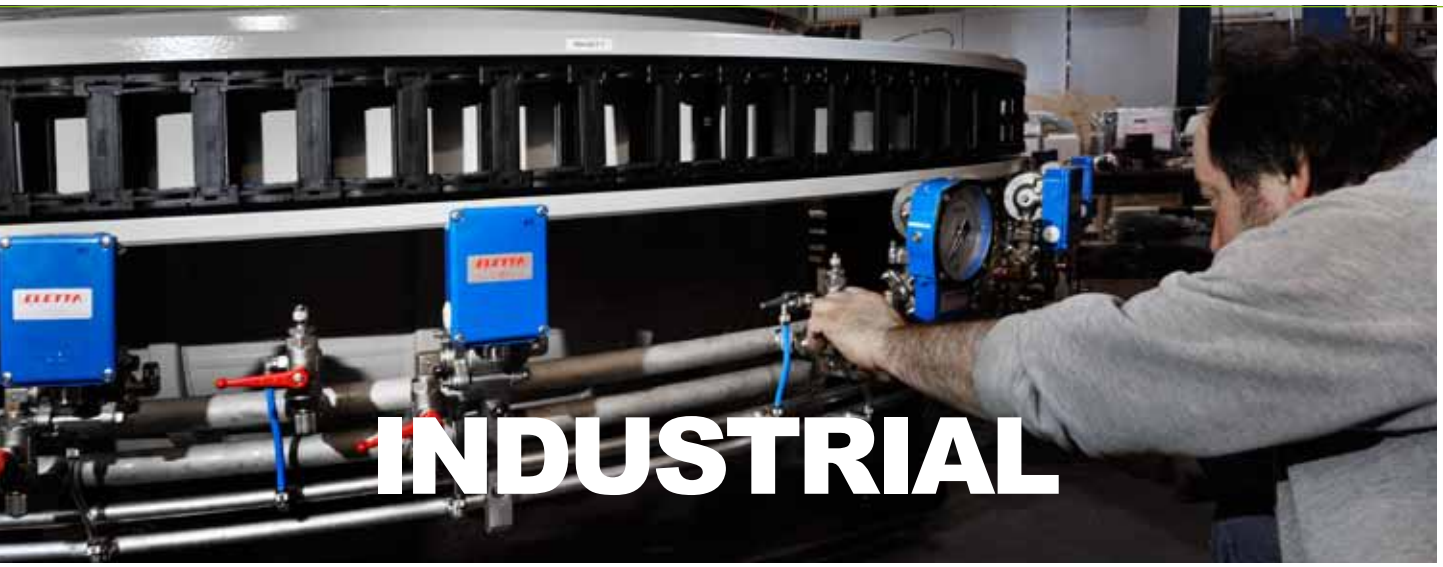
MAIN PRODUCTS

IntegraLab® is a fully-integrated solution combining equipment and services for the establishment of radiopharmaceutical production centers. Amongst other services, IntegraLab® includes the building design, achieving full regulatory compliance, and the selection, integration, supply and installation of suitable high-technology equipment to match the customer's radioisotope production goals.

IntegraLab®ONE is a ready-to-run integrated radiopharmacy center.

Synthera® is a multi-purpose automated synthesizer for the production of ^{18}F-FDG, other ^{18}F-labeled compounds (FCH, FLT, NAF) and radiopharmaceuticals. Synthera® is designed to accommodate a wide range of radiochemistries.

Synthera® is a multi-purpose automated synthesizer for the production of PET molecules.



INDUSTRIAL

The IBA Industrial division exploits electron beams and focuses on two markets: the sterilization of single-use medical products and the improvement of the physical properties of polymers (crosslinking).

In the sterilization market, IBA Industrial achieved a record year in 2012 with the sale of five Rhodotron® accelerators of which two include high added-value integration services. The value of these contracts is approximately EUR 16 million. In 2012, growth of the sterilization market was stimulated principally by China. IBA Industrial has developed a strategy of differentiation both on a product level and in terms of the positioning of its integrator services. Today IBA supplies more than 90% of installed power in the electron-beam sterilization equipment market and plans to break into other sterilization markets such as gamma ray and ethylene oxide sterilization. These new markets are now accessible thanks to an innovation patented in 2012 which enables Rhodotron® to cover a wider power range not achievable by any of IBA's competitors.

The polymer crosslinking market currently shows strong growth following a change in dynamics on the American continent. A growing number of automobile manufacturers are moving towards cables treated by electron beams that are both more compact and offer superior performance. IBA has captured a major share of this growth due to a global services offer and the recent development of its Easy-e-Beam accelerator which meets the specific needs of the automobile industry.

IBA Industrial is looking carefully at other emerging applications such as the sanitary treatment of food and the detection of hazardous materials in cargo. For these markets with high sales potential for IBA, electron beam and X-ray technology provides solutions for certain problems the industry is facing.

Rhodotron® IBA technology is faster and enables all contamination by chemical products or radioactive material to be avoided.

BIOASSAYS

In a difficult economic and competitive situation, Cisbio Bioassays remains a key player in immunoassays for in vitro diagnostics. The launches of a total vitamin D assay – a highly important biomarker in certain cancers, osteoporosis and autoimmune diseases – and Inflamark, a marker for inflammatory intestinal pathologies, demonstrate Cisbio Bioassays' ambition to reinvest in the clinical biology field with new products using non-radioactive detection technologies (ELISA).

Moreover, the drug discovery market is restructuring with a significant redistribution of research programs within the industry. The market introduction in 2012 of 29 new assays is tangible proof of the new strategic direction taken by Cisbio Bioassays, which in anticipation of this change, has strengthened its position in key therapeutic fields such as oncology, and entered epigenetics, one of the leading new directions of pharmaceutical research. The contribution to Cisbio Bioassays' revenue from new products for drug discovery increased to 18% in 2012, from 11% the previous year. The new product launch program for these two segments is a sustainable and strategic trend, through a product program resulting from R&D investment and licensing agreements.

Following the decision to refocus its activities on the medical equipment sector, the Company appointed the ING Investment Bank to act as advisor on the transfer of the IBA Bioassays activity.

HUMAN RESOURCES

The training and development of employees for the satisfaction of customers and benefit of patients.

WHAT WERE THE HIGHLIGHTS OF IBA HUMAN RESOURCES MANAGEMENT IN 2012?

Last year was an important one for IBA Human Resources. We enrolled 220 new employees and continued our efforts to train the teams in the mission we have set ourselves: the fight against cancer.

The refocus of activities on our core business, proton therapy technologies, has also enabled us to realign our teams, their objectives and their training. Our teams' increased awareness of their important role in this fight against cancer will heighten the satisfaction of our customers.

This refocus combined with a reduction in the scope of activity through the creation of IBA Molecular Imaging (in a joint venture with SK Capital Partners), has enabled us to lighten the corporate structure. In parallel IBA has also developed its approach to outsourcing, which consists of "buying" rather than "producing".

This new focus represents a real transformation. Indeed our teams and engineers are no longer just scientists, but men and women aiming to make proton therapy more accessible and affordable, for the benefit of medical teams and their patients. Naturally the role of human resources is to accompany and implement this strategic change through recruitment and training, in order to maintain IBA leadership in innovation in our markets.

IN 2010 YOU INTRODUCED A LARGE-SCALE EMPLOYEE ENGAGEMENT SURVEY, PROPOSING AT THE TIME TO MAKE IT A BIANNUAL EXERCISE

We did indeed carry out a first survey on employee "engagement" in 2010, and we conducted it again last year. Efforts undertaken since 2010 have certainly born fruit. The motivation and "engagement" of our teams have progressed substantially. We are delighted of course, but we want to go further. This survey reveals areas where progress can be made: supporting our employees better through their career plans, or more simply, by communicating better about Company's objectives, our mission and our competitive environment. We have heard what they have said and we will soon introduce measures in response.

In 2013 we will therefore push these initiatives forward while strengthening available training, increasing the opportunities for internal mobility and working on the relationship between our teams' work and the direction of our mission.

ARE IBA MEN AND WOMEN THE KEY TO IBA SUCCESS?

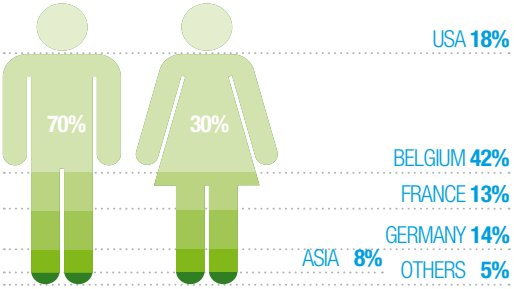
Undeniably. It is the talent and expertise of our men and women that have made – and will continue making – IBA the uncontested leader in proton therapy, dosimetry, and industrial applications of particle accelerators. It is our people who are continually pushing back the limits of technology. And it is thanks to their technological and business leadership in the fight against cancer that 20 000 patients have already been treated with proton therapy.

FRÉDÉRIC NOLF

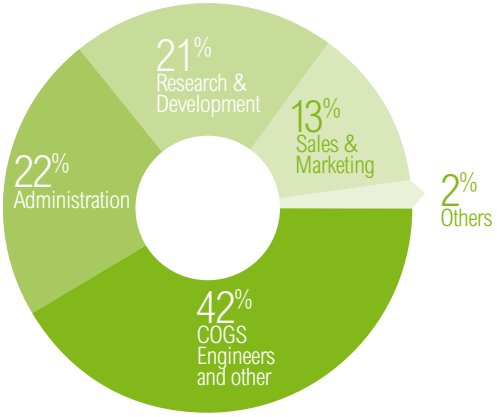
Group Vice-President Human Resources

EMPLOYEE DISTRIBUTION WORLDWIDE

IBA EMPLOYEES WORLDWIDE



EMPLOYEE ACTIVITY PROFILE



ECONOMIC REVIEW

KEY FIGURES

	2008 (EUR 000)	2009 (EUR 000)	2010 (EUR 000)	2011[a] (EUR 000)	2012 [b] (EUR 000)	CAGR[1] (%)
Sales and services	332 607	359 161	387 591	237 694 (*)	221 106 (**)	N/A
Gross margin	112 335	131 311	144 460	97 216 (*)	86 888 (**)	N/A
REBITDA[2]	26 143	25 433	34 046	17 032 (*)	20 425 (**)	N/A
REBIT[3]	10 751	7 306	12 957	9. 855 (*)	16 816 (**)	N/A
REBIT/Sales and services	3.2%	2.0%	3.3%	4.1%	7.6%	N/A
Net profit	5 329	-12 293	6 643	-84 128	-5 800	N/A
Capital expenditure	33 701	31 328	38 249	40 310	7 155	-32.1%
Research and development expenses	27 001	28 982	27 774	28 082 (*)	23 580 (**)	N/A
Equity	152 366	144 142	152 402	68 718	57 660	-21.6%
Net cash position[4]	17 806	-17 061	-26 956	-40 606 (*)	-27 985 (**)	N/A
Current liabilities	200 914	177 543	203 518	389 152 (*)	268 536 (**)	N/A
Total assets	509 521	479 643	528 207	498 011	386 199	-6.7%
Return on equity	3.5%	-8.5%	4.4%	-122.4%	-10.1%	N/A
Return on Capital Employed (ROCE)	3.5%	2.4%	4.0%	9.1%	14.3%	N/A
Share price at December 31 (Euro)	7.75	8.45	8.28	4.77	5.53	-29.2%
Number of shares	26 563 097	26 719 155	26 992 015	27 365 028	27 644 028	1.5%
Net earnings per share (EPS) - (Euro per share)	0.20	-0.46	0.25	-3.07	-0.21	
Price/Earnings	38.63	-18.37	33.64	-1.55	-26.36	
Market capitalization[5]	205 864	225 777	223 494	130 531	152 871	-28.2%
Book value per share (Euro per share)	5.74	5.39	5.65	2.51	2.09	-17.7%
Dividend per share	0.08	0.00	0.15	0.00	0.00	0.0%
Enterprise value[6]	188 058	242 838	250 450	171 137	180 856	-21.8%
EV/REBITDA	7.2	9.5	7.4	10.0	8.9	N/A
Employees at December 31	2 067	1 988	2 057	2 201	1 260	12.8%

(a) The financial statements have been restated to exclude the radiopharmaceutical operations that have been sold and reclassify them to discontinued operations. The figures affected are indicated with (*). This impacts the interpretation of the ratios.

(b) The financial statements have been restated to exclude the Bioassays activities that have been reclassify to discontinued operations. The figures affected are indicated with (**). This impacts the interpretation of the ratios.

(1) CAGR: Compound annual growth rate.

(2) REBITDA: Recurring earnings before interest, taxes, depreciation and amortization.

(3) REBIT: Recurring earnings before taxes and financial charges.

(4) Cash and cash equivalents less long-term and short-term financial debts.

(5) The share price on December 31 multiplied by the number of shares.

(6) Market capitalization less the net cash position.

OPERATING RESULTS

	2011 (EUR 000)	2012 (EUR 000)	Change (EUR 000)	Change %
Sales and services	**203 165**	**221 106**	**17 941**	**8.8%**
REBITDA	**13 706**	**20 425**	**6 719**	**49.0%**
% of sales	6.7%	9.2%		
REBIT	**8 165**	**16 816**	**8 651**	**106.0%**
% of sales	4.0%	7.6%		
Net result	**-84 128**	**-5 800**	**78 328**	**N/A**
% of sales	-41.4%	-2.6%		

2011 & 2012 numbers restated to reclassify Bioassays in discontinued operations.

IBA reported an 8.8% increase in revenues to EUR 221.1 million during 2012 (2011: EUR 203.2 million, restated in both 2012 and 2011 post the disposal of the 60% interest in IBA Molecular and reclassifying Bioassays under discontinued operations). The increase in revenues was driven by strong growth in Dosimetry (up 13.4%) and Proton therapy (up 10%).

Recurring operating profits before interest and taxes (REBIT) continued to improve compared with 2011, due to the growth in revenues and benefiting from the implementation of the Company's productivity and efficiency programme, particularly in the second half of the year. The Company's REBIT more than doubled in 2012 from EUR 8.2 million in 2011 to EUR 16.8 million in 2012, an increase of 106.0%.

Non-recurring events, mostly relating to the Essen project litigation, SK Capital Partners transaction and restructuring expenses, have led to a net loss of EUR 5.8 million. As a consequence, the Board of Directors will recommend to the General Assembly that no dividend be paid in respect of 2012.

It should also be noted that the Board has decided to terminate the capital reduction initiated in 2012. The Board will not reconvene a General Meeting to this end until further notice.

Cash flow during 2012 was strong mostly thanks to the SK Capital Partners transaction proceeds. Working capital also decreased significantly in the second half of the year due to contractual payments received in the Proton therapy division.

Net debt at the year end was EUR 28.3 million, down from EUR 40.6 million at the end of the prior year. In addition, during the second half of the year, IBA commenced repayment of its long-term loan from the European Investment Bank.

CONTINUING OPERATIONS

PROTON THERAPY AND PARTICLE ACCELERATORS

	2011 (EUR 000)	2012 (EUR 000)	Change (EUR 000)	Change %
Net sales	**160 053**	**172 204**	**12 151**	**7.6%**
- Proton therapy	121 157	133 213	12 056	10.0%
- Other accelerators	38 896	38 991	95	0.2%
REBITDA	**8 329**	**12 402**	**4 073**	**48.9%**
% of sales	5.2%	7.2%		
REBIT	**3 733**	**9 148**	**5 415**	**145.1%**
% of sales	2.3%	5.3%		

DOSIMETRY

	2011 (EUR 000)	2012 (EUR 000)	Change (EUR 000)	Change %
Net sales	**43 112**	**48 902**	**5 790**	**13.4%**
REBITDA	**5 377**	**8 023**	**2 646**	**49.2%**
% of sales	12.5%	16.4%		
REBIT	**4 432**	**7 668**	**3 236**	**73%**
% of sales	10.3%	15.7%		

STATEMENT OF CONSOLIDATED FINANCIAL POSITION

	December 31, 2008 (EUR 000)	December 31, 2009 (EUR 000)	December 31, 2010 (EUR 000)	December 31, 2011 (EUR 000)	December 31, 2012 (EUR 000)
ASSETS					
Goodwill	28 762	29 563	31 492	3 820	3 878
Other intangible assets	37 768	37 020	40 916	13 928	8 949
Property, plant and equipment	78 693	79 526	86 429	19 745	10 203
Investments accounted for using the equity method	3 643	5 097	8 255	1 741	31 256
Other investments	2 420	2 377	1 943	1 773	465
Deferred tax assets	33 986	31 732	31 877	13 168	13 624
Long-term financial assets	0	0	0	332	5
Other long-term assets	65 111	80 093	90 429	13 509	26 213
Non-current assets	**250 383**	**265 408**	**291 341**	**68 016**	**94 593**
Inventories and contracts in progress	85 759	97 011	102 694	98 311	83 923
Trade receivables	74 820	70 178	89 249	41 347	49 371
Other receivables	42 341	26 869	25 286	68 909	80 398
Short-term financial assets	2 275	2 591	1 535	1 025	121
Cash and cash equivalents	53 943	17 586	18 102	11 943	42 494
Assets held for sale	0	0	0	208 460	35 299
Current assets	**259 138**	**214 235**	**236 866**	**429 995**	**291 606**
TOTAL ASSETS	**509 521**	**479 643**	**528 207**	**498 011**	**386 199**
EQUITY AND LIABILITIES					
Capital stock	37 285	37 505	37 888	38 408	38 420
Capital surplus	124 358	124 788	125 421	126 366	25 032
Treasury shares	-7 563	-9 515	-8 655	-8 612	-8 612
Reserves	9 220	16 077	9 878	10 141*	9 756
Currency translation difference	-17 064	-16 377	-9 948	-7 565*	-10 135
Retained earnings	5 446	-9 117	-3 269	-91 687	3 831
Reserves for assets held for sale	0	0	0	524	-632
Capital and reserves	**151 682**	**143 361**	**151 315**	**67 575**	**57 660**
Non-controlling interests	**684**	**781**	**1 087**	**1 143**	**0**
EQUITY	**152 366**	**144 142**	**152 402**	**68 718**	**57 660**
Long-term borrowings	11 885	6 372	39 943	22 348	36 814
Long-term financial liabilities	0	0	344	994	1 868
Deferred tax liabilities	470	1 004	948	1 095	1 083
Long-term provisions	98 371	97 169	87 191	10 876	19 377
Other long-term liabilities	45 515	53 413	43 861	4 828	861
Non-current liabilities	**156 241**	**157 958**	**172 287**	**40 141**	**60 003**
Short-term provisions	0	0	11 812	10 215	46 917
Short-term borrowings	24 252	28 275	5 115	30 201	33 665
Short-term financial liabilities	2 498	103	751	1 510	1 041
Trade payables	71 518	48 264	63 412	51 146	45 947
Current income tax liabilities	1 942	2 198	2 384	681	1 741
Other payables	100 704	98 703	120 044	143 492	127 755
Liabilities directly related to assets held for sale	0	0	0	151 907	11 470
Current liabilities	**200 914**	**177 543**	**203 518**	**389 152**	**268 536**
TOTAL LIABILITIES	**357 155**	**335 501**	**375 805**	**429 293**	**328 539**
TOTAL EQUITY AND LIABILITIES	**509 521**	**479 643**	**528 207**	**498 011**	**386 199**

** Reclassification for the purposes of alignment with 2012 presentation.*

CONSOLIDATED CASH FLOW STATEMENT

	December 31, 2008 (EUR 000)	December 31, 2009 (EUR 000)	December 31, 2010 (EUR 000)	December 31, 2011 (EUR 000)	December 31, 2012 (EUR 000)
CASH FLOW FROM OPERATING ACTIVITIES					
Net profit/(loss) for the period	**5 300**	**-12 492**	**6 228**	**-84 108**	**-5 800**
Adjustments for:					
Depreciation and impairment of tangible assets	12 586	15 460	10 741	20 006	2 645
Depreciation and impairment of intangible assets and goodwill	3 404	5 810	4 245	56 986	1 485
Write-off on receivables	1 122	325	2 119	881	739
Changes in fair value of financial assets (profits)/losses	3 897	-1 808	-465	2 392	1 063
Changes in provisions	2 148	7 965	8 409	11 100	23 113
Deferred taxes	6 781	2 661	224	13 929[1]	-459
Share of result of associates and joint ventures accounted for using the equity method	2 363	-812	-1 455	-413	9 188
Other non-cash items	2 927	1 254	1 596	1 708	-1 847
(Profit)/loss on the disposal of assets held for sale	0	0	0	0	-24 586
Net cash flow changes before changes in working capital	**40 528**	**18 363**	**31 642**	**22 481**	**5 541**
Trade receivables, other receivables and deferrals	-6 394	18 142	-15 039	-6 107	-13 299
Inventories and contracts in progress	-28 414	-11 176	6 420	21 126	-8 916
Trade payables, other payables and accruals	8 515	-22 523	12 489	15 706	3 781
Other short-term assets and liabilities	0	0	0	-12 374	-16 580
Changes in working capital	**-26 293**	**-15 557**	**3 870**	**18 351**	**-35 014**
Net income tax paid/received	-1 647	-1 137	-1 323	-2 284	-1 910
Interest expense	1 944	2 387	1 623	1 443	1 812
Interest income	-2 616	-2 680	-4 400	-1 723	-1 165
Net cash (used)/generated from operations	**11 916**	**1 376**	**31 412**	**38 268**	**-30 736**
CASH FLOW FROM INVESTING ACTIVITIES					
Acquisition of property, plant and equipment	-18 672	-17 175	-15 918	-25 435	-2 337
Acquisition of intangible assets	-6 043	-3 273	-6 740	-4 857	-4 818
Disposals of fixed assets	2 866	322	331	297	64
Acquisition of subsidiaries net of acquired cash	47 195	0	8	0	-353
Acquisition of third-party and equity-accounted investments	-4 375	-672	-952	-3 651	-21 304
Disposals of subsidiaries and equity-accounted companies and other net investments from cash disposed	0	-51	50	0	74 700
Acquisitions of non-current financial assets and loans granted	-34 076	0	0	0	-3 177
Other investing cash flows	-8 986	-10 880	-15 591	-10 018	28
Net cash (used)/generated from investing activities	**-22 091**	**-31 729**	**-38 812**	**-43 664**	**42 803**
CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from borrowings	11 162	23 289	36 971	16 916	18 257
Repayment of borrowings	-10 810	-24 222	-28 014	-4 609	-1 482
Interest paid	-1 944	-2 387	-1 623	-1 443	-3 386
Interest received	2 616	1 129	441	353	1 228
Capital increase (or proceeds from issuance of ordinary shares)	10 050	608	915	1 429	56
Purchase of treasury shares	-818	0	0	0	0
Dividends paid	-4 018	-2 039	-94	-3 843	-94
Other financing cash flows	-934	-1 038	-266	-1 207	-677
Net cash (used)/generated from financing activities	**5 304**	**-6 612**	**7 737**	**7 596**	**13 902**
Net cash and cash equivalents at beginning of the year	**58 210**	**53 943**	**17 586**	**18 102**	**20 410**
Net change in cash and cash equivalents	-4 871	-36 965	337	2 200	25 969
Exchange (profits)/losses on cash and cash equivalents	604	608	179	108	-646
Net cash and cash equivalents at end of the year	**53 943**	**17 586**	**18 102**	**20 410**	**45 733**

(1) In 2011, out of the deferred tax total of EUR 13 929, EUR 133 were for discontinued operations, and EUR 13 796 were for continuing operations.

BOARD OF DIRECTORS AS AT DECEMBER 31, 2012

NAME	AGE	START OF TERM	END OF TERM	DUTIES AT IBA	PRIMARY DUTIES OUTSIDE IBA
Olivier Legrain[1]	44	2012	AGM 2016	Chief Executive Officer (as from May 9, 2012) / Inside Director / Managing Director	NA
Innosté SA (represented by Jean Stéphenne)[3]	62	2000	AGM 2013	Chairman of the Board of Directors / Other Director/ CC NC AC	Chairman and President of GSK Biologicals / President of Besix and Vesalius / Director of BNP Fortis and GBL Nanocyl / President of Biowin / Member of the Executive Committee of FEB and UWE office
Pierre Mottet, replaced during his term of office, subject to ratification by the 2013 AGM, by Saint-Denis SA (represented by Pierre Mottet)[1]	51	1998	AGM 2015	Inside Director / Vice-President of the Board / NC	Member of the Executive Comittee of FEB (Federation of Enterprises in Belgium), Director of UWE (Walloon Business Association), Agoria and several startups
Yves Jongen[1]	65	1991	AGM 2013	Chief Research Officer / Inside Director / NC	Before the establishment of IBA in 1986, Director of the Cyclotron Research Center of the Université Catholique de Louvain (UCL)
Bayrime SA (represented by Eric de Lamotte)[3]	56	2000	AGM 2013	Other Director / AC	Corporate Director. Formerly Financial Director of IBA (1991-2000)
Consultance Marcel Miller SCS (represented by Marcel Miller)[2]	59	2011	AGM 2016	Outside Director/ CC NC	President Alstom Belgium / President Agoria Wallonia / Vice-President UWE / Director Technord
Mary Gospodarowicz, appointed by the Board of Directors' meeting of August 29, 2012, subject to ratification by the AGM[2]	64	2012	AGM 2017	Outside Director	Staff Radiation Oncologist, Radiation Medicine Program, Princess Margaret Cancer Centre, University Health Network, Toronto Medical Director, Princess Margaret Cancer Centre, University Health Network, Toronto Regional Vice-President, Cancer Care Ontario, Toronto President, Union for International Cancer Control
Windi SPRL (represented by Yves Windelincx)[2]	65	2010	AGM 2015	Outside Director /CC NC AC	Outside Director of Besix, Desmet Engineers and Contractors, Balteau, Concordia, Foreign Trade Agency
Institut des Radioéléments FUP (represented by J.-M. Vanderhofstadt as from May 9, 2012)[3]	60	1991	AGM 2013	Other Director	General Manager, IRE, Fleurus, Belgium General Manager, IRE Elit (Environment & Lifescience Technology), Fleurus, Belgium President of Transrad (company specialized in transportation of nuclear material) Appointed lecturer in Business Management at the Universities of Liège, Brussel and Louvain-la-Neuve, Belgium

CC : Compensation Committee
NC : Nomination Committee
AC : Audit Committee

(1) In accordance with the meaning ascribed by the Corporate Governance Charter to the term "Inside Director", namely an Inside Director is a director appointed on the proposal of the managing directors.

(2) Submitted to the General Meeting as candidate Outside Directors at the time of their election, without excluding the fact that other directors also fulfill the independence criteria. None of the Outside Directors ceased during the financial year to fulfill the independence criteria set out in the Corporate Governance Charter.

(3) An Other Director is a director who is neither an Internal Director nor an Outside Director.

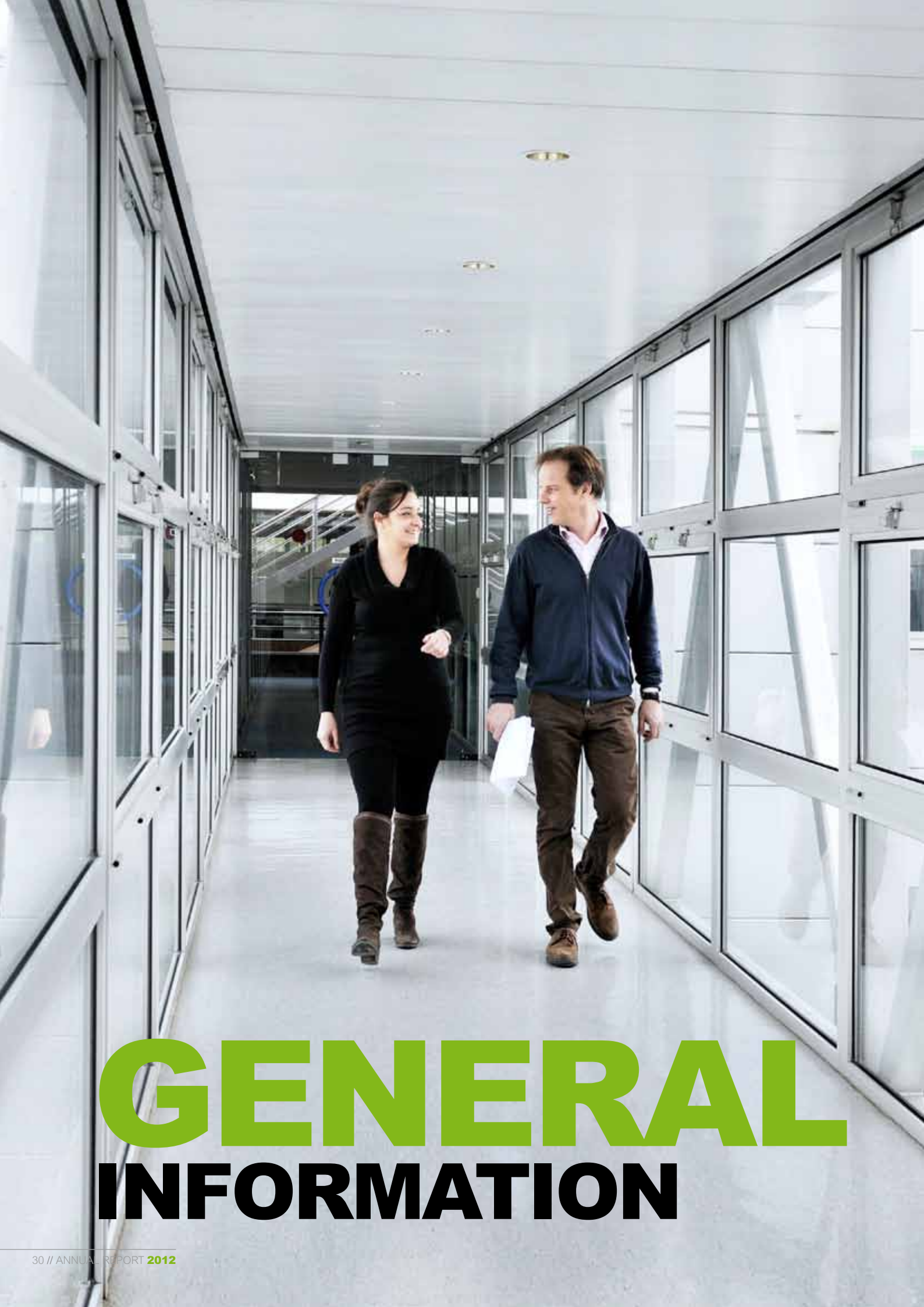
MANAGEMENT TEAM AS AT DECEMBER 31, 2012

MANAGEMENT TEAM MEMBER	POSITIONS
1. Olivier Legrain (representing Lamaris Group SPRL)	Chief Executive Officer
2. Yves Jongen (representing Technofutur SA)	Chief Research Officer
3. Jean-Marc Bothy	Chief Financial Officer
4. Rob Plompen	President, IBA Dosimetry
5. Berthold Baldus	President, IBA Bioassays
6. Frédéric Nolf	Group Vice-President Human Resources

The philosophy, structure, and general principles of IBA corporate governance are presented in the Company's Corporate Governance Charter (the "Charter"). The Charter is available on the Company's website www.iba-worldwide.com.

The Company has adopted the 2009 Belgian Code of Corporate Governance as its reference code and believes that it is in compliance, with one exception: the composition of the Audit Committee.

http://group.iba-worldwide.com/legal-and-regulatory-information#corporate-governance-charter



GENERAL INFORMATION

CORPORATE NAME

Ion Beam Applications SA, abbreviated IBA SA.

REGISTERED OFFICE

Chemin du Cyclotron, 3; B-1348 Louvain-la-Neuve, Belgium; VAT BE0428.750.985, RPM Nivelles.

DATE, FORM, AND PERIOD OF INCORPORATION

IBA was incorporated for an indefinite period on March 28, 1986 as a "Société Anonyme" under Belgian law. IBA is a listed corporation pursuant to Article 4 of the Belgian Code of Company Law and a Company having issued equity to the public pursuant to Article 438 of the Code.

CORPORATE PURPOSE (ARTICLE 3 OF THE ARTICLES OF INCORPORATION)

The purpose of the Company is to engage in research and development and to acquire intellectual property rights with a view to the exploitation, fabrication, and marketing of applications and equipment in the field of applied physics. It may engage in any and all securities, real-estate, financial, commercial, and industrial operations that are directly or indirectly related to its corporate purpose. It may acquire an interest, by contribution, merger, purchase of shares, or any other means, in companies, partnerships, or corporations whose purpose is similar, analogous, related, or useful to the achievement of its corporate purpose in whole or in part.

CONSULTATION OF CORPORATE DOCUMENTS

The Company's statutory and consolidated statements are filed with the National Bank of Belgium. Copies of the Company's consolidated articles of incorporation, its annual and semi-annual reports, and all other shareholder documentation may be obtained at the Company's website (www.iba-worldwide.com) or by shareholder request to the Company's registered office.

Last coordinated version of the Articles of Association available at any time on:
http://group.iba-worldwide.com/legal-and-regulatory-information#latest-coordinated-version

Legal and Regulatory Information on the Company available at any time on:
http://group.iba-worldwide.com/legal-and-regulatory-information

Latest information on the evolution of the number of shares, voting rights and subscription rights in the section of our website entitled Information on the IBA share:
http://group.iba-worldwide.com/legal-and-regulatory-information#share-information

THE STOCK MARKET AND THE SHAREHOLDERS

IBA STOCK

IBA stock is quoted on the Euronext Brussels continuous market (Compartment C during the exercice 2012 and B since January 17, 2013). It was introduced on the Stock Exchange on June 22, 1998 at a price of EUR 11.90 (adjusted for a 5 to 1 split in June, 1999). There were no convertible bonds or stock options issued or outstanding as of December 31, 2012.

IBA stock closed at EUR 5.53 at December 31, 2012.

At December 31, 2012, 2 735 433 options were issued and outstanding.

Situation as at	31/12/2011 non diluted		31/12/2011 fully diluted (3)		31/01/2012 fully diluted (3)		31/12/2012 non diluted		fully diluted	
SHAREHOLDERS	Number of shares	%	Number of shares	%	Number of shares	%	Number of shares	%	Number of shares	%
Belgian Anchorage SCRL(1)	7 773 132	28.40%	7 773 132	25.21%	7 773 132	25.97%	7 773 132	28.39%	7 773 132	25.86%
IBA Investments SCRL(2)	610 852	2.23%	610 852	1.98%	610 852	2.04%	610 852	2.23%	610 852	2.03%
IBA SA	75 637	0.28%	75 637	0.25%	75 637	0.25%	75 637	0.28%	75 637	0.25%
UCL ASBL	426 885	1.56%	426 885	1.39%	426 885	1.43%	426 885	1.56%	426 885	1.42%
Sopartec SA	529 925	1.94%	529 925	1.72%	529 925	1.77%	529 925	1.94%	529 925	1.76%
Institut des Radioéléments FUP	1 423 271	5.20%	1 423 271	4.62%	1 423 271	4.76%	1 423 271	5.20%	1 423 271	4.73%
Subtotal	**10 839 702**	**39.61%**	**10 839 702**	**35.17%**	**10 839 702**	**36.22%**	**10 839 702**	**39.60%**	**10 839 702**	**36.05%**
Float	16 525 326	60.39%	19 979 219	64.83%	19 123 094	63.78%	16 534 326	60.40%	19 269 759	63.95%
TOTAL	**27 365 028**	**100.00%**	**30 818 921**	**100.00%**	**29 962 796**	**100.00%**	**27 374 028**	**100.00%**	**30 109 461**	**100.00%**

(1) Belgian Anchorage is a company established and wholly owned by IBA Management and a number of IBA employees.
(2) IBA Investments is a second-tier subsidiary of IBA SA.
(3) 37 490 options outstanding as at December 31, 2012 but not exercisable any more at that date have not been taken into account in the dilution calculations above.

SHAREHOLDERS' SCHEDULE

Interim statements, first quarter 2013	May 8, 2013
2013 Annual Shareholders' Meeting	May 8, 2013
Publication of the semi-annual results as of June 30, 2013	August 29, 2013
Interim statements, third quarter 2013	November 14, 2013
Publication of the annual results on December 31, 2013	March 18, 2014

To consult at any time the last version of the Shareholders' Schedule:
http://group.iba-worldwide.com/legal-and-regulatory-information#financial-calendar

STOCK MARKET PRICES

02/01/2012 - 31/12/2012

02/01/2012 - 31/12/2012

IBA CONTACT

Jean-Marc Bothy
Chief Financial Officer
Tel.: +32 10 47 58 90
E-mail: investorrelations@iba-group.com

Version française disponible sur demande.

ION BEAM APPLICATIONS, SA

Chemin du Cyclotron, 3
1348 Louvain-la-Neuve, Belgium
Tel.: +32 10 47 58 11 – Fax: +32 10 47 58 10
RPM Nivelles - TVA BE 428.750.985
E-mail: info-worldwide@iba-group.com
Website: www.iba-worldwide.com

E.R.: IBA SA, Chemin du Cyclotron, 3
1348 Louvain-la-Neuve, Belgium.

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