

2010 FIRST HALF RESULTS

- OPERATING INCOME IMPROVES
- ORDER BOOK AT RECORD HIGH

Embargo until 5:40 PM (Belgian time) – August 30, 2010

Louvain-la-Neuve, Belgium, August 30, 2010 – IBA (Ion Beam Applications SA) announced its consolidated results today for the first six months of 2010.

KEY FIGURES AND EVENTS

	H1 2010 (EUR 000)	H1 2009 (EUR 000)	Variance (EUR 000)	Variance %
Sales and services	181 306	180 805	501	0.3%
REBITDA	18 340	14 908	3 432	23.0%
<i>% of Sales</i>	<i>10.1%</i>	<i>8.2%</i>		
REBIT	8 636	6 284	2 352	0.0%
<i>% of Sales</i>	<i>4.8%</i>	<i>3.5%</i>		
Net profit before tax	4 509	4 267	242	5.7%
<i>% of Sales</i>	<i>2.5%</i>	<i>2.4%</i>		
Net result	2 550	3 219	-669	-20.8%
<i>% of Sales</i>	<i>1.4%</i>	<i>1.8%</i>		

A closer look at the figures for the first half of 2010:

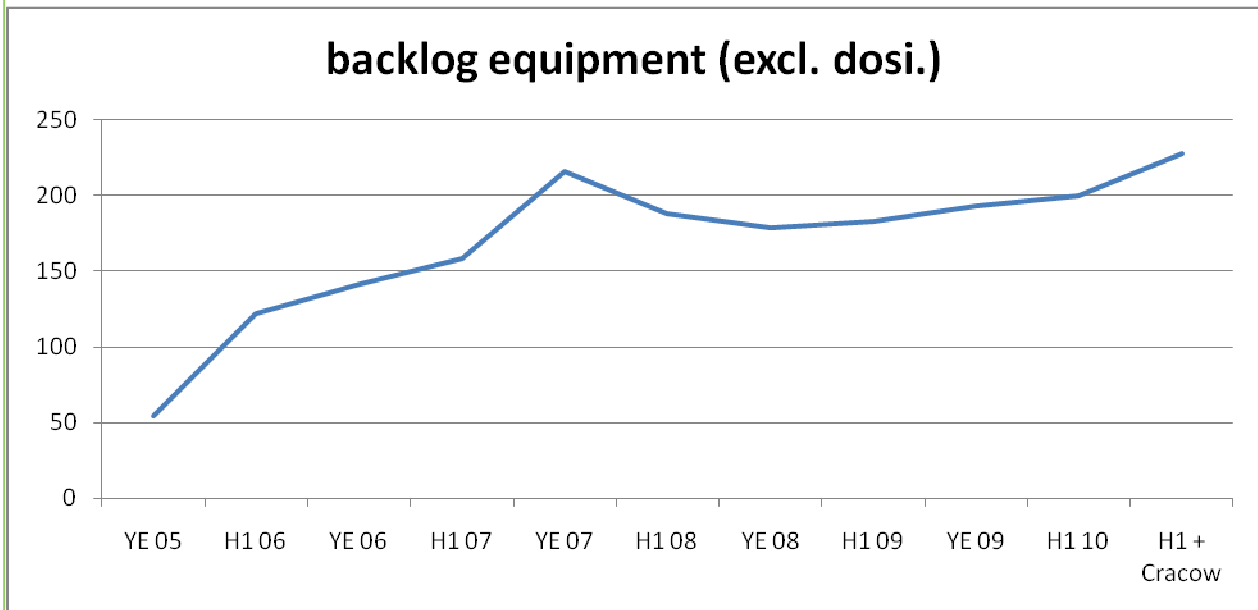
- While overall sales are in line with those for the first half of 2009 (up 0.3 percent), the component figures are different:
 - Equipment segment revenues fell 8.0 percent—primarily because of limited progress on recent orders, a consequence of the economic downturn of 2008-2009; however, the order book thanks to the Protontherapy is at a record level.
 - Pharmaceutical segment revenues climbed 6.6 percent, driven by European sales.
- Recurring operating results totaled EUR 8.6 million, better than for the same period of 2009.
- The period closed with a pretax income of EUR 4.5 million, similar to last year. However, last year's results were improved by the reversal of an impairment loss for receivables, while this year's figure reflects a number of one-time charges, primarily due to the accelerated depreciation of fixed assets and potential contract penalties.
- The period ended with a positive net result of EUR 2.6 million, down compared to EUR 3.2 million at June 30, 2009.

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The order book provides an excellent window into the company's future revenues:

- The company's order book was worth more than EUR 200 million at June 30, 2010.
- Including the confirmed proton therapy system order logged in early August, it is at a record level of more than EUR 220 million.



The net cash position at June 30 was -EUR 42 million. This temporary EUR 25 million decrease in comparison with the position at December 31, 2009 is essentially explained by the following:

- The structure of the proton therapy contract with ATreP in Trento, Italy. IBA provided a supplier's credit in order to meet the requirements of the call for bids. The almost EUR 12 million drawn on this credit as of June 30, 2010 weighs on the balance sheet and will continue to do so until project-end in 2013.
- Injection of around EUR 9 million in contractual funding for the Princeton and Essen projects.
- Substantial pharmaceutical sector investments (around EUR 13 million) to complete the renovation of its site in Saclay, France, improve safety, expand its pharmaceutical network in Europe and Asia, and prepare for the market launch of the new Redectane® and Aposense® molecules.

STRATEGIC CONSIDERATIONS

In recent months, it has become increasingly clear that the Pharmaceuticals segment and Equipment segment follow very different rhythms and cycles, even if there are important synergies. By making strategic choices increasingly oriented towards co-development and the distribution of high value-added novel molecules (instead of non-proprietary products, as in the past), IBA becomes subject to the dynamics of the biotech industry. Consequently, in the near term, it will not be able to achieve the same level of profitability as in its Equipment segment, where, by maintaining a distributed product portfolio, it is able to pursue a strategy of innovation without unduly affecting operating profit. In view of these considerations, the following policies have been adopted and will be pursued in the months and years to come:

- Maximize the value of non-strategic businesses through sale or mergers
- Accelerate the search for synergy with local or global partners to meet PET and SPECT market demand and increase profitability for IBA.
- Fund the Radiopharmaceuticals business in order to continue and accelerate the pace of novel molecules development. This allows IBA to take the fullest possible advantage of the current momentum and its unique position in this market. IBA could explore all the possibilities to reach this objective, without excluding an IPO of the activity if the circumstances are adequate.

RESULTS BY BUSINESS SEGMENT

PHARMACEUTICALS

	H1 2010	H1 2009	Variance	Variance
	(EUR 000)	(EUR 000)	(EUR 000)	%
Sales and services	109 228	102 514	6 714	6.5%
- Radiopharmaceuticals	89 228	84 319	4 909	5.8%
- Bioassays	20 000	18 195	1 805	9.9%
REBITDA	7 542	6 030	1 512	25.1%
% of Sales	6.9%	5.9%		
REBIT	212	-1 450	1 662	-114.6%
% of Sales	0.2%	-1.4%		

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

- Sales growth was significant in Bioassays, but the real growth was in the Radiopharmaceuticals (“Molecular”) subsegment. As in 2009, increased PET sales in Europe (+7%) offset declining sales in the United States (-2%). However, the U.S. decline seems to be leveling off, since it was -11% in 2009.
- First half operating profit for this segment is much better than for the same period of 2009. Operating profit for this segment does not include income from the joint ventures in which IBA has invested in recent years (primarily in Canada, Japan, and Spain). If it had been included, the mid-



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year results for this segment would have shown EUR 0.8 million for H1 2010 compared to EUR 0.3 million for H1 2009.

- As part of its ongoing effort to grow its FDG production and distribution network in order to maintain its unique market position, IBA acquired a 7.85 percent interest in the company SISORA, for which IBA is in the process of installing a cyclotron in Tunisia to produce and distribute FDG for the Tunis region.
- Progress has been made in the strategic area of developing new labeled molecules:
 - In a joint press conference in May, IBA and its partner WILEX AG (ISIN DE0006614720 / WL6 / Frankfurt Stock Exchange) announced the final results of the phase III REDECT trial, which demonstrate that PET/CT scans using Redectane® lead to much more accurate diagnoses than CT scans alone.
 - IBA has also continued adapting its installations in order to be able to launch Redectane® as soon as it receives the authorizations to market (expected in 2011), first in the United States and then in the rest of the world.
- In the Bioassays subsegment, the biggest news is incontestably IBA's receipt of a partnership offer for developing the bioassays business. While due diligence is now nearing completion, negotiations are ongoing, since the offer does not meet all of the company's requirements. The final outcome is difficult to predict.
- Finally, as of June 30, 2010, IBA had all but finished renovation of its production site in Saclay, France, which will be the safest, most modern plant in Europe for the production of SPECT radiopharmaceuticals for nuclear medicine.

EQUIPMENT

	H1 2010	H1 2009	Variance	Variance
	(EUR 000)	(EUR 000)	(EUR 000)	%
Sales and services	72 078	78 291	-6 213	-7.9%
- Protontherapy	31 530	35 957	-4 427	-12.3%
- Dosimetry	22 426	19 099	3 327	17.4%
- Accelerators and other	18 122	23 235	-5 113	-22.0%
REBITDA	10 798	8 878	1 920	21.6%
% of Sales	15.0%	11.3%		
REBIT	8 424	7 734	690	8.9%
% of Sales	11.7%	9.9%		

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

REBIT: Recurring earnings before interest and taxes.

- As mentioned above, the 7.9 percent decline in revenues is explained primarily by limited progress on the proton therapy orders booked in recent months. This phenomenon is the natural result of revenue recognition according to the percentage of completion method of accounting. At the outset of a project, while subcomponents are being supplied by outside suppliers, progress on an order is always relatively limited. In 2008 and early 2009, order intake had been affected by the financial and economic crisis.
- In contrast with the first half of 2009, which was affected by non-recurring costs due to the adjustment of the probable completion dates of two projects, IBA's REBITDA margin confirms a trend towards improving profitability in this business segment, despite limited progress in revenue recognition. This positive development is due to production process improvements and the learning

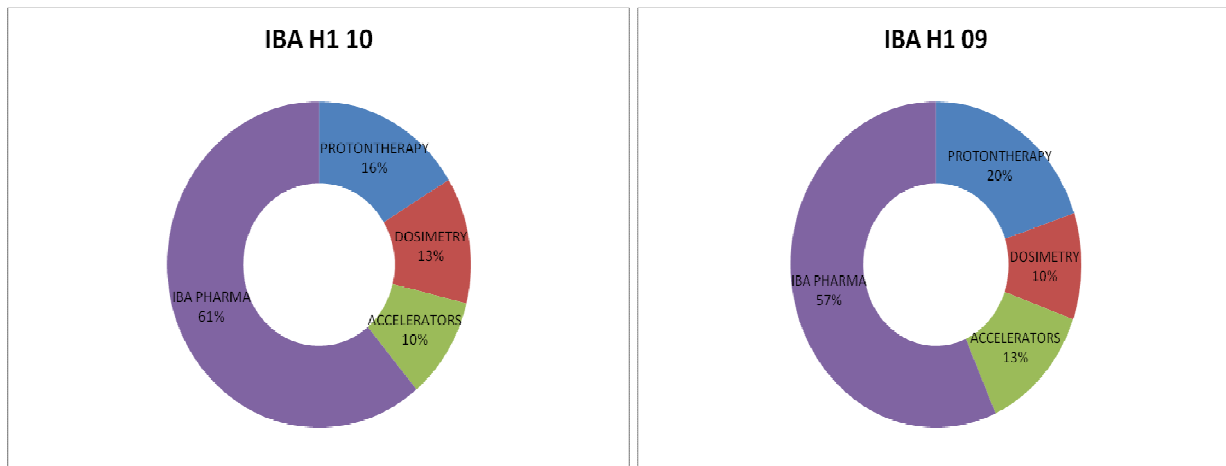
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curve effect (particularly in proton therapy), as well as to an increasingly large share of the group's results from service contracts.

- While REBIT took a slight hit from the impairment of current assets (inventories and accounts receivable), it remains at an excellent level as a percentage of revenue, which augers well for the second half of the year.
- Protontherapy
 - Good sales news abounded in the first half of 2010:
 - On February 19, IBA issued a press release announcing that it had received an additional order for a second treatment room from its Italian customer ATreP (Agenzia Provinciale Per la Protonterapia).
 - On February 23, IBA announced that ProCure Treatment Centers, Inc. had chosen it to supply a proton therapy system for the ProCure Proton Therapy Center in Somerset, New Jersey. The contract has been financed and is effective immediately. It represents between EUR 30 million and EUR 45 million worth of IBA equipment.
 - On the technological front, on April 15, IBA announced that it had received CE marking for its second generation pencil beam scanning (PBS) technique for proton therapy, which makes the IBA system an even more effective tool against cancer.
 - Installation of previously ordered systems is proceeding on schedule, placing IBA in a unique position vis-a-vis all of its competitors in terms of both experience and installed base:
 - During the first half of 2010, both the Institut Curie (Orsay, France) and the University of Pennsylvania (Philadelphia, Pennsylvania) began treating patients on a daily basis, bringing the number of IBA-equipped facilities in operation to nine centers on three continents.
 - IBA is also pursuing construction or installation at seven other sites (three in the United States and four in Europe).
- Accelerators
 - As in 2009, there were very few orders for cyclotrons and industrial accelerators in the first half of the year. In fact, only three orders were booked. However, from the number of prospects in the pipeline, it appears that the pace will pick up in the second half of the year, just as it did in 2009.
- Dosimetry
 - The first half of 2010 confirms the recovery of hospital spending noted in the second half of 2009, especially in the United States. This segment registered strong growth: an increase of 17.4 percent compared with the first half of 2009 and 8.3 percent compared with the second half of 2009, which was particularly healthy.

CONSOLIDATED SALES BY BUSINESS SEGMENT



POST-CLOSING EVENTS

- On July 5, 2010, IBA announced that Seattle Procure Management LLC had selected it to install a proton therapy system in Seattle, Washington. This contract is valued at between EUR 45 million and EUR 55 million. The final contract is subject to the usual financial and administrative contingencies. It will not have a significant impact on IBA's financial results for fiscal 2010.
- On July 8, 2010, IBA announced that Skandion Clinic, the Swedish clinical center for particle therapy, had chosen it to install a proton therapy system for its new center, which is operated by a consortium of seven Swedish counties representing eight university hospitals. This project is estimated at between EUR 40 million and EUR 50 million. However, award of the contract has been delayed pending an appeal by Varian and Sumitomo Heavy Industries. These proceedings generally take from four to six months.
- On August 2, 2010, IBA announced that the Henryk Niewodniczanski Institute of Nuclear Physics (IFJ) of the Polish Academy of Sciences had selected IBA to install a cyclotron and elemental technology equipment and to build the building that will house the future proton therapy center in Krakow, Poland. This government contract, which is for the cyclotron, the technology equipment, and the building, is worth between EUR 25 million and EUR 30 million.
- On August 6, 2010, IBA made a joint acquisition with SBI (Société Belge d'Investissement) and SOFINEX of a majority interest in Bio Molecular Industries, which is currently completing construction of an FDG production and distribution facility in Kuala Lumpur, Malaysia.
- On August 27, 2010, IBA announced today that they have entered into an agreement with Bayer Schering Pharma AG, Germany for chemical process development and clinical trial doses supply of FLORBETABEN, a molecular imaging compound in development for the detection of Alzheimer's Disease pathology.

CORPORATE GOVERNANCE

During the first half of 2010, the Board of Directors designated its President, Mr. Peter Vermeeren to lead a special project in the Pharmaceuticals division of IBA, related to certain strategic considerations mentioned above. The Board considered that remaining President of the Board as well as fulfilling this mission would be too heavy a burden for Mr. Vermeeren. Mr. Jean Stéphane, independent director on IBA's Board, therefore accepted the position of President of the Board, supported by Mr. Peter Vermeeren, who becomes the Vice-President of the Board of Directors.

SHAREHOLDER CALENDAR

Third quarter 2010 interim report
Announcement of results at December 31, 2010
First quarter 2011 interim report

November 17, 2010
March 15, 2011
May 11, 2011

DECLARATION BY MANAGEMENT

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 chief financial officer, Jean-Marc Bothy.

AUDITOR'S REPORT

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.

Ernst & Young Réviseurs d'Entreprises SCCRL
Statutory Auditor
Represented by Martine Blockx, Partner

OUTLOOK

The company anticipates better results in 2010 than in 2009 for the following reasons:

- Results for 2009 were strongly influenced by provisions for projects. Given the one-time nature of these provisions, 2010's results should not be affected.
- Recent orders and the order backlog should ensure steady activity over the next 12 to 24 months.
- The proton therapy facilities for which orders were received in 2006 and 2007 will gradually become fully operational, triggering the associated service contracts, which will contribute to operating margins.

However, while the company stands by its forecast of improved results, the process of bringing new, high value-added radiotracers to market will weigh on short-term performance. Furthermore, this positive forecast does not reflect the potential effects of acquiring a partner in its Bioassays business.

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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. IBA is listed on the pan-European stock exchange Euronext and is included in its BEL Mid Index (IBA: Reuters IBAB.BR and Bloomberg IBAB.BB).

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

- IBA's Pharmaceutical segment develops radiopharmaceutical products used primarily for diagnosis in oncology. They are also used for diagnosis in neurology and cardiology and to treat cancer. This segment includes its Bioassays business, which is developing a line of biomarkers for in vitro diagnosis and an HTRF¹ technology for the in vitro screening of new drugs in the pharmaceutical industry.
- IBA's Equipment segment is comprised of the following subsegments:
 - **Proton Therapy**, which offers turnkey solutions using proton beams to target cancer therapy more precisely with fewer side effects.
 - **Particle Accelerators**, which 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**, which markets measurement and quality assurance instruments for radiotherapy and medical imaging that let caregivers see whether their equipment is delivering the precise dose to the intended target.

Contact

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¹ HTRF = Homogeneous Time-Resolved Fluorescence

CONSOLIDATED INCOME STATEMENT

Selected Key Figures

	30-6-10	30-6-09	Variance	
	(EUR '000)	(EUR '000)	(EUR '000)	%
Sales and services	181 306	180 805	501	0.3%
Cost of sales and services	108 702	111 646	-2 944	-2.6%
Gross profit/(loss)	72 604	69 159	3 445	5.0%
	40.0%	38.3%		
Selling and marketing expenses	20 000	17 733	2 267	12.8%
General and administrative expenses	31 042	31 410	-368	-1.2%
Research and development expenses	12 926	13 732	-806	-5.9%
Recurring expenses	63 968	62 875	1 093	1.7%
Recurring profit/(loss)	8 636	6 284	2 352	37.4%
	4.8%	3.5%		
Other non-recurring (income)/ expenses - net	5,117	-319	5 436	-1704.1%
Finance (income)/ expenses - net	-141	2 603	-2 744	-105.4%
Share of (profit)/loss of equity-accounted companies	-849	-267	-582	218.0%
Profit/(loss) before tax	4 509	4 267	242	5.7%
Tax (income)/ expenses	1,959	1 048	911	86.9%
Profit/ (loss) for the period from continuing operations	2 550	3 219	-669	-20.8%
Attributable to :				
Equity Holders of the parent	2 308	3 036	-728	-24.0%
Non-controlling interests	242	183		
Profit/(loss) for the period	2 550	3 219		
REBITDA	18 340	14 908	3 432	23.0%

CONSOLIDATED BALANCE SHEET

	30-6-10	31-12-09	Variance
	(EUR '000)	(EUR '000)	
ASSETS			
Goodwill	33 388	29 563	3 825
Other intangible assets	35 368	37 020	-1 652
Property, plant and equipment	86 337	79 526	6 811
Investments accounted for using the equity method	8 472	7 474	998
Deferred tax assets	32 875	31 732	1 143
Other long-term receivables	90 849	80 093	10 756
Non-current assets	287 289	265 408	21 881
Inventories and contracts in progress	103 270	97 011	6 259
Accounts receivable	91 321	70 178	21 143
Other receivables	24 358	26 869	-2 511
Derivative financial instruments Assets	1 120	2 591	-1 471
Cash and cash equivalents	26 622	17 586	9 036
Current assets	246 691	214 235	32 456
Total assets	533 980	479 643	54 337
EQUITY AND LIABILITIES			
Share capital	37 721	37 505	216
Share premium	125 143	124 788	355
Treasury shares	-8 657	-9 515	858
Hedging and other reserves	9 732	16 077	-6 345
Cumulative translation differences	-2 798	-16 377	13 579
Retained earnings	-7 300	-9 117	1 817
Capital and reserves attributable to Company's equity holders	153 841	143 361	10 480
Non-controlling interests	1 023	781	242
TOTAL EQUITY	154 864	144 142	10 722
Borrowings	32 956	6 372	26 584
Deferred tax liabilities	1 106	1 004	102
Long-term provisions	92 645	97 169	-4 524
Other long-term liabilities	52 067	53 413	-1 346
Non-current liabilities	178 774	157 958	20 816
Borrowings	35 599	28 275	7 324
Other short-term financial liabilities	3 684	103	3 581
Short-term provisions	6 173	0	6 173
Accounts payable	47 162	48 264	-1 102
Current income tax liabilities	2 244	2 198	46
Other payables and accruals	105 480	98 703	6 777
Current liabilities	200 342	177 543	22 799
Total liabilities	379 116	335 501	43 615
Total equity and liabilities	533 980	479 643	54 337

CONSOLIDATED STATEMENT OF CASH FLOW

	30-6-10	30-6-09
	(EUR '000)	(EUR '000)
Cash flow from operating activities		
Net profit/(loss) for the period	2 308	3 036
Adjustments for:		
Depreciation and impairment of property, plant and equipment	8 275	7 410
Amortization and impairment of intangible assets	2 787	2 581
Write-off on receivables	215	-307
Changes in fair value of financial assets (gains)/losses	-732	-491
Changes in provisions	3 101	732
Taxes	225	27
Share of result of associates and joint ventures accounted for using the equity method	-849	-267
Other non cash items	866	1 670
Net profit/(loss) before changes in working capital	16 196	14 391
Trade receivables, other receivables, and deferrals	-14 951	7 638
Inventories and contract in progress	2 513	-7 140
Trade payables, other payables, and accruals	-4 782	-24 849
Change in working capital	-17 220	-24 351
interest paid/net	-465	73
Net cash (used in)/generated from operations	-1 489	-9 887
Cash flow from investing activities		
Acquisition of property, plant, and equipment	-9 670	-8 949
Acquisition of intangible assets	-1 000	-976
Disposal of fixed assets	112	57
Acquisition of third party and equity-accounted companies	-206	-336
Acquisition of non-current financial assets and loans granted	-7 951	0
Other investing cash flows	-3 116	-5 228
Net cash (used in)/generated from investing activities	-21 831	-15 432
Cash flow from financing activities		
Proceeds from borrowings	36 643	10 274
Repayments of borrowings	-3 153	-19 242
interest paid (net)	-672	-670
Capital increase (or proceeds from issuance of ordinary shares)	547	524
Purchase of treasury shares	-595	-1 263
Dividends paid	-4	-1 809
Other financing cash flows	211	416
Net cash (used in)/generated from financing activities	32 977	-11 770
Net cash and cash equivalents at the beginning of the year	17 586	53 943
Changes in net cash and cash equivalents	9 657	-37 089
Exchange gains/(losses) on cash and cash equivalents	-621	-912
Net cash and cash equivalents at the end of the year	26 622	15 942