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IBA, towards a new start...

Interview with Pierre Mottet, IBA Chief Executive Officer

IBA underwent many changes in 2003. The company took drastic measures to return to profitability in a very tough business environment. IBA decided to sell its Sterilization & Ionization business (60% of net sales) to generate surplus cashflow and refocus on its core business.

Why are you selling the Group's most profitable business?

Pierre Mottet: Selling the Sterilization & Ionization business will enable us to repay our debts and gives us some margin for maneuver. In addition, the offer we received was very attractive. The proceeds will enable us to refocus on our core business. The S&I business did not have the same growth potential as the other segments in the Group.

Are you leaving the Sterilization business completely?

PM: We will remain active in the sterilization business by providing equipment to most players in the segment. We believe that our environmentally friendly products, superior to anything currently available, still hold many opportunities for growth in the future.

What will be the impact of this reorganization?

PM: Although IBA's size will be significantly reduced, we can seriously envision returning to two digit growth figures. The Company's exposure to the US dollar will be cut from its current 70% to approximately 40 or 50%.

Is this new position intended to send a strong message to investors?

PM: The purpose of our acquisitions of additional businesses, such as the Sterilization & Ionization, a few years ago, was to provide our investors with a dual profile. A low risk profile, with an S&I business with a high degree of real assets, and a high-risk profile, with more volatile, higher potential technological businesses. We are now much more advanced in the development of our new businesses. Their risk potential is now reduced and we are approaching profitability. We have decided to focus on the high growth potential, higher risk profile.

What will be IBA's core business?

PM: IBA will refocus on the cancer diagnosis and treatment business. IBA is proud to provide state-of-the-art technology for diagnosis and therapy. For example, IBA produces cyclotrons and distributes radiopharmaceutical markers for Positron Emission Tomography (PET), the most promising cancer-diagnosis technology. Also, we are the market leader in Proton therapy, which is the most accurate radiotherapy technology available.

What opportunities does this business hold?

PM: *In 2003 we sold a record 13 PET cyclotrons. At a fixed dollar rate, we also performed well in the Dosimetry segment. We expect similar levels of activity in 2004. In the Proton therapy segment, 2003 was not a good year, as no new orders were recorded before early 2004. However, we have started this year with one of the largest orderbooks in IBA's history.*

What does the future hold for the Radioisotopes business, notably comprising the production and distribution of radiopharmaceutical products, such as FDG?

PM: *This business accounts for 13.3% of our total sales and services, i.e. €34.3 million in 2003, compared with €34.1 million in 2002. This represents a 18 % growth at a fixed Euro/dollar exchange rate. In the US, competition was very tough in 2003. The price war, the management was involved in, strongly impacted the Group's results in the first half-year. We therefore reshuffled the managerial team in the second half-year of 2003 to put an end to this price war. This new policy promptly yielded results, as the EBITDA of the Radioisotopes business was positive for the second half-year. We are dedicated to pursuing this policy to improve profitability in 2004.*

What is the general outlook for IBA in 2004?

PM: *Notwithstanding the unfavorable Euro/US dollar exchange rate in 2003, we have proven that the markets in which we operate are still growing and that our products meet the needs of our clients. Under similar conditions, after selling the Sterilization & Ionization business, we are confident 2004 holds many opportunities for growth. In addition, we have completed the development of our implants for prostate cancer treatment (Radiocoil) and they should be marketed shortly.*



Is the outlook as positive for the other businesses within the Group?

PM: *A significant increase in profitability is expected in 2004, following the extensive reshuffling and reorganization that took place in 2003. We are optimistic, given the noticeable improvement in the performance of the Radioisotopes business at the start of this year. Proceeds from the sale of the Sterilization & Ionization business will enable us to repay our debts and generate substantial cashflow. We will therefore have more legroom to finance our high growth businesses, comprising sterilization and ionization equipment, on the one hand, and cancer diagnosis and treatment, on the other.*

I am convinced that we are now in a great position for a positive fresh new start.

Management Report 2003

As approved by the Board of Directors meeting held on April 8, 2004

Highlights of the Financial Year

In 2003, IBA operated in an especially tough business environment, notably due to the US dollar's steep decline against the Euro. This decline affected income in almost all the Company's business segments, whether through losses to the American competition or simply due to currency translation effects. These effects negatively impacted the consolidated sales by €34.4 million over the period.

In fact, 70 percent of IBA's consolidated revenue is recorded in US dollars and converted into Euros, the average exchange rate used to convert the revenue recorded by the subsidiaries whose operating currency is the US dollar increased from \$0.9502 for €1 to \$1.1321 for €1. This represents a 19 percent drop in the value of the US dollar.

The chart below shows how the 2003 consolidated sales compare with those of 2002 at the real exchange rate for 2003 (\$1.1321 for €1) and at the fixed exchange rate for 2002 (\$0.9502 for €1).

Overall, excluding currency translation effects, 2003 was an excellent year in the Sterilization & Ionization and Dosimetry segments, but was slow in the others. In the Equipment segment, a number of orders were placed too late in the year to significantly impact sales

for this period. Orders taken late in 2003 and early 2004 allow the Company to be optimistic for the upcoming financial year. In the Radioisotope Production & Distribution segment, the year was marked by delays in opening new facilities and managerial problems with certain minority shareholders of our subsidiaries operating in this segment. However, positive trends can be noted in the second half of 2003, pointing to renewed profitability. In the Brachytherapy segment, the company was unable to market its radioactive implant for prostate cancer treatment during this period and Kawazumi Laboratories (KL) cancelled its exclusive distribution license for the implant developed by IBA as Genetra™. The amount originally paid by KL to obtain this exclusivity was therefore recorded as profit (\$1.5 million).

In addition, the Company was confronted with several elements, although not directly linked to operating activities, which strongly impacted the income for 2003.

In the face of tough credit market conditions, the Company decided to explore ways of cutting its debt and focus on its fast growing business segments, including the possibility of selling its Sterilization & Ionization business. It is under these circumstances that James F. Clouser, IBA Chief Operating Officer, and a part of the Group's US Management, in alliance with a financial sponsor, expressed an interest in acquiring the S&I business. Mr. Clouser therefore left the Company with part of his team to pursue this opportunity. After abandoning its plans to become listed on a US stock exchange, the Company drastically cut management costs for its US Headquarters and relocated most corporate functions to Louvain-la-Neuve.

IBA BUSINESS SEGMENTS

	2003					
	2003 at real exchange rate (€000)	Pro forma at 2002 exchange rate (€000)	2002 at real exchange rate (€000)	Adjustment at fixed exchange rate (€000)	Adjustment at fixed exchange rate (%)	Adjustment at real exchange rate (%)
Technology & Equipment	67,371	69,475	68,784	691	0.9%	(2.0%)
Radioisotope Production & Distribution	34,320	40,201	34,146	6,055	17.8%	0.5%
Sterilization & Ionization	156,053	182,426	170,019	12,407	7.3%	(8.2%)
Consolidated Net Sales for the Three Business Segments	257,744	292,102	272,950	19,152	7.0%	(5.6%)

For the purpose of transparency, UBS Investment bank was hired to manage the potential selling of the Company's Sterilization & Ionization business (S&I).

An agreement in principle was finally reached on March 24, 2004, with the investment funds PPM Ventures and PPM America Capital Partners ("PPM"), two entities of the British insurance group, Prudential. This agreement in principle was announced by both parties in a joint press release. Once finalized, PPM will be acquiring the S&I business for a value of \$311.5 Million in cash, i.e. approximately 6 x the 2003 EBITDA. The agreement also makes provision for future commercial endeavors between IBA and S&I. The Company strived to anticipate the impact of this sale in the 2003 accounts to the extent possible.

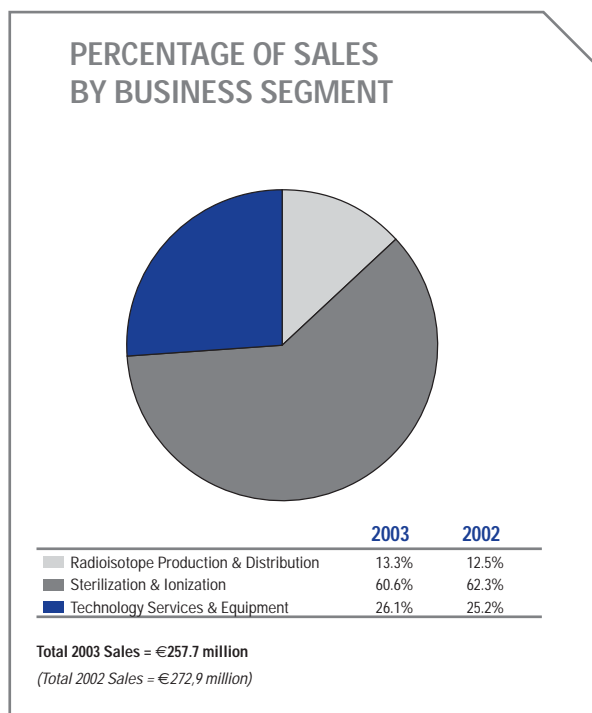
Based on future opportunities, the Company decided to refocus on its traditional business in the field of

particle accelerators for sterilization and the diagnosis and treatment of cancer. Presidents were appointed for the four remaining business segments: Proton therapy, Technology Group and Dosimetry in the Technology & Equipment segment, and the production of FDG and implants for cancer treatment in the Radioisotopes segment.

In addition, the company implemented a drastic cost-cutting program in mid 2003, especially targeting structural costs.

In the 2003 accounts, the Company placed special emphasis on analyzing intangible assets still accounted for in the Group's Consolidated Balance Sheet. The Company decided to record net extraordinary charges for 2003 of €65.5 million in extraordinary goodwill amortization, and €22 million in extraordinary amortization on previously capitalized R&D costs.

Summary of Activity within IBA's Three Primary Business Segments



In 2003, IBA still organized the management of its businesses and corresponding financial performance into three primary business segments:

- **Sterilization & Ionization** composed of specialized services for medical product sterilization, food pasteurization, materials improvement, and mail sanitization;
- **Radioisotope Production & Distribution** composed of production and distribution services for F-18 (F-18 fluorodeoxyglucose — a radiopharmaceutical used in medical imaging) and the development of advanced brachytherapy products used in the treatment of prostate cancer;
- **Technology & Equipment** forming the technology foundation of the Company's many businesses, including the development, manufacture, and service of medical and industrial particle accelerators, proton therapy systems, and a wide range of dosimetry products and solutions in radiation therapy.

STERILIZATION & IONIZATION

In 2003, the Sterilization & Ionization (S&I) segment continued to be by far the largest contributor to IBA's consolidated sales with €156 million in sales and services. In 2002, it accounted for €170.2 million. Since a significant majority of S&I sales are denominated in US dollars, the ongoing strong performance of the Euro during 2003, as in 2002, had a negative impact on year-to-year comparisons. At a fixed exchange rate from one year to the other, a 7.3 percent increase would have been recorded (to €182.4 million) instead of the 8.2 percent decrease (to €156.0 million). As a percentage of total consolidated sales, the S&I segment contributed 60.6 percent in 2003, a decrease from the 62.3 percent in 2002. This trend can also be explained by the falling dollar, as the contribution of this segment would have amounted to 62.4 percent at a fixed exchange rate.

Highlights for 2003 include the opening of two new Sterilization centers, in Moerdrup, Denmark, and Dallas, Texas. The first is a state-of-the-art facility operating IBA's Rhodotron technology and the second is an EtO facility specialized in medical sterilization. In 2003, IBA also renewed its contract with the United States Postal Service for 18 months to May 2005.

The contribution of sales and services from the businesses that comprise the Sterilization & Ionization segment, as well as the principal components of the income statement related to this segment as a whole, are as follows:

Medical Sterilization

While 80.6 percent of S&I sales were derived from sterilization services supplied to the medical device market, sales from the segment's sterilization business decreased 6.9 percent in 2003 to €125.7 million, compared with €135.0 million in 2002. This decrease is more than accounted for by the unfavorable fluctuation of the US dollar over the period. In spite of this, IBA remains the world leader in medical product sterilization services, with an estimated 40 percent market share. With 39 service centers in North America, Europe, and Asia, the Group provides expertise in four key sterilization technologies, namely gamma radiation (using Cobalt-60), ethylene oxide (EtO), and particle accelerator radiation (electron beam and X-ray). IBA clients include some of the world's largest medical device manufacturers and healthcare product companies. Contracts with select customers often carry multi-year terms, thus offering added stability on a large portion of the sales.

As announced in 2002, the Company continued its commitment to providing convenient and economical service centers to its customers. The IBA Rhodotron-equipped facility in Denmark and the state-of-the-art EtO facility in Dallas, Texas, were built and opened to help achieve this goal.

Services in this market include not only sterilization, but also analytical laboratory services, providing an array of complementary, value-added services such as SteriPro®, a sterilization management service, and Excell®, a process-optimization service. Additional service offerings include time-based processing services and customer-specific distribution services.

STERILIZATION & IONIZATION

(in € 000)	2003	%	2002	%	% evolution
Operating income	156,053	100.0%	170,019	100.0%	(8.2%)
Medical	125,742	80.6%	135,054	79.4%	(6.9%)
Food	15,575	10.0%	17,030	10.0%	(8.5%)
Advanced Applications	14,736	9.4%	17,935	10.6%	(17.8%)
EBITDA	47,871	30.7%	50,600	29.8%	(5.4%)
EBITA	23,570	15.1%	22,760	13.4%	3.6%

EBITDA: Operating result before provisions, depreciation of assets and amortization of goodwill, taxes and financial expense.

EBITA: Operating result before amortization of goodwill, taxes and financial expense.

Business segment results are presented after allocation of corporate overhead.

After completing its plan to develop the technology, optimize the existing capacity and create new opportunities for the Company in the field of EtO sterilization, initiated in 2001 and pursued throughout 2002, IBA was able to increase its market share and cut fixed costs in 2003. These measures are expected to have an impact in 2004. In addition, the growing relocation trend to emerging Asian countries, amongst the leading manufacturers of medical devices, has opened new opportunities in this segment. It is in this environment that the company announced the opening of a sterilization center near Shanghai (People's Republic of China) in partnership with a local player. The facility should be operational early in 2005.

Food Safety

Food Safety, accounting for 10.0 percent of the total income for this business segment, has recorded a drop in sales by 8.5 percent in 2003 compared with the previous period. Again, this trend can be explained by the unfavorable fluctuation of the US Dollar against the Euro. Sales and services for this period amount to €15.6 million, compared with €17.0 million a year earlier. After one of its main competitors (SureBeam) in the field of food pasteurization went bankrupt in 2004, IBA strengthened its position as market leader in the irradiation processing of food products and packaging, holding an estimated 90 percent share of the irradiated spice market in the US, as well as a 30 percent share of the irradiated food market worldwide. The Company still believes growth in the US food market to be largely dependent upon US Food and Drug Administration (FDA) approval for the irradiation treatment of ready-to-eat foods. FDA approval is still pending. As a result, sales remained concentrated in spices and other dry ingredients in 2003. IBA remains committed to the advancement of food safety and the worldwide food markets.

Advanced Applications

IBA's sales and services in the Advanced Applications segment dropped to €14.7 million in 2003, compared with €17.9 million in the previous period. In this case, the dollar situation alone cannot account for this trend. Although the contract with the United States Postal Service (USPS) for the sanitization or purification of select US mail and packages continued to generate revenue, other products did not perform as well as in the previous period, following an economic slowdown in this segment.

The mail and packages under this contract are processed at IBA's Bridgeport (New Jersey, USA) irradiation facility, which has been made available for the exclusive use of the USPS. The Bridgeport facility is designed around IBA's high power Rhodotron® accelerator, which provides for dual modality processing with electron beam and X-ray capability. IBA is the only provider with existing capability and capacity for X-ray processing of the US mail. In 2003, the contract with the USPS was extended until mid-2005, although it is normally renewable on a semi-annual basis.

In addition to the mail sanitization contract with the US Congress, IBA announced it had been awarded a contract by the US government to assist the United States Armed Forces Radiobiology Research Institute (AFRRI) in the advanced development of radioprotectants and sanitization procedures for biological threats.

Finally, business within IBA's advanced applications segment includes the processing of advanced materials—semiconductors, gemstones, wire and cable sheaths, and bulk polymers such as PolyOx® and polytetrafluoroethylene (PTFE). The processing of these types of materials should continue to present significant market opportunities. IBA is therefore involved in the development and marketing of a new synthetic product called Raprex™.

RADIOISOTOPE PRODUCTION & DISTRIBUTION

2003 was especially tough for IBA in the Radioisotope Production & Distribution business segment. This business segment mainly encompasses the production and distribution of the radiopharmaceutical fluorodeoxyglucose (FDG), an advanced imaging agent used within the nuclear medicine market. The Radioisotope Production & Distribution business segment accounted for €34.3 million (or 13.3 percent) of the Group's total consolidated sales in 2003 and should continue to grow over the coming years. This amounts to a minimal increase compared with the €34.1 million or 12.5 percent of total consolidated sales in 2002. The unfavorable fluctuation of the US dollar against the Euro strongly impacted this business segment as most sales are made in the United States. A 18 percent growth would have been recorded at a fixed exchange rate.

The contribution of sales and services from the businesses that comprise the Radioisotope segment, as well as the principal components of the income statement related to this segment as a whole, are as follows:

RADIOISOTOPE

(in € 000)	2003	%	2002	%	% evolution
Operating income	34,320	100.0%	34,146	100.0%	0.5%
FDG + related business	32,196	93.8%	33,237	97.3%	(3.1%)
Brachytherapy	2,124	6.2%	909	2.7%	133.7%
EBITDA	(2,360)	(6.9%)	282	0.8%	(936.9%)
EBITA	(7,119)	(20.7%)	(4,080)	(11.9%)	74.5%

EBITDA: Operating result before provisions, depreciation of assets and amortization of goodwill, taxes and financial expense.
 EBITA: Operating result before amortization of goodwill, taxes and financial expense.
 Business segment results are presented after allocation of corporate overhead.

FDG — Radiopharmaceuticals Products

As a reminder, FDG is the principal radiopharmaceutical agent used in Positron Emission Tomography (PET) imaging. This imaging technology analyzes cell metabolism and is used to aid in the diagnosis and monitoring of disease (primarily cancer). In 2003, IBA pursued its 2002 plan to extend its worldwide network.

However, the implementation was slower than expected in the United States given the issues that arose with certain members of the management that still held 17 percent of Eastern Isotopes. These issues were resolved in March 2004 with the purchase of the minority shares, but the dispute negatively impacted the 2003 fiscal year. The Gilroy and Dallas centers, in California and Texas respectively, could not be opened as planned due to this setback.

In Europe, IBA started developing a FDG facility in Woluwe, Belgium through a joint venture with the Cliniques Universitaires Saint-Luc. The cyclotron was installed in 2003 and will be operational in 2004. Last but not least, IBA announced the constitution, in August 2003, of a joint venture with one of the main players in the pharmaceutical industry, Schering AG, to provide FDG in the UK. The partnership that ensued proved to be fruitful and promising for both parties.

From one period to the next, sales for the production and distribution of FDG and other related business did not improve. They dropped by 3.1 percent to €32.2 million in 2003, compared with €33.2 million in 2002. Again, the unfavorable fluctuation of the US dollar had a negative impact on these results. A 17 percent growth and sales of €38.3 million would have been recorded at a fixed exchange rate.

2003 witnessed a particularly damaging price war in the US between the main players competing in this field. Prices seem to have stabilized late 2003, early 2004, giving rise to a brighter outlook for this business whose profitability suffered over the period. The Group's Management decided to reshuffle the Management Team in the US to accelerate the recovery of this business segment. The Company still expects continued growth in the PET market worldwide and, therefore, continued sales growth within the radioisotope segment.

Brachytherapy

As a reminder, brachytherapy is the treatment of cancer using sources of radioactivity that are implanted directly into the tumor or unhealthy cells. IBA initially invested in brachytherapy technology in 2000 with the purchase of a minority share in RadioMed Corporation, a company based in Tyngsboro, Massachusetts (USA). IBA then completed the transaction in 2003 by purchasing the remaining shares held by minority shareholders.

RadioMed's design process is superior to that of standard products, rice-sized seeds. The new, coil-wire based brachytherapy product offers many advantages — stability of the implant, ultrasound visibility that enables precise placement of the implant, and a less invasive, less traumatic delivery system.

Brachytherapy revenues grew to €2.1 million in 2003 from €0.9 million in 2002. This growth is attributable to research and development grants, as well as to the amount (\$1.5 million) abandoned by Kawazumi Laboratories when canceling the exclusive distribution license for the product developed by IBA as Genetra™. Following this agreement announced in a press release dated November 2003, IBA regained its full rights to direct sales of its technologically advanced coiled-wire product. The company decided to market it under the name of "Radiocoil", pending registration. In addition, IBA pursued the development of a second application for its wire technology, a non-radioactive marker (Visicoil™) to be used in radiotherapy. This product was launched to market at the end of 2003, as announced by the Company in the 2002 Annual Report.

Technology And Equipment

This segment encompasses the business operations within proton therapy, dosimetry, and particle accelerator technology. In 2003, it contributed €67.4 million to the Company's total consolidated sales and services, in slight decline from the €68.8 million reported in 2002. Sales and services for the segment, as a percentage of total consolidated sales, increased slightly to 26.1 percent in 2003, compared with 25.2 percent in 2002.

The contribution of sales and services from the businesses that comprise the Technology & Equipment segment, as well as the principal components of the income statement related to this segment as a whole, are as follows:

Proton therapy

IBA is the only company in the world whose Proton therapy systems can be used in the EU, in the US and in the People's Republic of China. However, 2003 was not a prolific year for IBA in this business segment. IBA did not record any new sales in 2003, whereas new sales contracts in 2002 included a gantry system (proton beam and patient positioning system) for the Midwest Proton Radiotherapy Institute (MPRI) in the United States, as well as a complete system for the National Cancer Center (NCC) in Seoul, Korea. In addition, the Company continued implementing systems sold in previous years. As a reminder, IBA recognizes revenue for the sale of its proton therapy systems on a percentage of completion basis, to the extent that they are reasonably certain. Therefore, the four contracts noted above are expected to continue to provide revenues into 2004 for MPRI, 2005 for Wanjie, and 2007 for NCC and Chang An. As a cautionary measure, in 2003, due to delays in the issuance of a letter of credit by the ChangAn Information Industry Group (ChangAn), in Xian, China,

to complete financing for an agreement previously entered into, the company decided to limit its margin from this transaction to the payments received to date. This negatively impacted the income statement for the second half of 2003 by €2 million.

IBA continued its ongoing support and R&D activities at Massachusetts General Hospital, Boston, Massachusetts (USA).

Since August 2002, Optivus Technology, Inc. (Optivus) and IBA have been involved in a legal dispute over several issues linked to Proton therapy. This dispute is detailed in section XVI of the Notes to the Consolidated Financial Statements. IBA is of the position that the Optivus claims are without merit. This case is set for pleadings at the end of 2004. Consequently as of December 31, 2003, the Company has not established a provision for this matter.

In December 2002, the Company entered into an agreement with the Florida Proton Therapy Institute, Inc. (FPTI), a US not-for-profit corporation, for the sale of a proton therapy system. The agreement was contingent upon the attainment by FPTI of certain financing conditions. These financing conditions were met in the first days of 2004. The agreement will only impact results in 2004.

Cyclotrons And Electron Beam Accelerators

Sales and service within the Company's particle accelerator business declined to €31.6 million in 2003, compared with €33.7 million in 2002, a reduction of 6.1 percent. The decline in sales during 2003 is primarily due to a reduction in revenue from the Company's high-power Rhodotron accelerator. This was counter-balanced, although insufficiently, by the sale of thirteen PET cyclotrons in 2003, compared with eight in 2002.

TECHNOLOGY SERVICES & EQUIPMENT

(in € 000)

	2003	%	2002	%	% évolution
Operating Income	67,371	100.0%	68,784	100.0%	(2.1%)
Proton therapy	13,109	19.5%	14,473	21.1%	(9.4%)
Other accelerators	31,606	46.9%	33,656	48.9%	(6.1%)
Dosimetry	22,656	33.6%	20,655	30.0%	9.7%
EBITDA	(2,251)	(3.3%)	10,483	15.2%	(121.5%)
EBITA	(9,305)	(13.8%)	(669)	(1.0%)	(1290.9%)

EBITDA: Operating result before provisions, depreciation of assets and amortization of goodwill, taxes and financial expense.

EBITA: Operating result before amortization of goodwill, taxes and financial expense.

Business segment results are presented after allocation of corporate overhead.

In spite of an average year in 2003, the Accelerators business recorded a significant number of orders for 2004, with the purchase late in the year of a 30 MeV cyclotron by Daiichi Radioisotopes Laboratories, in Japan, and a Rhodotron by the joint venture between the S&I business and its Chinese partner.

Dosimetry

Dosimetry, the third component of the Technology & Equipment segment, comprised of equipment and services to measure radiation dosage, has been an area of growth in the Group's operations over the past few years. IBA's specialized dosimetry products provide essential quality assurance tools for radiotherapy (therapeutic dosimetry) and radiation equipment (diagnostic dosimetry). In 2003, this component accounted for 33.6 percent of the total for this segment (against 30.0 percent in 2002). It is also important to note that a major share of revenue for this segment is generated in US dollars. At a fixed exchange rate, sales would have amounted to €24.3 million, up by 19 percent, compared with €20.7 million in 2002. At the real exchange rate, this component grew by 10 percent. IBA estimates that the Company is nearly twice the size of its nearest competitor in the therapeutic dosimetry market, and further believes that the global market for dosimetry will continue to increase over the coming years.

CONSOLIDATED FINANCIAL STATEMENTS

Income Statement

Consolidated operating income, which includes the variation in work in progress for the sale of equipment, internal construction of fixed assets, and other operating income, dropped by €15.2 million, or 5.6 percent, to €257.7 million in 2003, compared with €272.9 million in 2002. As mentioned above, this decrease can be explained by an unfavorable fluctuation of the US Dollar against the Euro over the period. As a reminder, 70 percent of the Group's sales are recorded in US dollars.

The gross margin for 2003 was €74.0 million, compared with €90.2 a year earlier, a decrease of 18 percent. This gross margin, expressed as a percentage of operating income, declined to 28.7 percent compared with 33.1 percent in 2002. All three business segments were impacted by this decrease.

- For the Sterilization & Ionization segment, the decrease is primarily due to higher costs associated with the opening of two new production facilities in the United States (Texas) and Europe (Denmark).

- For the Technology and Equipment segment it can be attributed to the absence of Proton therapy and Rhodotron orders over the period. Over the year, a record number of PET cyclotrons were ordered, but margins were affected, as a weaker dollar gave the edge, essentially to the American competition.
- Finally, in the Radioisotope Production & Distribution segment, the decrease results from three main factors:
 - as in the previous period, IBA was confronted with pricing pressures in the US market,
 - the start-up costs and productivity issues associated with opening new production facilities and distribution routes in 2003 affected the gross margin,
 - delays in purchasing minority shares gave rise to additional issues due to conflicting views amongst shareholders.

Selling, general and administration (SG&A) expenses decreased by €7.4 million, or 12.4 percent, to €52.3 million in 2003 compared with €59.7 million in 2002. These two items of the income statement benefited from the depreciation of the US currency in 2003. At a fixed rate they would have remained stable from one year to the other.

Research and development (R&D) expense before capitalization was €18.3 million in 2003 compared with €21.0 million in 2002.

Actual spending on R&D increased by €2.0 million, year to year, to €14.4 million, compared with €12.5 million the previous year. Amortization of previously capitalized costs was significantly reduced compared to the previous year, from €9.0 million in 2002 to €4.2 million in 2003. This 50 percent cut can be explained by the change in accounting policy implemented in the second half of the year and detailed below.

The same trend can be noted for the capitalization of the current period costs (€3.9 million in 2003 against €8.5 million in 2002). The combination of these elements accounts for the increase in net R&D expense by €1.9 million, to €14.4 million in 2003, compared with €12.5 million in 2002.

The operating result before provisions, depreciation of assets and amortization of goodwill, taxes and financial expense (EBITDA) is down by 29.5 percent. It amounts to €43.3 million, compared with €61.4 million in 2002. At a fixed exchange rate with the dollar, year to year, this decrease would have been offset to 14.2 percent with an EBITDA of €52.6 million in 2003. This decrease explains the reduced gross margins, especially in the Technology & Equipment and Radioisotope segments.

Operating result before amortization of goodwill, taxes and financial expense (EBITA) was also affected by this and dropped to €7.1 million in 2003, compared with 18.0 million in 2002.

Amortization of goodwill in 2003 was €10.6 million compared with €12.5 million in 2002. The decrease resulted from the positive effect on the translation of US dollar denominated goodwill owing to the decline of the US dollar in 2003.

Operating result was negative by €3.4 million. It was positive by €5.5 million in the previous period.

For the 2003 financial year, IBA recorded a loss of €23.9 million in terms of financial results, compared with €12.8 million in 2002. The €11.1 million increase can be explained as follows:

- The effect of euro/dollar exchange rate has generated unrealized foreign exchange losses in 2003, mostly on loans in US dollars between businesses within the Group, for an amount of 15.9 million in 2003, compared with 10.2 million in 2002.
- In 2002, foreign exchange differences were partially offset by the positive effects resulting from hedging instruments ("roll over"). Margin calls were issued following the dollar's erratic behavior at the start of the second half-year. The Company therefore chose to accept the translation risk on these loans rather than facing margin calls that its cashflow might not have been able to settle. This explains why the Company recorded foreign exchange gains of €9.4 million on this type of transaction in 2002, whereas these were limited to €2.6 million in 2003.
- The combination of these two items accounts for a difference in excess of €12.6 million, from one year to the other, more than the overall difference of €11.1 million. A decrease in interest charges and miscellaneous other positive and negative items accounts for the rest.
 - The decrease in interest charges results from the repayment of a \$15 million loan in January 2003 that IBA had taken out with a consortium of banks in 2000, followed by the repayment of a \$25 million line taken out with a bank outside the above-mentioned consortium in 2001.
 - The miscellaneous items include the impact of accounting a interest hedging instrument at market value (€1.3 million in charges) as it was no longer specifically linked to a specific loan as the Company announced its intention of repaying the balance of its syndicated loan with the proceeds from selling its Sterilization business.

Current result before tax was a loss of €27.3 million compared with a loss of €7.3 million in 2002.

The net extraordinary result in 2003 was a loss of €98.3 million compared with a loss of €13.8 million in 2002. The main extraordinary items are €65.5 million in extraordinary goodwill amortization and €22 million in extraordinary amortization on previously capitalized R&D costs and other restructuring costs.

The €65.5 million in extraordinary goodwill amortization relate essentially (€58.1 million) to the S&I business for which, on the basis of the exchange rate at December 31, the price negotiated with the prospective purchaser is lower than the book value of the net assets in question. A €7.4 million extraordinary goodwill amortization of the company hosting the Brachytherapy business in the United States was also recorded. In fact the results obtained to date and the expected prospects, given competitors' recent performances, have led to the Board taking this decision which is intended to be prudent.

The company also decided to stop capitalizing its R&D costs from July 1, 2003, to help increase the readability of its results in future. In order to ensure consistency and given the high speed at which technological changes are occurring in the field in which the company will remain active, as a prudent measure, IBA decided to amortize all capitalized R&D costs which had not yet been amortized at July 1, 2003 (i.e. after the last official publication of IBA's accounts) thus recording €22 million in extraordinary amortization in the 2003 accounts. These changes have led to a €0.9 million reduction in operating expenses for the 2003 financial year.

The remaining part of the extraordinary costs, i.e. €10.7 million, is essentially comprised of restructuring costs already incurred or for which provision had been made at December 31, 2003, in order to adjust IBA's structure to the company's future size (after the sale of the holdings which made up the Sterilization and Ionization segment) and to improve its profitability in the context of a group which is now refocusing on products for the diagnosis and treatment of cancer. Lawyers' fees and procedural costs incurred by the dispute between IBA and Optivus are also comprised in this balance.

After extraordinary charges, the current result before tax was a loss of €125.7 million compared with a loss of €21.0 million in 2002.

Net tax expense decreased from year to year. In 2003, it actually represents a €1 million yield following adjustments recorded on deferred tax. It should however be noted that current year amounts also include the impact of allowance a valuation allowance on most deferred tax assets resulting from accumulated tax losses, given the uncertainty still linked to their future recoverability.

The net loss (Group share), or net result after tax, was €123.6 million, or €(5.03) per share for 2003 compared with a loss of €21.4 million, or €(0.87) per share in 2002.

Consolidated Balance Sheet And Capital Structure

In general, many of the changes in the Company's balance sheet at December 31, 2003, when compared to December 31, 2002, are attributable to the decline in the value of the US dollar against the Euro. At December 31, 2003, the exchange rate was \$1.2552 to €1, while at December 31, 2002, the exchange rate was \$1.0485 to €1, a change of 19.7 percent. A majority of the Company's assets and liabilities are denominated in US dollars that must be converted to Euros, the Company's reporting currency.

Consolidated equity at December 31, 2003 was €181.0 million compared with €327.1 million at the end of 2002. The sharp reduction is the result of the net loss for the year of €123.6 million and of a currency translation loss (€24.2 million), mainly due to the weakening of the US dollar.

Intangible fixed assets that amounted to €29.5 million at the end of 2002 were reduced to €3.7 million. The decision to stop capitalizing R&D costs from July 1, 2003, in the Company's statements, accounted for €22 million of this €25.8 million. €3.9 million R&D had been capitalized and €4.1 million amortized in the first half-year. The Board of Directors decided that moving forward, the Company would report its R&D expenses in the period in which they are incurred.

Goodwill decreased by €99.3 million, from one year to the other. Indeed, it amounted to €87.8 million at December 31, 2003, compared with €187.1 million, one year earlier. The decline is attributable to a combination of a currency translation adjustment of €28.2 million, a yearly amortization of €10.6 million and an extraordinary amortization of €65.5 million, on the one hand, and by a €5 million increase from the year's new additions (Radiomed), on the other hand. The extraordinary amortization is based on the results of an impairment analysis performed as of December 31, 2003, as every year, which concluded that, given current conditions, the value of goodwill on the balance sheet should be adjusted.

Net tangible fixed assets at December 31, 2003 were €214.0 million, compared with €250.4 million at the end of 2002. The decrease is due, once again, to a currency translation adjustment of €36.1 million and amortization of €31.2 million, which were partially offset by the addition of fixed assets during the year for €30.9 million.

Cash and cash equivalents amounted to €89.8 million at December 31, 2002, compared with €39.4 million in 2003. Total financial debt declined to €169.7 million at the end of 2003 from €231.7 million at the end of 2002. The decline is attributable to a currency translation adjustment of €30.4 million and repayments of bank loans for a net total of €33.5 million. The rest can be explained by movements on short-term loans. At December 31, 2003, net financial debt (total financial debt less cash and investment) was €130.3 million, compared with €141.9 million at the end of 2002. In spite of this significant decrease, the Company's ratio of net debt to equity slipped to 88.4 percent, compared with 42.2 percent at the end of 2002. This can be explained by the fact that the major extraordinary losses for this period affect Shareholder equity in a much larger proportion than the net debt reduction.

At December 31, 2003, the Company failed to meet one of the bank covenants set in the scope of its syndicated loan and has not received a waiver from the banking consortium to date. This situation should be remedied in a timely manner, as the Company announced its intention of repaying this loan in advance with the proceeds from selling its Sterilization segment. The syndicated debt was therefore reclassified to the "Current portion of amounts payable after one year".

The cash used for investing activities in 2003 was €42.1 million, mainly comprising the purchase of tangible fixed assets (€32.2 million), other intangible fixed assets (€6.0 million), and investments in research and development (€3.9 million), all of which include the internal production of fixed assets. This compares with €51.2 million in 2002, mainly comprising the purchase of tangible fixed assets (€35.1 million), other intangible fixed assets (€5.8 million), and investments in research and development (€8.5 million), all of which include the internal production of fixed assets.

STATUTORY ACCOUNTS OF IBA S.A. AND APPROPRIATION OF THE RESULT

Ion Beam Applications S.A. reports a net loss of €89.4 million for the 2003 fiscal year, compared with €32.5 million in 2002. Sales and services remained practically constant at €46.6 million, compared with €46.5 million in 2002. Current result before tax declined, from €8.4 million in 2002 to €24.1 million in 2003. Poor performances in the Technology & Equipment segment account for this decline, in addition to much higher financial expenses due to the unfavorable fluctuation of the US dollar against the Euro.

At December 31, 2003, the Company reported an extraordinary loss regarding its participating interests affected by the selling of its Sterilization business. The Board decided to record the potential effects of selling the business, under the conditions negotiated at the time the accounts were established, in the 2003 statutory accounts. The extraordinary R&D amortization mentioned above has especially impacted the statutory accounts of IBA S.A. Indeed, 16.6 of the 22 million taken into account at Group level were recorded in the accounts of the latter. Extraordinary expenses therefore amounted to €65.1 million in 2003. This compares with €24.5 million in 2002, of which €23.7 million was attributable to the write-down on investments.

The 2003 statutory accounts show a loss carried forward, which is the result of the accumulation of losses over the last four years. In accordance with article 96 § 6 of the Company Act, the Board of Directors justifies the application of the going concern accounting rules by the existence of sufficient cashflow and equity to implement its plans and return to profitability, following the major cost cuts initiated in 2003.

The Board of Directors will propose to the General Meeting of Shareholders that the loss for the year be carried forward.

RESEARCH AND DEVELOPMENT

The Board's decision to account for all R&D costs capitalized before July 1, 2003, as extraordinary charges and no longer distribute them over several years does not jeopardize IBA's ongoing commitment to improving its particle accelerator technology and related equipment. Net R&D charges amounted to €14.4 million in 2003, compared with €12.5 million in 2002. This increase is due to an additional €2 million in R&D costs over the period and to the decision to report all R&D costs capitalized before July 1, 2003, as extraordinary amortization. The decision led to a decrease in capitalization by €4.6 million, offset by a reduction in the amortization reported for the period of €4.7 million, compared with the previous year.

The Company continued investing heavily in the Proton Therapy business over the period. This segment accounted for 45 percent of the total net R&D costs for the year. The remaining costs are distributed as follows: 18 percent for the particle accelerators, 17 percent for Dosimetry and the remaining 20 percent are shared amongst the other businesses.

In 2003, IBA was close to finalizing the development of the Rhodotron TT1000, an electron beam accelerator, which offers higher power than any other system currently available. The plan, according to which this accelerator would have its first commercial application in the Sterilization and Ionization segment, has been reviewed to account for the cut in investments in the second half-year and the decision to sell the Sterilization business. The prototype should still be sold in 2004.

The Company also worked on developing a low-power accelerator for surface decontamination, notably to be integrated into production processes to fill vials in the pharmaceutical industry.

2003 ACQUISITIONS

Over the period, IBA created or strengthened existing joint ventures and purchased remaining minority shares in certain subsidiaries to retain the capacity to manage its operations in the Group's best interest without having to deal with potential diverging interests. These transactions are detailed below:

BetaPlus Pharma S.A. additional capital subscription.

In December 2002, IBA acquired a minority share amounting to 40 percent in the capital of BetaPlus Pharma S.A. The company was incorporated as a joint venture between IBA S.A. and Cliniques Universitaires Saint-Luc, with plans to produce and distribute FDG in Brussels and south of Belgium. The joint venture, whose objective is to extend IBA's penetration into the European market for this high-growth business segment, proceeded with an additional capital subscription of €300,000 in accordance with its business plan to purchase and operate a Cyclone 18/9 IBA cyclotron.

Shares acquired in UK Radiopharma Ltd joint venture.

In August 2003, IBA announced the formation of a joint venture with Schering Health Care to supply FDG to the NHS and private healthcare sector in the UK. This initial investment of €364,000 is part of the same strategy as the one behind the investment in the BetaPlus Pharma joint venture in Belgium.

The newly established company will order an 18/9 IBA Cyclotron in 2004 and is expected to start producing and distributing FDG early in 2005.

Purchase of minority share in NGS Mexico.

At the beginning of the year, the Company purchased the remaining shares held by third-party shareholders in its Gamma sterilization facility in Mexico. The investment amounted to €1.4 million.

Purchase of minority share in RadioMed Corp.

IBA initially invested in brachytherapy technology in 2000 with the purchase of a minority share in RadioMed Corporation, a company based in Tyngsboro, Massachusetts (USA). IBA took a majority share position in 2001. Subsequent to February 21, 2003, IBA purchased the remaining 42.2 percent of RadioMed not already owned by the Company, making RadioMed a wholly owned subsidiary of IBA on February 21, 2003. The buy-out agreement consists of a total commitment for \$8.2 million, of which \$2.0 million were paid in cash at closing, with the balance subject to annual payments of cash and stock through 2005.

ORGANIZATION OF THE COMPANY AND CORPORATE GOVERNANCE

IBA's organizational structure underwent many changes throughout this fiscal year. It remains focused on providing global customer management and worldwide market opportunities. IBA is therefore organized around a number of strategic businesses within three primary segments:

- Sterilization & Ionization encompasses specialized services for medical products, food and food packaging, and advanced materials, and is headquartered in the United States.
- Radioisotope Production & Distribution is made up of FDG production and distribution activities as well as brachytherapy implants, both of which are also headquartered in the United States.
- Technology & Equipment includes the development, production, and commercialization activities for particle accelerators and proton therapy systems, for which the head offices are located in Louvain-la-Neuve, Belgium, and dosimetry activities, which are based in Uppsala, Sweden and Schwarzenbruck, Germany.

Each business has its own president who is responsible for worldwide performance and reports directly to the Company's Chief Executive Officer (CEO) since the second half of the 2003 fiscal year. Each business also has its own research and development team that reports directly to its respective president and the Company's Chief Research Officer (CRO). In addition, the support functions at the corporate level, including finance, information technology, quality, environmental, health and safety, legal, human resources, radiation safety, communications and business development, are provided by a team of vice presidents and directors, reporting to the Company's Chief of Staff & Chief Financial Officer (CFO), who, in turn, reports to the CEO. This support team was strongly reduced by relocating most functions to Belgium mid-2003.

The Articles of Association of the Company require a balance in the composition of the Board of Directors between independent directors, executive directors and directors.

The Board of Directors met 10 times during 2003 (including once by unanimous written consent) and its members are set out on page C1 of the Financial Statements. Within the Board there is a Nomination Committee, a Remuneration Committee, and an Audit Committee. A Sales Committee was appointed to manage the selling of the Sterilization & Ionization business.

The procedure for conflict of interest in application of Article 523 of the Companies Act was invoked at three Board meetings.

The first time was at the meeting of April 11, 2003 (# 113) to decide on the remuneration of the directors, other than the executive directors, sitting on the committees within the Board. The Board, based solely on the positive vote of the Executive Directors, took the following decision:

"The Board decides that all non-executive directors sitting on sub-committees of the Board, such as the Audit Committee and the Remuneration Committee will receive a €1,000 compensation per session, to the extent that a session requires approximately 8 hours preparation and support".

The decision to compensate directors sitting on these committees (such as the Audit Committee and the Remuneration Committee) is intended to ensure that these directors are fully dedicated to their task by compensating them honorably. Impact on assets is minimal for the Company, and limited to a few thousand euros.

The second time the procedure for conflict of interest in application of Article 523 of the Companies Act was invoked was at the Board Meeting of June 26, 2003 (#115) that decided on appointing a committee to manage and oversee the process of selling the Sterilization & Ionization business. In view of the likelihood that a deal will be closed with a US investor, whose interest will be to maintain the current COO and his team in place, the Directors decided that if the COO and his team remained in charge of the selling process, it could lead to a potential conflict of interest.

The Board therefore decided:

- "To appoint a committee (the "Committee") to manage the process of selling the business.
- To ask the CEO, in agreement with the Chairman of the Board, to a) collect the names of members of the Board interested in taking part; b) appoint the committee subject to ratification at the next Board Meeting and c) manage the project at company level under the Committee's supervision."

This decision had no direct impact on assets, taken into account that costs are limited to the committee's operating expenses.

The third time the procedure for conflict of interest in application of Article 523 of the Companies Act was invoked was at the Board Meeting of August 28, 2003 (# 117) when the Company decided to put an end to the employment of Mr. Jim Clouser, to terminate his mandate as Managing Director and to remove him from his position as Chief Operating Officer. The decision was taken based on the following: (i) Mr. Clouser sent a letter confirming his interest in purchasing the Sterilization and Ionization business, in alliance with a financial investor, (ii) opinions expressed by Mr. Clouser during the preparatory phase of the sale and (iii) persistent disagreements between the Company and Mr. Clouser regarding the Company's management and strategy. After discussion, the Board therefore decided that:

- it is in the Company's best interest to put an end to Mr. Clouser's employment with IBA Inc.;
- it is in IBA S.A.'s best interest to terminate Mr. Clouser's mandate as Managing Director of IBA S.A.;
- it is in the IBA Group's best interest to mandate and ratify all required steps taken by Company representatives to remove Mr. Clouser from his position as Officer within the IBA Group.

The cost of this decision was limited to the expenses linked to the breach of Mr. Clouser's contract of employment that amounted to 6 months of his salary. A provision was established in the accounts for this purpose (see Legal Proceedings item in the financial report).

REMUNERATION FOR ADDITIONAL SERVICES RENDERED BY THE STATUTORY AUDITORS

PricewaterhouseCoopers Reviseurs d'Entreprises, co-auditor of the statutory accounts of IBA S.A., and auditor of the consolidated accounts of IBA, the Company, provided the following services during the year, in addition to the services provided for within its mandate:

- A review of the consolidated financial statements at June 30, 2003 remunerated by fees of €117,974
- Other advisory services, remunerated by fees of €35,744

Companies with which PricewaterhouseCoopers Reviseurs d'Entreprises has a related party relationship have provided advisory services, mainly employee related tax services, and services to make the Sterilization & Ionization segment compliant with US GAAP reporting standard. These services were remunerated by fees of €2,136,193. 0

SHAREHOLDERS AND WARRANTS

The distribution of the capital of IBA as of December 31, 2003 is as follows:

IBA SHAREHOLDERS AT DECEMBER 31, 2003

	Number of shares	%
Belgian Anchorage	6,396,132	26.08%
Belgian Leverage	2,300,000	9.38%
UCL	532,885	2.17%
Sopartec	866,685	3.53%
Institut des Radioéléments	878,66	3.58%
IBA Investments SCRL	29,183	0.12%
Public	13,525,298	55.14%
TOTAL	24,528,843	100.00%

(*) At December 31, 2003, IBA held a total of 29,183 of its own shares via the company IBA Investments SCRL, an indirect 100 percent affiliate.

In previous years, several warrant plans reserved for IBA personnel were launched, within the limits of the authorized capital and with a withdrawal of the right of preference of the existing shareholders, to encourage loyalty and motivate employees by allowing them to benefit from increases in the value of the Company's shares. No such plan was introduced during the 2003 fiscal year.

In addition, at the end of 2003 a total of 3,633,129 warrants under earlier option plans remain to be exercised, of which 180,157 warrants were issued under the 1998 plan (mostly at an exercise price of €4.29), 241,222 warrants were issued under the 2000 plan (mostly at an exercise price of €28), 378,900 warrants were issued under the 2001 plan (mostly at an exercise price of €15.70), and 2,832,850 warrants were issued under the 2002 plan (mostly at an exercise price of €5.11).

As of December 31, 2003, none of the warrants issued under the 2000, 2001 and 2002 plans had been exercised.

GENERAL OUTLOOK FOR 2004

2003 was a year of restructuring in a difficult environment resulting in a heavy loss. In 2004, the Company is ready to rise up to a series of challenges to significantly improve its net profitability and strongly cut its debts.

First and foremost, the Group's management will strive to finalize the sale of the S&I business for which an agreement in principle was reached in March 2004. The proceeds from this transaction will be used in priority to repay the outstanding balance on its loan with a consortium of Belgium banks.

Then, reorganized within an IBA mainly focused on cancer diagnosis and treatment, the Group must endeavor to cut its costs and boost its sales to reasonably improve the profitability of the two remaining segments (Technology & Equipment and Radioisotope Production & Distribution) after the third segment is sold (Sterilization & Ionization).

The Technology & Equipment segment aims at finalizing the implementation of an integrated manufacturing management information system and reducing its exposure to the American currency, notably via subcontracting in the dollar zone. The Company believes that these segments still hold a lot of opportunities. Overall, the Technology & Equipment segment will continue focusing on improving service and after-sales support and strive towards total customer satisfaction.

In the Radioisotope Production & Distribution segment, FDG production and distribution, IBA will continue expansion by opening new facilities, whether full-owned or in joint venture, and protecting its margins by developing added value products for its clients. In Europe, IBA is confident its new partnerships with, amongst others, Schering Health Care Ltd will enable it to extend its network and market share while improving profitability.

In the Radioisotope Production & Distribution segment, regarding the brachytherapy products, IBA is committed to the gradual commercial launch of its brachytherapy product (Radiocoil) and the development of its marker product (Visicoil).

Overall, IBA envisions a return to growth after selling the Sterilization business.

Corporate Governance, Management and Control

Composition of the Board of Directors

In compliance with recommendations regarding Corporate Governance, the Articles of Association require a balance in the composition of the Board of Directors between independent directors, executive directors and directors representing the shareholders.

The Board of Directors must be made up of a minimum of three members and a maximum of 12 members for a renewable term not exceeding six years. No age limit is set by the Articles of Association.

The Board of Directors must always be made up of at least one-third independent directors and one-third executive directors. The effects of resignation, removal of a director, or expiry of the period of office are suspended for as long as they would result in disruption of these balances.

Proposals for nominations of independent directors are presented by a Nomination Committee formed within the Board of Directors. Proposals for nominations of executive directors are presented by the managing directors. Other directors are freely nominated by the General Meeting with the provision, however, that among these other directors no more than two members shall be directly or indirectly related to the same shareholder or to a company or person related to said shareholder.

The composition of the Board of Directors at December 31, 2003, consisted of the following 12 people:

- Messrs. Pierre Mottet, Yves Jongen, Eric de Lamotte and Jean-Louis Bol in their capacity as executive directors. Mr. Pierre Mottet is Managing Director and Chief Executive Officer. Mr. Yves Jongen is Managing Director and Chief Research Officer. His mandate was renewed at the Ordinary General Meeting of Shareholders on May 14, 2003. Mr. Eric de Lamotte is a former Managing Director, having resigned from

that position on July 5, 2001. Mr. Jean-Louis Bol is employed by the Company and was appointed during the extraordinary General Meeting of December 17, 2003 to replace Mr. Jim Clouser, former Managing Director and Chief Operating Officer.

- Messrs. Diego du Monceau, Arthur Janta-Polczynski, Jean Stéphenne and Peter Vermeeren as independent directors.
- The Institut National des Radioéléments (IRE) represented by Mrs. Nicole Destexhe, its Chief Financial Officer, Messrs. Philippe de Woot de Trixhe, Olivier Ralet, and Gilles Capart as other directors. The mandates of the IRE and Mr. Philippe de Woot de Trixhe were renewed at the ordinary General Meeting of May 14, 2003.

The mandates of Messrs. Jean Stéphenne, Arthur Janta-Polczynski, Peter Vermeeren, Pierre Mottet, Eric de Lamotte and Jean-Louis Bol will terminate at the General Meeting of May 12, 2004. The renewal of their mandate will be presented to the assembly.

The mandates of Messrs. Olivier Ralet and Gilles Capart will end at the 2005 Ordinary General Meeting deciding on the 2004 accounts.

The mandate of Mr. Diego du Monceau will terminate at the 2006 Ordinary General Meeting deciding on the 2005 accounts.

The mandates of Messrs. Philippe de Woot de Trixhe, Yves Jongen, and of the Institut National des Radioéléments (IRE) will terminate at the Ordinary General Meeting of 2007 deciding on the 2006 accounts.

FUNCTIONING OF THE BOARD OF DIRECTORS

The Board of Directors is empowered to execute all actions that are necessary or useful in order to fulfill the objective of the Company, except those reserved by law or by the Articles of Association to the General Meeting.

The Board of Directors may make decisions only if a majority of its members are present or represented. Its decisions are based on a majority vote. In the event of a tie, the vote of the Chairman or of his substitute shall prevail.

In exceptional cases duly justified by urgency and the need to serve the interests of the Company, the decisions of the Board of Directors may be taken by Unanimous Written Consent of the Directors. This procedure may not be invoked to approve the annual accounts or release authorized capital.

In its acts, including those involving the participation of a public official or a Ministry official, and in courts of law, the Company may be represented by two directors acting jointly, who will not be required to justify any previous decision made by the Board of Directors vis-à-vis third parties.

The Board of Directors meets as and when it is necessary, but at least four times a year. The most significant subjects that are debated include the situation of the markets, the strategies employed, technological developments, financial evolution, as well as matters concerning human resources. Reports on the subjects discussed by the Board of Directors are communicated in advance to non-executive directors so that they may exercise their expertise in full knowledge of the facts.

During the year 2003, the Board of Directors met 10 times, eight times under the chairmanship of Mr. Philippe de Woot de Trixhe, once under the chairmanship of Mr. Peter Vermeeren and once by Unanimous Written Consent.

In order to follow the evolution of the activities of subsidiaries and of companies in which IBA has an equity stake, the Chief Executive Officer is represented, alongside the business heads, on the majority of the Boards of Directors of subsidiary companies. For supervision of the day-to-day management, the Chief Executive Officer, generally accompanied by the Chief Financial Officer, makes regular reports to the Board of Directors. The Board of Directors also invites members of the management or business heads to report on certain specific points.

On December 31, 2003, the directors together held directly 890,325 IBA shares (including 878,660 shares owned by IRE) and a total of 658,750 warrants allowing them to subscribe to IBA shares.

The total amount paid by the Company to the members of the Board of Directors for functions performed or services rendered amounted to €1,264,744 for fiscal year 2003. This sum was split as follows: €1,172,744 were granted to the executive directors, €75,000 (on the basis of a fixed sum of €6,000 per annum per person and an allowance of €1,000 per session) to the independent directors and €17,000 to the other directors sitting on the committees created within the Board of Directors. The mandate of these other directors on the Board itself are not remunerated. In 2003, the procedure for conflict of interest, preventing one or several directors from taking part in the discussion at hand,

was invoked three times. Further details and excerpts from the minutes of these meetings are provided in the Management Report. There have been no unusual transactions or loans granted by IBA to members of the Board of Directors.

COMMITTEES CREATED BY THE BOARD OF DIRECTORS

A Nomination Committee, as provided by the Articles of Association, has been formed by the Board of Directors and is responsible for nomination of the independent directors. This committee consists of five members, including the Chairman of the Board of Directors and at least two independent directors. The committee currently consists of Messrs. Philippe de Woot de Trixhe, Arthur Janta-Polczynski, Jean Stéphenne, Pierre Mottet, and Yves Jongen. On the initiative of the independent directors and after discussion, the Nomination Committee communicates to the Board of Directors the names of the candidates for the positions of independent directors to be submitted to the General Meeting.

A Remuneration Committee responsible for evaluation and for fixing the remuneration of the executive directors and the management team consists of Messrs. Philippe de Woot de Trixhe, Arthur Janta-Polczynski, Jean Stéphenne, and Pierre Mottet. Remuneration is established based on market practices as established by surveys carried out by companies specializing in this field.

An Audit Committee was created by the Board of Directors at its meeting on November 26, 2002 and sanctioned in the Articles of Association dated June 17, 2003. The Audit Committee ensures that the Board of Directors receives timely, regular, adequate, and correct information and assists the Board of Directors in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control over financial reporting, the audit process, the Company's process for monitoring compliance with laws and regulations, and any applicable internal regulations or codes of conduct. The Audit Committee consists of at least three and not more than six members appointed by the Board of Directors. Members of the committee must have sufficient accounting and financial knowledge and cannot be appointed as managing directors responsible for day-to-day management. The committee is currently composed of four members: Messrs. Diego du Monceau, acting as Chairman, Olivier Ralet, Peter Vermeeren, and Eric de Lamotte.

DAY-TO-DAY MANAGEMENT

The Board of Directors may delegate day-to-day management as well as the representation of the Company as regards such management to one or several direc-

tors or to one or several managers or officers. It nominates and revokes the persons delegated to carry out these tasks. These persons may be chosen from within or outside the Board.

The Board of Directors and the persons delegated to carry out day-to-day management may also delegate, within this framework, special and defined powers to one or several persons of their choosing.

The Company currently has two managing directors: Messrs. Pierre Mottet, Chief Executive Officer and Yves Jongen, Chief Research Officer. Mr. Pierre Mottet is primarily responsible for the Company's strategic direction and day-to-day management.

The Chief Executive Officer (CEO) is assisted by a management team constituted of members of the corporate team and presidents of Business Units.

The remuneration paid by the Company in 2003 to 11 members of the management, not including the executive directors, amounted to a total of EUR 2,316,287, of which EUR 1,891,953 was fixed and EUR 424,334 was variable following the results of 2002. Target bonuses can vary from 20 percent to 40 percent of fixed remuneration.

POLICY FOR APPROPRIATION OF THE RESULT

The Company currently intends to use any earnings to fund the expansion and growth of the business. As a result, the policy for allocation of the result adopted by the Board of Directors in its proposals to the General Meeting is not to propose a dividend distribution.

RELATION WITH DOMINANT SHAREHOLDERS

IBA's major shareholders—Belgian Anchorage, UCL, Sopartec, and IRE—have declared that they are acting jointly and have entered into an agreement, which expires in 2013. This agreement provides for, among other things, sharing of information, nomination of certain directors, and a minimum participation of 8,855,160 ordinary shares, which the major shareholders have undertaken to maintain together until June 2005. The parties to this agreement hold 11,003,545 ordinary shares as of December 31, 2003, representing 44.86 percent of the Company's voting rights.

Under the terms of this agreement, in the event of the issue of new shares by IBA, if one of the shareholders does not exercise its preferential subscription right, that right will be assigned to the other major shareholders (and in the first place to Belgian Anchorage S.A.). If a party to this agreement wishes to dispose of its IBA shares, the other parties (and in the first place Belgian Anchorage S.A.) will have a right of first refusal to acquire these shares.

This right of first refusal is subject to certain exceptions and does not apply specifically in the case of a share

transfer to Belgian Anchorage S.A.

There are no other relations or particular arrangements between shareholders.

AUDITORS

The General Meeting of May 14, 2003 appointed PricewaterhouseCoopers Reviseurs d'Entreprises S.C.C.R.L., Sint-Stevens-Woluwe (B00009—429.501.944), represented by Philippe Barbier (F00629) and Jean Fossion (F01235) as auditor for the statutory accounts of IBA S.A. in a joint audit with Salustro Triest Vleck S.C.P.R.L. (formerly Nevens & Co. —B00124— 439.574.801).

PricewaterhouseCoopers Reviseurs d'Entreprises S.C.C.R.L. has also been appointed auditor for the consolidated financial statements of IBA.

PricewaterhouseCoopers Reviseurs d'Entreprises' mandate is expiring at the Annual General Meeting of 2006 deciding on the 2005 accounts.

Salustro Triest Vleck S.C.P.R.L. is represented by Luc Vleck (N01686) and is co-auditor for statutory accounts. Its mandate was renewed on May 9, 2001 and is expiring at the 2004 Ordinary General Meeting of Shareholders. The renewal of this mandate will not be proposed to the Ordinary General Meeting of Shareholders

Board of Directors

Composition of the Board of Directors of IBA at March 31, 2004

EXECUTIVE DIRECTORS

Pierre Mottet, 42

Chief Executive Officer

Managing Director since February 2000.

Start of mandate: May 10, 2000.

Also Vice Chairman of the Board of Directors of Agoria, Vice Chairman of the Board of Directors of E-Capital and member of the Management Committee of the FEB (Belgian Federation of Enterprises).

Yves Jongen, 56

Founder of IBA and Chief Research Officer

Managing Director since 1991.

Start of mandate: May 29, 1998.

Before the creation of IBA in 1986, Director of the Cyclotron Research Center at the Catholic University of Louvain (UCL).

Eric de Lamotte, 47

Director

Director since February 2000.

Start of mandate: May 10, 2000.

Director serving on the Board of several companies.

Formerly Chief Financial Officer and Managing

Director of IBA (1991-2000).

Jean-Louis Bol, 53

Director since December 2003.

Start of mandate: December 17, 2003.

Vice President IBA Technology Group: Development.

Production Manager 1989 - 2001

NON- EXECUTIVE INDEPENDENT DIRECTORS

Jean Stéphane, 53

Director since May 2000.

Start of mandate: May 10, 2000.

Since 1998, President and CEO GlaxoSmithKline Biologicals, Belgium.

Other mandates: Director of Société Belge des Bétons, Fortis and Nanocyl.

Peter Vermeeren, 62

Director since May 2000.

Start of mandate: May 10, 2000.

Formerly Executive Vice President of Mallinckrodt and Executive Vice President of Adac.

Other mandate : Chairman of Machnet BV Groningen (NL)

Arthur Janta-Polczynski, 54

Director since May 2000.

Start of mandate: May 10, 2000.

Managing Director and General Manager of Russell Reynolds Associates, Belgium. Commercial Engineer, University of Brussels and MBA, Harvard Business School, U.S.A.

Diego du Monceau de Bergendal, 53

Director since March 2002.

Director de ING (Belgique)

Chairman of the Executive Committee of E-Capital

Vice Chairman of Quest for Growth

Vice Chairman Continental Bakeries (NL)

Director of WE International

Formely Vice Chairman and Managing Director of the GIB Group

OTHER DIRECTORS

Philippe de Woot de Trixhe, 73

Chairman of the Board of Directors of IBA

Director since 1986.

Professor emeritus of the Catholic University of Louvain.

Director of Alcatel-Etca.

Member of the Académie Royale de Belgique, Académie Européenne des Arts et Sciences and Académie Internationale de Management.

Olivier Ralet, 46

Director since June 2000.

Bachelor of Law.

Member of the Executive Committee of Atenor Group sa, Belgium

Institut National des Radioéléments (IRE)

Represented by Nicole Destexhe, 50.

Director since 1991.

Chief Financial Officer of IRE.

Member of the Institut des Experts Comptables.

Gilles Capart, 60

Director since May 2001.

Start of mandate: May 10, 2001.

Managing Director of Sopartec SA, the technology transfer company affiliated to UCL, and of the seed capital fund VIVES SA

President of BruCells SA, a pharmaceutical company operating in the field of cancer immunotherapy.

Formerly Vice President for Investment, Environment and Intellectual Property of the UCB Group.

Consolidated Financial Statements

Consolidated Balance Sheet

ASSETS	(in € 000)	2003	2002	2001
FIXED ASSETS		307,368	468,116	555,085
I. Formation expenses		-	-	-
II. Intangible fixed assets (note VIII)		3,729	29,520	32,547
III. Goodwill (note XII)		87,799	187,146	234,274
IV. Tangible fixed assets (note IX)		213,960	250,408	287,833
A. Land and buildings		69,446	77,107	87,870
B. Plant, machinery and equipment		78,155	78,621	101,969
C. Furniture and vehicles		3,087	3,835	5,184
D. Leases and similar rights		9,231	8,409	6,144
E. Other tangible assets		44,843	54,133	63,419
F. Assets under construction and advance payments		9,198	28,303	23,247
V. Financial assets (note X)		1,880	1,042	431
A. Companies accounted for using equity method		1,263	599	-
1. Participating interests		1,263	599	-
2. Amounts receivable		-	-	-
B. Other companies		617	443	431
1. Participating interests and shares		178	111	111
2. Receivables		439	332	320
CURRENT ASSETS		193,192	222,034	209,392
VI. Amounts receivable after one year		4,604	6,619	7,699
A. Trade debtors		1,045	989	2,078
B. Other receivables		2,347	1,343	1,370
C. Long-term deferred tax assets		1,212	4,287	4,251
VII. Inventories and contracts in progress		99,302	79,161	77,296
A. Inventories		31,002	18,027	25,819
1. Raw materials and consumables		7,297	5,835	4,912
2. Work in progress		19,817	9,674	17,370
3. Finished goods		3,888	2,518	3,537
4. Goods purchased for sale		-	-	-
5. Property held for resale		-	-	-
6. Advance payments		-	-	-
B. Contracts in progress		68,300	61,134	51,477
VIII. Amounts receivable within one year		45,317	43,309	48,805
A. Trade debtors		37,217	37,929	37,637
B. Other amounts receivable		7,258	4,684	10,410
C. Current deferred tax assets		842	696	758
IX. Investments		818	39,474	36,027
B. Other investments and deposits		818	39,474	36,027
X. Cash at bank and in hand		38,608	50,287	37,162
XI. Deferred charges and accrued income		4,543	3,184	2,403
TOTAL ASSETS		500,560	690,150	764,477

Consolidated Balance Sheet (continued)

LIABILITIES	(in € 000)	2003	2002	2001
SHAREHOLDERS' EQUITY		181,012	327,121	373,644
I. Capital		34,139	34,139	33,895
A. Issued capital		34,139	34,139	33,895
II. Additional paid-in capital		334,089	334,089	334,086
III. Revaluation surpluses		-	-	-
IV. Consolidated reserves (+) (-) (note XI)		(156,450)	(32,810)	(11,269)
IV. bis Own Shares		(149)	(149)	(328)
V. Consolidation differences		-	-	-
VI. Foreign currency translation adjustment (+) (-)		(33,317)	(9,124)	16,471
VII. Investment grants		2,700	976	789
VIII. Minority interests		144	3,028	3,894
Provisions and deferred taxes		5,804	12,744	18,534
IX. A. Provisions for liabilities and charges		5,354	5,039	3,877
1. Pensions and similar obligations		340	61	132
2. Taxation		-	-	-
3. Major repairs and maintenance		-	-	-
4. Other liabilities and charges		5,014	4,978	3,745
B. Deferred tax liabilities		450	7,705	14,657
CREDITORS (NOTE X I I I)		313,600	347,257	368,405
X. Amounts payable after more than one year		98,070	216,498	229,847
A. Financial debts		49,205	181,143	224,782
1. Subordinated loans		-	-	-
2. Unsubordinated debenture loans		-	-	-
3. Leasing and similar obligations		17,497	9,904	6,439
4. Credit institutions		10,381	138,359	178,571
5. Other loans		21,327	32,880	39,772
B. Trade debts		-	-	-
1. Suppliers		-	-	-
2. Bills of exchange payable		-	-	-
C. Advances received on contracts in progress		42,971	31,700	-
D. Other amounts payable		5,894	3,655	5,065
XI. Amounts payable within one year		204,175	120,588	126,398
A. Current portion of amounts payable after one year		116,107	47,732	30,921
B. Financial debts		4,395	2,826	8,056
1. Credit institutions		4,395	2,826	8,056
2. Other loans		-	-	-
C. Trade debts		23,420	24,773	26,885
1. Suppliers		23,420	24,773	26,885
2. Bills of exchange payable		-	-	-
D. Advances received on contracts in progress		33,776	26,505	37,118
E. Current tax and payroll liabilities		11,512	9,605	16,964
1. Taxes		408	1,898	9,084
2. Salaries and social security		11,104	7,707	7,880
F. Other amounts payable		14,965	9,147	6,454
XII. Accrued charges and deferred income		11,355	10,171	12,160
TOTAL LIABILITIES		500,560	690,150	764,477

Consolidated Income Statements

	(in € 000)	2003	2002	2001
I. Operating income		257,743	272,949	257,627
A. Sales		233,510	263,848	227,400
B. Increase in stocks of finished goods, work, and contracts in progress		19,075	5,276	19,814
C. Fixed assets—own construction		617	2,822	7,797
D. Other operating income		4,541	1,003	2,616
II. Cost of sales		183,752	182,719	163,246
III. Gross margin		73,991	90,230	94,381
IV. Selling and marketing expenses		16,155	17,958	17,593
V. General and administrative expenses		36,162	41,764	43,914
VI. R&D		18,292	21,023	19,447
VII. Other operating income (capitalized R&D)		(3,931)	(8,525)	(11,005)
VIII. Other operating expenses		168	-	-
IX. Operating result (before amortization of goodwill)		7,145	18,010	24,432
X. Amortization of goodwill		10,571	12,504	13,742
X^{bis}. Operating result		(3,426)	5,506	10,690
XI. Financial income		15,457	9,735	13,541
A. Income from financial assets		-	-	36
B. Income from current assets		1,045	1,550	3,463
C. Other financial income		14,412	8,185	10,042
XII. Financial expenses		39,365	22,523	18,778
A. Interest expense		7,463	10,457	15,168
B. Amounts written off current assets		-	-	-
C. Other financial charges		31,902	12,066	3,610
XIII. Current result before tax		(27,334)	(7,282)	5,453

Consolidated Income Statements (continued)

	(in € 000)	2003	2002	2001
XIV. Extraordinary income		185	859	354
B. Provisions for extraordinary liabilities and charges		-	600	167
E. Gain on disposal of fixed assets		-	-	30
F. Other extraordinary income		185	259	157
XV. Extraordinary expenses		98,529	14,625	27,092
A. Extraordinary depreciation and amortization		23,067	3,175	8,275
B. Extraordinary amortization of goodwill		65,492	198	13,971
D. Provisions for extraordinary liabilities and charges		7,410	1,842	-
E. Loss on disposal of fixed assets		240	3,918	226
F. Other extraordinary expenses		2,320	5,492	4,620
XVI. Result before tax		(125,678)	(21,048)	(21,285)
XVII. Deferred tax		(2,928)	(1,999)	(213)
A. Deferred tax expense		9,714	6,349	2,057
B. Deferred tax credits		12,642	8,348	2,270
XVIII. Current tax		1,933	2,693	2,997
A. Current tax expense		1,933	2,693	3,628
B. Current tax credits		-	-	(631)
XIX. Result after tax		(124,683)	(21,742)	(24,069)
XX. Share in the result of enterprises accounted for using the equity method		-	-	(90)
A. Profits		-	-	-
B. Losses		-	-	90
XXI. Consolidated result		(124,683)	(21,742)	(24,159)
XXII. Group's share		(123,643)	(21,362)	(24,039)
XXIV. Share of third parties		(1,040)	(380)	(120)

Consolidated Cash Flow

TABLE OF CONSOLIDATED CASH FLOW	(in € 000)	2003	2002	2001 (1)
OPERATING ACTIVITIES				
Consolidated result		(123,643)	(21,362)	(24,039)
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization of fixed assets		57,606	43,565	43,709
Amortization of goodwill		10,571	12,702	27,713
Extraordinary amortization of goodwill		65,492	-	-
Loss on disposal of tangible and intangible fixed assets		3,832	6,466	3,379
Minority interest and share in result under equity method		(1,040)	(380)	(30)
Deferred taxes		(4,326)	(5,534)	1,890
CHANGE IN WORKING CAPITAL ACCOUNTS:				
Trade accounts receivable		(2,922)	5,144	(6,354)
Inventories		(20,141)	(3,457)	(19,334)
Provision for liabilities and charges		-	1,482	(3,754)
Prepaid and other current assets		(1,359)	(995)	942
Accounts payable		(1,353)	(5,468)	(853)
Accrued expenses		10,399	2,670	1,810
Income tax liabilities		(1,490)	(7,053)	352
Advances received on contracts in progress		18,542	21,973	14,714
Net cash provided by operating activities		10,168	49,753	40,145
INVESTING ACTIVITIES:				
Purchase of fixed assets		(41,061)	(49,358)	(57,647)
Other long-term assets		1,401	(1,870)	(2,734)
Payment for purchase of subsidiaries net of cash acquired		(1,640)	-	(11,063)
Net cash used for investing activities		(41,300)	(51,228)	(71,444)
FINANCING ACTIVITIES				
Proceeds from borrowings		12,093	14,760	37,735
Repayments of borrowings		(38,667)	(4,032)	(49,934)
Proceeds from issuance of common stock			247	446
Capital grant		1,724	187	360
Net cash provided (used) by financing activities		(24,850)	11,162	(11,393)
Net increase (decrease) in cash and investments		(55,982)	9,687	(42,692)
Foreign exchange impact on cash		5,647	6,885	(3,962)
Cash And Investment At Beginning Of The Period		89,761	73,189	124,035
Cash And Investment At End Of The Period		39,426	89,761	77,381

The 2003 cash flow statement has been prepared as follows:

1. The cash flow statement reports cash flows during the period classified by operating, investing, and financing activities.
2. Operating activities: Cash flows from operating activities are primarily derived from the principal revenue producing operations of the Company. Cash flows from operating activities are reported using the indirect method, whereby net profit or loss is adjusted for the effects of transactions of a non-cash nature, and for any deferrals or accruals of past or future operating cash receipts or payments.
3. Investing activities: Investing activities are the acquisition and disposal of long-term assets. The reported cash flows represent the extent to which expenditures have been made for resources intended to generate future income and cash flows. Cash flows from investing activities are reported using the direct method, whereby cash receipts and payments are reported on a gross basis.
4. Financing activities: Financing activities are activities that result in changes in the size and composition of the equity capital and borrowings of the Group. Cash flows from financing activities are reported using the direct method, whereby gross cash receipts and gross cash payments from the Group's operations relating to equity and financial debt are reported.
5. Foreign currency cash flows: Cash flows arising from transactions in a foreign currency are recorded in Euro (€) by applying to the foreign currency amount the exchange rate between the Euro and the foreign currency at the date of the cash flow. A weighted average foreign exchange rate is, however, used for reporting subsidiary cash flows arising from the accumulation of successive transactions (example: fixed assets additions).

The effect of exchange rate changes is presented to reconcile cash and cash equivalent at the beginning and the end of the financial year. They include the differences that would have arisen had the cash flows been reported at end of period exchange rates. The effect of exchange rate changes is presented to reconcile cash and cash equivalent at the beginning and the end of the financial year.

Notes to the Consolidated Financial Statements

LIST OF CONSOLIDATED COMPANIES

Name and address	Share of equity held (in %)	Method of inclusion into the financial statements ⁽¹⁾	Variation in % of equity held (02/01)
Sub-group - Technology and Equipment			
Mediflash Holding A.B. Stålgatan, 14 754 50 UPPSALA – SWEDEN	G	100%	-
Scandiflash A.B. Stålgatan, 14 754 50 UPPSALA – SWEDEN	G	100%	-
Scanditronix Wellhöfer Medical A.B. Stålgatan, 14 754 50 UPPSALA – SWEDEN	G	100%	-
Scanditronix Medical GmbH Burheimer Str, 10 79111 FREIBURG – GERMANY	G	100%	-
Scanditronix Ophthalmology A.B. Stålgatan, 14 754 50 UPPSALA – SWEDEN	G	100%	-
Gyrab International A.B. Stålgatan, 14 754 50 UPPSALA – SWEDEN	G	100%	-
Wellhofer Wellhöfer Dosimetrie GmbH Bahnhofstrasse, 5 90592 SCHWARZENBRUCK – GERMANY	G	100%	-
Scanditronix Magnet A.B. Box 26, 30 340 30 VISLANDA – SWEDEN	G	100%	-
Scanditronix Wellhofer North America Inc. 3111 Stage Post Drive, Suite 105 BARLETT, TN 38133 – USA	G	100%	-
Proton Therapy Corporation of America, Inc. 6140 Stoneridge Mall Road – Suite 350 PLEASANTON, CA 94588 – USA	G	100%	-
Radiation Dynamics, Inc. 151 Heartland Blvd EDGEWOOD, NY 11717 – USA	G	100%	-
Sub-group - Sterilization & Ionization			
IBA S&I International, Inc. 2015 Spring Road – Suite 650 OAK BROOK, IL 60523 – USA	G	100%	-
IBA S&I, Inc. Delaware 2015 Spring Road – Suite 650 OAK BROOK, IL 60523 – USA	G	100%	-
IBA S&I, Inc. Utah 2015 Spring Road – Suite 650 OAK BROOK, IL 60523 – USA	G	100%	-

(1) G: full integration, E: equity method

Name and address	Share of equity held (in %)	Method of inclusion into the financial statements ⁽¹⁾	Variation in % of equity held (02/01)
NGS Entreprises S. de R.L. de C.V. Calle Norte, 7 S/N 54730 TEPEJI DEL RIO DE O. EDO. DE HIDALGO- MEXICO – MEXICO	G	100 %	+40%
IBA S&I Canada, Inc. Pharmacy Avenue, 757 SCARBOROUGH, ONTARIO M1L 3J8 – CANADA	G	100%	-
Ion Beam Applications de MEXICO, S. de R.L. de C.V. (former Griffith Micro Science S. de R.L. de C.V.) James Watt NO.22 Zona Industrial Cuamalta CUAUTITLAN IZCALLI EDO. DE MEXICO 54730 MEXICO	G	100%	-
Ion Beam Applications, Inc. 2015 Spring Road – Suite 650 OAK BROOK, IL 60523 – USA	G	100%	-
RSI Leasing, Inc. 2015 Spring Road – Suite 650 OAK BROOK, IL 60523 – USA	G	100%	-
SteriGenics East Corporation 2015 Spring Road – Suite 650 OAK BROOK, IL 60523 – USA	G	100%	-
SteriGenics Int. Holding Corp. 2015 Spring Road – Suite 650 OAK BROOK, IL 60523 – USA	G	100%	-
SteriGenics Cayman Ugland House GEORGETOWN – GRAND CAYMAN CAYMAN ISLANDS	G	100%	-
IBA S&I, Thailand, Ltd 16th Floor, Chartered Square Build North Sathon Road, 152 10500 BANGRAK, BANGKOK – THAILAND	G	100%	-
IBA S&I, B.V. Storkstraat, 10 1722 NN ZOETEMEER – NETHERLANDS	G	100%	-
IBA S&I N.V. Atealaan, 4C 2200 HERENTALS – BELGIUM	G	100%	-
IBA S&I Wallonie S.A. Avenue du Parc, ZI Petit Rechain 4800 VERVIERS – BELGIUM	G	100%	-
IBA Mediris S.A. Avenue de l'Espérance, 1 – ZI de Fleurus 6220 FLEURUS – BELGIUM	G	82.80%	-
IBA S&I GMBH Dreieichstrasse, 7 64546 MORFELDEN – GERMANY	G	100%	-

(1) G: full integration, E: equity method

Name and address	Share of equity held (in %)	Method of inclusion into the financial statements ⁽¹⁾	Variation in % of equity held (02/01)
IBA S&I L.T.D. Cotes Park Estate DE55 4 NJ SOMERCOTES, DERBYSHIRE – ENGLAND	G	100%	-
IBA S&I SAS Rue Parmentier, 8 60290 RANTIGNY – France	G	100%	-
IBA S&I S.A. Avenue de Lossburg ZI de ST Romain 69480 ANSE – France	G	100%	-
IBA S&I Denmark A/S Aa. Louis-Hansens Alle, 11 3060 Espergaerde – DENMARK	G	100%	-
Beta Process & Research S.A. Av des Champs Elysees, 160 5000 NAMUR – BELGIUM	E	49.90%	-
IBA S&I, S.R. Divadelni 105/3 Plze 3 30121 Tchequie	G	100%	-
Sub-group – Production & Distribution of Radioisotopes			
IBA Radiolotopes Inc. 6140 Stoneridge Mall Road – Suite 350 94588 PLEASANTON, CALIFORNIA – USA	G	100%	-
RadioMed Corporation Industrial Way, 1 01879 TYNSBOROUGH, MASSACHUSSETS – USA	G	100 %	+ 42,20%
Eastern Isotopes Inc. 100 Executive Drive – suite 3 20166 STERLING, VIRGINIA – USA	G	83.30 %	-
IBA Radiolotopes S.A. Avenue de l'Espérance, 1 – ZI de Fleurus 6220 FLEURUS – BELGIUM	G	95 %	-
IBA Radiolotopi Italia S.r.L. Galleria Passarella, 1 MILANO – ITALY	G	100%	-
IBA Radio Isotopes France S.A. Bd Pinel, 59 69003 LYON – FRANCE	G	100%	-
Betaplus Pharma S.A. Avenue Hippocrate, 10 1200 BRUXELLES - BELGIUM	E	40%	-

(1) G: full integration, E: equity method

Name and address	Share of equity held (in %)	Method of inclusion into the financial statements ⁽¹⁾	Variation in % of equity held (02/01)
IBA Pharma Chemin du Cyclotron 3 1348 LOUVAIN-LA-NEUVE – BELGIUM	G	100%	+100%
Other Subsidiaries and Investments			
IBA Participations SPRL Chemin du Cyclotron 3 1348 LOUVAIN-LA-NEUVE – BELGIUM	G	100%	-
IBA Investment SCRL Chemin du Cyclotron, 3 1348 LOUVAIN-LA-NEUVE – BELGIUM	G	100%	-
IBA Corporate Services S.A. Avenue Albert Einstein, 4 1348 LOUVAIN-LA-NEUVE – BELGIUM	G	100%	-
IBA International Ltd Nador Utca 21 H-1051 BUDAPEST – HUNGARY	G	100%	+100%

(1) G: full integration, E: equity method

VI. SUMMARY OF ACCOUNTING POLICIES AND METHODS OF CALCULATION OF DEFERRED TAXES

A. Disclosure of the criteria governing the valuation of line items in the consolidated financial statements, and specifically:

- The application and adjustments of depreciation, amounts written down and provisions for liabilities and charges, and revaluations (in accordance with Article 165 VI.a of the Royal Decree of January 30, 2001).
- The translation of amounts that were originally expressed in a currency different from the reporting currency and the translation of the financial statements of foreign subsidiaries and investments (in accordance with Article 165 VI.b of the Royal Decree of January 30, 2001).

a) Tangible and intangible fixed assets

Tangible and intangible fixed assets are initially recorded at their cost of acquisition. Depreciation or amortization periods reflect the nature of the assets and a best estimate of the period during which future economic benefits are expected to flow to the Company.

Until June 30, 2003, Research and development (R&D) expenses were transferred to assets at their full cost. Capitalized R&D charges were amortized prorata over a period of five years from the date of their transfer to assets. As a precautionary measure, on July 1, 2003, the Company decided to amortize all capitalized R&D

expenses that were not yet amortized on July 1, 2003, resulting in an exceptional amortization of 22 million in the 2003 accounts. In addition, these changes resulted in a 0.9 million reduction in operating expenses over the period.

Fixed assets produced by the Company for its own use are transferred to assets at their full cost.

Starting July 1, 2003, Research and development (R&D) expenses are recorded to income over the period they are incurred.

The annual depreciation rates used by the Group are as follows:

1. Buildings	3 %
2. Plant and machinery	10 and 20 %
3. Equipment	33 %
4. Furniture	10 %
5. Computer equipment	33 %
6. Vehicles	20 %
7. Other tangible fixed assets	20 %

b) Financial assets

Shares in non-consolidated companies are booked at their cost of acquisition. Write-downs are recorded to recognize long-term losses in value.

Amounts receivable are recorded at their nominal value or cost of acquisition. Write-downs are recorded to recognize long-term losses in value.

c) Goodwill

Goodwill Accounting for the excess of the cost of acquisition over the interest in the net assets of an acquired company depends on whether it can be affected to identifiable assets or liabilities acquired.

The identifiable assets and liabilities acquired are measured at their fair value at the date of acquisition when reliable appraisals are available.

Any excess of the cost of the acquisition over the interest in the fair value of the identifiable assets and liabilities acquired at the date of the exchange transaction is described as goodwill and amortized. The amortization period reflects the best estimate of the period during which future economic benefits are expected to flow to the Group and is determined by the Board of Directors at the time of each acquisition. The useful life of goodwill does not exceed 20 years from initial recognition. Only the goodwill that arose from the acquisition of the Mediflash group of companies in 1998 was fully amortized during the year of acquisition.

If any indication exists that the value of the unit to which goodwill belongs may be impaired, the Company determines the recoverable amount of the unit and an impairment loss is reported under "Extraordinary amortization of goodwill" if the unit's carrying value exceeds its recoverable value.

Any excess, at the date of the acquisition, of the interest in the fair values of the identifiable assets and liabilities acquired over the cost of the acquisition, is recognized as negative goodwill. Negative goodwill is amortized to income only to the extent that it relates to expectations of future losses.

d) Inventories and contracts in progress

The weighted average cost method is used to price goods with identical technical or legal characteristics. In all other cases, inventory items are priced using the latest cost of acquisition.

Inventories of finished goods are priced at their full cost, or at a standard price for mass-produced goods.

Contracts in progress are priced at their full cost of production, increased by income accrued by reference to the stage of completion of the contract activity at the balance sheet date to the extent that it is probable that the economic benefits associated with the contract will flow to the Group.

Installments billed to customers under these contracts are reported under "Advances received on contracts in progress" in the balance sheet.

e) Receivables

Amounts receivable are recorded at their nominal value or cost of acquisition.

Bad debt allowances are recorded on amounts receivable whose collectability is not reasonably assured.

f) Investments

Deposits with credit institutions are recorded at their nominal value. Deposits in foreign currency are translated at the exchange rate prevailing on the date of the financial statements. Unrealized foreign exchange gains and losses are recorded to income.

g) Provisions for liabilities and charges

At the balance sheet date, the Board of Directors conservatively and fairly determines provisions deemed to be necessary. These provisions are individualized based on the nature of the obligations and contingencies they are designed to cover. They are not maintained to the extent that at the end of the period they exceed a revised estimate of the amount of the obligations and contingencies for which they had been set up.

h) Debts

Debts are recorded at their nominal value.

i) Translation differences

Differences from the translation of monetary items are recorded to income.

Unrealized foreign exchange differences arising on long-term receivables and loans that, in substance, form part of the Company's net investment in a foreign entity are excluded from the determination of net result and recorded for their net-of-tax amount to the translation adjustment component of equity. Net pre-tax foreign exchange losses of 31.8 million were excluded from the Company's 2003 results. Net pre-tax foreign exchange gains of 36.8 million had been excluded from the Company's 2002 result.

j) Conversion into Euro (€) of the financial statements of the consolidated companies

In translating the financial statements of a foreign entity for incorporation in its financial statements, the Company uses the following procedures: assets and liabilities of the foreign entity are translated at the closing rate; income and expense items of the foreign entity are translated at the weighted average foreign exchange rate of the reporting period.

B. Deferred tax and taxable temporary differences

(in € 000)	Amounts
DEFERRED TAX AND TAXABLE TEMPORARY DIFFERENCES, BREAKDOWN OF SECTION IX.B OF LIABILITIES	450
Deferred tax (in application of Article 76 of the R.D. of January 30, 2001 enforcing the Companies Act)	-
Deferred tax liabilities in consideration of taxable temporary differences (in application of Article 129 of the R.D. of January 30, 2001)	450
Detailed explanation of the methods used for determining deferred taxes (deferral method or liability method ...)	-

A deferred tax liability is reported for all taxable temporary differences, that is, those differences that will result in taxable amounts in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled.

A deferred tax asset is reported for:

- all deductible temporary differences, i.e., those differences that will result in deductible amounts in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled.
- the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized.

Deferred tax assets so recognized in the consolidated financial statements are as follows:

(in € 000)	December 03	December 02
Deferred tax assets, gross	45,807	22,832
Valuation allowance	(43,753)	(17,849)
Deferred tax assets, net	2,054	4,983

VIII. INTANGIBLE ASSETS

(in € 000)	Research and Development expenses	Concessions, patents, licenses, etc.
A) Acquisition cost		
At the end of the preceding period	60,100	12,381
Movements during the period:		
- Acquisitions including own production of fixed assets	3,931	1,245
- Sales and disposals (-)		(2,056)
- Transfers from one heading to another (+) (-)		818
- Translation differences (+) (-)	(374)	(1,090)
- Other movements	-	-
At the end of the period	63,657	11,298
C) Amortization and amounts written-down		
At the end of the preceding period	37,142	5,819
Changes during the period		
- Recorded	26,683	2,059
- Write-backs (-)	-	-
- Acquisitions from third parties	-	-
- Written-down after sales and disposals (-)		(14)
- Transfers from one heading to another (+) (-)	-	266
- Translation differences (+) (-)	(168)	(561)
- Other movements	-	-
At the end of the period	63,657	7,569
D) Net carrying value at the end of the period (a) – (c)	-	3,729

IX. TANGIBLE FIXED ASSETS

(in € 000)	Land and buildings (heading IV.A.)	Plant, machinery and equipment (heading IV.B.)	Furniture and vehicles (heading IV.C.)
A) ACQUISITION COST			
At the end of the preceding period	94,351	143,687	12,507
Movements during the period:			
- Acquisitions including own production of fixed assets	1,516	14,847	1,713
- Sales and disposals (-)	(1,269)	(3,095)	(976)
- Transfers from one heading to another (+) (-)	6,467	13,381	212
- Translation differences (+) (-)	(13,494)	(19,997)	(907)
- Other movements			
At the end of the period	87,571	148,823	12,549
C) Depreciation and amounts written-down			
At the end of the preceding period	17,244	65,066	8,672
Movements during the period:			
- Recorded	3,933	16,235	1,962
- Write-backs (-)	-	-	-
- Acquired from third parties	-	-	-
- Written-down after sales and disposals (+) (-)	(980)	(3,295)	(835)
- Transfers from one heading to another (+) (-)	245	(172)	(115)
- Translation differences (+) (-)	(2,317)	(7,166)	(222)
- Other movements	-	-	-
At the end of the period	18,125	70,668	9,462
D) Net carrying value at the end of the period (a) - (c)	69,446	78,155	3,087

TANGIBLE FIXED ASSETS (CONTINUED)

(in € 000)	Leases and similar rights (heading IV.D.)	Other tangible assets (heading IV.E.)	Assets under construction, advance payments (heading IV.F.)
A) ACQUISITION COST			
At the end of the preceding period	10,826	80,983	28,296
Movements during the period:			
- Acquisitions, including own production of fixed assets		1,453	11,354
- Sales and disposals (-)		(204)	(1,318)
- Transfers from one heading to another (+) (-)	1,420	4,381	(26,679)
- Translation differences (+) (-)	(753)	(12,836)	(2,461)
- Other movements	-	-	-
At the end of the period	11,493	73,777	9,192
C) Depreciation and amounts written-down			
At the end of the preceding period	2,417	26,850	(7)
Movements during the period:			
- Recorded	250	6,710	-
- Write-backs (-)	-	-	-
- Acquired from third parties	-	-	-
- Written-down after sales and disposals (+) (-)	-	(89)	-
- Transfers from one heading to another (+) (-)	(224)	-	-
- Translation differences (+) (-)	(181)	(4,537)	1
- Other movements	-	-	-
At the end of the period	2,262	28,934	(6)
D) Net carrying value at the end of the period (a) - (c)	9,231	44,843	9,198
Of which:			
- Land and buildings	2,096		
- Plant, machinery and equipment	6,280		
- Furniture and vehicles	53		
- Other	802		

X. FINANCIAL ASSETS

(in € 000)	Companies accounted for using the equity method (heading V.A.1.)	Other companies (heading V.B.1.)
1. PARTICIPATING INTERESTS		
Acquisition cost		
At the end of the preceding period	599	111
Movements during the period		
- Acquisitions	664	67
- Sales and disposals (-)	-	-
- Transfers from one heading to another (+) (-)	-	-
- Translation differences (+) (-)	-	-
- Change in consolidation methods	-	-
At the end of the period	1,263	178
Amounts written-down		
At the end of the preceding period	-	-
Movements during the period:		
- Recorded	-	-
- Written-back as superfluous (-)	-	-
- Acquired from third parties	-	-
- Written-down after sales and disposals (-)	-	-
- Translation differences (+) (-)	-	-
Transferred from one heading to another (+) (-)	-	-
At the end of the preceding period	-	-
Movements in the net assets of the companies accounted for using the equity method		
Share in the result for the prior financial years	-	-
Share in the result for the current year	-	-
Elimination of dividends paid by the investee	-	-
Other movements in Equity	-	-
Net carrying value at the end of the period	1,263	178
2. Receivables		
Acquisition cost at the end of the preceding period	-	332
Movements during the period:		
- Additions	-	107
- Repayments (-)	-	-
- Amounts written-down (-)	-	-
- Write-backs	-	-
- Translation differences (+) (-)	-	-
- Others (+) (-)	-	-
Net carrying value at the end of the period	-	439
Accumulated amounts written-down on receivables at the end of the period	-	-

XI. CONSOLIDATED RESERVES

(in € 000)	Montants
CONSOLIDATED RESERVES AT THE END OF THE PRECEDING PERIOD (+) (-)	(32,810)
Movements during the period:	
- Group's share in the net consolidated result (+) (-)	(123,643)
- Other movements (+) (-)	3
Consolidated reserves at the end of the financials period (+) (-)	(156,450)

XII. GOODWILL

(in € 000)	Subsidiaries	
	positive	negative
NET CARRYING VALUE AT THE END OF THE PRECEDING PERIOD	187,146	0
Movements during the period:		
- Movements due to increases in holding percentages	4,974	-
- Amortization	(10,571)	-
- Differences transferred to the income statement	(65,492)	-
- Foreign currency translation differences	(28,258)	-
Net carrying value at the end of the period	87,799	0

XIII. DEBTS**A. Breakdown of amounts originally payable after one year according to their residual term**

(in € 000)	Debts less than one year (heading XIA.)	Debts between 1 and 5 years (heading X.)	Debts over 5 years
Financial debts	116,107	21,482	27,723
1. Subordinated loans	-	-	-
2. Unsubordinated debentures	-	-	-
3. Leases and similar rights	4,805	3,503	13,994
4. Credit institutions	106,947	10,291	90
5. Other loans	4,355	7,688	13,639
Trade debts	-	-	-
1. Suppliers	-	-	-
2. Notes payable	-	-	-
Advances received on contracts in progress	5,360	42,952	-
Other amounts payable	-	-	-
TOTAL	121,467	64,434	27,723

XIV. BOTTOM LINE FOR THIS FINANCIAL YEAR AND THE PREVIOUS FINANCIAL YEAR**A. Net sales (heading I.A. of the income statement)**

The breakdown of sales by market is the following:
Sales made in Belgium amount to €48.6 million.

Sterilization & Ionization:	60.50%
Radiolotopes:	13.30%
Technology & Equipment:	26.20%

B. Average headcount

	2003	2002	2001
B1. Average headcount	1,719	1,566	1,502
Blue-collars	815	900	706
Employees	827	614	763
Management	70	42	33
Others	7	10	-
B3. Average headcount in Belgium	335	285	261

C. Extraordinary results

	(in € 000)	Current Year
C2. Breakdown of other extraordinary expenses (heading XV.F)		
Staff termination in the context of restructuring		1,123
Dispute settlements and contract termination costs		1,003
Others		194

D. Income taxes

	(in € 000)	Current Year
D2. Effects of the extraordinary results on the amount of income taxes for the current financial year		
Extraordinary results reduced the current and deferred income tax expense by a gross amount of €24.740 and a net amount of €15.264 after recording of a valuation allowance on the consolidation entity's deferred tax assets.		9,476

(in € 000)	Current Year
Amount of personal guarantees given or irrevocably promises by companies included in the scope of consolidation as securities for third parties' debts or commitments	26,626
Commitments to acquire fixed assets	4,570
Long-term contracts and other goods or securities of third parties held by the Company	21,592
Rights and commitments from interest rate swaps (1)	23,901
Rights and commitments from foreign exchange contracts (currency swaps)	(2,817)
Rights and commitments from foreign exchange contracts (call options)	(15,934)

(*) In June 2000, the Company concluded an interest rate swap contract with a nominal amount of U.S. dollar 75 million (December 31, 2003, 30 millions USD) expiring in January 2005 (IBA paying the fixed rate and receiving three monthly variable rate) intended to cover its exposure to exchange rate on a part of the syndicated loan of U.S. dollar 175 million concluded in 2000 with a balance of \$130 million at December 31, 2003.

XVI. LEGAL PROCEEDINGS

The Group is currently involved in certain legal proceedings. The risks that these disputes might occasion are either judged to be insignificant or unquantifiable or, when potential damages are quantifiable, adequately covered by provisions. The development of the disputes in progress at December 31, 2002, and the principal disputes in progress at December 31, 2003, are mentioned in this note.

Development of disputes in progress at December 31, 2002, mentioned in the 2002 Annual Report

Dispute with Cofrar.

On September 21, 2001, IBA was summoned to appear before the Commercial Court of Versailles by the French company Cofrar. Cofrar alleges that IBA made use of documentation and know-how communicated by Cofrar during a cooperation agreement concluded between the two companies in 1995 and 1996. Cofrar claimed damages of € 762,245. The claim was based on the conclusions of a report drawn up by a legal expert who has concluded that IBA has published a Cofrar suggested layout of a sterilization center. The claim was disputed by IBA, which among other things, considered that the alleged know-how of the French Company was not susceptible to be legally protected. In April 2002, Cofrar asked the Commercial Court of Versailles to appoint a second expert in order to compare the plans and documents transmitted by Cofrar to IBA during the 1995-1996 collaboration and the plans and documents related to the new center built by IBA in Denmark. The experts report was never completed, as the parties reached an amicable settlement regarding this dispute on October 10, 2003. According to the terms of the settlement, Cofrar agreed to discontinue its actions in return for payment by IBA of a €22,000 lump sum.

Arbitration procedure for former directors of the company Scanditronix Medical

In June 2001, the employment agreement of the chairman of Scanditronix Medical, the Company's Swedish subsidiary, was terminated and another director of this subsidiary gave his notice of resignation at the end of the year 2001.

These parties were disputing the basis used for calculation of their variable remuneration for the year 2000 and 2001. An arbitration, which took place in January 2003, allowed Scanditronix Medical AB to find a favorable settlement agreement. As of December 31, 2002, the Company had adequate reserves recorded on its books to cover the costs of this settlement.

Dispute with the former president of our European medical sterilization business

On April 29, 2002, the former president of our European medical sterilization business claimed constructive termination of his employment agreement on the part of the Company. This employee started litigation before the Labor Court of Turnhout by making a claim for €1,862,800 against both the Company and its parent company, IBA S.A. This case was set for pleadings at hearings on October 13, 2003. On that day, IBA reached a favorable settlement for less than half the amount claimed by the plaintiff.

Dispute with Optivus Technology

On August 7, 2002, Optivus Technology, Inc. (Optivus) filed a complaint against IBA in the United States District Court for the Central District of California, claiming that IBA's proton beam therapy system (PBTS) infringes five patents licensed by Optivus and sought an injunction against continuing infringement and treble damages against IBA. On August 30, 2002, Optivus filed an amended complaint to include, in addition to the patent infringement claims, allegations of statutory unfair competition, and intentional interference with

prospective economic damage, and claiming substantial compensatory and punitive damages. In January 2003, Optivus filed a second amended complaint to include Loma Linda University Medical Center (LLUMC) as a named plaintiff in the case. The allegations in this second amended complaint are substantially the same as those in the first amended complaint.

IBA filed an answer to the Optivus and LLUMC second amended complaint and in that answer IBA: (i) denies all claims; (ii) seeks a declaratory judgment by the Court as to the validity of the patents; and (iii) seeks a declaratory judgment by the Court that IBA's PBTS does not infringe the patents. IBA has also filed a counterclaim against Optivus in that lawsuit in which IBA asserts against Optivus: (i) intentional interference with prospective economic advantage, (ii) tortious interference with prospective business relations, (iii) interference with contractual relationship and unfair competition, and (iv) increased costs and lost profits.

IBA is of the position that the Optivus and LLUMC claims are without merit and intends to vigorously defend all aspects of the lawsuit and vigorously prosecute the IBA counterclaims against Optivus. This case is set for pleadings at the end of 2004. At December 31, 2003, the Company has not established a provision for this matter.

Principal disputes arising in the course of the 2003 financial year, and in progress at December 31, 2003.

Dispute with the Group's former Chief Operating Officer

On August 28, 2003, the Company terminated the employment of its former Chief Operating Officer («COO»). In accordance with the terms of his employment contract, he is entitled to the payment of a sum equivalent to six months salary upon execution by the parties of a waiver to their rights under the contract. A reserve was established in the accounts for this purpose. To date, the parties have failed to reach an agreement to execute this discharge due to a dispute regarding the number of stock options the former COO was entitled to, and their conditions of exercise. The dispute is currently in arbitration and a resolution is expected early in 2005.

Dispute with the company Outrigger and two IBA employees responsible for the IT Department

Two IBA employees responsible for the Company's IT Department felt the departure of the COO put them in a situation they deemed equivalent to a breach of contract.

They are both shareholders of the Outrigger Systems Company that transferred the ownership of software, for the computer management of certain Sterilization centers, to IBA. A payment by installments is planned under the terms of the software agreements.

These employees have threatened to file a claim against the Company for approximately \$2,300,000 for the breach of their contract of employment and the accelerated payment of the software. No case is currently pending and both employees are still employed by the Company. To protect its rights, the Company successfully sought an injunction from a California Court preventing Outrigger from interrupting the usage of the software all by the Company. In addition, the Company established all the provisions it deemed necessary for this matter.

XVII. FINANCIAL RELATIONS WITH THE DIRECTORS OF THE CONSOLIDATING COMPANY

(In € 000) **Current Year**

A. Total amount of remuneration granted to the directors with respect to their responsibilities in the consolidating company, its subsidiaries and investees, including pension benefits granted to former directors	1 265
B. Total amount of advances and loans granted by the consolidating company, its subsidiaries and investees	-

Auditor's Report on the Consolidated Financial Statements



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STATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003 TO THE SHAREHOLDERS' MEETING OF THE COMPANY ION BEAM APPLICATIONS S.A.

In accordance with legal and regulatory requirements, we are pleased to report to you on the performance of the audit mandate which you have entrusted to us.

We have audited the consolidated financial statements as of and for the year ended December 31, 2003 which have been prepared under the responsibility of the board of directors and which show a balance sheet total of EUR 500.560 (000) and a loss for the year of EUR 123.643 (000). We have also examined the directors' report.

Unqualified audit opinion on the consolidated financial statements with emphasis of matter paragraph

We conducted our audit in accordance with Belgian auditing standards, as issued by the "Institut des Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren". Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, taking into account the legal and regulatory requirements applicable to consolidated financial statements in Belgium.

In accordance with those standards, we considered the group's administrative and accounting organisation, as well as its internal control procedures. We have obtained all explanations and information required for our audit. We examined, on a test basis, evidence supporting the amounts in the consolidated financial statements. We assessed the accounting principles used, the basis of consolidation and significant estimates made by the enterprise, as well as the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the consolidated financial statements present fairly the company's net worth and consolidated financial position as of December 31, 2003 and the consolidated results of its operations for the year then ended, in accordance with the applicable legal and regulatory requirements in Belgium and the information given in the notes to the consolidated financial statements is properly presented.



Without qualifying our opinion, we draw attention to Note XVI to the consolidated financial statements and the Directors' report, which describe the claim filed against the company by Optivus Technology, Inc. At the date of this report, the ultimate outcome of the dispute cannot be determined and consequently no provision for liabilities and charges has been made in the consolidated financial statements.


Other certification and information

We supplement our report with the following certification and information which do not modify our audit opinion on the consolidated financial statements:

- The consolidated Directors' report contains the information required by law and is consistent with the consolidated financial statements;
- We draw attention to the fact that the company is currently in breach of one of the debt covenants imposed by its banking consortium. As more extensively described in the Directors' report, the related consortium loan has been reclassified as part of the "Creditors amounts payable within one year". In order to allow for the early reimbursement of this loan, the company is currently negotiating the disposal of its "Sterilization and Ionization" division.
- We draw also attention to Note VI to the consolidated financial statements and the Directors' report, in which the impact of the change in accounting policies with respect to research and development expenses is described, as well as the impact of the exceptional amortization of research and development expenses previously capitalized.

April 15, 2004

The statutory auditor
PricewaterhouseCoopers Reviseurs d'Entreprises / Bedrijfsrevisoren
Represented by


Philippe Barbier
Reviseur d'Entreprises


Jean Fossion
Reviseur d'Entreprises

IBA S.A. Financial Statements after Appropriation

IBA S.A. financial statements are presented in a condensed version. In accordance with the Company Law, the full set of financial statements and the joint auditors' report are filed with the National Bank of Belgium. These documents can also be obtained on request from IBA's headquarters in Belgium. The joint auditors issued an unqualified audit opinion on the IBA S.A. financial statements, with an explanatory paragraph relating to the Optivus litigation, similar to that included in the au-

ditor's report on the consolidated financial statements. The second part of the joint-audit report also includes the additional paragraphs similar to those included in the auditor's report on the consolidated financial statements, as well as a number of specific paragraphs in respect of the procedures in the context of article 523 of the Belgian Company Code (conflict of interest reported by the Board of Directors).

Balance Sheet Assets

ACTIF	(in € 000)	2003	2002	2001
FIXED ASSETS		488,226	598,146	675,617
I. Formation expenses		-	-	-
II. Intangible fixed assets		409	18,983	21,262
III. Tangible fixed assets		4,429	3,758	4,198
A. Land and buildings		736	829	1,091
B. Plant, machinery and equipment		117	105	149
C. Furniture and vehicles		728	625	655
D. Leases and similar rights		2,096	2,199	2,303
F. Assets under construction and advance payments		752	-	-
IV. Financial assets		483,388	575,405	650,157
A. Affiliated companies		480,718	574,652	650,072
1. Participating interests		391,592	483,630	556,425
2. Receivables		89,126	91,022	93,647
B. Other companies		899	599	-
1. Participating interests		899	599	-
C. Other financial assets		1,771	154	85
1. Shares		178	144	83
2. Receivables and cash guarantees		1,593	10	2
CURRENT ASSETS		112,240	125,991	108,382
V. Accounts receivable after one year		1,026	989	2,077
A. Trade debtors		1,026	989	2,077
VI. Inventories and contracts in progress		73,580	66,871	59,664
A. Inventories		21,250	9,917	16,863
1. Raw materials and consumables		1,877	1,252	1,561
2. Work in progress		19,295	8,565	15,302
3. Finished goods		78	100	-
B. Contracts in progress		52,330	56,954	42,801
VII. Amounts receivable within one year		25,399	19,589	20,509
A. Trade debtors		12,075	18,599	17,382
B. Other amounts receivable		13,324	990	3,127
VIII. Investments		4,740	34,128	2,331
B. Other investments and deposits		4,740	34,128	2,331
IX. Cash at bank and in hand		7,059	3,324	2,028
X. Deferred charges and accrued income		436	1,090	794
TOTAL ASSETS		600,466	724,137	783,999

Balance Sheet Assets (continued)

LIABILITIES	(in € 000)	2003	2002	2001
SHAREHOLDERS' EQUITY		220,748	310,268	342,724
I. Capital		34,139	34,139	33,895
A. Issued capital		34,139	34,139	33,895
II. Additional paid-in capital		275,153	334,090	334,085
IV. Reserves		745	745	745
A. Legal reserve		542	542	542
C. Untaxed reserves		203	203	203
V. Retained earnings		-	-	-
Retained losses (-)		(89,433)	(58,937)	(26,454)
VI. Investment grants		144	231	451
PROVISIONS AND DEFERRED TAXES		2,748	1,547	1,524
VII. A. Provisions for liabilities and charges		2,748	1,547	1,524
1. Pensions and similar obligations		9	24	37
4. Other liabilities and charges		2,739	1,523	1,487
B. Deferred tax liabilities		-	-	-
CREDITORS		376,970	412,322	439,751
VIII. Amounts payable after one year		216,529	357,432	375,406
A. Financial debts		1,422	125,500	142,755
3. Leasing and similar obligations		1,422	1,590	1,781
4. Credit institutions		-	129,910	140,974
C. Advances received on contracts in progress		42,952	32,674	-
D. Other amounts payable		172,154	199,258	232,651
IX. Amounts payable within one year		159,091	52,254	61,413
A. Current portion of amounts payable after one year		111,408	19,223	18,765
B. Financial debts		-	45	516
1. Credit institutions		-	45	516
C. Trade debts		17,379	12,260	15,356
1. Suppliers		17,379	12,260	15,356
D. Advances received on contracts in progress		19,233	17,340	24,122
E. Current tax and payroll liabilities		3,691	3,102	2,654
1. Taxes		541	1,166	997
2. Salaries and social security		3,150	1,936	1,657
F. Other amounts payable		7,381	284	-
X. Accrued charges and deferred income		1,350	2,636	2,932
TOTAL LIABILITIES		600,466	724,137	783,999

INCOME STATEMENT

	(in € 000)	2003	2002	2001
I. OPERATING INCOME		46,562	46,529	44,282
A. Sales		29,004	30,335	10,133
B. Increase/(decrease) in stocks of finished goods, work, and contracts in progress		6,085	7,515	22,093
C. Fixed assets—own construction		2,255	4,714	8,280
D. Other operating income		9,218	3,965	3,776
II. Operating expenses (-)		(59,480)	(48,862)	(45,697)
A. Raw materials, consumables, and goods for resale		13,676	11,872	13,850
1. Raw materials		14,360	11,684	13,940
2. Increase/(decrease) in stocks		(684)	188	(90)
B. Services and other goods		19,363	15,232	17,100
C. Salaries, social security, and pensions		19,546	13,381	11,058
D. Depreciation and other amounts written-off, formation expenses, intangibles and tangible assets		4,600	8,052	7,329
E. Increase/(decrease) in write-downs on inventories, contracts in progress, and trade debtors		180	240	(250)
F. Provisions for liabilities and charges (charges +, utilization and write backs -)		1,201	23	(3,423)
G. Other operating expenses		914	62	33
III. Operating Income (+)		-	-	-
Operating Loss (-)		(12,918)	(2,333)	(1,415)
IV. Financial income		8,735	24,186	15,729
A. Income from financial assets		335	6,737	6,386
B. Income from current assets		187	1,270	1,974
C. Other financial income		8,213	16,179	7,369
V. Financial expenses (-)		(19,929)	(30,239)	(25,255)
A. Interest expense		6,963	16,737	20,601
C. Other financial charges		12,966	13,502	4,654
VI. Profit on ordinary activities before taxes (+)		-	-	-
Loss on ordinary activities before taxes (-)		(24,112)	(8,386)	(10,941)
VIII. Extraordinary expenses (-)		(65,082)	(24,534)	(16,940)
A. Extraordinary depreciation of and extraordinary amounts written off, formation expenses, intangible and tangible fixed assets		16,644	-	1,105
B. Amounts written off financial fixed assets		48,123	23,787	13,110
E. Other extraordinary expenses		315	747	725
IX. Loss for the period before taxes (-)		(89,194)	(32,920)	(27,881)
X. Income taxes (-) (+)		(239)	437	324
A. Current income taxes (-)		(239)	(180)	(307)
B. Adjustments and write-back of tax provisions		-	617	631
XI. Loss for the period (-)		(89,433)	(32,483)	(27,557)
XII. Transfer to tax free reserves (-)		-	-	-
XIII. Loss for the period available for appropriation (-)		(89,433)	(32,483)	(27,557)

APPROPRIATION OF RESULTS

	(in € 000)	2003	2002	2001
A. PROFIT TO BE APPROPRIATED		-	-	-
Loss to be appropriated (-)		(148,370)	(58,937)	(26,454)
1. Profit for the period available for appropriation		-	-	-
Loss for the period available for appropriation (-)		(89,433)	(32,483)	(27,557)
2. Profit brought forward		-	-	1,103
Loss brought forward (-)		(58,937)	(26,454)	-
C. Transfers to capital and reserves (-)		58,937	-	-
1. To capital and share premium account		58,937	-	-
D. Result to be brought forward		89,433	58,937	26,454
1. Profit to be brought forward (-)		-	-	-
2. Loss to be brought forward		89,433	58,937	26,454

STATEMENT OF CAPITAL

	Montant	Nombre d'actions
A. Capital		
1. Issued capital		
At the end of the previous financial year	34,139	
Changes during the financial year	-	
Public placement of equity	-	
At the end of the financial year	34,139	
2. Structure of the capital		
2.1. Categories of shares		
- Ordinary shares without designation of face value	20,507	14,734,590
- Ordinary shares without designation of face value strip VVPR	13,632	9,794,253
2.2. Registered or bearer shares		
- Registered shares		10,542,128
- Bearer shares		13,986,715
C. Own shares held by		
- The Company itself	-	-
- Its subsidiaries	40	29,183
D. Share issue commitments		
2. Following exercise of subscription rights		
- Number of outstanding subscriptions rights	-	3,633,129
- Amount of capital to be issued	5,566	-
- Maximum number of shares to be issued	-	3,633,129
E. Amount of non-issued authorized capital	25,000	

Details of shareholding are presented on page 51.

General Information

1) REGISTERED NAME

Ion Beam Applications S.A.
Abbreviated as IBA.

2) REGISTERED OFFICE

Chemin du Cyclotron, 3 in 1348 Louvain-la-Neuve
(Belgium).
RC Nivelles 054589.

3) CREATION, LEGAL STRUCTURE AND DURATION

IBA was created for an unlimited duration on March 28, 1986, in the form of a legal structure of a corporation under the laws of Belgium. IBA is a commercial company making or having made public offerings.

4) OBJECTIVE OF THE COMPANY (ARTICLE 3 OF THE ARTICLES OF ASSOCIATION)

The objective of the Company is the research, development and acquisition of industrial property rights for the purpose of developing, manufacturing, and marketing applications and equipment in the area of applied physics. It may conduct all operations bearing on transferable securities, real property, and financial, commercial or industrial transactions directly or indirectly pertaining to its company objective. It may acquire a financial interest in the form of new capital, merger, and subscription or in any other manner in ventures, associations or companies with similar, analogous, related or useful objectives to achieve all or part of its company objective.

5) CONSULTATION OF COMPANY DOCUMENTS

The Company's own and consolidated accounts are filed with the National Bank of Belgium. The Articles of Association may be obtained from the Office of the Clerk of the Commercial Tribunal of Nivelles. These documents, as well as the annual and mid-year reports and all information published for the sake of shareholders, can also be requested by shareholders at the Company's Registered Office.

6) CAPITAL

At December 31, 2003, the issued capital of IBA stood at €34,138,937.22 and was represented by 24,528,843 shares without designation of face value, entirely released, including 9,794,253 shares with VVPR strips.

In addition, in 1998, the Company issued 538,300 warrants in favor of its employees ("1998 plan"). 24,125 of these warrants were cancelled by notary deed dated July 9, 2002. The majority of these warrants make it possible to subscribe to new shares at a price of €4.2885 per share, during certain periods and according to certain terms, between June 1, 2000, and February 28, 2004. At December 31, 2003, a total of 180,157 warrants were outstanding according to the 1998 plan.

In June 2000, the Company issued 427,000 additional warrants in favor of its employees ("2000 plan"). 185,778 of these warrants were cancelled by notary deed dated July 9, 2002. The majority of these warrants make it possible to subscribe to new shares at a price of €28 per share during certain periods and according to certain terms between June 1, 2001, and February 28, 2009. At December 31, 2003, a total of 241,222 warrants were outstanding according to the 2000 plan. None of these warrants has been exercised to date.

In October 2001, the Company issued 500,000 additional warrants in favor of its employees ("2001 plan"). 121,100 of these warrants were cancelled by notary deed dated July 9, 2002. The majority of these warrants make it possible to subscribe to new shares at a price of €15.70 per share during certain periods and on certain terms between December 1, 2002, and December 31, 2007. At December 31, 2002, a total of 378,900 warrants were outstanding according to the 2001 plan. None of these warrants has been exercised to date.

In September 2002, the Company issued 3,000,000 additional warrants in favor of its employees ("2003 plan"). 167,650 of these warrants were cancelled by notary deed dated June 17, 2003. The majority of these warrants make it possible to subscribe to new shares at a price of €5.11 per share during certain periods and on certain terms between December 1, 2003, and August 31, 2012. At December 31, 2003, none of these warrants had been exercised to date.

All the warrants may also be exercised in the event of a public offer for the shares of IBA or for increase in equity with preferential rights.

7) AUTHORIZED CAPITAL

The extraordinary General Meeting of Jun 17, 2003, authorized the Board of Directors to increase the authorized capital in one or more steps by a maximum

amount of €25,000,000. This authorization is valid for a period of 5 years, in other words until June 8, 2008. At December 31, 2003, no additional shares were issued under the authorized capital.

8) EVOLUTION OF SHAREHOLDERS' EQUITY DURING THE PAST FOUR YEARS

OPERATION	Shares		Capital (in €)	
	Movements	Total	Variation (Δ)	Amounts
12/31/98 Situation at that date		3,381,918		22,857,445
03/23/99 Capital increase				
- cash issue	+717,047		+4,846,389	
- incorporation of reserves	-	4,098,965	+165	27,704,000
06/11/99 New presentation of capital (division of share by 5)		20,494,825		27,704,000
02/02/00 Capital increase				
- cash issue	+3,700,000		+5,001,290	
- incorporation of reserves	-	24,194,825	+710	32,706,000
7/6/00 Exercise of warrants from 1998 plan	+169,568	24,364,393	+727,447	33,433,447
11/7/00 Exercise of warrants from 1998 plan	+5,225	24,369,618	+22,415	33,455,862
3/14/01 Exercise of warrants from 1998 plan	+4,225	24,373,843	+18,125	33,473,987
7/10/01 Exercise of warrants from 1998 plan	+83,987	24,457,830	+360,304	33,834,291
11/9/01 Exercise of warrants from 1998 plan	+14,200	24,472,030	+60,918	33,895,209
7/9/02 Exercise of warrants from 1998 plan	+55,688	24,527,718	+238,902	34,134,111
11/14/02 Exercise of warrants from 1998 plan	+1,125	24,528,843	+4,826	34,138,937

9) PATENTS AND TECHNOLOGIES

It is IBA's practice to seek patent protection for certain aspects of its technology where a patent will provide a commercial advantage. Additionally, the Company maintains as trade secret a large body of know-how, which is not patented and for which the Company believes trade secret protection is more effective than disclosure in a patent filing. More fundamentally, the Company believes that it is the maintenance of its technological lead, more than patents, which gives it the best protection from its competitors.

The Company also licenses its technologies. For example, with the Rhodotron, IBA secures licenses on third-party patents in exchange for royalty payments.

Acquisitions made in recent years have allowed the Company to strengthen its competencies in the area of particle accelerators and to expand its know-how in new areas such as Cobalt and EtO technologies.

10) LICENSE AND COOPERATION AGREEMENTS

Cyclotron technology

The first license agreement concluded by IBA was a 20-year agreement with the Catholic University of Louvain (UCL) in March 1986 for the production of the Cyclone 30. This worldwide exclusive license allows IBA to develop, manufacture, and market cyclotron technologies developed at UCL by Yves Jongen. It also allows IBA, with the approval of UCL, to sub-license the technology.

This agreement provides for the payment of royalties to UCL on the net sales of systems integrating one or more of the elements covered by these patents. UCL also has the use of IBA's first Cyclone 30 model.

Rhodotron

In December 1991, IBA signed a cooperation and license agreement with the Commissariat à l'Energie Atomique (CEA) headquartered in Paris, for the development and industrial use of the Rhodotron. This license expired in

December 2003. It was tacitly renewed for an additional 2 years.

The Rhodotron was patented in 1989 and the agreement with the CEA contains a program for technology transfer for the design and construction of Rhodotrons. One of the conditions of this contract is that the production of the equipment should remain in Europe. The license was granted to IBA as an exclusive and non-transferable license, tacitly renewable for periods

of two years, in return for payment of an initial fee and royalties for so long as IBA remains active in this market. In the event of non-renewal, the license will lose its exclusivity.

All the developments carried out by IBA in the context of the agreement are the exclusive property of IBA and some of these developments have been protected by patents of which IBA is the exclusive holder.

11) INVESTMENT POLICY

	(in € 000)		2003		2002		2001	
Participations acquired	-	-	-	-	13,578	19.3%		
Capitalized Research & Development	3,931	9.6%	8,525	17.3%	11,005	15.7%		
Net acquisition value of assets (excl. capitalized R&D)	37,130	90.4%	40,833	82.7%	45,561	65.0%		
Total investments	41,061	100.0%	49,358	100.0%	70,144	100.0%		

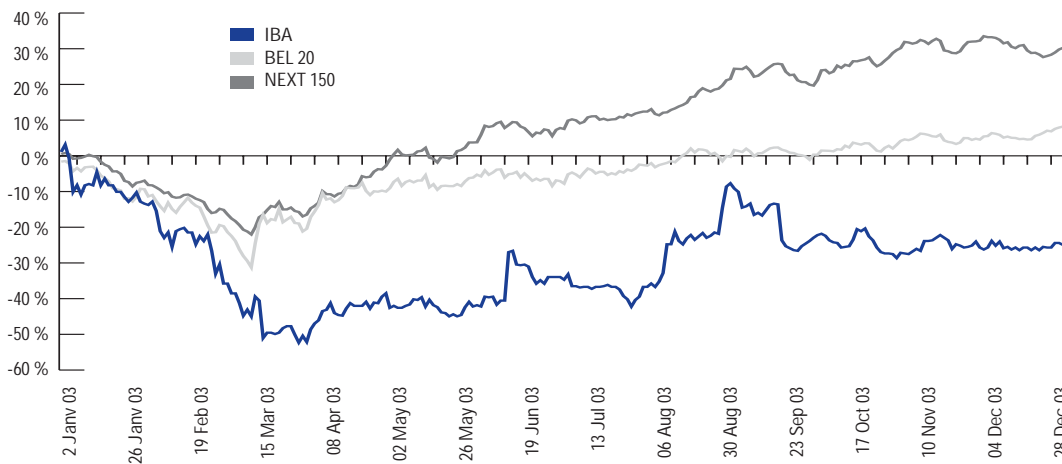
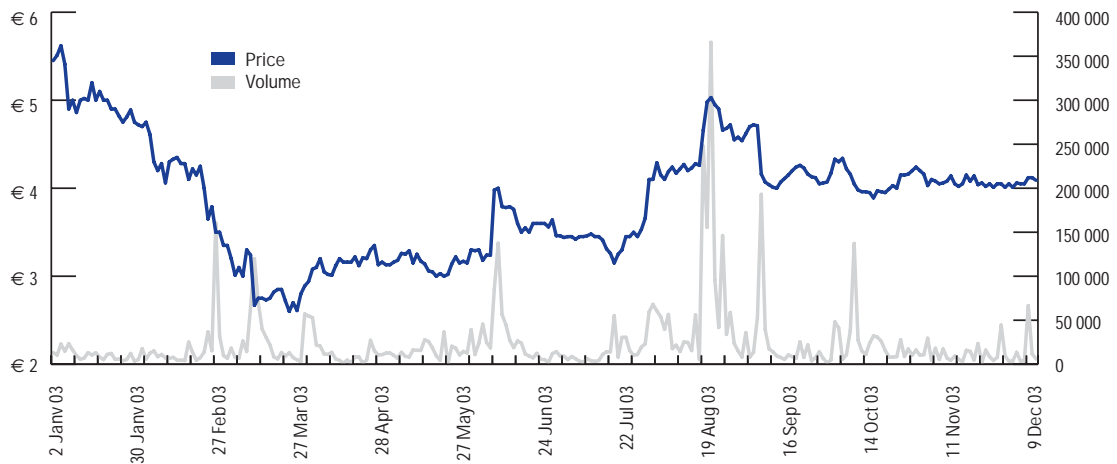
Shareholders And The Stock Exchange

THE IBA SHARE

IBA shares are quoted on the continuous market of the Euronext Brussels. It was introduced onto the Stock Exchange on June 22, 1998, at an initial offer price of €11.90 (adjusted for a 5-to-1 stock split in June 1999).

At March 15, 2003, the company had no outstanding convertible bonds or bonds with warrants. The total number of outstanding warrants in favor of employees amounted to 3,633,129 at the end of 2003.

EVOLUTION OF IBA SHARE



KEY FIGURES PER SHARE AND MARKET RATIOS

CONSOLIDATED FIGURES PER SHARE (1)	2003	2002	2001	2000
No. of shares at December 31 ⁽¹⁾	24 528 843	24 528 843	24 472 030	24 369 618
Operating result before goodwill amortization	0,29	0,73	1,00	1,50
Current result before goodwill amortization ⁽²⁾	(0,68)	0,21	0,78	1,08
Net result, Group Share	(5,04)	(0,87)	(0,98)	0,29
Gross dividend	-	-	-	-
Shareholder equity	7,38	13,34	15,27	16,03
Share price at year end	4,09	5,10	18,48	24,50
Return on share price for year (in %)	(19,80 %)	(0,72 %)	(0,24 %)	(0,55 %)
Market ratios based on end price				
Price Earnings Ratio (PER), based on current result before goodwill amortization	(7,2)	24,29	23,69	22,69
Price Cash Flow (PCF) ⁽³⁾	9,86	2,51	12,97	n r
Price Book Value (PBV) ⁽⁴⁾	0,55	0,38	1,21	1,53
Market capitalization (€ 000)	100 323	125 097	452 243	597 056

⁽¹⁾ The calculation is based on the consolidated accounts of the Company divided by the number of existing shares at December 31. No warrants or convertibles exist which could reduce the result per share, apart from 3,633,129 warrants attributed to the personnel at December 31, 2003.

⁽²⁾ Current result defined as result before goodwill amortization, tax and extraordinary items.

⁽³⁾ Price Cash Flow = closing share price at year-end divided by net cash flow provided by operating activities for the year, related to one share.

⁽⁴⁾ Price Book Value = closing share price at year-end divided by equity, Group share, at year-end, related to one share.

SHAREHOLDERS

The capital structure of the Company has evolved as follows during the financial year:

SHAREHOLDERS	31/12/2003		Diluées		31/12/2002		Fully diluted	
	Number of shares	%	Number of shares	%	Number of shares	%	Number of shares	%
Belgian Anchorage S.A. ⁽¹⁾⁽²⁾	6,396,132	26.1%	6,396,132	22.7%	6,405,332	26.1%	6,405,332	22.7%
Belgian Leverage ⁽¹⁾⁽³⁾	2,300,000	9.4%	2,300,000	8.2%	2,300,000	9.4%	2,300,000	8.2%
Sopartec (UCL) ⁽¹⁾	866,685	3.5%	866,685	3.1%	870,185	3.5%	870,185	3.1%
IRE (Institut des Radioéléments) ⁽¹⁾	878,660	3.6%	878,660	3.1%	878,660	3.6%	878,660	3.1%
UCL (Université Catholique of Louvain).	532,885	2.2%	532,885	1.9%	532,885	2.2%	532,885	1.9%
Float	13,525,298	55.1%	17,158,427	60.9%	13,512,598	55.1%	17,145,727	60.9%
IBA Investments (4)	29,183	0.1%	29,183	0.1%	29,183	0.1%	29,183	0.1%
Total	24,528,843	100%	28,161,972	100%	24,528,843	100%	28,161,972	100%

⁽¹⁾ Declaration of transparency at December 31, 2002 (last declaration published).

⁽²⁾ Belgian Anchorage is a company created and wholly owned by IBA Management and certain IBA employees.

⁽³⁾ Belgian Leverage is a wholly owned subsidiary of Belgian Anchorage.

⁽⁴⁾ IBA Investments is a sub-affiliate of IBA S.A.

SHAREHOLDERS' AGENDA

2004 Annual General Meeting	May 12, 2004, at 10:00 AM
Publication of mid-year results ending June 30, 2004	September 23, 2004
Publication of annual results ended December 31, 2004	March 24, 2005
2005 Annual General Meeting	May 11, 2005, at 10:00 AM