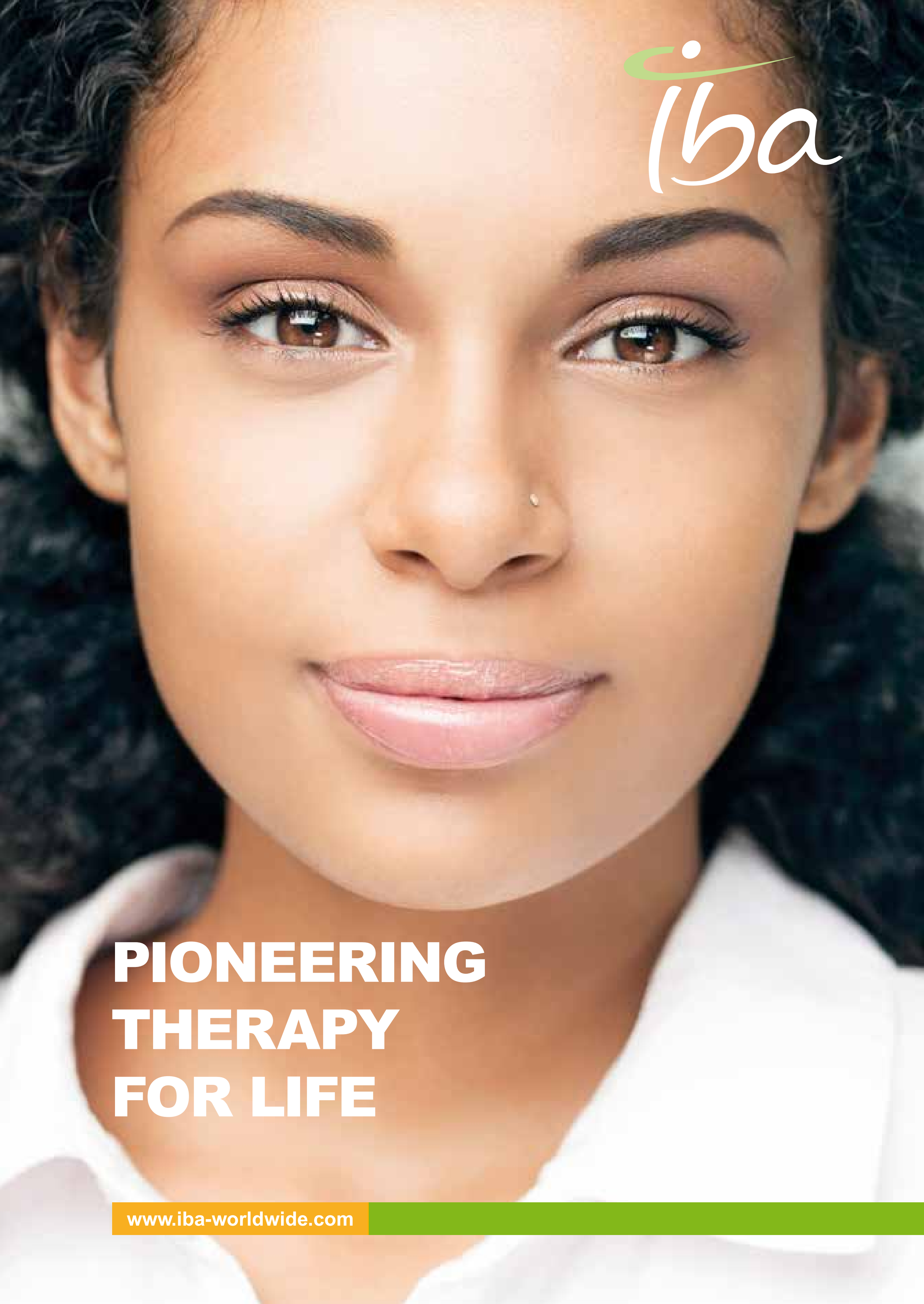


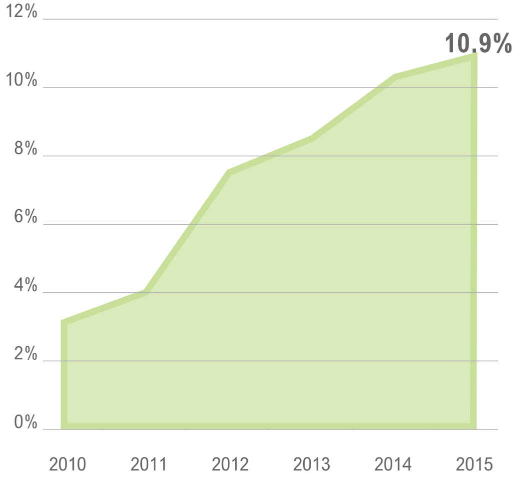
PIONEERING THERAPY FOR LIFE

www.iba-worldwide.com

Table of contents

Key figures 2015

REBIT (3) / SALES & SERVICES TRENDS



IBA is a high-technology medical company which concentrates its activities on proton therapy, radiopharmacy, particle accelerators for industry, and dosimetry.

IBA is the worldwide leader in the proton therapy market.

Listed on the NYSE Euronext Brussels.

1 200 employees worldwide.

IBA operates in two areas: "Proton Therapy and Other Accelerators" and "Dosimetry".

+22.6%

2015 revenue increase

332 EUR million

Backlog in Proton Therapy & Other Accelerators

OPERATING RESULTS

	2014 (EUR 000)	2015 (EUR 000)	Change (EUR 000)	CAGR[1] (%) 2014/2015
Sales and services	220 577	270 357	49 780	22.60%
Gross margin	96 096	113 655		18.30%
REBITDA [2]	28 321	33 710	5 389	19.00%
REBITDA/Sales and services	12.80%	12.50%		
REBIT [3]	22 932	29 553	6 621	28.90%
REBIT/Sales and services	10.40%	10.90%		
Net profit	24 294	61 189	36 895	151.90%

(1) CAGR: compound annual growth rate
(2) REBITDA: recurring earnings before interest, taxes, depreciation, and amortization.
(3) REBIT: recurring earnings before interest and taxes.

SALES TRENDS BY ACTIVITY[1]

	2010 (EUR 000)	2011 (EUR 000)	2012 (EUR 000)	2013 (EUR 000)	2014 (EUR 000)	2015 (EUR 000)	CAGR[2] (%)
TURNOVER	**169 988**	**203 165**	**221 106**	**212 412**	**220 577**	**270 357**	**9.70%**
Proton Therapy	82 884	121 157	133 213	121 202	128 488	161 938	14.30%
Other Accelerators	39 086	38 896	38 991	45 387	49 199	54 323	6.80%
Dosimetry	48 018	43 112	48 902	45 823	42 890	54 096	2.40%

(1) The figures do not include any pharmaceutical activity.
(2) Compound annual growth rate.

IBA at a glance

IBA IS THE WORLDWIDE TECHNOLOGY LEADER IN ADVANCED CANCER RADIATION THERAPY TECHNOLOGIES. THE COMPANY'S SPECIAL EXPERTISE LIES IN THE DEVELOPMENT OF INNOVATIVE PROTON THERAPY TECHNOLOGIES, SUPPLYING THE ONCOLOGICAL WORLD WITH EQUIPMENT OF UNEQUALED PRECISION.

IBA FOCUSES ON THREE MAIN ACTIVITIES

PROTON THERAPY

Proton therapy is considered to be the most advanced treatment available in the fight against cancer. With the precision that proton therapy offers, it is possible to target the tumor more effectively while limiting the side effects of the treatment. Protons deposit the majority of their energy within a precisely controlled zone while limiting the impact on healthy tissues surrounding the tumor.

DOSIMETRY

IBA offers a full range of monitoring equipment and software that enables hospitals to perform the necessary checks and calibration procedures during radiation therapy and radiology. Precision and control are essential in the delivery of radiation. Delivering exactly the prescribed dose to a precisely defined area in the patient's body is absolutely crucial. Treatment success and patient safety depend on it.

PARTICLE ACCELERATORS

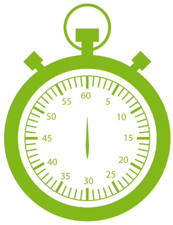
IBA has installed more than 400 accelerators worldwide. Most of these are used to produce radioisotopes in oncology (for cancer detection), and in neurology and cardiology. In addition to its medical activity, IBA leverages its scientific expertise in radiation to develop sterilization and ionization solutions for various industrial uses.

IBA is 30 years old

A big thank you to Yves Jongen who founded this extraordinary company 30 years ago. And congratulations also to all IBA employees who contributed to this success. IBA can indeed be proud of the great achievements, unique culture and promising challenges. Our bright future is reflected in our strong present.

IBA's 2015 results bolster our confidence in the future for the Company and proton therapy. The growing volume of orders for IBA's multi-room and, increasingly, compact systems affirm our market-leading position. We anticipate further strong growth through 2016 and beyond as we continue to invest in R&D, head count and boosting our production capability to meet the growing demand for this next generation cancer treatment modality.

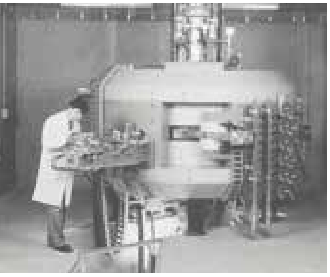
We continue to develop innovative solutions pushing back the limits of technology. We share ideas and know-how with our customers and our partners to bring new solutions for the diagnosis and treatment of cancer. We respect the environment by reducing our footprint. We care about the well-being of patients, our employees and our shareholders as it is together that we complete our mission to Protect, Enhance and Save Lives.



30

Years
of expertise

IBA was founded in 1986 as a spin-off of UCL by Yves Jongen



1986

IBA enters the Brussels stock market

1998

First patient treated in an IBA clinical Proton Therapy center at Massachusetts General Hospital (MGH) in Boston

2001

1

IBA is the world leader in its activities

+500

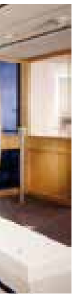
Engineers

I have a number of letters from parents of young kids saying if it would have not been this treatment, “we would have lost our kid”. That is something I cherish and keep preciously.

Yves Jongen

Yves Jongen is the IBA Chief Research Officer and worldwide recognized expert in particle accelerators

2016



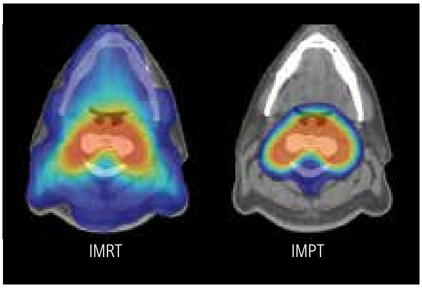
First patient treated with Proton Therapy compact solution Proteus®ONE in Shreveport Louisiana

2014

Proton therapy

PROTON THERAPY IS THE MOST ADVANCED FORM OF RADIATION THERAPY AVAILABLE TODAY.

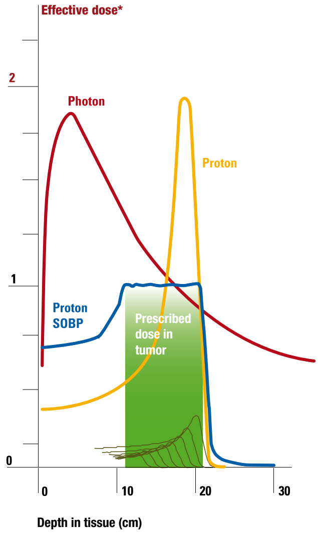
In developed markets, around 35% of cancer cases (>60% in US) require radiation treatment alone or in combination with other treatments, such as surgery or chemotherapy. Minimizing the overall exposure of healthy tissues has always been an important aspect of radiation therapy. This is where proton therapy offers a real advantage and has huge clinical potential compared to other forms of radiation. Proton therapy reduces the risk of secondary cancers and growth anomalies linked to the radiation of healthy tissues. It also offers patients a better quality of life during and after treatment by significantly reducing side effects.



Intensity Modulated Radiation Therapy (IMRT) vs Intensity Modulated Proton Therapy (IMPT) With courtesy of Elekta.

Unfortunately, today the benefits of proton therapy are experienced by too few patients. In fact, only 1% of the world's radiation oncology patients have access to proton therapy. To us it means 1% of our friends, families and colleagues; people we care for.

BRAGG PEAK*



** Proton beams release the majority of their destructive energy within a small range inside the tumor, depositing less entrance dose and no exit dose. This peculiarity of proton beams enables physicians to treat tumors with unequaled precision, safety, and efficiency.*

Viggo Mommaerts, 4 years old, treated with proton therapy.

The precision offered by proton therapy minimizes patients' exposure to enhance their life.

"The only thing we, as parents, could do for Viggo was to look for the best therapy in the world so that after treatment, he could maintain a high quality of life."

Valérie Verlinden, Viggo's mother

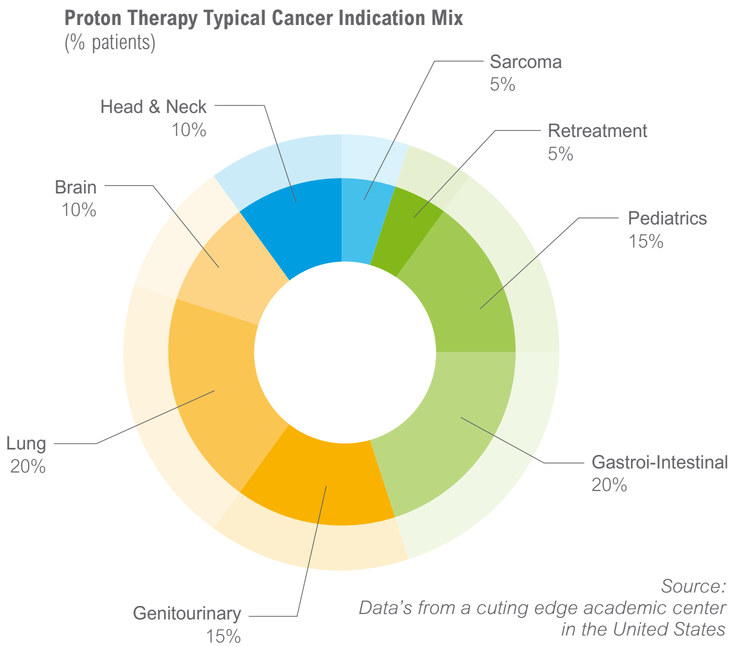
GROWING RECOGNITION OF THE CLINICAL ADVANTAGES OF PROTON THERAPY

While proton therapy today represents less than 1% of radiotherapy treatments, studies estimate that at least 17% of radiotherapy patients would benefit from being treated with proton therapy.

A large number of clinical trials are currently ongoing. These results will shape the future of proton applications, and undoubtedly open a new era for proton therapy treatment.

Ultimately proton therapy will allow us to reduce the radiation dose to the different organs. This will reduce the acute side effects during treatment that patients may develop, will reduce the sub-acute toxicities that may occur shorty after finishing treatment, and long-term complications. As a result patients will be better able to tolerate treatment, and we get happier, longe-living survivors.

Dr. Brad Hoppe, Associate Professor in the Department of Radiation Oncology, UF Health Proton Therapy Institute



Source:
Data's from a cuting edge academic center in the United States

PERSPECTIVE ON RADIATION THERAPY PATIENTS RECEIVING PROTON THERAPY AS PART OF THEIR TREATMENT

1%
Today

20%
Following reports & policies

45%
Following clients' experiences

FOR MORE INFORMATION

on the clinical effectiveness of proton therapy, please contact us to receive:

- IBA Selected Proton Therapy Bibliography (08/15)
- IBA Series of Clinical White Papers.

Or download them at:
www.iba-protontherapy.com/

PT MOMENTUM SUPPORTED BY PROOF OF MEDICAL RELEVANCE

IBA PT Users Meeting, 2016

IBA has always fostered a culture of collaboration and information sharing, and the company has leveraged its day to day involvement with experienced clinical teams from proton therapy centers worldwide to assemble information on recent developments and data.

In 2015, IBA launched a white paper series on proton therapy in oncology. The series offers a compilation of information on current practice, opportunities, and challenges of proton therapy in oncology. In addition to providing a general introduction to proton therapy, the white papers present an overview of indication specific data and findings, with the primary purpose of facilitating access to the most relevant information on the use of proton therapy for stakeholders in radiation oncology worldwide.

IBA published two papers in 2015. The first offers a general introduction to proton therapy, and the second provides an overview of the literature on proton therapy for pediatric cancer. More than ten indication specific white papers will follow, outlining the benefits of proton therapy for a range of indications, including skull base malignancies, ocular tumors, lung cancer, and Hodgkin lymphoma.

As the number of proton therapy centers in operation grows, the amount of clinical data on proton therapy is increasing rapidly. In 2015, there were 311 scientific publications released.

Dr. Indelicato believes that multidisciplinary pediatric oncology teams worldwide now recognize the value of proton therapy as a legitimate advancement in the treatment of tumors across diverse sites in children. "In addition to the ballistic properties of protons and the upcoming improvements on image guidance, the fact that the Cone Beam Computed Tomography (CBCT) is integrated on the proton therapy machines further positions proton therapy as a better treatment modality than linear accelerators."

Dr. Indelicato, Associate Professor, Department of Radiation Oncology, University of Florida, White Paper Pediatrics

"The Texas Center for Proton Therapy is proud to be part of such a large network of IBA proton facilities. The recent user's meeting elucidated why IBA is a leader in this field and exhibited their commitment to improve lives through proton therapy. We look forward to our continued partnership with IBA to make a positive impact on the lives of cancer patients in Texas and beyond."

Dr. Andrew Lee, Medical Director, Texas Center for Proton Therapy

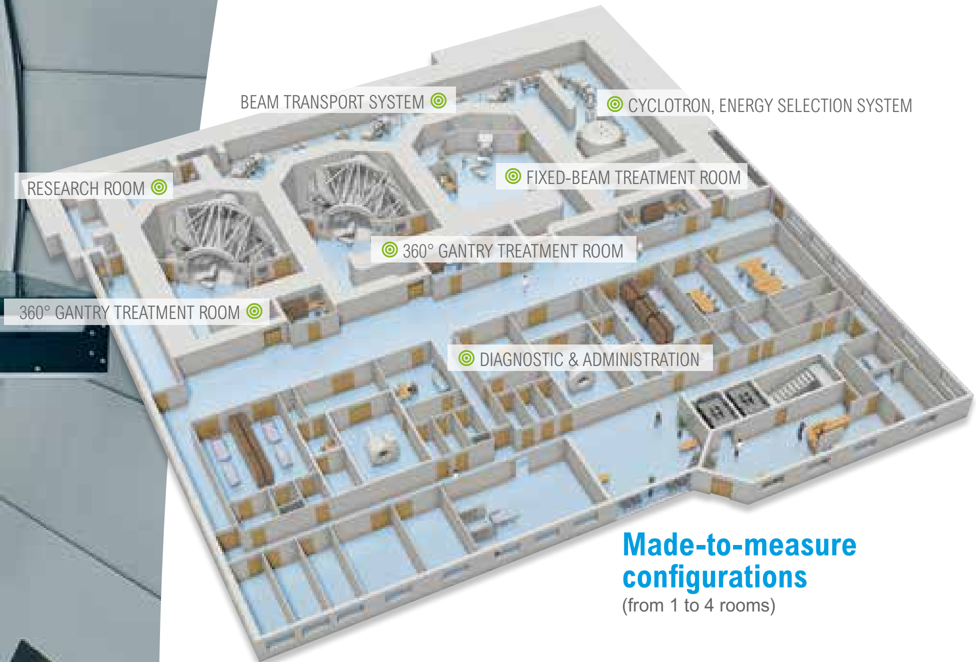
CHANGING THE WAY WE TREAT CANCER

12/13

Proton therapy

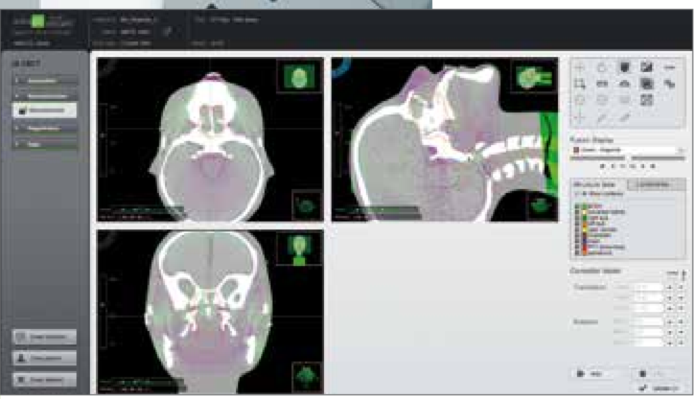
Proteus®PLUS

Proteus®PLUS is a unique proton therapy solution for leading cancer centers striving to meet the treatment needs of a large and growing patient base. It will further enhance clinical reputation in cancer care, regionally and nationally. Its cutting-edge features can be configured into a tailored solution to meet research, clinical, and business objectives.



Made-to-measure configurations

(from 1 to 4 rooms)

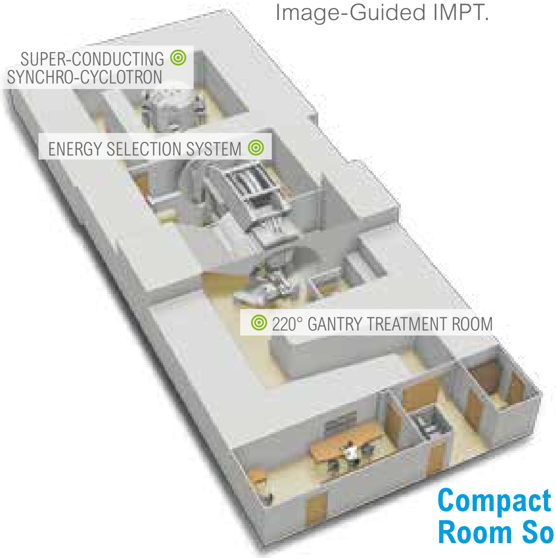


adapt Treatment Suite is a modular software platform proposing a truly integrated treatment environment for safe and efficient proton therapy delivery.

IBA MAKES PROTON THERAPY MORE ACCESSIBLE

IBA has been researching and developing ways to minimize the cost of proton therapy and make it more accessible to all cancer patients.

In line with IBA's commitment to this, the *Proteus®ONE* is a compact single-room solution that is more affordable while also being easier to install, operate, and finance.
Proteus®ONE delivers the latest advance in proton radiation therapy: Image-Guided IMPT.



Compact Single-Room Solution

It combines the precise dose delivery of Pencil Beam Scanning (PBS) with the dimensionally accurate imaging of 3D Cone Beam Computed Tomography (CBCT), enabling physicians to truly track where protons will be targeting tumor cells.

Proteus®ONE was inspired by everyday clinical practice. Its patient-centered design was developed in collaboration with Philips Healthcare to foster a soothing patient environment while helping the medical staff work more efficiently.

With *Proteus®ONE*, proton therapy becomes accessible for more patients worldwide. Interest in this compact solution has grown rapidly. By the end of 2015, 11 *Proteus®ONE* systems had been ordered.

“We want to spread the word around the world: people, there is an alternative to radiotherapy.”

“It was Christmas, Viggo’s doctor sent an e-mail saying he compared the scans with the initial scans during the proton therapy treatment, and he saw Viggo’s brain was developing normally.”

Steve Mommaerts, father of Viggo

Viggo Mommaerts, 4 years old, treated with proton therapy, and his family

IBA CONTINUES TO STRENGHTEN ITS LEADING MARKET POSITION

Proton therapy is IBA's principal source of growth for the future, particularly since the Company also enjoys the position of uncontested world market leader. IBA provides the systems for more than half of all proton therapy treatment projects in the world.

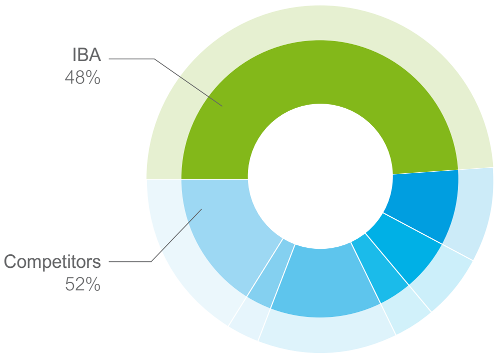
+30 Years of experience

+100 Rooms sold

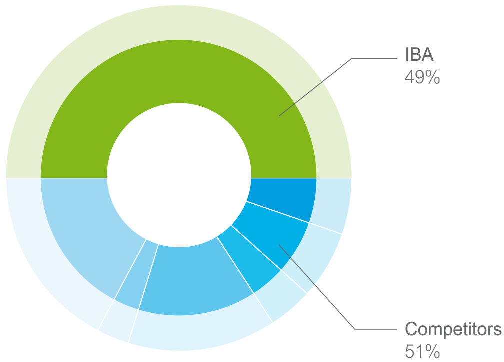
50 000 Patients treated

PROTON THERAPY ROOMS SOLD

Total rooms market share



Total systems market share



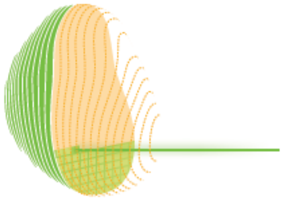
IBA DEPLOYS TECHNICAL SOLUTIONS WITH HIGH CLINICAL ADDED VALUE

IBA continues to provide the most advanced technologies to its partners and maintains its unrivalled position as an innovator in proton therapy technology.

PBS TECHNOLOGY

Pencil Beam Scanning (PBS) easily and precisely sculpts the dose in complex volumes.

PBS is a proton beam delivery mode. The proton beam paints the target volume, one layer at a time, pixel by pixel, to precisely match the shape of the tumor. It allows sculpting the dose with very high levels of conformality and dose uniformity, even in complex-shaped tumors, thanks to its fine precision. PBS provides the opportunity to increase the number of clinical indications for proton therapy and contributes to minimizing the overall radiation dose.



PBS sculpts the dose by painting the target volume, one layer at a time, pixel by pixel.

IMAGING

Measurement tools are important to maximize the efficiency of radiation therapy and refining these tools significantly increases the precision of proton therapy. For example, CBCT technology allows imaging to be conducted directly in the treatment room, while gamma cameras help verify the beam range. To further develop these solutions, IBA benefits from several partnerships, such as the Philips Healthcare agreement to provide diagnostic imaging expertise.

IBA proton therapy worldwide presence

NORTH AMERICA NETWORK

NORTHWESTERN MEDICINE
CHICAGO PROTON CENTER
Warrenville, IL, USA
Treating since 2010

THE PROTON THERAPY CENTER LLC
(TPTC) PROVISION HEALTHCARE
Knoxville, TN, USA
Treating since 2014

MASSACHUSETTS GENERAL HOSPITAL
BURR PROTON THERAPY CENTER
Boston, MA, USA
Treating since 2001

UNIVERSITY OF FLORIDA
PROTON THERAPY INSTITUTE
Jacksonville, FL, USA
Treating since 2006

UNIVERSITY OF PENNSYLVANIA
HEALTH SYSTEM ROBERTS
PROTON THERAPY CENTER
Philadelphia, PA, USA
Treating since 2010

PROCURE PROTON THERAPY
CENTER IN OKLAHOMA CITY
Oklahoma City, OK, USA
Treating since 2009

SCCA PROTON THERAPY
A PROCURE CENTER
Seattle, WA, USA
Treating since 2013

TEXAS CENTER
FOR PROTON THERAPY
Dallas, TX, USA
Treating since 2015

HAMPTON UNIVERSITY
PROTON THERAPY INSTITUTE
Hampton, VA, USA
Treating since 2010

WILLIS-KNIGHTON
CANCER CENTER
Shreveport, LA, USA
Treating since 2014

PROCURE PROTON
THERAPY CENTER
Somerset, NJ, USA
Treating since 2012

BEAUMONT
HEALTH SYSTEM
Royal Oak, MI, USA
Opening in 2017

BAPTIST HEALTH
SOUTH FLORIDA
Miami, FL, USA
Opening in 2018

INDIANA UNIVERSITY HEALTH
PROTON THERAPY CENTER
Bloomington, IN, USA

SOUTH AMERICA NETWORK

INSTITUTO DE ONCOLOGIA
ANGEL ROFFO HOSPITAL
Buenos Aires, Argentina
Opening in 2018

This map has been updated in December 2015.

EUROPE NETWORK

4 ROOMS

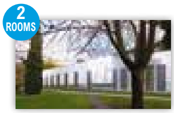

WESTDEUTSCHES PROTONENTHERAPIEZENTRUM ESSEN (WPE)
Essen, Germany
Treating since 2013

4 ROOMS


PROTON THERAPY CENTER CZECH S.R.O.
Prague, Czech Republic
Treating since 2012

2 ROOMS


AZIENDA PROVINCIALE PER I SERVIZI SANITARI (APSS)
Trento, Italy
Treating since 2014

2 ROOMS


CENTRE DE PROTONTHÉRAPIE DE L'INSTITUT CURIE
Paris (Orsay), France
Treating since 2009

1 ROOM


CENTRE ANTOINE LACASSAGNE
Nice, France
Opening in 2016

2 ROOMS


SKANDIONKLINIKEN
Uppsala, Sweden
Treating since 2015

2 ROOMS


BRONOWICE CYCLOTRON CENTER
Kraków, Poland
Treating since 2011

1 ROOM


UNIVERSITATKLINIKUM CARL GUSTAV CARUS
Dresden, Germany
Treating since 2014

4 ROOMS


FEDERAL HIGH-TECH MEDICAL CENTER
Dimitrovgrad, Russia
Opening in 2018

1 ROOM


CYCLHAD (CYCLOTRON FOR HADRON THERAPY)
Caen, France
Opening in 2017

2 ROOMS


UNIVERSITAIR MEDISCH CENTRUM GRONINGEN (UMCG)
Groningen, The Netherlands
Opening in 2018

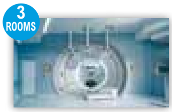
3 ROOMS


PROTON PARTNERS INTERNATIONAL
United Kingdom (London, Newport (Wales), Newcastle)
Opening in 2018

ASIA NETWORK

3 ROOMS


NATIONAL CANCER CENTER
Ilsan, Korea
Treating since 2007

3 ROOMS


GUANGDONG HENGJU MEDICAL TECHNOLOGIES CO. LIMITED
Guangzhou, China
Opening in 2018

3 ROOMS

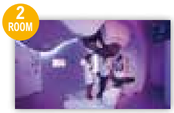

APOLLO PROTON THERAPY CENTER
Chennai, India
Opening in 2016

5 ROOMS


ZHUOZHOU PROTON THERAPY CENTER
Hebei, China
Opening in 2017

2 ROOMS


WANJIE PROTON THERAPY CENTER
Zibo, China
Treating since 2004

2 ROOM


CCH TAIPEI PROTON THERAPY CENTER
Taipei, Taiwan
Opening in 2017

1 ROOM


JAPAN PROTEUS® ONE SITE 1
Japan
Opening in 2017

1 ROOM


JAPAN PROTEUS® ONE SITE 2
Japan
Opening in 2017

Dosimetry

IBA DOSIMETRY OFFERS A FULL RANGE OF INNOVATIVE HIGH-QUALITY SOLUTIONS IN RADIATION THERAPY, MEDICAL IMAGING QUALITY ASSURANCE, AND CALIBRATION PROCEDURES

Both in radiation therapy and medical imaging applications, radiation has to be applied wisely and carefully.
In medical imaging, the goal is to minimize the imaging radiation dose given to the patient while maintaining good image quality. In radiation therapy, the goal is to focus a high dose of cancer-killing radiation with pinpoint accuracy on the tumor mass, while sparing healthy tissues.

With over 10 000 users worldwide, IBA Dosimetry is the market leader in providing healthcare professionals with high-end quality assurance solutions to measure and analyze the imaging and treatment doses received by patients. IBA believes that in view of the increasing requirement in the healthcare market for higher patient safety, the demand for dosimetry and quality assurance solutions in conventional radiation therapy, proton therapy, and medical imaging will grow as fast as the demand in radiation therapy and medical imaging equipment.

World
N°1

10 000
Users in the world

"As a physicist the patients, safety is my main objective while treating them. IBA's QA equipment and training provide me with the security to deliver the best treatment quality available."

PhD. Matthias Dierl, Chief Medical Physicist Radiation Therapy, MVZ Klinikum Bayreuth GmbH

Dr. Lutz Müller, Senior Physicist and Director, International Competence Center and PhD. Matthias Dierl, Chief Medical Physicist, Radiation Therapy

THE QUALITY ASSURANCE LEADER IN RADIATION THERAPY AND RADIOLOGY

22/23

Dosimetry

myQA®

myQA® sets a new workflow efficiency standard by integrating all quality assurance applications and data into one common software platform. It offers a complete overview of the radiation therapy department and connects users worldwide, so that new treatment methods can be applied faster and with more confidence - resulting in safer patient treatments. This software platform enables physicists and radiologists to implement the most efficient QA workflow for their department, as well as satellite and partner hospitals.

RadioPharma Solutions

BETTER DIAGNOSIS FOR BETTER PATIENT MANAGEMENT AND TREATMENT STRATEGIES

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

IBA RadioPharma Solutions has already installed 250 cyclotrons and 475 chemistry modules throughout the world. The sales potential for IBA in mid- and high-energy cyclotrons is high considering the increased demand for radiopharma-ceuticals for the diagnosis of severe diseases throughout the world, particularly in emerging countries.

N°1
Middle and High energy

250
Cyclotrons sold

"Thanks to the outstanding support and trustful relationship with IBA, we enjoy reliable and efficient production in our center. We are happy to fully respond to our customers' needs as well as developing R&D activities."

Dr. med. Konrade von Bremen, Director, SWAN Isotopen AG

Industrial accelerators

E-BEAM AND X-RAY STERILIZATION FOR MEDICAL DEVICES

IBA Industrial is the world leader in electron and proton accelerators for industrial applications and focuses on two markets: the sterilization of single-use medical products and the improvement of the physical properties of polymers (crosslinking).

In the sterilization market, IBA proposes a highly differentiated and innovative offering based on different configurations of the Rhodotron®.

These solutions allow customers to sterilize medical devices either by X-ray or electron beam treatment and enable the industry to break their dependency on chemical or radioactive-based sterilization processes.

The polymer crosslinking market is mainly bolstered by the automotive industry, which uses electric cables treated with electron beam technology that are more compact and weigh less, reducing the fuel consumption of vehicles as a result.

Thanks to its unique expertise and products, IBA Industrial has also developed other innovative solutions including cargo x-ray systems.

Over 250 IBA Industrial accelerators are used in the world today.

N°1
World

250
IBA Industial accelerators

IBA technologies enables all contamination by chemical products and radioactive material to be avoided.

“We were supported perfectly throughout the whole project lifetime. It’s more partnership and not only cooperation.”

Bernhard Gallnboeck-Wagne, Technical Manager, Mediscan GmbH

Human resources

MEN AND WOMEN, KEY TO IBA SUCCESS

IBA is a company that innovates, stimulates, and believes in its employees. IBA is committed to providing the best technology possible to benefit society, its employees, and the world in general. IBA benefits from exceptional staff loyalty.

Employees know that they are working for an international company that gives them the opportunity to make a real impact in the battle against cancer.

They are top-level, talented experts in their respective fields. It is thanks to their commitment, continuous training, and accumulated experience that IBA, as a company, can make a difference and provide unrivalled technology that saves lives throughout the world.

DISCOVER
THE IBA PROMISE
IBA YOUTUBE CHANNEL

A company that creates, innovates, stimulates, and believes passionately in its people. A company that is committed to the community, to the world and most of all, to its team members.

Protect Enhance and Save MORE Lives! This is truly what the new organization aims at. Growing our business means pushing our mission further.

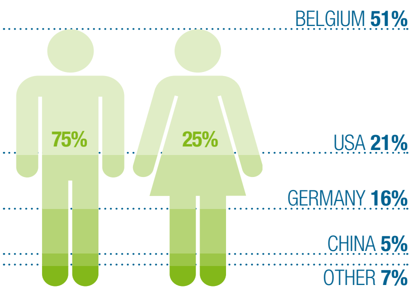
1 200

Employees worldwide

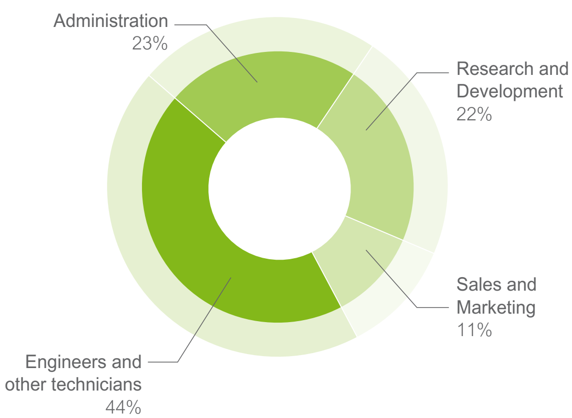
What makes us successful so far is the way we work and share values, mindset, and behavior. In one word: our culture. We are very proud of the IBA culture today as it is all about collaborating and empowering people. We nurture agility in all of our processes: innovation and dynamism are intrinsically part of the road we follow to enrich our ambitions.

Because every organization is driven by its people. Because culture is what gives energy to people. We also have to make it evolve and put lots of effort into looking at how it can become a key enabler of the Company's ambition and make sure is fit for a larger organization. To Protect Enhance and Save MORE lives!

IBA EMPLOYEES WORLDWIDE



EMPLOYEE ACTIVITY PROFILE




"Thanks"
IBA recruits 400 engineers
Let's push the boundaries of innovation together and develop new technologies for the treatment of cancer.
Ready to take on the challenge? www.ibarecruits.com

Corporate social responsibility

A SUSTAINABILITY PROGRAM

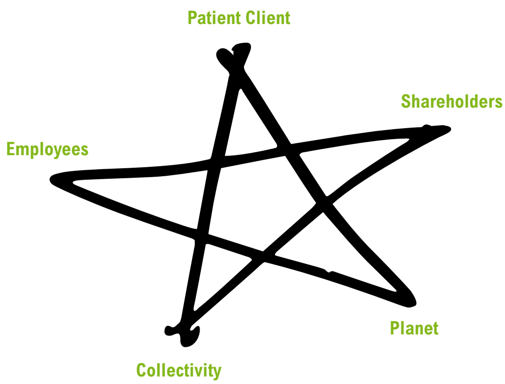
Since its inception, IBA has always cared about its employees, as well as concentrating on environmental issues and contributing to the community in which the company grows. In 2015, IBA implemented a new sustainable development program in order to demonstrate its commitment to the environment and the community, and to ensure that this commitment is reflected in the company's strategy. The new program also creates a framework for the various existing approaches and initiatives.

INTERNALIZING EXTERNALITIES

What is the ambition of this long-term program?
An exercise aimed at measuring the environmental impact of IBA's activities (the externalities) demonstrates that this impact mainly consists of greenhouse gas emissions. The environmental impact was calculated in order to define a budget for funding internal company projects that will allow the company to compensate for its environmental impact and the impact on the community. That is how IBA internalizes its externalities.

In order to tackle the externalities that were identified in the analyses of the company's carbon footprint, several projects have since been developed in various fields:

1. Improving IBA's products in order to reduce the energy consumption of its cyclotrons.
2. Reducing the energy consumption of our buildings, with solar panels on the roof of our assembly plant in Louvain-la-Neuve.
3. Organizing evaluation and monitoring studies to reduce the environmental impact of our industrial processes.
4. Setting up education and awareness events, targeting our employees, in order to encourage them to adopt environmentally-respectful behavior.
5. Developing sustainable mobility solutions through carpooling initiatives, public transport, and the purchase of folding and electric bikes.
6. Developing initiatives in relation to organic food, including the organization of an organic Christmas market, wild flower gardens that contribute to the conservation of biodiversity and so on.



Each IBA project must respect the interests of all company's stakeholders.

RESPONSIBILITY FOR THE NEXT GENERATION AND SOCIETY

IBA Sailing Team against cancer

+60

Trainees

IBA's sustainable development program focuses on the environmental impact of the company's activities. At the same time, it also includes initiatives for the community and future generations.

IBA, for example, has joined forces with other large European companies to launch the "All 4 Youth" program. This program helps train young graduates all over Europe, promoting their integration in the business community by offering several traineeships (60 young graduates took advantage of such offers at IBA in 2015).

Finally, and in keeping with the company's mission to "Protect, Enhance and Save Lives", IBA supports many associations and employee initiatives in their fight against cancer and their endeavor to provide patient support, including the IBA Sailing Team, Golf Against Cancer, blood drives, and other sports events.

Management Team

From left to right: Jean-Marc Bothy (Chief Financial Officer), Yves Jongen (Founder & Chief Research Officer) Frédéric Nolf (Chief Human Resources and Sustainability Officer), Olivier Legrain (Chief Executive Officer), Rob Plompen (President IBA Dosimetry).

Board of Directors

From left to right - Standing: Yves Jongen, Sybille van den Hove, Eric De Lamotte, Jeroen Cammeraat.
Sitting: Marcel Miller, Olivier Legrain, Pierre Mottet, Kathleen Vandeweyer, Dr. Mary Gospodarowicz.

MANAGEMENT REPORT

Approved by the Board of Directors at its meeting of March 21, 2016.

HIGHLIGHTS OF THE YEAR

The main events of the 2015 financial year, further details of which are contained in the Management report, were as follows:

- Strong Proton Therapy and Other Accelerators order intake, up more than 25% to EUR 221 million from 2014, comprising four Proteus®ONE* and four Proteus®PLUS systems, totalling 13 rooms, and 11 Other Accelerator orders
- Robust backlog now standing at around EUR 332 million in Proton Therapy and Other Accelerators at the end of December 2015, up about 30% from EUR 256.2 million at 31 December 2014
- Dosimetry backlog remaining strong at EUR 18.4 million, up 9.5% versus last year
- 33 ongoing Proton Therapy service and maintenance contracts now signed, representing a backlog of about EUR 575 million of revenue over the next 10-15 years, up 23% YoY from 27 contracts representing EUR 468 million at 31 December 2014, due to the strong capture rate of new equipment orders
- Philips collaboration bearing fruit with three Proteus®ONE orders signed in the UK with Proton Partners International
- Strategic alliance signed with Toshiba Corporation for Proteus®ONE in Japan and advancing carbon therapy in the rest of the world
- Completion of the full divestiture of the 40% owned by IBA in IBA Molecular. First through the sale of IBA North America, Inc. (IBAM NA) to Illinois Health and Science (IHS) signed in April 2015 and secondly through the sale in December 2015 of IBA Molecular EMEA to funds advised by CapVest Partners LP. These two transactions are together worth more than EUR 70 million to IBA in cash. The majority of the EUR 32.5 million of other operating income/expense at year end is attributable to the capital gain on these transactions. The closing of the first transaction occurred in July 2015 and the second in March 2016.

The key figures in terms of financial results are as follows:

- Group revenues for the full year ending 31 December 2015 of EUR 270 million, up 22.6% from EUR 220.6 million at 31 December 2014
- Proton Therapy and Other Accelerators revenue growth of 21.7% to EUR 216.3 million up from EUR 177.7 million at 31 December 2014
- Dosimetry continues to show strongly improved performance with revenues growing 26.1% to EUR 54.1 million (18.8% at constant rate) compared to EUR 42.9 million in the same period last year
- Highest ever REBIT for the Company at EUR 29.6 million up 28.9% compared to the full year 2014. REBIT margin of 10.9% (10.4% in 2014)
- Equity growing to EUR 163.6 million through strong profit
- Net profit of EUR 61.2 million, up 151.9% compared to the full year 2014, positively impacted by EUR 32.5 million other operating income of non recurring nature including the capital gain on disposal of IBA Molecular
- Net cash position of EUR 50 million as of 31 December 2015, versus EUR 5.3 million at 31 December 2014
- As a consequence of the full disposal of all shares in IBA Molecular, with a significant upside to its book value, IBA's Board of Directors will recommend to the general assembly, the distribution to shareholders of a total dividend of EUR 1.39 per share (about EUR 41.1 million), representing the 30% payout on the recurring profit and most of the capital gain on the transaction
- 2016 financial guidance: in its guidance update in February, IBA revised its top line guidance to "above 20%" growth in 2016 (from "above 10%") and double digit annual growth in the forseable future. It also confirmed REBIT guidance at about 11% in 2016 and 13 to 15% by 2018.

REVIEW OF IBA ACTIVITY SECTORS

THE PROTON THERAPY AND OTHER ACCELERATORS SEGMENT COVERS:

Proton therapy

which offers turnkey solutions for a more precise treatment of cancer, with fewer side effects, through the use of proton beams.

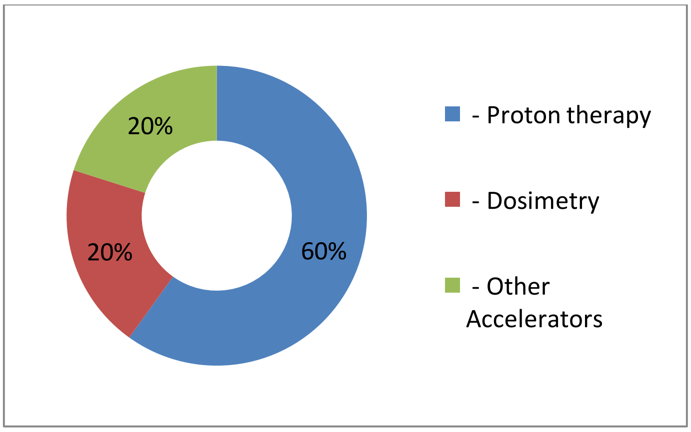
Other accelerators

which offer a line of cyclotrons used for the production of PET or SPECT radioisotopes and a line of industrial accelerators for sterilization and ionization (E-beam and Rhodotron® and Dynamitron® types of X-ray).

THE DOSIMETRY SEGMENT

Dosimetry offers measurement and quality assurance instruments for radiotherapy and medical imaging, enabling healthcare professionals to verify that equipment administers the planned dose to the targeted area.

BREAKDOWN OF CONSOLIDATED TURNOVER BY ACTIVITY



PROTON THERAPY AND OTHER ACCELERATORS

	FY 2014 (EUR 000)	FY 2015 (EUR 000)	Variance (EUR 000)	Variance %
Net Sales	**177 687**	**216 261**	**38 574**	**21.7%**
- Proton therapy	128 488	161 938	33 450	26.0%
- Other accelerators	49 199	54 323	5 124	10.4%
REBITDA	**24 148**	**25 270**	**1 122**	**4.6%**
% of Sales	*13.6%*	*11.7%*		
REBIT	**19 516**	**21 956**	**2 440**	**12.5%**
% of Sales	*11.0%*	*10.2%*		

Net sales grew by 21.7% in 2015 for Proton Therapy and Other Accelerators, driven in part by continued strong growth of sustainable service revenues (partially explained by the USD to EUR FX rate), making up about one third of the total.

Proton Therapy service revenues alone increased by 20.6% and, including Other Accelerators, by 19.0%, further indicating the sustainability and predictability of this important revenue stream. The Company now has 33 PT service contracts signed, totalling a backlog of EUR 575 million in future booked revenues over the next 10-15 years.

In addition, IBA has a record year-end backlog in Proton Therapy and Other Accelerators of EUR 332 million, up 30% from EUR 256.2 million at the end of 2014.

Proton Therapy

Proton therapy is IBA's principal source of growth for the future, particularly as the Company continues to retain its market-leading position.

IBA saw continued growth in market interest in proton therapy in 2015 with orders for 13 new rooms. The Company sold four Proteus®ONE systems including three rooms to Proton Partners International in the UK and one in Taiwan. 2015 was also a very strong year for the Company's multi-room system, Proteus®PLUS, with orders in the US (three rooms for Baptist Health South Florida at the Miami Cancer Institute), the Netherlands (two rooms at the Universitair Medisch Centrum Groningen proton therapy center), China (two rooms to Guangdong Hengju Medical Technologies Co. Ltd in South China), and Argentina (two rooms for the installation of a proton therapy center at the Instituto de Oncologia Angel Roffo hospital in Buenos Aires).

This brings the total historic number sold globally by IBA to 38 units (95 rooms), representing 49% of the total proton therapy centers sold (48% of the total PT rooms sold).

While proton therapy today accounts for less than 1% of radiotherapy treatments, studies estimate that at least 17% of radiotherapy patients would benefit from being treated with proton therapy and a large number of further clinical trials are ongoing. IBA develops new more affordable solutions and technologies that will further increase the precision of proton therapy. These developments will shape the future of proton applications, and undoubtedly open a new era for proton therapy treatment.

Proton Therapy Clinical Relevance

As the number of proton therapy centers in operation grows, the amount of clinical data on proton therapy is increasing rapidly. In 2015, IBA launched a white paper series on proton therapy in oncology. The series offers a compilation of information on current practice, opportunities and challenges of proton therapy in oncology. In addition to providing a general introduction to proton therapy, the white papers present an overview of indication-specific data and findings. IBA published two papers in 2015 (http://www.iba-protontherapy.com/more-resources-pt). The first offers a general introduction to proton therapy, and the second provides an overview of the literature on proton therapy for pediatric cancer. More than 10 indication-specific white papers will follow, outlining the benefits of proton therapy for a range of indications among which skull base malignancies, ocular tumors, lung cancer, and Hodgkin's lymphoma.

Proton Therapy Affordability

The Proteus®ONE compact system is opening the single room market due to its smaller footprint and shorter installation time. It is the only compact system in the market today that incorporates both the most advanced Pencil Beam Scanning and Cone Beam CT, setting a new standard in the compact proton therapy market. To date, IBA has 11 Proteus®ONE systems installed or in process of being installed globally, in the UK (3), Japan (2), France (2), US (2), and Taiwan (2).

Proteus®ONE came into clinical use in 2014 at the Willis-Knighton Cancer Center (WKCC). In July, IBA announced that the WKCC teams and IBA have reached unprecedented levels of quality care, ease of use and speed of treatment with the Proteus®ONE. In addition to treating more common indications such as the brain and prostate, PBS has enabled WKCC to treat new applications such as breast, head & neck, esophageal lung, spine cancer, pediatric malignancies and various pelvis indications.

Proton Therapy Technology

IBA has continued to further enhance its own in-house technological advances with collaborations with some of the world's leading academic institutions and companies. For example, research collaborations with Penn Medicine have contributed to the research on Pencil Beam Scanning (PBS) protocols and Cone Beam Computed Tomography (CBCT), among others.

IBA also benefits from a partnership with Philips Healthcare to provide superior diagnostic imaging expertise. Measurement tools are important for maximizing the efficiency of radiation therapy, and refining these tools significantly increases the precision of proton therapy. For example, CBCT technology allows imaging to be conducted directly in the treatment room, while gamma cameras help verify the beam range. CBCT, the volumetric imaging modality, enables the production of qualitative images on a more frequent basis before or after the actual treatment, putting proton therapy on the threshold of adaptive treatment. Furthermore, it enhances the patient positioning precision, improving the global treatment quality.

Proton Therapy Key Commercial Alliances

In April, IBA and Toshiba Medical Systems Corporation announced the signing of a global collaboration to expand access to proton therapy worldwide. Toshiba has become the distributor in Japan for Proteus®ONE and IBA has become the agent for Toshiba's Carbon Therapy Solutions outside Japan.

In June, IBA and Royal Philips announced the signing of an exclusive agreement to enhance access to proton therapy in India. The exclusive Philips-IBA agreement for India followed the framework agreement that Philips and IBA signed in September 2014. The framework agreement comprises research and development, marketing and sales of imaging and therapy solutions in oncology.

With these new collaborations with Philips and Toshiba, IBA further strengthens its world leading position in proton therapy and remains at the forefront of delivering the latest in innovative cancer therapy in key regions.

Other Accelerators

IBA's Other Accelerators division delivered strong growth during 2015, again with significant gains seen in emerging markets. Revenues rose 10.4% to EUR 54.3 million, from EUR 49.2 million in 2014.

Over 2015, IBA has won 11 important Other Accelerator contracts across the world.

Radiopharma Solutions

2015 was another good year of cyclotron sales for IBA's RadioPharma Solutions division with important contracts won in all key regions. IBA RadioPharma Solutions has already installed 250 cyclotrons and 475 chemistry modules throughout the world. The sales potential for IBA in mid- and high-energy cyclotrons is high with increasing demand for radiopharmaceuticals for the diagnosis of severe diseases throughout the world, particularly in emerging countries.

Industrial Accelerators

Over 250 IBA Industrial accelerators are used in the world today, including some that have been functioning for more than 50 years. IBA's Industrial Accelerators division focuses on two markets: the sterilization of single-use medical products, and the improvement of the physical properties of polymers (crosslinking). IBA Industrial is evaluating new long term markets such as container screening and energy saving solutions. These new markets could contribute to growth of the segment.

DOSIMETRY

	FY 2014 (EUR 000)	FY 2015 (EUR 000)	Variance (EUR 000)	Variance %
Net Sales	**42 890**	**54 096**	**11 206**	**26.1%**
- Dosimetry	42 890	54 096	11 206	26.1%
REBITDA	**4 173**	**8 440**	**4 267**	**102.3%**
% of Sales	*9.7%*	*15.6%*		
REBIT	**3 417**	**7 597**	**4 180**	**122.3%**
% of Sales	*8.0%*	*14.0%*		

Dosimetry has continued its return to growth that began in the first half of 2015. Revenues grew 26.1% compared to last year helped by the growing success of Dosimetry solutions for PT, the success of myQA® and the favorable EUR/USD exchange rates. At constant rate, growth would have been 18.8%.

IBA Dosimetry has also established a strong backlog of EUR 18.4 million, up 9.5% compared to full year 2014.

In March, IBA announced the release of its new global quality assurance platform: myQA®, and a subsequent upgrade in September. myQA® offers full support throughout all QA applications and provides the user access to its various software modules and data from one intuitive platform – anytime and anywhere.

In August, IBA announced the successful debut of the all-new IBA Dosimetry Support Portal. The most recent addition of the IBA CARE program initiative, the new Support Portal adds emphasis on customer satisfaction by offering continuous service accessibility and improved service quality for global customer convenience.

MANAGEMENT'S DECLARATIONS

Pursuant to Article 12, §2, 3° of the Royal Decree of November 14, 2007 regarding obligations of issuers of financial instruments admitted to trading on a regulated market, Olivier Legrain, Chief Executive Officer (CEO), and Jean-Marc Bothy, Chief Financial Officer (CFO) of IBA SA, declare that, to their knowledge:

- the enclosed financial statements, prepared in accordance with applicable accounting standards and thoroughly reviewed by the auditors, accurately reflect the assets, financial position, and results of IBA SA and the undertakings included in the consolidation; and
- this management report gives exact information and a true and fair view of the business evolution, the earnings, and the position of IBA and the undertakings included in the consolidation, as well as a description of the principal risks and uncertainties they face. This management report does not omit any information that would be significantly misleading as to any other information given in it.

CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

INCOME STATEMENT

IBA reported a 22.6% increase in revenues to EUR 270.4 million during 2015 (2014: EUR 220.6 million).

Recurring operating profits before interest and taxes (REBIT) continued to improve compared with 2014, due to the growth and the benefits from the implementation of the Company's productivity and efficiency program. The Company's REBIT increased 28.9% in 2015 from EUR 22.9 million in 2014 to EUR 29.6 million in 2015. At constant FX rate, the growth would have been 17.0%.

Other operating result mainly includes the realized gain on the disposal of IBA Molecular (Rose Holding SARL), the reversal of provisions for dismantling the Fleurus site and the reversal of provisions related to estimated commitments under the agreement with SK Capital Partners partially compensated by write-offs on long term receivables, write-offs on other investments, an one-time bonus granted to employees except management, long term incentive plan provision, costs of share-based payments (see note 25).

The IBA's Board of Directors will recommend to the general assembly, the distribution to shareholders of a total dividend of EUR 1.39 per share (about EUR 41.1 million), representing the 30% payout on the recurring profit and most of the capital gain on the IBA Molecular transaction.

Operating cash flow during 2015 amounted to EUR 45.4 million.

Cash flow from investing was positive at EUR 5.5 million, due to the dividend received of EUR 10.0 million related to the sale of IBA North America, Inc. (IBAM NA) to Illinois Health and Science (IHS) in the framework of the disposal of IBA Molecular (Rose Holding SARL), payments received of deferred remuneration elements related to the sale of Cisbio Bioassays business for EUR 6.8 million compensated by the acquisition of a minority stake in Proton Partners International for EUR 7.1 million and investments in software's, building and equipment's for EUR 4.1 million.

The net cash position at the year-end was EUR 50 million, significantly improved from EUR 5.3 million at year-end 2014.

CONSOLIDATED BALANCE SHEET AND FINANCIAL STRUCTURE

Non-current assets decreased by EUR 31.2 million during the 2015 financial year, essentially due to the combined effects of:

- the disposal of IBA Molecular that impacted the account investments accounted for using the equity method;
- the acquisition of a minority stake in Proton Partners International;
- the decrease of the other long-term receivables.

Goodwill at the end of 2015 (EUR 3.8 million) remained unchanged and related to the Dosimetry business.

Intangible fixed assets (EUR 8.6 million) and tangible fixed assets (EUR 9.3 million) increased by a total of EUR 0.1 million. The change during the year is mainly attributable to high investment in software's, building and equipment's for EUR 4.3 million, depreciation and amortization for 4.1 million and currency translation difference for EUR 0.1 million.

Companies accounted for using the equity method and other investments decreased by EUR 28.5 million, mainly due to the disposal of IBA Molecular (Rose Holding SARL) for EUR 34.8 million partially compensated by the acquisition of a minority stake in Proton Partners International for EUR 7.1 million (GBP 5 million).

Deferred tax assets increased by EUR 0.2 million and represent recoverable losses on future earnings, essentially on the entity IBA SA and LLC Ion Beam Applications (Russia) amounting to EUR 20.5 million and temporary difference on the American entities, Ion Beam Beijing Applications Co Ltd, IBA Dosimetry GmbH and IBA SA amounting to EUR 2.7 million.

Other long-term assets decreased by EUR 3.85 million to EUR 16.7 million. This change is essentially attributable to the anticipative reimbursement of deferred remuneration elements related to the sale of Cisbio Bioassays of EUR 5.2 million, the recognition of additional research tax credit of EUR 1.9 million, the transfer to short term of research tax credit of EUR 0.94 million, the reclassification from short term to long term of a proton therapy customer trade receivables for EUR 5.1 million, write off for EUR 3.88 million and the transfer to short term of deferred remuneration elements related to the assets sales of the PharmaLogic Pet Services of Montreal Cie of EUR 1.12 million.

Current assets amount to EUR 323.9 million at the end of 2015. There has been a large increase of EUR 119.5 million compared with 2014.

Inventories and contracts in progress increased by EUR 8.2 million, EUR 4.4 million was attributable to contracts in progress, EUR 0.8 million was attributable to raw materials and EUR 3.4 million was attributable to finished products and work in progress compensated by the increase of EUR 0.4 million of write-off on inventories.

Trade receivables increased by EUR 5.1 million.

The increase of EUR 61.6 million in other receivables mainly related to the increase of the other receivables related to the disposal of IBA Molecular for EUR 64 million, the increase of the amount of advance payments done to suppliers for EUR 3.0 million and the decrease by EUR 1.6 million of the amount related to the sale of the Radiopharmaceutical business (assets that are flowing back when provision is used), the decrease of current income tax receivable for EUR 1.8 million and the payments received from Bioassays related to deferred contingent remuneration elements following the sale of the Cisbio Bioassays business to Argos Soditic for EUR 2.1 million (see note 3.F).

Non-current liabilities decreased by EUR 15.2 million compared with the end of 2014 to EUR 25.9 million at the end of 2015. This change is mainly attributable to the following factors:

- Long-term debts decreased by EUR 11.5 million, essentially due to the reclassification to short-term debt of the EIB loan amounting to EUR 16.3 million, the reclassification to short-term of financial leases amounting to EUR 0.2 million and the reclassification from reserves to the long term debts of the S.R.I.W. ''Reverse convertible bond'' amounting to EUR 5 million (see note 2.1.3 and 2.4). At the end of 2015, long-term debts amounted to EUR 15.2 million, comprising EUR 15 million for the SRIW loans and the balance of EUR 0.2 million made up of long-term debts relating to financial leases.

- The increase of EUR 0.1 million in other long-term debts results from the accounting of additional long-term contractual obligations related to proton therapy projects for EUR 0.3 million and the decrease of advances received from Walloon Region of Belgium for EUR 0.2 million.

Current liabilities increased from EUR 158.4 million to EUR 205.9 million. The following elements are to be noted:

- Short-term provisions, which amounted to EUR 7.0 million at the end of 2015, decreased by EUR 0.2 million, mainly due to decreasing flows on provisions related to the settlement for outstanding claims and counterclaims regarding IBA Molecular for EUR 1.1 million partially compensated by increasing flows on warranties of EUR 0.4 million and increasing flows on environment provisions covering the contractual obligations of IBA to dispose of radioactive waste on the Fleurus site for EUR 0.5 million.
- Short-term debts of EUR 16.5 million at the end of 2015 include the short-term portion of the loan from the European Investment Bank for EUR 16.3 million and the short-term portion of financial lease obligations for EUR 0.2 million.
- Short-term debts have increased following the reclassification from long-term of the loan from E.I.B. after the Group has introduced in January 2016 a notice of anticipative repayment of the total remaining amount due to the E.I.B. to refinance the outstanding amount in the market at a lower average cost of financing (repayment of EUR 10 million at end February 2016 and repayment of EUR 6.25 million at end March 2016).
- Other short-term debts at the end of 2015 amount to EUR 135.3 million which represent an increase of EUR 27.3 million compared to 2014. This increase is mainly explained by the increase of contractual advance payments received for proton therapy orders for EUR 23.4 million, the increase of non-trade payables for EUR 2.1 million, the increase of other current liabilities for EUR 2.4 million partially compensated by the decrease of advances received from Walloon Region of Belgium for EUR 0.6 million.

The Group's cash and cash equivalents increased by EUR 44.5 million in 2015, mainly thanks to a positive operating cash-flow of EUR 45.4 million, to EUR 6.8 million cash-in for deferred contingent remuneration related to the sale of the Cisbio Bioassays business, to EUR 10.0 million dividend cash-in from Rose Holding SARL in relation with the disposal of IBA North America Inc to Illinois Health and Science reduced by acquisitions of tangible and intangible assets of EUR 4.3 million, by the investment in Proton Partners International of EUR 7.1 million and by a financing cash-out of EUR 5.6 million.

Net financial position increased from EUR 5.3 million net cash end of 2014 to EUR 50.0 million end of 2015.

RESEARCH AND DEVELOPMENT

Research and development expenses related to the Group's businesses amounted to EUR 28.64 million (10.6% of sales) in 2015 less EUR -1.89 million of research tax credit for which provisions were made.

At IBA, research expenses are recognized directly in the income statement and development expenses are recognized directly in the income statement because the nature of capitalizable development costs could not be demonstrated in accordance with the Group's accounting rules. These significant investments enable the Company to remain among the world leaders in all the markets in which it operates.

CAPITAL INCREASES AND ISSUES OF STOCK OPTIONS AND CONVERTIBLE BONDS – ART 608 OF THE BELGIAN COMPANIES ACT

In June 2014, the Board of Directors proceeded, in the framework of the authorized capital, to the issue of EUR 5 million subordinated reverse convertible bonds, the convertibility of which is at the entire discretion of IBA (the "RC Obligations") and which enables their beneficiary to subscribe to newly issued IBA shares. The RC Obligations, then subscribed in full by the S.R.I.W., are not convertible any more since December 31, 2015. If the entire amount of the RC Obligations had been converted it would have led to the creation of 434 027 newly issued IBA shares. At December 31, 2015, the reverse convertible bond has been reclassified from equity to long term debts.

In December 2015, the Board of Directors has issued, in the framework of the authorized capital, 50 000 stock options (the "Stock Options") for members of the Group top management (including some determined persons) consisting of 40 000 free options and 10 000 paid options (subscription price of 5.50% of the strike) within the limits and in accordance with the repartition decided by the Remuneration Committee. These Stock Options will vest on 31 December 2018. Each Stock Option allows its beneficiary to subscribe to one newly issued share against payment of a strike of EUR 31.84 between January 1st, 2019 and June 30, 2024.

REPURCHASE OF OWN SHARES (ART. 624 C)

IBA SA did not repurchase any of its stock in 2015. At December 31, 2015, IBA SA held 63 519 of its own shares compared to 75.637 as per December 31, 2014. In 2015, 12 118 IBA own shares were sold to employees in the framework of an ESP 2015 with no issue of new shares.

IBA SA STATUTORY ACCOUNTS AND APPROPRIATION OF NET PROFIT (LOSS)

Sales and services by Ion Beam Applications SA for the 2015 financial year went up from EUR 211.0 million in 2014 to EUR 247.7 million, i.e. an increase of 17%. This increase in revenues primarily reflects changes in the advancement of current contracts as well as increased revenues from the high level of order intake as well as from maintenance contracts due to the steady increase in the number of operational proton therapy centers.

Income from operations, which showed a profit of EUR 32.5 million in 2014, went down to a profit of 24.9 million, primarily due to an increase of research and development depreciation following a change in the accounting policies in 2013.

The Company posted a profit before tax of EUR 23.4 million, compared to a profit of EUR 50 million in 2014. This decrease is due to the increase of research and development depreciations in 2015 as explained above as well as the dividends received from its German and US subsidiaries for EUR 19 million in 2014.

The operational perspectives of IBA remain highly positive.

At the end of 2015, the Company had six branches in Prague, Czech Republic; Orsay, France; Krakow, Poland; Trento, Italy; Seoul, South Korea; and Uppsala, Sweden. The branches were established as part of the Proton therapy business.

CONFLICTS OF INTEREST

BOARD MEETING OF MARCH 24, 2015

Being called on to decide on approval of the report of the Compensation Committee regarding the appraisal of the Management Team triggered the application of the procedure governing directors' conflict of interests as defined in article 523 of the Belgian Companies Act. This conflict of interests concerned the managing directors in their capacity of Management team Members.

"*The directors affected by the conflict of interests decide not to participate in the deliberations relating to the proposals on the agenda, nor to take part in the vote. After deliberation, the Board unanimously approves the recommendations made by the compensation Committee in his report to the Board* regarding the Managing Directors remuneration."

BOARD MEETING OF MAY 28, 2015

Being called on to decide on approval of the ESP for the employees and the Managing Directors of IBA SA triggered the application of the procedure governing directors' conflict of interests as defined in article 523 of the Belgian Companies Act. This conflict of interests concerned the managing directors in their capacity of beneficiaries of the said plan.

"The managing directors are beneficiaries of the ESP, and in this quality, declare to have a direct financial interest and raise a conflict of interests' situation in the meaning of 523 BCC. They will not sign the resolution.

So as to limit the dilution of IBA's existing shareholders, employees taking part in this year ESP shall be offered the possibility to acquire existing shares, and not to subscribe to newly issued shares as it was the case before. The main specifications of the ESP are as follows:

- *Shares offered in acquisition : Existing and ordinary registered shares, representative of IBA SA's capital, delivered without VVPR strips, with enjoyment as from the date of acquisition*
- *Number of shares: Maximum 50 000 shares*
- *Acquisition price: Average market closing price of the 30 days preceding 1 June 2015, less a 16.67% discount*
- *Offer period: 1 June until 30 June 2015, 12h (CET)*
- *Acquisition of the shares :1 July 2015*
- *Lock-up period: 2 years as from the acquisition of the shares, i.e. in principle until 1 July 2017 included*
- *Legal basis: articles 622 §2 al 2 1° BCC and 9 of IBA SA's AoA*

By unanimous written resolution, duly justified by the urgency and in accordance with IBA's corporate interest, the Board unanimously approves the terms and conditions of the ESP. It delegates to Olivier Legrain the power to determine the exact modalities of the ESP and to sign all documents necessary or useful to implement this decision.

BOARD MEETING OF AUGUST 26, 2015

Being called on to decide on approval of a modification to the current SOPs (namely the continued exercise of options issued under the SOPs 2006, 2007, 2009, 2010, 2011, and 2012 instead of the previous exercise periods of one month four times a year) triggered the application of the procedure governing directors' conflict of interests as defined in article 523 of the Belgian Companies Act. This conflict of interests concerned the managing directors and Pierre Mottet in their capacity of beneficiaries of the said plans.

Pierre Mottet, Yves Jongen and Olivier Legrain, in their quality as beneficiary, declare to have a direct patrimonial conflict of interest and raise a conflict of interest situation in the meaning of article 523 of the BCC. They do not take part in the debates any more.

After having read the special report detailing the subject and justification of the above operation, the Board unanimously approves the said report and drafts of documentation provided. It delegates to Olivier Legrain the power to finalize the documentation and to sign all documents necessary or useful to implement this decision.

COMPETENCE AND INDEPENDENCE OF MEMBERS OF THE AUDIT COMMITTEE

In accordance with article 96, paragraph 9, of the Belgian Companies Act, IBA's Board of Directors reports that

- Ms Katleen Vandeweyer (representing Katleen Vandeweyer Comm. V.), chairman of the Audit Committee since 2015, member of the Audit Committee and Board member since 2013, is CFO of Worldline SA/NV, an Atos company. As such, she participates in many Audit Committees and is responsible for the overall financial management of Worldline, including the establishing of statutory accounts, tax management, treasury management and financial controlling of operations. Ms Katleen Vandeweyer is also member of the Board of Directors of BPost Bank and is member of the Risk and Remuneration Committee of this bank.
- Mr. Jeroen Cammeraat, member of the Audit Committee and Board member since 2014, is CEO of venture capital backed ophthalmology companies i-Optics BV and Cassini BV and former COO of global radiation therapy company Nucletron BV. As such, he has an extensive track record in managing global businesses including financial management, complex financing structures, shareholder and investor relations.

SIGNIFICANT ACQUISITIONS AND DIVESTMENTS IN 2015

On June 26, 2015, IBA acquired 50% additional stakes in Striba GmbH to Strabag GmbH for EUR 1. Since that date, the Company is consolidated in full in place to be consolidated as equity accounted company.

On December 11, 2015, IBA has signed a definitive agreement for the sale of IBA Molecular (Rose Holding SARL), to Funds advised by CapVest Partners LP ("CapVest"). The closing of the transaction is expected by the end of the first quarter of 2016. This agreement finalizes full divestiture of the 40% owned by IBA into IBA Molecular. First through the sale of IBA North America, Inc. (IBAM NA) to Illinois Health and Science (IHS) signed in April 2015 and secondly through the sale in December 2015 of IBA Molecular EMEA to funds advised by CapVest Partners LP. These two transactions together are worth more than EUR 70 million to IBA in cash, representing a capital gain of more than EUR 30 million. The closing of the first transaction occurred in July 2015 and the closing of the second one in March 2016.

PRINCIPAL RISKS AND UNCERTAINTIES FACED BY THE COMPANY

Besides the risks to which all industrial companies are exposed, a list of significant risk factors specific to IBA's activities is described below. This list does not claim to be exhaustive.

AUTHORIZATIONS

Some IBA products and devices cannot be marketed without regulatory approval or registration as medical devices or pharmaceutical products. Such authorization is necessary in each country where IBA wishes to market a product or device. At the end of 2015 IBA was authorized to market its particle therapy devices in the United States (FDA), the European Union (LRQA), Australia (TGA), China (SDA), Russia (Gost-R) and South Korea (KFDA). Authorizations may always be revoked. Moreover, as IBA's equipment evolves technologically, further authorizations are required. This is particularly the case for *Proteus*®***ONE*** currently under development.

TECHNOLOGY RISKS

The Company continues to invest heavily in research and development and cannot overlook the possibility that one of its prototypes may not be commercially viable or may become obsolete during its development because of competing technological development.

REIMBURSEMENT OF HEALTHCARE

The subsidization by healthcare reimbursement institutions of costs for diagnostics by PET (Positron Emission Tomography) scans or SPECT (Single Photon Emission Computed Tomography) scans – or for the treatment of certain diseases for which equipment made by IBA is directly or indirectly involved – is subject to review. The healthcare reimbursement policies of these organizations will in turn influence the volume of orders that IBA obtains. These subsidies from reimbursement institutions differ greatly from one country to another.

INSURANCE COVERAGE FOR DELIVERED PRODUCTS AND THOSE IN THE PIPELINE

The use of products made by IBA may expose the Company to certain liability lawsuits. IBA maintains insurance to protect itself in the event of damages arising from a product liability lawsuit or from the use of its products. In a country such as the United States, where the slightest incident may result in major lawsuits, there is always a risk that a patient who is dissatisfied with services received by products delivered by IBA may initiate legal action against it. The Company cannot guarantee that its insurance coverage will always be sufficient to protect it from such risks or that it will always be possible to obtain coverage for such risks.

FOREIGN EXCHANGE RISKS

The Company is exposed to foreign exchange risks when it signs certain contracts in foreign currencies or when it invests abroad. To the fullest extent possible, the Company employs the financial instruments necessary to limit its exposure to these risks. The Company's financial risk management objectives and policy, as well as its policies on price, liquidity and cash flow risk are described in greater detail in the notes to the consolidated financial statements in this report.

ASSET DEPRECIATION RISKS

IBA invests in companies whose business sector is complementary to its own. In most cases, these are recently established companies in innovative sectors. IBA cannot guarantee that all of these investments will be profitable in the future or that some projects will not be purely and simply terminated. In certain cases, IBA also invests its surplus cash in very liquid and highly rated financial instruments but cannot however, predict sudden changes in these ratings or market modifications leading to the loss of this liquidity.

DECOMMISSIONING RISK

Under the sale of its Radiopharmaceutical business, IBA has also retained liability for 5 years if the funds pledged to cover the decommissioning of the facilities at Saclay in France prove to be less than the discounted provision over a period running to 2021 or 2042 depending on the case. The risks result on the one hand from a possible change in the interest rate used in the discount calculation (TEC30) and on the other hand from the yield that will be obtained on the assets entrusted to an independent asset management company. This risk doesn't exist anymore since the disposal of IBA Molecular.

DEPENDENCE ON CERTAIN MEMBERS OF STAFF

Since IBA was established, the number of highly qualified persons employed by the Company has significantly increased. However, it is possible that the defection of certain key employees possessing specific expertise could, for a short time, affect one of the Company's activities.

DEPENDENCY ON A SPECIFIC CUSTOMER OR A LIMITED NUMBER OF ORDERS

In general, IBA's customers are diversified and located on several continents. Each year the Company depends on a number of orders, particularly for its proton therapy systems that are executed over several financial years. The receipt of one additional order or one less order, or changes in an order that were not anticipated at the beginning of the year, are characteristics of this field of business which can have a significant impact over several accounting periods. On the other hand, the lead time for fulfilling orders gives the Company a good view of its level of activity several months in advance.

INTELLECTUAL PROPERTY (PATENTS)

The Company holds intellectual property rights. Some of these rights are generated by employee or production process knowhow and are not protected by patents. The Company has filed patents but it cannot guarantee that the scope of these patents is broad enough to protect the Company's intellectual property rights and prevent its competitors from gaining access to similar technologies. The Company cannot guarantee that the defection of certain employees will not have a negative impact on its intellectual property rights.

COMPETITION AND RISK OF RAPID PRODUCT OBSOLESCENCE

Currently, IBA has no direct competitor covering all the markets in which it is present. However in certain markets, it is competing against some of the world's largest corporations. These corporations have highly developed sales and marketing networks and more importantly, extensive financial resources beyond comparison with those of IBA. Furthermore, there is always the possibility that a new technology – notably a revolutionary therapy in the treatment of cancer that would render a part of IBA's current product line obsolete – could be developed.

The development and marketing of a new therapy does nevertheless require a relatively long period of time.

PENALTIES AND WARRANTIES

Some contracts may contain warranties or penalties which generally represent only a few percent of the amount of the contract in the case of conventional sales contracts. However these amounts may be significantly higher in public-private partnerships in as much as the penalties must cover the associated financing. Such clauses are applicable only to a limited number of contracts, essentially those relating to proton therapy projects. The possibility that a customer may one day exercise such a warranty or penalty clause cannot be excluded.

EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On March 10, 2016, the Company announced that following a global public tender, it has signed a contract with Tata Memorial Centre to install a proton therapy center in Mumbai, India. IBA will equip the new center with its Proteus®PLUS multi-room configuration including three treatment rooms with Pencil Beam Scanning capability. The equipment and services supplied by IBA will be worth approximately EUR 60 million to IBA. The project is fully financed and includes a long-term operation and maintenance contract. The center will treat its first patient in 2019.

On 23 March 2016 the company announced that the sale of IBA Molecular ("IBAM") to funds advised by CapVest Partners LP ("CapVest"), in which IBA had a 40% stake, was closed successfully. With this transaction, IBA has fully exited its joint venture with SK Capital Partners and retains no interests in IBA Molecular. The closing of this transaction is completed by a payment in cash to IBA of circa EUR 62 million.

GENERAL OUTLOOK FOR 2016

Proton therapy's penetration of the radiation therapy market continues to grow due to increasing clinical relevance, affordability and technological advances. IBA is scaling up production capacity, including investment in a new Proteus®ONE assembly line, a new customer centre, with a combined expected CAPEX of EUR 15 million over the next two years. The Company is also recruiting 400 engineers and qualified staff, worldwide, over the next 12 months.

IBA has a record backlog of EUR 332 million and the sustainable revenue source from service and maintenance contracts now represents EUR 575 million of revenue over the next 10-15 years. In 2016, IBA expects to achieve a revenue growth greater than 20%, and double digit annual growth is anticipated thereafter.

The Company expects its operating margin to be 11% in 2016, increasing to 13%-15% by 2018. Net debt is expected to stay limited in the years to come. Even with the necessary continued investments in technological advances in proton therapy to maintain its leadership in the space, IBA is planning a dividend payout ratio of 30% for the future.

This guidance is based upon the expected continued development of the proton therapy market but also the balance between the economies of scale that IBA can achieve at a higher production rate and the growing importance of service revenue versus the increased demand driven by the equipment price tag reduction in the proton therapy market, and the Company's continued investment in research and development.

CORPORATE GOVERNANCE STATEMENT

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

The Company has adopted the 2009 Belgian Code of Corporate Governance as its reference Code and is in compliance therewith, including composition of the Audit Committee.

CHARACTERISTICS OF INTERNAL CONTROL SYSTEMS AND RISK MANAGEMENT

The principal characteristics of the internal control systems and risk management practices set up by IBA as part of the process of providing financial information are as follows:

CONTROL ENVIRONMENT

After the Group has established its annual objectives, these are transferred to operational divisions, departments and each staff member. The annual evaluation procedure ensures that these objectives are followed.

The organization of the accounting and finance department contributes to this process. The Chief Executive Officer (CEO) and Chief Financial Officer (CFO) jointly agree department objectives and the CFO is then responsible for dividing these between the various levels of hierarchy.

The human resources department, working with Management, has established a library of functions detailing descriptions of the functions required in the organization of IBA Group activities. Individual responsibilities for maintaining accounts and financial information are identified in this process.

The accounting policies applied across the Group are defined in an accounting manual. This manual, which is available on the Company intranet, is followed by Company subsidiaries during their periodic accounting activities. The process of preparing consolidated financial information is supported by a collection of instructions aimed at guiding subsidiaries in the preparation of their local accounts.

RISK MANAGEMENT PROCESS

Financial statements are consolidated on a monthly basis. This procedure enables any new accounting issues to be highlighted quickly.

For this purpose, the finance department works closely with the legal department, as well as with external auditors, in order to ensure adequate adaptation to changes in legislation and the evolution of accounting standards.

These efforts are made in order to meet Company objectives concerning the provision of financial information in full compliance with Company law, deadlines and quality standards.

The control of risks which could affect the procedure of establishing financial information is informal. The identification and evaluation of these risks are undertaken by the Company's management in its daily activities.

Senior management has introduced a range of control and analysis tools in order to identify, evaluate and track financial and operational risks. These include:

- A monthly management dashboard (versus budget, versus previous year);
- A five-year strategic plan and annual budget;
- Treasury forecast tables;
- Project status reports;
- Procedures for establishing technical documents;
- Request forms for investment and recruitment approvals;
- A table of firm and current orders for the Equipment sector;
- The introduction of a signature matrix for all Group commitments to third parties;
- The introduction of double-signature bank authorizations to prevent the handling of accounts by a single individual;
- The nomination of a Chief Compliance Officer responsible for compliance with various

procedures as well as the code of business practice applicable throughout the Group. All employees are required to report any incidents or events likely to represent a risk to the Company to this person.

The responsibilities of each member of staff in the area of risk management are established during the allocation of tasks to be performed for the preparation of the various analysis tools.

The Board of Directors and the Audit Committee fulfill their responsibility for monitoring risk management essentially by reviewing the analysis tools introduced by senior management, such as:

- The monthly management dashboard;
- Monitoring of investments and risk analysis;
- Analysis of research and development achievements and performance;
- Approval of the strategic plan and budgets for the following period;
- Review of the treasury situation;
- Review of the internal audit report.

CONTROL ACTIVITIES

The close control of risks to which the Company is exposed is undertaken by financial controllers and an internal auditor reporting to both the CFO and the Audit Committee. These two functions help to identify new operational or accounting issues, apply suitable accounting procedures and ensure the safeguarding of assets. Through their work they also remain vigilant for any situation that could resemble internal or external fraud. A program of complementary tests and specific actions is conducted if a risk situation is identified.

Controls of procedures for closing of local accounts, approval of payments, invoicing, stock management and other regular activities are organized locally. Procedures for establishing financial statements are controlled by local financial management and the management controller of the division to which the entity belongs. This is a cross structure between staff from operational divisions and financial managers of the legal entities.

Certain operations are centralized on a Group level. Members of senior management are directly involved in the ratification and approval of these operations, thus ensuring control on the completion of accounting and financial information related to:

- Research and development activity;
- Investment and divestment in intangible, tangible and financial assets, based on an approval matrix;
- Long-term contracts and partnership contracts;
- Treasury, financing and financial instruments;
- Supervision of signatory powers and delegation of local authority;
- Capital operations;
- Provisions and commitments.

Control activities are completed by the fact that the procedures for establishing the financial statements of the Group are applicable in all the units within the scope of consolidation. The results of audits conducted by local external auditors are shared directly with the Group's financial department.

INFORMATION AND COMMUNICATION

The availability and relevance of accounting and financial information are assured by the analysis tools described above and by the information technology and data processing environment.

Although the current IT environment is heterogeneous, the computing systems are sufficiently secured by:

- A right-of-access procedure to data and programs;
- An anti-virus protection system;
- A protection system for networking;
- A data safeguard and preservation system;
- Availability and continuity of service measures.

A portal centralizes incidents, requests for information and other requests that staff may have concerning IT services.

The IT department works with consultants based on specific requirements. Work with these service providers is defined by contract. Security measures are tested periodically in order to ensure their effectiveness. The maintenance of the IT systems is an integral part of the IT department's mission.

Accounting and financial information is communicated to Management on a monthly basis in the form of reports from the management controllers and consolidated financial statements. This information is provided directly to division presidents and financial management. The annual accounts, budget, strategic plan and follow-up on investments and treasury are presented to the Audit Committee before being submitted to the Board of Directors. Furthermore, the Board of Directors is regularly informed about the financial state of the Group via monthly management dashboards.

The communication of financial information to the market is managed by the communication, finance and legal departments of the organization. Shareholder concentration in the Belgian market allows this process to be centralized with a limited number of people, with the CFO playing a leading role. A schedule summarizing the periodic requirements for the communication of financial information is available at Group level, with details of the nature and date of each requirement. A procedure stipulates the persons responsible for preparing, approving and communicating this financial information to the market, based on whether the information is restricted or not, and commercial or financial in nature.

MANAGEMENT

Evaluation of the internal control system takes place primarily when the management bodies review the financial statements and analyses prepared by the Finance Department, as well as during the follow-up on the effectiveness of internal control and risk management systems by the Audit Committee.

The analysis tools referred to above are established in line with the accounting principles validated by the Audit Committee and Board of Directors. They are adapted in function of the evolution of the Group's activities and environment as necessary. The pertinence of the information and proper application of accounting principles are reviewed by the Finance Department during the preparation of these accounting principles and by management bodies during their successive reviews.

The CEO and CFO present and comment the financial statements to the Audit Committee and Board of Directors every quarter or more frequently if necessary. The Audit Committee receives a summary of the control reviews conducted internally, underlining weaknesses identified by the internal audit. It also receives any comments made by external auditors on the accounting decisions and evaluation rules used in the preparation of financial statements, as well as their proposed action in relation to internal control.

LEGISLATION GOVERNING TAKEOVER BIDS AND TRANSPARENCY

DISCLOSURES REQUIRED UNDER TRANSPARENCY LEGISLATION

In accordance with the law of May 2, 2007 on the disclosure of significant holdings in issuers whose securities are traded on a regulated market and its implementing royal decree of February 14, 2008, and on the basis of article 34 of the articles of incorporation of IBA SA, IBA SA shareholders are required to report their holdings to the Financial Services and Markets Authority (FSMA) and to IBA SA whenever these holdings reach a threshold of 3%, 5%, or multiples of 5%.

In this framework, IBA SA received the following notifications:

February 12, 2015

On February 12, 2015, IBA received a transparency notification regarding Sopartec SA. During the year 2014, Sopartec SA sold IBA shares with voting rights, so that as from June 12, 2014, Sopartec SA held 403 049 IBA shares with voting rights. As a result, the sum of the affiliated companies Sopartec SA and Catholic University of Louvain (UCL) has been brought below the 3% threshold provided in Article 34 of IBA's Articles of Association.

Situation as at	December 31, 2013	June 12, 2014
Denominator	27 635 439	27 675 955
Entity	Number (%) of shares with voting rights	Number (%) of shares with voting rights
Sopartec SA Place de l'Université 1 1348 Louvain-la-Neuve	529 925 (1.92%)	403 049 (1.446%)
UCL Place de l'Université 1 1348 Louvain-la-Neuve	426 885 (1.94%)	426 885 (1.542%)
Total	**956 810** **(3.46%)**	**829 934** **(2.998%)**

February 27, 2015

On February 27, 2015, IBA received a transparency notification regarding IRE. Further to the capital increase of February 26, 2015 (exercise of stock options), the holding of Institut des Radio-Eléments (IRE) FUP has been passively, due to the dilutive effect, brought below the 5% threshold.

Situation as at	December 31, 2014	February 26, 2015
Denominator	28 393 804	28 653 520
Entity	Number (%) of shares with voting rights	Number (%) of shares with voting rights
IRE FUP Zoning Industriel Avenue de l'Esperance 1 6220 Fleurus	1 423 271 (5.01%)	1 423 271 (4.97%)

April 1, 2015

On April 1, 2015, IBA received a transparency notification regarding Belgian Anchorage SCRL. Belgian Anchorage SCRL sold, since April 24, 2014, 435 000 IBA shares with voting rights (50 000 shares sold on March 26, 2015, 225 000 on March 27, 2015, 75 000 on March 30, 2015 and 85 000 on March 31, 2015). On June 27, 2014, an agreement regarding certification of IBA shares in favour of Belgian Anchorage SCRL and concerning 270 464 shares was terminated.

As a consequence:

i. the sum of the shareholdings of Belgian Anchorage SCRL, IBA Investments SCRL and IBA SA, affiliated companies, has gone on March 27, 2015, below the 25% threshold; and

ii. on March 31, 2015, Belgian Anchorage SCRL only held 6 204 668 IBA shares with voting rights.

The situation as at March 31, 2015 is as follows:

Situation as at	April 24, 2014 (last transparency notification for Belgian Anchorage)		March 31, 2015			
Denominator		27 667 636		28 653 520		Variation
Entity	Shares with voting rights	%	Shares with voting rights	%	Shares with voting rights	%
Belgian Anchorage SCRL	6 910 132	24.98%	6 204 668	21.65%	705 464	3.32%
IBA Investment SCRL	610 852	2.21%	610 852	2.13%	0	0.08%
IBA SA	75 637	0.27%	75 637	0.26%	0	0.01%
Total	**7 596 621**	**27.46%**	**6 891 157**	**24.05%**	**705 464**	**3.41%**

IBA has not received any other transparency notifications in 2015.

LEGAL OR STATUTORY RESTRICTION TO THE EXERCISE OF VOTING RIGHTS

Further to Article 34, 5° of the Royal Decree of November 14, 2007 regarding the obligations of issuers of financial instruments admitted to trading on a regulated market, the management report of the Company exposes any legal or statutory restriction to the exercise of voting rights that may have an influence in case of a takeover bid.

Article 25 of the Company's Articles of Association provide the following limitation:

"*Each share gives the right to one vote.*
However, no shareholder can, with its affiliated companies and persons, vote at a general assembly for more than 35% of the voting rights of the Company. Moreover, insofar other non-affiliated shareholders holding at least 15% of the voting rights of the Company take part in the assembly, no shareholder shall be entitled, together with its affiliated persons, vote for more than 50% less one vote of the votes.
For the application of the previous alineas, is affiliated to a shareholder : (i) any company or person affiliated to it in the meaning of Article 11 of the Belgian Companies Act; (ii) any physical or moral person part of the management of the said shareholder or of a company listed under (i), (iii) any third party acting in its own name but for the account of the said shareholder or of a company listed under (i) or (ii), (iv) any shareholders that provided the said shareholder listed under (i), (ii) or (iii) with a power of attorney to represent them at the said assembly."

STRUCTURE OF THE SHAREHOLDING

To the best of the Company's knowledge, there were no other relationships or special agreements among the shareholders as at December 31, 2015.

Further to the events mentioned under this section "LEGISLATION GOVERNING TAKEOVER BIDS AND TRANSPARENCY", the shareholdings of the shareholders known to IBA have undergone various modifications which can be summarized as follows:

Situation as at		December 31, 2014		December 31, 2015		Variation	
Denominator		**28 393 804**		**29 115 067**			
Entity		**Shares**	**%**	**Shares**	**%**	**Shares**	**%**
Belgian Anchorage SCRL		6 639 668	23.38%	6 204 668	21.30%	-435 000	-2.08%
IBA Investment SCRL		610 852	2.15%	610 852	2.10%	0	-0.05%
IBA SA		75 637	0.27%	63 519	0.22%	-12 118	-0.05%
	Subtotal	*7 326 157*	*25.80%*	*6 879 039*	*23.62%*	*-447 118*	*-2.18%*
UCL		426 885	1.51%	426 885	1.47%	0	-0.04%
Sopartec SA		344 531	1.21%	234 531	0.81%	-110 000	-0.41%
	Subtotal	*771 416*	*2.72%*	*661 416*	*2.28%*	*-110 000*	*-0.45%*
S.R.I.W.		704 491	2.48%	704 491	2.42%	0	-0.06%
S.F.P.I.		86 805	0.31%	69 200	0.24%	-17 605	-0.07%
IRE FUP		1 423 271	5.01%	1 423 271	4.89%	0	-0.12%
	Total	**10 312 140**	**36.32%**	**9 737 417**	**33.45%**	**-574 723**	**-2.87%**
Floating		**18 081 664**	**63.68%**	**19 377 650**	**66.55%**	**1 295 986**	**2.87%**

GOVERNING BODIES AND COMMITTEES

BOARD OF DIRECTORS

The Board of Directors is composed of nine members. The articles of incorporation and Corporate Governance Charter require a balance on the Board of Directors among outside directors, inside directors, and directors representing the shareholders.

The Board of Directors must always be made up of at least one third outside directors and one third directors appointed by the managing directors ("inside directors"). Two of the inside directors are also managing directors.

The Board of Directors meets whenever necessary, but a minimum of four times a year. The major topics of discussion include market situation, strategy (particularly as concerns acquisitions during the period), technological developments, financial developments, and human resources management.

Reports on topics dealt with at Board meetings are sent to the directors first, so that they can exercise their duties with a full knowledge of the facts.

The Board of Directors met 7 times in 2015, under the chairmanship of Mr. Pierre Mottet. Attendance at meetings of the Board was high. A large majority of the directors attended all meetings. Only five absences were recorded for all of the meetings, which represent an absentee rate of approximately 8%. The Company believes that the attendance record of individual directors is not pertinent in the context of this report.

On the proposal of the Nomination Committee, the Ordinary General Meeting of May 13, 2015 (i) approved the renewal of the term of Mr. Jeroen Cammeraat, as independent director and fixed the expiry of its term of office at the 2019 Ordinary General Meeting convened to approve the financial statements for the 2018 financial year, (ii) approved the appointment of Median SCP (incorporated under Spanish law), represented by its manager Sybille van den Hove, as independent director and fixed the expiry of its term of office at the 2016 Ordinary General Meeting convened to approve the financial statements for the 2015 financial year.

On the proposal of the Managing Directors, , the Ordinary General Meeting of May 13, 2015 (i) approved the appointment of Saint-Denis SA, represented by its managing director Mr. Pierre Mottet, as internal director and fixed the expiry of its term of office at the 2019 Ordinary General Meeting convened to approve the financial statements for the 2018 financial year.

Board of Directors as at December 31, 2015:

NAME	AGE	START OF TERM	END OF TERM	DUTIES AT IBA	PRIMARY DUTIES OUTSIDE IBA
Olivier Legrain[1]	47	2012	AGM 2016	Chief Executive Officer / Internal Director / Managing Director/ NC	N/A
Saint-Denis SA (represented by Pierre Mottet)[1]	54	1998	AGM 2019	Internal Director / Chairman of the Board of Directors / CC (president) NC (president)	Director of UWE (Walloon Business Association), Agoria and several funds and start-ups in the field of health and environment
Yves Jongen[1]	68	1991	AGM 2017	Chief Research Officer / Internal Director / Managing Director / NC	Before the establishment of IBA in 1986, Director of the Cyclotron Research Center of the Université Catholique de Louvain (UCL)
Bayrime SA (represented by Eric de Lamotte) [3]	59	2000	AGM 2017	Other Director / AC	Director in several companies. Former CFO of IBA (1991- 2000)
Consultance Marcel Miller SCS (represented by Marcel Miller) [2]	62	2011	AGM 2016	Independent Director / CC NC	President Alstom Belgium / Director Agoria Wallonia / Vice-President UWE / Director Technord
Mary Gospodarowicz [2]	68	2012	AGM 2017	Independent Director	Staff Radiation Oncologist, Radiation Medicine Program, Princess Margaret Cancer Centre, University Health Network, Toronto Medical Director, Princess Margaret Cancer Centre, University Health Network, Toronto Regional Vice-President, Cancer Care Ontario, Toronto President, Immediate Past President and member of the Board of directors, Union for International Cancer Control
Jeroen Cammeraat [3]	50	2014	AGM 2019	Independent Director / CC NC AC	CEO i-Optics BV CEO Cassini BV
Katleen Vandeweyer Comm. V. (represented by K Vandeweyer) [2]	46	2013	AGM 2018	Independent Director / AC (president)	CFO of Worldline SA/NV Indpendent director at BPost Bank
Median SCP (represented by Sybille van den Hove) [2]	51	2015	AGM 2016	Independent Director	Visiting professor – Barcelona Autonomous University

CC : Compensation Committee - NC : Nomination Committee - AC : Audit Committee
(1) In accordance with the meaning ascribed by the corporate charter to the term "Internal director", namely an internal director is a director appointed on the proposal of the managing directors.
(2) Submitted to the General Meeting as candidate independent directors on their election, without excluding the fact that other directors also fulfill the independence criteria. None of the independent directors ceased during the financial year to fulfill the independence criteria set out in the corporate charter.
(3) An other director is a director who is neither an internal director nor an independent director

COMPENSATION COMMITTEE

The Compensation Committee met 4 times in 2015. A report on each of its meetings was submitted to the Board.

Topics of discussion included issues relating to the 2014 bonuses, directors' compensation, and compensation schemes in general.

No absence was recorded for all of the meetings held.

At December 31, 2015, the Compensation Committee was comprised of Saint-Denis SA represented by its managing director, Mr. Pierre Mottet, of Consultance Marcel Miller SCS represented by its manager, Mr. Marcel Miller, and of Mr. Jeroen Cammeraat. The 2 latter members being independent, the Compensation Committee is thus comprised of a majority of independent directors. It is chaired by Mr. Pierre Mottet. Mr. Olivier Legrain is invited to attend, except where the Committee is called on to decide on the compensation policy or other matters relating to the managing directors.

NOMINATION COMMITTEE

The Nomination Committee met 4 times in 2015 for the purpose of assessing the areas of expertise needed by the Board of Directors to fill expiring directorship positions and of making proposals in this regard to the Board of Directors.

Based on its report, the Board proposed to the Ordinary General Meeting of May 13, 2015 (i) to approve the renewal of the term of Mr. Jeroen Cammeraat, as independent director and fixed the expiry of its term of office at the 2019 Ordinary General Meeting convened to approve the financial statements for the 2018 financial year, (ii) to approve the appointment of Median SCP (incorporated under Spanish law), represented by its manager Sybille van den Hove, as independent director and fixed the expiry of its term of office at the 2016 Ordinary General Meeting convened to approve the financial statements for the 2015 financial year

No absence was recorded for all of the meetings held.

The Nomination Committee has five members, including the Chairman of the Board of Directors and a minimum of two outside directors.

At December 31, 2015, the Nomination Committee was comprised of Saint-Denis SA represented by its managing director, Mr. Pierre Mottet, of Consultance Marcel Miller SCS represented by its manager, Mr. Marcel Miller, and of Mr Jeroen Cammeraat, Mr. Olivier Legrain and Mr. Yves Jongen. It is chaired by Mr. Pierre Mottet.

AUDIT COMMITTEE

The Audit Committee met 4 times in 2015, including 3 times in the presence of the external auditors, and also, in principle, of the internal auditor, and on each occasion reported on its meetings to the Board of Directors. The main topics addressed were the 2014 annual results and analysis of the external auditors' Management Letter, analysis of the half-year results, monitoring of the implementation of International Financial Reporting Standards (IFRS), examination of the 2016 budget and follow-up of the internal audit and risk management.

The Company keeps close control of the risks to which it is subject through its financial controllers employed in each of the divisions. This enables the risks to be managed closely. The risks identified are transmitted up to the Management Team which reports to the Audit Committee and develops an appropriate solution, in conjunction with the Audit Committee and the insurance manager.

Four absences were recorded for all of the meetings held.

At December 31, 2015, the Audit Committee was comprised of three members: Bayrime SA, represented by its managing director Mr. Eric de Lamotte, Mr Jeroen Cammeraat, and Katleen Vandeweyer Comm. V. represented by its manager Mrs. Katleen Vandeweyer. It is chaired by Mrs. Katleen Vandeweyer.

INFORMATION REGARDING THE POWERS OF THE MANAGEMENT BODY

In accordance with the decision of the special shareholders' meeting of June 12, 2013, the Board of Directors is authorized to increase the capital one or more times up to a maximum of twenty-five million euros (25 000 000).

Authorization to issue convertible bonds or subscription rights

The special shareholders' meeting of June 12, 2013 authorized the Board of Directors to issue convertible bond or subscription rights for a period of five years. At the time of any share, convertible bond, or subscription rights issue, the Board of Directors may limit or eliminate the preemptive right of the shareholders, including in favor of one or more specific shareholders, in accordance with terms to be determined by the Board and subject to compliance with the provisions of Article 598 of the Code of Company Law, if applicable.

Authorization to increase the capital up to the amount of the authorized capital during a takeover bid period

The special shareholders' meeting of June 12, 2013 gave the Board of Directors three-year authority to increase the Company's capital during takeover bid periods involving the Company's stock, through either contributions in kind or cash injections, with the possibility of limiting or eliminating the preemptive voting rights of existing shareholders, provided that the total increase, including share premiums, did not exceed the authorized capital.

Authorization to buy back shares in order to prevent serious and imminent harm

The special shareholders' meeting of June 12, 2013 renewed for a period of 3 years the Board of Director's authorization under article 9 of the Company's articles of incorporation to buy and sell the Company's own shares for the purpose of preventing serious and imminent harm to the Company.

DAY-TO-DAY AND STRATEGIC MANAGEMENT

The day-to-day management of the Company and the authority to act for such management is delegated to two managing directors, Olivier Legrain, Chief Executive Officer, and Yves Jongen, Chief Research Officer.

The Chief Executive Officer is specifically responsible for implementing strategy and for day-to-day management and is assisted by a Management Team consisting of certain members of the corporate team and of the president of IBA Dosimetry GmbH. Together,they constitute the Group's Management Team.

The Chief Executive Officer, accompanied by the Chief Financial Officer, makes regular reports to the Board of Directors.

The Board of Directors has also asked Management Team members or division heads to report to the Board on two topics: adoption of the strategic plan and adoption of the 2016 budget.

Management Team as at December 31, 2015:

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

MANAGEMENT TEAM MEMBER

CODE OF CONDUCT

CODE OF ETHICS CONDUCT

The Company is committed to the honest, ethical, and honorable conduct of its business. It believes that ethical management is the lynchpin of its continued growth and success will enable it to maintain its good reputation and achieve its strategic mission of protecting, enhancing, and saving lives. For this reason, it has worked to create a code of ethics conduct.

This code defines the fundamental principles of ethical business conduct and provides guidance for the Group's employees and co-contracting parties on such matters as business partnerships, conflicts of interest, and confidentiality. All employees have read and approved this code.

CODE OF CONDUCT TO COMBAT INSIDER TRADING AND MARKET ABUSE

The Company has updated the code of conduct to combat insider trading and market abuse. All employees have received a copy of this code. Furthermore, executives have signed the Code for acknowledgement and consent.

Details of transactions by executives involving the Company's shares are available in the remuneration report.

DIVERSITY WITHIN THE BOARD OF DIRECTORS

The Corporate Governance Charter, published on the Group's website, defines the core competencies the Board of Directors requires to be effective. Members are nominated based on the Board's needs in terms of knowledge, experience and competence at that time, also respecting the balance between outside, inside and other directors laid down in the articles of association, the law, and the 2009 Corporate Governance Code.

The Board and the Nomination Committee fully acknowledge the benefits of diversity within the Board of Directors.

Over the years 2012 to 2015 efforts have been made, both with a direct and immediate impact, and with a view to achieve and maintain in a structured and sustainable way, the quotas that will soon become mandatory, even though it is obvious that IBA's activities do not render the selection of women easy.

As such, the Nomination Committee has recommended and the Board has approved the appointments, as Outside Directors, of Ms. Mary Gospodarowicz, Ms. Katleen Vandeweyer, and Ms. Sybille van den Hove during the years 2012 to 2015. IBA thus already complies with the future legal requirements.

REMUNERATION REPORT

REMUNERATION POLICY

Procedure

In accordance with IBA's Corporate Governance Charter, published on the group website, the Board of Directors determines the remuneration policy and amounts paid to non-managing directors, based on recommendations made by the Compensation Committee. It is reviewed regularly in the light of market practice.

By delegation of authority from the Board of Directors, direct or indirect remuneration paid to the managing directors is determined by the Compensation Committee in accordance with the remuneration policy defined in line with principles approved by the Board. The Committee ensures that remuneration is in line with market practice, as determined by studies performed by specialized firms. The Compensation Committee monitors and reviews the remuneration policy for management staff, adopted by the Chief Executive Officer.

For the purpose of the above and in general, the Board of Directors, the Compensation Committee and individual directors have the authority and duty, subject to the rules defined in the Corporate Governance Charter, to assign themselves sufficient resources, including the assistance of external consultants, if and when appropriate.

Policy

Directors

As described in the 2015 Annual Report, the policy has changed as of January 1, 2015, following a review of the level of remuneration. A full description of the policy is included in annex 1 to this remuneration report. It is not anticipated that the policy will fundamentally change over the next two years. Both the level and structure of director remuneration continue to be monitored and reviewed on an annual basis, which may result in an adjustment when deemed necessary or appropriate.

Managing Directors and Other Management Team Members

The remuneration policy for managing directors and other Management Team members has not substantially changed during 2015. The overall philosophy remains focused on IBA's ability to attract, retain and engage the executive talent it requires to deliver on its promises. A description of the policy is included in annex 2 to this remuneration report.

For managing directors and other Management Team members, total remuneration generally consists of fixed remuneration, variable remuneration, long-term incentives, retirement plan contributions and other components.

Each individual member does not necessarily benefit from each remuneration component: this is primarily dependent upon the position they hold, the nature and structure of the individual agreement and the practices in the different locations where each member is based. As a result, the weight of the different remuneration components, as part of total remuneration differs on an individual basis. In general terms, the weight of each component of remuneration accounts for a part of total remuneration that may be summarized as follows:

REMUNERATION COMPONENT	PART OF TOTAL REMUNERATION (WHEN OFFERED)
Annual fixed remuneration	Between 39% and 58%
Annual variable remuneration (at target)	Between 14% and 36%
Annualized value of long-term incentives*	Between 13% and 25%
Annual value of retirement plan contributions	Up to 7%
Annual value of other components	Up to 7%

It is not anticipated that, the remuneration policy will fundamentally change over the next two years. IBA continuously assesses the appropriateness of its remuneration programs in view of evolving needs and insights, both externally and internally, which may result in an adjustment when deemed necessary or appropriate.

**Under the newly adopted long-term incentive plan, the annualized value of long-term incentives granted represented here corresponds to the sum of 25% of the target cash-based incentive granted in 2014 (i.e., the target payout over the four-year performance period prorated to one year) and 22.22% of the economic value of the warrants granted under the 2014 Warrant Plan (i.e., the economic value over the 4.5 years vesting period prorated to one year). The value has not been discounted to account for full vesting at the end of the respective performance or vesting periods, or considering any assessment of vesting or payout probability. More details on the plan design are included in annex 2 to this remuneration report.*

REMUNERATION OF THE BOARD OF DIRECTORS

The schedule below outlines the total remuneration received by each director related to their membership of the Board of Directors.

BOARD MEMBER	TOTAL FEES (EUR)	LUMP-SUM FEE (EUR)		MEETING RELATED FEES* (EUR)
Olivier Legrain (internal director, Managing Director, CEO)	None	None	BM	None
			AC	N/A
			NC	None
			CC	N/A
			MAC	N/A
			PC	None
Yves Jongen (internal director, Managing Director, Chief Research Officer)	None	None	BM	None
			AC	N/A
			NC	None
			CC	N/A
			MAC	N/A
			PC	None
Saint-Denis SA, represented by Pierre Mottet (internal director, Chairman of the Board, President of the Nomination Committee, President of the Compensation Committee)	54 000	12 000	BM	24 000
			AC	N/A
			NC	6 000
			CC	6 000
			MAC	N/A
			PC	6 000
Mary Gospodarowicz (independent director)	17 200	6 000	BM	11 200
			AC	N/A
			NC	N/A
			CC	N/A
			MAC	N/A
			PC	N/A
SCS Consultance Marcel Miller, represented by Marcel Miller (independent director)	26 800	6 000	BM	11 200
			AC	N/A
			NC	3 200
			CC	3 200
			MAC	N/A
			PC	3 200
Windi SPRL, represented by Yves Windelincx (independent director, President of the Audit Committee, until May 13, 2015)	12 470	3 270	BM	3 200
			AC	4 400
			NC	800
			CC	800
			MAC	N/A
			PC	N/A
Bayrime SA, represented by Eric de Lamotte (other director)	25 200	6 000	BM	12 800
			AC	6 400
			NC	N/A
			CC	N/A
			MAC	N/A
			PC	N/A
Jeroen Cammeraat (independent director)	33 200	6 000	BM	16 000
			AC	3 200
			NC	2 400
			CC	2 400
			MAC	N/A
			PC	3 200
Katleen Vandeweyer Comm.V., represented by Katleen Vandeweyer (independent director, President of the Audit Committee as of May 13, 2015)	27 900	7 500	BM	12 800
			AC	7 600
			NC	N/A
			CC	N/A
			MAC	N/A
			PC	N/A
Median SCP, represented by Sybille van den Hove (independent director, as of May 13, 2015)	27 803	3 803	BM	20 800
			AC	N/A
			NC	N/A
			CC	N/A
			MAC	N/A
			PC	3 200

In 2015, the Group has also employed the services of Saint-Denis SA for specific activities not related to its directorship. The fees corresponding to these services amounted to EUR 166 780.

** BM – Board meeting; AC – Audit Committee meeting; NC – Nomination Committee meeting; CC - Compensation Committee meeting; MAC – Mergers & Acquisitions Committee meeting; PC – Product Committee meeting. N/A indicates that the director is not a member of the Committee or that no Committee meeting has taken place.*

REMUNERATION OF THE CHIEF EXECUTIVE OFFICER

In 2015, the total remuneration directly or indirectly received by the CEO, Mr. Olivier Legrain, or by companies he controls was as follows. Fixed remuneration amounted to EUR 325 200. Variable remuneration, in cash, amounted to EUR 450 000, in relation to performance during fiscal year 2014, reflecting, in line with the remuneration policy in annex 2 to this remuneration report, overachievement both in terms of collective performance at Group level and in terms of individual performance. Variable remuneration in relation to fiscal year 2015 will be paid in 2016 and is not yet known at the time of finalization of this report.

The total cash remuneration amounted to EUR 775 200. All payments referred as made directly or indirectly to the CEO in this report are the aggregate of payments made to Mr Legrain and to Lamaris Group SPRL, a company controlled by Mr Legrain, which provides services to the Group. The Chief Executive Officer has not directly or indirectly received any other form of remuneration in 2015, except through his participation in the long-term incentive plan as described below.

REMUNERATION OF THE MANAGEMENT TEAM

Total cash remuneration, including fixed remuneration and variable remuneration (as defined in the remuneration policy in annex 2 to this remuneration report), directly or indirectly received, under any agreement or in any form, by Management Team members excluding the Chief Executive Officer amounted to EUR 1 476 449 in 2015. This amount includes fixed remuneration for a total amount of EUR 942 935 and variable remuneration for a total amount of EUR 448 413. Variable remuneration relates to performance in fiscal year 2014 and, on average, reflects, in line with the remuneration policy, overachievement in terms of collective performance and on-target individual performance. Variable remuneration in relation to fiscal year 2015 is paid in 2016 and is not yet known at the time of finalization of this report.

Other remuneration of members of the Management Team excluding the Chief Executive Officer, received in 2015, includes i) contributions to retirement plans for a total amount of EUR 34 496, ii) other remuneration components for a total amount of EUR 50 605. Retirement plans are defined contribution type of plans. Other remuneration components mainly include participation in personal risk insurance programs, company cars, meal vouchers, all in line with local practice where the Management Team members are based.

Group Management Team Members besides CEO

Besides the CEO, the Group Management Team is comprised of the following members:

MANAGEMENT TEAM MEMBER	POSITION	CHANGES IN 2015
Yves Jongen (Managing Director and representative of Research Management Systems SA)	Chief Research Officer	None
Jean-Marc Bothy	Chief Financial Officer	None
Frédéric Nolf	Chief Human Resources Officer	None
Rob Plompen	President, IBA Dosimetry	None

LONG-TERM INCENTIVES OF THE MANAGEMENT TEAM

The managing directors, including the Chief Executive Officer, and the other members of the Management Team do not receive shares as part of their remuneration. They participate in IBA's new long-term incentive plan, implemented in the course of 2014, following the discontinuation of the plan previously applicable.

For managing directors, including the Chief Executive Officer, and the other members of the Management Team, the plan directly or indirectly combines a cash-based incentive and a grant of warrants under IBA's 2014 Warrant Plan, following the terms and conditions outlined in annex 2 to this remuneration report.

In 2015, no additional long-term incentives – either in the form of a cash-based incentive or in the form of warrants – have been granted to the managing directors, including the Chief Executive Officer, and the other members of the Management Team.

The schedule below details, on an individual basis, the stock options exercised and expired in 2015:

MANAGEMENT TEAM MEMBER	WARRANTS EXERCISED IN 2015			WARRANTS EXPIRED IN 2015	
	WARRANTS (NUMBER)	EXERCISE PRICE (EUR)	GRANT DATE (YEAR)	WARRANTS (NUMBER)	GRANT DATE (YEAR)
Olivier Legrain (Managing director and CEO)	17 391 24 000	8.26 5.03	2009 2011	None	N/A
Yves Jongen (Managing director)	25 907	7.80	2010	None	N/A
Jean-Marc Bothy	2 600 8 278 10 000	8.26 7.80 5.03	2009 2010 2011	None	N/A
Frédéric Nolf	4 360 4 129 8 752	8.26 7.80 5.03	2009 2010 2011	None	N/A
Rob Plompen	1 829 2 629 14 830	8.26 7.80 5.03	2009 2010 2011	None	N/A

TERMINATION ARRANGEMENTS WITH THE MANAGEMENT TEAM

The schedule below summarizes the main contractual arrangements, concerning each member of the Management Team, including the Chief Executive Officer, or companies they control, in relation to termination at the initiative of the Company.

MANAGEMENT TEAM MEMBER	TERMINATION ARRANGEMENT
Lamaris Group SPRL, represented by Olivier Legrain	The agreement, started in 2011, provides six months' notice or equivalent compensation.
Research Management Systems SA, represented by Yves Jongen	The agreement, started before 2009 and amended in 2012, provides twelve months' notice or equivalent compensation.
Jean-Marc Bothy	The agreement, started before 2009, provides three months' notice per initiated period of five years' service, or equivalent compensation. For service accrued as of January 1, 2014, this clause will be subordinate to the application of the new legislation in effect as from that date. The agreement also contains a non-competition obligation for nine months against 50% of remuneration over the same period, unless it is waived.
Frédéric Nolf	The agreement, started before 2009, provides three months' notice per initiated period of five years' service, or equivalent compensation. For service accrued as of January 1, 2014, this clause will be subordinate to the application of the new legislation in effect as from that date. The agreement also contains a non-competition obligation for nine months against 50% of remuneration over the same period, unless it is waived.
Rob Plompen	The agreement, started before 2009, provides twelve months' notice or equivalent compensation.

ANNEX 1 – REMUNERATION POLICY FOR DIRECTORS

In 2015, IBA directors have been remunerated by an annual lump-sum fee of EUR 6 000, except the Chairman of the Board, who has received an annual lump-sum fee of EUR 12 000, and the Chairman of the Audit Committee, who has received an annual lump-sum fee of EUR 9 000.

As of January 1, 2015, the annual lump-sum fee is supplemented with a fixed fee of EUR 1 600 per Board or committee meeting the director has been invited to and which he has attended. The Chairman of the Board receives EUR 3 000 per meeting attended. The Chairman of the Audit Committee receives EUR 2 200 per Audit Committee meeting attended and EUR 1 600 per other meeting attended. The fixed fees are on a half-day basis and adjusted per half day if required.

Non-managing directors have not received any form of variable remuneration – related to individual or collective performance, or otherwise – and no other form of fixed, equity-based or in-kind remuneration in the course of 2015.

Managing directors do not receive specific director remuneration. The remuneration they receive for their direct or indirect role in the company includes compensation for their director responsibilities.

At present, it is not anticipated that the policy will fundamentally change over the next two years. Both the level and structure of director remuneration are monitored and reviewed on an annual basis, which may result in an adjustment when deemed necessary or appropriate.

ANNEX 2 – REMUNERATION POLICY FOR MANAGING DIRECTORS AND OTHER MANAGEMENT TEAM MEMBERS

The key purpose of IBA's remuneration philosophy is to ensure the Company is able to attract, retain and engage the executive talent it requires to deliver on its promises towards its various stakeholders – including its clients and patients, its shareholders, its employees, society in general and the earth –, whilst aligning to their respective interests.

The structure and levels of remuneration, in general, must be effective in meeting these objectives. In particular, remuneration programs and decisions at all times meet the following criteria:

- They appropriately balance external competitiveness with other organizations and internal equity, considering both the content of the position, and the personal competencies and effectiveness of the manager within IBA;
- They are affordable, sustainable and cost efficient, avoiding excesses;
- They reward performance – both individual and collective – aligned to the business strategy, considering short-term results and long-term focus, and supported by a robust performance management system;
- They provide transparency and predictability, whilst offering sufficient flexibility to swiftly respond to changing business needs, if and when required.

The remuneration structure at IBA contains both monetary and non-monetary components. The monetary components consist of annual fixed remuneration, annual variable remuneration, long-term incentives and, where appropriate, other components – such as benefit programs and benefits in kind.

External competitiveness currently is assessed by reference to a general cross-section of companies active in the markets where the executives are based. At present, IBA aims to position executive remuneration, in case of solid performance, at or around the median of the market reference.

At present, it is not anticipated that, in the next two years, the policy will fundamentally change. IBA does, however, continuously assess the appropriateness of its remuneration programs in view of evolving needs and insights, both externally and internally, which may result in an adjustment when deemed necessary or appropriate.

Annual Fixed Remuneration

Annual fixed remuneration is a cash component of remuneration, defined in accordance with an individual's position, as well as his or her competencies and experience in the position. It is reviewed every year and not automatically increased, except where mandatory.

Annual Variable Remuneration

The annual variable remuneration program rewards performance against specified objectives, defined and formalized at the beginning of the performance period. Payout levels currently are targeted at between 25% and 100% of direct or indirect annual fixed remuneration, depending on the position. Actual payout levels are, for 50%, subject to collective performance at Group level (or, for the President IBA Dosimetry only, at business unit level), and, for 50%, subject to individual performance.

At Group and business unit levels, collective performance is currently measured based on profit before tax and order intake targets, geared towards achieving the fiscal year 2015 guidance provided to the market, including a 15% to 20% top line revenue growth and a REBIT margin of 10% for the year.

At the individual level, quantitative and qualitative objectives are focused on delivering the business strategy and reflect specific strategic challenges at Group or business unit level, including the execution of the clinical and technology roadmaps, as well as organizational, cultural and talent management objectives in view of the Group's growth. At the end of the performance period, for each measure, actual levels of achievement are positioned against the predefined targets and are consolidated, resulting in an overall percentage of performance that is applied to the target payout levels. The maximum payout is set at 150% of target in case of exceptional collective and individual performance, whilst performance below expectations results in a zero payout.

The performance period is the fiscal year. In accordance with the articles of association the Compensation Committee has decided not to include performance targets over a period exceeding one year.

Managing directors and other Management Team members do not participate in IBA's global performance-based profit sharing plan.

The managing directors are not present at the Board and Compensation Committee meetings where their performance and variable payout levels are discussed and decided.

Agreements with the managing directors and members of the Management Team currently do not contain claw-back provisions in relation to variable payments that would be made on the basis of erroneous financial information. To the extent possible, the Company will use all legal possibilities available to recover any remuneration that would have been unduly paid as a result of erroneous or fraudulent financial information.

Long-Term Incentives

In 2014, the Company has put in place a new long-term incentive plan, aimed at supporting its multi-year profitability targets, the alignment of plan participants with shareholder interests and longer-term shareholder value creation, as well as creating a suitable retention effect. The plan is two-tiered, directly or indirectly combining a cash-based incentive with a grant of warrants.

The cash-based incentive has been implemented in 2014 and is linked to actual cumulative profit before tax over the period 2014 – 2017 compared to a predefined target aligned to the Group strategic plan and the guidance provided to the market in this respect. Vesting occurs in full at the end of 2017, subject to each participant's continued service up to that date and subject to a threshold backlog requirement being met on the same date. The target payout is equal to 100% of annual fixed remuneration directly or indirectly received, except for the Chief Executive Officer, for whom it is 200%. The maximum payout upon superior performance is set at 200% of the target payout. Poor performance results in a zero payout. Satisfactory individual performance, for each calendar year included in the performance period, operates as an additional threshold under the plan, reducing the actual payout by 25% for each year that the individual performance is below expectations. Individual overachievement does not result in an increased payout under the plan. No new cash-based incentive has been implemented in 2015.

A grant of warrants has been made in 2014 under IBA's 2014 Warrant plan. The number of warrants amounted to 50.000 for the Chief Executive Officer and 10.000 for the other Management Team members, all at an exercise price equal to the fair market value of the share at grant, i.e., EUR 11.52. Vesting occurs in full on December 31, 2018, subject to each participant's continued service up to that date, without further performance conditions. The warrants expire 10 years following grant. No new grant of warrants has been made in 2015.

Retirement Plan

Depending on the terms and conditions of their agreement and the programs in place where the individual is based, managing directors and members of the Management Team may participate in a retirement plan. These plans follow market practice in the countries where they apply. They are generally defined contribution type of plans or plans where there is no funding risk for the Company.

Other Components

Similar as for retirement contributions, managing directors and members of the Management Team may be entitled to other remuneration components as per their agreement and the programs in place in their respective country. These mainly include participation in IBA's insurance programs (often covering life insurance, disability, travel insurance and medical care), company cars or car allowances, and other elements like meal vouchers or meal subsidies. All components follow local market practice in each of the countries where IBA operates.

IFRS CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

INTRODUCTION

Ion Beam Applications SA (the "Company" or the "Parent"), founded in 1986, and its subsidiaries (together, the "Group" or "IBA") are committed to technological progress in the field of cancer diagnosis and therapy and deliver efficient, dependable solutions providing unequaled precision. IBA also offers innovative solutions for everyday hygiene and safety.

The Company is a limited company incorporated and domiciled in Belgium. The address of its registered office is Chemin du Cyclotron, 3; B-1348 Louvain-la-Neuve, Belgium.

The Company is listed on the pan-European Euronext stock exchange (B-compartment) and is included in the BEL Mid Index.

Consequently, IBA has agreed to follow certain rules to enhance the quality of financial information provided to the market. These rules include:

- Publication of its annual report, including its audited annual consolidated financial statements within four months from the end of the financial year;
- Publication of a half-year report covering the first six months of the financial year within two months from the end of the second quarter;
- Publication of half-yearly and annual consolidated financial statements prepared in accordance with IFRS;
- Audit of its annual consolidated financial statements by its auditors in accordance with the auditing standards of the International Federation of Accountants (IFAC).

These consolidated financial statements were approved for release by the Board of Directors on March 21, 2016.

STATEMENT OF CONSOLIDATED FINANCIAL POSITION AT DECEMBER 31, 2015

The Group has chosen to present its balance sheet on a current/non-current basis.
The notes on pages 81 to 145 are an integral part of these consolidated financial statements.

	Note	December 31, 2014 (EUR 000)	December 31, 2015 (EUR 000)
ASSETS			
Goodwill	8	3 821	3 821
Other intangible assets	8	9 178	8 629
Property, plant and equipment	9	8 663	9 327
Investments accounted for using the equity method	11	37 072	1 888
Other investments	11	407	7 116
Deferred tax assets	12	23 018	23 221
Long-term financial assets	22	1	779
Other long-term assets	13	20 539	16 691
Non-current assets		**102 699**	**71 472**
Inventories and contracts in progress	14	91 731	99 959
Trade receivables	15	54 799	59 938
Other receivables	15	20 270	81 846
Short-term financial assets	22	381	422
Cash and cash equivalents	16	37 176	81 715
Assets held for sale	6	0	0
Current assets		**204 357**	**323 880**
TOTAL ASSETS		**307 056**	**395 352**
EQUITY AND LIABILITIES			
Capital stock	17	39 852	40 864
Capital surplus	17	32 431	37 329
Treasury shares	17	-8 612	-8 502
Reserves	18	20 786	11 675
Currency translation difference	18	-3 725	-1 993
Retained earnings	18	26 794	84 259
Reserves for assets held for sale	6	0	0
Capital and reserves		**107 526**	**163 632**
Non-controlling interests		**0**	**0**
EQUITY		**107 526**	**163 632**
Long-term borrowings	19	26 679	15 220
Long-term financial liabilities	22	882	879
Deferred tax liabilities	12	854	697
Long-term provisions	20	9 607	5 896
Other long-term liabilities	21	3 066	3 162
Non-current liabilities		**41 088**	**25 854**
Short-term provisions	20	7 160	7 007
Short-term borrowings	19	5 196	16 454
Short-term financial liabilities	22	1 759	2 110
Trade payables	23	36 145	44 887
Current income tax liabilities		186	75
Other payables	24	107 996	135 333
Liabilities directly related to assets held for sale	6	0	0
Current liabilities		**158 442**	**205 866**
TOTAL LIABILITIES		**199 530**	**231 720**
TOTAL EQUITY AND LIABILITIES		**307 056**	**395 352**

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2015

The Group has chosen to present its income statement using the “function of expenses” method.

	Note	December 31, 2014 (EUR 000)	December 31, 2015 (EUR 000)
Sales		157 909	195 091
Services		62 668	75 266
Cost of sales and services (-)		-124 481	-156 702
Gross profit		**96 096**	**113 655**
Selling and marketing expenses		20 111	24 528
General and administrative expenses		30 140	32 827
Research and development expenses		22 912	26 747
Other operating expenses	25	1 973	12 886
Other operating (income)	25	-1 263	-45 420
Financial expenses	26	5 318	7 807
Financial (income)	26	-7 141	-11 034
Share of (profit)/loss of companies consolidated using the equity method	11	6 873	122
Profit/(loss) before taxes		**17 173**	**65 192**
Tax (income)/expenses	27	-3 413	3 930
Profit/(loss) for the period from continuing operations		**20 586**	**61 262**
Profit/(loss) for the period from discontinued operations	6	3 708	-73
Profit/(loss) for the period		**24 294**	**61 189**
Attributable to :			
Equity holders of the parent		24 294	61 189
Non-controlling interests		0	0
		24 294	**61 189**
Earnings per share from continuing operations and discontinued operations (EUR per share)			
- Basic	35	0.889	2.172
- Diluted	35	0.856	2.094
Earnings per share from continuing (EUR per share)			
- Basic	35	0.753	2.175
- Diluted	35	0.725	2.097
Earnings per share from discontinued operations (EUR per share)			
- Basic	35	0.136	-0.003
- Diluted	35	0.131	-0.003

Note: The above consolidated income statement recognizes the transactions between discontinued operations and continuing operations as third-party transactions.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2015

	December 31, 2014 (EUR 000)	December 31, 2015 (EUR 000)
Profit/(loss) for the period	**24 294**	**61 189**
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
- Exchange differences on translation of foreign operations	1 539	1 323
Exchange differences on translation of foreign operations	*1 548*	*997*
Reclassification adjustment of CTA following IAS 21.48	*-9*	*326*
- Reserves movements of investments accounted for using the equity method	1 886	557
Currency translation difference	*-200*	*557*
Cash flow hedges	*108*	*0*
Other (1)	*1 978*	*0*
- Exchange difference related to permanent financing	-348	-148
- Net (loss)/gain on available for sale financial assets	34	0
- Net movement on cash flow hedges	-1 827	-345
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	**1 284**	**1 387**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods :		
- Movement on reserves for assets held for sale	0	0
- Reserves movements of investments accounted for using the equity method (actuarial gain/(loss))	1 524	0
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	**1 524**	**0**
Total other comprehensive income for the year	**27 102**	**62 576**

(1) Those amounts consist primarily of the revaluation of assets available for sale pledged as collateral for decommissioning liabilities of Rose Holding SARL

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

EUR 000	Attributable to equity holders of the parent											TOTAL
	Capital stock	Capital surplus	Treasury shares	Hedging reserves	Other reserves – value of stock option plans and share-based compensation	Other reserves – reserves movements of investment accounted for using the equity method	Other reserves - Other	"Reverse convertible bond" S.R.I.W.	Currency translation difference	Retained earnings	Reserves for assets held for sale	Shareholders' equity and reserves
Balance at 01/01/14	**38 787**	**25 651**	**-8 612**	**-1 064**	**13 537**	**725**	**141**	**0**	**-4 716**	**2 789**	**0**	**67 238**
Net profit/(loss) recognized directly in equity	**0**	**0**	**0**	**-1 827**	**0**	**3 610**	**34**	**0**	**982**	**0**	**0**	**2 799**
Profit/(loss) for the period excluding IAS 21.48 impact	0	0	0	0	0	0	0	0	0	24 303	0	24 303
Profit/(loss) IAS 21.48 impact	0	0	0	0	0	0	0	0	9	-9	0	0
Comprehensive income for the period	**0**	**0**	**0**	**-1 827**	**0**	**3 610**	**34**	**0**	**991**	**24 294**	**0**	**27 102**
Dividends	0	0	0	0	0	0	0	0	0	-129	0	-129
Employee stock options and share-based payments	0	0	0	0	630	0	0	0	0	0	0	630
Increase/ (decrease) in capital stock/ capital surplus	1 065	6 780	0	0	0	0	0	0	0	0	0	7 845
Other changes	0	0	0	0	0	0	0	5 000	0	-160	0	4 840
Balance at 31/12/14	**39 852**	**32 431**	**-8 612**	**-2 891**	**14 167**	**4 335**	**175**	**5 000**	**-3 725**	**26 794**	**0**	**107 526**
Balance at 01/01/15	**39 852**	**32 431**	**-8 612**	**-2 891**	**14 167**	**4 335**	**175**	**5 000**	**-3 725**	**26 794**	**0**	**107 526**
Net profit/(loss) recognized directly in equity	**0**	**0**	**0**	**-345**	**0**	**0**	**0**	**0**	**2 058**	**0**	**0**	**1 713**
Profit/(loss) for the period excluding IAS 21.48 impact	0	0	0	0	0	0	0	0	0	60 863	0	60 863
Profit/(loss) IAS 21.48 impact	0	0	0	0	0	0	0	0	-326	326	0	0
Comprehensive income for the period	**0**	**0**	**0**	**-345**	**0**	**0**	**0**	**0**	**1 732**	**61 189**	**0**	**62 576**
Dividends	0	0	0	0	0	0	0	0	0	-5 216	0	-5 216
Employee stock options and share-based payments	0	0	0	0	569	0	0	0	0	0	0	569
(Acquisitions)/sales of treasury shares	0	0	110	0	0	0	0	0	0	120	0	230
Increase/ (decrease) in capital stock/ capital surplus	1 012	4 898	0	0	0	0	0	0	0	0	0	5 910
Other changes	0	0	0	0	0	-4 335	0	-5 000	0	1 372	0	-7 963
Balance at 31/12/15	**40 864**	**37 329**	**-8 502**	**-3 236**	**14 736**	**0**	**175**	**0**	**-1 993**	**84 259**	**0**	**163 632**

In 2014 the Group's equity was strengthened through a new financing arrangement with the S.R.I.W. A "reverse convertible bond" was put in place allowing the Group to ask the conversion of this bond into ordinary shares at any time before December 31, 2015. In 2014 the initial costs related to the "reverse convertible bond" were presented in other changes of retained earnings. As at December, 31 2015, the conversion has not taken place therefore the "reverse convertible bond" has been reclassified as bank and other borrowings.

As at December 31, 2105, other changes in retained earnings consist of the reclassification from other reserve of the other comprehensive income not to be reclassified to profit or loss in subsequent periods relating to actuarial gain on employee benefit provisions of Rose Holding SARL.

CONSOLIDATED CASH FLOW STATEMENT

The Group has chosen to present the cash flow statement using the indirect method.

	Note	December 31, 2014 (EUR 000)	December 31, 2015 (EUR 000)
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit/(loss) for the period		**24 294**	**61 189**
Adjustments for :			
Depreciation and impairment of tangible assets	9	1 907	1 873
Depreciation and impairment of intangible assets and goodwill	8	1 957	2 226
Write-off on receivables	15	324	-49
Changes in fair value of financial assets (profits)/losses		-576	-814
Changes in provisions	20	340	-1 217
Deferred taxes	27	-4 544	-107
Share of result of associates and joint ventures accounted for using the equity method	11	6 775	63
Other non-cash items – impact of IAS 21.48		9	-326
Other non-cash items	29	-3 367	3 012
(Profit)/loss on the disposal of assets held for sale		0	0
Net cash flow changes before changes in working capital		**27 119**	**65 850**
Trade receivables, other receivables and deferrals		-578	-8 994
Inventories and contracts in progress		-11 348	14 982
Trade payables, other payables and accruals		8 174	11 774
Other short-term assets and liabilities		-6 543	-37 256
Changes in working capital		**-10 295**	**-19 494**
Net income tax paid/received		-3 769	-2 211
Interest expense		1 976	1 388
Interest income		-62	-139
Net cash (used)/generated from operations		**14 969**	**45 394**
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	9	-2 855	-2 484
Acquisition of intangible assets	8	-2 099	-1 821
Disposals of fixed assets		25	23
Acquisition of subsidiaries net of acquired cash	7	0	76
Acquisition of third-party and equity-accounted investments	11	-1 524	-7 083
Disposals of subsidiaries		2 433	6 781
Disposals of other investments and equity method accounted companies, net of assigned cash		5 738	20
Other investing cash flows	29	2	10 000
Net cash (used)/generated from investing activities		**1 720**	**5 512**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings	19	0	0
Proceeds from borrowings – S.R.I.W. reverse convertible bond		5 000	0
Repayment of borrowings	19	-15 199	-5 201
Interest paid		-2 086	-1 510
Interest received		62	139
Capital increase (or proceeds from issuance of ordinary shares)	17	7 845	5 910
Dividends paid		-140	-5 216
(Acquisitions)/disposal of treasury of shares		0	230
Other financing cash flows	29	-3 807	68
Net cash (used)/generated from financing activities		**-8 325**	**-5 580**
Net cash and cash equivalents at beginning of the year		**29 090**	**37 176**
Net change in cash and cash equivalents		8 364	45 326
Exchange (profits)/losses on cash and cash equivalents		-278	-787
Net cash and cash equivalents at end of the year	16	**37 176**	**81 715**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE

1. SUMMARY OF SIGNIFICANT GROUP ACCOUNTING POLICIES

1.1 INTRODUCTION

The main IFRS accounting principles applied by the Group in preparing the IFRS consolidated financial statements are presented below.

1.2 BASIS OF PREPARATION

IBA's consolidated financial statements for the year ended December 31, 2015 have been prepared in compliance with IFRS ("International Financial Reporting Standards") and IFRIC interpretations ("International Financial Reporting Interpretations Committee") adopted by the European Union, issued and effective or issued and early adopted at December 31, 2015.

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial instruments at fair value.

These financial statements have been prepared on a historical cost basis, except for financial instruments (Derivative, AFS) that have been measured at fair value.

These financial statements have been prepared on an accruals basis and on the assumption that the entity is a going concern and will continue to operate in the foreseeable future.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires Management to exercise judgment in the process of applying the Company's accounting policies. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

The accounting principles used to prepare the Group's annual financial statements are the same as those used for the year ended December 31, 2014, with the exception of the following points.

The entity applied the same IFRSs as those adopted in the previous years, except for the new IFRSs and interpretations the entity adopted as of 1st January 2015.

1.2.1 STANDARDS ISSUED AND EFFECTIVE

The nature and the impact of each of the following new standards, amendments and/or interpretations are described below:

- IFRIC 21 *Levies*, effective 17 June 2014
- Annual Improvements to IFRSs - 2011-2013 Cycle (Issued December 2013), effective 1 January 2015

IFRIC 21 Levies

IFRIC 21 clarifies the accounting for levies when the activity that triggers payment, as identified by the relevant legislation, occurs. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be anticipated before the specified minimum threshold is reached. The interpretation became effective for annual period beginning on or after 17 June 2014 and should be applied retrospectively. Early application was permitted.

Improvements to IFRSs - 2011-2013 Cycle

The IASB issued the 2011-2013 cycle improvements to its standards and interpretations. These improvement clarify:

- IFRS 3: A scope exemption for the formation of a 'joint venture'.
- IFRS 13: Measurement of the fair value of a group of financial assets and financial liabilities on a net basis
- IAS 40: Determines whether the acquisition of an investment property in a business combination requires judgement of the specific requirements of IFRS 3

The improvements become effective for annual periods beginning on or after 1 January 2015. Those improvements have no impact on the financial statement of the Group.

1.2.2 STANDARS ISSUED BUT NOT YET EFFECTIVE

Standards and interpretations issued but not yet effective during the reporting period are listed below.

- IFRS 9 *Financial Instruments*[1], effective 1 January 2018
- Amendments to IFRS 10, IFRS 12 and IAS 28 – Investment Entities: Applying the Consolidation Exception[1], effective 1 January 2016
- Amendments to IFRS 11 *Joint Arrangements* – Accounting for Acquisitions of Interests in Joint Operations, effective 1 January 2016
- IFRS 15 *Revenue from Contracts with Customers*, including amendments to IFRS 15: Effective date of IFRS 15[1], effective 1 January 2018
- Amendments to IAS 1 *Presentation of Financial Statements* – Disclosure Initiative, effective 1 January 2016
- Amendments to IAS 16 *Property, Plant and Equipment* and IAS 38 *Intangible Assets* – Clarification of Acceptable Methods of Depreciation and Amortisation, effective 1 January 2016
- Amendments to IAS 19 *Employee Benefits* – Defined Benefit Plans: Employee Contributions, effective 1 February 2015
- Amendments to IAS 27 *Separate Financial Statements* – Equity Method in Separate Financial Statements, effective 1 January 2016
- Annual Improvements to IFRSs - 2010-2012 Cycle (Issued December 2013), effective 1 February 2015
- Annual Improvements to IFRSs - 2012-2014 Cycle (Issued September 2014), effective 1 January 2016

IFRS 9 Financial Instruments

The final version of IFRS 9 *Financial Instruments* replaces IAS 39 *Financial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. IFRS 9 brings together all three aspects of the accounting for financial instruments project: classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018 and should be applied retrospectively. Early application is permitted.

Amendments to IFRS 10, IFRS 12 and IAS 28 - Investment Entities: Applying the Consolidation Exception

These amendments apply to investment entities and provide a definition of 'investment entities' and guidance on the application of this definition. These amendments also clarify the exemption from presenting consolidated financial statements applicable to the investment entities if certain citeria are met. Those amendments have no impact on the financial statement.

Amendments to IFRS 11 Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations

The amendments to IFRS *11 Joint control* clarify the joint operator accounting for the acquisition of an interest in a joint operation, in which the activity of the joint operation constitutes a business conform IFRS 3. The relevant IFRS 3 principles for business combinations accounting and other standards should be applied to the extent that they do not contradict with IFRS 11. The amendments are effective for annual periods beginning on or after 1 January 2016. Early application is permitted. The amendments have no impact on the Group's financial position and performance.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under IFRS. Either a full retrospective application or a modified retrospective application is required for financial years beginning on or after 1 January 2018. Early adoption is permitted. The Group will in 2016 analyse the impact of this new standard on the future Group's financial position and performance.

[1] *Not yet endorsed by the EU as per 31 December 2015*

Amendments to IAS 1 Presentation of Financial Statements – Disclosure Initiative

The amendments aime to clarify (a) that materiality applies to the financial statements including the notes to the financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures and (b) the use of professional judgements. The amendments become effective for annual periods beginning on or after 1 January 2016. Early adoption is permitted. The amendments have no impact on the Group's financial position and performance.

Amendments to IAS 16 and IAS 38 – Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments clarify that a revenue-based depreciation method is not appropriate because revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. The amendments become effective for financial years beginning on or after 1 January 2016. Early adoption is permitted. The amendments have no impact on the Group's financial position and performance.

Amendments to IAS 19 Employee Benefits – Defined Benefit Plans: Employee Contributions

These narrow-scope amendments apply to contributions from employees or third parties when accounting for defined benefit plans. These amendments aim to clarify and simplify the accounting for these contributions that are independent of the number of years of service. Such contributions should be recognised as a reduction in the service cost in the period in which the service is rendered, instead of allocating the contributions to the periods of service. The amendments become effective for financial years beginning on or after 1 February 2015. The amendment has no impact on the financial statement of the Group.

Amendments to IAS 27 Separate Financial Statements – Equity Method in Separate Financial Statements

The amendments will allow entities to use the equity method as described in IAS 28 to account for investments in subsidiaries, joint ventures and associates in their separate financial statement. The amendment should be applied retrospectively and become effective for financial years beginning on or after 1 January 2016. Early adoption is permitted. . The amendments have no impact on the Group's financial position and performance.

Improvements to IFRSs - 2010-2012 Cycle

The IASB issued the 2010-2012 cycle improvements to its standards and interpretations. These improvements aim to clarify:

- IFRS 2: The definition of vesting conditions.
- IFRS 3: Accounting for contingent consideration in a business combination
- IFRS 8: Aggregation of operating segments and reconciliation of the total of a reportable segment's assets to the entity's assets
- IAS 16 and IAS 38: Revaluation method – proportionate restatement of accumulated depreciation
- IAS 24: Key management personnel.

These improvements become effective for annual periods beginning on or after 1 February 2015. These improvements have no impact on the Group's financial statement.

Improvements to IFRSs - 2012-2014 Cycle

The IASB issued in September 2014 the 2012-2014 cycle improvements to its standards and interpretations. These improvements aim to provide clarification:

- IFRS 5 Changes in methods of disposal
- IFRS 7: Servicing contracts
  - Applicability of the amendments to IFRS 7 to condensed interim financial statements.
- IAS 19: Regional market issue
- IAS 34: Disclosure of information "elsewhere in the interim financial report"

The improvements become effective for financial years beginning on or after 1 January 2016. The amendments have no impact on the Group's financial position and performance.

1.3 CONSOLIDATION

The parent and all of its controlled subsidiaries are included in the consolidation.

1.3.1 SUBSIDIARIES

Assets and liabilities, rights and commitments, and income and charges of the parent and its controlled subsidiaries are consolidated in full.

The Group controls an investee, if and only if, the Group has: power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee); exposure or rights to variable returns from its involvement with the investee; and the ability to use its power over investee to affect its returns.

It is presumed to exist when the IBA Group holds more than 50% of the entity's voting rights. This presumption may be rebutted if there is clear evidence to the contrary. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls an entity.

Consolidation of a subsidiary takes place from the date of acquisition, which is the date on which control of the net assets and operations of the acquiree are effectively transferred to the acquirer. From the date of acquisition, the parent (the acquirer) incorporates into the consolidated income statement the financial performance of the acquiree and recognizes in the statement of consolidated financial position the acquired assets and liabilities (at fair value), including any goodwill arising on the acquisition. Subsidiaries are deconsolidated from the date on which control ceases. The following treatments are applied on consolidation:

- The carrying amount of the parent's investment in each subsidiary and the parent's portion of the equity of each subsidiary are eliminated;
- In the statement of consolidated financial position, non-controlling interests in the net assets of subsidiaries are identified and reported separately in the caption "Non- controlling interests";
- The portion of the profit or loss of the fully consolidated subsidiaries attributable to shares held by entities outside the Group is presented in the consolidated income statement in the caption "Profit/(loss) attributable to non-controlling interests".
- Intra-Group balances and transactions and unrealized gains and losses on transactions between Group companies are eliminated in full.

Consolidated financial statements are prepared applying uniform accounting policies to like transactions and other events in similar circumstances.

1.3.2 ASSOCIATES

An associate is an entity in which the investor has significant influence, but which is neither a subsidiary nor a joint venture (see next subsection) of the investor. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control over those policies. It is presumed to exist when the investor holds at least 20% of the investee's voting power but not to exist when less than 20% is held. This presumption may be rebutted if there is clear evidence to the contrary.

All associates are accounted for using the equity method: participating interests are presented separately in the closing date statement of consolidated financial position (in the caption "Investments accounted for using the equity method") at an amount proportionate to the associate's equity (as restated under IFRS), including the result for the year. Dividends received from an investee reduce the carrying amount of the investment.

The portion of the result of associates attributable to the Group is presented separately in the consolidated income statement in the caption "Share of profit (loss) of companies consolidated using the equity method".

Profits and losses resulting from transactions between an investor (or its consolidated subsidiaries) and associates are eliminated in proportion to the investor's interest in the associate.

1.3.3 JOINTLY ARRANGEMENTS

As with associates, the equity method is used for the Group's joint arrangements that are classified as joint ventures.

1.3.4 TREATMENT OF GOODWILL OR NEGATIVE GOODWILL

Business combinations are the bringing together of separate entities or businesses into one reporting entity. A business is a set of activities and assets applied and managed together in order to provide a return or any other economic benefit to its investors. In all business combinations, one entity (the acquirer) obtains control that is not transitory of one or more other entities or businesses (the acquiree).

All business combinations (acquisitions of businesses) arising after January 1, 2004 are accounted for using the purchase method. The acquirer measures the cost of the business combination at the acquisition date (the date on which the acquirer obtains control over the net assets of the acquiree) and compares it with the fair value of the acquiree's identifiable net assets, liabilities, and contingent liabilities. The difference between the two represents a goodwill.

For all business combinations arising before January 1, 2004, no retrospective restatement to fair value has been made.

Similar rules have been applied to investments accounted for under the equity method, except that any goodwill arising on such investment is included in the carrying amount of the investment.

Negative goodwill arising on such investments is included in the determination of the entity's share of the investee's profit or losses in the period in which the investment is acquired.

Goodwill is not amortized but instead is tested for impairment annually (or more frequently if circumstances so require).

Negative goodwill is recognized as profit.

1.3.5 ACQUISITION OF NON-CONTROLLING INTERESTS

The excess of the acquisition cost of non- controlling interests over the balance sheet entry for these non-controlling interests is deducted from equity ("economic unit model").

1.3.6 TRANSLATION OF FINANCIAL STATEMENTS OF FOREIGN OPERATIONS

All monetary and non-monetary assets and liabilities (including goodwill) are translated at the closing rate. Income and expenses are translated at the rate of the date of the transaction (historical exchange rate) or at an average rate for the month.

The principal exchange rates used for conversion to EUR are as follows:

	Closing rate on December 31, 2014	Average annual rate 2014	Closing rate on December 31, 2015	Average annual rate 2015
USD	1.2141	1.3292	1.0887	1.1105
SEK	9.3930	9.0947	9.1895	9.3512
RUB	72.3370	50.8407	80.6736	67.8946
CNY	7.5358	8.1653	7.0608	6.9026
INR	76.7190	80.9122	72.0215	71.0845
JPY	145.2300	140.3775	131.0700	134.3683
CAD	1.4063	1.4666	1.5116	1.4181

1.4 INTANGIBLE FIXED ASSETS

Recognition as an intangible fixed asset is required when

(1) this asset is identifiable, i.e. separable (it can be sold, transferred, or licensed) or where it arises from contractual or other legal rights;

(2) it is probable that future economic benefits attributable to the asset will flow to IBA;

(3) IBA can control the resource; and

(4) the cost of the asset can be measured reliably.

Intangible assets are carried at acquisition cost less any accumulated amortization and any accumulated impairment loss.

Cost includes the fair value of the consideration given to acquire the asset and any costs directly attributable to the transaction, such as relevant professional fees or non-refundable taxes.

Indirect costs as well as general overheads are not included. Expenditure previously recognized as expense is not included in the cost of the asset.

Costs arising from the research phase of an internal project are expensed as incurred.

Costs arising from the development phase of an internal project (product development project or IT project) are recognized as an asset when IBA can demonstrate the following: technical feasibility, intention to complete development, how the intangible asset will generate probable future economic benefits (e.g., the existence of a market for the output of the intangible asset or for the intangible asset itself), availability of resources to complete development, and ability to measure the attributable expenditure reliably.

Maintenance costs, as well as costs for minor upgrades intended to maintain (rather than increase) the level of performance of the asset, are expensed as incurred.

The above recognition criteria are fairly stringent and are applied prudently.

The cost of the intangible assets is allocated on a systematic basis over the useful life of the asset using the straight-line method.

The applicable useful lives are as follows:

INTANGIBLE FIXED ASSETS	Useful life
Product development costs	3 years, except if a longer useful life is justified (however not exceeding 5 years)
IT development costs for the primary software programs (e.q. ERP)	5 years, except if a longer useful life is justified
Other software	3 years
Concessions, patents, licenses, know-how, trademarks, and other similar rights	3 years, except if a longer useful life is justified

Amortization commences only when the asset is available for use in order to achieve proper matching of cost and revenue.

The Group has no intangible fixed assets with indefinite useful life relating to its continuing operations.

1.5 TANGIBLE FIXED ASSETS (PROPERTY, PLANT AND EQUIPMENT)

Tangible fixed assets are carried at acquisition cost less any accumulated depreciation and any accumulated impairment loss.

Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and taxes).Directly attributable costs are the cost of site preparation, delivery costs, installation costs, relevant professional fees, and the estimated cost of dismantling and removing the asset and restoring the site (to the extent that such a cost is recognized as a provision).

Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item is separately depreciated over its useful life using the straight-line method. The depreciable amount is the acquisition cost, except for vehicles. For vehicles, it is the acquisition cost less the residual value of the asset at the end of its useful life.

Maintenance or repair costs whose objective is to maintain rather than increase the level of performance of the asset are expensed as incurred.

The applicable useful lives are as follows:

TANGIBLE FIXED ASSETS	Useful life
Land	Not depreciated
Office buildings	33 years
Industrial buildings	33 years
Cyclotrons and vaults	15 years, except in specific rare circumstances where a different useful life is justified
Laboratory equipment	5 years
Other technical equipment	5 to 10 years
Computer hardware	3 to 5 years (5 years for mainframes)
Furniture and fittings	5 to 10 years
Vehicles	2 to 5 years

1.5.1 LEASE TRANSACTIONS INVOLVING IBA AS A LESSEE

A finance lease, which transfers substantially all the risks and rewards incident to ownership, is recognized as an asset and a liability at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments (= sum of capital and interest portions included in the lease payments). Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The depreciation policy for leased assets is consistent with that for similar assets owned.

1.6 IMPAIRMENT OF INTANGIBLE AND TANGIBLE FIXED ASSETS

An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount, which is the higher of the following two amounts: fair value less costs to sell (the money that IBA can recover through sale) or value in use (the money that IBA can recover if it continues to use the asset).

When possible, impairment tests have been performed on individual assets. When, however, it is determined that assets do not generate independent cash flows, the test is performed at the level of the cash-generating unit (CGU) to which the asset belongs (CGU = the smallest identifiable group of assets generating inflows that are largely independent from the cash flows from other CGUs).

Goodwill arising on a business combination is allocated among the Group's CGUs that are expected to benefit from synergies as a result of the business combination. This allocation is based on Management's assessment of the synergies gained and is not dependent on the location of the acquired assets.

Since it is not amortized, goodwill is tested for impairment annually, along with the related CGU (or more frequently depending on circumstances), even if no indication of impairment exists. Other intangible and tangible fixed assets/CGUs are tested only if there is an indication that the asset is impaired.

Any impairment loss is first charged against goodwill. Any impairment loss exceeding the book value of goodwill is then charged against the other CGUs' fixed assets only if the recoverable amount is below their net book value. Reversals of impairment losses (other than on goodwill) are recorded if justified.

1.7 INVENTORIES

Inventories are measured at the lower of cost and net realizable value at the balance sheet date.

The cost of inventories comprises all costs incurred in bringing inventories to their present location and condition, including indirect production costs. Administrative overheads that do not contribute to bringing inventories to their present location and condition, selling costs, storage costs, and abnormal amounts of wasted materials are not included in the cost of inventories.

The standard cost method is used. The standard cost of an item of inventory at period-end is adjusted to actual cost. The allocation of fixed production overheads to the production cost of inventories is based on the normal capacity of the production facilities.

The cost of inventories that are ordinarily interchangeable is allocated by using the weighted average cost formula. The same cost formula is used for all inventories that have a similar nature and use to the entity.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale (e.g. sales commissions).

IBA books a write-down when the net realizable value at the balance sheet date is lower than the cost.

IBA applies the following policy for write-down on slow-moving items:

- If no movement after 1 year: write-off over 3 years;
- If movement occurs after write-off: reversal of write-off.

However, inventory is valued individually at year-end. Exceptions to the above general policy for write-down on slow moving items are made when justified by the individual valuation.

1.8 REVENUE RECOGNITION (EXCLUDING CONTRACTS IN PROGRESS, WHICH ARE COVERED IN THE FOLLOWING SECTION)

Revenue arising from the sale of goods is recognized when an entity has transferred the significant risks and rewards of ownership and collectability and recovery of the related receivables are reasonably assured.

The transaction is not a sale and revenue is not recognized where

(1) IBA retains an obligation for unsatisfactory performance not covered by normal warranty provisions;
(2) the receipt of revenue from a particular sale is contingent on the derivation of revenue by the buyer from its sale of the goods;
(3) the buyer has the power to rescind the purchase for a reason specified in the sales contract; and
(4) IBA is uncertain about the probability of return.

Revenue is normally recognized when the buyer accepts delivery, and installation and inspection are complete. However, revenue is recognized immediately upon the buyer's acceptance of delivery when installation is simple in nature.

Revenue from the rendering of services is recognized by reference to the stage of completion of the transaction at the balance sheet date using rules similar to those for construction contracts (see next section); in other words, revenue is recognized as the related costs are incurred. Unless it is clear that costs are not incurred on a straight-line basis, revenues are spread evenly over the period of the services.

The recognition criteria are applied to the separately identifiable components of a single transaction when it is necessary to reflect the substance of the transaction.

Interest income is recognized using the effective yield method. Royalties are recognized on an accrual basis in accordance with the substance of the relevant agreement. Dividends relating to year N are recognized when the shareholder's right to receive payment is established (i.e. in year N+1).

1.9 CONTRACTS IN PROGRESS

Contract costs comprise:

- Direct and indirect production costs (same as for inventories, see above);
- Such other costs as are specifically chargeable to the customer under the terms of the contract;
- Costs incurred in securing the contract if they can be separately identified and measured reliably and if it is probable that the contract will be obtained.

When the outcome of a construction contract (i.e. estimation of the final margin) can be reliably estimated, contracts in progress are measured at production cost increased, according to the stage of completion of the contract, by the difference between the contract price and production cost ("percentage of completion" method).

The stage of completion is determined by comparing actual costs incurred to date with estimated costs to completion (costs that do not reflect work performed, such as commissions and royalties are excluded for this calculation). The percentage of completion is applied on a cumulative basis.

When the outcome of the contract cannot be estimated reliably, revenue is recognized only to the extent of costs incurred that it is probable will be recovered; contract costs are recognized as an expense as incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is immediately expensed to income statement, and a loss- at- completion provision is recorded.

The Group presents as an asset the net amount due from customers on contract work for all contracts in progress for which costs incurred plus recognized profits (less recognized losses) exceed progress billings. Progress billings not yet paid by customers and retention are included in trade receivables.

The IBA Group presents as a liability the net amount due to customers on contract work for all contracts in progress for which progress billings exceed costs incurred plus recognized profits (less recognized losses).

When financial guarantees must be given to third parties in connection with a contract and these guarantees involve a financial risk for IBA, a financial liability is recognized.

1.10 RECEIVABLES

Receivables are recognized initially at fair value and subsequently measured at amortized cost, i.e., at the net present value of the receivable amount.

Unless the discounting impact is significant, receivables are measured at nominal value. Receivables are written down when receipt of all or part is uncertain or doubtful.

In general, IBA applies the following rule to write-downs of bad or doubtful debts:

- 25% after 90 days overdue;
- 50% after 180 days overdue;
- 75% after 270 days overdue;
- 100% after 360 days overdue.

However, the recoverability of receivables is assessed on a case-by-case basis, and exceptions to the above general rule are made when justified.

1.11 FINANCIAL ASSETS

The Group classifies its financial assets in the following categories: loans and receivables, available-for-sale financial assets, and financial assets at fair value through profit or loss.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not listed on an active market and are not held for trading.

Gains and losses on loans and receivables are recorded when receivables have been derecognized. Losses are recognized as soon as loans and receivables should be impaired.

Term deposits with maturities exceeding 3 months are classified as loans and receivables under IAS 39.

Investments in interest bearing securities, as well as investments in shares (other than shares in subsidiaries, joint ventures and associates) are accounted for as available-for-sale financial assets. They are recorded at fair value, with gains and losses recognized in equity, until they are impaired or sold, at which time the gains or losses accumulated in equity are reclassified to income.

For financial assets that are classified as available for sale, a significant or prolonged decline in the fair value of the investment below its cost is objective evidence of impairment. For restricted assets, a significant, prolonged decline is defined as a loss in value of more than 25% lasting over a continuous 6-month period. Impairment losses on these instruments are charged to income statement.

Increases in their fair value after impairment are credited directly to equity.

When there are indicators of impairment, all financial assets are subject to an impairment test. The indicators should provide objective evidence of impairment as a result of a past event that occurred subsequent to the initial recognition of the asset.

Expected losses as a result of future events are not recognized, no matter how likely.

1.12 CASH AND CASH EQUIVALENTS

Cash balances are recorded at their nominal value. Cash equivalents are short-term, highly liquid investments that can be used for any purpose and have a maturity date not exceeding three months from acquisition date. For the purpose of the statement of cash flow, Cash and cash equivalents include bank overdrafts.

If liquid funds are held in a special purpose account in the form of highly liquid investments that are renewed at maturity until needed for the special purpose, these cash equivalents are deemed restricted and are classified as other long-term receivables.

1.13 DEFERRED CHARGES AND ACCRUED INCOME

Deferred charges are the prorated amount of charges incurred in the current or prior financial periods but which are related to one or more subsequent periods. Accrued income is the prorated amount of income earned in the current or prior periods which will be received only in subsequent periods.

1.14 CAPITAL STOCK

Ordinary shares are classified in the caption “Capital stock.” Treasury shares are deducted from equity. Treasury share movements do not affect the income statement.

1.15 CAPITAL GRANTS

Capital grants are recorded as deferred income. Grants are recognized as income at the same rate as the rate of depreciation for related fixed assets. When grants relate to a non-capitalized cost, they are systematically recognized as income for the period during which the cost they are supposed to offset has occurred.

1.16 PROVISIONS

A provision is recognized only when:

- IBA has a present obligation to transfer economic benefits as a result of past events;
- It is probable (more likely than not) that such a transfer will be required to settle the obligation;
- A reliable estimate of the amount of the obligation can be made.

When the impact is likely to be material (for long-term provisions), the amount recognized as a provision is estimated on a net present value basis (discount factor). The increase in provision due to the passage of time is recognized as a financial expense.

A present obligation arises from an obligating event and may take the form of either a legal obligation or a constructive obligation (A constructive obligation exists when IBA has an established pattern of past practice that indicates to other parties that it will accept certain responsibilities and as a result has created a valid expectation on the part of those other parties that it will discharge those responsibilities). An obligating event leaves IBA no realistic alternative to settling the obligation, independently of its future actions.

Provisions for site repair, restoration, and decommissioning costs are recorded as appropriate in application of the above.

If IBA has an onerous contract (that is, if the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it), the present obligation under the contract is recognized as a provision.

A provision for restructuring is recorded only if IBA can demonstrate that the Company is under an obligation to restructure at the balance sheet date. Such obligation must be demonstrated by (a) preparing a detailed formal plan identifying the main features of the restructuring and (b) raising a valid expectation to those affected that it will carry out the restructuring by starting to implement the plan or by announcing its main features to those affected.

1.17 PENSIONS AND OTHER EMPLOYEE BENEFITS

1.17.1 PENSIONS

The Group operates a contribution based plan funded through payments to an insurance company. The employer guarantees a minimum return of 3.25% on employer contributions resulting in a financial risk to be borne by the Group.

The Group has opted to account for these plans using the intrinsic value method instead of the projected unit credit method as the minimum guaranteed return is achieved by the insurance company over a long term period. In case the intrinsic value of the benefit obtained is lower that the assets in the plan on a person by person basis, an expense is recognized in the income statement and a provision is set up to cover the deficit.

The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

The Group has defined benefit plans only in entities accounted for using the equity method. They do not, therefore, appear in provisions. These benefits are as follows:

- Entitlements of employees in service at year-end in the form of benefits, supplements, and other retirement compensation not covered by the pension or insurance funds; and
- Entitlements conferred as a result of the lowering of the retirement age for employees working or having worked in hazard areas.

The obligations arising from the application of these benefit plans are pension plans with defined benefits that set the benefit amount that an employee will receive when retiring, depending generally on one or more factors such as age, years of service and salary.

For pension plans with defined benefits, the costs related to these plans are assessed per pension plan using the projected unit method. This method considers that each service period gives rise to an additional benefit entitlement unit. According to this method, the plans' cost is recognized as an expense in the income statement so as to spread this cost evenly throughout the employee's career, and this based on the recommendations of actuaries who carry out complete assessments on these retirement plans each year. The amounts recognized in the operating income statement include the cost of performed services, cost of past services and impacts of any plan reduction or settlement. The net financial cost is recognized as financial expenses. The obligations relating to the retirement plans recognized in the balance sheet are assessed based on the present value of future cash flows, calculated using interest rates corresponding to those applicable to first category corporate bonds, whose maturity date is almost similar to that of the corresponding liabilities, less the fair value of all the post-employment plans' assets. The past services costs result from the adoption or change brought to a retirement plan. They are recorded as expenses in the year they occur.

Actuarial differences include, for assets and liabilities, differences between previous actuarial assumptions and what actually happened, and the impact of changes of actuarial assumptions on the plans' liabilities. Actuarial differences are fully recorded in other items of the comprehensive income statement during their period of occurrence.

1.17.2 STOCK OPTION PLANS AND SHARE-BASED PAYMENTS

Share-based payments are transactions to be paid with shares, stock options, or other equity instruments (granted to employees or other parties) and transactions paid in cash or other assets when the amount payable is based on the price of the Group's shares.

All transactions involving share-based payments are recognized as expenses.

Equity-settled share-based payment transactions are measured at the fair value of the goods or services received at the date on which the Group recognizes the goods and services. If the fair value of goods or services cannot be determined, the Group uses the fair value of the equity instruments granted. Equity-settled share-based payments are not re-measured.

1.18 DEFERRED TAXES

The comprehensive method and the liability method are used. Deferred taxes are recorded on the temporary differences arising between the carrying amount of the balance sheet items and their tax base, using the rate of tax expected to apply when the asset is recovered or the liability is settled.

There are three exceptions to the general principle that deferred taxes are recognized on all temporary differences. Deferred taxes are not recognized for:

- Goodwill that is not amortized for tax purposes;
- Initial recognition of an asset or liability in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit;
- Investments in subsidiaries, branches, associates, and joint ventures (deferred taxes may be recognized only when IBA does not have control over the distribution or, if IBA controls the distribution, that it is likely that dividends will be distributed in the foreseeable future).

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The same principle applies to recognition of deferred tax assets for unused tax losses carried forward. This assessment is subject to the principle of prudence. 4 years are taken into account in order to determine the period for recovery of the taxes.

Deferred taxes are calculated for each fiscal entity in the Group. IBA is able to offset deferred tax assets and liabilities only if the deferred balances relate to income taxes levied by the same taxation authority.

1.19 PAYABLES AFTER AND WITHIN ONE YEAR

Payables after and within one year are measured at amortized cost, i.e., at the net present value of the payable amount.

Unless the impact of discounting is material, the nominal value is taken.

1.20 ACCRUED CHARGES AND DEFERRED INCOME

Accrued charges are the prorated amount of expenses which will be paid in a subsequent financial period but relate to a prior period. Deferred income is the prorated amount of income received in the current or prior periods but related to a subsequent period.

1.21 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are converted into the functional currency of the Group entity party to the transaction using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the conversion at the period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Exchange differences arising from the consolidation of currency items that constitute part of the reporting entity's net investment in a foreign entity (i.e. when settlement is neither planned nor likely to occur in the foreseeable future) are recorded in equity if the following two conditions are met:

(1) The loan is made in either the functional currency of the reporting entity or the foreign operation; and

(2) The loan is made between the reporting entity and a foreign operation.

1.22 DERIVATIVES AND HEDGING ACTIVITIES

Derivative instruments are accounted for at fair value on the date the contracts are entered into.

Changes in the fair value of derivative instruments are accounted for in the income statement unless they qualify as cash flow hedges under IAS 39.

The Group designates certain derivative transactions as hedges of the variability of the fair value of recognized assets or liabilities (fair value hedges); as unrecognized firm commitments; or as hedges of the cash flow variability arising from a specific risk associated with a recognized asset or liability or with a highly probable forecast transaction (cash flow hedges).

The Group documents at the inception of the transaction the relationship between the hedging instruments and the hedged item, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

a) FAIR VALUE HEDGES

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

b) CASH FLOW HEDGES

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in equity. Gain or loss relating to the ineffective portion of the hedge is recognized immediately in the income statement.

Amounts accumulated in equity are reclassified to the income statement in the periods when the hedged item affects the income statement (e.g., when the forecast sale that is hedged takes place).

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and reclassified to the income statement when the forecast transaction is ultimately recognized in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately moved to the income statement.

c) DERIVATIVES THAT DO NOT QUALIFY FOR HEDGE ACCOUNTING

Certain derivative instruments do not qualify for hedge accounting. Such derivatives are recognized at fair value on the statement of financial position, with changes in fair value recognized in the income statement.

These instruments are considered economic hedges inasmuch as they are not used to speculate on positions.

The Group does not hold instruments for speculative purposes.

1.23 OPERATING SEGMENTS

A business segment is a group of assets and operations involved in the supply of products or the providing of services and exposed to risks and returns other than those in other business segments.

A geographic segment is engaged in the supply of products or the providing of services within a specific economic environment, exposed to risks and returns other than those in segments operating in other economic environments.

2. DESCRIPTION OF FINANCIAL RISK MANAGEMENT POLICIES

2.1 FINANCIAL RISK FACTORS

The Group's activities expose it to a variety of financial risks, of which the largest is market risk (including currency risk). Other financial risks include credit risk, liquidity risk, interest rate risk, and commodity risk.

The Group's overall financial risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Financial risk management is carried out by a central treasury department (Group Treasury) under policies approved by the Audit Committee of the Board of Directors. These policies provide written principles for overall financial risk management, as well as written policies covering specific areas, such as foreign exchange risk, use of derivative financial instruments and non-derivative financial instruments, and investing excess liquidity. Group Treasury identifies, evaluates, and hedges financial risks in close cooperation with the Group's operating units.

2.1.1 MARKET RISK

a) ***Foreign exchange risk***

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, the Chinese Yuan, Czech krona, Polish zlotys, Russian ruble, British pound and the Swedish krona.

Foreign exchange risk arises from future and committed commercial transactions, from recognized financial assets and liabilities, and from net investments in foreign operations.

To manage foreign exchange risk arising from future and committed commercial transactions and from recognized assets and liabilities denominated in a currency different from the entity's functional currency, entities in the Group use forward exchange contracts, transacted with Group Treasury. Group Treasury is responsible for hedging the net position in each foreign currency by using forward exchange contracts entered into with banks when possible and appropriate.

For segment reporting purposes, each subsidiary designates contracts with Group Treasury as fair value hedges or cash flow hedges, as appropriate.

External foreign exchange contracts are designated at Group level as hedges of foreign exchange risk on specific assets, liabilities, or committed or future transactions on a gross basis.

The Group's general hedging policy is to hedge any confirmed sales contracts denominated in a foreign currency as well as expected net operational cash flows when they can be reasonably predicted. Appropriate documentation is prepared in accordance with IAS 39. The CFO approves and the CEO is informed of significant hedging transactions, with reporting to the Audit Committee four times a year.

Intercompany loans denominated in foreign currencies are entered into to finance certain subsidiaries and expose the Group to fluctuations in exchange rate.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

The segment reporting Dosimetry and the Proton Therapy services are impacted by the fluctuation of the USD exchange rate against EUR. In 2015 a fluctuation of -3% of USD against EUR should have negative impact on the sales of Dosimetry segment by -1.1%. In 2015 a fluctuation of -3% of USD against EUR should have negative impact on the Proton Therapy Services sales segment by -2.2%.

The exposure of the Group to the fluctuation of Chinese Yuan, Czech Krona, Polish Zlotys, British pound and Russian ruble is not material for the Group.

Currency transactional risk

The Group has some transactional currency exposure that arises from sales or purchases by an operating unit in currencies other than the unit's functional currency. The parent company of the Group operating in euros but making certain transactions purchase/sales among others expressed in US dollars.

Approximately 24% of the Group's sales (11% in 2014) (with a scope of consolidation identical to that of 2014) are denominated in currencies other than the functional currency of the operating unit making the sale, while 92.4% of costs (93.7% in 2014) (with a scope of consolidation identical to that of 2014) are denominated in the unit's functional currency. Where the Group considers that there are no natural hedging opportunities, forward exchange contracts or forward currency options are used to cover currency exposure.

b) *Other market risks*

The Group is exposed to the counterparty risk on commercial paper and investment funds held in companies accounted for using the equity method and in respect of which IBA was committed for 5 years to supporting the differences between the pledged assets and the provisions for decommissioning of Rose Holding SARL (cf. Note 3.B). The risk was mitigated by the rigorous selection of investment products with a high rating and high degree of liquidity.

This risk doesn't exist anymore since the disposal of IBA Molecular end of March 2016.

2.1.2 CREDIT RISK

The Group has no significant exposure to credit risk. The Company policy for large contracts is to have appropriate letters of credit issued prior to delivery of the equipment.

The Company has also a general agreement with the Belgian national export credit insurance institution (ONDD) that provides systematic coverage of all large equipment transactions.

The table in section 2.2 presents the financial assets of the Group by valuation method (fair value and carrying amount). The carrying amount of these financial assets represents the maximum credit exposure of the Group.

The fair value of a financial instrument is the price at which a party would accept the rights and/or obligations of this financial instrument from another independent party.

2.1.3 LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount in outstanding credit facilities. Due to the dynamic nature of the underlying businesses, Group Treasury aims to maintain flexibility in funding by keeping credit lines available.

In late 2009, IBA strengthened the availability of financing by obtaining a long-term credit facility of EUR 50 million from the EIB (European Investment Bank) to provide financing for research and development projects. Under the terms of this financing, the Group agrees to comply with specific covenants relating to the Group's level of debt.

Following the agreements with SK Capital Partners and Argos Soditic, the terms and conditions of this line were modified. The unused EUR 20 million from this line of credit were cancelled following the contract at end 2013.

As at December 31, 2015, the Group had drawn up to EUR 30 million on this line of credit and made repayments for EUR 13.75 million (of which EUR 5 million in 2015).

In January 2016, the Group has introduced a notice of anticipative repayment of the total remaining amount due to the European Investment Bank to refinance the outstanding amount in the market at a lower average cost of financing (repayment of EUR 10 million at end February 2016 and repayment of EUR 6.25 million at end March 2016).

In 2012, IBA strengthened the availability of financing by obtaining a long-term credit facility of EUR 20 million from the S.R.I.W. Under the terms of this financing, the Group agrees to comply with specific covenants relating to IBA SA level of equity.

As at December 31, 2015, the Group had drawn up to EUR 20 million on this line of credit and made repayments for EUR 10 million (of which EUR 10 million in 2014).

In 2014 the Group's equity was strengthened through a new financing arrangement with the S.R.I.W. A ''reverse convertible bond'' was put in place allowing the Group to ask the conversion of this bond into ordinary shares at any time before December 31, 2015. As at December 31, 2015, the ''reverse convertible bond'' of S.R.I.W. has not been converted in capital, it has turned back into a subordinate loan that increased the amount of our used credit lines up with EUR 5 million.

In 2014, IBA strengthened the availability of financing by obtaining a long-term subordinated facility bond of EUR 9 million from the SFPI. As at December 31, 2015, the Group had not drawn up on it.

As at December 31, 2015, the Group has at its disposal credit lines up to EUR 70.25 million of which 44.5% are used to date.

The table below summarizes the maturity profile of the Group's financial liabilities:

DECEMBER 31, 2014 (EUR 000)	due	< 1 year	1-2 years	2-5 years	> 5 years	Total
FINANCIAL LIABILITIES						
Bank borrowings	0	6 293	6 093	14 790	9 874	37 050
Financial lease liabilities	0	230	225	230	0	685
Trade payables	15 890	20 255	0	0	0	36 145
Other ST and LT liabilities	0	109 942	3 794	153	0	113 889
TOTAL	**15 890**	**136 720**	**10 112**	**15 173**	**9 874**	**187 769**

DECEMBER 31, 2015 (EUR 000)	due	< 1 year	1-2 years	2-5 years	> 5 years	Total
FINANCIAL LIABILITIES						
Bank borrowings	0	17 184	760	6 975	11 194	36 113
Financial lease liabilities	0	225	230	0	0	455
Trade payables	23 675	21 212	0	0	0	44 887
Other ST and LT liabilities	0	137 518	4 041	0	0	141 559
TOTAL	**23 675**	**176 139**	**5 031**	**6 975**	**11 194**	**223 014**

The table below summarizes the maturity profile of the Group's financial assets:

DECEMBER 31, 2014 (EUR 000)	Due	< 1 year	1-2 years	2-5 years	> 5 years	Total
FINANCIAL ASSETS						
Trade receivables	24 735	30 064	0	0	0	54 799
Other ST and LT assets	3 701	16 949	3 243	10 974	6 324	41 191
TOTAL	**28 436**	**47 013**	**3 243**	**10 974**	**6 324**	**95 990**

DECEMBER 31, 2015 (EUR 000)	Due	< 1 year	1-2 years	2-5 years	> 5 years	Total
FINANCIAL ASSETS						
Trade receivables	32 886	27 052	0	0	0	59 938
Other ST and LT assets	2 491	79 777	1 735	3 813	11 922	99 738
TOTAL	**35 377**	**106 829**	**1 735**	**3 813**	**11 922**	**159 676**

2.1.4 INTEREST RATE RISK

The Group exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. When the Group deems that the fluctuation of interest rate could have a significant impact on its financial results, the Group will use interest rate swaps in order to limit this impact.

IBA does not apply hedge accounting to these transactions, and these instruments are therefore revalued through profit and loss.

At the end of 2014 and 2015, the Group has no interest rate swaps.

IBA's analysis of the impact of a 1% fluctuation in interest rates (sensitivity analysis) on the income statement of an average financial debt of EUR 30.4 million in 2015 (38.7 million in 2014 – impact of EUR -/+0.39 million) suggests that it will be EUR -/+0.30 million.

2.2 FINANCIAL ASSETS AND LIABILITIES – ADDITIONAL INFORMATION

The assets and liabilities of the Group are valued as follows:

EUR 000	Category	December 31, 2014 Net carrying value	December 31, 2014 Fair value	December 31, 2015 Net carrying value	December 31, 2015 Fair value
FINANCIAL ASSETS					
Trade receivables	Loans and receivables	54 799	54 799	59 938	59 938
Long-term receivables on contracts in progress	Loans and receivables	925	925	882	882
Available-for-sale financial assets	Available for sale	0	0	0	0
Long-term receivables for decommissioning of sites	Loans and receivables	0	0	0	0
Other long-term receivables	Loans and receivables	19 614	19 614	15 809	15 809
Non-trade receivables and advance payments	Loans and receivables	10 046	10 046	11 927	11 927
Other short-term receivables	Loans and receivables	10 224	10 224	69 919	69 919
Other investments	Available for sale	407	407	7 116	7 116
Cash and cash equivalents	Loans and receivables	37 176	37 176	81 715	81 715
Hedging derivative products	Hedge accounting	2	2	1 065	1 065
Derivative products – other	FVPL2	380	380	136	136
TOTAL		**133 573**	**133 573**	**248 507**	**248 507**
FINANCIAL LIABILITIES					
Bank borrowings	FLAC	31 250	31 250	31 250	31 250
Financial lease liabilities	FLAC	625	625	424	424
Trade payables	FLAC	36 145	36 145	44 887	44 887
Hedging derivative products	Hedge accounting	2 361	2 361	2 836	2 836
Derivative products – other	FVPL2	280	280	153	153
Other long-term liabilities	FLAC	3 066	3 066	3 162	3 162
Amounts due to customers for contracts in progress	FLAC	81 237	81 237	104 620	104 620
Social debts	FLAC	11 344	11 344	11 930	11 930
Other short-term liabilities	FLAC	15 415	15 415	18 783	18 783
Short-term tax liabilities	FLAC	186	186	75	75
Short-term bank credit	FLAC	0	0	0	0
TOTAL		**181 909**	**181 909**	**218 120**	**218 120**

As at December 31, 2014 and 2015, the net carrying value of these financial assets and liabilities did not differ significantly from their fair value.

The headings "Hedging derivative products" and "Derivative products – other" in assets and liabilities include the fair value of forward exchange contracts and currency swaps.

The Group may acquire non-controlling interests from third companies, depending on the evolution of its strategy. These interests are shown in the "available for sale" category.

FLAC: Financial liabilities measured at amortized cost.
FVPL1: Fair value through profit or loss (held for trading).
FVPL2: Fair value through profit or loss (derivative- based asset whose value was inseparable from the underlying notional value).

2.3 CATEGORIES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In conformity with IAS 39 all derivatives are recognized at fair value in the balance sheet.

The fair value of derivative financial instruments is either the quoted market price or is calculated using pricing models taking into account current market rates. Fair values of hedging instruments are determined by valuation techniques widely used in financial markets and are provided by reliable financial information sources. Fair values are based on the trade dates of the underlying transactions.

The fair value of these instruments generally reflects the estimated amount that IBA would receive on the settlement of favorable contracts or be required to pay to terminate unfavorable contracts at the balance sheet date, and thereby takes into account any unrealized gains or losses on open contracts.

As required by IFRS 13 *Fair value measurement*, the following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques for which the lowest level of input that is significant to the fair value measurement is unobservable.

During this past financial year, there was no transfer between the various categories presented below:

(EUR 000)	Level 1	Level 2	Level 3	December 31, 2014
- Forward foreign exchange contracts		2		2
- Foreign exchange rate swaps		0		0
Hedge-accounted financial assets		**2**		**2**
- Forward foreign exchange contracts		0		0
- Foreign exchange rate swaps		380		380
- Other financial assets at fair value through the income statement			26 219	26 219
Financial assets at fair value through the income statement		**380**	**26 219**	**26 599**
- Forward foreign exchange contracts		1 991		1 991
- Foreign exchange rate swaps		370		370
Hedge-accounted financial liabilities		**2 361**		**2 361**
- Forward foreign exchange contracts		211		211
- Foreign exchange rate swaps		69		69
Financial liabilities at fair value through the income statement		**280**		**280**

(EUR 000)	Level 1	Level 2	Level 3	December 31, 2015
- Forward foreign exchange contracts		1 065		1 065
- Foreign exchange rate swaps		0		0
Hedge-accounted financial assets		**1 065**		**1 065**
- Forward foreign exchange contracts		44		44
- Foreign exchange rate swaps		92		92
- Other financial assets at fair value through the income statement			0	0
Financial assets at fair value through the income statement		**136**	**0**	**136**
- Forward foreign exchange contracts		2 467		2 467
- Foreign exchange rate swaps		369		369
Hedge-accounted financial liabilities		**2 836**		**2 836**
- Forward foreign exchange contracts		98		98
- Foreign exchange rate swaps		55		55
Financial liabilities at fair value through the income statement		**153**		**153**

As at December 31, 2014, other financial assets at fair value through the income statement include the other investments, the contingent loan of Rose Holding SARL (see notes 3.E, 32.2) and the vendor loan granted to Chromos GA SAS (vehicle for the acquisition by Argos Soditic of the Cisbio Bioassays business) (see note 3.F).

Financial assets levels are detailed as follows:

(EUR 000)	Contingent loan Rose Holding SARL	Bridge loan Rose Holding SARL	Vendor loan Chromos GA SAS	Other investments	TOTAL
As at January 1, 2014	**17 978**	**0**	**6 649**	**423**	**25 050**
Credited/(charged) to the income statement	1 471	0	1 147	-71	2 547
Additions	0	0	0	21	21
Repayments	0	0	-1 433	0	-1 433
Disposals	0	0	0	0	0
Equity movements	0	0	0	34	34
As at December 31, 2014	**19 449**	**0**	**6 363**	**407**	**26 219**
Credited/(charged) to the income statement	-13 619	0	-3	-355	-13 977
Additions	0	0	0	0	0
Repayments	0	0	-6 360	0	-6 360
Disposals	0	0	0	-20	-20
Reclassifications	-5 830	0	0	-32	-5 862
As at December 31, 2015	**0**	**0**	**0**	**0**	**0**

2.3.1 HEDGE-ACCOUNTED FINANCIAL INSTRUMENTS

As at December 31, 2015, the Group held 63 forward exchange contracts (14 as at December 31, 2014) and 5 foreign exchange swaps (4 as at December 31, 2014) to cover future cash flow movements US dollars, British pounds and Swedish krona cash flows. These hedges are deemed highly effective.

These hedges generated a EUR 0.35 million loss in 2015 (loss of EUR 1.83 million in 2014). This loss is recognized in the other items of the comprehensive income statement.

(EUR 000)		Equity	Hedge instrument maturities < 1 year	1-2 years	> 2 years
AS AT DECEMBER 31, 2014					
- Foreign exchange hedge in	PLN	-24	-24	0	0
- Foreign exchange hedge in	USD	-2 596	-1 738	-704	-154
- Foreign exchange hedge in	SEK	-271	-271	0	0
		-2 891	**-2 033**	**-704**	**-154**
AS AT DECEMBER 31, 2015					
- Foreign exchange hedge in	GBP	1 055	283	258	514
- Foreign exchange hedge in	USD	-3 939	-3 071	-821	-47
- Foreign exchange hedge in	SEK	-352	-352	0	0
		-3 236	**-3 140**	**-563**	**467**

2.3.2 FAIR VALUE THROUGH INCOME STATEMENT

As at 31 December 2015, the Group holds 12 forward exchange contracts (10 on December 31, 2014), and 17 exchange rate swaps (10 as at December 31, 2014) to cover future cash flows of US dollars, Swedish krona, British pounds, Chinese yuan, Canadian dollars and Polish zlotys.

As they do not qualify for hedge accounting under the IFRS, the various hedge instruments discussed in this section are measured at fair value through the income statement.

The loss generated on these instruments included in the income statement amount to EUR 0.06 million at December 31, 2015 (gain of EUR 0.1 million at December 31, 2014).

2.4 CAPITAL MANAGEMENT

The Group's aim is to optimize the capital structure in order to maximize its value for the shareholders while maintaining the financial flexibility required carrying out the strategy approved by the Board of Directors.

On June 30, 2014, the Group has strengthened his equity with a capital increase from two leading regional and federal investment companies in Belgium for a total amount of EUR 6 million (EUR 5 million from S.R.I.W. and 1 million from S.F.P.I.) and with a ''reverse convertible bond'' subscribed by S.R.I.W. for EUR 5 million. 10 million were used to repay outstanding bank loans. A new subordinated facility bond of EUR 9 million has been granted by S.F.P.I (undrawn as at December 31, 2015).

December 31, 2015 was the latest date for converting the bond into equity. The Group has decided to not exercise its right to convert in capital the ''reverse convertible bond''. As consequence, the ''reverse convertible bond'' has been reclassified from equity to bank and other borrowings.

The Group has agreed to comply with a debt- to-equity ratio covenant and a covenant related to the ratio between the net financial debts divided by the equity plus the net financial debts (''Gearing ratio'') under the terms of a EUR 50 million credit facility received from the EIB for its research and development projects (financing that has been reduced in 2013 to 30 million following the agreements with SK Capital Partners and Argos Soditic). The Group has committed to maintain the ''Gearing ratio'' below 45% knowing that the two subordinated loans of EUR 10 million and EUR 5 million (S.R.IW.) are considered as quasi equity for the calculation of this ratio. As at December 31, 2015, the Group had drawn EUR 30 million upon this line of credit and made repayments for EUR 13.75 million (of which EUR 5 million in 2015). See also note 2.1.3.

In January 2016, the Group has introduced a notice of anticipative repayment of the total remaining amount due to the European Investment Bank to refinance the outstanding amount in the market at a lower average cost of financing (repayment of EUR 10 million at end February 2016 and repayment of EUR 6.25 million at end March 2016).

The IBA's Board of Directors will recommend to the general assembly, the distribution to shareholders of a total dividend of EUR 1.39 per share (about EUR 41.1 million), representing the 30% payout on the recurring profit and most of the capital gain on the IBA Molecular transaction.

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3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(A) INCOME TAXES

The Group recognizes deferred tax assets on unused losses carried forward to the extent that the taxable profit against which these assets are available can be used. The amounts recognized in the balance sheet are prudent estimates made on the basis of recent financial plans approved by the Board of Directors and depend on certain judgments with respect to the amounts and location of the future taxable profits of the Group's subsidiaries and parent company. The period used for estimates of the future taxable profits taken into account for the recognition of deferred tax assets is 4 years. The assumptions taken in consideration in the financial plans are as follow: from 2016 to 2018, IBA expects to achieve average revenue growth greater than 20% per annum, and double digit growth is anticipated thereafter. The Company expects its operating margin to be 11% in 2016, increasing to 13%-15% by 2018.

As at December 31, 2015, the Group had accumulated net operating losses of EUR 92.4 million usable to offset future profits taxable mainly in Belgium and in Russia and temporary differences amounting to EUR 7.2 million mainly in the United States, in China and in Belgium. The Company recognized deferred tax assets of EUR 20.5 million with the view to use the tax losses carried forward and EUR 2.7 million as temporary differences.

(B) PROVISION FOR DECOMMISSIONING COSTS

Production of pharmaceutical tracers (segment of the pharmaceuticals activity) generates radiation and results in contamination of production sites facilities. This could require the Group to incur restoration costs to meet regulations in different countries and fulfill any legal or implied obligation.

Analyzes and estimates are made by the Group with the assistance of its legal counsel to determine the likelihood, timing and amount of costs, together with a probable required outflow of resources.

Provisions have been made for unavoidable costs in connection with dismantling the sites where radiopharmaceuticals are produced. These provisions are measured at the net present value of the best estimate of the cost required.

As of December 31, 2014, the provisions still included in the financials of IBA stand at EUR 6.1 million. They were primarily for obligations in connection with a radiopharmaceutical production facility belonging to the mother company IBA SA in Fleurus.

In 2015, the Fleurus site was sold for EUR 1 including the transfer to the acquirer of the site decommissioning obligations. As a result a reversal of the provision of EUR 5.6 million has been recorded in 2015 and a provision of EUR 0.5 million is still included in the financials of IBA to cover the contractual obligations of IBA to dispose of radioactive waste according to this sales agreement.

CIS Bio International SAS has held nuclear operator status since December 2008, which obliges it to pledge assets for the future decommissioning and clean-up of nuclear medicine installations on the Saclay site (France). In 2011 under the agreement with SK Capital Partners, these pledged assets, which amounted to EUR 33.8 million, were reclassified in assets held for sale. The sale occurred in April 2012. Under the agreements signed, IBA retained for 5 years an indemnity obligation in the event that the IFRS discounting of the decommissioning provisions in the books of Rose Holding SARL were to exceed the assets pledged for this purpose and managed to date by Candriam Investors Group.

At the 2014 closing date, the total assets were EUR 0.25 million higher compared to the provision amounting to EUR 47.0 million.

Following the disposal of IBA Molecular by IBA and SK Capital Partners, this indemnity obligation does not longer exist for IBA.

(C) REVENUE RECOGNITION

Contracts in progress are valued at their cost of production, increased by income accrued as determined by 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.

This probability is based on judgment. If certain judgmental criteria differ from those used for previously recognized revenues, the Group's income statement is affected.

When appropriate, the Company revises its estimated margin at completion to take into account the assessment of any residual risk arising from this contract over several years. When the final outcome of these uncertainties differs from initial estimations, the Group's income statement is affected.

(D) ESTIMATING THE VALUE IN USE OF INTANGIBLE AND TANGIBLE FIXED ASSETS

The recoverable amounts of tangible and intangible fixed assets are determined on a "value in use" basis. Value in use is determined on the basis of cash-flows coming from IBA's most recent business plans, as approved by the Board of Directors. These plans incorporate various assumptions made by management and approved by the Board as to how the business, profit margins, and investments will evolve.

See Note 8.1 for additional information.

The growth rates used for the impairment tests vary between 0% and 4.5% and the discount rates vary between 6% and 11%.

At December 31, 2015, the sensitivity tests carried out by the Group based on the fluctuation of the growth and discount rates by 100 basis points (towards the top and bottom) have not revealed any significant impairment for continuing operations.

(E) VALUATION OF THE ASSETS KEPT ON THE BALANCE SHEET FOLLOWING THE PARTIAL SALE OF THE RADIOPHARMACEUTICAL BUSINESS TO SK CAPITAL PARTNERS

A deferred remuneration element depended on whether a certain sale price will be reached by the investment fund on exit. Until the disposal date of IBA Molecular by IBA and SK Capital Partners, the market value used to determine the value of the by-product associated to it has been based on a model of discounted future cash flows and of multiples combined with probabilities of an exit that varies depending on the year.

In the framework of the disposal of IBA Molecular and based on an agreement signed by both parties, this derivative has been revaluated at EUR 5.83 million and will be repaid in the first quarter of 2016.

This derivative has been recognized in the balance sheet under the ''other receivables'' heading.

(F) VALUATION OF THE ASSETS KEPT ON THE BALANCE SHEET FOLLOWING THE SALE OF THE CISBIO BIOASSAYS BUSINESS TO ARGOS SODITIC

As part of the sale of the Cisbio Bioassays activity, three deferred contingent remuneration elements have been negotiated:

- A loan of EUR 7.5 million, repayable over a period of maximum 7 years depending on the achievement of a certain level of EBIT. Interests on the loan were charged at market conditions. Any unpaid balance after the period of 7 years will be lost. Until December 2014, the loan valuation was based on the latest strategic plan provided by Cisbio Bioassays' management, which allowed to calculate the part of EBIT above the threshold for the period of 7 years as set out in the agreement and this amount was reassessed on the basis of the discount method for expected future cash flows. Until June 2015 IBA received a repayment in principal of EUR 1.4 million. In October 2015, the Group received a full and final anticipated repayment in principal for this ''contingent loan'' of EUR 5.75 million.
- An earn-out of EUR 1 million depending on the achievement of a certain level of EBIT in 2013. This earn-out has been paid in October 2014.
- An earn-out of EUR 1.0 million if and when certain long-term receivables are collected by Cisbio Bioassays SAS. This earn-out has been paid in September 2015.

(G) LONG TERM INCENTIVE PLAN

In 2014, the Company has put in place a new long-term incentive plan, aimed at supporting its multi-year profitability targets, the alignment of plan participants with shareholder interests and longer-term shareholder value creation, as well as creating a suitable retention effect. The plan is two-tiered, directly or indirectly combining a cash-based incentive with a grant of warrants.

The cash-based incentive has been implemented in 2014 and is linked to actual cumulative profit before tax over the period 2014 – 2017 compared to a predefined target aligned to the Group strategic plan and the guidance provided to the market in this respect. Vesting occurs in full at the end of 2017, subject to each participant's continued service up to that date and subject to a threshold backlog requirement being met on the same date. The target payout varies between 30% and 100% of annual fixed remuneration directly or indirectly received, except for the Chief Executive Officer, for whom it is 200%. The maximum payout upon superior performance is set at 200% of the target payout. Poor performance results in a zero payout. Satisfactory individual performance, for each calendar year included in the performance period, operates as an additional threshold under the plan, reducing the actual payout by 25% for each year that the individual performance is below expectations. Individual overachievement does not result in an increased payout under the plan. No new cash-based incentive has been implemented in 2015.

As at December 2015, a provision of EUR 2.4 million has been booked by the Group for the long term incentive plan. The provision is calculated on a prorate basis of the achieved objectives versus targeted objectives.

(H) STOCK OPTION PLAN

The company is using the Black & Scholes model to measure the options value. Terms and conditions of the Group stock option plans are described in note 17.2.

(I) LOCAL TAXES IN COUNTRIES OTHER THAN BELGIUM

In 2015, the Company has initiated an analysis on the Group exposure in countries other than Belgium to be potentially obliged to pay certain local taxes whereas the payment of those taxes has been transferred to the Group's customers. At this stage, preliminary findings do not allow for a reliable estimate of the exposure therefore no provision has been accrued for in the Group financial statements.

4. OPERATING SEGMENTS

On the basis of its internal financial reports to the Board of Directors and given the Group's primary source of risk and profitability, IBA has identified two levels of operating information:

- Business segment-based information (Level 1);
- Geographical segment-based information (Level 2).

4.1 BUSINESS SEGMENTS

The operating segments are parts of the Company's business. Distinct financial information is available for these segments and is regularly checked by the Management.

The presentation format of IBA's operational segments is represented by activities in the primary dimension, as the Company's risks of the Company and the productivity rates related to the activities are mainly affected by the fact that IBA operates activities which have different fundamental risk profiles. Consequently, the organization of the Company's Management and its internal reporting system to the Board of Directors have been implemented. A business segment is a separate component of a company which provides products or services in a specific field of activity which is subject to risks and returns different from those of other activities. In accordance with IFRS 8 Operating segments, the business segments on which segment information is based are (1) Proton therapy and others accelerators and (2) Dosimetry upon the sale of the Radiopharmaceutical business in 2012 and Cisbio Bioassays business in 2013.

- **Proton therapy and other accelerators:** This segment constitutes the technological basis of the Group's many businesses and encompasses development, fabrication, and services associated with medical and industrial particle accelerators and proton therapy systems.
- **Dosimetry:** this segment includes the activities that offer a full range of innovative high-quality solutions and services that maximize efficiency and minimize errors in radiation therapy and medical imaging Quality Assurance and calibration procedures.

The segment results, assets and liabilities include the items directly related to a segment, as well as those that may be allocated on a reasonable basis. The non-allocated assets mainly include deferred tax assets and some assets of companies that have a cross-segment role. The non-allocated liabilities mainly include those that are relevant to companies having a cross-segment role.

The segment investment expenses include the total cost of investments incurred during the period of acquisition of tangible and intangible assets investments, except goodwill.

The following table provides details of the income statement for each segment. Any intersegment sales are contracted at arm's length.

	Proton Therapy and Other Accelerators (EUR 000)	Dosimetry (EUR 000)	Group (EUR 000)
YEAR ENDED DECEMBER 31, 2014			
Sales	120 101	37 808	157 909
Services	57 586	5 082	62 668
External Sales	**177 687**	**42 890**	**220 577**
REBIT	**19 516**	**3 417**	**22 933**
Other operating (expenses)/Income	-806	-151	-957
Segment result	**18 710**	**3 266**	**21 976**
Unallocated expenses (1)			247
Financial (expenses)/income (2)			1 823
Share of profit/(loss) of companies consolidated using the equity method			-6 873
Result before taxes			**17 173**
Tax (expenses)/income (2)			3 413
RESULT FOR THE PERIOD FROM CONTINUING OPERATIONS			**20 586**
Profit/(loss) for the period from discontinued operations			3 708
Profit/(loss) for the period			**24 294**

	Proton Therapy and Other Accelerators (EUR 000)	Dosimetry (EUR 000)	Group (EUR 000)
Non-current assets	59 267	6 361	65 628
Current assets	186 796	17 561	204 357
Segment assets	**246 063**	**23 922**	**269 985**
Investments accounted for using the equity method			37 071
TOTAL ASSETS	**246 063**	**23 922**	**307 056**
Non-current liabilities	40 063	1 025	41 088
Current liabilities	150 517	7 925	158 442
Segment liabilities	**190 580**	**8 950**	**199 530**
TOTAL LIABILITIES	**190 580**	**8 950**	**199 530**
Other segment information			
Capital expenditure	4 519	435	
Depreciation and impairment of property, plant and equipment	1 463	444	
Depreciation of intangible assets and goodwill	1 808	149	
Salary expenses	66 821	14 630	
Non-cash expenses/(income)	1 920	156	
Headcount at year-end	866	205	

(1) Unallocated expenses mainly consist of expenses for stock option plans, stock plans.
(2) Cash and taxes are handled at Group level and are therefore presented under unallocated.

Balance sheet intercompany position between segments is excluded from the assets and liabilities of the segment.

	Proton Therapy and Other Accelerators (EUR 000)	Dosimetry (EUR 000)	Group (EUR 000)
YEAR ENDED DECEMBER 31, 2015			
Sales	147 746	47 345	195 091
Services	68 515	6 751	75 266
External Sales	**216 261**	**54 096**	**270 357**
REBIT	**21 956**	**7 597**	**29 553**
Other operating (expenses)/Income	-3 120	-715	-3 835
Segment result	**18 836**	**6 882**	**25 718**
Unallocated (expenses)/income [1]			36 369
Financial (expenses)/income [2]			3 227
Share of profit/(loss) of companies consolidated using the equity method			-122
Result before taxes			**65 192**
Tax (expenses)/income [2]			-3 930
RESULT FOR THE PERIOD FROM CONTINUING OPERATIONS			**61 262**
Profit/(loss) for the period from discontinued operations			-73
Profit/(loss) for the period			**61 189**

	Proton Therapy and Other Accelerators (EUR 000)	Dosimetry (EUR 000)	Group (EUR 000)
Non-current assets	63 258	6 326	69 584
Current assets	304 303	19 577	323 880
Segment assets	**367 561**	**25 903**	**393 464**
Investments accounted for using the equity method			1 888
TOTAL ASSETS	**367 561**	**25 903**	**395 352**
Non-current liabilities	24 617	1 237	25 854
Current liabilities	195 894	9 972	205 866
Segment liabilities	**220 511**	**11 209**	**231 720**
TOTAL LIABILITIES	**220 511**	**11 209**	**231 720**
Other segment information			
Capital expenditure	3 844	461	
Depreciation and impairment of property, plant and equipment	1 457	416	
Depreciation of intangible assets and goodwill	2 045	181	
Salary expenses	81 297	15 868	
Non-cash expenses/(income)	986	1 038	
Headcount at year-end	962	213	

[1] Unallocated expenses and income mainly consist of expenses for stock option plans, stock plans, the gain realized on the disposal of IBA Molecular and expenses related to the radiopharmaceutical activities sold.
[2] Cash and taxes are handled at Group level and are therefore presented under unallocated (expense)/income.

4.2 GEOGRAPHICAL SEGMENTS (information provided for the entire entity)

The Group's business segments operate in three main geographical areas, Belgium, the United States and the rest of the world.

These geographical segments have been determined on the basis of the economic and political context, the degree of proximity of the business activities, and the specific risks associated with the business activities in a given geographical area.

The sales figures presented below are based on customer location, whereas segment balance sheet items are based on asset location.

	Belgium (EUR 000)	USA (EUR 000)	ROW (EUR 000)	Operations held for sale (EUR 000)	Group (EUR 000)
YEAR ENDED DECEMBER 31, 2014					
Net sales and services*	1 674	78 124	140 779	0	220 577
Non-current assets	36 241	629	5 249	0	42 119
Current assets	157 899	28 215	18 733	0	204 847
Segment assets	**194 140**	**28 844**	**23 982**	**0**	**246 966**
Investments accounted for using the equity method	0	0	37 032	0	37 032
Unallocated assets					23 018
TOTAL ASSETS					**307 056**
Capital expenditure (incl. fixed assets from acquisitions in 2014)	4 145	414	395		

	Belgium (EUR 000)	USA (EUR 000)	ROW (EUR 000)	Operations held for sale (EUR 000)	Group (EUR 000)
YEAR ENDED DECEMBER 31, 2015					
Net sales and services*	2 185	105 815	162 357	0	270 357
Non-current assets	55 675	7 895	6 014	0	69 584
Current assets	278 958	15 398	29 524	0	328 880
Segment assets	**334 633**	**23 293**	**35 538**	**0**	**393 464**
Investments accounted for using the equity method	0	0	1 888	0	1 888
Unallocated assets					0
TOTAL ASSETS					**395 352**
Capital expenditure (incl. fixed assets from acquisitions in 2015)	3 629	222	454		

There is no breakdown of sales and services available by geographical sector.

As at December 31, 2015, no customer represents more than 10% of the Group's sales and services.

5. LISTS OF SUBSIDIARIES AND EQUITY-ACCOUNTED INVESTMENTS

As at December 31, 2015, the IBA Group consists of IBA SA and 20 companies and associates in 10 countries. 16 of them are fully consolidated and 4 are accounted for using the equity method. The Group has elected not to use the proportional method for joint ventures.

5.1 LIST OF SUBSIDIARIES

NAME	Assets held for sale	Country of incorporation	Equity ownership (%)	Change in % ownership over December 31, 2014
IBA Molecular Holding (BE 0880.070.706) *Chemin du Cyclotron, 3, B-1348 LLN*	No	Belgium	100%	-
IBA Participations SPRL (BE 0465.843.290) *Chemin du Cyclotron, 3, B-1348 LLN*	No	Belgium	100%	-
IBA Investments SCRL (BE 0471.701.397) *Chemin du Cyclotron, 3, B-1348 LLN*	No	Belgium	100%	-
Ion Beam Beijing Applications Co. Ltd. *No.6 Xing Guang Er Jie, Beijing OPTO-Mechatronics Industrial Park, 101 111 Tongzhou District, Beijing,China*	No	China	100%	-
Striba GmbH [(1)] *Waidmarkt 11, 50676 KÖLN, GERMANY*	No	Germany	100%	+50%
IBA RadioIsotopes France SAS *59 Blvd Pinel, 69003 LYON*	No	France	100%	-
IBA Dosimetry GmbH *Bahnhofstrasse 5, 90592 Schwarzenbruck. Germany*	No	Germany	100%	-
IBA Dosimetry America Inc. *3150 Stage Post Dr.* *Ste. 110, Bartlett, TN 38133, USA*	No	USA	100%	-
IBA Proton Therapy Inc. 152 Heartland Blvd, Edgewood New York 11717, USA	No	USA	100%	-
IBA Industrial Inc. *152 Heartland Blvd,* *Edgewood New York 11717, USA*	No	USA	100%	-
RadioMed Corporation *3149 Stage Post Drive* *Suite 110, Bartlett, TN 38133, USA*	No	USA	100%	-
IBA USA Inc. *151 Heartland Blvd,* *Edgewood New York 11717, USA*	No	USA	100%	-
IBA Particle Therapy GmbH *Bahnhofstrasse 5,* *90592 Schwarzenbruck, Germany*	No	Germany	100%	-
Normandy Hadrontherapy SAS (1) *9 rue Ferdinand Buisson, 14280 Saint-Contest*	No	France	100%	-
LLC Ion Beam Applications *1st Magistralny tupik, 5A* *123290 Moscow, Russia*	No	Russia	100%	-
IBA Particle Therapy India Private Limited *Office Unit - F, 3rd Floor, Ali Towers, Old No 22, New No. 55, Greams Road, Thousand Lights,, Chennai - 600006, Tamil Nadu, INDIA*	No	India	100%	-

(1) On June 26, 2015, IBA acquired 50% additional stakes in Striba GmbH to Strabag GmbH for EUR 1. Since that date, the Company is consolidated in full in place to be consolidated as equity accounted company.

5.2 LIST OF EQUITY-ACCOUNTED INVESTMENTS

NAME	Country of incorporation	Equity ownership (%)	Change in % ownership over December 31, 2014
CONTINUING OPERATIONS			
Sceti Medical Labo KK	Japan	39.80%	-
Rose Holding SARL	Luxembourg	40.00%	-
Cyclhad SAS	France	33.33%	-
DISCONTINUING OPERATIONS			
PharmaLogic Pet Services of Montreal Cie	Canada	48.00%	-

On December 11, 2015, IBA has signed a definitive agreement for the sale of IBA Molecular (Rose Holding SARL), to Funds advised by CapVest Partners LP ("CapVest"). The closing of the transaction is expected by the end of the first quarter of 2016.

Rose Holding SARL has been accounted using the equity method until November 30, 2015.

6. DISCONTINUED OPERATIONS

IFRS 5, specify that IBA has to reclassify in the income statement as "Profit/(loss) from discontinued operations" and in the statement of financial position as "assets and liabilities held for sale" all of the business over which IBA will lose control.

For years 2014 and 2015, there were no businesses within the Group that met the requirements of reclassification of IFRS 5.

7. BUSINESS COMBINATIONS AND OTHER CHANGES IN THE COMPOSITION OF THE GROUP

7.1 ACQUISITIONS OF COMPANIES

On June 26, 2015, IBA acquired 50% additional stakes in Striba GmbH to Strabag GmbH for EUR 1. Since that date, the Company is consolidated in full in place to be consolidated as equity accounted company.

The financial statements of Striba GmbH were not finalized at the date of publication of IBA's IFRS interim condensed consolidated financial statements, IBA has not been able to determine the net acquired assets and goodwill arising from the purchase of those stakes.

As at December 31, 2015, the net acquired assets and goodwill arising from the purchase of Striba GmbH are presented on the table below:

(EUR 000)	Fair value	Carrying amount of net acquired assets
Cash and cash equivalents	76	76
Other receivables	482	672
Other current liabilities	-86	-86
Net acquired assets	**472**	**662**

Price paid	0
Fair value of net acquired assets	-472
Goodwill (+) / Negative goodwill (-)	**-472**

This negative goodwill has been recognized in the income statement in the line items ''other operating income''.

As at December 31, 2015, the contribution of Striba GmbH to the Group REBIT is zero and it would have been the same if the combination had taken place on January 1st, 2015.

7.2 DISPOSAL OF COMPANIES

On December 11, 2015, Rose Holding SARL (IBA Molecular) was sold to Funds advised by CapVest Partners LP ("CapVest") by IBA and SK Capital Partners.

Rose Holding SARL has therefore been equity accounted until November 30, 2015. The closing of the disposal has taken place in March 2016. (see also note 11).

The assets sold recognized under the heading ''Investments accounted using the equity method'' were as follows:

	Participation	Contingent loan	Total
Closing balance December 31, 2014	**15 076**	**19 449**	**34 525**
Share of profit/(loss) of companies consolidated using the equity method	14 128		14 128
Revaluation of the contingent loan through income statement (see notes 2.3; 3.E; 32.2)		-13 619	-13 619
Equity movements of equity accounted investments	-244		-244
Dividend received from Rose Holding SARL following disposal of IBA North America	-10 000		-10 000
Closing balance November 30, 2015	**18 960**	**5 830**	**24 790**

The profit of EUR 14.1 million is primarily related to the sale of IBA North America, Inc. (IBAM NA) to Illinois Health and Science (IHS) signed in April 2015 and closed in July 2015.

In the framework of the disposal of IBA Molecular (Rose Holding SARL) and based on an agreement signed by both parties, the contingent loan has been revaluated at EUR 5.83 million.

The impact of this sale on the Group's cash at the date of the disposal is as follows:

	December 31, 2015 (EUR 000)
Net assets sold	24 790
Realized gain on disposal – non cash	-1 070
Realized gain on disposal – cash	38 595
Other short term receivables	-64 011
Other long term payables	1 696
Proceed from the sale	**0**

The gain from the sale is as follows:

	December 31,2015 (EUR 000)
Other current assets	62 796
Net assets sold	-24 790
Reserves recycled through the income statement	2 285
Other current liabilities	-1 696
Total	**38 595**

In 2014, the Group lost control over Cyclhad SAS due to a call for fund to shareholders to increase the capital of the company. This capital increase had the effect of diluting the stake held by the Group in this company. The Group now owns 33.33% compared to 60% previously.

The main asset and liability categories at the capital increase date were the following:

	October 1, 2014 (EUR 000)
ASSETS	
Property, plant and equipment	5 354
Non-current assets	**5 354**
Other receivables	452
Cash and cash equivalents	10
Current assets	**462**
TOTAL ASSETS	**5 816**
LIABILITIES	
Trade payables	5 812
Current liabilities	**5 812**
TOTAL LIABILITIES	**5 812**

8. GOODWILL AND OTHER INTANGIBLE ASSETS

8.1 GOODWILL

Movements of goodwill are detailed as follows:

As at January 1, 2014	**3 821**
Goodwill impairment	0
Currency translation difference	0
As at December 31, 2014	**3 821**
As at January 1, 2015	**3 821**
Goodwill impairment	0
Currency translation difference	0
As at December 31, 2015	**3 821**

The goodwill generated by an acquisition is allocated to the cash-generating units (CGUs) concerned and an impairment test is carried out annually on the CGUs' fixed assets (including goodwill).

The following table summarizes allocation of the carrying amount of goodwill by business segment:

(EUR 000)	Proton therapy and Other accelerators	Dosimetry	Group
December 31, 2014	**0**	**3 821**	**3 821**
December 31, 2015	0	3 821	3 821
Pre-tax discount rate applied in 2014		6.42%	
Long-term growth rate 2014 (2)		2.60%	
Pre-tax discount rate applied in 2015 (1)		8.52%	
Long-term growth rate 2015(2)		2.60%	

(1) Data used for the calculation of pre-tax discount rate applied: cost of equity of 9%, cost of debt of 2%, market value of the IBA Dosimetry GmbH equity of EUR 17 473, market value of IBA Dosimetry GmbH debt of EUR 1 224 and corporate tax rate of 30%.

(2) Rate consistent with expected growth in the sector.

The recoverable amounts of goodwill have been determined on a "value in use" basis.

Value in use has been determined on the basis of IBA's latest business plans, as approved by the Board of Directors in the context of the strategic plan. The cash flows beyond a four-year period have been extrapolated using the growth rates shown in the table above. Impairment testing uses gross budgeted operational margins estimated by management on the basis of past performance.

The discount rates used reflect the specific risks related to the segments in question.

For the CGU Dosimetry, if the growth rate is decreased by 100 basis points and the discount rate is increased by 100 basis points, the recoverable amount remains greater than the carrying amount of the tested assets. No impairment was identified in 2014 and 2015.

8.2 OTHER INTANGIBLE ASSETS

EUR 000	Software	Patents and trademarks	Development costs	Other	Total
Gross carrying amount as at January 1, 2014	**16 595**	**109**	**0**	**1 807**	**18 511**
Additions	1 395	0	0	704	2 099
Disposals	-214	0	0	0	-214
Transfers	34	0	0	-34	0
Transfers to assets held for sale	0	0	0	0	0
Change in consolidation scope	0	0	0	0	0
Currency translation difference	104	15	0	-42	77
Gross carrying amount as at December 31, 2014	**17 914**	**124**	**0**	**2 435**	**20 473**
Accumulated depreciation as at January 1, 2014	**8 341**	**105**	**0**	**1 000**	**9 446**
Additions	1 889	4	0	64	1 957
Disposals	-214	0	0	0	-214
Transfers	0	0	0	0	0
Transfers to assets held for sale	0	0	0	0	0
Currency translation difference	99	15	0	-8	106
Accumulated depreciation as at December 31, 2014	**10 115**	**124**	**0**	**1 056**	**11 295**
Net carrying amount as at January 1, 2014	**8 254**	**4**	**0**	**807**	**9 065**
Net carrying amount as at December 31, 2014	**7 799**	**0**	**0**	**1 379**	**9 178**
Gross carrying amount as at January 1, 2015	**17 914**	**124**	**0**	**2 435**	**20 473**
Additions	1 691	0	0	130	1 821
Disposals	-391	0	0	-4	-395
Transfers	1 291	0	0	-1 291	0
Transfers to assets held for sale	0	0	0	0	0
Revaluation	0	0	0	0	0
Currency translation difference	88	14	0	3	105
Gross carrying amount as at December 31, 2015	**20 593**	**138**	**0**	**1 273**	**22 004**
Accumulated depreciation as at January 1, 2015	**10 115**	**124**	**0**	**1 056**	**11 295**
Additions	2 133	0	0	93	2 226
Disposals	-244	0	0	0	-244
Transfers	0	0	0	0	0
Revaluation	0	0	0	0	0
Currency translation difference	84	14	0	0	98
Accumulated depreciation as at December 31, 2015	**12 088**	**138**	**0**	**1 149**	**13 375**
Net carrying amount as at January 1, 2015	**7 799**	**0**	**0**	**1 379**	**9 178**
Net carrying amount as at December 31, 2015	**8 505**	**0**	**0**	**124**	**8 629**

In 2014 and 2015, the majority of the intangible assets involves softwares (mainly SAP, Microsoft licenses and Product Lifecycle Management software).

Amortization expense for intangible assets was recognized in the income statement in the “Cost of sales and services”, “Sales and marketing expenses”, “General and administrative expenses”, “Research and development expenses”, and “Other operating expenses” line items.

For details on impairment testing, see Note 8.1.

No impairment of the intangible assets was identified on December 31, 2014 and December 31, 2015.

9. PROPERTY, PLANT AND EQUIPMENT

EUR 000	Land and buildings	Plant, machinery and equipment	Furniture, fixtures and vehicles	Other tangible fixed assets	Total
Gross carrying amount as at January 1, 2014	**10 151**	**6 595**	**3 129**	**4 133**	**24 008**
Additions	390	1 775	94	596	2 855
Disposals	-87	-926	-205	-401	-1 619
Transfers	102	48	106	-256	0
Changes in consolidation scope	0	0	0	0	0
Transfers to assets held for sale	0	0	0	0	0
Currency translation difference	21	266	220	76	583
Gross carrying amount as at December 31, 2014	**10 577**	**7 758**	**3 344**	**4 148**	**25 827**
Accumulated depreciation as at January 1, 2014	**6 298**	**4 020**	**2 756**	**3 278**	**16 352**
Additions	514	837	143	413	1 907
Disposals	-87	-916	-194	-397	-1 594
Transfers	-3	0	0	3	0
Changes in consolidation scope	0	0	0	0	0
Transfers to assets held for sale	0	0	0	0	0
Currency translation difference	17	241	211	30	499
Accumulated depreciation as at December 31, 2014	**6 739**	**4 182**	**2 916**	**3 327**	**17 164**
Net carrying amount as at January 1, 2014	**3 853**	**2 575**	**373**	**855**	**7 656**
Net carrying amount as at December 31, 2014	**3 838**	**3 576**	**428**	**821**	**8 663**
Gross carrying amount as at January 1, 2015	**10 577**	**7 758**	**3 344**	**4 148**	**25 827**
Additions	517	950	64	953	2 484
Disposals	-105	-1 477	-985	-70	-2 637
Transfers	9	31	6	-46	0
Changes in consolidation scope	0	0	0	0	0
Transfers to assets held for sale	0	0	0	0	0
Currency translation difference	32	259	215	44	550
Gross carrying amount as at December 31, 2015	**11 030**	**7 521**	**2 644**	**5 029**	**26 224**
Accumulated depreciation as at January 1, 2015	**6 739**	**4 182**	**2 916**	**3 327**	**17 164**
Additions	318	1 001	109	445	1 873
Disposals	-105	-1 463	-981	-69	-2 618
Transfers	0	0	0	0	0
Changes in consolidation scope	0	0	0	0	0
Transfers to assets held for sale	0	0	0	0	0
Currency translation difference	18	232	196	32	478
Accumulated depreciation as at December 31, 2015	**6 970**	**3 952**	**2 240**	**3 735**	**16 897**
Net carrying amount as at January 1, 2015	**3 838**	**3 576**	**428**	**821**	**8 663**
Net carrying amount as at December 31, 2015	**4 060**	**3 569**	**404**	**1 294**	**9 327**

Other tangible fixed assets mainly include computer hardware and assets under construction. There are no tangible fixed assets subject to title restrictions.

Depreciation expense for tangible assets was recognized in the income statement in the “Cost of sales and services”, “Sales and marketing expenses”, “General and administrative expenses”, “Research and development expenses” and “Other operating expenses” line items.

No impairment was recognized in the 2014 and 2015 financial year.

In 2014 and 2015, the disposals of tangible assets mainly correspond to the scrapping of unused assets by the Group.

10. LEASE ARRANGEMENTS

IBA holds the following assets under finance lease contracts:

(EUR 000)	Land and buildings		Plant, machinery and equipment		Furniture, fixtures and vehicles	
	December 31, 2014	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014	December 31, 2015
Gross carrying amount	5 847	5 847	158	89	69	73
Accumulated depreciation	3 157	3 323	146	80	66	73
Net carrying amount	**2 690**	**2 524**	**12**	**9**	**3**	**0**

Details of lease payments on finance liabilities relating to leased assets are set out in Note 19.2. These amounts are included in tangible fixed assets.

The finance lease contracts at the end of 2015 mainly relate to several buildings located in Louvain-la-Neuve, for which call options of EUR 0.2 million may be levied at the end of these contracts.

11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD AND OTHER INVESTMENTS

(EUR 000)	December 31, 2014	December 31, 2015
Investments accounted for using the equity method	37 072	1 888
Other investments	407	7 116
TOTAL	**37 479**	**9 004**

11.1 MOVEMENTS IN EQUITY-ACCOUNTED INVESTMENTS

Equity-accounted companies are listed in Note 5.2.

(EUR 000)	December 31, 2014	December 31, 2015
As at January 1	**35 799**	**37 072**
Share of profit/(loss) of equity-accounted investments:		
- Continuing operations	-3 404	293
- Discontinued operations	36	0
Additions:		
- Continuing operations	1 503	0
- Discontinued operations	0	0
Disposals :		
- Continuing operations	0	-24 790
- Discontinued operations	0	0
Impact of margin elimination on tangible assets	-234	-566
Dividend received	0	-10 000
Transfers to assets held for sale	-36	0
Equity movements of equity accounted investments :		
- Continuing operations	3 409	-121
- Discontinued operations	0	0
Currency translation difference	-1	0
As at December 31	**37 072**	**1 888**

On January 9, 2012, IBA and SK Capital Partners, a private investment fund based in the United States, announced that they had signed an agreement to create Rose Holding SARL, a company regrouping the assets and liabilities held for sale from IBA's Radiopharmaceutical division.

Since April 2, 2012, SK Capital Partners holds 60% of the new venture and IBA 40% (acquisition value of EUR 21.3 million).

On December 11, 2015, IBA has signed a definitive agreement for the sale of IBA Molecular (Rose Holding SARL), to Funds advised by CapVest Partners LP ("CapVest"). The closing of the transaction is expected by the end of the first quarter of 2016.

As a reminder, in August 2015, IBA also announced that the US activities of IBA Molecular had been acquired by Illinois Health and Science.

In 2012, in the context of establishing and financing IBA Molecular (Rose Holding SARL), the Group granted a loan to the Rose Holding SARL which has been treated as quasi-equity and recognized in investments accounted for using the equity method until November 30, 2015 (EUR 19.45 million at December 31, 2014). In the framework of the disposal of IBA Molecular and based on an agreement signed by both parties, this derivative has been revaluated at EUR 5.83 million (see also 32.2 and 3.E).

IBA Molecular (Rose Holding SARL) has been accounted using for the equity method until November 30, 2015.

The Group's holdings in its principal associates, all of which are unlisted, are as follows:

(EUR 000)	Country	Assets	Liabilities	Revenue	Profit/(Loss)	% Interest
2014						
CONTINUING OPERATIONS						
Striba GmbH	Germany	5 661	4 982	0	-14	50.0%
Sceti Medilabo KK	Japan	4 751	3 518	5 852	13	39.8%
Rose Holding SARL	Luxembourg	257 004	218 576	188 470	-13 723	40.0%
Cyclhad SAS	France	16 383	11 873	0	0	33.33%
IBA Molecular Compounds Development SARL	Luxembourg	N/A	N/A	N/A	N/A	0.0%
DISCONTINUING OPERATIONS						
PharmaLogic Pet Services of Montreal Cie.	Canada	2 660	2 188	1 574	10 728	48.0%
2015						
CONTINUING OPERATIONS						
Sceti Medilabo KK	Japan	5 266	4 450	3 417	-539	39.8%
Rose Holding SARL (1)	Luxembourg	213 488	165 038	168 706	35 634	40.0%
Cyclhad SAS	France	39 898	35 388	0	0	33.33%
DISCONTINUING OPERATIONS						
PharmaLogic Pet Services of Montreal Cie. (2)	Canada	379	247	0	-157	48.0%

(1) Financials statement as of November 30, 2015.
(2) The activity of the company was sold in March 2014 through an asset deal.

Financial position of material equity-accounted investments:

	Sceti Medilabo KK (JPY 000) December 31, 2015	Rose Holding SARL (EUR 000) November 30, 2015	Cyclhad SAS (EUR 000) December 31, 2015
ASSETS			
Property, plant and equipment	482 987	69 581	18 931
Intangible assets and goodwill	2 057	19 508	0
Investments accounted for using equity method	0	99	0
Other receivables	0	47 212	0
Available for sale and other investments	0	0	0
Deferred tax assets	0	0	0
Non-current assets	**485 044**	**136 400**	**18 931**
Inventories	56 566	12 451	0
Current tax receivables	19 085	0	0
Trade receivables	85 061	40 966	0
Other receivables	27 687	14 797	499
Cash and cash equivalents	16 795	8 874	20 468
Current assets	**205 194**	**77 088**	**20 967**
TOTAL ASSETS	**690 239**	**213 488**	**39 898**
EQUITY AND LIABILITIES			
Equity attributable to owners of the company	107 025	47 009	4 510
Non-controlling interests	0	1 441	0
Equity	**107 025**	**48 450**	**4 510**
Loans and borrowings	360 000	17 863	0
Employee benefits	0	24 850	0
Other liabilities	0	1	34 113
Provisions	0	49 699	0
Deferred tax liabilities	0	221	0
Non-current liabilities	**360 000**	**92 634**	**34 113**
Current tax liabilities	1 137	2 719	0
Loans and borrowings	0	7 164	319
Derivative financial instruments	0	0	0
Trade payables	54 792	26 668	941
Other payables	167 285	26 685	15
Employee benefits	0	1 623	0
Provisions	0	7 545	0
Current liabilities	**223 214**	**72 404**	**1 275**
TOTAL LIABILITIES	**690 239**	**213 488**	**39 898**

Income statement of material equity-accounted investments:

	Sceti Medilabo KK (JPY 000) December 31, 2015	Rose Holding SARL (EUR 000) November 30, 2015	Cyclhad SAS (EUR 000) December 31, 2015
INCOME STATEMENT			
Sales	459 156	168 706	0
Cost of sales (-)	-226 078	-124 070	0
Gross profit	**233 078**	**44 636**	**0**
Operating expenses (-)	-294 455	-35 765	0
Other income	800	0	0
Other (expenses)	-9 348	-3 257	0
Result from operating activities	**-69 925**	**5 614**	**0**
Financial income	1 910	38 890	0
Financial (expenses)	-4 020	-5 928	0
Share of result of investments accounted for using the equity method	0	-32	0
Result before tax	**-72 035**	**38 544**	**0**
Tax income/(expenses)	-360	-2 910	0
Net result for the period from continuing operations	**-72 395**	**35 634**	**0**
Depreciation and amortization	35 076	12 626	0

Other comprehensive income of material equity-accounted investments:

	Sceti Medilabo KK (JPY 000) December 31, 2015	Rose Holding SARL (EUR 000) November 30, 2015	Cyclhad SAS (EUR 000) December 31, 2015
Profit/ (loss) for the period	**-72 395**	**35 634**	**0**
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit liability	0	0	0
Income tax on items that will not be reclassified to profit or loss	0	0	0
Total items that will not be reclassified to profit or loss	**0**	**0**	**0**
Items that may be reclassified subsequently to profit or loss			
Change in fair value of cash flow hedges	0	93	0
Changes in fair value of assets held to cover the funding of decommissioning liabilities	0	-1 786	0
Foreign currency translation adjustments	0	1 083	0
Total items that may be reclassified to profit or loss	**0**	**-610**	**0**
Other comprehensive income for the period, net of tax	**0**	**-610**	**0**
Total comprehensive income for the period	**-72 395**	**35 024**	**0**

11.2 MOVEMENTS IN OTHER INVESTMENTS

The "Other investments" are comprised of shares of unlisted companies. These shares are reassessed either on the basis of the discount method for expected future cash flows, or on the basis of the value granted to them during the most recent operation to raise additional capital or from valuation by independent third parties.

(EUR 000)	TOTAL
As at December 31, 2014	**407**
Equity stake acquisition	7 083
Equity stake disposal	-20
Movements through reserves	0
Impairment	-354
As at December 31, 2015	**7 116**

In 2015, the Group has taken a stake of 7.58% (GBP 5 million) in Proton Partners International (PPI) with which the Group has signed contracts to install three Proteus®ONE in private clinics in the United Kingdom: one in Newport (Wales), one in Newcastle (England) and a third location to be identified at a later stage.

12. DEFERRED TAXES

The Group recognizes deferred tax assets on unused losses carried forward to the extent that the taxable profit against which these assets are available can be used. The amounts recognized in the balance sheet are prudent estimates made on the basis of recent financial plans approved by the Board of Directors and depend on certain judgments with respect to the amounts and location of the future taxable profits of the Group's subsidiaries and parent company. The period used for estimates of the future taxable profits taken into account for the recognition of deferred tax assets is 4 years. The assumptions taken in consideration in the financial plans are as follow: in 2016, IBA expects to achieve a revenue growth greater than 20%, and double digit annual growth is anticipated thereafter. The Company expects its operating margin to be 11% in 2016, increasing to 13%-15% by 2018.

(EUR 000)	December 31, 2014	December 31, 2015
DEFERRED TAX ASSETS		
- Deferred tax assets to be recovered after 12 months – Tax losses on carry-forward	14 219	20 477
- Deferred tax assets to be recovered after 12 months - temporary differences	1 020	0
- Deferred tax assets to be recovered within 12 months - Tax losses on carry-forward	3 319	0
- Deferred tax assets to be recovered within 12 months - temporary differences	4 460	2 744
TOTAL	**23 018**	**23 221**
DEFERRED TAX LIABILITIES		
- Deferred tax liabilities to be paid after 12 months - temporary differences	697	697
- Deferred tax liabilities to be paid within 12 months - temporary differences	157	0
TOTAL	**854**	**697**
Net deferred tax assets	**22 164**	**22 524**

In 2015, the recognized temporary differences are mainly related to taxable deferred revenues, non-deductible allowance for doubtful accounts, expenses accrual and inventory in the United States entities.

In 2014, the recognized temporary differences are mainly related to non-deductible provisions in Belgian entity and to taxable deferred revenues, non-deductible allowance for doubtful accounts, expenses accrual and inventory in the United States entities.

(EUR 000)	TOTAL
DEFERRED TAX ASSETS	
As at January 1, 2014	**18 044**
Credited/(charged) to the income statement	4 689
Transfers to assets held for sale	0
Currency translation difference	285
As at December 31, 2014	**23 018**
Credited/(charged) to the income statement	-50
Transfers to assets held for sale	0
Currency translation difference	253
As at December 31, 2015	**23 221**

(EUR 000)	TOTAL
DEFERRED TAX LIABILITIES	
As at January 1, 2014	**711**
(Credited)/charged to the income statement	143
Transfers to liabilities directly related to assets held for sale	0
Currency translation difference	0
As at December 31, 2014	**854**
(Credited)/charged to the income statement	-157
Transfers to liabilities directly related to assets held for sale	0
Currency translation difference	0
As at December 31, 2015	**697**

Deferred tax assets are recognized as tax loss carry-forwards to the extent that it is likely that they can be recovered through future earnings. Note 3.A explains the estimates and judgments used by IBA in making this assessment.

On December 31, 2015, EUR 10.9 million of deferred taxes were not recognized as assets in the balance sheet (EUR 12.7 million in 2014).

Tax losses and corresponding temporary differences have no expiry dates.

13. OTHER LONG-TERM ASSETS

(EUR 000)	December 31, 2014	December 31, 2015
Long-term receivables on contracts in progress	925	882
Research tax credit	6 694	7 643
Other assets	12 920	8 166
TOTAL	**20 539**	**16 691**

As at December 31, 2015, “Other assets” mainly consists of EUR 0.7 million in receivables with associated company, a loan (principal and interest) and receivables for a total amount of EUR 7.0 million in a company in which the Group holds a participation and bank deposits to EUR 0.4 million.

As at December 31, 2014, “Other assets” primarily consists of EUR 2.5 million in receivables with associated companies, a loan to third party investment for EUR 3.8 million, a vendor loan reimbursable over a maximum of seven years ending on October 31, 2020 for EUR 5.2 million and a discounted Earn-out related to the disposal of Pharmalogic Montreal assets concluded in March 2014 for EUR 1.2 million. The discounted earn-out if and when certain Bioassays‘s long term receivables are collected of EUR 0.8 million has been reclassified during the year to other current receivables.

14. INVENTORIES AND CONTRACTS IN PROGRESS

Work in progress relates to production of inventory for which a customer has not yet been secured, while contracts in progress relate to production for specific customers in performance of a signed contract.

(EUR 000)	December 31, 2014	December 31, 2015
Raw materials and supplies	50 085	50 872
Finished products	3 671	6 178
Work in progress	2 441	3 353
Contracts in progress	42 798	47 202
Write-off of inventories	-7 264	-7 646
Inventories and contracts in progress	**91 731**	**99 959**
Costs to date and recognized revenue	391 140	519 437
Less : progress billings	-348 342	-472 235
Contracts in progress	**42 798**	**47 202**
Net amounts due to customers for contracts in progress (Note 24)	81 237	104 620

As at December 31, 2014 and 2015 there are no contracts in progress set as a warranty to cover the financing of a proton therapy contract.

15. TRADE AND OTHER RECEIVABLES

15.1 TRADE RECEIVABLES

Trade account receivables are detailed as follows:

(EUR 000)	December 31, 2014	December 31, 2015
Amounts invoiced on contracts in progress but for which payment has not yet been received at balance sheet date	5 472	2 686
Other trade receivables	52 548	60 058
Impairment of trade receivables (-)	-3 221	-2 806
TOTAL	**54 799**	**59 938**

Other trade receivables include a sum of EUR 730 (EUR 915 in 2014) for receivables assumed under the agreement with SK Capital Partners. Their due payment date is not included in the table below.

As at December 31, the repayment schedule for trade receivables (excluding impairments) was as follows:

(EUR 000)	TOTAL	not due	< 30 days	30-59	60-89	90-179	180-269	270-360	> 1 year
2014	**57 105**	30 065	6 029	1 320	6 608	3 258	2 510	3 667	3 648
2015	**62 015**	27 052	8 490	13 391	2 370	1 711	497	303	8 201

As at December 31, 2015, trade receivable impairments totaled EUR 2.8 million. Changes in the provision for doubtful debts for the past two years are as follows:

(EUR 000)	
As at January 1, 2014	**2 796**
Charge for the year	812
Utilizations	-43
Write-backs	-488
Reclassification	0
Change in the consolidation scope	0
Currency translation difference	144
As at December 31, 2014	**3 221**
Charge for the year	707
Utilizations	-488
Write-backs	-756
Reclassification	0
Change in the consolidation scope	0
Currency translation difference	122
As at December 31, 2015	**2 806**

15.2 OTHER RECEIVABLES

Other receivables on the balance sheet primarily involve advance payments on orders, deferred charges and accrued income.

Other receivables are detailed as follows:

(EUR 000)	December 31, 2014	December 31, 2015
Non-trade receivables and advance payments	10 046	11 927
Deferred charges	1 101	1 175
Accrued income	769	824
Current income tax receivable	3 211	1 455
Other current receivables	5 143	66 465
TOTAL	**20 270**	**81 846**

As at December 31, 2015, the “Other current receivables” heading is mainly composed a discounted earn-out related to the disposal of Pharmalogic Montreal assets concluded in March 2014 for EUR 1.15 million, the receivable resulting from the disposal in December 2015 of IBA Molecular by IBA and SK Capital Partners to Funds advised by CapVest Partners LP (“CapVest”) for EUR 64 million and ‘’research tax credit” for EUR 0.94 million.

As at December 31, 2015, the ‘’Current income tax receivable’’ heading is composed by tax asset in the United States for EUR 0.26 million, in Germany for EUR 1.18 million.

As at December 31, 2014, the “Other current receivables” heading is mainly composed of a receivable related to an earn-out in relation with the disposal of Cisbio Bioassays business amounting to EUR 0.93 million (the amount was transferred in 2014 from heading ‘’Other long-term assets’’), short term part of a vendor loan repayable over a maximum of seven years based on an allocation of 60% of the Bioassays’s EBIT above a certain threshold of EUR 1.18 million, an amount of EUR 1.56 million related to the sale of the Radiopharmaceutical business (assets that will flow back when the provision is used) and ‘’research tax credit” of EUR 0.85 million.

As at December 31, 2014, the ‘’Current income tax receivable’’ heading is composed by tax assets in the United States for EUR 1.0 million, in Germany for EUR 2.1 million and in China EUR 0.1 million.

16. CASH AND CASH EQUIVALENTS

(EUR 000)	December 31, 2014	December 31, 2015
Bank balances and cash	24 142	38 672
Accounts with restrictions shorter than 3 months	7	0
Short-term bank deposits	13 027	43 043
CASH AND CASH EQUIVALENTS - CONTINUING OPERATIONS	**37 176**	**81 715**
Cash and cash equivalents attributable to discontinued operations (Note 6)	0	0
CASH AND CASH EQUIVALENTS - CONTINUING OPERATIONS AND DISCONTINUED OPERATIONS	**37 176**	**81 715**

As at December 31, 2015, the effective interest rate on the cash position was 0.21% (0.21% in 2014). Short-term deposits have an average maturity of less than 30 days.

17. CAPITAL STOCK AND SHARE-BASED PLANS

17.1 CAPITAL STOCK

	Number of shares	Issued capital stock (EUR)	Capital surplus (EUR)	Treasure shares (EUR)	Total (EUR)
Balance as at January 1, 2014	**27 635 439**	**38 787 348**	**25 650 968**	**-8 612 421**	**55 825 895**
Stock options exercised	237 533	333 446	1 511 388	0	1 844 834
Capital decreases (other)	520 832	730 987	5 269 013	0	6 000 000
Other	0	0	0	0	0
Balance as at December 31, 2014	**28 393 804**	**39 851 781**	**32 431 369**	**-8 612 421**	**63 670 729**
Stock options exercised	721 263	1 012 405	4 897 371	0	5 909 776
Capital increases (other)	0	0	0	0	0
Disposal of treasury shares	0	0	0	-110 442	-110 442
Other	0	0	0	0	0
Balance as at December 31, 2015	**29 115 067**	**40 864 186**	**37 328 740**	**-8 501 979**	**69 690 947**

As at December 31, 2015, 66.55% of IBA's stock was ''trading'' on Euronext. Full details of the Group's shareholders are set out in the section "The stock market and shareholders" on page 157 of this annual report.

On June 30, 2014, the Group has strengthened his equity with a capital increase from two leading regional and federal investment companies in Belgium for a total amount of EUR 6 million (EUR 5 million from S.R.I.W. and 1 million from S.F.P.I.) and with a ''reverse convertible bond'' subscribed by S.R.I.W. for EUR 5 million. 10 million were used to repay outstanding bank loans.

December 31, 2015 was the latest date for converting the bond into equity. The Group has decided to not exercise its right to convert in capital the ''reverse convertible bond''. As consequence, the ''reverse convertible bond'' has been reclassified from equity to bank and other borrowings.

A new subordinated facility bond of EUR 9 million has been granted by S.F.P.I (undrawn as at December 31, 2015).

The IBA's Board of Directors will recommend to the general assembly, the distribution to shareholders of a total dividend of EUR 1.39 per share (about EUR 41.1 million), representing the 30% payout on the recurring profit and most of the capital gain on the IBA Molecular transaction.

17.2 STOCK OPTIONS AND SHARE-BASED PAYMENTS

Group employees and Management can purchase or obtain IBA stock through various stock option and stock plans. Option strike prices are set at the market price of the underlying stock on the date of grant. In the case of the stock plans, the benefit awarded is either the market value of the stock at the grant date or a discount of 16.67 % on the value of the stock at the grant date. Stock ownership vests irrevocably on the date of grant.

However, stock must be held for three years following grant. In the case of stock option plans, the fair value of the benefit awarded is measured using the Black & Scholes model, as described below. The benefit granted is recognized as an employee expense, and the share-based payment reserve is increased accordingly.

As at December 31, 2015, IBA had 5 stock option plans in place.

Stock option plans launched from 2002 to 2012 have the following vesting scheme: 20 percent vesting at grant date + 1 year, 40 percent at grant date + 2 years, 60 percent at grant date + 3 years, 80 percent at grant date + 4 years and 100 percent at grant date +5 years.

In 2013, no stock option plan has been launched.

Stock option plans launched in 2014 and 2015 have the following vesting scheme: 100 percent vesting as at December 31, 2018.

Details of the plans launched in 2015 and 2014 are given in this section.

	December 31, 2014	December 31, 2015
Type of plan	Stock option	Stock option
Date of grant	30/08/2014	31/12/2015
Number of options granted	196 500	50 000
Exercise price	11.52	31.84
Share price at date of grant	11.69	32.61
Contractual life (years)	10	9
Settlement	Shares	Shares
Expected volatility	37.06%	37.00%
Expected option life at grant date (years)	7	6
Risk-free interest rate	0.67%	0.88%
Expected dividend (stated as % of share price at grant date)	0%	0.5%
Expected departures at grant date	0%	0%
Fair value per granted option at grant date	4.63	11.55
Valuation model	Black & Scholes	Black & Scholes

The Company uses the Black & Scholes model to valuate options, with no vesting conditions other than time. Expected volatility for the stock option plans is based on historical volatility determined by statistical analysis of daily share price movements. The fair value of shares for the stock option plans was based on the average share price for the 30 days preceding the grant date.

As at December 31, 2015, a charge of EUR 0.57 million was recognized in the pre-tax financial statements for employee stock options (EUR 0.63 million in 2014).

The stock options outstanding as at December 31 have the following expiration dates and exercise prices:

	December 31, 2014		December 31, 2015	
Expiration date	Exercise price (EUR)	Number of stock options	Exercise price (EUR)	Number of stock options
September 30, 2015	13.64	101 292	13.64	0
September 30, 2015	8.26	256 725	8.26	0
September 30, 2016	19.94	65 400	19.94	39 219
September 30, 2016	7.80	312 885	7.80	143 979
September 30, 2017	5.10	638 176	5.10	355 127
September 30, 2018	4.78	504 697	4.78	487 487
June 30, 2024	11.52	196 500	11.52	196 500
June 30, 2024			31.84	50 000
TOTAL outstanding stock options		**2 075 675**		**1 272 312**

Please note that, on February 24, 2015, IBA decided to shift the exercise periods for SOPs 2006, 2007, 2009, 2010, 2011, 2012 and 2014. The exercise periods of March, June and September were shifted to April, July and October respectively, so as to have the four exercise periods well distributed along the year (January, April, July and October).

Please note that IBA decided on August 26, 2015 to render the current SOPs exercisable on a continued period (outside of anti-insider dealing black out period and outside one additional technical black out period) as from October 1st, 2015.

Stock option movements can be summarized as follows:

	December 31, 2014		December 31, 2015	
Expiration date	Average exercise price in EUR per share	Number of stock options	Average exercise price in EUR per share	Number of stock options
Outstanding as at January 1	**7.28**	**2 212 335**	**7.31**	**2 075 675**
Issued	11.52	196 500	31.84	50 000
Forfeited (-)			7.32	-132 100
Exercised (-)	7.77	-237 533	8.18	-721 263
Lapsed (-)	14.18	-95 627		0
Outstanding as at December 31	**7.31**	**2 075 675**	**7.78**	**1 272 312**
Exercisable as at December 31		**977 169**		**693 287**

18. RESERVES

(EUR 000)	December 31, 2014	December 31, 2015
Hedging reserves	-2 891	-3 236
Other reserves - value of stock option plans and share-based compensation	14 167	14 736
Other reserves - Reserves movements of investments accounted for using the equity method	4 335	0
Other reserves – reverse convertible bond S.R.I.W.	5 000	0
Other reserves – other	175	175
Other reserves - fair value adjustment of available-for-sale investments	0	0
Actuarial reserves	0	0
Reserves for assets held for sale	0	0
Currency translation difference	-3 725	-1 993
Retained earnings	26 794	84 259

According to the Belgian Company Code, the legal reserve must equal at least 10% of the Company's capital stock. Until such time as this level is attained, a top slice of at least one twentieth of the net profit for the year (determined according to Belgian accounting law) must be allocated to building this reserve fund.

The hedging reserve includes changes in the fair value of financial instruments used to hedge cash flows of future transactions.

Cumulative translation difference includes differences related to the translation of financial statements of consolidated entities whose functional currency is not the euro. It also includes foreign exchange differences arising from long-term loans that are part of the Group's net investment in foreign operations.

In 2015, a profit of EUR 0.15 million on the retranslation of these loans were reclassified to equity in order to offset the loss arising from the translation of these loans between subsidiaries of the Group (loss of EUR -0.38 million in 2014).

In 2015, the decrease of ''Other reserves – Reserves movements of investments accounted for using the equity method'' is related to the disposal of IBA Molecular by IBA and SK Capital Partners to Funds advised by CapVest Partners LP ("CapVest").

In 2015, the decrease of ''Other reserves – reverse convertible bond SRIW'' ties to the transfer in bank and other borrowings further to the non-conversion of this loan into capital by the Group at 31 December 2015.As at December 31, 2014 and 2015, the following loans between subsidiaries are designated as the Group's permanent financing in foreign operations:

- IBA SA to IBA USA Inc.: USD 0.5 million
- IBA SA to IBA Industrial Inc.: EUR 3.1 million
- Ion Beam Beijing Medical Applications Technology Service Co. Ltd. To IBA SA: CNY 45.0 million and CNY 14.8 million

In 2015, the movement of the currency translation adjustment includes EUR -0.33 million from the technical recycling of currency translation adjustment to the income statement further to the disposal by IBA and SK Capital Partners of IBA Molecular (IAS 21.48).

19. BORROWINGS

(EUR 000)	December 31, 2014	December 31, 2015
Non-current		
Bank and other borrowings (Note 19.1)	26 250	15 000
Financial lease liabilities (Note 19.2)	429	220
TOTAL	**26 679**	**15 220**
Current		
Short-term bank loans	0	0
Bank and other borrowings (Note 19.1)	5 000	16 250
Financial lease liabilities (Note 19.2)	196	204
TOTAL	**5 196**	**16 454**

19.1 BANK AND OTHER BORROWINGS

(EUR 000)	December 31, 2014	December 31, 2015
Non-current	26 250	15 000
Current	5 000	16 250
TOTAL[2]	**31 250**	**31 250**

The bank and other borrowings include loans from European Investment Bank (EUR 16.25 million) and from S.R.I.W. (EUR 15 million). For more details see notes 2.4 and 2.1.3.

Changes in bank and other borrowings are as follows:

(EUR 000)	December 31, 2014	December 31, 2015
Opening balance	**46 250**	**31 250**
New borrowings	0	5 000
Repayment of borrowings	-15 000	-5 000
Transfers to liabilities directly related to assets held for sale	0	0
Currency translation difference	0	0
Closing balance[1]	**31 250**	**31 250**

The maturities of bank and other borrowings are detailed as follows:

(EUR 000)	December 31, 2014	December 31, 2015
One year or less	5 000	16 250
Between 1 and 2 years	5 000	0
Between 2 and 5 years	12 679	5 000
Over 5 years	8 571	10 000
TOTAL	**31 250**	**31 250**

The minimum payments of bank and other borrowings are as follows:

(EUR 000)	December 31, 2014	December 31, 2015
One year or less	6 293	17 184
Between 1 and 5 years	20 883	7 735
Over 5 years	9 874	11 194
	37 050	**36 113**
Future interest expense on bank and other borrowings (-)	-5 800	-4 863
TOTAL	**31 250**	**31 250**

[1] Including 2 subordinated loans of EUR 15 million from S.R.I.W.at end 2015 (1 loan of EUR 10 million at end 2014).

The effective interest rates for bank and other borrowings at the balance sheet date are as follows:

	December 31, 2014		December 31, 2015	
	EUR	USD	EUR	USD
Bank debts	4.14%	N/A	3.33%	N/A

The carrying amounts of the Group's borrowings are denominated in the following currencies:

(EUR 000)	December 31, 2014	December 31, 2015
EUR	31 250	31 250
USD	0	0
TOTAL	**31 250**	**31 250**

Utilized credit facilities are as follows:

(EUR 000)	December 31, 2014	December 31, 2015
FLOATING RATE		
– expiring within one year	5 000	16 250
– expiring beyond one year	16 250	0
TOTAL FLOATING RATE	**21 250**	**16 250**
FIXED RATE		
– expiring within one year	0	0
– expiring beyond one year	10 000	15 000
TOTAL FIXED RATE	**10 000**	**15 000**
TOTAL	**31 250**	**31 250**

Unutilized credit facilities are as follows:

(EUR 000)	December 31, 2014	December 31, 2015
FLOATING RATE		
– expiring within one year	30 000	30 000
– expiring beyond one year	0	0
TOTAL FLOATING RATE	**30 000**	**30 000**
FIXED RATE		
– expiring within one year	9 000	9 000
– expiring beyond one year	0	0
TOTAL FIXED RATE	**9 000**	**9 000**
TOTAL	**39 000**	**39 000**

The facilities expiring within one year are annual facilities subject to review at various dates during the 12 months following the end of the financial year.

The other facilities have been arranged to help to finance the proposed expansion of the Group's activities.

19.2 FINANCIAL LEASE LIABILITIES

(EUR 000)	December 31, 2014	December 31, 2015
Non-current	429	220
Current	196	204
TOTAL	**625**	**424**

Changes in financial lease liabilities are as follows:

(EUR 000)	December 31, 2014	December 31, 2015
Opening balance	**822**	**625**
New borrowings	0	0
Repayment of borrowings	-199	-201
Transfers to liabilities directly related to assets held for sale	0	0
Currency translation difference	2	0
Closing balance	**625**	**424**

Minimum lease payments on financial lease liabilities are as follows:

(EUR 000)	December 31, 2014	December 31, 2015
One year or less	230	225
Between 1 and 5 years	455	230
Over 5 years	0	0
TOTAL	**685**	**455**
Future financial charges on financial leases (-)	-60	-31
Present value of financial lease liabilities	**625**	**424**

The present value of financial lease liabilities is as follows:

(EUR 000)	December 31, 2014	December 31, 2015
One year or less	196	204
Between 1 and 5 years	429	220
Over 5 years	0	0
TOTAL	**625**	**424**

The carrying amounts of financial lease liabilities are denominated in the following currencies:

(EUR 000)	December 31, 2014	December 31, 2015
EUR	612	419
CNY	0	0
USD	13	5
TOTAL	**625**	**424**

As at December 31, 2015, the average interest rate paid on financial lease debts was 4.02% (4.02% in 2014).

20. LONG-TERM AND SHORT-TERM PROVISIONS

	Environment	Warranties	Litigation	Defined employee benefits	Other employee benefits	Other	Total
As at January 1, 2014	**5 404**	**3 834**	**0**	**0**	**179**	**21 418**	**30 835**
Additions (+)	795	2 619	0	0	44	314	3 772
Write-backs (-)	0	-1 415	0	0	0	-2 016	-3 431
Utilizations (-)	0	-1 763	0	0	-88	-12 645	-14 496
Actuarial (gains)/losses generated during the year	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Transfers to liabilities directly related to assets held for sale	0	0	0	0	0	0	0
Currency translation difference	0	10	0	0	0	77	87
Total movement	**795**	**-549**	**0**	**0**	**-44**	**-14 270**	**-14 068**
As at December 31, 2014	**6 199**	**3 285**	**0**	**0**	**135**	**7 148**	**16 767**

	Environment	Warranties	Litigation	Defined employee benefits	Other employee benefits	Other	Total
As at January 1, 2015	**6 199**	**3 285**	**0**	**0**	**135**	**7 148**	**16 767**
Additions (+)	0	3 399	140	0	2 460	899	6 898
Write-backs (-)	-5 572	-1 912	0	0	0	-632	-8 116
Utilizations (-)	-69	-1 208	0	0	-66	-1 380	-2 723
Actuarial (gains)/losses generated during the year	0	0	0	0	0	0	0
Reclassifications	0	301	0	0	0	-301	0
Transfers to liabilities directly related to assets held for sale	0	0	0	0	0	0	0
Currency translation difference	0	7	0	0	0	70	77
Total movement	**-5 641**	**587**	**140**	**0**	**2 394**	**-1 344**	**-3 864**
As at December 31, 2015	**558**	**3 872**	**140**	**0**	**2 529**	**5 804**	**12 903**

20.1 ENVIRONMENT

Provisions for decommissioning costs related to the Group sites where radiopharmaceutical agents are produced have been recognized where an obligation exists to incur these costs. These provisions are measured at the net present value of the best estimate of the costs that will need to be incurred. For more information on these provisions, see Note 3 of this report.

Movements can be detailed as follows:

- Utilizations of provisions in relation to Dosimetry of EUR -0.07 million.
- Reversal of provisions for EUR 5.6 million related to the dismantling of Fleurus site that was sold in 2015.

20.2 WARRANTIES

Provisions for warranties cover warranties for machines sold to customers.

Movements can be detailed as follows:

- New provisions in relation to Proton therapy and others accelerators amounting to EUR 3.02 million.
- New provisions in relation to Dosimetry for EUR 0.38 million
- Reversals of provisions in relation to Proton therapy and others accelerators amounting to EUR -1.91 million.
- Utilizations of provisions in relation to Proton therapy and others accelerators amounting to EUR -1.21 million.

20.3 OTHER EMPLOYEE BENEFITS

Other employee benefits provisions as at December 31, 2015 consisted primarily of the following:

- An amount of EUR 2.4 million relating the Group Long Term Incentive plan (for more information see note 3.G).

Details of the main movements are as follows:

- New provisions amounting to EUR 2.4 million for the Group Long Term Incentive plan.

20.4 OTHER

Other provisions as at December 31, 2015 consisted primarily of the following:

- An amount of EUR 1.05 million relating to non-recurring commitments on proton therapy projects, an amount of EUR 2.8 million covering the Group's commitments under the agreement with SK Capital Partners, an amount of EUR 1.1 million covering tax risks and an amount of EUR 0,85 million covering an unrecoverable risk in full on a contractual commitment on a proton therapy project.

Details of the main movements are as follows:

- New provisions amounting to EUR 0.85 million covering an unrecoverable risk in full on a contractual commitment on a proton therapy project.
- Reversal of provisions amounting to EUR -0.6 million for the Group's estimated commitments under the agreement with SK Capital Partners.
- Utilizations of provisions amounting to EUR -1.38 million for completion of works, provisions amounting to EUR -0.89 million covering the Group's estimated commitments under the agreement with SK Capital Partners, provisions amounting to EUR -0.15 million relating to non-recurring commitments on proton therapy projects and provisions amounting to EUR -0.34 million relating to a bank guarantee granted to an associate.
- Reclassifications of other provisions amounting to EUR -0.3 million to warranties provisions.

21. OTHER LONG-TERM LIABILITIES

(EUR 000)	December 31, 2014	December 31, 2015
Advances received from local government	302	88
Other	2 764	3 074
TOTAL	**3 066**	**3 162**

In 2015, the Group received new advances from the local government amounting to EUR 0.03 million, has transferred local government advances to short term for EUR 0.25 million and recorded long-term contractual obligations related to proton therapy projects for EUR 0.3 million.

In 2014, the Group received new advances from the local government amounting to EUR 0.05 million and recorded long-term contractual obligations related to proton therapy projects for EUR 2.8 million.

22. OTHER FINANCIAL ASSETS AND LIABILITIES

(EUR 000)	December 31, 2014	December 31, 2015
HEDGE-ACCOUNTED FINANCIAL INSTRUMENTS		
- Forward foreign exchange contracts	1	286
- Foreign exchange rate swaps	0	0
- Interest rate caps	0	0
INSTRUMENTS RECOGNIZED AT FAIR VALUE		
- Forward foreign exchange contracts	0	44
- Foreign exchange rate swaps	380	92
Short-term financial assets	**381**	**422**
HEDGE-ACCOUNTED FINANCIAL INSTRUMENTS		
- Forward foreign exchange contracts	1	779
Long-term financial assets	**1**	**779**
HEDGE-ACCOUNTED FINANCIAL INSTRUMENTS		
- Forward foreign exchange contracts	1 131	1 592
- Foreign exchange rate swaps	370	369
INSTRUMENTS RECOGNIZED AT FAIR VALUE		
- Forward foreign exchange contracts	189	94
- Foreign exchange rate swaps	69	55
Short-term financial liabilities	**1 759**	**2 110**
HEDGE-ACCOUNTED FINANCIAL INSTRUMENTS		
- Forward foreign exchange contracts	860	875
INSTRUMENTS RECOGNIZED AT FAIR VALUE		
- Forward foreign exchange contracts	22	4
- Foreign exchange rate swaps	0	0
Long-term financial liabilities	**882**	**879**

The Group's policy on the use of financial instruments is detailed in Note 1.22 on Group accounting policies and Note 2 on financial risk management.

As at December 31, 2015, an amount of EUR 0.42 million recognized as a short-term financial asset represented EUR 0.28 million in cash flow hedging instruments and EUR 0.14 million in hedging instruments recognized at fair value through profit and loss.

As at December 31, 2014, an amount of EUR 0.38 million recognized as a short-term financial asset represented EUR 0.38 million in hedging instruments recognized at fair value through profit and loss.

As at December 31, 2015, an amount of EUR 2.11 million recognized as short-term financial liabilities represented EUR 1.96 million in cash flow hedging instruments and EUR 0.15 in hedging instruments recognized at fair value through profit and loss.

As at December 31, 2014, an amount of EUR 1.76 million recognized as a short-term financial liability represented EUR 1.5 million in cash flow hedging instruments and EUR 0.26 million in hedging instruments recognized at fair value through profit and loss.

Some of these financial instruments are designated as hedging instruments as they hedge specific exchange rate risks to which the Group is exposed. Hedge accounting has been applied to these contracts because they are deemed to be effective hedges. Those transactions are highly probable as they are linked to contracts. For these cash flow hedges, movements are recognized directly in equity and released to the income statement to offset the income statement impact of the underlying transactions.

As at December 31, 2015, a cumulative loss of EUR 3.24 million was therefore directly accounted in the equity (under “Hedging Reserves”). At December 31, 2014, the cumulated loss was amounted to EUR 2.89 million.

23. TRADE PAYABLES

As at December 31, the payment schedule for trade payables was as follows:

(EUR 000)	TOTAL	Due	< 3 months	4-12 months	1-5 years	> 5 years
2014	**36 145**	15 890	20 255	0	0	0
2015	**44 887**	23 675	21 212	0	0	0

24. OTHER PAYABLES

(EUR 000)	December 31, 2014	December 31, 2015
Amounts due to customers for contracts in progress (or advances received on contracts in progress)	81 237	104 620
Social debts	11 344	11 930
Accrued charges	3 419	2 760
Accrued interest charges	231	134
Deferred income	6 321	6 480
Capital grants	735	142
Non-trade payables	867	3 039
Other	3 842	6 228
TOTAL	**107 996**	**135 333**

At December 31, 2015, the heading “Other” is mainly composed of advances of EUR 1.7 million received from the Walloon Region of Belgium, advance payments from customers of EUR 1.7 million, the accrued liabilities related to the disposal of Group’s participation in IBA Molecular for EUR 1.7 million and other amounting to EUR 1.1 million.

At December 31, 2014, the heading “Other” is mainly composed of advances of EUR 1.8 million received from Walloon Region of Belgium, advance payments from customers of EUR 0.9 million and other amounting to EUR 1.1 million.

25. OTHER OPERATING EXPENSES AND INCOME

25.1 OTHER OPERATING EXPENSES

Other operating expenses can be broken down as follows:

(EUR 000)	December 31, 2014	December 31, 2015
Legal costs	151	140
Cost of share-based payments	630	569
Depreciation and impairment	211	5 232
One-time bonus granted to employees, except management	0	2 004
Long term incentive plan	0	2 394
Reorganization expenses	172	841
Costs related to the transaction with SK Capital Partners	215	324
Costs related to the transaction with Argos Soditic	126	0
Other	468	1 382
TOTAL	**1 973**	**12 886**

At December 31, 2015, the depreciation and impairment mainly include the write-offs on other investments for EUR 0.36 million, the write-offs on long term receivables for EUR 4.7 million and the depreciation on fixed assets for EUR 0.14 million.

At December 31, 2014, the depreciation and impairment include depreciation on fixed assets for EUR 0.21 million.

25.2 OTHER OPERATING INCOME

Other operating income can be broken down as follows:

(EUR 000)	December 31, 2014	December 31, 2015
Reversal of provisions	-1 059	-6 253
Reversal of depreciation and impairment	0	0
Negative goodwill related to the 50% acquisition of participation in Striba GmbH	0	-472
Realized gain on disposal of the participation in IBA Molecular (Rose Holding SARL)	0	-38 595
Other	-204	-100
TOTAL	**-1 263**	**-45 420**

In 2015, the heading “Reversal of provisions” mainly includes the impact of the reversal of provisions for dismantling following the sale of the site of production of the radiopharmaceutical agents in Fleurus for EUR 5.6 million and the impact of the reversal of provisions related to estimated commitments under the agreement with SK Capital Partners for EUR 0.7 million.

In 2014, the heading “Reversal of provisions” includes the impact of the reversal of provisions related to estimated commitments under the agreement with SK Capital Partners.

In 2014, the heading “Other” mainly includes credit notes and repayments received from entities included in Rose Holding SARL (vehicle for investment by SK Capital Partners in IBA Molecular) consolidation scope for EUR 0.2 million.

26. FINANCIAL EXPENSES AND INCOME

26.1 FINANCIAL EXPENSES

(EUR 000)	December 31, 2014	December 31, 2015
Interest paid on debts	1 976	1 389
Foreign exchange differences	104	168
Change in fair value of derivatives	1 628	5 573
Unwinding of discount on decommissioning provision	792	0
Other	818	677
TOTAL	**5 318**	**7 807**

As at December 31, 2015, the heading "Other" mainly includes discount charges of research tax credit of EUR 0.06 million and commission and bank charges of EUR 0.58 million.

As at December 31, 2014, the heading "Other" mainly includes discount charges of research tax credit of EUR 0.1 million and commission and bank charges of EUR 0.6 million.

26.2 FINANCIAL INCOME

(EUR 000)	December 31, 2014	December 31, 2015
Interest received on cash and cash equivalents	-62	-138
Foreign exchange differences	-1 626	-1 311
Change in fair value of derivatives	-2 919	-8 742
Other	-2 534	-843
TOTAL	**-7 141**	**-11 034**

As at December 31, 2015, the heading "Other" mainly includes EUR 0.4 million of rebilling of interests charges in relation to a proton therapy project, EUR 0.1 million discount income on the deferred dividend not received in cash related to the asset deal of Pharmalogic Pet Services of Montreal Cie, EUR 0.1 million of revaluation of receivables with Cisbio Bioassays SAS and EUR 0.23 million of interest on long-term receivables.

As at December 31, 2014, the heading "Other" mainly includes EUR 0.4 million of rebilling of interests charges in relation to a proton therapy project, EUR 0.2 million discount income on the deferred dividend not received in cash related to the asset deal of Pharmalogic Pet Services of Montreal Cie and EUR 1.3 million of revaluation of receivables with Cisbio Bioassays SAS and EUR 0.4 million of interest on long-term receivables.

27. INCOME TAXES

The tax charge/(profit) for the year can be broken down as follows:

(EUR 000)	December 31, 2014	December 31, 2015
Current taxes	1 133	4 036
Deferred taxes	-4 546	-106
TOTAL	**-3 413**	**3 930**

The tax charge on IBA's result before taxes differs from the theoretical amount that would have resulted from application of the average applicable tax rates to the profits of the consolidated companies. The analysis is as follows:

(EUR 000)	December 31, 2014	December 31, 2015
Result from continuing operations before taxes	**17 173**	**65 192**
Deduct share of profit of companies consolidated using equity method	6 873	122
Result before tax and before share of associate	**24 046**	**65 314**
Tax charge/(profit) calculated based on local tax rates	**8 301**	**22 250**
Unrecognized deferred tax assets	427	682
Recognized deferred tax assets	-4 982	-171
Tax-exempt transactions and non-deductible expenses	373	-12 765
Patent deduction (PID)	0	-6 175
Adjustments in respect of income tax charges of previous years	195	0
Write-down of previously recognized deferred tax assets	0	151
Utilization of previously unrecognized tax losses	-7 727	44
Utilization of deferred tax assets	0	71
Utilization of deferred tax assets	0	-157
Other tax (income)/expense	0	0
Booked tax charge/(profit)	**-3 413**	**3 930**
Theoretical tax rate	**34.5%**	**34.1%**
Effective tax rate	**-14.2%**	**6.0%**

Given the available tax losses, IBA did not calculate deferred taxes on items credited or charged directly to equity.

28. EMPLOYEE BENEFITS

DEFINED CONTRIBUTION PLANS

As at December 31, 2015, the Group recognized expenses of EUR 1.13 million for contribution based plans (EUR 1.03 million as at December 31, 2014).

The Group has a contribution-based pension plan which it accounts for using the intrinsic value. As at 31 December 2014 and 2015, the assets in the plan were sufficient to cover the contributions paid and the guaranteed return. Therefore, there is no provision related to post employment benefit obligations in the statement of financial position.

(EUR 000)	December 31, 2014	December 31, 2015
Sum of mathematical reserves on individual accounts	4 539	5 081
Sum of minimum guaranteed reserves as at closing date on individual accounts	4 540	5 084
Defined contribution plan gap	**1**	**3**

The guaranteed return on the contributions, although achieved as at 31 December of 2015 might have an impact on the future cash flows of the Group in case the insurance company would not be able to achieve this return in the long term.

29. CASH FLOW STATEMENT

As at December 31, 2015, the heading “Other non-cash items” mainly includes expenses in connection with employee stock option plans and stock plans (EUR +0.57 million), the net impact of losses and write-downs on inventories (EUR +0.33 million), write off on other investments (EUR +0.35 million), the impact of research tax credit not received in cash during the year (EUR -1.9 million), grant depreciation (EUR -0.2 million), the impact of revaluation of long term assets (EUR -0.3 million), write off on long term receivables (EUR 3.9 million), the negative goodwill resulting from the acquisition of Striba GmbH (EUR -0.5 million), the impact of the margin elimination on the sale of a proton therapy center to an equity accounted company (EUR +0.57 million).

As at December 31, 2015, “Other cash flows from investing activities” includes the distribution of a dividend of EUR 10 million by Rose Holding SARL to its shareholders following the sale of its subsidiary IBA Molecular North America Inc. to Illinois Health and Science (IHS), a non-profit healthcare system.

As at December 31, 2015, “Other cash flows from financing activities” includes repayment of grants and advances from the Walloon Region of Belgium (EUR -0.32 million), new payment of grants in Belgium (EUR +0.19 million), changes in liabilities towards Group employees in connection with the exercise of stock option plans (EUR +0.20 million).

As at December 31, 2014, the heading “Other non-cash items” mainly includes expenses in connection with employee stock option plans and stock plans (EUR +0.6 million), the net impact of losses and write-downs on inventories (EUR +1.4 million), write off on other investments (EUR +0.1 million), the impact of deferred dividend not received in cash related to the asset deal of Pharmalogic Pet Services of Montreal Cie (EUR -1.2 million), the impact of research tax credit not received in cash during the year (EUR -2.8 million), grant depreciation (EUR -0.5 million) and the impact of revaluation of long term assets (EUR -1.3 million).

As at December 31, 2014, “Other cash flows from financing activities” includes repayment of grants and advances from the Walloon Region of Belgium (EUR -4.0 million), new payment of grants in Belgium and in Germany (EUR +0.2 million).

30. LITIGATION

The Group is currently not involved in any significant litigation. The potential risks connected with these minor proceedings are deemed to be either groundless or insignificant, and when the risk of payment of potential damages seems actual, are either adequately covered by provisions or insurance policies.

There is no litigation mentioned in the 2014 annual report and still pending in 2015.

31. COMMITMENTS

31.1 OPERATING LEASES

The Group has a number of non-cancelable operating leases relating to vehicles, equipment, and office space rental. Total future minimum lease payments under non-cancelable operating leases are as follows:

31.1.1 OPERATING LEASES OF CONTINUING OPERATIONS

(EUR 000)	December 31, 2014	December 31, 2015
Due	15	17
One year or less	5 019	5 630
Between 1 and 5 years	7 848	11 630
Over 5 years	5 221	6 676
TOTAL	**18 103**	**23 953**

Those operating leases are related to:

(EUR 000)	December 31, 2014	December 31, 2015
Building	12 457	16 462
Equipment	1 157	1 023
Vehicles	4 489	6 442
Other	0	26
TOTAL	**18 103**	**23 953**

The Group operating leases were concluded under the following conditions:

- Buildings: terms between three and fifteen years. The Group has the option to lease the assets for additional term negotiable with the lessor or for an additional term of four years for two operating leases in the United-States.
- Equipment: terms between five and seven years. The Group has the option, under some of its leases, to lease the assets for an additional term negotiable with the lessor.
- Vehicles: terms of three and four years and no option to lease the assets for an additional term.

Total operating lease payments included in the income statement:

(EUR 000)	December 31, 2014	December 31, 2015
Building	2 404	2 840
Equipment	317	331
Vehicles	2 634	2 408
Other	0	9
TOTAL	**5 355**	**5 588**

Operating lease charges are recognized in the income statement in the “Cost of sales and services”, “Sales and marketing expenses”, “General and administrative expenses”, and “Research and development expenses” line items.

31.1.2 OPERATING LEASES OF DISCONTINUED OPERATIONS

(EUR 000)	December 31, 2014	December 31, 2015
One year or less	0	0
Between 1 and 5 years	0	0
Over 5 years	0	0
TOTAL	**0**	**0**

31.2 FINANCIAL GUARANTEES

As at December 31, 2015, IBA held financial guarantees for EUR 107.3 million given by Group’s business units as security for debts or commitments, mainly in advance payment guarantees (EUR 56.0 million December 31, 2014).

32. RELATED PARTY TRANSACTIONS

32.1 CONSOLIDATED COMPANIES

A list of subsidiaries and equity-accounted companies is provided in Note 5.

32.2 TRANSACTIONS WITH AFFILIATED COMPANIES

The main transactions completed with affiliated companies (companies using the equity accounting method) are the following:

(EUR 000)	December 31, 2014	December 31, 2015
ASSETS		
Receivables		
Long-term receivables	2 478	747
Trade and other receivables	1 581	2 497
Impairment of receivables	- 588	-730
TOTAL RECEIVABLES	**3 471**	**2 514**
LIABILITIES		
Payables		
Trade and other payables	121	1 452
TOTAL PAYABLES	**121**	**1 452**
INCOME STATEMENT		
Sales	8 010	5 138
Costs	-815	-1 451
Financial income	14	814
Financial expense	-96	-19
Other operating income	1 002	0
Other operating expense	0	-2 000
TOTAL INCOME STATEMENT	**8 115**	**2 482**

Under the 2012 agreement with SK Capital Partners, the Group granted 2 loans to Rose Holding SARL.

In 2013, as part of the agreement on the full and final settlement for outstanding claims and counterclaims regarding IBA Molecular, the Group sold one of those loans for one EUR to SK Rose SARL.

Until the sale in December 2015 of IBA Molecular, the terms and conditions of the remaining loan were as follow:

CONTINGENT LOAN

The principal amount of this loan of nominal value EUR 26.4 million should have been repaid at the earliest (i) on December 31, 2021 or (ii) upon the sale by SK Capital Partners and IBA SA of their total stakes in Rose Holding SARL (the repayment date).

If the repayment date had occurred within the first two years of signature of the agreement and SK Capital Partners had not received twice its investment in Rose Holding SARL, the loan including interest should not have been repaid. If the repayment date had occurred after the first two years of the agreement and SK Capital Partners should not have received three times its investment in Rose Holding SARL, the loan including interest should not have been repaid.

This loan had been granted at an annual interest rate of 2%. This interest was capitalized but could be paid provided that the main lenders of Rose Holding SARL state their agreement to payment. All interest not paid should have been capitalized up to the loan repayment date. Rose Holding SARL could decide at any time to make early repayments of this loan.

The Group had accepted that the repayment of this loan should be subordinate to the prior repayment of any existing or future debt of Rose Holding SARL to banks, financial lease companies and other financial institutions. As this loan was treated as quasi-equity, it was recognized in investments accounted for using the equity method.

In the framework of the disposal of IBA Molecular and based on an agreement signed by both parties, this loan has been revaluated at EUR 5.83 million. This loan will be repaid in the first half of 2016 and has been recognized in the balance sheet under the heading ‘’other receivables’’ as at December 31, 2015.

The Group had also committed to support the Radiopharmaceutical business sold by paying EUR 16 million over a period of 2 years (amount accrued in the financial statements). At the end of the first quarter 2014, the total amount of this provision was paid.

The Group has also paid the amount of EUR 4.9 million for receivables due from the Italian entities and Spanish entity that were sold. These entities are responsible for recovery and shall reimburse the Group when they receive payments. On December 31, 2015, the remaining balance to be collected amounts to EUR 0.73 million fully provisioned.

32.3 SHAREHOLDER RELATIONSHIPS

The following table shows IBA shareholders at December 31, 2015:

	Number of shares	%
Belgian Anchorage SCRL	6 204 668	21.30%
IBA Investments SCRL	610 852	2.10%
IBA SA	63 519	0.22%
UCL ASBL	426 885	1.47%
Sopartec SA	234 531	0.81%
Institut des Radioéléments FUP	1 423 271	4.89%
Société Régionale d'Investissement de Wallonie (S.R.I.W.)	704 491	2.42%
Société Fédérale de Participation et d'investissement (S.F.P.I.)	69 200	0.24%
Public	19 737 650	66.55%
TOTAL	**29 115 067**	**100.00%**

The main transactions completed with the shareholders are the following:

(EUR 000)	December 31, 2014	December 31, 2015
ASSETS		
Receivables		
Long-term receivables	0	0
Trade and other receivables	0	0
Impairment of receivables	0	0
TOTAL RECEIVABLES	**0**	**0**
LIABILITIES		
Payables		
Bank borrowings	10 000	15 000
Trade and other payables	0	84
TOTAL PAYABLES	**10 000**	**15 084**
INCOME STATEMENT		
Sales	0	0
Costs	0	0
Financial income	0	0
Financial expense	-884	-507
Other operating income	0	0
Other operating expense	0	0
TOTAL INCOME STATEMENT	**-884**	**-507**

To the best of the Company's knowledge, there were no other relationships or special agreements among the shareholders at December 31, 2015.

32.4 DIRECTORS AND MANAGEMENT

See remuneration report on page 64.

33. FEES FOR SERVICES RENDERED BY THE STATUTORY AUDITORS

Ernst & Young Réviseurs d'Entreprises SCCRL, auditors of the statutory accounts of IBA SA and auditors of the consolidated accounts of IBA, provided the following services during the year:

(EUR 000)	December 31, 2014	December 31, 2015
Remuneration for statutory audits and audit of consolidated accounts	297	297
Tax-related services	0	0
Other services	35	29
TOTAL	**332**	**326**

34. EVENTS AFTER THE BALANCE SHEET DATE

AT THE CLOSING OF THE BALANCE SHEETS

On March 10, 2016, the Company announced that following a global public tender, it has signed a contract with Tata Memorial Centre to install a proton therapy center in Mumbai, India. IBA will equip the new center with its Proteus®PLUS multi-room configuration including three treatment rooms with Pencil Beam Scanning capability. The equipment and services supplied by IBA will be worth approximately EUR 60 million to IBA. The project is fully financed and includes a long-term operation and maintenance contract. The center will treat its first patient in 2019.

On 23 March 2016 the company announced that the sale of IBA Molecular ("IBAM") to funds advised by CapVest Partners LP ("CapVest"), in which IBA had a 40% stake, was closed successfully. With this transaction, IBA has fully exited its joint venture with SK Capital Partners and retains no interests in IBA Molecular. The closing of this transaction is completed by a payment in cash to IBA of circa EUR 62 million.

35. NET EARNINGS PER SHARE

35.1 NET BASIC EARNINGS

Net basic earnings per share are calculated by dividing the net profit attributable to Company shareholders by the weighted average number of ordinary shares outstanding during the period. The weighted average number of ordinary shares excludes shares purchased by the Company and held as treasury shares.

BASIC EARNINGS PER SHARE	December 31, 2014	December 31, 2015
Earnings attributable to parent equity holders (EUR 000)	24 294	61 189
Weighted average number of ordinary shares	27 319 611	28 171 776
Net earnings per share from continuing and discontinued (EUR per share)	**0.889**	**2.172**
Earnings from continuing operations attributable to parent equity holders (EUR 000)	20 586	61 262
Weighted average number of ordinary shares	27 319 611	28 171 776
Basic earnings per share from continuing operations (EUR per share)	**0.753**	**2.175**
Earnings from operations held for sale attributable to parent equity holders (EUR 000)	3 708	-73
Weighted average number of ordinary shares	27 319 611	28 171 776
Basic earnings per share from discontinued operations (EUR per share)	**0.136**	**-0.003**

35.2 DILUTED EARNINGS

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding for the effects of conversion of all dilutive potential ordinary shares. In 2014, the Company had two categories of dilutive potential on ordinary shares: stock options and the SRIW reverse convertible bond. In 2015, the Company has only one category of dilutive potential on ordinary share: stock options.

The calculation is performed for the stock options to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding stock options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the stock options

DILUTED EARNINGS PER SHARE	December 31, 2014	December 31, 2015
Weighted average number of ordinary shares	27 319 611	28 171 776
Weighted average number of stock options	1 712 483	1 222 312
Average share price over period	11.28	25.21
Dilution effect from weighted number of stock options	1 075 612	1 044 781
Weighted average number of ordinary shares for diluted earnings per share	28 395 222	29 216 557
Earnings attributable to parent equity holders (EUR 000)	24 294	61 189
Diluted earnings per share from continuing and discontinued operations (EUR per share)	**0.856**	**2.094**
Earnings from continuing operations attributable to parent equity holders (EUR 000)	20 586	61 262
Diluted earnings per share from continuing operations (EUR per share)	**0.725**	**2.097**
Earnings from operations held for sale attributable to parent equity holders (EUR 000)	3 708	-73
Diluted earnings per share from discontinued operations (EUR per share)	**0.131**	**-0.003**

(*) In compliance with IAS33, which stipulates that the diluted earnings per share does not take into account assumptions for conversion, financial year, or other issuing of potential ordinary shares which may have an anti-dilutive effect on the earnings per share (shares whose conversion involves a decrease in the loss per share).

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Statutory auditor's report to the general meeting of the company Ion Beam Applications SA on the Consolidated Financial Statements as of and for the year ended 31 December 2015

In accordance with the legal requirements, we report to you in the context of our statutory auditor's mandate. This report contains our opinion on the consolidated statements (the "Consolidated Financial Statements") as well as our report on other legal and regulatory requirements. The Consolidated Financial Statements include the consolidated statement of the financial position as of 31 December 2015, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in shareholders' equity and the consolidated cash flow statement for the year ended 31 December 2015, the notes including the summary of significant group accounting policies and other explanatory notes.

Report on the Consolidated Financial Statements - Unqualified opinion

We have audited the Consolidated Financial Statements of Ion Beam Applications SA ("the Company") and its subsidiaries (collectively referred to as "the Group") as of and for the year ended 31 December 2015. These Consolidated Financial Statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union. The total of the consolidated statement of financial position amounts to € (thousand) 395,352 and the consolidated income statement shows a profit for the year of € (thousand) 61,189.

Responsibility of the board of directors for the preparation of the Consolidated Financial Statements

The board of directors is responsible for the preparation of Consolidated Financial Statements that give a true and fair view in accordance with the International Financial Reporting Standards as adopted by the European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation of Consolidated Financial Statements that give a true and fair view and that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the given circumstances.

Responsibility of the statutory auditor

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the statutory auditor considers internal control relevant to the Group's preparation and presentation of the Consolidated Financial Statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

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An audit also includes evaluating the appropriateness of accounting policies used, the reasonableness of accounting estimates made by the board of directors, as well as the overall presentation of the Consolidated Financial Statements.

We have obtained from the board of directors and the Company's officials the explanations and information necessary for performing our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unqualified opinion

In our opinion, the Consolidated Financial Statements of the Group as at 31 December 2015 give a true and fair view of the Group's financial position, as well as its consolidated results and its consolidated cash flows for the year then ended, in accordance with the International Financial Reporting Standards as adopted by the European Union.

Report on other legal and regulatory requirements

The board of directors is responsible for the preparation and the content of the board of directors' report on the Consolidated Financial Statements.

In the context of our mandate and in accordance with the additional standard issued by the 'Instituut van de Bedrijfsrevisoren/Institut des Réviseurs d'Entreprises' as published in the Belgian Gazette on 28 August 2013 (the "Additional Standard"), it is our responsibility to perform certain procedures to verify, in all material respects, compliance with certain legal and regulatory requirements, as defined in the Additional Standard. On this basis, we provide the following additional statements, which do not modify the scope of our opinion on the Consolidated Financial Statements.

- The board of directors' report on the Consolidated Financial Statements includes the information required by law, is consistent with the Consolidated Financial Statements and does not present any material inconsistencies with the information that we became aware of during the performance of our mandate.

- In the context of our audit of the statutory financial statements of Ion Beam Applications SA, we ascertained that the board of directors of the Company had complied with the legal provisions applicable to cases of conflicting interests of a financial nature. In conformity with the Belgian Company Code, these transactions have been covered explicitly in our report on the statutory financial statements of Ion Beam Applications SA.

Diegem, 21 March 2016

Ernst & Young Bedrijfsrevisoren BCVBA
Statutory auditor
represented by

Vincent Etienne*
Partner
* Acting on behalf of a BVBA/SPRL

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IBA SA

ANNUAL FINANCIAL STATEMENTS

In accordance with article 105 of the Belgian Company Code, the following statements represent a condensed version of the annual financial statements. The full text is available on request from the headquarters of the Company and will be filed with the National Bank of Belgium. This condensed version does not contain all of the appendixes or the auditor's report, who expressed an unqualified opinion.

ASSETS (EUR 000)	2013	2014	2015
FIXED ASSETS	**91 363**	**93 441**	**105 397**
Formation expenses	**0**	**0**	**0**
Intangible fixed assets	**21 672**	**29 023**	**33 295**
Tangible fixed assets	**5 561**	**6 477**	**7 230**
Land and buildings	335	471	926
Plant, machinery, and equipment	1 645	2 616	2 583
Furniture and vehicles	531	456	921
Leases and similar rights	2 857	2 690	2 524
Assets under construction and advance payments	193	244	276
Financial assets	**64 130**	**57 941**	**64 872**
Affiliated companies	63 602	57 176	57 371
Other investments	0	0	0
Others financial assets	528	765	7 501
CURRENT ASSETS	**606 163**	**509 956**	**664 057**
Accounts receivable in more than one year	**15 720**	**16 565**	**10 737**
Inventories and contracts in progress	**433 711**	**351 642**	**480 134**
Inventories	33 151	40 089	42 952
Contracts in progress	400 560	311 552	437 182
Accounts receivable within one year	**129 489**	**115 110**	**97 252**
Trade receivables	64 543	71 193	66 067
Other receivables	64 946	43 917	31 185
Investments	**15 498**	**13 716**	**36 259**
Cash at bank and in hand	**5 111**	**9 022**	**33 732**
Deferred charges and accrued income	**6 634**	**3 901**	**5 943**
TOTAL ASSETS	**697 526**	**603 397**	**769 454**

LIABILITIES AND EQUITY (EUR 000)	2013	2014	2015
SHAREHOLDERS' EQUITY	**66 182**	**118 602**	**106 293**
Capital stock	**38 787**	**39 852**	**40 864**
Capital surplus	**25 651**	**32 431**	**37 329**
Reserves	**2 680**	**4 878**	**4 879**
Legal reserve	1 887	3 985	4 087
Reserves not available for distribution	590	690	589
Untaxed reserves	203	203	203
Retained earnings	**-1 883**	**40 840**	**23 093**
Capital grants	**947**	**601**	**128**
PROVISIONS AND DEFERRED TAXES	**29 859**	**15 426**	**10 513**
LIABILITIES	**601 485**	**469 369**	**652 648**
Accounts payable in more than one year	**166 000**	**188 642**	**230 663**
Financial debts	41 860	31 674	15 220
Advances received on contracts in progress	123 892	145 958	203 810
Other accounts payable	248	11 010	11 633
Accounts payable within one year	**432 935**	**276 958**	**418 757**
Current portion of accounts payable in more than one year	35 099	7 293	18 176
Financial debts	0	0	4 052
Trade debts	69 566	54 452	56 535
Advances received on contracts in progress	317 797	202 940	290 349
Current tax and payroll liabilities	9 550	6 409	7 263
Other accounts payable	923	5 864	42 382
Accrued charges and deferred income	**2 550**	**3 769**	**3 228**
TOTAL LIABILITIES	**697 526**	**603 397**	**769 454**

INCOME STATEMENT (EUR 000)	2013	2014	2015
Operating income	**196 240**	**211 002**	**247 729**
Operating expenses (-)	**-169 090**	**-178 459**	**-222 800**
Raw materials, consumables, and goods for resale	-50 979	-51 233	-65 125
Services and other goods	-68 583	-67 818	-81 589
Salaries, social security, and pensions	-44 314	-42 949	-49 511
Depreciation and write-offs on fixed assets	-9 233	-16 181	-25 714
Increase/(Decrease) in write-downs on inventories, work in progress, and trade debtors	-16 591	-1 692	-2 236
Provisions for liabilities and charges	35 770	14 433	4 913
Other operating expenses	-15 160	-13 018	-3 538
Operating profit/loss)	**27 150**	**32 543**	**24 929**
Financial income	**13 736**	**27 771**	**13 134**
Income from financial assets	0	18 952	0
Income from current assets	3 298	1 921	1 553
Other financial income	10 438	6 898	11 581
Financial expenses (-)	**-11 559**	**-8 471**	**-13 967**
Interest expense	-2 540	-2 589	-1 896
Amounts written off on current assets other than inventories, work in progress and trade debtors - increase (decrease)	0	0	0
Other financial charges	-9 019	-5 882	-12 071
Profit/(Loss) on ordinary activities before taxes	**29 327**	**51 843**	**24 096**
Extraordinary income (+)	**24 315**	**66**	**225**
Realized gain on fixed assets	14 000	0	0
Other extraordinary income	10 315	66	225
Extraordinary expense (-)	**-30 318**	**-1 899**	**-861**
Extraordinary depreciation and write-offs on fixed assets	0	-211	-20
Impairment on financial assets	-19 835	-71	-269
Provisions for extraordinary charges and risk	0	0	0
Other extraordinary expenses	-9 927	-1 617	-572
Profit/(loss) for the period before taxes	**23 324**	**50 010**	**23 460**
Income taxes (-) (+)	38	-230	-106
Profit/(loss) for the period	**23 362**	**49 780**	**23 354**
Transfers to tax free reserves (-)			
Profit/(loss) for the period available for appropriation	**23 362**	**49 780**	**23 354**

APPROPRIATION OF RESULTS (EUR 000)	2013	2014	2015
Profit/(Loss) to be appropriated	**-1 712**	**47 897**	**64 194**
Profit/(loss) for the period available for appropriation	23 362	49 780	23 354
Profit/(Loss) carried forward	-25 074	-1 883	40 840
Transfers to capital and reserves	**0**	**0**	**101**
On capital stock and capital surplus	0	0	0
From reserves	0	0	101
Appropriations to capital and reserves	**171**	**2 199**	**101**
To capital stock and capital surplus	0	0	0
To legal reserve	0	2 099	101
To other reserves	171	100	0
Profit/(Loss) to be carried forward	**-1 883**	**45 698**	**64 194**
Profit to distribute	**0**	**40 840**	**23 093**
Dividends	0	-4 858	-41 101

	2014		2015	
STATEMENT OF CAPITAL (EUR 000)	**Amount (EUR 000)**	**Number of shares**	**Amount (EUR 000)**	**Number of shares**
Capital				
1. Issued capital				
At the end of the previous financial year	**38 787**		**39 852**	
Changes during the financial year	1 065	758 365	1 012	721 263
At the end of the current financial year	**39 852**		**40 864**	
2. Structure of the capital				
2.1. Categories of shares				
• Ordinary shares without designation of face value	21 851	15 691 315	22 863	16 412 578
• Ordinary shares without designation of face value with WPR strips	18 001	12 702 489	18 001	12 702 489
2.2. Registered or bearer shares				
• Registered shares		8 420 612		7 555 920
• Bearer shares		19 973 192		21 559 147
Own shares held by				
• The Company itself	106	75 637	90	63 519
• Its subsidiaries	857	610 852	858	610 852
Stock issue commitments				
Following exercise of share options				
• Number of outstanding share options		2 224 802		1 272 312
• Amount of capital to be issued	3 732		1 786	
Maximum number of shares to be issued		2 658 829		1 272 312
Amount of non-issued authorized capital	**23 309**		**23 314**	

GENERAL INFORMATION

CORPORATE NAME

Ion Beam Applications SA, abbreviated IBA SA.

REGISTERED OFFICE

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

DATE, FORM AND PERIOD OF INCORPORATION

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

CORPORATE PURPOSE (ARTICLE 3 OF THE ARTICLES OF INCORPORATION)

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

CONSULTATION OF CORPORATE DOCUMENTS

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

CAPITAL

At December 31, 2015, IBA capital amounted to EUR 40 864 185.82 and was represented by 29 115 067 fully paid up shares with no par value, of which 12 702 489 shares with VVPR strips.

In October 2006, the Company issued 575 000 stock options for Group employees ("2006 Plan"). They allow the beneficiary to purchase a new share at EUR 13.64 (EUR 13.96 for determined persons) following certain procedures during specific periods between December 1, 2009 and September 30, 2012 (plan of which the exercise periods were extended until September 30, 2015).

At December 31, 2014, there were 101 292 outstanding stock options of this plan.

The following exercises and cancelations of these stock options were recorded by notarial deed in 2015: 39 087 stock options exercised and 2 050 stock options cancelled on 26 February 2015, 37 205 stock options exercised on 27 May 2015, 9 500 stock options exercised on 31 August 2015, 8 750 stock options exercised and 4 700 stock options cancelled on 18 December 2015.

At December 31, 2015, there were thus no outstanding stock options of this plan.

In October 2007, the Company issued 450 000 stock options for Group employees ("2007 Plan"). They allow the beneficiary to purchase a new share at EUR 19.94 (EUR 20.22 for the determined persons) following certain procedures during specific periods between December 1, 2010 and September 30, 2013 (plan of which the exercise periods were extended until September 30, 2016).

At December 31, 2014, there were 65 400 outstanding stock options of this plan.

The following exercises and cancelations of these stock options were recorded by notarial deed in 2015: 1 259 stock options cancelled on 26 February 2015, 13 119 stock options exercised on 27 May 2015, 8 349 stock options exercised on 31 August 2015, 3 454 stock options exercised on 18 December 2015.

At December 31, 2015, there were thus 39 219 outstanding stock options of this plan.

In September 2008, the Company issued 350 000 stock options for Group employees (“2008 Plan”). They allow the beneficiary to purchase a new share at EUR 14.18 (EUR 14.70 for determined persons) following certain procedures during specific periods between December 1, 2011 and September 30, 2014.

At December 31, 2014, there were 95 627 outstanding stock options of this plan.

The following exercises and cancelations of these stock options were recorded by notarial deed in 2015: 95 627 stock options cancelled on 26 February 2015.

At December 31, 2015, there were thus no outstanding stock options of this plan.

In September 2009, the Company issued 1 000 000 stock options for Group employees (“2009 Plan”). They allow the beneficiary to purchase a new share at EUR 8.26 following certain procedures during specific periods between December 1, 2012 and September 30, 2015.

At December 31, 2014, there were 256 725 outstanding stock options of this plan.

The following exercises and cancelations of these stock options were recorded by notarial deed in 2015: 45 237 stock options exercised and 17 645 stock options cancelled on 26 February 2015, 141 435 stock options exercised on 27 May 2015, 19 456 stock options exercised on 31 August 2015, 20 328 stock options exercised and 12 624 stock options cancelled on 18 December 2015.

At December 31, 2015, there were thus no outstanding stock options of this plan.

In September 2010, the Company issued 900 000 stock options for Group employees (“2010 Plan”). They allow the beneficiary to purchase a new share at EUR 7.80 following certain procedures during specific periods between January 1, 2014 and September 30, 2016.

At December 31, 2014, there were 312 885 outstanding stock options of this plan.

The following exercises and cancelations of these stock options were recorded by notarial deed in 2015: 49 528 stock options exercised and 36 953 stock options cancelled on 26 February 2015, 65 579 stock options exercised on 27 May 2015, 5 507 stock options exercised on 31 August 2015, 1 441 stock options exercised and 9 898 stock options cancelled on 18 December 2015.

At December 31, 2015, there were 143 979 outstanding stock options of this plan.

In September 2011, the Company issued 1 487 000 stock options for Group employees (“2011 Plan”). They allow the beneficiary to purchase a new share at EUR 5.03 (EUR 5.42 for determined persons) following certain procedures during specific periods between January 1, 2015 and September 30, 2017.

At December 31, 2014, there were 638 176 outstanding stock options of this plan.

The following exercises and cancelations of these stock options were recorded by notarial deed in 2015: 125 864 stock options exercised and 11 172 stock options cancelled on 26 February 2015, 106 572 stock options exercised on 27 May 2015, 14 435 stock options exercised on 31 August 2015, 6 417 stock options exercised and 18 589 stock options cancelled on 18 December 2015.

At December 31, 2015, there were thus 355 127 outstanding stock options of this plan.

In September 2012, the Company issued 870 000 stock options for Group employees (“2012 Plan”). They allow the beneficiary to purchase a new share at EUR 4.78 following certain procedures during specific periods between January 1, 2016 and September 30, 2018.

At December 31, 2014, there were 504 697 outstanding stock options of this plan.

The following cancelations of these stock options were recorded by notarial deed in 2015: 14 537 stock options cancelled on 26 February 2015, 2 673 stock options cancelled on 18 December 2015.

At December 31, 2015, there were thus 487 487 outstanding stock options of this plan. At December 31, 2015, none of these options were exercisable.

In June 2014, the Company issued 250 000 stock options for the Group management (“2014 Plan”). They allow the beneficiary to purchase a new share at EUR 11.52 following certain procedures during specific periods between January 1, 2019 and June 30, 2024.

At December 31, 2014, there were 250 000 outstanding stock options of this plan.

The following cancelations of these stock options were recorded by notarial deed in 2015: 53 500 stock options cancelled on 26 February 2015.

At December 31, 2015, there were thus 196 500 outstanding stock options of this plan. At December 31, 2015, none of these options were exercisable.

In December 2015, the Company issued 50 000 stock options for the Group management ("2015 Plan"). They allow the beneficiary to purchase a new share at EUR 31.84 following certain procedures between January 1, 2019 and June 30, 2024.

Neither cancellations nor exercises of these stock options were recorded in 2015.

At December 31, 2015, there were thus 50 000 outstanding stock options of this plan. At December 31, 2015, none of these options were exercisable.

As at December 31, 2015, 1 272 312 options were issued and outstanding.

Please note that, on February 24, 2015, IBA decided to shift the exercise periods for SOPs 2006, 2007, 2009, 2010, 2011, 2012 and 2014. Exercise Periods of March, June and September were shifted to April, July and October respectively, so as to have the four exercise periods well distributed along the year (January, April, July and October).

The last exercise periods under each of these SOPs shall be for SOPs 2006, 2007, 2009, 2010, 2011, 2012 and 2014, from 1 to 31 October 2015, 2016, 2015, 2016, 2017, and 2018, and 1 to 31 July 2024 respectively. All other conditions of the above mentioned SOPs remain unchanged.

Please note that IBA decided on August 26, 2015 to render the current SOPs exercisable on a continued period (outside of anti-insider dealing black out period and outside one additional technical black out period) as from October 1st, 2015.

All stock options may also be exercised in the event of a takeover bid for IBA or of an increase in shareholders' equity with preemptive rights.

In June 2014, the Board of Directors proceeded, in the framework of the authorized capital, to the issue of EUR 5 000 000 subordinated reverse convertible bonds, the convertibility of which being at the entire discretion of IBA (the "RC Obligations") and enabling their beneficiary to subscribe to newly issued IBA shares. The RC Obligations were subscribed in full by the S.R.I.W. If the total amount of the RC Obligation had been converted into shares, it would have represented 434 027 shares. However, the RC Obligations cannot be concerted any more since December 31, 2015.

AUTHORIZED CAPITAL

At December 31, 2015, the authorized capital amounted to EUR 23 313 892.64.

PATENTS AND TECHNOLOGIES

IBA is careful to patent all aspects of its technology for which a patent provides a commercial advantage.

In addition, the Company has maintained the secrecy of a significant portion of its know-how that is not patentable or for which the Company believes secrecy is more effective than publication in a patent application. More fundamentally, the Company believes that the best way to protect itself from its competitors is not by patenting its inventions, but by maintaining its technological lead.

IBA also licenses patents from third parties and pays royalties on them.

LICENSING AND COOPERATION AGREEMENTS

IBA has licensing agreements involving various aspects of its technology. Listing and explaining the nature and terms of these licensing agreements is beyond the scope of this annual report. These agreements cover, for example, certain aspects of its particle accelerator technology and a number of components of its proton therapy equipment.

FIVE-YEAR CAPITAL HISTORY

OPERATION	Number of new shares	Total number of shares	Variation (Δ)	Amount
02/21/2011 Exercise of options under 2002 Plan	6 140	26 998 155	8 545.04	37 896 169.55
02/21/2011 Exercise of options under 2004 Plan	4 000	27 002 155	5 617.20	37 901 786.75
02/21/2011 Exercise of options under 2005 Plan	12 000	27 014 155	16 850.40	37 918 637.15
04/29/2011 Exercise of options under short-term 2002 Plan	4 150	27 018 305	5 775.56	37 924 412.71
04/29/2011 Exercise of options under extended 2004 Plan	5 000	27 023 305	7 021.50	37 931 434.21
06/29/2011 ESP Plan (2011)	52 643	27 075 948	73 894.98	38 005 329.19
08/05/2011 Exercise of options under US (AP) long-term 2002 Plan	281 380	27 357 328	391 596.55	38 396 925.74
08/05/2011 Exercise of options under US (AP) short-term 2002 Plan	1 100	27 358 428	1 530.87	38 398 456.61
08/05/2011 Exercise of options under extended 2004 Plan	6 600	27 365 028	9 268.38	38 407 724.99
04/27/2012 Exercise of options under 2004 Plan	500	27 365 528	702.15	38 408 427.14
08/10/2012 Exercise of options under 2002 Plan	8 500	27 374 028	11 829.45	38 420 256.59
02/26/2013 Exercise of options under extended 2004 Plan	10 350	27 384 378	14 534.51	38 434 791.10
05/07/2013 Exercise of options under extended 2004 Plan	52 701	27 437 079	74 008.01	38 508 799.11
07/11/2013 ESP Plan (2013)	10 231	27 447 310	14 359.21	38 523 158.32
07/11/2013 Exercise of options under extended 2004 Plan	77 619	27 524 929	109 000.36	38 632 158.68
25/10/2013 Exercise of options under extended 2004 Plan	110 510	27 635 439	155 189.19	38 787 347.87
28/02/2014 Exercise of options under extended 2005 plan	32 197	27 667 636	45 211.03	38 832 558.90
29/04/2014 Exercise of options under extended 2005 plan	7 890	27 675 526	11 079.14	38 843 638.04
29/04/2014 Exercise of options under 2009 plan BE	221	27 675 747	310.22	38 843 948.26
29/04/2014 Exercise of options under 2010 BE plan	208	27 675 955	291.97	38 844 240.23
27/06/2014 capital increase in favor of S.R.I.W./S.F.P.I.	520 832	28 196 787	730 987.71	39 575 227.94
25/07/2014 Exercise of options under 2009 plan	78 679	28 275 466	110 441.71	39 685 669.65
25/07/2014 Exercise of options under 2010 plan	63 535	28 339 001	89 184.08	39 774 853.73
6/11/2014 Exercise of options under 2009 plan	28 494	28 367 495	39 997.03	39 814 850.76
6/11/2014 Exercise of options under 2010 plan	26 309	28 393 804	36 929.94	39 851 780.70
26/02/2015 Exercise of options under 2006 plan	38.287	28 432 091	53 751.12	39 905 531.82
26/02/2015 Exercise of options under 2006 plan (det pers)	800	28 432 891	1 123.12	39 906 654.94
26/02/2015 Exercise of options under 2009 plan	45.237	28 478 128	63 499.18	39 970 154.12
26/02/2015 Exercise of options under 2010 plan	49.528	28 527 656	69 522.45	40 039 676.57
26/02/2015 Exercise of options under 2011 plan	99.408	28 627 064	139 519.13	40 179 195.70
26/02/2015 Exercise of options under 2011 plan (det pers)	26.456	28 653 520	37 131.00	40 216 326.69
27/05/2015 Exercise of options under extended 2006 plan (det pers)	3.000	28 656 520	4 211.70	40 220 538.39
27/05/2015 Exercise of options under extended 2006 plan	34 205	28 690 725	48 020.40	40 268 558.79
27/05/2015 Exercise of options under extended 2007 plan	13 119	28 703 844	18 415.14	40 286 973.93
27/05/2015 Exercise of options under 2009 plan	141 435	28 845 279	198 532.31	40 485 506.24
27/05/2015 Exercise of options under 2010 plan	65 579	28 910 858	92 053.24	40 577 559.48
27/05/2015 Exercise of options under 2011 plan	72 340	28 983 198	101 529.19	40 679 088.67
27/05/2015 Exercise of options under 2011 plan (det pers)	34 232	29 017 430	48 044.61	40 727 133.28
31/08/2015 Exercise of options under extended 2006 plan (det pers)	3 000	29 020 430	4 211.70	40 731 344.98
31/08/2015 Exercise of options under extended 2006 plan	6 500	29 026 930	9 125.35	40 740 470.33
31/08/2015 Exercise of options under extended 2007 plan (det pers)	3 000	29 029 930	4 211.10	40 744 681.43
31/08/2015 Exercise of options under extended 2007 plan	5 349	29 035 279	7 508.39	40 752 189.82
31/08/2015 Exercise of options under 2009 plan	19 456	29 054 735	27 310.39	40 779 500.21
31/08/2015 Exercise of options under 2010 plan	5 507	29 060 242	7 730.18	40 787 230.38
31/08/2015 Exercise of options under 2011 plan	14 435	29 074 677	20 259.52	40 807 489.91
18/12/2015 Exercise of options under extended 2006 plan	8 750	29 083 427	12 284.13	40 819 774.04
18/12/2015 Exercise of options under extended 2007 plan	3 454	29 086 881	4 848.38	40 824 622.41
18/12/2015 Exercise of options under 2009 plan	20 328	29 107 209	28 534.41	40 853 156.83
18/12/2015 Exercise of options under 2010 plan	1 441	29 108 650	2 022.73	40 855 179.56
18/12/2015 Exercise of options under 2011 plan	6 417	29 115 067	9 006.26	40 864 185.82

THE STOCK MARKET AND THE SHAREHOLDERS

IBA STOCKx'

IBA stock is quoted on the Euronext Brussels continuous market (Compartment B since January 17, 2013). It was introduced on the Stock Exchange on June 22, 1998 at a price of EUR 11.90 (adjusted for a 5 to 1 split in June, 1999).

IBA stock closed at EUR 33.90 on December 31, 2015.

The total number of outstanding stock options as at December 31, 2015 amounts to 1 272 312 stock options. As mentioned above, the RC Obligations cannot be converted any more since December 31, 2015. There is thus no convertible bonds or bonds with warrants outstanding as at 31 December 2015.

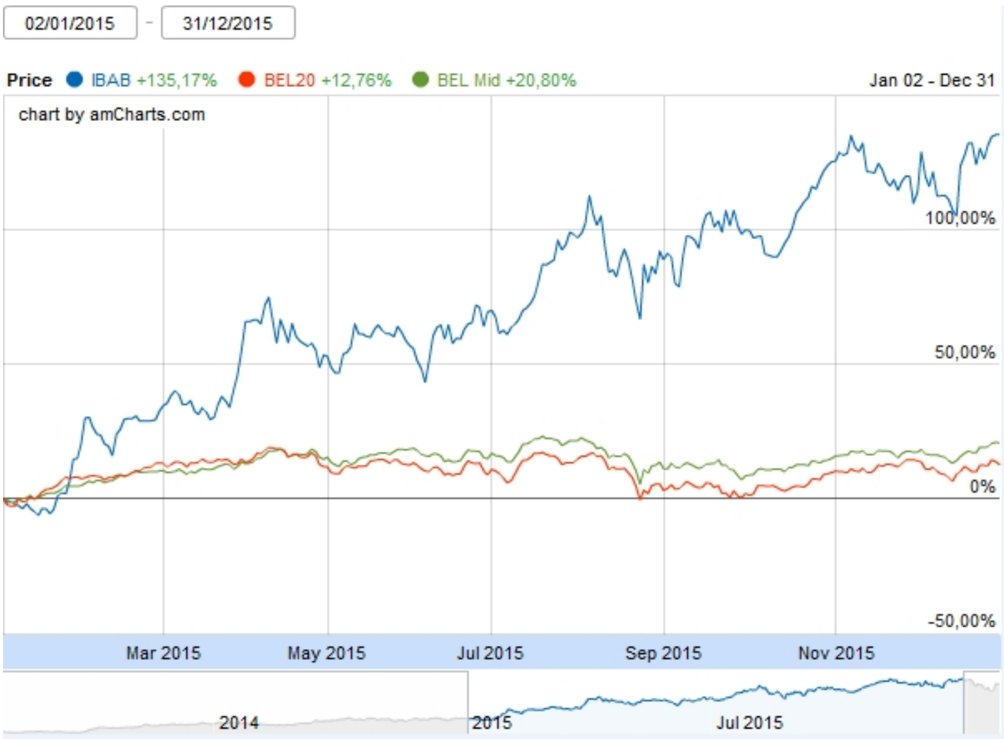
Situation as at	**December 31, 2015 Non diluted**		**December 31, 2015 Fully diluted**	
Entity	**Number of shares**	**%**	**Number of shares**	**%**
Belgian Anchorage SCRL [1]	6 204 668	21.30%	6 204 668	20.42%
IBA Investments SCRL [2]	610 852	2.10%	610 852	2.01%
IBA SA	63 519	0.22%	63 519	0.21%
UCL ASBL	426 885	1.47%	426 885	1.40%
Sopartec SA	234 531	0.81%	234 531	0.77%
SRIW	704 491	2.42%	704 491	2.32%
SFPI	69 200	0.24%	69 200	0.23%
Institut des Radioéléments FUP	1 423 271	4.89%	1 423 271	4.68%
Subtotal	**9 737 417**	**33.45%**	**9 737 417**	**32.04%**
Public	19 377 650	66.55%	20 649 962	67.96%
Total	**29 115 067**	**100.00%**	**30 387 379**	**100.00%**

[1] Belgian Anchorage is a company established and wholly owned by IBA Management and a number of IBA employees.
[2] IBA Investments is a second-tier subsidiary of IBA SA.

SHAREHOLDERS' SCHEDULE

Interim statements, first quarter 2016	May 11, 2016
2016 Annual Shareholders' Meeting	May 11, 2016
Publication of the semi-annual results as of June 30, 2016	August 25, 2016
Interim statements, third quarter 2016	November 16, 2016

STOCK MARKET PRICES



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Design & Production: www.thecrewcommunication.com

This report is printed on FSC certified wood-free offset paper.

It is manufactured in environmentally-friendly factories.

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