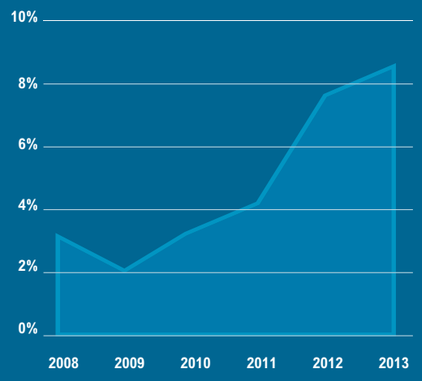
IBA
ANNUAL REVIEW 2013

www.iba-worldwide.com

KEY FIGURES
2013

MARGIN TRENDS



- IBA is a high-technology medical company which concentrates its activities on proton therapy, radiopharmacy, particle accelerators for the industry and dosimetry.
- IBA is the worldwide leader on the proton therapy market.
- Quoted on the pan-European stock exchange Euronext.
- 1 000 employees worldwide.
- IBA operates in two segments: “Proton therapy and Particle accelerators” and “Dosimetry”.

SALES TRENDS BY ACTIVITY*

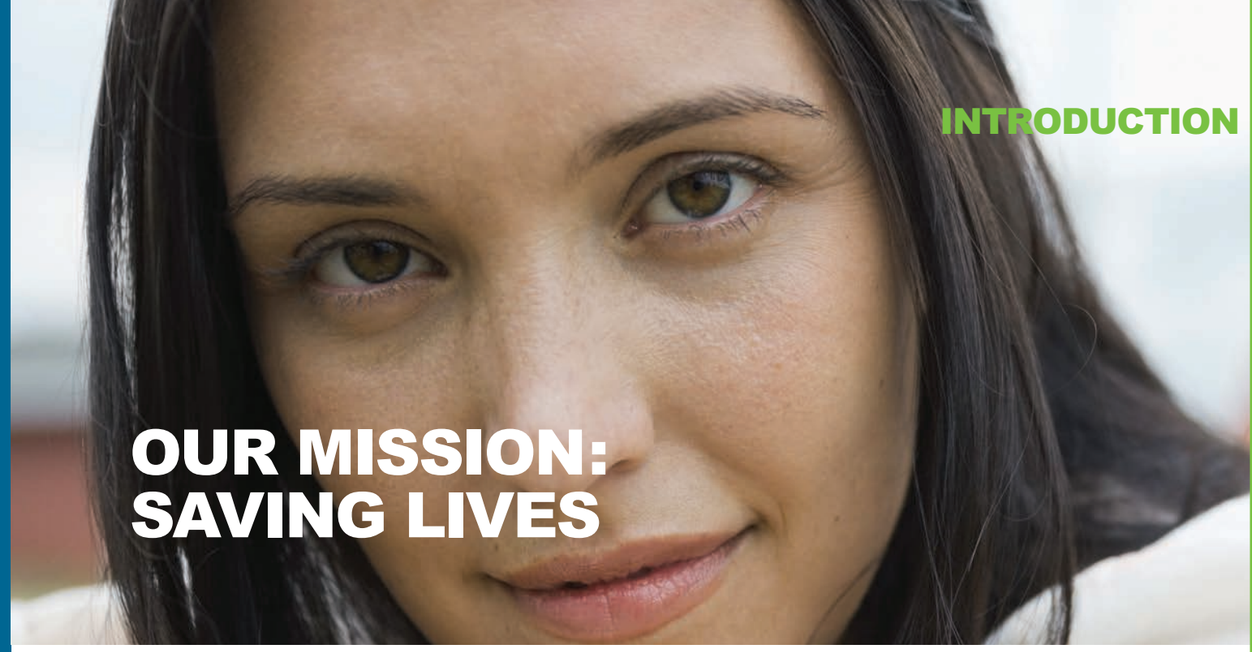
	2009 (EUR 000)	2010 (EUR 000)	2011 (EUR 000)	2012 (EUR 000)	2013 (EUR 000)	CAGR(1) (%)
TURNOVER	**155 574**	**169 988**	**203 165**	**221 106**	**212 512**	**8.1%**
Proton therapy	70 689	82 884	121 157	133 213	121 202	14.4%
Other Accelerators	45 070	39 086	38 896	38 991	45 387	0.2%
Dosimetry	39 815	48 018	43 112	48 902	45 923	3.6%

(1) Compound annual growth rate.

SALES TRENDS BY GEOGRAPHICAL SECTOR (%)*

	2009	2010	2011	2012	2013
USA	52	33	34	38	35
ROW	48	67	66	62	65

**The figures do not include any pharmaceutical activity.*



OUR MISSION: SAVING LIVES

At IBA we dare 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 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.

CONTENTS

IBA AT A GLANCE

IBA is the worldwide technology leader in advanced cancer radiation therapy and diagnostic technologies. The Company's special expertise lies in the development of innovative proton therapy technologies, supplying the oncological world with equipment of unequalled precision.

TODAY, IBA FOCUSES ON THREE MAIN ACTIVITIES

PROTON THERAPY

2013 ACTIVITY TURNOVER
121 202 (EUR 000)

Proton therapy is considered to be the most advanced treatment in the fight against cancer, thanks to the precision with which it is possible to target the tumor and its reduced side effects. Protons deposit the majority of their energy within a precisely controlled zone, directly in the center of the tumor without damaging healthy surrounding tissues.

Proton therapy is particularly appropriate to treat eye and brain cancers, tumors close to the brain stem and spinal cord, as well as prostate, liver, breast and pediatric cancers.

Today, more than half of proton therapy clinical facilities worldwide are IBA systems. At the end of 2013, this includes 16 proton therapy centers in operation and 10 additional centers under development.

The IBA product offer ranges from complete solutions with *Proteus®**PLUS*** with several treatment rooms to *Proteus®**ONE***[1], a single-room solution. With *Proteus®**ONE***, proton therapy is more accessible than ever.

DOSIMETRY

2013 ACTIVITY TURNOVER
45 923 (EUR 000)

IBA offers a full range of monitoring equipment and software enabling hospitals to perform the necessary checks and calibration procedures of radiation therapy and radiology. Precision is everything 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 safety depend on it.

PARTICLE ACCELERATORS

2013 ACTIVITY TURNOVER
45 387 (EUR 000)

To date, IBA has installed more than 400 accelerators worldwide. The majority of them are used for the production of radioisotopes for the detection of cancer. The IBA Radiopharma Solutions team helps nuclear medicine departments to design, install and maximize the functional efficiency of a radiopharmacy for the production of radiopharmaceuticals, mainly PET (Positron Emission Tomography).

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

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

*Proteus®**PLUS***

HIGHLIGHTS 2013

2013
a record sales year for RadioPharma Solutions.

IBA market share
66%
of proton therapy rooms in operations.

Proton Therapy

→ **January 21st, 2013**
IBA signs contract with Apollo Hospitals to install the first proton therapy center in India. With this contract, IBA will be at the forefront of delivering the latest innovative cancer therapy to the Asia region.

→ **June 2nd, 2013**
IBA gathers more than 60 radiation therapy leaders in its factory in Belgium to discover the first *Proteus*®***ONE*** proton therapy system.

→ **July 1st, 2013**
IBA signs contract to install *Proteus*®***ONE*** in Taiwan. This contract demonstrates IBA's continued success in Asia.

→ **October 9th, 2013**
IBA is selected by the Henryk Niewodniczanski Institute of Nuclear Physics of the Polish Academy of Sciences (IFJ) to supply the new extension of the IFJ Proton Therapy Center, in Krakow, Poland.

→ **November 27th, 2013**
IBA receives FDA clearance for its new Imaging Suite, a solid foundation for the development of future Image-Guided Proton Therapy (IGPT) solutions.

→ Major milestones were achieved in 2013 in the development of IBA's compact proton therapy system, *Proteus*®***ONE***:

- IBA submitted all necessary documentation on IBA's compact proton therapy gantry to the U.S. Food and Drug Administration (FDA) for marketing authorization.
- The compact gantry beam line was shipped to Willis-Knighton Cancer Center (WKCC) in Shreveport, Louisiana.
- IBA also accelerated and extracted a proton beam from its compact Synchrocyclotron, to levels suitable for being used by Pencil Beam Scanning (PBS) technologies.

→ During 2013, IBA equipped several proton therapy centers with its unique PBS technology which enables millimeter precision in cancer treatment.

→ Throughout 2013 IBA continued to demonstrate its capacity to accelerate the pace at which newly constructed proton therapy centers are ready to treat patients. The installation of proton therapy rooms were completed in Trento (Italy), Seattle (USA) and Knoxville (USA) in 2013.

Particle Accelerators

→ 2013 was a record year of sales for IBA RadioPharma Solutions division. IBA won important contracts in all regions, which strengthened IBA's position as the leader in medium- and high-energy cyclotrons.

→ **November 4th, 2013**
IBA signs a contract with Zevacor Molecular to install the first commercial 70 MeV Cyclotron dedicated to the production of radiopharmaceuticals in the United States, allowing it to provide the year-round production of isotopes used in the diagnosis of cardiovascular diseases and other critical illnesses.

→ In 2013 IBA signed major contracts for the supply of Rhodotron® and Dynamitron® accelerators in Asia and Brazil.

Dosimetry

→ IBA Dosimetry introduced several product improvements at major tradeshows (American Association of Physicists in Medicine (AAPM) and American Society for Radiation Oncology (ASTRO) annual meetings), that were well received by the market, including:

- An extended version of the successful MatriXX to address patient treatment verification of new treatment technologies (high dose rate).
- A new release of Compass (3.0) that enables even faster and more accurate patient treatment verification in 3D anatomy.
- The replacement software for 2D patient verification has new functionalities that increase efficiency through an improved workflow and graphical user interface management.
- A new product extension to the VISICOIL product line, designed for safer and easier implantation in interventional radiology. This new product supports radiation oncologists in highly precise patient setup and dose delivery during radiation therapy.

Operating highlights

→ **June 4th, 2013**
IBA makes further good progress towards reaching a final settlement with Westdeutsches Protonen-therapiezentrum Essen GmbH (WPE). The final contract was signed in March 2014.

→ **November 13th, 2013**
The Company announces receipt of payment from the ATreP (Agenzia Provinciale Per la Protonterapia) center in Trento, Italy, in repayment of the loan facility signed in 2009.

→ **November 18th, 2013**
IBA completes the sale of its Cisbio Bioassays business unit to an Argos Soditic fund.

→ **December 11th, 2013**
IBA reaches agreement with SK Capital Partners to settle all outstanding disputes between the two parties under the Share Purchase Agreement, which was closed in early April 2012.

GLOBAL STRATEGY

Left
Pierre Mottet,
Chairman

Right
Olivier Legrain,
CEO

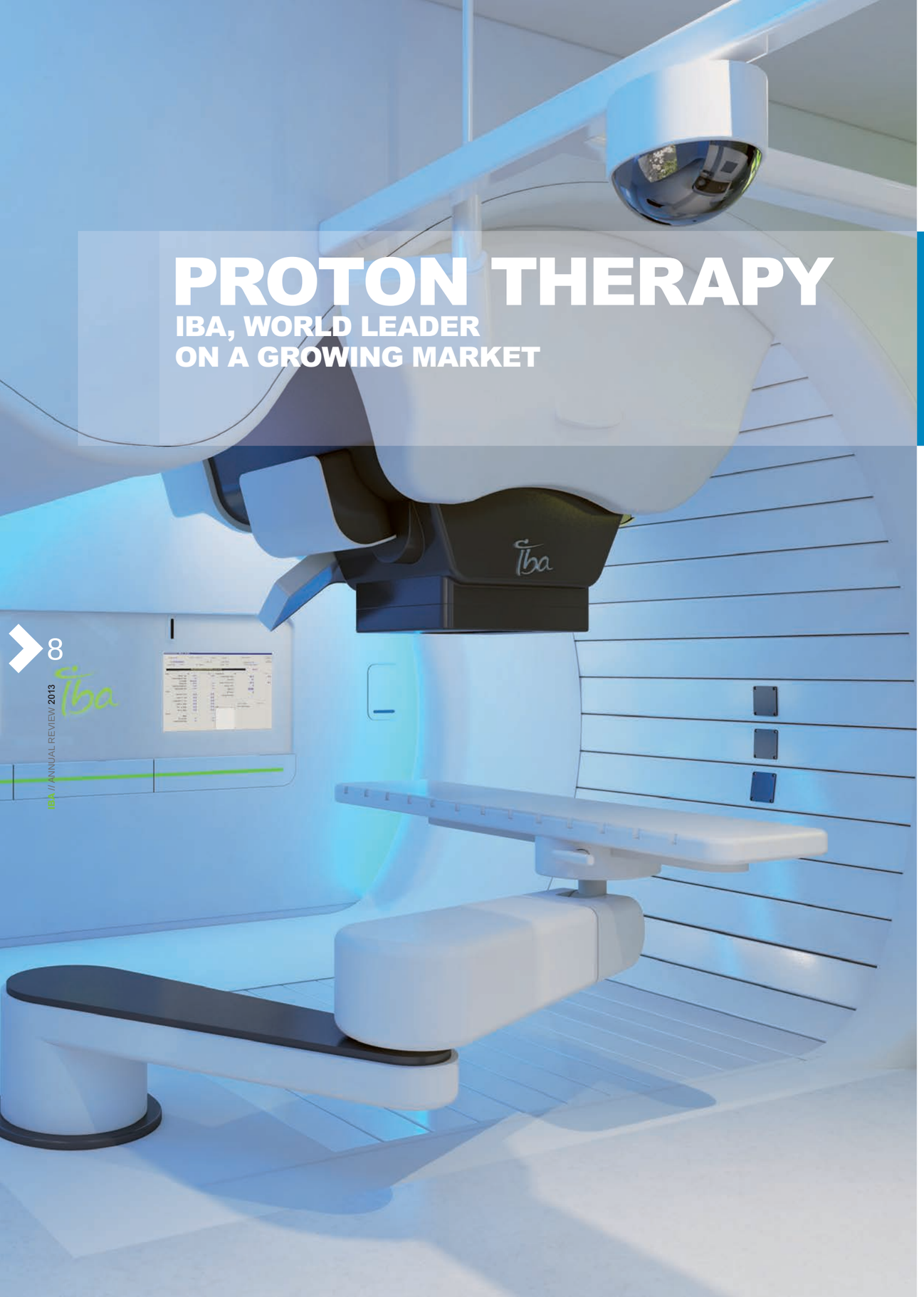
2014
the harvest year.

→ **2013** was the year the company repositioned to focus on its core businesses: proton therapy, dosimetry and particle accelerators. This repositioning allows IBA to position itself for the future and consolidate its leadership on the growing proton therapy market. IBA has also assured its leadership in the dosimetry field and ended a record year for sales of accelerators for radiopharmacies and industrial applications, mainly to emerging countries. Operating margins rose strongly, mainly from productivity and efficiency programs put in place, and from higher service-based revenues.

→ **2014** should be the year of harvest. We look forward to starting treatment of the first patient on our new compact proton therapy solution *Proteus®ONE*, and seeing a growing number of hospitals worldwide adopting proton therapy. IBA will reap the benefits of an increasing number of long-term service contracts as well as a strong order backlog. The Company should reach 10% of operating profit at the end of 2014.

PROTON THERAPY

IBA, WORLD LEADER ON A GROWING MARKET



> At the Willis-Knighton Cancer Center in Shreveport, Louisiana, we wanted to offer the latest form of proton therapy, the pencil beam scanning, while taking advantage of advances in image guidance and remaining within the budget of our hospital system. IBA has continually demonstrated innovation in the field of proton therapy and they were chosen for their unique ability to meet our department needs.
>
> *Lane R Rosen MD, Director of Radiation Oncology, Willis-Knighton Cancer Center.*

Unfortunately, we are witnessing an unavoidable increase in the number of cancer cases in the world. We expect to see the share of cancers treated by radiotherapy double in the next 10 years. In parallel, the share of indications for which proton therapy is recommended is going to increase significantly. IBA therefore anticipates a strong worldwide increase in demand for proton therapy rooms in the years to come.

IBA MAKES PROTON THERAPY MORE ACCESSIBLE

This trend should become mainstream with *Proteus*®***ONE***, the compact single-room solution which is smaller, more affordable, easier to install, easier to operate and ultimately easier to finance. With *Proteus*®***ONE***, proton therapy becomes accessible for more patients worldwide.

Interest in *Proteus*®***ONE*** is growing: IBA has already sold three *Proteus*®***ONE*** systems in Shreveport (USA), Nice (France) and Taiwan (China). In June 2013, at IBA's annual proton therapy users conference, 60 radiation therapy leaders from 15 countries gathered in Belgium for an exclusive in-factory demonstration of *Proteus*®***ONE***. This visit and the high-level expertise of the participants attending, underlines the significant interest that the worldwide radiation therapy community takes in proton therapy.

From a technology standpoint, major milestones were achieved in the development of *Proteus*®***ONE*** in 2013. IBA submitted all necessary documentation on IBA's compact proton therapy gantry to the U.S. Food and Drug Administration (FDA) for marketing authorization. IBA also accelerated and extracted a proton beam from its compact Synchrocyclotron, to the levels suitable for use in Pencil Beam Scanning (PBS) technologies.

GROWING RECOGNITION OF THE CLINICAL ADVANTAGES OF PROTON THERAPY

Another factor which will accelerate the movement towards proton therapy is the growing number of clinical studies that establish the superiority of this treatment mode in an increasing number of cancer indications. While proton therapy today represents less than 1% of radiotherapy treatments, studies – such as the report by the Nederlands Gezondheidsraad[2] (Netherlands Health Council) – estimate that more than 17% of patients treated by radiotherapy would benefit from being treated by this technique.

Specifically, IBA works together with clinical partners on clinical studies and on the development and distribution of protocols for new indications such as lung, breast and pancreatic cancers. IBA also helps distribute educational and didactic information to doctors and patients through the support of foundations, educational platforms and other patient associations. In 2013, in cooperation with academic partners, IBA built training and clinical certification bodies.

Growing evidence of the clinical advantages of proton therapy is leading to increasing levels of international governmental support for investment in this kind of technology throughout the world. For instance, the governments of the United Kingdom and the Netherlands recognize the medical value of this treatment modality and intend to invest substantial amounts in PT equipment.

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

PROTON THERAPY

IBA CONTINUES TO STRENGTHEN 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. More than half of the worldwide proton therapy market is equipped by IBA. Over 25 000 patients have been treated on IBA equipment – more than on all major competitive installations combined!

In 2013, IBA continued to demonstrate its capacity to accelerate the pace at which newly constructed proton therapy centers are ready to treat patients, thereby reducing the technological and financial risk for stakeholders. As demonstrated by the ProCure Proton Therapy Center in Seattle, IBA is able to install a clinically functioning cyclotron, beam line and first state-of-the-art treatment room at the accelerated pace of just 12 months from the delivery of the building; an unrivalled time period.

IBA DEPLOYS TECHNOLOGICAL SOLUTIONS WITH HIGH CLINICAL ADDED VALUE

In 2013, IBA continued to demonstrate its leadership in new technology deployment. Almost all proton therapy centers currently built by IBA are about to be equipped with IBA's unique IMPT technology, Pencil Beam Scanning (PBS). Ten centers benefit already from PBS technology and 12 additional centers will be equipped in the coming months. PBS technology enables millimeter precision allowing the proton dose to be delivered with very high levels of conformity and dose uniformity, even in complex-shaped tumors.

In order to optimize treatment precision, IBA develops with its partners innovative solutions for image-guided proton therapy. In November 2013, IBA received marketing authorization from the U.S. Food and Drug Administration (FDA) for its imaging software.

This new imaging software will allow to develop future specific Image-Guided Proton Therapy (IGPT) solutions. The final goal of these techniques is to obtain a very precise view of the tumor location and its immediate environment in real time, so as to fully leverage the precision of proton beam therapy.

**adaPT Insight is the brandname of a series of software I2C used by IBA in its proton therapy solutions. (I2C: FDA 510(k) K132847).*

WHAT IS PROTON THERAPY?

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

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

At the end of 2013 IBA confirmed its position as leader with a 50% share of market and the sale of 74 treatment rooms – of which 53 are in operation – to 26 institutions. The Company has over time developed unique operational excellence in the installation of proton therapy centers

PRINCIPAL PRODUCTS

*Proteus®**ONE*** consists of a single proton therapy treatment room. This compact solution is an IBA initiative aimed at making proton treatment more affordable.

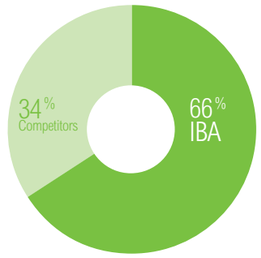
*Proteus®**PLUS*** offers customers the possibility to configure their center in function of their needs and to choose between four types of treatment rooms and four modes of beam distribution.

GLOBAL
STRATEGY

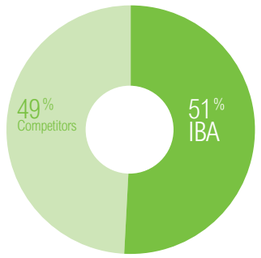
> We took a long time going through the process and analyzing the landscape of vendors in proton therapy and we are very excited about a partnership with IBA. We do believe IBA brings the best technology to the table. We believe they have the most important experience in the world with proton therapy. Based on their experience, we think they are the most likely group of vendors to come through with bringing facility on time and on budget.
>
> *James Metz, M.D. University of Pennsylvania School of Medicine.*

MARKET SHARE

ROOMS IN OPERATION



ROOMS SOLD



DOSIMETRY

THE QUALITY ASSURANCE LEADER IN RADIATION THERAPY AND RADIOLOGY

> The process of commissioning and testing three different treatment planning systems is very demanding(...). The IBA Dosimetry offers solutions that meet our needs. They provide a very solid calculation algorithm, require very simple input data and the commissioning process is very fast and easy to use.
>
> *Alberto Perez Medical Physicist, Hospital Universitario Virgen de la Victoria Málaga, Spain.*

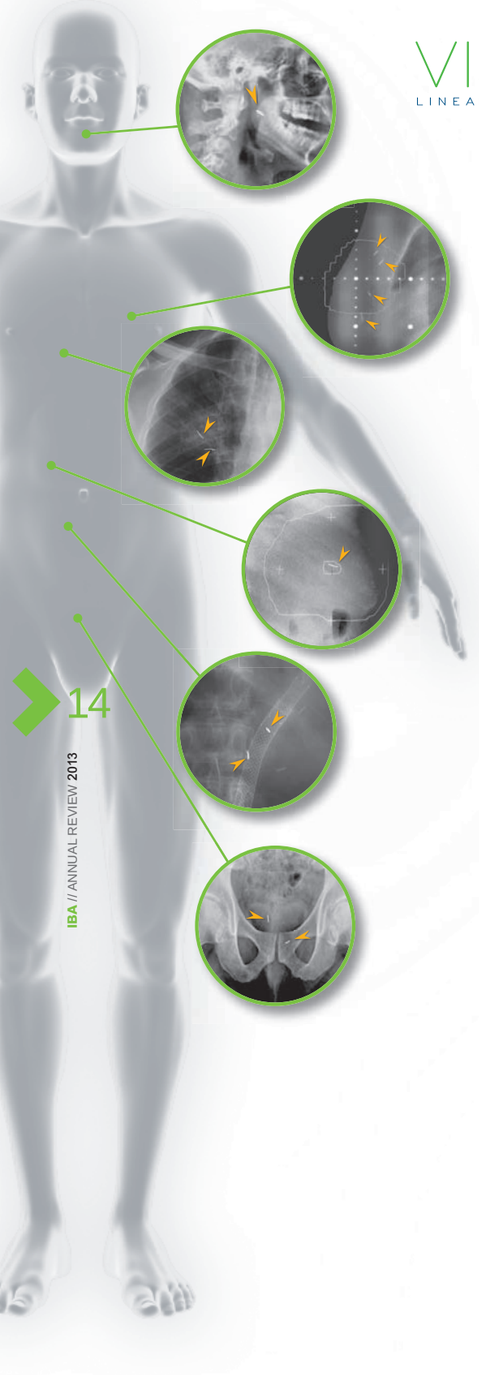
There are two main applications of the use of radiation for patients: during diagnosis aided by medical imaging (such as X-ray or computer tomography) and in cancer therapy (radiation therapy). In both applications, radiation is used to improve the outcome for the patient. However, radiation has to be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

CONTINUOUS GROWTH

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. With the healthcare market's increasing awareness of higher patient safety, the dosimetry and Quality Assurance (QA) segment will grow further, with single digit annual growth rates in developed markets and double digit growth in emerging markets. The accelerating trend of merging radiation therapy machines with imaging devices provides further synergies for IBA Dosimetry.

During 2013, the IBA Dosimetry International Competence Center (ICC) offered a variety of advanced dosimetry training programs at the highest level, enabling users to utilize high-end dosimetry equipment more efficiently and effectively maximize the safe and efficient use of their investments to the benefit of their patients.

DOSIMETRY



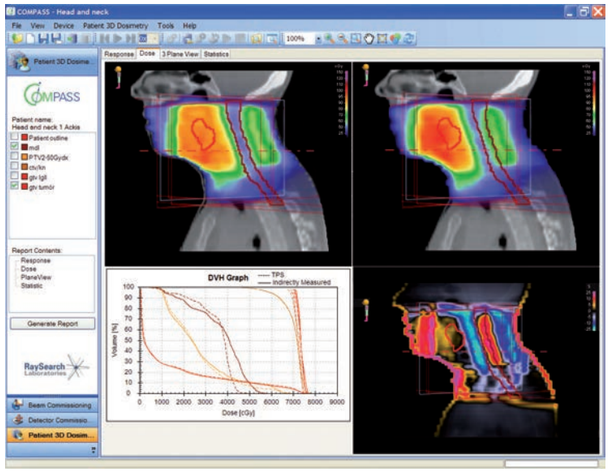
VISICOIL™
LINEAR FIDUCIAL MARKER

CONTINUOUS INNOVATION

In 2013, IBA Dosimetry introduced several product improvements:

- An extended version of the successful MatriXX to address patient treatment verification of new treatment technologies (high dose rate).
- A new release of Compass (3.0) that enables even faster and more accurate patient treatment verification in 3D anatomy.
- The replacement software for 2D patient verification has new functionalities that increase efficiency through an improved workflow and graphical user interface management.
- A new product extension to the VISICOIL product line, designed for safer and easier implantation in interventional radiology. This new product supports radiation oncologists in highly precise patient setup and dose delivery during radiation therapy.

COMPASS



> The safety provided by the IBA Dosimetry solutions COMPASS (…) has made it an indispensable tool in our clinical routine for patient plan verification.
>
> *Alberto Perez Medical Physicist,*
> *Hospital Universitario Virgen de la Victoria, Málaga, Spain.*

WHAT IS DOSIMETRY?

- IBA Dosimetry offers a full range of innovative high-quality solutions and services that maximize efficiency and minimize risks in radiation therapy, medical imaging quality assurance and calibration procedures for patient safety.

PRINCIPAL PRODUCTS

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

MagicMaX is the optimized solution for advanced beam verification and quality assurance in all x-ray imaging modalities; Radiography, Fluoroscopy, Dental, Mammography.

Visicoil is a coil marker implanted into the patient's tumor volume to enable pinpoint treatment dose targeting based on image guided patient setup (IGRT / IGPT). It minimizes imaging artifacts for more accurate delineation of the target volume and more precise dose delivery.

> Thanks to IntegraLab's team, our PET center is fully GMP compliant for multiple production of FDG, F-Dopa, NaF and others. We also benefited from IBA's experience to obtain our FDG market authorization.
>
> *Dr. Geert Gommans*
> *Manager Department Nuclear Medicine/ Cyclotron MCA Alkmaar, The Netherlands.*

RADIOPHARMACY
A WORLDWIDE UNIQUE KNOW-HOW

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

AN EXCEPTIONAL YEAR FOR IBA RADIOPHARMA SOLUTIONS

2013 was a record year of sales for IBA RadioPharma Solutions division. IBA won important contracts in all regions (Asia, Europe, North America, Russia and the Middle East) confirming IBA's position as the leader in medium- and high-energy cyclotrons. Most of the cyclotrons sold were part of IBA's unique IntegraLab solution that combines equipment and services for setting up a radiopharmaceuticals production center. Moreover, IBA sold its Cyclone® 70 in the United States which will assure the year-round production of isotopes used in the diagnosis of cardiovascular diseases and other critical illnesses. IBA is the only company with the internal expertise required to successfully install a 70 MeV high energy cyclotron.

IBA RadioPharma Solutions has already installed 200 cyclotrons and 330 chemistry modules in the world. Over the last 5 years, IBA sold approximately 40% of the Mid Energy cyclotrons market. Growth perspectives for IBA in this segment are very positive in view of the increased demand for Positron Emission Tomography (PET) radiopharmaceuticals throughout the world, particularly in emerging countries.

IBA also continues to develop its leadership and differentiation through constant innovation. In 2013 the company marketed IntegraLab®ONE (a ready-to-run integrated radiopharmacy center), and continues to develop new molecules that can be produced on the Company's Synthera® chemistry module.

WHAT IS THE RADIOPHARMACY?

IBA RadioPharma Solutions supports hospitals and radiopharmaceutical distribution centers with their in-house radioisotopes production by providing them global solutions, from project design to the facility management. In addition to high-quality technology production equipment (cyclotrons, targetry systems, synthesizers, control systems,...), IBA has developed in-depth experience in setting up (c)GMP radiopharmaceuticals production centers.

PRINCIPAL PRODUCTS

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

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

INDUSTRIAL ACCELERATORS

E-BEAM AND X-RAY STERILIZATION FOR MEDICAL DEVICES

> Purchasing the first Rhodotron® was a real challenge. It has been my best decision ever. IBA keeps on upgrading it whenever new developments are available.
>
> *Hans Hartmann,*
> *Managing Director de SynergyHealth.*

The IBA Industrial division exploits electron beams and focuses on two markets: the sterilization of single-use medical products and the improvement of the physical properties of polymers (crosslinking). IBA Industrial achieved excellent sales in 2013, particularly in Asian markets.

In the sterilization market, IBA launched Rhodotron DUO in 2013, a new configuration that allows its customers to sterilize medical devices either by X-ray treatment or by electron beam treatment. Rhodotron DUO aims to facilitate access to X-ray sterilization which is the technology of the future. In view of the unique characteristics of the Rhodotron, IBA Industrial has developed a strategy of differentiation both on a product level and in terms of its positioning as a systems integrator. Today IBA supplies more than 60% of installed power in the electron-beam sterilization equipment market and plans to break into other sterilization markets such as gamma ray and ethylene oxide sterilization. These new markets are now accessible thanks to an innovation patented in 2012 which enables Rhodotron® to cover a wider power range than competitors.

The polymer crosslinking market currently shows strong growth. For example, a growing number of automobile manufacturers are moving towards cables treated by electron beams that are both more compact and offer superior performance. IBA has captured a major share of this growth due to a global products and services offer.

WHAT ARE ACCELERATORS FOR THE INDUSTRY?

→ IBA Industrial, the world leader in electron accelerators, offers a unique range of E-beam and X-ray equipment and customized irradiation solutions aimed at many different applications, such as medical devices sterilization, polymer enhancement (crosslinking and degradation) or food pasteurization.

PRINCIPAL PRODUCTS

Rhodotron® and ***Dynamitron®*** set the industry standards for accelerators for medical device sterilization and polymer ionization.

HUMAN RESOURCES

> Our experience with IBA has been excellent. The quality of the equipment has been wonderful. The people that they've had on board have been experts in their field, and they've done a wonderful job on maintaining our system and providing for a smooth operation.
>
> *Stuart Klein, MHA Executive Director.*
> *University of Florida Proton Therapy Institute.*

MEN AND WOMEN, KEY TO IBA SUCCESS

Technologies may change, but talent stays! The IBA workforce is the Company's primary resource and its principal competitive advantage. No other company in this sector of activities has such a high level of competence and experience, or such energy deployed in the fight against cancer. If today IBA is able to install a proton therapy room in a record time, it is because its people understand our advanced technologies perfectly. This understanding comes from professional teamwork, continuous training and experience accumulated over time. It is this expertise of IBA teams which makes the difference and enables us to supply customers with unrivalled technologies.

A STRONG ETHIC OF COOPERATION, PRODUCING CONTINUOUS INNOVATION

The IBA corporate culture facilitates employee's autonomy and a strong spirit of cooperation. Our true added value today lies in this multicultural collectivity composed of multiple and complementary expertises. This is why we offer our employees the possibility to be trained continuously as well as opportunities to evolve in the Company. This is also through the global structure and the synergies between our activities that our personnel is developing a spirit of collaboration for continuous innovation.

EMPLOYEES COMMITTED TO THE IBA MISSION

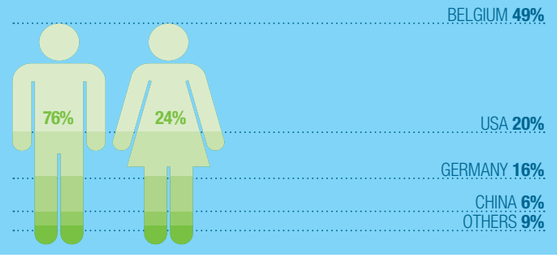
Another characteristic of IBA is the very high level of loyalty of its personnel. Many professionals join IBA and stay because they identify strongly with the Company's mission: the fight against cancer. The ability to feel passionate about one's work, with its technological challenges serving human needs, is the foundation of IBA workforce loyalty. Everyone in the Company shares the mission and develops their competencies to contribute towards it.

The year 2013 was pivotal as the Company completed the organizational changes initiated in 2012. This reorganization has enabled the Group to create a better alignment of its resources and a better understanding of its objectives.

FRÉDÉRIC NOLF
Group Vice-President Human Resources

EMPLOYEE ACTIVITY PROFILE

IBA EMPLOYEES WORLDWIDE



POSITIVE WORKING ATMOSPHERE

IBA has introduced a range of initiatives to develop the wellbeing of its employees, such as healthcare programs and support for personnel sports activities. For several years, the Company has also provided training sessions on cancer through conferences, specialized brochures and the support of activities dedicated to the fight against cancer.
In addition IBA was awarded the title of "Best Woman Friendly Company" by the association of Belgian engineers. This is a warm recognition of IBA's focus on a mutually-respectful working atmosphere.

BOARD OF DIRECTORS

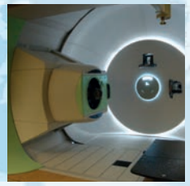
For more information on IBA's Board of Directors

MANAGEMENT TEAM

For more information on IBA's Management Team

A GLOBAL PRESENCE

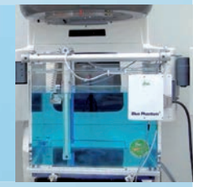
NORTH AMERICA
- 12 proton therapy centers
- > 100 accelerators for Industry
- > 35 accelerators RadioPharma Solutions
- > 1400 users of IBA Dosimetry solutions



EUROPE AND RUSSIA
- 9 proton therapy centers
- > 70 accelerators for Industry
- > 80 accelerators RadioPharma Solutions
- > 8100 users of IBA Dosimetry solutions

SOUTH AMERICA
- > 5 accelerators for Industry
- > 5 accelerators RadioPharma Solutions
- > 200 users of IBA Dosimetry solutions

ASIA AND OCEANIA
- 5 proton therapy centers
- > 30 accelerators for Industry
- > 70 accelerators RadioPharma Solutions
- > 1200 users of IBA Dosimetry solutions



AFRICA AND MIDDLE EAST
- 2 accelerators for Industry
- > 20 accelerators RadioPharma Solutions
- > 200 users of IBA Dosimetry solutions

Headquarters *Other offices* *Proton therapy centers installed by IBA*

ECONOMIC REVIEW

IBA reported a 3.9% decrease in revenues to EUR 212.5 million during 2013 (2012: EUR 221.1 million), driven by FX and a slowdown in the US radiotherapy market for Dosimetry, as well as low conversion rate of PT projects. However, this was mitigated by an increase of more than 47% in PT service-based revenues provided to the growing installed base.

Some changes in the allocation of costs between COGS and OPEX relating to the implementation of a new accounting and operational information system (integrated ERP) have altered the comparison between 2013 and 2012. A total of EUR 3.7 million has shifted from COGS to OPEX G&A, which explains the increase of EUR 3.1 million in G&A from 2012 to 2013 despite the cost reduction plan implemented in the Company. Adjusted for this impact, G&A would have decreased by 1.9%.

Recurring operating profits before interest and taxes (REBIT) continued to improve compared with 2012, due to the growth in service revenues (+27.6%) and benefits from the implementation of the Company's productivity and efficiency programme. The Company's REBIT increased 9.2% in 2013 from EUR 16.8 million in 2012 to EUR 18.4 million in 2013 despite the decrease of 3.9% in revenues.

Non-recurring events, mostly relating to the Essen project litigation, SK Capital transaction, sale of Bioassays and restructuring expenses, have led to a net profit of EUR 6 million, before the impact of the recycling of CTA into the income statement further to the liquidation of IBA Mediflash Holding.

The recycling of the CTA results in a reclassification from the category "cumulative translation difference" to "retained earnings" via the Income Statement following the closing down of the dormant holding company in Sweden for an amount of EUR 7.1 million. This reclassification has no influence on the total equity of the Company which increased during the year from EUR 57.7 million to 67.2 million at year end.

The Board of Directors intends to recommend to the General Assembly that no dividend be paid in respect of 2013 in order to contribute to reinforce the equity of the group that will be needed to face the growth expected in Proton therapy in the coming years.

Operating cash flow during 2013 amounted to EUR 6.8 million. This was a substantial improvement versus the negative EUR 30.7 million in 2012, mainly due to the payment received from the PT customer in Trento to cover the reimbursement of the supplier's credit facility.

Cash flow from investing was positive EUR 5.9 million due to the net EUR 13.1 million received for the sale of Bioassays in the second half of 2013.

Net debt at the year-end was EUR 18.1 million, down from EUR 58.0 million at mid-year. During the year, IBA repaid in full its EUR 31.5 million bank loan related to the Trento project in Italy and repaid EUR 2.5 million of its loan to the EIB. In H1 2013, the SRIW (investment fund of the Walloon Region) also increased by EUR 10 million its subordinated loan on top of the already outstanding EUR 10 million since 2012.

For more information on IBA financial statements

OPERATING RESULTS

	2012(a) (EUR 000)	2013(a) (EUR 000)	Change (EUR 000)	CAGR(1) (%)
Sales and services	221 106	212 512	-8 594	-3.9%
Gross margin	86 888	88 427		1.8%
REBITDA(2)	20 425	22 743	2 318	11.3%
REBITDA/Sales and services	9.2%	10.7%		15.9%
REBIT(3)	16 816	18 359	1 543	9.2%
REBIT/Sales and services	7.6%	8.6%		13.6%
Net profit(*)	-5 800	6 064(*)	11 864	N/A
Net profit	-5 800	-1 010	4 790	82.6%

OTHER KEY FIGURES

Capital expenditure	7 155	3 933	-3 222	-45.0%
Research and development expenses	23 580	23 046	-534	-2.3%
Equity	57 660	67,238	9 578	16.6%
Net cash position(4)	-27 985	-18 130	9 855	35.2%
Total assets	386 199	281 753	-104 446	-27.0%
Return on Equity	-10.1%	-1.5%		
Return on Capital Employed (ROCE)	14.3%	15.3%		
Share price at December 31 (Euro)	5.53	7.80		41.0%
Number of shares	27 374 028	27 635 439		1.0%
Net earnings per share (EPS) (Euro per share)	-0.21	-0.04		
Price/Earnings	-26.10	-213.42		
Market capitalization(5)	151 378	215 556		42.4%
Book value per share (Euro per share)	2.11	2.43		15.5%
Dividend per share	0.00	0.00		
Enterprise value(6)	179 363	233 686		30.3%
EV/REBITDA	8.8	10.3		17.0%
Employees at December 31	1 260	1 037	-223	-17.7%

(*) 2013 Net Result before technical recycling of currency translation adjustment to income statement further to liquidation of a dormant Swedish entity (IAS 21.48).
(a) The figures don't include any pharmaceutical activity.

CONTINUING OPERATIONS

PROTON THERAPY AND OTHER ACCELERATORS	2012 (EUR 000)	2013 (EUR 000)	Change (EUR 000)	Change %
Net Sales	**172 204**	**166 589**	**-5 615**	**-3.3%**
- Proton therapy	133 213	121 202	-12 011	-9.0%
- Other accelerators	38 991	45 387	6 396	16.4%
REBITDA	**12 402**	**15 320**	**2 918**	**23.5%**
% of Sales	7.2%	9.2%		
REBIT	**9 148**	**11 644**	**2 496**	**27.3%**
% of Sales	5.3%	7.0%		
DOSIMETRY				
Net Sales	**48 902**	**45 923**	**-2 979**	**-6.1%**
Dosimetry	**48 902**	**45 923**	**-2 979**	
REBITDA	**8 023**	**7 423**	**-600**	**-7.5%**
% of Sales	16.4%	16.2%		
REBIT	**7 668**	**6 715**	**-953**	**-12.4%**
% of Sales	15.7%	14.6%		

(1) CAGR: Compound annual growth rate.
(2) REBITDA: Recurring earnings before interest, taxes, depreciation and amortization.
(3) REBIT: Recurring earnings before taxes and financial charges.
(4) Cash and cash equivalents less long-term and short-term financial debts.
(5) The share price on December 31 multiplied by the number of shares.
(6) Market capitalization less the net cash position or increased by the net debt.

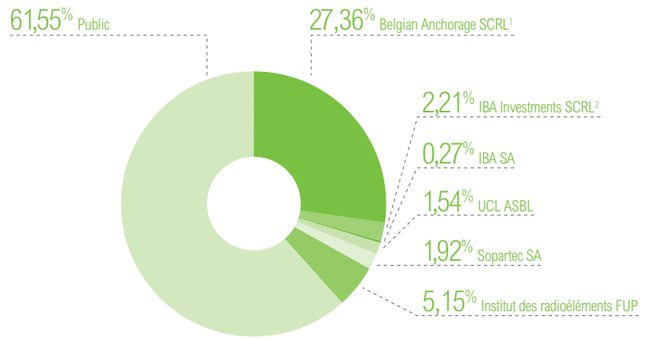
IBA STOCK

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). There was no convertible bond or bond with warrants issued or outstanding as of December 31, 2013.

IBA stock closed at EUR 7.80 at December 31, 2013.

At December 31, 2013, 2 212 335 options were issued and outstanding.

IBA' S SHAREHOLDERS



SHAREHOLDERS' AGENDA

Interim statements, first quarter 2014	May 14, 2014
2014 Annual Shareholders' Meeting	May 14, 2014
Publication of the mid-year results as of June 30, 2014	August 29, 2014
Interim statements, third quarter 2014	November 13, 2014
Publication of the annual results on December 31, 2014	March 26, 2015

(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.

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

STOCK MARKET PRICES

THE CREW

IBA CONTACT

Thomas Ralet
Vice-President Corporate Communication
Tel.: +32 10 47 58 90
E-mail: investorrelations@iba-group.com

Version française disponible sur demande.

ION BEAM APPLICATIONS, SA

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

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

Design & Production: www.thecrewcommunication.com

This report is printed on FSC certified wood-free offset paper.
It is manufactured in environmentally-friendly factories.

http://www.iba-worldwide.com/?page=investor-relations#overview

Protect, enhance and save lives

iba