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IBA ANNOUNCES ONE-TIME CHARGES FOR 2009 ARISING FROM REVALUATION OF R&D PORTFOLIO

The financial data below has not been audited.

February 19, 2010

Louvain-la-Neuve, Belgium, February 19, 2010 – IBA (Ion Beam Applications SA) announced today that it will be posting a loss for the 12-month period ended December 31, 2009 as a result of one-time charges on two R&D-intensive projects.

IBA has considerably increased its R&D investment in recent years in order to maintain its technological leadership, including in the proton therapy and molecular imaging equipment market, which are becoming more and more competitive.

In the first weeks of 2010, while preparing its annual financial statements, IBA undertook a careful revaluation of future expenses and schedules, with a focus on very high technology projects that will result in world premières. It concluded that it probably cannot avoid significant cost overruns on completion of two of these projects. The impact on the net result, which is still being evaluated, should be in the order of 10 to 15 million euros.

This impact is expected to be amplified by deferred tax asset adjustments of 4 to 6 million euros. These charges are non-cash.

Consequently, although the financial statements have not yet been finalized, and it is still uncertain whether all of these cost overruns will eventually be carried by IBA., owing to provisions for losses on completion, the 2009 figures for both operating profit and net results will be negatively affected, and the company will post a loss for the year, the level of which is still subject to audit and final evaluation. In any case, IBA will not be in a position this year to distribute dividends for 2009.

IBA has made certain that the situation for these two projects is exceptional, and it has recentered its efforts and resources on these two projects in order to complete the targeted innovations and bring them to market faster. It expects that this approach will allow it to reduce its provisions and will do everything in its power to achieve it.



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This impact on 2009 results does not affect the company's positive overall outlook, which has been confirmed by a substantial recovery in equipment orders in the latter months of 2009. The resulting order backlog of more than 193 million euros includes orders booked in the second half of 2009 for 14 particle accelerators and a proton therapy system in Trento, which also placed an order for a second treatment room in January 2010.

ABOUT IBA

IBA develops and markets state-of-the-art technology, as well as pharmaceutical and custom health care solutions, with an emphasis on cancer diagnosis and treatment. Leveraging its scientific knowhow, it is also active in the field of industrial sterilization and ionization. IBA is listed on the pan-European stock exchange Euronext and is included in its BEL Mid Index. (IBA: Reuters IBAB.BR and Bloomberg IBAB.BB).

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