



## Press release |

Regulated information

### IBA TRADING UPDATE - FIRST QUARTER 2015

- Group revenue up 26.7%
- Backlog of EUR 278.8 million at record high
- Dosimetry returns to growth, reporting 11.4% increase in year-on-year revenues

**Louvain-La-Neuve, Belgium, 13 May 2015** - IBA (Ion Beam Applications S.A., Euronext), the world's leading provider of proton therapy solutions for the treatment of cancer, today announces its consolidated results for the first quarter ending 31 March 2015.

#### Group Highlights

- First quarter 2015 Group revenues of EUR 58.6 million, up 26.7% yoy, driven by good revenue recognition of the Proton Therapy & Other Accelerators backlog, strong Dosimetry and Proton Therapy service revenues
- Proton Therapy and Other Accelerators backlog continues to reach new heights, amounting to EUR 278.8 million at the end of the first quarter 2015 before the recently announced contract with Universitair Medisch Centrum Groningen (UMCG)
- Proton Therapy services revenue up 17.5% to EUR 11.4 million
- Dosimetry revenue grows to EUR 14.7 million, up 11.4% yoy
- REBIT margin in line with guidance
- Net cash position positive at EUR 22.4 million compared to a net debt of EUR 17.2 million at end of the first quarter 2014
- Contract signed with Baptist Health South Florida for *Proteus*<sup>®</sup>*PLUS* three-gantry room worth approximately \$80 million to IBA including long term operation and maintenance contract

#### Post-Period End Highlights

- On April 9<sup>th</sup>, IBA signed a strategic alliance with Toshiba Corporation to enhance its presence in Japan and position in carbon therapy worldwide. Toshiba Medical Systems Corporation will become the distributor for IBA's *Proteus*<sup>®</sup>*ONE*\* in Japan, while IBA will become the agent for Toshiba's Carbon Therapy Solutions outside Japan
- On April 17<sup>th</sup>, IBA Molecular, the 40% subsidiary of IBA S.A., announced the disposal of IBA Molecular North America to Illinois Health and Science (IHS). The terms of the transaction were not disclosed and it is not expected to have a significant financial impact on IBA's 2015 P&L at closing, which is expected in the second or third quarter of 2015
- On April 22<sup>nd</sup>, IBA signed a final contract with UMCG to establish the first proton therapy centre in The Netherlands, a *Proteus*<sup>®</sup>*PLUS* two-gantry room configuration, worth approximately EUR 50 million to IBA including a long term operation and maintenance contract

**Olivier Legrain, Chief Executive Officer of IBA commented:** *"IBA has had a strong start to the year which has seen good momentum in Proton Therapy revenue recognition, a return to growth for Dosimetry and the positive impact of stable revenues from service and maintenance contracts. With the strongest backlog ever reported in Proton Therapy and Other Accelerators, as well as the recent collaboration with Toshiba for Proteus<sup>®</sup>ONE in Japan and closure of the UMCG contract, IBA is on track to have a strong 2015 with a clear runway to achieve our guidance."*



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### KEY FIGURES AND EVENTS AT SEGMENT LEVEL

IBA reported the following segmental trends and news during the first quarter of 2015:

#### Proton Therapy and Other Accelerators

- At the end of the first quarter, the segment reported revenues of EUR 44.0 million, compared to EUR 33.1 million for the same period in 2014
- In demonstration of the continuing strength of the proton therapy market, IBA again reported a record backlog in Proton Therapy and Other Accelerators amounting to EUR 278.8 million for the first quarter of 2015
- IBA's proton therapy pipeline also remains very strong and the Company is currently working on tenders and opportunities totalling in excess of EUR 1 billion, with growing international demand both for the compact solution *Proteus<sup>®</sup>ONE* and *Proteus<sup>®</sup>PLUS*
- In 2014, IBA and Philips joined forces to collaborate on sales, marketing, research and development of imaging and therapy solutions in oncology. This collaboration is progressing well with promising prospects being generated in several key markets, as well as good progress on the technical aspects of the collaboration
- Post the period end, IBA was delighted to secure another strategic partnership, this time with Toshiba giving IBA broader access to the Japanese market for its *Proteus<sup>®</sup>ONE* system, as well as greater exposure to carbon therapy treatment which has the potential to be a complimentary treatment to proton therapy in the future

#### Dosimetry

- Dosimetry returned to double digit growth in the first quarter, with revenues growing 11.4% to EUR 14.7 million, compared to the same period last year
- The backlog at the end of the first quarter amounted to EUR 17.4 million compared with a 16.8 million backlog end of 2014
- Two important multi-year tender won for Venezuela and Brazil showing competitiveness of IBA Dosimetry solutions.

#### Discontinued Operations

- On April 17<sup>th</sup> IBA announced that Illinois Health and Science (IHS), a non-profit healthcare system, had signed a definitive agreement with IBA Molecular (IBAM), a joint-venture jointly owned by IBA and SK Capital Partners, to acquire IBA Molecular North America, Inc. (IBAM NA), the US subsidiary of IBA Molecular, subject to financing. It is not expected to have a significant financial impact on IBA's 2015 profit and loss statement

### OUTLOOK

IBA reiterates its guidance given at the time of the Company's 2014 Full Year Results in March 2015. From 2015 to 2018, IBA expects to achieve average revenue growth greater than 10% per annum. The Company expects its operating margin to stabilize at 10% in 2015 and then grow at 1% per annum until 2018. Net debt is expected to stay limited over the course of the years to come. Due to the necessary continued investments in technological advances in proton therapy to maintain leadership in the space, IBA is planning a dividend payout ratio of 20% in 2015 based on 2014 results, but it is the Company's intention that if market conditions prevail, the dividend should gradually reach a payout ratio of 30% in the future.



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### SHAREHOLDER'S AGENDA

H1 2015 results

27 August 2015

Q3 2014 trading update

17 November 2015

Year End results 2015

24 March 2016

### DIRECTORS' DECLARATIONS

In accordance with the Royal Decree of 14 November 2007, IBA indicates that this Trading Update has been prepared by the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO).

#### About IBA

IBA (Ion Beam Applications S.A.) is a global medical technology company focused on bringing integrated and innovative solutions for the diagnosis and treatment of cancer. The Company is the worldwide technology leader in the field of proton therapy, the most advanced form of radiation therapy available today. IBA's proton therapy solutions are flexible and adaptable, allowing customers to choose from universal full scale proton therapy centers as well as compact, single room systems. In addition, IBA also has a radiation dosimetry business and develops particle accelerators for the medical world and industry.

Headquartered in Belgium and employing about 1100 people worldwide, IBA has installed systems across the world, from Europe and the US and to the emerging markets. IBA is listed on the pan-European stock exchange EURONEXT. (IBA: Reuters IBAB.BR and Bloomberg IBAB.BB) and more information can be found at: [www.iba-worldwide.com](http://www.iba-worldwide.com)

\* *Proteus®ONE is the brand name of a new configuration of the Proteus®235.*

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