



## Press release |

### **IBA closes its IBA Molecular transaction with SK Capital and revises its 2011 Financial Statements accordingly**

New Company Poised for Future Growth and Continued Industry Leadership

*Louvain-La-Neuve, Belgium, April 2, 2012* - IBA (Ion Beam Applications S.A.) and SK Capital Partners, a U.S. based private investment firm, announced that they have closed on their agreement to create IBA Molecular, a jointly owned company derived from IBA's worldwide radiopharmaceutical division. IBA Molecular is a world-wide leader in the manufacturing and distribution of radioactive isotopes used for medical imaging and therapy, with over 50 locations in the U.S., Europe and Asia, and employing over 1,000 people.

Following some late adjustments of the economics of the deal including the removal from the transaction, for some legal constraints, of assets related to the IBA Molecular operations in Canada representing cash adjustment of EUR 13 million, the deferment of about EUR 10 million of cash at closing and the reclassification of these EUR 10 million and another EUR 17 million as contingent payment, the company has booked an additional loss of EUR 23,8 million on the transaction, compared to the loss published in the annual earnings release on March 15, 2012. The total net loss for the year 2011 amounts to EUR 84,1 million.

On closing, the company received a net payment of EUR 74.7 million.

As an independent, focused radiopharmaceutical company, IBA Molecular will be able to better take advantage of its recently upgraded manufacturing and distribution platform and will seek to expand its research, manufacturing and product partnerships. The company will continue its commitment to deliver value to its customers with innovative marketing programs for molecular imaging and therapy. Its initiatives in education and support are resulting in improved quality, better service, and more appropriate utilization of PET and SPECT imaging.

As IBA's new partner, SK Capital brings significant investment and operating experience in diagnostic imaging, as well as pharmaceutical manufacturing, development and distribution, all of which will benefit IBA Molecular. In continuity with the initiated strategic plan, the new entity will streamline its manufacturing operations, enhancing the quality and reliability of its products and services, and expand its geographic presence. This agreement also provides for continued investment in the ongoing development of IBA Molecular's pipeline of innovative PET and SPECT products.

Jamshid Keynejad, a Managing Director of SK Capital and new Chairman of the Board for IBA Molecular, noted "We are pleased to be involved in this new endeavor and in further developing a company with a solid foundation and significant potential for future growth. The vibrancy and dedication of the people at every level in IBA Molecular is quite distinct. They are clearly on a mission to positively impact healthcare, and we are pleased to join them in that effort."

"IBA is more committed than ever to the future of nuclear medicine, as a whole, and IBA Molecular, in particular", said Pierre Mottet, CEO of IBA group: "With SK Capital as our new partner, we ensure that



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IBA Molecular can strengthen its leadership position in the nuclear medicine market and reach its full potential of providing patients with early detection, better characterization and real-time monitoring of cancer and other major diseases. Also, the investments in IBA Molecular will be endorsed by a dedicated and shared financial entity. The IBA Group's financial situation and visibility will benefit as well as its autonomy in proton therapy and other equipment investments".

### **About IBA Molecular**

IBA Molecular is a global developer, manufacturer and distributor of radiopharmaceutical products and supporting services used in molecular imaging. IBA Molecular has engineered a strong and unique product portfolio and pipeline of diagnostic and therapeutic tracers aimed at advancing the development of the global movement towards personalized medicine and making molecular imaging/therapy a major discipline in healthcare. The company also provides educational, technical and marketing support to medical specialists worldwide to help better respond to patient needs.

Please visit <http://www.iba-molecular.com> for more information about IBA Molecular.

### **About SK Capital**

SK Capital is a private investment firm with a disciplined focus on the specialty materials, chemicals and healthcare sectors. Its integrated, multi-disciplinary team utilizes its industry, operating and investment experience to help transform businesses into higher performing organizations. Located in New York, NY and Boca Raton, FL, SK Capital Partners III, L.P. is currently investing a \$500 million fund of committed capital. SK portfolio companies generate revenues of over \$3.0 billion annually and employ more than 3,400 people.

Please visit <http://www.skcapitalpartners.com> for more information about SK Capital.

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### CONSOLIDATED PROFIT & LOSS STATEMENT

Selected Key Figures	PUBLISHED		REVISED		Variance	
	31/12/11 (EUR '000)	Adj	31/12/11	31/12/10 (EUR '000)	(EUR '000)	%
Sales and contract revenue	237,694		237,694	209,037	28,657	13.7%
Cost of sales and contract costs	140,478		140,478	113,256	27,222	24.0%
<b>Gross profit/(loss)</b>	<b>97,216</b>	<b>0</b>	<b>97,216</b>	<b>95,781</b>	<b>1,435</b>	<b>1.5%</b>
	40.9%		40.9%	45.8%		
Selling and marketing expenses	27,988		27,988	24,260	3,728	15.4%
General and administrative expenses	31,291		31,291	32,635	-1,344	-4.1%
Research and development expenses	28,082		28,082	24,241	3,841	15.8%
<b>Recurring expenses</b>	<b>87,361</b>	<b>0</b>	<b>87,361</b>	<b>81,136</b>	<b>6,225</b>	<b>7.7%</b>
<b>Recurring profit/(loss)</b>	<b>9,855</b>	<b>0</b>	<b>9,855</b>	<b>14,645</b>	<b>-4,790</b>	<b>-32.7%</b>
	4.1%		4.1%	7.0%		
Other non-recurring expenses	16,731		16,731	8,885	7,846	88.3%
Other non-recurring (income)	-2,874		-2,874	-19	-2,855	15026.3%
Finance expenses	7,660		7,660	10,686	-3,026	-28.3%
Finance (income)	-8,968		-8,968	-11,948	2,980	-24.9%
Share of (profit)/loss of equity-accounted companies	-88		-88	-249	161	-64.7%
<b>Profit/(loss) before tax</b>	<b>-2,606</b>	<b>0</b>	<b>-2,606</b>	<b>7,290</b>	<b>-9,896</b>	<b>-135.7%</b>
Tax (income)/ expenses	15,144		15,144	2,680	12,464	465.1%
<b>Profit/ (loss) for the period from continuing operations</b>	<b>-17,750</b>	<b>0</b>	<b>-17,750</b>	<b>4,610</b>	<b>-22,360</b>	<b>-485.0%</b>
Profit/(loss) for the period from discontinued operations	-42,533	-23,845	-66,378	2,033	-68,411	-3365.0%
<b>Profit/ (loss) for the year</b>	<b>-60,283</b>	<b>-23,845</b>	<b>-84,128</b>	<b>6,643</b>	<b>-90,771</b>	<b>-1366.4%</b>
Equity Holders of the parent	-60,524	-23,845	-84,369	6,228	-90,597	-1454.7%
Minority interests	241		241	415		
<b>Profit/(loss) for the period</b>	<b>-60,283</b>	<b>-23,845</b>	<b>-84,128</b>	<b>6,643</b>		



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### CONSOLIDATED BALANCE SHEET

	PUBLISHED		REVISED		
	31/12/11	adj	31/12/11		31/12/10
	(EUR '000)		(EUR '000)		(EUR '000) (EUR '000)
<b>ASSETS</b>					
Goodwill	3.820		3.820		31.492 -27.672
Other intangible assets	13.928		13.928		40.916 -26.988
Property, plant and equipment	19.745		19.745		86.429 -66.684
Investments accounted for using the equity method	3.514		3.514		10.198 -6.684
Deferred tax assets	13.168		13.168		31.877 -18.709
Derivative financial instruments	332		332		0 332
Other long-term receivables	13.509		13.509		90.429 -76.920
<b>Non-current assets</b>	<b>68.016</b>		<b>68.016</b>		<b>291.341 -223.325</b>
Inventories and contracts in progress	98.311		98.311		102.694 -4.383
Accounts receivable	41.347		41.347		89.249 -47.902
Other receivables	68.909		68.909		25.286 43.623
Derivative financial instruments Assets	1.025		1.025		1.535 -510
Available-for-sale financial Assets	232.305	-23.845	208.460		0 208.460
Cash and cash equivalents	11.943		11.943		18.102 -6.159
<b>Current assets</b>	<b>453.840</b>		<b>429.995</b>		<b>236.866 193.129</b>
<b>Total assets</b>	<b>521.856</b>		<b>498.011</b>		<b>528.207 -30.196</b>
<b>EQUITY AND LIABILITIES</b>					
Share capital	38.408		38.408		37.888 520
Share premium	126.366		126.366		125.421 945
Treasury shares	-8.612		-8.612		-8.655 43
Hedging and other reserves	10.141		10.141		9.878 263
Cumulative translation differences	-7.565		-7.565		-9.948 2.383
Retained earnings	-67.842	-23.845	-91.687		-3.269 -88.418
Reserves of a disposal group classified as held for	524		524		0 524
<b>Capital and reserves attributable to Company's</b>	<b>91.420</b>		<b>67.575</b>		<b>151.315 -83.740</b>
<b>Non-controlling interests</b>	<b>1.143</b>		<b>1.143</b>		<b>1.087 56</b>
<b>TOTAL EQUITY</b>	<b>92.563</b>		<b>68.718</b>		<b>152.402 -83.684</b>
Borrowings	22.348		22.348		39.943 -17.595
Derivative financial instruments Liabilities	994		994		344 650
Deferred tax liabilities	1.095		1.095		948 147
Provisions	10.876		10.876		87.191 -76.315
Other long-term liabilities	4.828		4.828		43.861 -39.033
<b>Non-current liabilities</b>	<b>40.141</b>		<b>40.141</b>		<b>172.287 -132.146</b>
Provision Short Term	10.215		10.215		11.812 -1.597
Borrowings	30.201		30.201		5.115 25.086
Other short-term financial liabilities	1.510		1.510		751 759
Accounts payable	51.146		51.146		63.412 -12.266
Current income tax liabilities	681		681		2.384 -1.703
Available-for-sale financial Liabilities	151.907		151.907		0 151.907
Other payables and accruals	143.492		143.492		120.044 23.448
<b>Current liabilities</b>	<b>389.152</b>		<b>389.152</b>		<b>203.518 185.634</b>
<b>Total liabilities</b>	<b>429.293</b>		<b>429.293</b>		<b>375.805 53.488</b>
<b>Total equity and liabilities</b>	<b>521.856</b>		<b>498.011</b>		<b>528.207 -30.196</b>

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### CONSOLIDATED CASH-FLOW STATEMENT

	<b>PUBLISHED</b>		<b>REVISED</b>	
	<b>31/12/11</b>	Adj.	<b>31/12/11</b>	<b>31/12/10</b>
	<b>(EUR '000)</b>		<b>(EUR '000)</b>	<b>(EUR '000)</b>
<b>Cash flow from operating activities</b>				
<b>Net profit/(loss) for the period</b>	<b>-60,524</b>	<b>-23845</b>	<b>-84,369</b>	<b>6,228</b>
Adjustments for:				
Depreciation and impairment of property, plant and equipment	20,006		20,006	10,741
Amortization and impairment of intangible assets	33,141	23845	56,986	4,245
Write-off on receivables	881		881	2,119
Changes in fair value of financial assets (gains)/losses	2,392		2,392	-465
Changes in provisions	11,100		11,100	8,409
Taxes	13,929		13,929	224
Share of result of associates and joint ventures accounted for using the equity method	-413		-413	-1,455
Other non cash items	1,969		1,969	1,596
<b>Net profit/(loss) before changes in working capital</b>	<b>22,481</b>		<b>22,481</b>	<b>31,642</b>
Trade receivables, other receivables, and deferrals	-6,107		-6,107	-15,039
Inventories and contract in progress	21,126		21,126	6,420
Trade payables, other payables, and accruals	3,332		3,332	12,489
<b>Change in working capital</b>	<b>18,351</b>		<b>18,351</b>	<b>3,870</b>
Income tax paid/received, net	-2,284		-2,284	-1,323
interest paid	1,443		1,443	1,623
interest received	-1,723		-1,723	-4,400
<b>Net cash (used in)/generated from operations</b>	<b>38,268</b>		<b>38,268</b>	<b>31,412</b>
<b>Cash flow from investing activities</b>				
Acquisition of property, plant, and equipment	-25,435		-25,435	-15,918
Acquisition of intangible assets	-4,857		-4,857	-6,740
Disposal of fixed assets	297		297	331
Acquisitions of subsidiaries, net of acquired cash	0		0	8
Acquisition of third party and equity-accounted companies	-3,651		-3,651	-952
Disposals of subsidiaries and equity-method-accounted	0		0	50
Acquisition of non-current financial assets and loans granted	0		0	0
Other investing cash flows	-10,018		-10,018	-15,591
<b>Net cash (used in)/generated from investing activities</b>	<b>-43,664</b>		<b>-43,664</b>	<b>-38,812</b>
<b>Cash flow from financing activities</b>				
Proceeds from borrowings	16,916		16,916	36,971
Repayments of borrowings	-4,609		-4,609	-28,014
Interest paid	-1,443		-1,443	-1,623
Interest received	353		353	441
Capital increase (or proceeds from issuance of ordinary shares)	1,429		1,429	915
Purchase of treasury shares	0		0	-593
Dividends paid	-3,843		-3,843	-94
Other financing cash flows	-1,207		-1,207	-266
<b>Net cash (used in)/generated from financing activities</b>	<b>7,596</b>		<b>7,596</b>	<b>7,737</b>
<b>Net cash and cash equivalents at the beginning of the year</b>	<b>18,102</b>		<b>18,102</b>	<b>17,586</b>
Changes in net cash and cash equivalents	2,200		2,200	337
Exchange gains/(losses) on cash and cash equivalents	108		108	179
<b>Net cash and cash equivalents at the end of the year</b>	<b>20,410</b>		<b>20,410</b>	<b>18,102</b>