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H1 2017 Results

24 August 2017

Olivier Legrain (CEO) and Soumya Chandramouli (CFO)



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This presentation may contain forward-looking statements concerning industry outlook, including growth drivers; the company's future orders, revenues, backlog, or earnings growth; future financial results; market acceptance of or transition to new products or technology and any statements using the terms "could," "believe," "outlook," or similar statements are forward-looking statements that involve risks and uncertainties that could cause the company's actual results to differ materially from those anticipated. The company assumes no obligation to update or revise the forward-looking statements in this release because of new information, future events, or otherwise.

- Results are impacted by
 - Slow order intake
 - Revenue recognition delays
 - One off exceptional items

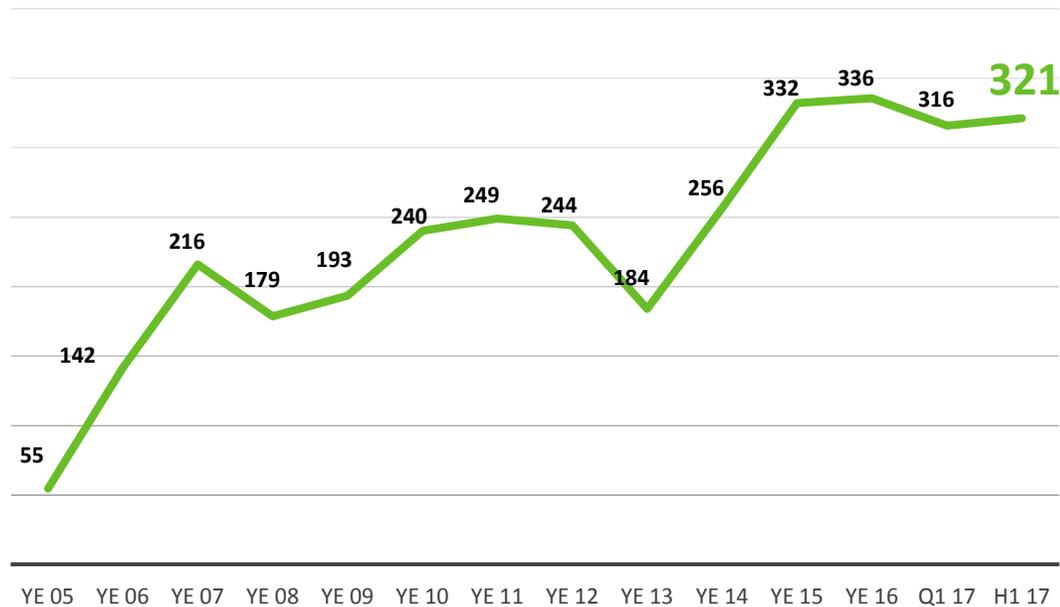
- Group revenues of EUR 151.6 million, up 4.5%
- REBIT margin of 1.3%
- Gross cash of EUR 50 million and net cash position of EUR 21.2 million
- Growing backlog of over EUR 1 billion in equipment and services
 - Equipment backlog for Proton Therapy and Other Accelerators of EUR 321 million
 - Services backlog of EUR 689 million, up 21% from H1 2016
- New guidance is impacted by
 - Strong pipeline
 - Limited visibility on the timing of new orders
 - Longer backlog conversion



H1 2017 business and financial highlights

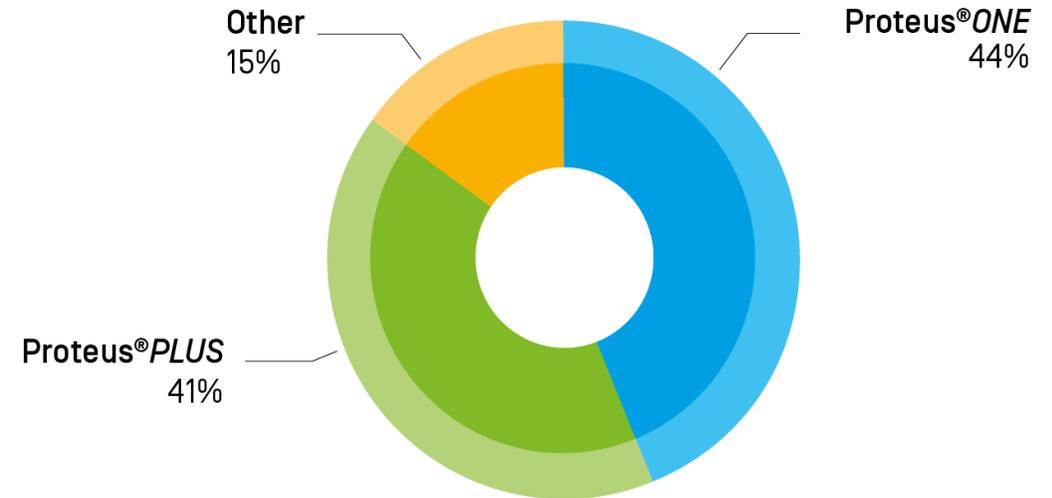
- Equipment backlog

- High backlog for PT and other accelerators at EUR 321M
- Proteus[®]ONE represents around 44% slightly up versus end of 2016 (42%)



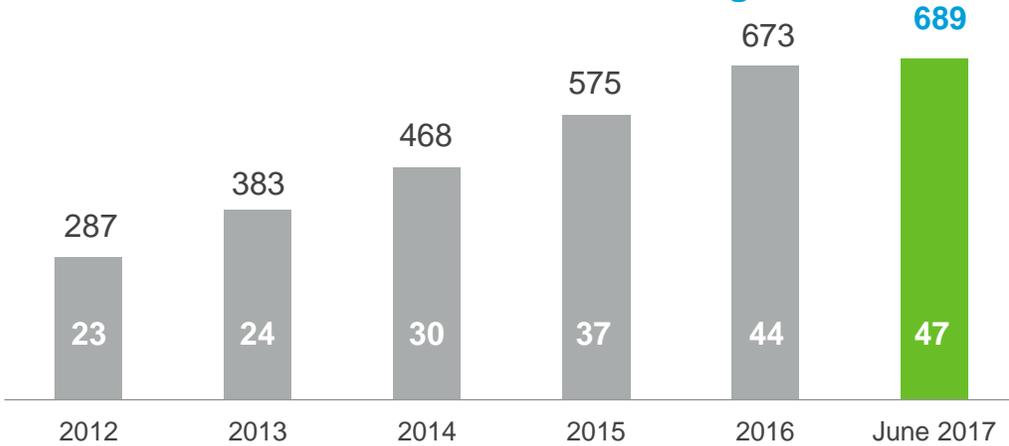
YE 05 YE 06 YE 07 YE 08 YE 09 YE 10 YE 11 YE 12 YE 13 YE 14 YE 15 YE 16 Q1 17 H1 17

Figures in million euros



H1 2017 business and financial highlights

PT Service revenue backlog



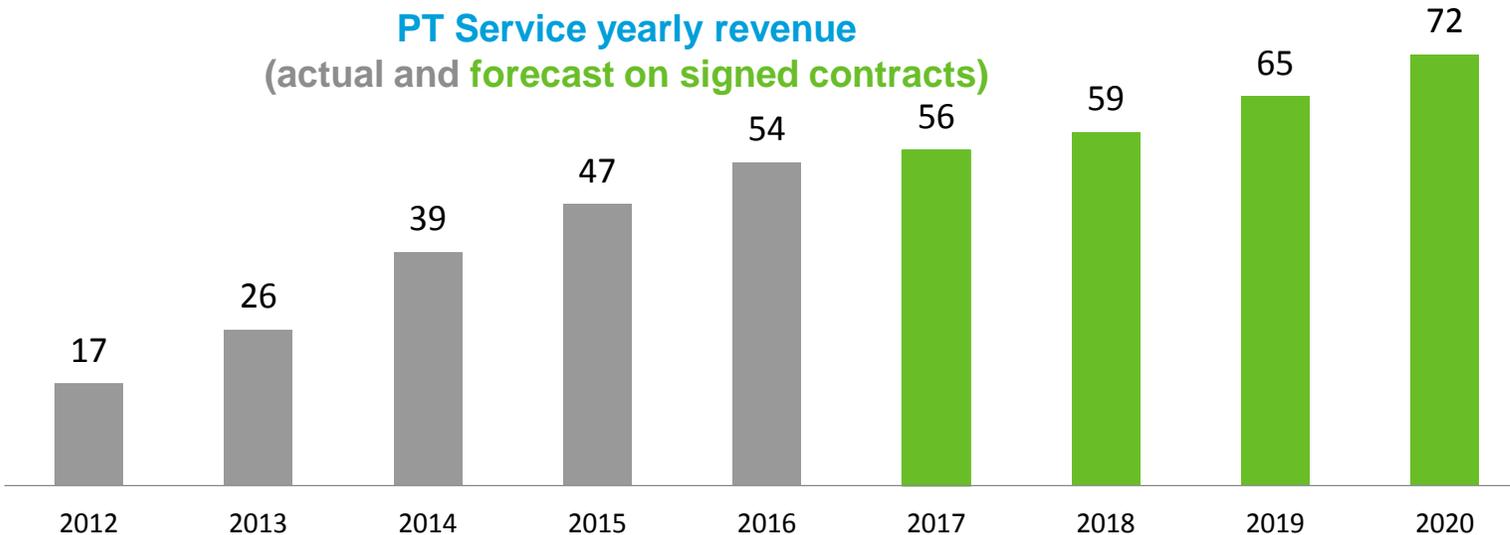
Figures in million euros

■ Proton Therapy services backlog

- Steadily growing PT service backlog due to nearly 100% capture rate on new PT systems sales
- Represents about 1/3 of segment revenues

PT Service yearly revenue

(actual and forecast on signed contracts)



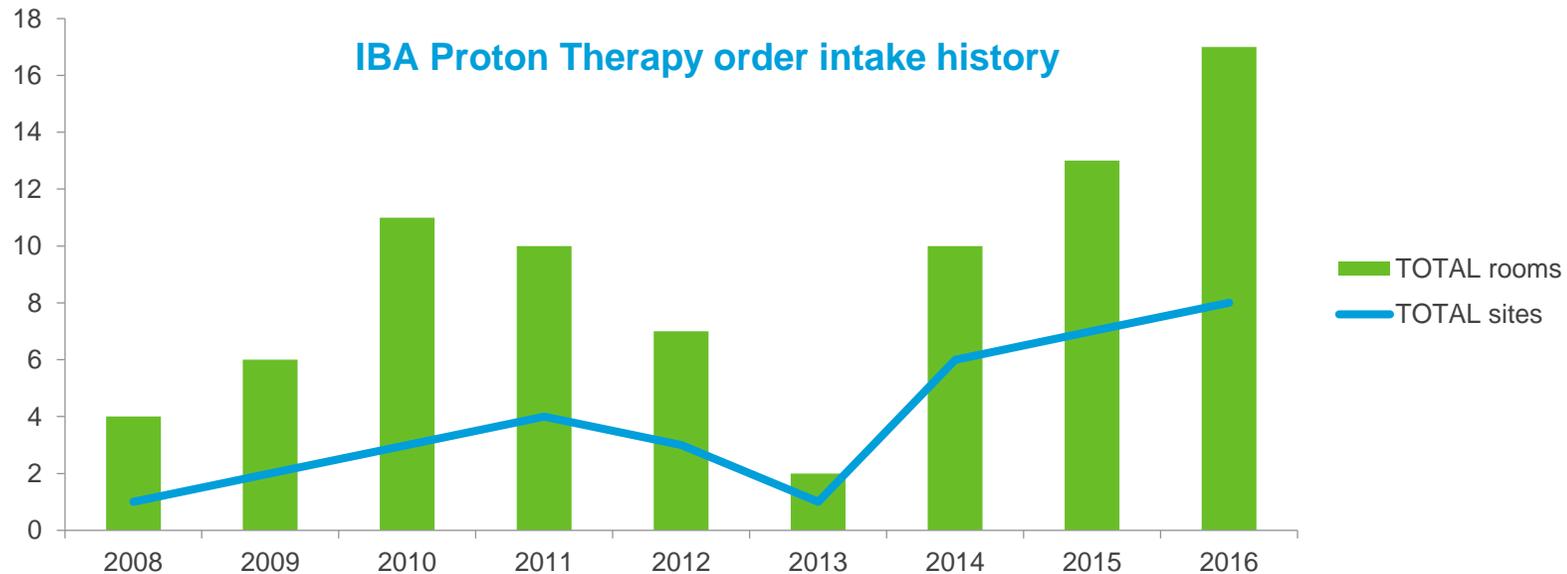
Figures in million euros



H1 2017 business and financial highlights

- Order intake:
 - PT market:
 - 2 ProteusONE sold: in Egypt and Spain
 - 1 ProteusPLUS sold: in Virginia, USA
 - Sales in Other Accelerators: 4 machines sold

	H1 2017	H1 2016
Proteus®ONE* systems sold	2	3
Proteus®PLUS* systems sold	1	2
Total rooms sold	4	11
Order intake PT & Other Accelerators	€74M	€144M
Book to bill PT & Other Accelerators	0.89	1.70



*Proteus®ONE and Proteus®PLUS are brand names of Proteus 235

Project management

Review of project management process

- Rigorous follow-up of projects for managing the risk of customer construction delays
 - Timeline adjustments to accurately reflect timings experienced in recent projects
 - Updated project management information systems and enhanced processes
 - Dedicated regional project directors appointed to address project management closely with customers
 - Specific staff to support the client during the construction period
- Discussion with construction companies to provide a dedicated construction service to customers



Project management status

Systems

- 22 systems treating patients
- 16 systems in construction
- 9 systems in installation

- Total: **47** systems

Rooms

- 62 rooms treating patients
- 23 rooms in construction
- 23 rooms in installation

- Total: **108** rooms

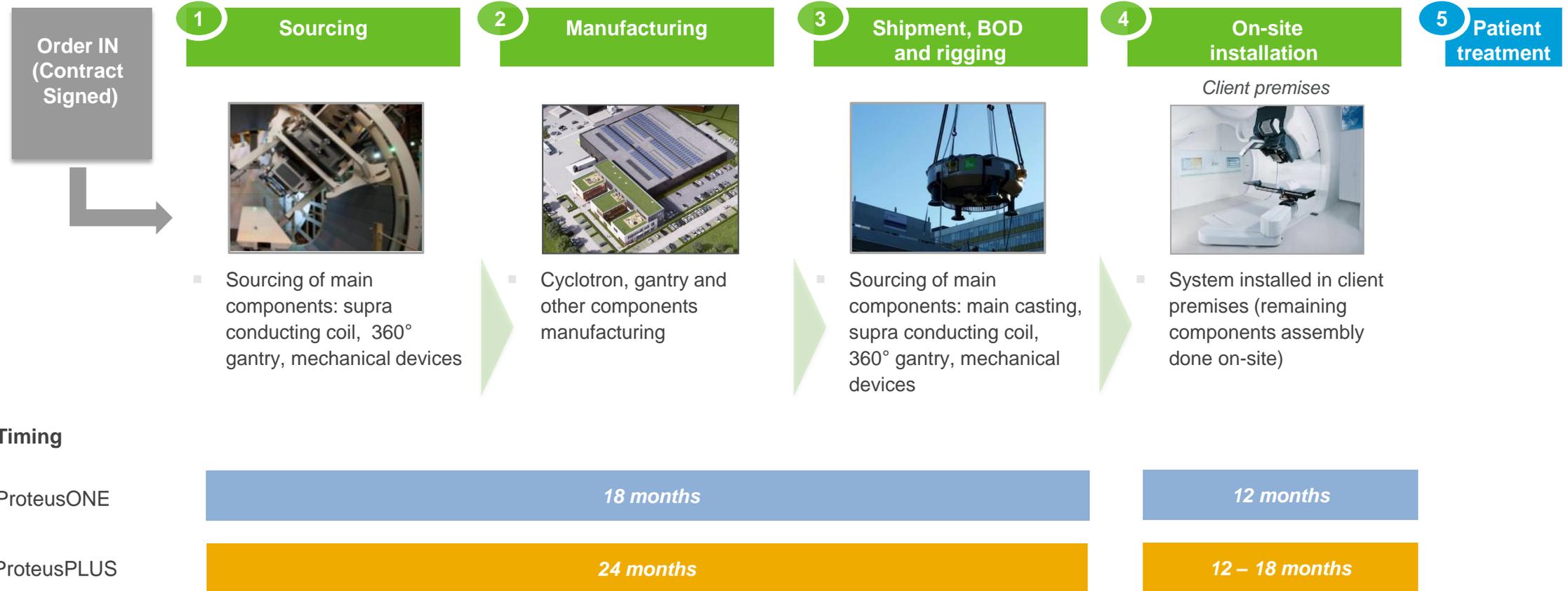
Sites under construction and installation

- 10 ProteusPLUS (31 rooms)
- 5 solutions in 4 countries new to PT
- 5 solutions in emerging countries
- 4 solutions with revised timelines

- 15 ProteusONE
- 14 solutions in 7 countries new to PT
- 4 solutions in emerging countries
- 9 solutions with revised timelines



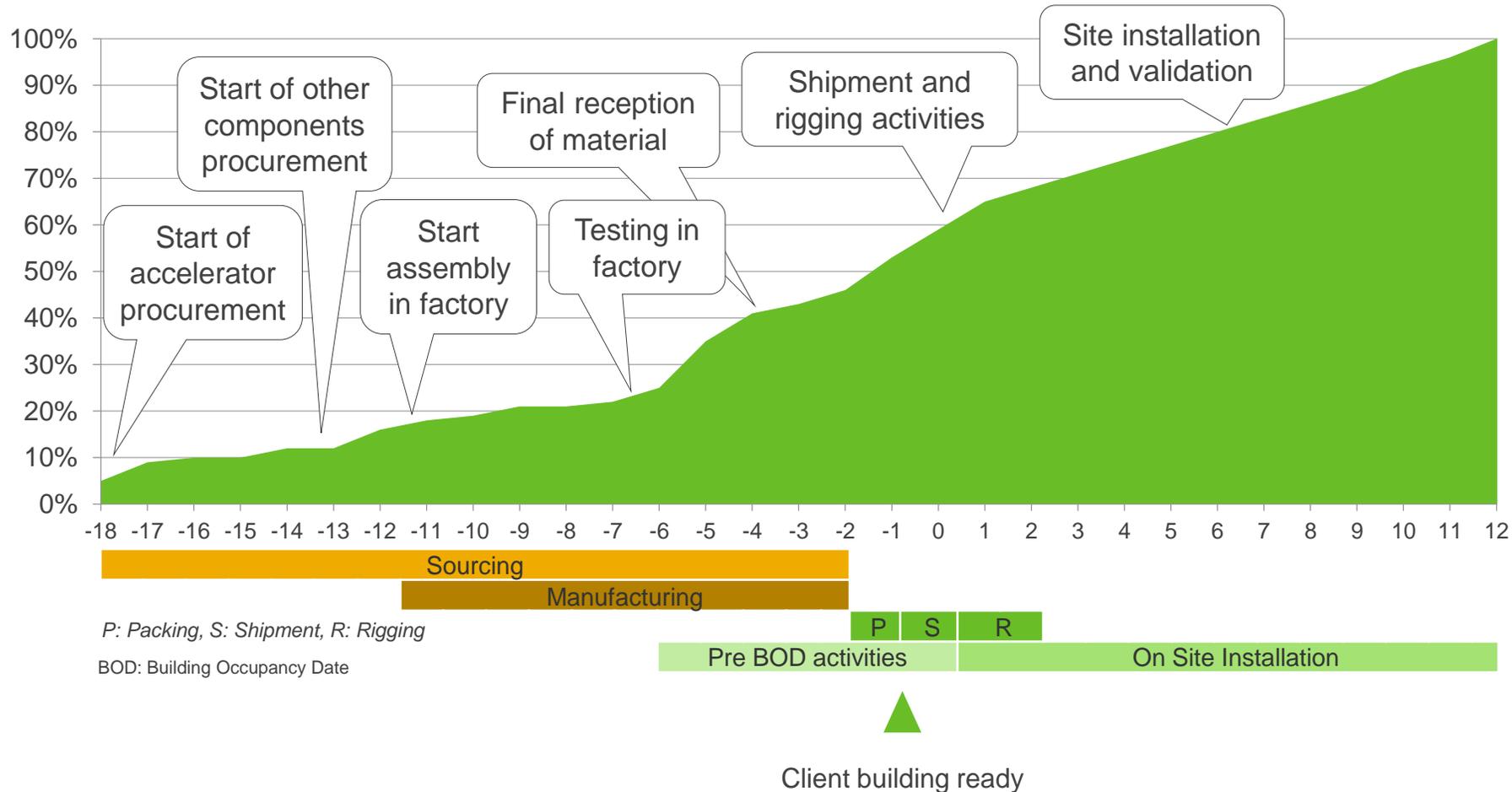
From manufacturing to end-point installation



Revenue recognition evolution – ProteusONE

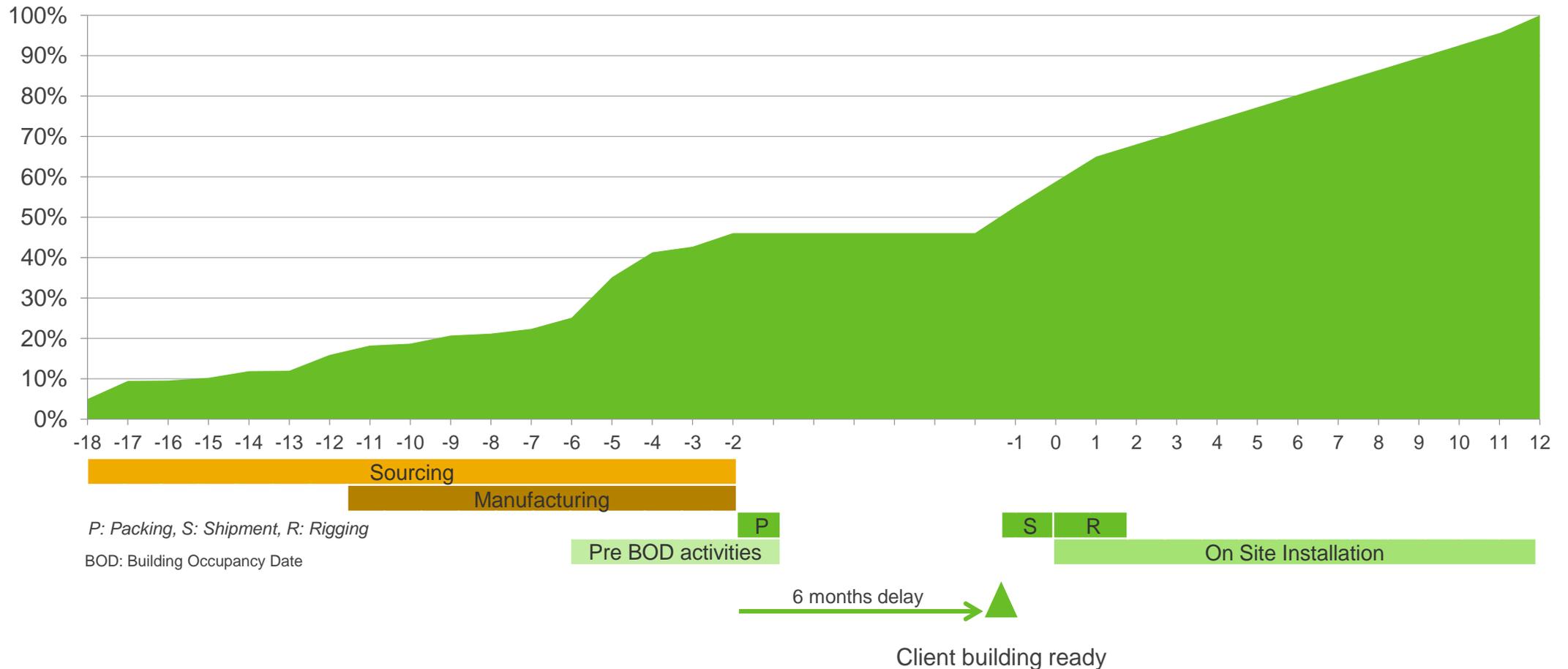


ProteusONE revenue recognition evolution from order to acceptance



Client building 6 months delay – ProteusONE

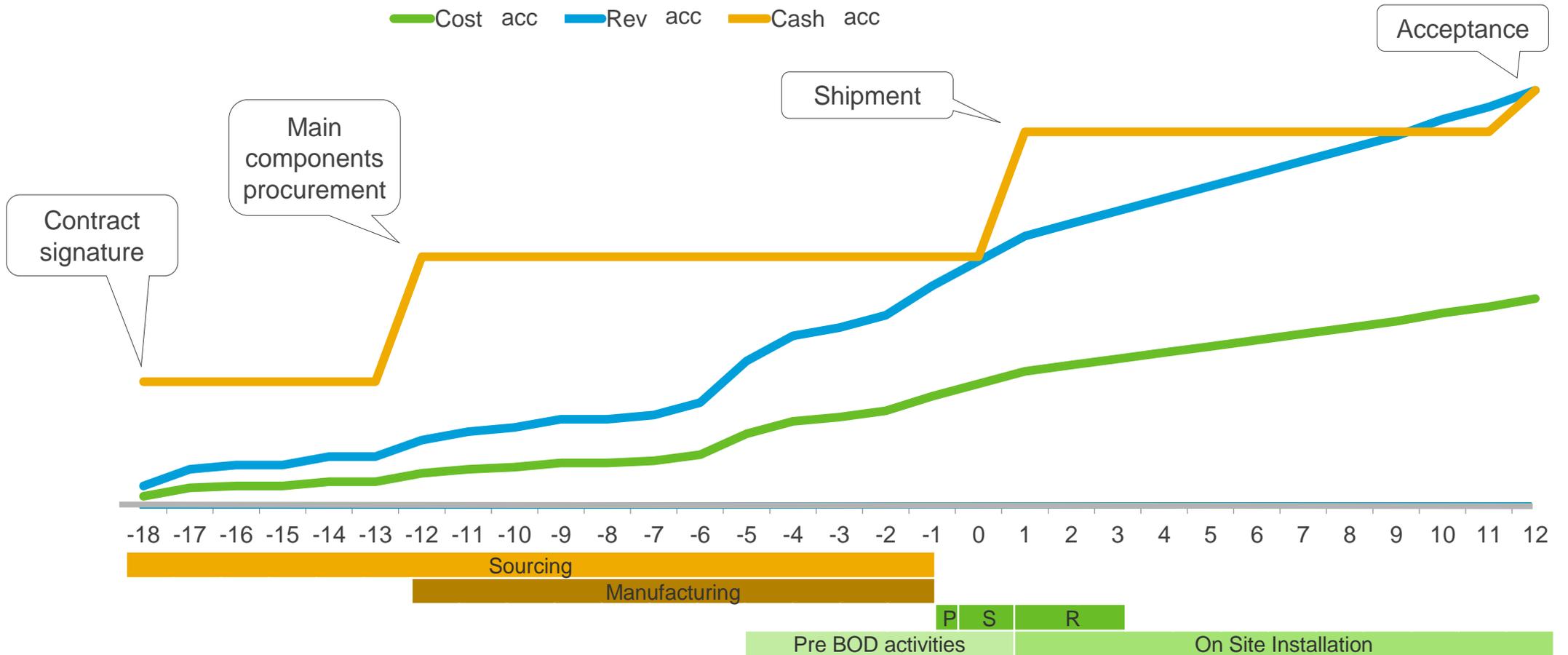
ProteusONE revenue recognition evolution from order to acceptance



COGS – Revenue – Cash for a Proteus ONE project



ProteusONE Revenue, Cash and Cost evolution from order to acceptance



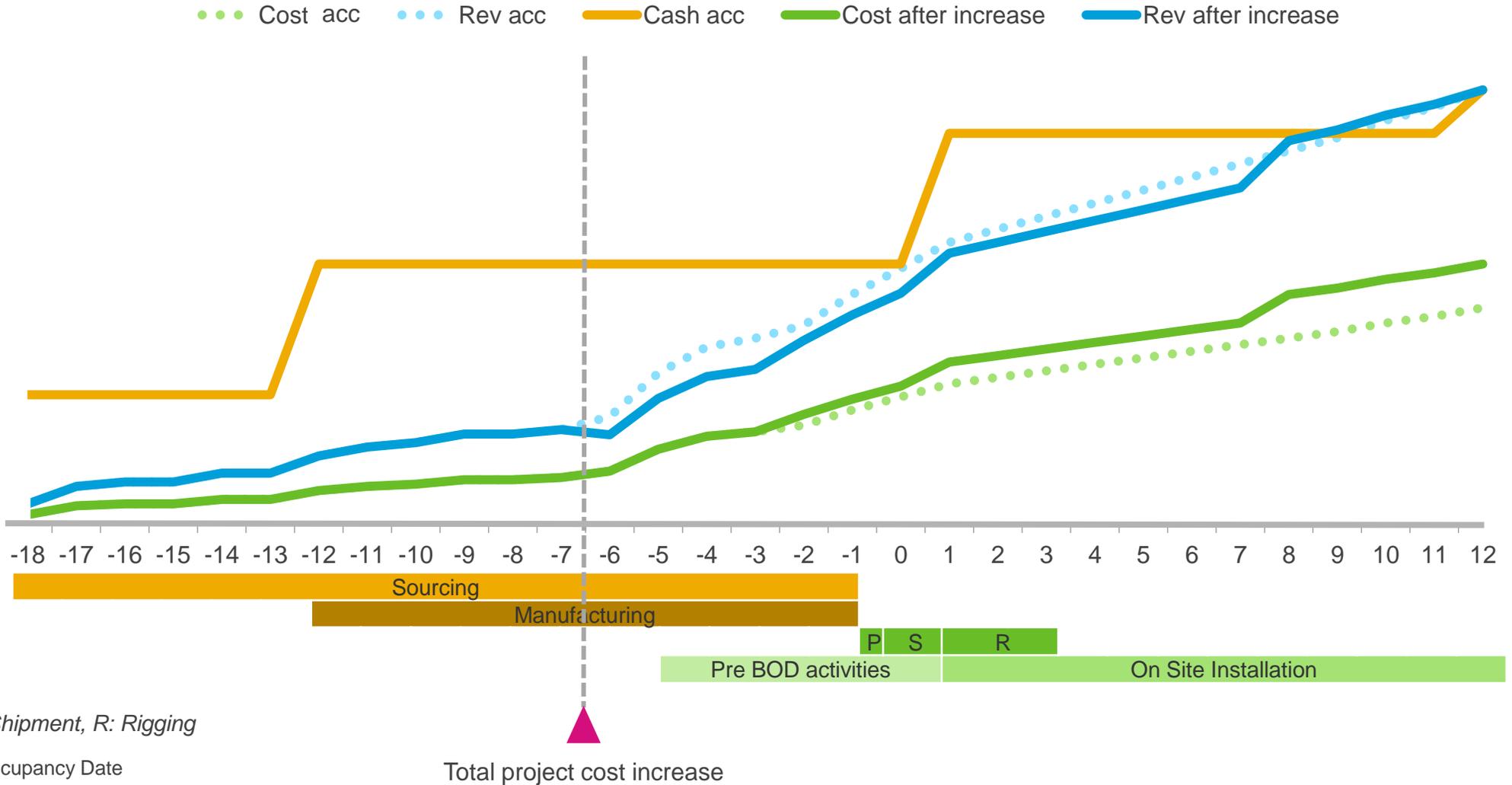
P: Packing, S: Shipment, R: Rigging

BOD: Building Occupancy Date

Impact of one-off costs



ProteusONE revenue, cash and cost evolution from order to acceptance



P: Packing, S: Shipment, R: Rigging

BOD: Building Occupancy Date

Project management status

Strong project management activity in all regions

- First patient treated at Beaumont Hospital, Royal Oak, USA (installation in less than 12 months)
- Rigging of cyclotrons
 - Wales, United Kingdom
 - Chennai, India
 - Toyohashi, Japan
- Rigging of treatment rooms
 - Wales, United Kingdom
 - Caen, France
 - Sapporo, Japan
 - Toyohashi, Japan



Proton Therapy

2017 update

Proton Therapy & Other Accelerators

	H1 2017 (EUR 000)	H1 2016 (EUR 000)	Variance (EUR 000)	Variance %
Net Sales	123 260	121 232	2 028	1.7%
<i>Proton Therapy</i>	<i>105 030</i>	<i>96 637</i>	<i>8 393</i>	<i>8.7%</i>
<i>Other Accelerators</i>	<i>18 230</i>	<i>24 595</i>	<i>-6 365</i>	<i>-25.9%</i>
REBITDA	-372	15 255	-15 627	-102.4%
<i>% of Sales</i>	<i>-0.3%</i>	<i>12.6%</i>		
REBIT	-3 548	12 904	-16 452	-127.5%
<i>% of Sales</i>	<i>-2.9%</i>	<i>10.6%</i>		

- Total net sales were up 1.7% in the first half to EUR 123.3 million
- Proton Therapy revenues affect profitability as low level of new orders, project shifts, delays in productivity and one-off costs affect margins in PT and Other accelerators segment
- However record 25 PT systems currently under construction or installation, driving revenues
- Operating loss is EUR -3.5 million
- Operating margins affected by scale-up effect to face installations that have now shifted



Proton Therapy & Other Accelerators

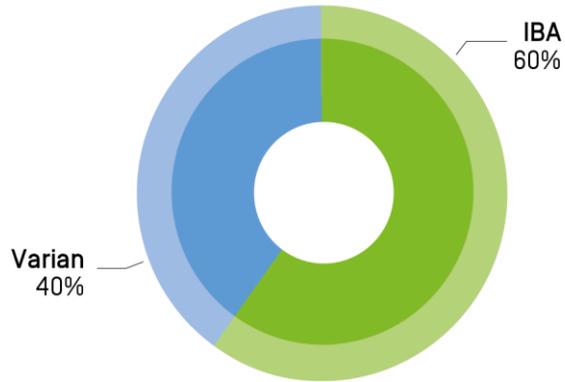
	H1 2017 (EUR 000)	H1 2016 (EUR 000)	Variance (EUR 000)	Variance %
Equipment Proton Therapy	74 583	68 475	6 108	8.9%
Equipment Other Accelerators	7 798	15 966	-8 168	-51.2%
Total equipment revenues	82 381	84 441	-2 060	-2.4%
Services Proton Therapy	30 446	28 233	2 213	7.8%
Services Other Accelerators	10 433	8 558	1 875	21.9%
Total service revenues	40 879	36 791	4 088	11.1%
Total revenues Proton Therapy & Other Accelerators	123 260	121 232	2 028	1.7%
<i>Service in % of segment revenues</i>	33.2%	30.3%		

- Services accounted for approx. 33% of segment revenues, up 8% as 3 new PT contracts kick in this half year
- Other accelerators equipment revenues down as slow conversion of backlog to revenues
- Other accelerators service revenues boosted by recognition of revenues on multiple high margin upgrades and maintenance services



H1 2017 Proton Therapy orders

2017 H1 Market Share - Systems

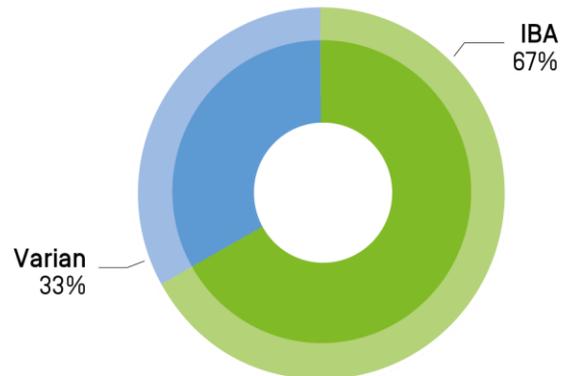


Total in 2017 H1: 5 centers (6 rooms)*

United States	Virginia	Falls Church	Inova Schar Cancer Institute	2	IBA
Spain		Madrid	Quirónsalud	1	IBA
Egypt		Cairo	Children's Cancer Hospital Egypt 57357	1	IBA
Thailand		Bangkok	King Chulalongkorn Memorial Hospital	1	Varian
United States	Philadelphia	Pennsylvanie	Roberts Proton Therapy Center	1	Varian

* Georgia PT center (Emory) contract was initially signed and reported in market share since 2012

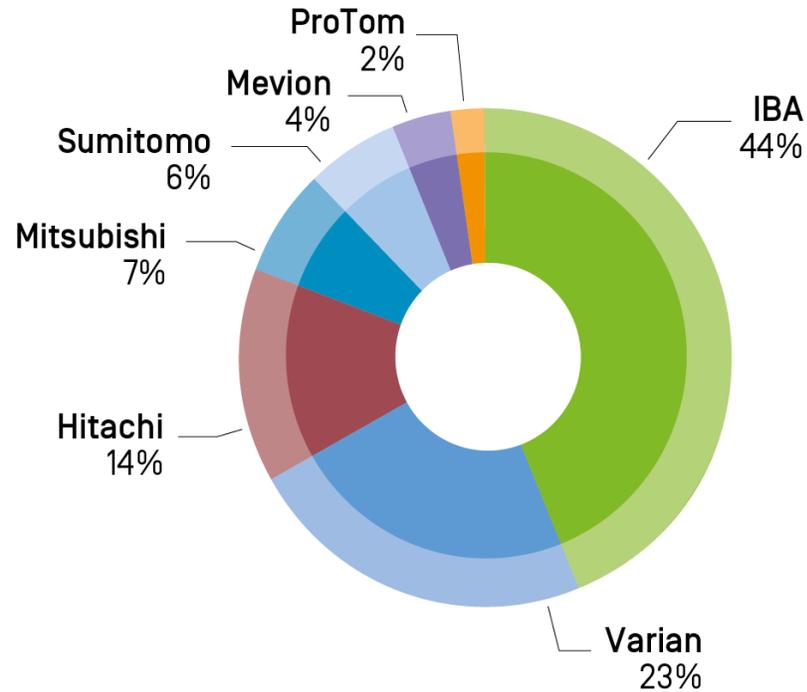
2017 H1 Market Share - Rooms



ProteusONE

IBA is leading the installed base (end June)

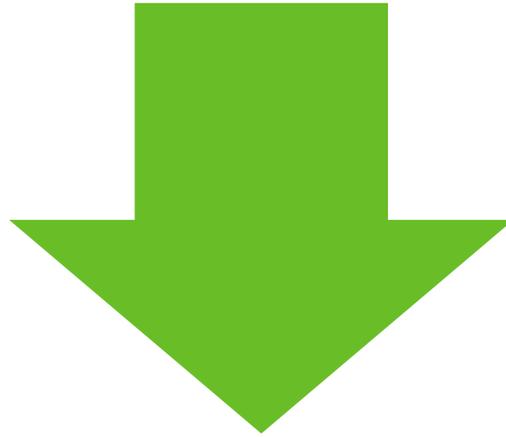
Share of installed base - Rooms



Total accumulated: 256 rooms

Including commercial PT rooms at end 2017 H1

Current PT market characteristics



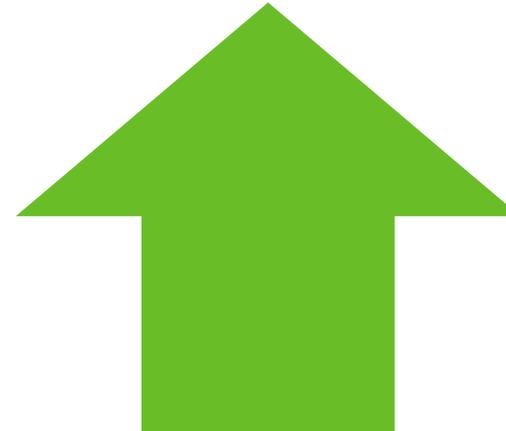
Strong global pipeline
Softer near term market
Strong competition
Limited market visibility



Wider acceptance of PT
NCCN / ASTRO guidelines

Competitive dynamics

- Lower entry barriers to PT (ProteusONE)
- Technology evolving (PBS, CBCT,...)
- More centres opening



Growing acceptance of proton therapy

- New guidelines further endorse proton therapy as an important treatment option in the fight against cancer
- **American Society for Radiation Oncology (ASTRO)**
 - **5 new indications in Group 1**
(frequently supported treatment with proton therapy)
 - Paranasal sinuses and other accessory sinuses
 - Non-metastatic retroperitoneal sarcomas
 - Malignant and benign primary Central Nervous System tumors
 - Advanced and/or unresectable head and neck cancers
 - Re-irradiation cases (where cumulative critical structure dose would exceed tolerance dose)
- **National Comprehensive Cancer Network (NCCN)**
 - **5 new indications**
(where proton therapy is appropriate or may be appropriate in specific situations)
 - Central Nervous System Cancers
 - Head and Neck Cancers
 - Non-Small Cell Lung Cancer
 - Hepatocellular Carcinoma (Liver)
 - Esophageal and Esophagogastric Junction Cancers

Source: www.astro.org

Source: www.nccn.org



Proton Therapy strategy for growth

- Enhance market penetration
- Develop regionalization
- Leverage partnership



- Increase clinical relevance
- Reduce cost of modality

- Invest in clinical affairs initiatives
- Focus on product roadmap

Expansion strategy

- Construction of new factory on track
 - Reducing lead time and cost
 - Increasing affordability of ProteusONE
- Assembly line should be operational in Q1 2018



Other accelerators

2017 update

Other accelerators – H1 2017 business update

- Sales of 4 Systems
- RadioPharma Solutions
 - New Cyclone® Kiube: test in progress on prototype at UZ Brussels, Belgium
 - New Synthera+ : prototype installed and under test at a site in Turkey
- Industrial Activities
 - TT50 Beta Unit in test in Louvain-la-Neuve



New Cyclone®KIUBE



Synthera +



TT50

Dosimetry

2017 update

IBA Dosimetry

- Dosimetry sales up nearly 19% vs H1 2016, with high conversion rates on 2014-2016 backlog, in particular in Europe
- High order intake in 2017 of EUR 25.8M, up 2.6M from H1 2016
- REBIT margins very high boosted by revenue growth and stable cost structure
- Backlog of EUR 15M still high (EUR 17.9M at end 2016)
- Overall low single digit growth confirmed in line with growth of radiotherapy market

	H1 2017 (EUR 000)	H1 2016 (EUR 000)	Variance (EUR 000)	Variance %
Dosimetry	28 353	23 896	4 457	18.7%
REBITDA	5 636	2 715	2 921	107.6%
% of Sales	19.9%	11.4%		
REBIT	5 449	2 229	3 220	144.5%
% of Sales	19.2%	9.3%		



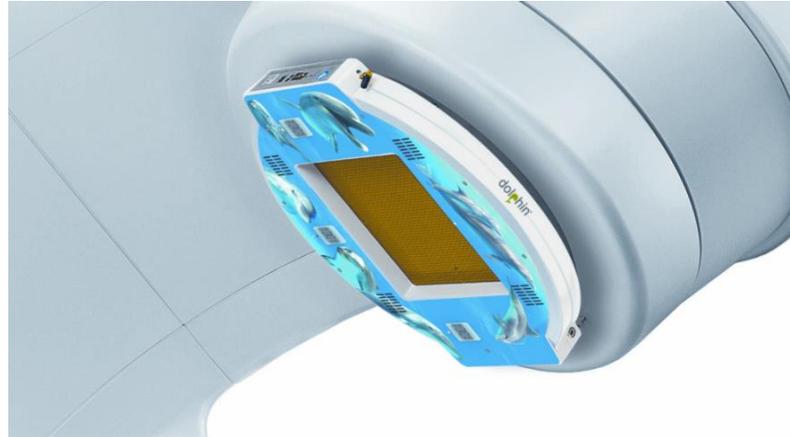
Dolphin Online Ready Patient QA and Monitoring

IBA Dosimetry – market and business update

- IBA Dosimetry has reached the 1,000 myQA® customers milestone worldwide
- Accreditation of the ICC training course by the European Board for Accreditation in Medical Physics (EBAMP)
- IBA Dosimetry Americas Grows in Canada with Exclusive Distributor, ProMed Technologies



International Competence Center (ICC)



Dolphin Online Ready Patient QA and Monitoring

1,000
myQA®

Consolidated Financial Statements

Consolidated P&L



	H1 2017 (EUR 000)	H1 2016 (EUR 000)	Variance (EUR 000)	Variance %
Sales and services	151 613	145 128	6 485	4.5%
Cost of sales and services	96 663	80 881	15 782	19.5%
Gross profit/(loss)	54 950	64 247	-9 297	-14.7%
	36.2%	44.3%		
Selling and marketing expenses	14 332	13 615	717	5.3%
General and administrative expenses	21 743	19 422	2 321	12.0%
Research and development expenses	16 974	16 077	897	5.6%
Recurring expenses	53 049	49 114	3 935	8.0%
Recurring profit/(loss)	1 901	15 133	-13 232	-87.4%
	1.3%	10.4%		
Other operating expenses/(income)	2 417	4 472	-2 055	-46.0%
Financial expenses/(income)	1 929	1 473	456	31.0%
Share of (profit)/loss of equity-accounted companies	-71	-41	-30	73.2%
Profit/(loss) before tax	-2 374	9 229	-11 603	-125.7%
Tax (income)/expenses	2 256	888	1 368	154.1%
Profit/(loss) for the period from continuing operations	-4 630	8 341	-12 971	-155.5%
Profit/(loss) for the period from discontinued operations	-25	-44	19	-43.2%
Profit/(loss) for the period	-4 655	8 297	-12 952	-156.1%
REBITDA	5 264	17 970	-12 706	-70.7%

- Gross margin down from 2016 as low new order level, delays in project execution, one-off cost increases and productivity delays affect Proton Therapy business
- Sales and marketing and general and administrative expenses increased in absolute values, however, they remain comparable to 2016 as a percentage of sales
- R&D expenditure continued at around 11% of sales
- Other operating income and expenses in 2017 mainly related to a reversal of accruals for long-term incentives, reorganizational costs and write-offs on accounts receivable
- Financial income in 2017 impacted negatively by weakening of USD

2017 cash flow statement

	H1 2017 (EUR 000)	H1 2016 (EUR 000)
Cash flow from operating activities		
Net cash flow changes before changes in working capital	-3 947	10 595
Change in working capital	-4 586	-22 386
Income tax paid/received, net	-2 391	-1 778
Interest (income)/expenses	438	702
Net cash (used in)/generated from operations	-10 486	-12 867
Cash flow from investing activities		
Capital expenditures	-8 986	-4 775
M&A and other activities	-2	63 047
Net cash (used in)/generated from investing activities	-8 988	58 272
Cash flow from financing activities		
Capital increase (or proceeds from issuance of ordinary shares)	438	2 707
Dividend paid	-8 515	-40 332
Other financing cash flows	2 820	-697
Net cash (used in)/generated from financing activities	-5 257	-38 322
Profit/(loss) for the period from continuing operations	-24 731	7 083

- Negative cash flow from operations, stemming from inventory build-up on projects
- Most of CAPEX invested in new factory, manufacturing equipment and investment in the scale-up program including the production infrastructure and investment in software for client relationship management and computerized maintenance management
- Cash flow from investing includes dividend paid in H1 2017 and emphyteutic lease rights for land related to new infrastructure

Guidance

- The Company bases its guidance upon:
 - Soft near-term market for Proton Therapy and a strong competitive market leading to limited short-term visibility on the timing of new orders, which could affect short-term guidance
 - Slower backlog conversion and delays in productivity initiatives resulting from project shifts
 - One-off costs experienced in the first half
- Balanced by:
 - Over EUR 1 billion backlog in equipment and services expected to be converted over the next 10 years
 - Various investments made to structure itself for growth while maintaining profitability
 - Continuing positive mid-term trend in proton therapy, most recently again supported by the expansion of indication policies for proton therapy by ASTRO and NCCN

IBA reports the following guidance:

- For the full year 2017
 - 5-10% revenue growth
 - Low to mid-single digit REBIT margin
- For 2018/2019
 - Flat to mid-single digit growth
 - Mid to high single digit REBIT margin
- After this transition period (mid term)
 - High single-digit to low double-digit revenue growth
 - 13 to 15% REBIT margin
- The Company's dividend policy remains unchanged



- Capital Market Day ASTRO's Annual Meeting
 - September 25th, 2017
- Trading Update 3rd quarter 2017
 - November 16th, 2017
- Full Year Results 2016
 - March 22, 2018



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