



H1 2019 Results

August 22, 2019

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Disclaimer

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.

- Strategy
- Financial figures
- Proton therapy update
- Other accelerators update
- Dosimetry update
- Outlook



Long term strategy for growth



Grow the PT market

- Facilitate evidence generation
- Increase awareness of PT benefits
- Increase affordability of PT solutions



Grow IBA's market share

- Superior clinical technology
- Fastest installation in the market
- Reliability of IBA equipment
- Upgradability of systems
- Strategic Partnerships



Grow Service

- High customer satisfaction
- Increase profitability
- Extension of Service offering

H1 2019 overview

- Strong order intake for all business lines in first half, with Proton Therapy demand increasing from H2 2018
- Order intake more than doubled from last year
 - Proton therapy: two ProteusOne solutions in Italy (Milan) and US (Kansas) and one 5-room ProteusPlus in China (Shenzhen)
 - Other Accelerators: Record sales for the first half with nine machines sold in Asia, Europe and US; six additional machines sold after period-end, bringing total sales to 15 units
- Equipment and Services backlog at all time high of EUR 1.1 billion
- Service business continues to grow, a 13% increase compared to same period last year
- Strong cost control measures still in place, whilst allowing for strategic investments in R&D
- Dosimetry maintained as held for sale as of June 30, 2019, discussions continue
 - Dosimetry: Order intake at same level as H1 2018 while sales up 4% (book to bill ratio >1)
- Positive FY 2019 REBIT guidance reiterated



- Proton Therapy and Other Accelerators revenues up 13.8%
- REBIT at EUR -7.1M, down EUR 1M from H1 2018 – higher revenue recognition over H2 2019
- Dosimetry presented as a discontinued operation
- Total Group loss decreased to EUR 5.3M

	H1 2019 (EUR 000)	H1 2018 (EUR 000)	Variance (EUR 000)	Variance %
PT & Other Accelerators	102 815	90 353	+12 462	+13.8%
Total Net Sales	102 815	90 353	+12 462	+13.8%
REBITDA*	-1 546	-3 072	+1 526	+49.7%
<i>% of Sales</i>	<i>-1.5%</i>	<i>-3.4%</i>		
REBIT *	-7 118	-6 156	-962	-15.6%
<i>% of Sales</i>	<i>-6.9%</i>	<i>-6.8%</i>		
Profit Before Tax *	-6 150	-8 025	+1 875	+23.4%
<i>% of Sales</i>	<i>-6.0%</i>	<i>-8.9%</i>		
<i>Discontinued operations</i>	<i>1 959</i>	<i>662</i>	<i>+1 297</i>	<i>+195.9%</i>
NET RESULT *	-5 317	-7 015	+1 698	+24.2%
<i>% of Sales</i>	<i>-5.2%</i>	<i>-7.8%</i>		

* IFRS 16 – Leases became effective on January 1, 2019. The effect of this accounting standard at June 30, 2019 is an improvement of REBIT by EUR 0.1M and of REBITDA by EUR 1.9M. The impact on the net result is immaterial.

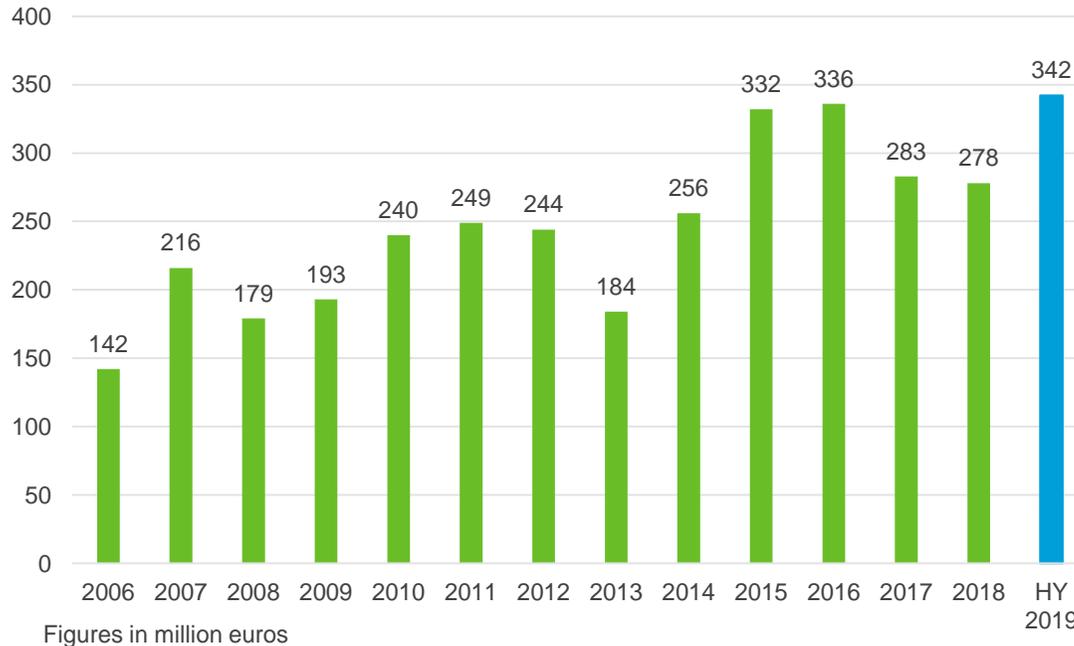
H1 2019 business and financial highlights



■ Equipment backlog

- Equipment backlog at record level of EUR 342M, up 23% from EUR 278M at end of 2018
- Growth of backlog boosted by PT and Other Accelerator sales, with seven PT rooms, nine Other Accelerator machines, as well as several upgrades

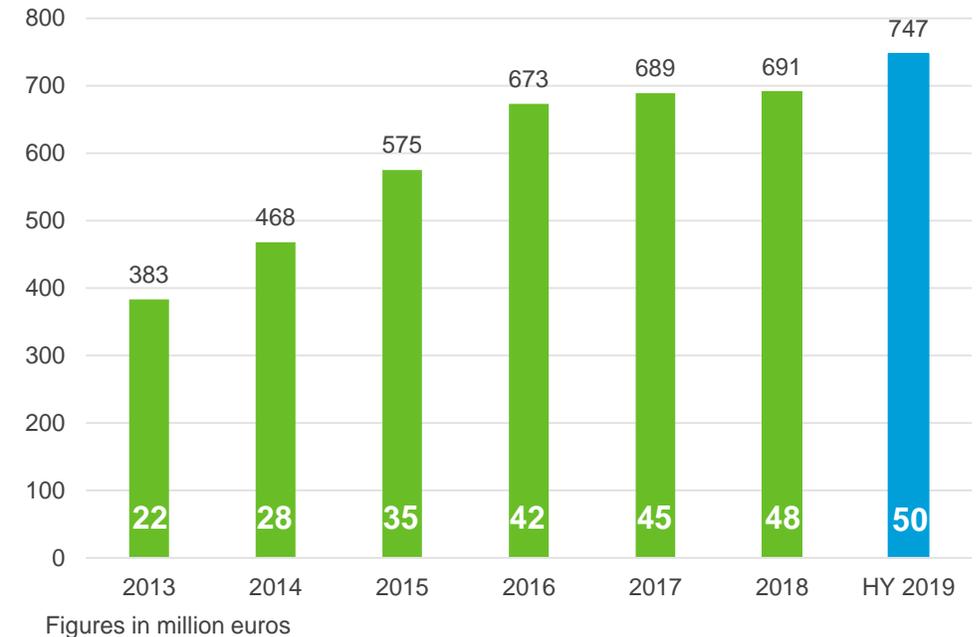
Backlog Equipment and Upgrades



■ Service backlog

- PT Service backlog at record level of EUR 747M, up 8% from EUR 691M at end of 2018
- 3 new PT contracts started delivering O&M revenues from H1 2019

Backlog PT Service



Proton Therapy & Other Accelerators

2019 update

Proton Therapy & Other Accelerators



	H1 2019 (EUR 000)	H1 2018 (EUR 000)	Variance (EUR 000)	Variance %
Net Sales	102 815	90 353	+12 462	+13.8%
<i>Proton Therapy</i>	<i>73 828</i>	<i>71 600</i>	<i>+2 228</i>	<i>+3.1%</i>
<i>Other Accelerators</i>	<i>28 987</i>	<i>18 753</i>	<i>+10 234</i>	<i>+54.6%</i>
REBITDA*	-1 546	-3 072	+1 526	+49.7%
<i>% of Sales</i>	<i>-1.5%</i>	<i>-3.4%</i>		
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- Sales up 13.8% from last year, reflecting significant Other Accelerator sales and backlog conversion of the strong Other Accelerator order intake in 2018 as well as increasing service revenues across all businesses
- Proton therapy sales increased over first half with equipment installation activity weighted to H2
- REBIT reflects a slower PT backlog conversion in H1, pricing pressure from competition and increased investment in R&D

Proton Therapy & Other Accelerators



	H1 2019 (EUR 000)	H1 2018 (EUR 000)	Variance (EUR 000)	Variance %
Equipment Proton Therapy	34 903	38 157	-3 254	-8.5%
Equipment Other Accelerators	18 330	8 303	+10 027	+120.8%
Total equipment revenues	53 233	46 460	+6 773	+14.6%
Services Proton Therapy	38 925	33 443	+5 482	+16.4%
Services Other Accelerators	10 657	10 450	+207	+2.0%
Total service revenues	49 582	43 893	+5 689	+13.0%
Total revenues Proton Therapy & Other Accelerators	102 815	90 353	+12 462	+13.8%
<i>Service in % of segment revenues</i>	48.2%	48.6%		

- PT equipment revenues down due to slower activity than H1 2018. These are expected to pick up H2, with two Proteus®Plus projects (6 rooms) expected to start installation and more than ten rooms are expected to be delivered to customers in H2 2019
- Other Accelerators equipment up 121%, reflecting a strong 2018 order intake
- Services increased strongly as three new PT contracts started to deliver O&M revenues and six other contract revenues ramped up from 2018
- Services now represent close to half of the revenues for the segment

Proton Therapy

2019 update

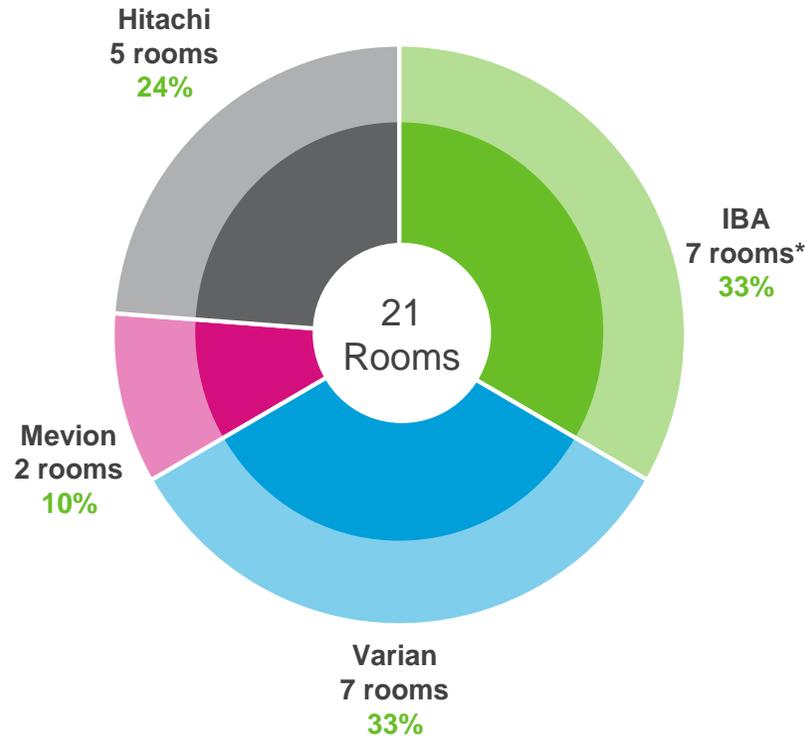
H1 2019 Proton Therapy and Other Accelerators orders



	H1 2019	H1 2018
Proteus® <i>ONE</i> systems financially activated	2	1
Proteus® <i>PLUS</i> systems financially activated	1	0
Total rooms	7	2
Total Other Accelerators	9	12
Order intake PT & Other Accelerators	€133.4M	€63M

- Kansas, Milan and Shenzhen contracts activated in H1 2019
- Order intake in all business lines showing growth in all regions, across Europe, Asia and Americas

PT centers sold in 2019



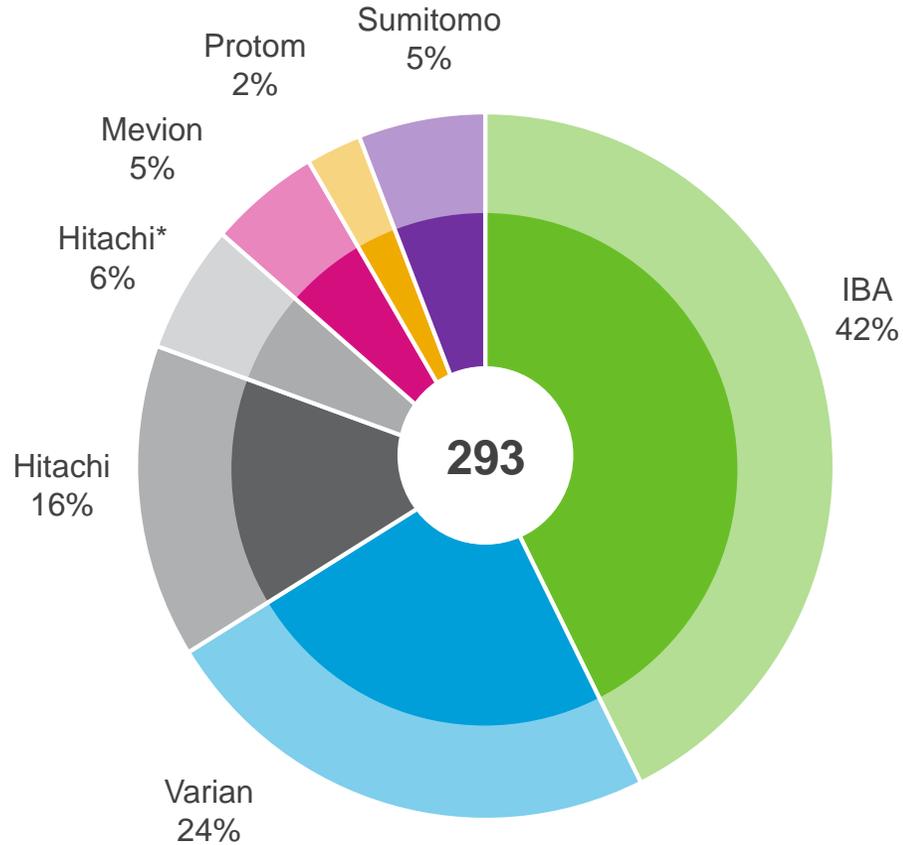
Center	No of clinical PT rooms	Region	Vendor
University of Kansas Hospital	1	North America	IBA
IEO Milano	1	Europe	IBA
Shenzhen Tumor Hospital	5	Asia	IBA
MD Anderson Cancer Center	4	North America	Hitachi
Himed Hospital Management	1	Asia	Hitachi
Haukeland University (Bergen)	1	Europe	Varian
Oslo Universitetssykehus Hf	3	Europe	Varian
Shandong Cancer Hospital	3	Asia	Varian
Allcure Kangtai	1	Asia	Mevion
Mercy Hospital	1	North America	Mevion
Total	21		

21 rooms sold in 2019 (versus 5 in first half 2018)

*Incl. IEO announced in 2018 and activated in 2019

42% of sold PT rooms worldwide are from IBA

Share of installed base - rooms



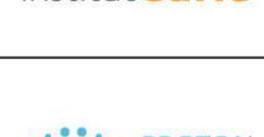
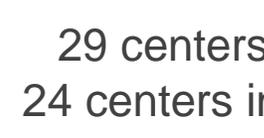
Total accumulated: 293 rooms

Including commercial PT rooms at 12/08/2019



- IBA market share is 43% in US, 43% in APAC exc. Japan and 56% in EUR & ROW

* Mitsubishi particle therapy was acquired by Hitachi in 2017

 MASSACHUSETTS GENERAL HOSPITAL	 淄博万杰肿瘤医院 ZIBO WANJIE CANCER HOSPITAL	 UFHealth PROTON THERAPY INSTITUTE	 NATIONAL CANCER CENTER PROTON THERAPY CENTER	 institutCurie	 ProCure Oklahoma	 Penn UNIVERSITY OF PENNSYLVANIA PROTON THERAPY INSTITUTE	 HAMPTON UNIVERSITY PROTON THERAPY INSTITUTE
 ProCure New Jersey	 WPE	 Seattle Cancer Care Alliance Fred Hutch - Seattle Children's - UW Medicine Proton Therapy Center	 Northwestern Medicine Chicago Proton Center	 PROTON THERAPY CENTER Prague	 OncoRay TM National Center for Radiation Research in Oncology Dresden	 PROVISION HEALTHCARE Innovation that CARES	 ifj
 FMBA of Russia Federal Medical and Biological Agency	 Azienda Provinciale per i Servizi Sanitari Provincia Autonoma di Trento	 Skandionkliniken	<p>53 proton therapy centers</p> <p>29 centers in operation</p> <p>24 centers in development</p>		 WK WILLIS-KNIGHTON HEALTH SYSTEM	 TEXAS CENTER for PROTON THERAPY	 Antoine Lacassagne CENTRE DE LUTTE CONTRE LE CANCER DE NICE
 Apollo CANCER HOSPITALS Proton Treatment Centre	 Beaumont	 Miami Cancer Institute BAPTIST HEALTH SOUTH FLORIDA			 umcg	 广东恒健投资控股有限公司 Guangdong Hengjian Investment Holding Co., Ltd	 Centre de Lutte contre le Cancer François Baclesse
 Roffo Instituto de Oncología Ángel H. Roffo Universidad de Buenos Aires	 301 PLAGH	 The Rutherford Cancer Centres	 GUANZHONG CHRISTIAN MEDICAL FOUNDATION 1996 建立 北京國醫藥學院醫學部 北京國醫藥學院醫學部	 承業生醫 投資控股有限公司 CHG HEALTHCARE GROUP	 NARITA MEMORIAL PROTONCENTER	 社会医療法人 孝仁会 北海道大野記念病院	 UZ LEUVEN Université Catholique de Louvain UCL Cliniques universitaires SAINT-LUC UCL BRUXELLES
 TATA MEMORIAL CENTRE सेवा शिरीरक SERVICE RESEARCH EDUCATION	 57357 مؤسسة مستشفى سرطان الأطفال Children's Cancer Hospital Foundation	 quirónsalud	 INOVA [®]	 Parkway Pantai	 ProtonW Charleroi	 Istituto Europeo di Oncologia	 THE UNIVERSITY OF KANSAS HEALTH SYSTEM

Installations – 23 centers in development

- First patient treatment in Apollo PT center, Chennai, India (January 19)
- Opening of PT centers in Reading, UK (May 19) and Northumberland, UK (February 19)
- Rigging of cyclotron in Guangzhou (July 19)



Chennai, January 25, 2019



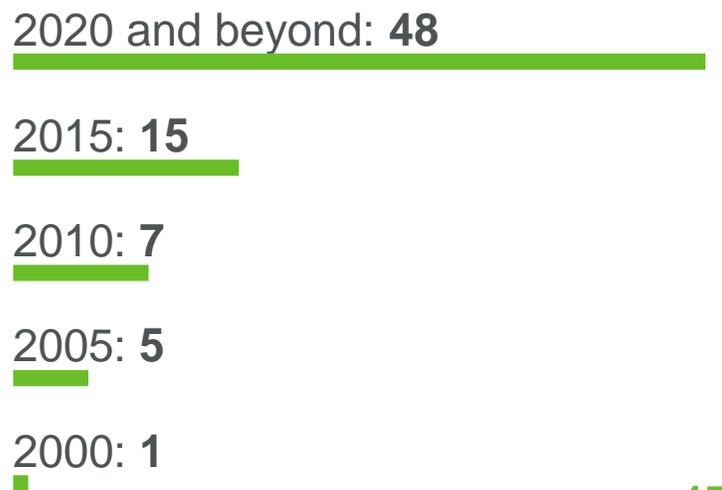
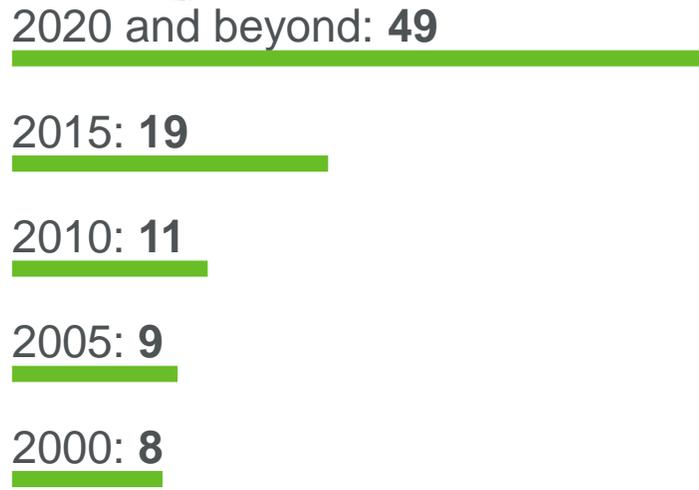
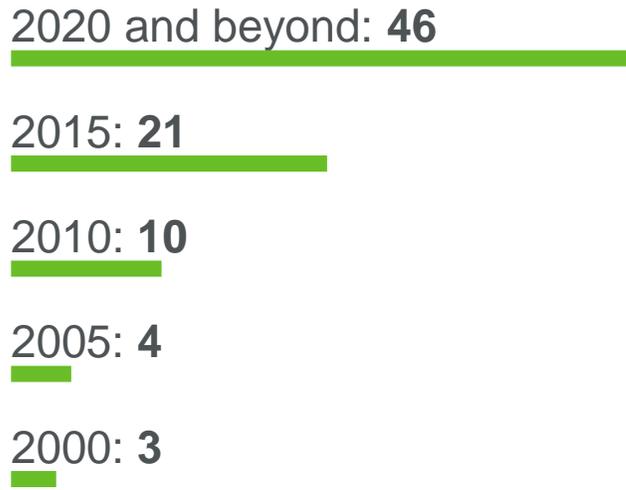
Rutherford Centre



Rigging ceremony in Guangzhou

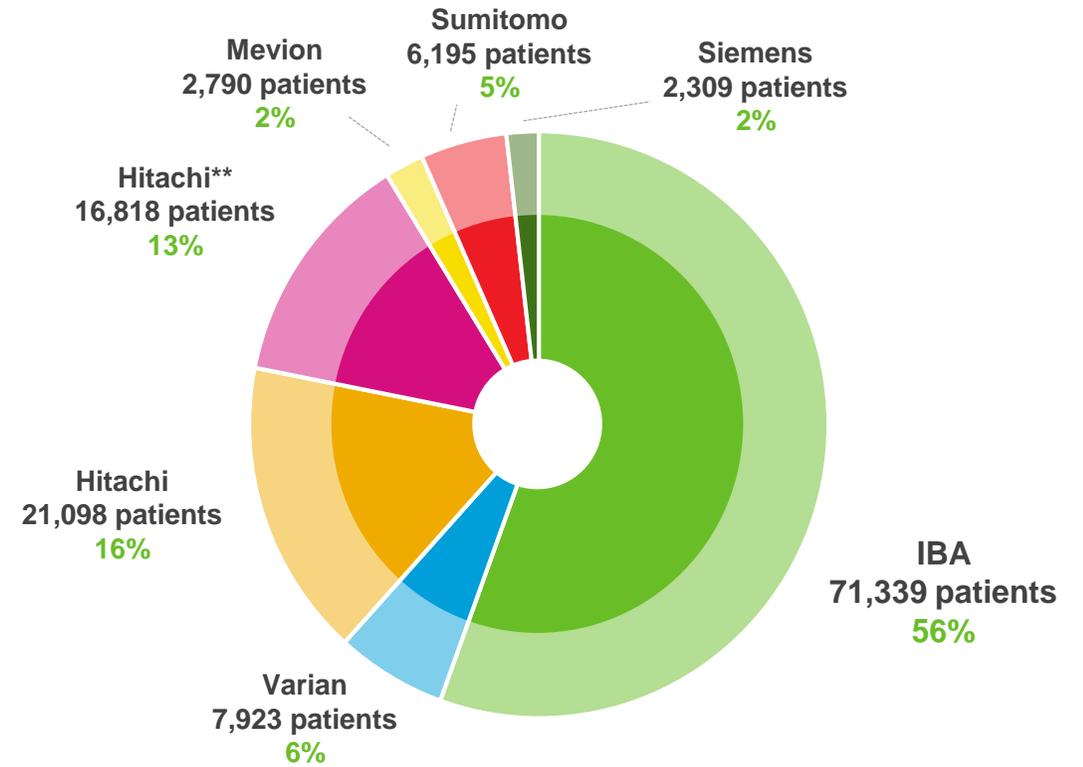
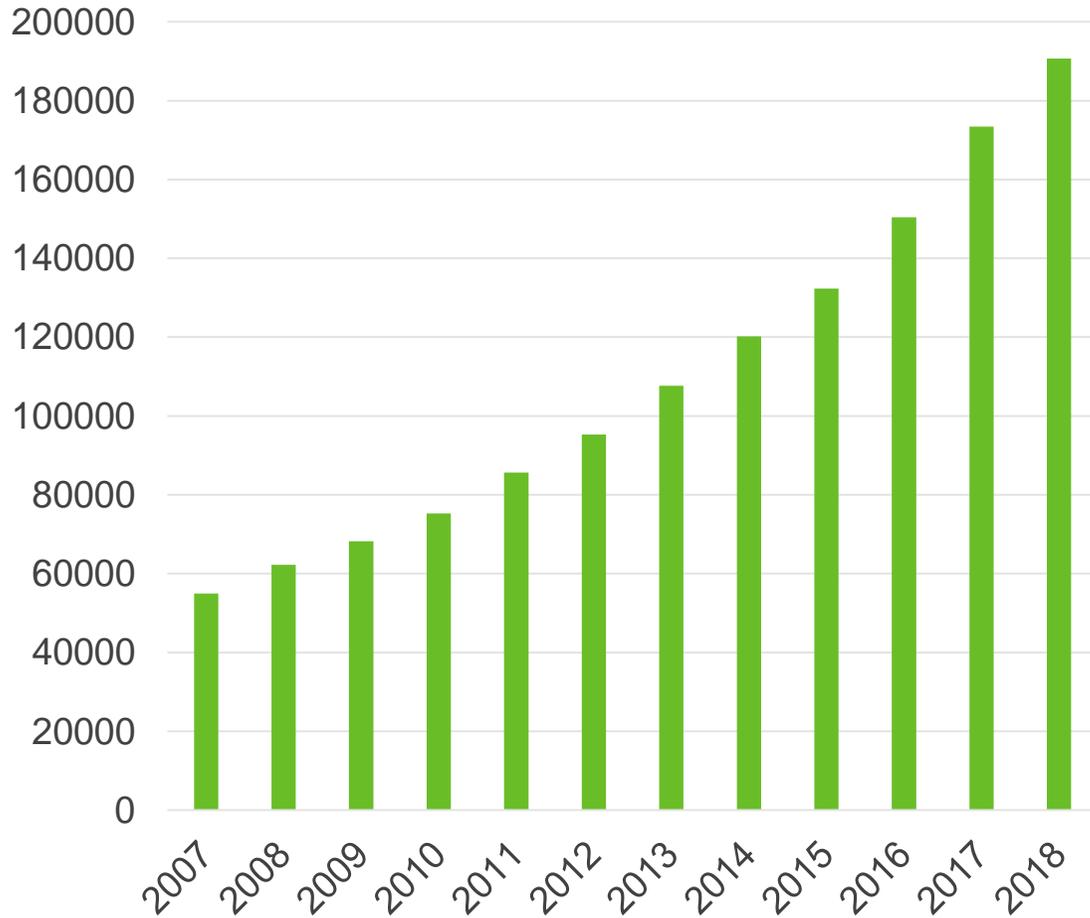
Proton Therapy is growing

Centers in operation per region*



* PTCOG 2019 Data including centers with eye treatments only

Over 190,000 patients treated with PT

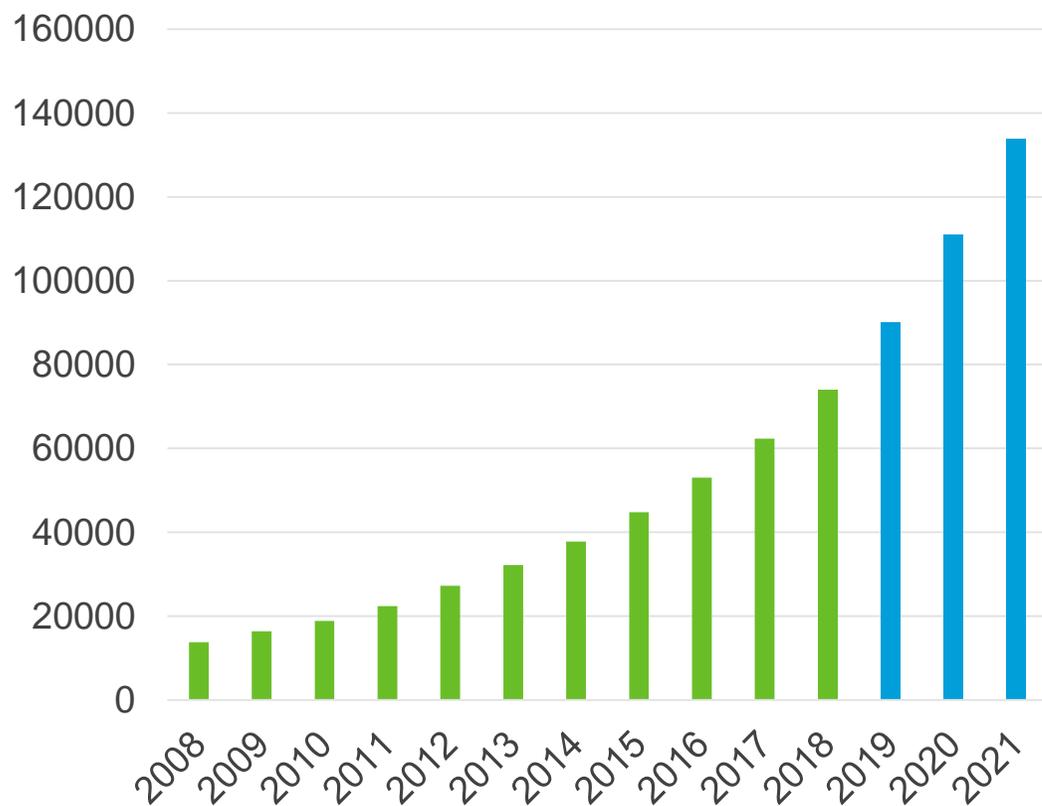


Data from PTCOG 2018 – Commercial and research centers

IBA PT Center statistics



Cumulative patients treated by centers with IBA solutions



■ Data from PTCOG 2018
■ IBA internal model

Fast ramp-up

2 times more patients treated at Beaumont Health the first year versus planning



Clinical excellence

Mean treatment time of 16 minutes per patient at Willis-Knighton



Reliability

99% uptime reached over a period of 6 months at Northwestern Chicago



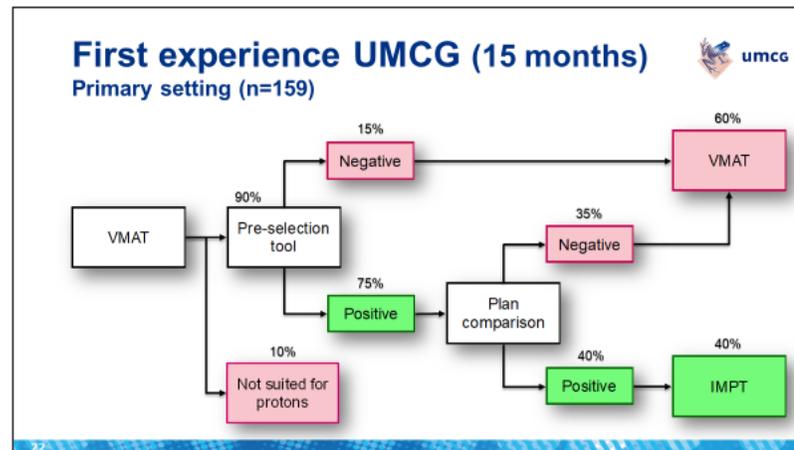
Upgradability

Massachusetts General Hospital at cutting edge of PT treatment thanks to upgradability



Model-based approach gives promising initial results

- Evidence based methodology
 - Select suitable patients for proton therapy (comparing photons versus protons)
 - Clinically validate the benefit of the technology
- Promising results from first year using model-based approach for patient selection
 - Model-based approach has led to a significant reduction of radiotherapy-induced complications
 - Two approved national indications: Head and Neck cancer and – breast cancer
 - Increasing number of patient being treated with proton therapy with this method, e.g. up to 40% of head and neck patients
 - Implementation of other model-based indications: Lung cancer, - esophageal cancer and - Lymphoma
- Increasing number of institutions in Europe, North America and Asia are showing interest in this model



Source: Professor Hans Langendijk (MD, PhD) Department of Radiation Oncology, University Medical Center Groningen

Defining the future of proton therapy



- Focus on future technology breakthroughs
- Shaping product roadmaps
- Accelerating proton therapy adoption

Victoria Advisory Committee

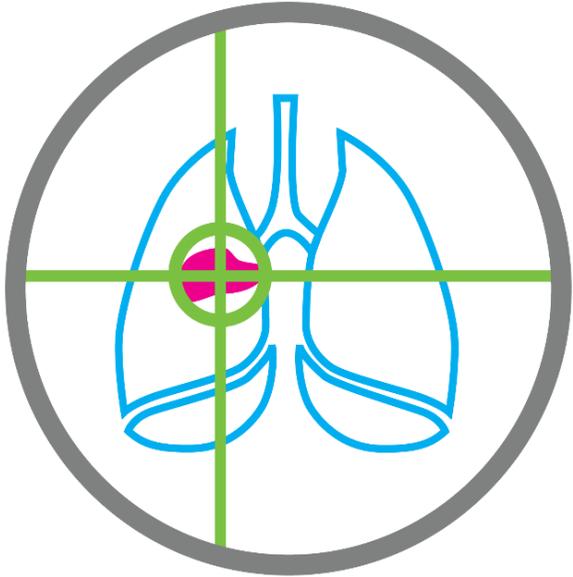
- Clinical experts from the world's leading cancer centers specializing in radiation and proton therapy
 - Includes Heidelberg University Hospital, ParTICle/UZ Leuven, Jefferson University Hospitals, Beaumont Health Proton Therapy Center, University of Florida Health Proton Therapy Institute, Mayo Clinic Arizona and other experts from prestigious institutions such as the University of Pennsylvania

PT Users meeting

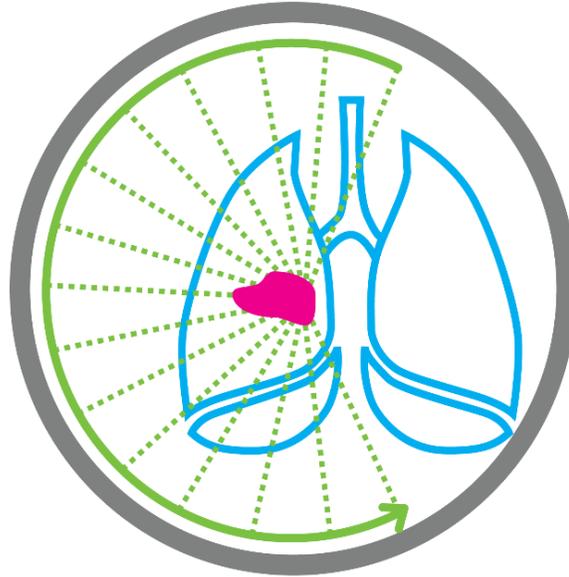
- 165 participants, representing 40 sites from 17 countries



- 3 axes



Motion Management



Proton Arc Therapy



Flash Therapy

With continued focus on upgradability



Flash Therapy

Ultra-high dose rate cancer treatments at ultra-high speed and in one to three sessions

- IBA's equipment is Flash ready
- IBA is the only company to have demonstrated a Flash compatible dose rate in a clinical environment
 - Performed on March 2, 2019 at the University of Medical Centre Groningen
 - Performed on June 2, 2019 at the Rutherford Cancer Centre Thames Valley

FLASH IRRADIATION AT ISOCENTER
IN CLINICAL MODE
Cube 2x2x2 [cm]

Flash dose rate: **60 Gy/s**
1 kHz pulsed

ProteusONE

Other accelerators

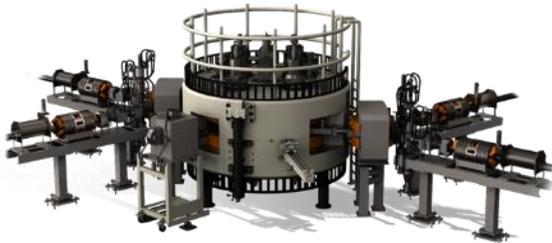
2019 update

Other Accelerators – H1 2019 business update

- Growing global demand for accelerators for medical sterilization and radioisotope production
 - Market leadership confirmed globally, with 9 systems sold in H1 2019
 - Sale of two Rhodotron[®] TT300 HE electron beam accelerators to NorthStar Medical Radioisotopes for production of the radioisotope molybdenum-99 (Mo-99)
 - Post period end, six additional systems sold in Asia, Europe and North America, bringing total sales to 15 systems. These include a high-energy Cyclone[®]70



Cyclone[®]KIUBE



Cyclone[®]70



Rhodotron[®]

Dosimetry

2019 update

- Strong H1 for Dosimetry, an increase of 4% from H1 2018. Order intake was in line with previous year, supported by growth of conventional radiation therapy sales and strong EMEA market
- REBIT grew 66% from previous year, thanks to strong cost controls, to reach 10.7% of sales
- IBA Dosimetry launched myQA® iON in June, a fast and accurate cancer patient QA in proton therapy
- The segment remains held for sale

	H1 2019 (EUR 000)	H1 2018 (EUR 000)	Variance (EUR 000)	Variance %
Order intake	25 806	25 747	+59	+0.2%
Net sales	25 279	24 322	+957	+3.9%
Book-to-bill ratio	1.0	1.1		
REBITDA*	2 960	2 366	+594	+25.1%
<i>% of Sales</i>	11.7%	9.7%		
REBIT*	2 693	1 623	+1 070	+65.9%
<i>% of Sales</i>	10.7%	6.7%		

* IFRS 16 – Leases became effective on January 1, 2019. The effect of this accounting standard at June 30, 2019 is an improvement of REBITDA by EUR 0.6 million. The impact on REBIT and net result is immaterial.

Consolidated Financial Statements

Consolidated P&L



	H1 2019 (EUR 000)	H1 2018 (EUR 000)	Variance (EUR 000)	Variance %
Sales and services	102 815	90 353	+12 462	+13.8%
Cost of sales and services	73 838	62 449	+11 389	+18.2%
Gross profit/(loss)	28 977	27 904	+1 073	+3.8%
	28.2%	30.9%		
Selling and marketing expenses	7 973	7 941	+32	+0.4%
General and administrative expenses	15 968	15 889	+79	+0.5%
Research and development expenses	12 154	10 230	+1 924	+18.8%
Recurring expenses	36 095	34 060	+2 035	+6.0%
Recurring profit/(loss)	-7 118	-6 156	-962	N/A
	-6.9%	-6.8%		
Other operating (expenses)/income	1 653	-1 627	+3 280	+201.6%
Financial (expenses)/income	-685	-242	-443	-183.1%
Share of profit/(loss) of equity-accounted companies	0	0	0	N/A
Profit/(loss) before tax	-6 150	-8 025	+1 875	+23.4%
Tax income/(expenses)	-1 126	348	-1 474	-423.6%
Profit/(loss) for the period from continuing operations	-7 276	-7 677	+401	+5.22%
Profit/(loss) for the period from discontinued operations	1 959	662	+1 297	+195.9%
Profit/(loss) for the period	-5 317	-7 015	+1 698	+24.2%
REBITDA	-1 546	-3 072	+1 526	+49.7%

- Revenues up 13.8%, reflecting strong other accelerators performance and service growth
- Gross margin as a percentage of sales down 2.7%, reflecting pricing pressure in Protontherapy
- S&M and G&A remained stable, beating inflation, while R&D increased to support several strategic projects
- Other operating income included mainly restructuring costs, the reversal of a provision for a long-term contractual risk and gain on sale of intangible assets related to Hadron therapy
- Financial expenses mainly included interest on credit lines and foreign exchange fluctuations
- Discontinued operations include Dosimetry

H1 2019 cash flow statement

	H1 2019 (EUR 000)	H1 2018 (EUR 000)
Cash flow from operating activities		
Net cash flow changes before changes in working capital	-4 446	-987
Change in working capital	7 103	-26 512
Income tax paid/received, net	-692	-36
Interest (income)/expenses	1 333	946
Net cash (used in)/generated from operations	3 298	-26 589
Cash flow from investing activities		
Capital expenditures	-1 272	-1 344
Other investing cashflows	-7 521	-3
Net cash (used in)/generated from investing activities	-8 793	-1 347
Cash flow from financing activities		
Capital increase (or proceeds from issuance of ordinary shares)	0	139
Other financing cash flows	-12 750	37 707
Net cash (used in)/generated from financing activities	-12 750	37 846
Profit/(loss) for the period from continuing operations	-18 245	9 910

- Positive cash flow from operations, stemming from high level of customer payments.
- Sustained inventory build-up on projects continued, in particular for Other Accelerators
- Low CAPEX investments while other investing cashflows were mainly related to commitments on financing of investment for the development of hadrontherapy
- Cash flow from financing included repayments on long-term borrowings, short-term credit lines and the new building lease, as well as interest paid on these

Outlook

- Based on current market outlook, IBA anticipates a positive REBIT in 2019, driven by H2-2019 weighting
 - High level of activity expected, with more than ten proton therapy rooms being delivered to customers and installation starting for 2 systems (6 rooms in total);
- The fundamentals of the proton therapy market continue to be solid
 - Quality equipment and service backlog
 - Numerous prospects across all markets
- IBA has the world's most competitive proton therapy offering
- IBA remains fully focused on driving growth whilst absorbing the unpredictability of the PT market through tight cost controls



PROTECT +
ENHANCE +
SAVE LIVES

Q&A





- Capital Market Day ASTRO's Annual Meeting
 - September 16, 2019 – **10 am Central Time**
- Business Update 3rd quarter 2019
 - November 14, 2019
- Full Year Results 2019
 - March 26, 2020



Olivier Legrain (CEO) and Soumya Chandramouli (CFO)