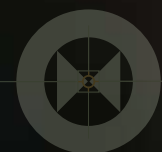




Protect, enhance and save lives.



Annual Report 2006

Iba

Table of Contents |

Proven Strategy of Profitable and Sustainable Growth in 2006	2
Management Report	6
Corporate Governance, Management, and Control	18
IFRS Consolidated Financial Statements for the Year ended December 31, 2006	26
Consolidated Balance Sheet as at December 31, 2006	28
Consolidated Income Statement for The Year Ended December 31, 2006	30
Consolidated Statement of Changes in Shareholders' Equity	31
Consolidated Cash Flow Statement	32
Notes to the consolidated financial statements	34-87
Auditor's Report on the Consolidated Financial Statements	88
IBA S.A. Financial Statements After Appropriation	91
General Information	96
The Stock Market and the Shareholders	100

**Proven Strategy of Profitable
and Sustainable Growth in 2006 |**

IBA technologies have become the benchmark standard in cancer diagnosis and therapy.

In 2003, IBA reached the decision to refocus all of its operations on the diagnosis and treatment of cancer. This bold decision, coupled with an ambitious development strategy, has made IBA the uncontested leader in several growth markets requiring the mastery of state-of-the-art technologies. Today, the results of this decision are very palpable. Four new orders for proton therapy systems were logged in the course of 2006 and the first few days of 2007, including one subject to financing. And earnings growth has been strong for our radiopharmaceutical products for cancer diagnosis.

In 20 years—from the time of its founding by several engineers at the Catholic University of Louvain (UCL) to 2006—IBA has gone from revenues of EUR 0.9 million to revenues of more than EUR 170 million, over 95% of which are from exports. During this period, IBA has demonstrated its ability to market the world's most sophisticated molecular imaging, proton therapy, dosimetry, and electron accelerator technologies effectively, thanks to solid research and development.



Peter Vermeeren

Chairman of the Board of Directors

Pierre Mottet

IBA Chief Executive Officer

IBA has just announced its decision to increase its investment in its production capacities. Is this a tangible sign that its strategic repositioning has been successful ?

P. Vermeeren: The year 2006 was an excellent year in all respects. It provided ample proof that our 2003 decision to focus on cancer was well founded. Today, we can be proud that we are developing the best technologies and producing the best that these technologies have to offer in the area of cancer radiation therapy and diagnosis. We characterized 2005 as a disappointing year for proton therapy. Despite repeated investments, we failed to log any proton therapy orders. In contrast, our efforts met with considerable success in 2006. The systems that

were under construction have been finished. The system developed in Florida has been treating patients since the summer of 2006. The one in Korea has been treating patients since March 2007.

With the growing demand for proton therapy systems, how did the market react to seeing that two of our systems were completed on time in 2006 ?

P. Mottet: At the same time as we were logging new orders, IBA was demonstrating its ability to install two proton therapy systems simultaneously with two full teams of engineers on two continents: one in Florida, completed in a record time of less than 17 months, and the other in Ilsan, South Korea. The market reacted very positively, obviously. This was evidence that IBA was also an industrial supplier that could be counted on to deliver very complex systems on time and within budget. This is one of the reasons that we logged four orders—three fully finalized and one pending financing—in the United States and Europe in 2006 and early 2007.

It should be noted that, while the 2006 orders will have some effect in 2007, their greatest impact will come in 2008. The six to twelve months we have at our disposal will allow us to deal with growth and to move ahead faster on the construction of new production facilities. This is a major advantage in fine-tuning supply to demand—hiring and training qualified employees, building new production facilities, and so forth.

There is a lot of talk about proton therapy, but most of IBA's revenues are recurring income from molecular imaging and dosimetry. Is this also a result of strategic repositioning ?

P. Vermeeren: Molecular imaging, which is the most advanced method for the early diagnosis of cancer, accounts for around 53% of IBA's revenues. Almost 40% is from the sale of radiopharmaceuticals, which we deliver daily to many hospitals in the United States and Europe. In PET (Positron Emission Tomography), we have capitalized on previous major investments in the United States, and this year we acquired Schering's PET business on advantageous terms. Molecular imaging has become one of the benchmarks for cancer diagnosis, and this sector has shown strong growth — 20 to 30% per year. We are far from having achieved the full potential of this technology, which is being used for a broader and broader range of applications — not just for cancer diagnosis but also increasingly in neurology and cardiology. IBA's strategy in this area is to be present in all of the markets that are most promising for the broad distribution of its radiopharmaceutical products. In dosimetry, IBA is still growing faster than the market—acquiring market share—owing, among other things, to its more advanced technology.

In addition to its cancer-related operations, IBA markets particle accelerators for industrial applications. What is the outlook in this area ?

P. Mottet: Results have been moderate in the area of electronbeam accelerators (Rhodotron® and Dynamitron® industrial e-beam and X-Ray accelerators). The year was marked by the sale of a Dynamitron® in China for the degradation of specific polymers. IBA is exploring new applications. For example, the Rhodotron® technology was selected by the U.S. Department of Homeland Security for its next generation of equipment for cargo inspection systems, which is designed to detect nuclear threats automatically. The first prototype integrating a Rhodotron® was sold in 2006.

How about stock market performance ?

P. Vermeeren: The price of IBA shares increased 140% on Euronext in 2006, and we have seen a great deal of interest in our stock in the institutional world. This is probably due to the outlook for increased stability in our recurring revenues and to a higher profile for our future

revenues as each proton therapy contract is signed. The growth in IBA stock also reflects stronger revenues, which were up 25-plus % in 2006, while operating profit tripled. This increase reflects both the strong development of our molecular imaging business and the realization of sales and installations of proton therapy systems. Results were also boosted by excellent performance in the dosimetry and industrial sterilization businesses which we have kept.

We have continued our repositioning strategy by discontinuing our brachytherapy operations. Our figures also show significant exceptional earnings, which are due to various divestments and to the purchase of Schering AG's radiopharmaceutical operations for one euro along with revaluation of its assets.

What is the outlook for 2007 ?

P. Mottet: In 2006, side by side with these orders for big proton therapy facilities, we noted a surge in enthusiasm for smaller facilities, even if we haven't logged any orders in this segment as yet. These small centers cost between EUR 20 and 30 million. The difference is that they have smaller treatment capacity and meet the demand of smaller regional hospitals. This is a new segment that IBA is currently developing. Also in the area of particle therapy, we have announced the marketing of a carbon ion system, which shows therapeutic superiority in 10 to 20% of cancer cases treatable by proton therapy. Until now, carbon ion technology has only been used in a few treatments in research laboratories in Germany and Japan. Today, we are ready to market such a system. This technology is developing very rapidly, as was the case with proton therapy 20 years ago. In the short term, facilities equipped with our "two-step" system will be able to treat cancers using either proton or carbon ion therapy interchangeably.

As for molecular imaging, we will continue to expand in both the United States and Europe and will also continue to make headway in breaking into Asian markets such as India and China. But 2007 will above all be the year that will see the startup of several radiopharmaceutical (FDG) production centers in Europe.

Lastly, we are continuing to strengthen our presence in China, where our new building with an assembly bay

and offices should be completed in 2007. China is a very promising market, and we are remaining extremely vigilant in our expansion strategy to avoid being too vulnerable to fluctuations in the dollar.

It has taken over 20 years of work for me to be able to paint such a promising picture for you today. For this reason, I would like to conclude by thanking all of the people at IBA who, each day, whatever their capacity, are helping to beat back the terrible scourge of cancer. It is because of their skill, their dedication, and their daily commitment that IBA can make it possible today for so many men and women to be cured of this disease.

Management Report I

**Approved by the Board of Directors
at its Meeting of March 28, 2007.**

2006 Highlights

In 2006, IBA maintained or moved into a position of world leadership in molecular imaging (PET radiopharmaceuticals), proton therapy, and dosimetry.

Demand accelerated in the international proton therapy market during the period, with three firm orders and a letter of intent for IBA in 2006, plus a contract subject to financing signed in January 2007.

In the course of the year, IBA also greatly increased its presence in the European molecular imaging market through its purchase of Schering AG's entire European FDG production business and its acquisition of a minority interest in the French firm CIS bio International. As a result, IBA is now the only company in the world with a significant international PET production network and the uncontested leader in Europe.

IBA celebrated its twentieth birthday in 2006. Over the past 20 years, revenues have risen at an average annual rate of 30%, from EUR 0.9 million in 1986 to EUR 170.3 million in 2006. More than 98% of this income is export-generated. From a small, five-person company, IBA has grown to become an international group employing almost 1,100 people worldwide, with production and marketing sites in Europe, Asia, and the United States. To mark its twentieth birthday, IBA decided to create a new visual identity that would embody its entrepreneurial spirit and passion for innovation. The new IBA logo, unveiled in April 2006, reflects the Company's desire for state-of-the-art technology to help people live better lives. It unites all of its component businesses, whether developed organically or acquired, under the same banner. In addition, the new IBA logo is clearly differentiated from those of the Company's competitors.

Overview of IBA Business Areas

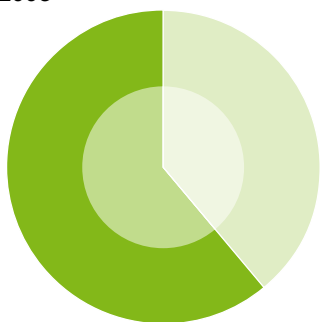
For financial reporting, IBA is divided into two business areas:

- **Radioisotope Production and Distribution.** Production and distribution of radiopharmaceutical tracers used in medical imaging, mainly FDG (¹⁸F fluorodeoxyglucose).

- **Technology and Equipments.** The technological foundation of a number of the Company's businesses, T&E covers development, manufacturing, marketing, and services relating to equipment of which dosimetry and particle accelerators used in imaging, therapy, sterilization and ionization.

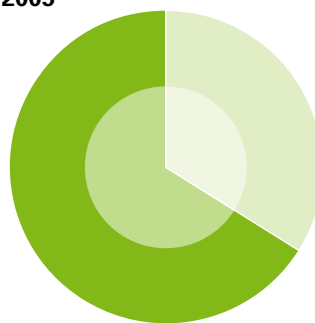
Business Areas	2006	2005	Change
	(EUR '000)	(EUR '000)	(%)
Technology and Equipments	104,170	90,386	15.3%
Radioisotopes	66,087	45,713	44.6%
Consolidated Sales	170,257	136,099	25.1%

2006



Radioisotopes = 39%
 Technology & Equipments = 61%
 Total 2006 Sales and Services: EUR 170.3 million

2005



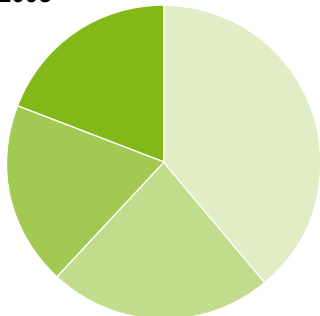
Radioisotopes = 34%
 Technology & Equipments = 66%
 Total 2005 Sales and Services: EUR 136.1 million

IBA's two business areas—**Radioisotope Production and Distribution** and **Technology and Equipments**—consist of four business units, each with its own market:

- Molecular imaging
- Proton therapy
- Cyclotrons and other accelerators
- Dosimetry

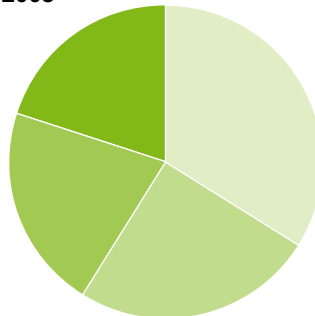
These units' sales revenues and major events for 2006 are detailed in this report.

2006



Molecular imaging = 39%
 Cyclotrons and other accelerators = 23%
 Dosimetry = 19%
 Proton therapy = 19%
 Total 2006 Sales and Services: EUR 170.3 million

2005



Molecular imaging = 34%
 Cyclotrons and other accelerators = 25%
 Dosimetry = 21%
 Proton therapy = 20%
 Total 2005 Sales and Services: EUR 136.1 million

Radioisotope Production and Distribution

This segment mainly involves the production and distribution of radiopharmaceutical agents, with a focus on FDG (fluorodeoxyglucose), a chemical used in molecular imaging for the early diagnosis of many diseases (primarily

cancer). The following table summarizes the operating results for this segment:

	2006	2005	Change	Change
	(EUR '000)	(EUR '000)	(EUR '000)	(%)
Sales and Services	66,087	45,713	20,374	44.6%
REBITDA	6,484	1,889	4,595	243.3%
<i>% of sales</i>	9.8%	4.1%		
REBIT	247	-4,545	4,792	105.4%
<i>% of sales</i>	0.4%	-9.9%		

Above pro forma results presented after allocation of corporate overhead.
REBITDA: Recurring Earnings before Interest, Taxes, Depreciation, and Amortization.
REBIT: Recurring Earnings before Interest and Taxes.

FDG/RADIOPHARMACEUTICAL PRODUCTS

FDG (fluorodeoxyglucose, a radioactive sugar) is the principal radiopharmaceutical agent used in PET (Positron Emission Tomography) imaging. This imaging technology analyzes cell metabolism and is used for the diagnosis and monitoring of diseases (primarily cancer). PET is the most advanced technology in nuclear medicine.

Fiscal 2006 was marked by rapid expansion of the FDG distribution network in Europe. This happened much more quickly than anticipated a year ago, thanks to the May 2006 acquisition of Schering AG's European FDG division and CIS bio International radiopharmaceutical business. This major acquisition, made by the consortium formed by IBA and IRE (Institut National des Radioéléments), was transacted for the symbolic euro. As a result of it, IBA owns a direct or indirect interest in 19 FDG production and distribution centers in Europe, including the centers that it previously held in partnership with Schering AG. This acquisition also resulted in nonrecurring earnings at various levels of the income statement as a consequence of revaluation of the acquired assets in accordance with IFRS.

Over the entire 2006 year, IBA directly or indirectly operated 35 FDG production centers, including 15 in North America, 19 in Europe, and one in Asia (India). During the course of 2006, IBA closed three U.S. production facilities for profitability reasons in connection with their location and used the equipment to open a new facility in Kansas City, Missouri. In Europe, several FDG production facilities are currently under construction and are scheduled to come on line in 2007. During the summer of 2006, IBA

opened its first FDG production facility in Delhi, India.

In early summer 2006, IBA launched its new Synthera® multirun synthesis module. This module enables preparation of several different PET radiopharmaceuticals, including FDG (¹⁸F fluorodeoxyglucose).

In December 2006, IBA was selected to become the exclusive provider of FDG and other radiopharmaceuticals for all of the public hospitals in Andalusia (Spain).

Sales related to the production and distribution of FDG and associated products grew by 44.6% in 2006 to EUR 66.1 million, compared to EUR 45.7 million in 2005. Almost 83% of 2006 sales were in North America. However, the relative weight of the United States should diminish in 2007 as a result of the 2006 acquisition in Europe and production startup of several European facilities.

Strong sales growth in 2006 is the result of U.S. acquisitions in 2005, the acquisition of Schering AG's CIS bio International radiopharmaceutical operations, and growth in the U.S. and European markets and is estimated at 25-plus % (in volume of doses). However, this rise was offset by a drop in the average price per FDG dose in the United States. The U.S. drop in average price was smaller in 2006 than in 2005.

Technology and Equipments

This business segment includes proton therapy, particle accelerator-based technologies (such as cyclotrons, Rhodotron®, and Dynamitron®), and dosimetry. The year 2006 was marked above all by three proton therapy orders.

In 2006, T&E sales totaled EUR 104.3 million, compared to EUR 90.4 million in 2005, an increase of 15.4% driven primarily by proton therapy. The following table provides a breakdown of T&E sales and service figures and summarizes this segment's contribution to operating results:

	2006	2005	Change	Change
	(EUR '000)	(EUR '000)	(EUR '000)	(%)
Sales and Services	104,170	90,386	13,784	15.3%
Proton Therapy	32,539	27,190	5,349	19.7%
Dosimetry	31,570	28,031	3,539	12.6%
Other accelerators	40,061	35,165	4,896	13.9%
REBITDA	11,479	9,229	2,250	24.4%
<i>% of sales</i>	11.0%	10.2%		
REBIT	9,522	7,640	1,882	24.6%
<i>% of sales</i>	9.1%	8.5%		

Above pro forma results presented after allocation of corporate overhead.

REBITDA: Recurring Earnings before Interest, Taxes, Depreciation, and Amortization. Figures for 2005 do not include movements of provisions, which have been restated to improve conformity with common accounting practices.

REBIT: Recurring Earnings before Interest and Taxes.

In January 2006, IBA sold Scanditronix Magnet AB. This Swedish subsidiary had ceased to be a strategic asset following IBA's decision to refocus on cancer diagnosis and treatment. Sales, REBITDA, and REBIT for this company were included in T&E data in 2005. In 2006 they have been reclassified under "discontinued operations."

PROTON THERAPY

The year 2006 was clearly an important one for proton therapy, with three orders logged and a contract pending financing. IBA will be supplying this state-of-the-art cancer radiation technology to the University of Pennsylvania (Philadelphia, USA), the Universitätsklinikum Essen (Germany), and the Institut Curie's proton therapy center (Orsay, France). In the first few days of 2007, IBA also logged an order to install a proton therapy center in Oklahoma City (Oklahoma, USA).

With more than 50% market share, IBA is currently the uncontested world leader in particle therapy.

Twelve institutions in the United States, Asia, and Europe have already chosen IBA proton therapy systems.

To meet the constantly increasing demand for proton therapy systems, IBA has launched an ambitious program to expand production capacity at its Louvain-la-Neuve site. This first phase of expansion will allow IBA to increase its capacity to eight particle therapy systems a year. The new installation should be operational by midsummer 2007. IBA has revised its proton therapy sales plan, setting the target at an average of two to three systems a year but maintaining its ability to respond to peaks and ever stronger demand.

In this same context of unprecedented interest in particle therapy systems, IBA launched its first FDA-approved compact proton therapy system at the annual congress of the American Society for Therapeutic Radiology and Oncology (ASTRO). This system will give future customers access to proton therapy technology with a smaller investment. IBA also launched a new two-step

particle therapy design at this congress. This system will allow a hospital to begin proton therapy and then gradually introduce carbon and light ion therapy using the same equipment, thanks to the integration of a new 400 MeV (million electron volt) cyclotron.

Since August 2002, Optivus Technology, Inc. (Optivus) and IBA have been involved in litigation over various proton therapy-related claims. This topic is discussed in further detail under "Current Litigation."

The Company posted proton therapy sales and services of EUR 32.5 million in 2006, compared to EUR 27.2 million in 2005, or an increase of 19.7%.

CYCLOTRONS AND ELECTRON BEAM ACCELERATORS

This segment includes cyclotrons used in the production of PET (Positron Emission Tomography) or SPECT (Single Photon Emission Computed Tomography) radioisotopes but does not include cyclotrons used in proton therapy. It also includes electron beam particle accelerators used primarily in industry (such as Rhodotron® and Dynamitron®).

PET cyclotron sales continued the positive trend begun during the previous period, with seven cyclotron sales in 2006 compared to nine in 2005. IBA maintained its lead in the SPECT cyclotron (Cyclone® 30) market, in which, after obtaining an order for the installation of a Cyclone® 30 in Vietnam in late 2005, it finalized an agreement to install a SPECT cyclotron in Turkey. This contract should be signed in 2007. In February 2007, it sold another Cyclone® 30 in India.

In the field of electron beam accelerators (Rhodotron® and Dynamitron® industrial E-beam and X-Ray accelerators), the year was marked by the successful startup of a Rhodotron®-based sterilization facility in Shanghai for Sterigenics International, Inc., as well as by the sale of a Dynamitron® accelerator for the degradation of polymers to a company in the chemical industry. Additionally, the U.S. Department of Homeland Security selected the Rhodotron® technology for its next generation of equipment for cargo inspection systems, designed to detect nuclear threats automatically. The first Rhodotron®-based prototype was sold in 2006.

The Company's sales and service revenues for its cyclotron and electron beam accelerator business reached EUR 40.1 million in 2006, compared to EUR 35.2 million in 2005, or an increase of 13.9%.

DOSIMETRY

Dosimetry includes the services and equipment employed to control radiation dosage in medical settings. IBA's specialized dosimetry products are essential tools for quality assurance in radiation therapy (therapeutic dosimetry) and medical imaging (diagnostic dosimetry).

In diagnostic dosimetry, for the third year in a row Scanditronix-Wellhöfer (IBA's dosimetry subsidiary) was named Siemens Supplier of the Year. Sales of IBA's Kermax dosimetry product for quality assurance in radiation diagnostics experienced strong growth in 2006 due to the award of a major contract in Romania.

In therapeutic dosimetry, an agreement was signed in early 2006 between Scanditronix-Wellhöfer and the Swedish firm RaySearch Laboratories AB for the development of new quality assurance products for IMRT (Intensity Modulated Radiation Therapy). The first product in this line should be launched in the summer of 2007. The MatriXX dosimeter for IMRT quality control and assurance, introduced in 2005, saw strong sales growth in 2006.

The Company's dosimetry sales and services totaled EUR 31.6 million in 2006, compared to EUR 28 million in 2005, or an increase of 12.6%.

Discontinuation of Brachytherapy Operations

Note that 2005 figures included brachytherapy operations. In 2006, the figures for this business were reclassified under "discontinued operations."

Consolidated Annual Financial Statements

INCOME STATEMENT

Consolidated sales and services for fiscal 2006 rose EUR 34.2 million, or 25%, over fiscal 2005, for a total of EUR 170.3 million in 2006 compared to EUR 136.1 million in 2005. This increase was the result of strong growth in all business areas, due in part to acquisitions in 2006 and late 2005. Organic growth represented 14.3% of sales.

Consolidated gross profit for fiscal 2006 totaled EUR 53.3 million compared to EUR 43.8 million for the previous period, or an increase of 21.6%. As a percentage of consolidated sales and services, it declined slightly, from 32.2% to 31.3%, owing to a change in the product mix from 2005 to 2006.

Overall, recurring costs rose 6.9%, with a 29.4% leap in sales and marketing expenses compared to the same period in 2005. This increase in sales and marketing expenses was due to major investments in the context of the Company's repositioning strategy (which primarily targets its proton therapy operations), as well as to integration during the second half of 2006 of personnel from its acquisition of Schering's FDG operations. Research and development costs remained relatively stable in 2006: EUR 10 million compared to EUR 9.7 million in 2005, or an increase of 3.5%.

Recurring profits for 2006 of EUR 9.8 million represent strong growth compared to 2005 profits of EUR 3.1 million, which reflected EUR 2.8 million in provisions for bad debts. However, even after adjustment for these provisions, recurring profits increased by EUR 2.8 million (66%).

Other operating results for 2006 showed a profit of EUR 10.4 million reflecting several factors: purchase of Schering's European operations, sale of Scanditronix Magnet AB in May 2006, acquisition of a minority interest in CIS bio International, liquidation of BPR, discontinuation of brachytherapy operations at Fleurus, booking of nonrecurring costs in connection with the decrease in the exercise price of IBA employee stock options following refund of paid-in capital over par in 2005, various asset write-downs, and other expenses, including those

associated with the Optivus litigation and with changing the IBA image.

In 2005, other operating results showed a loss of EUR 4.6 million and included a write-off in excess of normal depreciation on Belgian assets in connection with the Fleurus site, expenses from the Optivus litigation discussed below, and gains generated by the creation of a joint venture with Schering AG in Italy.

IBA posted a financial profit of EUR 7.3 million in fiscal 2005 impacted by interest expenses of EUR 1.1 million, consisting mostly of financing charges on the purchase of equipment needed for FDG production, and by foreign currency translation adjustments of EUR 8.4 million, which will not recur with the new accounting structure implemented at the end of 2005. In 2006, IBA posted a financial profit of EUR 0.6 million, the result of normal net interest expenses offset by income of EUR 1.4 million from the application of IFRS to one aspect of the CIS bio International purchase transaction.

Tax figures for 2006 show an income of EUR 7.8 million compared to an expense of EUR 2.5 million for the same period in 2005. This is due largely to partial recognition of deferred tax assets following analysis under IFRS of the probability of future use.

In fiscal 2006, "profit (loss) from discontinued operations" showed a loss of EUR 1.5 million due to the decision to cease production of irradiated wire (brachytherapy) in the United States and, to a lesser degree, the sale of the Swedish firm Scanditronix Magnet AB in January 2006.

Entities accounted for by the equity method contributed EUR 2.9 million to total profit in 2006. This nonrecurring profit of EUR 2.9 million is largely attributable to application of IFRS to the acquisition of a minority stake in CIS bio France following Schering divestment. It is the result of the revaluation of CIS bio's assets and liabilities and of the inclusion of CIS bio's percentage contribution to the results for the period May to December 2006. In 2005, this heading primarily reflected losses incurred by FDG production subsidiaries in which the Group held a minority interest. Most of these are now wholly owned subsidiaries as a result of the deal with Schering AG. Net earnings, which obviously reflect the substantial

impact of the purchase of Schering AG's operations, totaled EUR 30 million compared to EUR 3 million in 2005.

CONSOLIDATED BALANCE SHEET AND FINANCIAL STRUCTURE

Noncurrent assets increased significantly in fiscal 2006, from EUR 91 million at December 31, 2005 to EUR 120.7 million at December 31, 2006. The total difference of EUR 29.7 million is attributable to changes in the following:

- EUR 12.5 million increase in fixed assets, mostly due to investments in the Company's radioisotope business (construction of FDG production facilities in England, Belgium, and Italy and purchase of Schering's FDG operations).
- EUR 6.6 million increase under Entities Accounted for by the Equity Method and Other Investments. This change is the result of acquisition of a minority interest in CIS bio International, offset by reclassification of subsidiaries previously accounted for by the equity method and now wholly owned (subsequent to the Schering purchase).
- EUR 8.5 million increase under Future Tax Assets due to recognition of additional deferred tax assets following analysis under IFRS of the probability of future use.
- The remaining EUR 2.1 million is due to changes in consolidation adjustments for other long-term debts also affected by the purchase of Schering's radiopharmaceutical operations, as well as for fixed assets.

Noncurrent liabilities rose from EUR 40.2 million in 2005 to EUR 51.8 million in 2006. This increase was due almost entirely to large payments recorded for advance financing in connection with orders for the construction of proton therapy facilities logged during the period.

The Company's net cash position improved substantially over the period, from EUR 18.3 million at December 31, 2005 to EUR 44.1 million at December 31, 2006.

IBA S.A. STATUTORY ACCOUNTS AND APPROPRIATION OF NET PROFIT (LOSS)

Ion Beam Applications S.A. posted a net loss of EUR 0.7 million for fiscal 2006, compared to a net loss of EUR 7.8 million for 2005. Sales and services increased by 9.5% to EUR 68 million, compared to EUR 62.1 million in 2005, mainly as a consequence of

continuing recognition of income from the sale of proton therapy systems in Florida and Korea, plus three orders for new systems logged during the period. Operating results, which reached break-even during the previous period, registered a profit of EUR 1.6 million for 2006.

Long-term investments were reduced from EUR 303.2 million at December 31, 2005 to EUR 172.4 million at December 31, 2006, principally as the result of a capital repayment by its subsidiary Mediflash Holding AB. The amount received from Mediflash Holding AB was allocated to the repayment of a portion of the inter-company debts between IBA S.A. and Mediflash Holding AB.

The 2006 statutory accounts reveal a deferred loss carried forward. In compliance with article 96, paragraph 6, of Belgium's Code des Sociétés (Corporations Code), the Board of Directors has justified its application of the principles of accounting continuity by pointing to the existence of necessary and sufficient cash and equity to allow the Company to continue to implement its plans and to return to profitability, especially given its well-filled order book.

At the general shareholders' meeting, the Board of Directors will propose once again carrying the loss for the period forward.

Research and Development

In 2006, R&D expenses for the Group totaled EUR 10 million, compared to EUR 9.7 million in 2005. Thanks to this appreciable investment, the Company has been able to maintain its leadership position in all of the markets in which it is active.

Acquisitions and Divestments in 2006

During the period under review, IBA continued its strategy of expanding its radiopharmaceutical tracer production and distribution network in both the United States and Europe. It also continued its strategy of refocusing on its cancer diagnosis and treatment business. This resulted in the transactions discussed below.

ACQUISITION OF SCHERING AG'S RADIOPHARMACEUTICAL OPERATIONS

On February 23, 2006, IRE (Institut National des Radioéléments, based in Fleurus, Belgium, a 3.45% shareholder in IBA) and IBA announced that the consortium formed by the two companies had signed a contract to acquire Schering AG's European FDG division and its CIS bio International radiopharmaceutical business. The deal also included CIS bio's Japanese and U.S. operations. CIS bio International markets a broad range of therapeutic and diagnostic products for medical detection, treatment, and monitoring in several essential fields of medicine, including oncology, cardiology, rheumatology, and endocrinology. It employs approximately 750 people

and posted sales of around EUR 120 million in 2005. Within the consortium, IRE holds an 80.1% share in CIS bio International, while IBA has a 19.9% share. In addition, IBA took over Schering AG's European FDG division (Italy, Germany, United Kingdom, and Spain) and is collaborating with CIS bio for distribution in Europe. The deal was signed on May 5, 2006.

SALES AND DIVESTMENTS

In January 2006, IBA sold 90.1% of its stock in its Swedish subsidiary Scanditronix Magnet A.B. in the context of its strategy of refocusing its operations on cancer diagnosis and treatment.

CORPORATE STRUCTURE AND GOVERNANCE

Please refer to the "Corporate Governance, Management, and Control" section of the annual report, particularly as regards the procedures stipulated in article 523 of the "Code des Sociétés".

Shareholders and Share Option

The distribution of the capital of IBA as of December 31, 2006 is as follows:

	Number of Shares	%
Belgian Anchorage	5,698,132	22.4%
Belgian Leverage	2,300,000	9.0%
IRE (Institut des Radioéléments)	878,660	3.5%
Sopartec	670,185	2.6%
UCL (Université Catholique de LLN)	426,885	1.7%
IBA Investments SCRL (*)	29,183	0.1%
Public	15,462,021	60.7%
Total	25,465,066	100.00%

(*) At December 31, 2006, IBA held a total of 29,183 of its shares through IBA Investments SCRL, which is a wholly owned indirect subsidiary.

To promote employee loyalty and motivation by allowing employees to share in profits generated by the rising price of company stock, IBA launched a number of stock option plans during previous periods. These plans were based on the authorized capital and eliminated the preferential right of existing shareholders. Under a new plan launched in 2006, 437,250 additional stock options were issued at a strike price of EUR 13.64.

Because the Board of Directors approved the launching of the 2006 stock option plan at its September 11, 2006 meeting, it was necessary to apply the procedure stipulated in cases of director conflict of interest in article 523 of Belgium's Code des Sociétés (Corporate Code). This conflict of interest affected all of the directors except the managing directors (Chief Executive Officer and Chief Research Officer), who are not included in the 2006 stock option plan.

FROM THE MINUTES OF THE MEETING:

The members of the board took note of the proposal to launch a new stock option plan. They approved the principle of launching this plan, as well as the terms of the board's special report.

Faced with the need to discuss an item in which the directors, as beneficiaries of the plan, have a direct financial interest, the entire board, with the exception of the two managing directors, declared that it was in a conflict of interest situation pursuant to article 523 of the Code des Sociétés and would not participate in the discussion.

After discussion, the two managing directors unanimously approved the launching of the stock option plan granting 575,000 options, subject to any changes required by Belgium's Banking, Finance, and Insurance Commission (CBFA), and consequently approved the terms of the board's special report prepared in compliance with articles 583, 596, and 598 of the Code des Sociétés.

The plan has no significant impact on the Company's assets.

Principal Risks and Uncertainties

IBA's operations entail a number of risks. The following is a list of significant risk factors. It is not intended to be exhaustive.

REGULATORY APPROVAL

As medical devices, IBA proton therapy products are subject to regulatory approval. Such approval must be obtained in every country in which IBA wishes to install a system. At end-2006, IBA had regulatory approval for the United States (FDA), the European Union (European Commission), China (SDA), and South Korea (KFDA). There is always the possibility that technological improvements in IBA equipment will place these approvals at risk.

Similarly, radioisotope production and distribution is subject to many regulations with which the Company must comply at all times in order to continue to market its products.

HEALTH CARE REIMBURSEMENT

Health care reimbursement for PET scanner diagnoses or for treatment of certain diseases involving direct or indirect use of IBA equipment is subject to review by the reimbursing institution. The policies of these institutions will have an impact on the number of orders that IBA can obtain. Health care reimbursement policies differ from country to country and can vary widely.

PRODUCT LIABILITY INSURANCE

Use of the Company's products may expose it to certain liability lawsuits. The Company maintains what it believes to be sufficient insurance to protect it in the event of harm giving rise to a product liability lawsuit. In a country such as the United States, where the slightest incident may result in major lawsuits, there is always a risk that a patient who is dissatisfied with services received by means of the Company's products may initiate legal action against it. IBA cannot guarantee that its insurance coverage will always be sufficient to protect it from such risks or that it will always be possible to obtain coverage for such risks.

FOREIGN EXCHANGE RISKS

The Company is exposed to foreign exchange risks when it signs certain contracts in foreign currencies or when it invests abroad. Insofar as possible, the Company

employs the financial instruments necessary to limit its exposure to these risks.

The Company's financial risk management objectives and policy, as well as its policies on price risk, liquidity risk, and cash flow risk, are described in greater detail in the notes to its consolidated financial statements.

DEPENDENCY ON CERTAIN EMPLOYEES

Since the Company's foundation, the number of highly qualified individuals on its payroll has increased tremendously. However, it is possible that the defection of certain key employees possessing specific expertise could at some point affect one of the Company's business areas.

DEPENDENCY ON A SPECIFIC CUSTOMER OR ON A LIMITED NUMBER OF ORDERS

In general, IBA's customers are diversified and span several continents.

For its equipment, particularly its proton therapy systems, the Company depends each year on a number of orders that are filled over several accounting periods. In this area, progress or lack of progress on an order, or changes in an order that were not anticipated at the beginning of the year, can have a significant impact over several accounting periods. On the other hand, the lead time for filling orders gives the Company good visibility in this field several months before they are filled.

INTELLECTUAL PROPERTY (PATENTS)

The Company holds intellectual property rights. Some of these rights are generated by employee or production process know-how and are not protected by patent. The Company holds patents, but it cannot guarantee that these patents are broad enough to protect the Company's intellectual property rights and to keep its competitors from gaining access to similar technologies. The Company cannot guarantee that the defection of certain employees would not have a negative impact on its intellectual property rights.

COMPETITION AND RISK OF RAPID PRODUCT OBSOLESCENCE

At the present time, IBA does not have a direct competitor in all of its markets. However, in some of its

markets it competes with several of the world's largest corporations. These corporations have highly developed sales and marketing networks and, more importantly, extensive financial resources that cannot compare with those of IBA.

Furthermore, there is always the possibility that a new technology (a revolutionary cancer treatment therapy, for example) may be developed that would render a portion of IBA's current product line obsolete. However, developing and marketing a new technology takes a relatively long time.

PENALTIES AND WARRANTIES

Some contracts may contain warranties or penalties amounting to a few percent of the contract amount. Such clauses apply to a limited number of contracts and are essentially to be found only in proton therapy contracts. The possibility that a customer may one day exercise such a warranty or penalty clause cannot be excluded.

LITIGATION

IBA is directly involved in litigation with Optivus Technology (see "Current Litigation"). The outcome of this litigation cannot be predicted. However, IBA continues to maintain that Optivus' claims are without merit. Consequently, it had made no provision for risks and costs in connection with this litigation at December 31, 2006.

Events Subsequent to the End of the Reporting Period

On January 8, 2007, IBA announced that ProCure Treatment Centers, Inc. had selected IBA to build the first private proton therapy facility (four treatment rooms) in Oklahoma City, Oklahoma. This contract is subject to financing. A group of seven doctors from Radiation Medicine Associates (RMA) and Radiation Oncology Associates (ROA), two leading cancer radiation treatment clinics in Oklahoma City, have joined forces with ProCure Treatment Centers, Inc. to build this new proton therapy facility.

On January 18, 2007, IBA announced an ambitious expansion program designed to meet the steady growth in demand for proton therapy systems. The first phase of this program will allow IBA to increase its capacity to

eight proton therapy systems a year—four times the current production level. The EUR 3 million-plus investment involves enlarging the production area and adding additional testing rooms at IBA's Louvain-la-Neuve site in Belgium. The new installation should be operational by midsummer 2007. This investment is part of a general development program that also includes a plan for large scale commitment to maintaining IBA's leadership in state-of-the-art cancer radiation therapy.

On February 27, 2007, IBA announced that it had finalized a contract to provide India's Department of Atomic Energy (DAE) with a Cyclone® 30—a 30 MeV cyclotron—that will be used to produce medical radioisotopes. The contract is for an undisclosed amount between EUR 5 and 10 million euros. This cyclotron will be used to produce SPECT (Single Photon Emission Computed Tomography) radioisotopes such as thallium-201. It will also be equipped with a beamline for research and development purposes. As a result of its acquisition, India will no longer be dependent on expensive imports for many radioisotopes which it will be able to produce locally in order to serve more of its population. The cyclotron will be installed at a new site of the DAE's Variable Energy Cyclotron Centre in Calcutta and should go on line in early 2009.

General Outlook for 2007

IBA is confident that, at constant exchange rates, the Company's recurring results for fiscal 2007 will be better than or equal to those for the period under review, despite a continuing need for major investment in research and development in all of its markets. Its confidence is based on the following:

1. Equipment orders of EUR 141.6 million at December 31, 2006, plus near-term prospects for finalizing several proton therapy contracts;
2. Predicted growth of the PET radiopharmaceutical market, particularly for FDG;
3. Positive dosimetry outlook.

Because of deferred losses, the Company cannot legally pay dividends. In 2007, IBA plans to eliminate its deferred losses by reducing its paid-in capital over par value so that it will be in a position to pay dividends in 2008 if it posts a profit for fiscal 2007.

Corporate Governance, Management and Control I

Corporate Governance, Management and Control

The philosophy, structure, and general principles of IBA corporate governance are presented in the Company's Corporate Governance Charter ("Charter"), available on the Company's website (www.iba-worldwide.com).

1. Board of Directors

The Board of Directors is composed of nine members. The articles of incorporation and Corporate Governance Charter require a balance among outside directors, inside directors, and directors representing the shareholders on the Board of Directors. The Board of Directors must always be made up of at least one third outside directors and one third directors nominated by the managing directors ("inside directors"). The two managing directors, who are responsible for the Company's day-to-day management, are also considered inside directors.

The Board of Directors meets whenever necessary, but a minimum of four times a year. The major topics of discussion include market situation, strategy (particularly as concerns acquisitions during the period), technological developments, financial developments, and executive personnel. Reports of minutes of the meetings are sent to the directors first so that they may exercise of their duties with full knowledge of the facts.

The Board of Directors met seven times in 2006 under the chairmanship of Peter Vermeeren. Director attendance at meetings of the Board was very high. A large majority attended all meetings. Only 10 absences were recorded for all of the meetings, which represents an absentee rate of 16%.

At the proposal of the Nominating Committee, the Ordinary General Meeting of May 10, 2006 reelected Professor Pierre Scalliet as an outside director and elected Jean-Jacques Verdickt, representing the privately held corporation JJ Verdickt S.P.R.L., to replace Diego du Monceau as an outside director.

The Board of Directors was comprised of the following nine members at December 31, 2006:

Outside Directors ⁽¹⁾

Peter Vermeeren, 66

Chairman of IBA's Board of Directors since May 2004. Director since May 2000.

Elected May 10, 2000, reelected May 12, 2004. Formerly Executive Vice President of Mallinckrodt and Executive Vice President of ADAC.

President of Machnet BV Groningen (NL)

Jean Stéphane, 56

Representative and Managing Director of Innosté S.A.

Director since May 2000.

First elected May 10, 2000, reelected May 12, 2004. Since 1998, President and General Manager of Glaxo-SmithKline Biologicals, Belgium.

Other offices: Director of Société Belge des Bétons, Fortis, and Nanocyl.

Pierre Scalliet, 54

Director since May 2005.

First elected May 11, 2005, reelected May 10, 2006.

Director of the Cancer Center of St-Luc University Hospital, Catholic University of Louvain (UCL). Professor of Clinical Oncology, UCL.

Jean-Jacques Verdickt, 62

Representative and Manager of JJ Verdickt S.P.R.L.

Director since May 2006.

Former member of the Board of Directors of Fortis Banque, past Chairman of the Union Wallonne des Entreprises (Walloon Business Association), and former CEO of Magotteaux. Chairman of AWEX (Walloon Export Agency) and Techspace Aero. Member of the board of directors of Alcatel Bell, Euroclear Bank, Business Solution Builders, and Belgium's Foreign Trade Agency.

(1) These directors were presented to the shareholders as outside candidates at the time of their election. However, other directors may also meet the same independence criteria.

Peter Vermeeren was reelected at the Ordinary General Meeting of May 14, 2004 for a term expiring at the 2008 Ordinary General Meeting to approve the financial statements for 2007. In addition, the Board has appointed Peter Vermeeren Chairman of the Board of Directors, Chairman of the Nominating Committee, and Chairman of the Compensation Committee.

Jean Stéphane's continuation in the capacity of director representing Innosté was approved at the Ordinary General Meeting of May 10, 2006. It was decided that his term should expire at the 2008 Ordinary General Meeting to approve the financial statements for 2007.

Pierre Scalliet was elected at the Ordinary General Meeting of May 11, 2005 and was reelected at the Ordinary General Meeting of May 10, 2006. His term will expire at the 2009 Ordinary General Meeting to approve the financial statements for 2008.

Jean-Jacques Verdickt, manager of JJ Verdickt S.P.R.L., was appointed director as the representative of that company by the Ordinary General Meeting of May 10, 2006. His term will expire at the 2007 Ordinary General Meeting to approve the financial statements for 2006.

None of the outside directors have ceased to meet the independence criteria set forth in the Charter during the course of their terms.

Inside Directors ⁽²⁾

Pierre Mottet, 45

Chief Executive Officer.

Managing Director since February 2000. First elected May 10, 2000, reelected May 12, 2004.

Also Vice Chairman of the Board of Directors of Agoria, Vice Chairman of the Board of Directors of E-Capital, and member of the Executive Committee of FEB (Federation of Enterprises in Belgium).

Yves Jongen, 59

Founder of IBA and Chief Research Officer.

Managing Director since 1991. First elected May 29, 1998, reelected May 14, 2003.

Before the establishment of IBA in 1986, Director of the Cyclotron Research Center of the Catholic University of Louvain (UCL).

Eric de Lamotte, 50

Representative and Managing Director of Bayrime S.A.

Director since February 2000.

First elected May 10, 2000, reelected May 12, 2004.

Corporate Director.

Formerly Financial Director of IBA (1991-2000).

Pierre Mottet is Managing Director and Chief Executive Officer. He was reelected at the Ordinary General Meeting of May 14, 2004 for a term expiring at the 2008 Ordinary General Meeting to approve the financial statements for 2007. Yves Jongen is Managing Director and Chief Research Officer. He was reelected at the Ordinary General Meeting of May 14, 2003 and will serve until the 2007 Ordinary General Meeting to approve the financial statements for 2006. As managing directors, Pierre Mottet and Yves Jongen are responsible for the Company's day-to-day management.

Eric de Lamotte, managing director of Bayrime S.A., was approved at the Ordinary General Meeting of May 10, 2006 to continue as a director representing that company. His term remains unchanged. He will serve until the 2008 Ordinary General Meeting to approve the financial statements for 2007.

2) As defined in the Charter.

Other Directors

Olivier Ralet, 49

Representative and Manager of Olivier Ralet BDM S.P.R.L.

Director since June 2000.

First elected June 28, 2000, reelected May 11, 2005.

Licentiate of Law.

Member of the Executive Committee of Atenor Group SA, Belgium.

Nicole Destexhe, 54

Representative of Institut National des Radioéléments (IRE)

Director since 1991, reelected May 14, 2003.

Financial Director of IRE.

Nicole Destexhe, representative and financial director of Institut National des Radioéléments (IRE), and Olivier Ralet, representative of the privately held Olivier Ralet BMD S.P.R.L., are classified as other directors. Nicole Destexhe was reelected as a director representing IRE by the Ordinary General Meeting of May 14, 2003. Her term expires at the 2007 Ordinary General Meeting to approve the financial statements for 2006. Olivier Ralet's continuation in the capacity of director representing Olivier Ralet BMD S.P.R.L. was approved at the Ordinary General Meeting of May 10, 2006. His term expires at the 2009 Ordinary General Meeting to approve the financial statements for 2008.

2. Compensation Committee

The Compensation Committee met three times in 2006 under the chairmanship of Peter Vermeeren. A report on each of its meetings was submitted to the Board. Topics of discussion included issues relating to the 2005 and 2006 bonuses, determination of the beneficiaries of the 2006 stock option plan, directors' compensation, and compensation schemes in general. All of the members attended each meeting.

The Compensation Committee is comprised of Peter Vermeeren, Jean Stéphane (representative for Innosté S.A.), and Eric de Lamotte (representative for Bayrime S.A.). It is chaired by Peter Vermeeren. Pierre Mottet is invited to attend unless the Committee is deciding on compensation policy or other subjects affecting the managing directors.

3. Nominating Committee

The Nominating Committee met twice in 2006, for the purpose of analyzing the areas of expertise needed by the Board of Directors to fill expiring directorship positions and of making proposals in this regard to the Board of Directors. Based on its report, the Board of Directors proposed the appointment to the Board of Jean-Jacques Verdickt, representing JJ Verdickt S.P.R.L. The Nominating Committee also considered whether or not Dr. Pierre Scalliet should serve a second term.

The Nominating Committee consists of five members, including the Chairman of the Board of Directors and a minimum of two outside directors. The Nominating Committee is currently comprised of Peter Vermeeren, Innosté S.A., Bayrime S.A., Pierre Mottet, and Yves Jongen.

4. Audit Committee

The Audit Committee met four times in 2006, twice in the presence of the auditors. A report on each of its meetings was submitted to the Board of Directors. The main topics were the annual results for 2005 and analysis of the auditors' management letter, analysis of the midyear results, follow up on implementation of IFRS accounting principles, examination of the 2006 budget, oversight of a study assessing the Company's risk exposure, and selection of an auditor to propose to the Ordinary General Meeting. All of the members attended each meeting.

The Committee is currently comprised of three members.

Jean-Jacques Verdickt (representative and manager of JJ Verdickt S.P.R.L.) has replaced Diego du Monceau as Chairman of the Committee. The other members of the Committee are Olivier Ralet (representative and manager of Olivier Ralet S.P.R.L.) and Eric de Lamotte (representative and managing director of Bayrime S.A.).

5. Day-to-Day and Strategic Management

Day-to-day management and corporate responsibility in such matters is delegated to the two managing directors, Pierre Mottet, Chief Executive Officer, and Yves Jongen, Chief Research Officer. Pierre Mottet is specifically responsible for implementing strategy and for day-to-day management.

The Chief Executive Officer is assisted by a management team consisting of members of the corporate team and the presidents of the business units. Together, they constitute the Group's Management Team.

The Chief Executive Officer, accompanied by the Chief Financial Officer, makes regular reports to the Board of Directors. The Board of Directors also asks the Management Team or division heads to report to the Board on at least two occasions: adoption of the strategic plan and adoption of the 2007 budget.

The Management Team was comprised of the following members in 2006:

- **Pierre Mottet:** Managing Director and Chief Executive Officer, 45, based in Louvain-la-Neuve, Belgium.
- **Yves Jongen:** Managing Director and Chief Research Officer, 59, based in Louvain-la-Neuve, Belgium.
- **Jean-Marc Bothy:** Chief Financial Officer, 42, based in Louvain-la-Neuve, Belgium.
- **Jean-Marie Ginion:** President, Technology Group, 57, based in Louvain-la-Neuve, Belgium.
- **Frank Uytterhaegen:** President, IBA China, 53, based in Beijing, China.
- **Rob Plompen:** President, Dosimetry, 43, based in Schwarzenbruck, Germany.
- **Olivier Legrain:** President, Molecular Medicine, 38, based in Sterling, Virginia, U.S.A.
- **Jean-Louis Bol:** President, Industrial Operations (Sterilization & Ionization), 56, based in Louvain-La-Neuve, Belgium.
- **Philippe Audon:** President, Customer Service, 53, based in Louvain-la-Neuve, Belgium.
- **Frédéric Genin:** President, Proton Therapy, 43, based in Louvain-la-Neuve, Belgium.

6. Conflicts of Interest

Because the Board of Directors approved the launching of the 2006 stock option plan at its September 11, 2006 meeting, it was necessary to apply the procedure stipulated in cases of director conflict of interest in article 523 of Belgium's Code des Sociétés (Corporate Code). This conflict of interest affected all of the directors except the managing directors, who were not included in the stock option plan.

From the minutes of the meeting

The members of the board took note of the proposal to launch a new stock option plan. They approved the principle of launching this plan, as well as the terms of the board's special report.

Faced with the need to discuss an item in which the directors, as beneficiaries of the plan, have a direct financial interest, the entire board, with the exception of the two managing directors, declared that it was in a conflict of interest situation pursuant to article 523 of the Code des Sociétés and would not participate in the discussion.

After discussion, the two managing directors unanimously approved the launching of the stock option plan granting 575,000 options, subject to any changes required by Belgium's Banking, Finance, and Insurance Commission (CBFA), and consequently approved the terms of the board's special report prepared in compliance with articles 583, 596, and 598 of the Code des Sociétés.

The plan has no significant impact on the Company's assets.

7. Policies and Procedures

The Company implemented a code of conduct for the handling of sensitive information and securities transactions that was disseminated to all employees. In addition, each of the directors and each member of the management team signed in agreement with the code in his or her management capacity.

These individuals made the following transactions in their management capacities in 2006:

- Exercise of a total of 60,200 stock options issued under the 2006 stock option plan
- Exercise of a total of 224,050 stock options issued under the 2002 stock option plan

To the best of the Company's knowledge, there were no violations of the code of conduct in 2006.

8. Compensation Policy – Stock and Stock Options

As indicated in the Charter, the Company does not wish to provide specific information on individual compensation. It believes that information of this kind does not offer added value to the shareholders and is potentially harmful to the Company. However, communication of information on compensation policy is important for shareholders and is detailed in the Charter. Actual compensation in 2006 is described below.

8.1. DIRECTORS

Fixed compensation paid to members of the Board of Directors for services rendered in 2006 totaled EUR 108,000. Directors did not receive variable compensation or any other payment. They were, however, included in the 2006 stock option plan.

Managing directors were not compensated for attending meetings of the Board of Directors.

8.2. MANAGING DIRECTORS AND THE MANAGEMENT TEAM

The Board is careful to ensure that the managing directors and the management team are compensated for direct and indirect services to the Company in a manner consistent with market practices and their level of responsibility.

As indicated in the Charter, fixed and variable compensation of the managing directors is determined by the Compensation Committee in accordance with principles approved by the Board. Fixed and variable compensation of the management team is reviewed and decided by the Chief Executive Officer. It was reported to the Compensation Committee and the Board of Directors and discussed by both.

The principle of launching a stock option plan in 2006 and the total number of options issued was approved by the Board of Directors. The Compensation Committee identified the beneficiaries of the stock options and determined the number of stock options granted to each of them.

The total amount paid by the Company and its subsidiaries in compensation for duties exercised and services rendered directly or indirectly by the two managing directors and the eight members of the management two team came to approximately EUR 2.7 million in fiscal 2006: around EUR 1.9 million for fixed compensation and around EUR 0.8 million for variable compensation. These amounts are always stated as cost to the Company.

At December 2006, all of the directors together held 894,690 shares of IBA stock directly (including 878,660 shares held by IRE).

At the same date, the directors (excluding the managing directors) held 17,400 IBA stock options issued under the 2000, 2001, 2002, and 2006 stock option plans. At December 31, 2006, members of the management team, including the managing directors, held a total of 905,450 stock options distributed as follows:

- 11,500 stock options issued under the 2000 stock option plan at the strike price of EUR 24.90.
- 62,500 stock options issued under the 2001 stock option plan at the strike price of EUR 12.60.
- 321,450 stock options issued under the 2002 stock option plan at the strike price of EUR 3.34.
- 300,000 stock options issued under the 2004 stock option plan at the strike price of EUR 3.72.
- 50,000 stock options issued under the 2005 stock option plan at the strike price of EUR 6.37.
- 160,000 stock options issued under the 2006 stock option plan at the strike price of EUR 13.64.

9. Relationship with Dominant Shareholders

IBA's dominant shareholders—Belgian Anchorage and Belgian Leverage, UCL, Sopartec, and IRE—which have declared that they act in concert, have entered into an agreement that will expire in 2013. This shareholders' agreement governs, inter alia, the sharing of information and preferential rights on the sale of IBA stock. The parties to this agreement held 10,003,045 shares of ordinary stock at December 31, 2006, representing 39.28% of Company's voting rights.

Under the terms of this agreement, in the event of a new IBA stock offering, if one of the dominant shareholders does not exercise its preferential subscription right, this right will pass to the other dominant shareholders, with Belgian Anchorage S.A. having first right of purchase. If a participant in the shareholders' agreement wishes to sell its shares of IBA stock, the other parties to the agreement will have a preemptive right to acquire this stock, with Belgian Anchorage S.A. having first right of purchase. This preemptive right is subject to certain exceptions. In particular, it does not apply in the case of a transfer of stock to Belgian Anchorage S.A.

To the best of the Company's knowledge, there are no other relationships or specific agreements among the shareholders.

**IFRS Consolidated Financial Statements
for the Year Ended December 31, 2006 |**

Introduction

Ion Beam Applications s.a. (the "Company" or the "parent"), founded in 1986, and its subsidiaries (together the "Group" or "IBA") are committed to technological progress in the field of cancer diagnosis and therapy and delivers efficient, dependable solutions of a unique precision. IBA also offers innovative responses to improve the hygiene and safety of everyday life.

The Company is a limited company incorporated and domiciled in Belgium. The address of its registered office is Chemin du Cyclotron, 3, 1348 Louvain-la-Neuve, Belgium.

The Company is listed on the pan-European stock exchange Euronext, is integrated into the NextEconomy market segment and belongs to the BelMid Index.

Consequently, IBA commits itself to adopting certain rules that enhance the quality of financial information provided to the market. These include:

- Making public its annual report including audited annual consolidated financial statements within four months from the end of the financial year as of 2008
- Making public a half-yearly report, covering the first six months of such financial year, within two months from the end of the second quarter;
- Publishing its half-year and annual consolidated financial statements under IFRS;
- Subjecting its annual consolidated financial statements to an audit performed by its auditors in accordance with the auditing standards set forth by the International Federation of Accountants (referred to as "IFAC") or Generally Accepted Auditing Standards (referred to as "GAAS"), as the case may be.

These consolidated financial statements were approved for issue by the Board of Directors on March 28, 2007.

Consolidated Balance Sheet

as at December 31, 2006

The Group has chosen to present its balance sheet on a current/ non-current basis

The notes on pages 34 to 87 are an integral part of these consolidated financial statements.

BALANCE SHEET	December 31, 2006		December 31, 2005
	Notes	(EUR '000)	(EUR '000)
ASSETS			
Goodwill	7	28,100	31,072
Other intangible assets	7	4,115	4,621
Property, plant and equipment	8	46,414	33,906
Investments accounted for using the equity method	10	5,744	1,525
Investments third parties	10	2,560	222
Deferred tax assets	11	24,978	16,515
Other long-term receivables	12	8,789	3,099
Non-current assets		120,700	90,960
Inventories and contracts in progress	13	31,194	28,655
Accounts receivable	14	37,046	30,492
Other receivables	14	10,044	8,940
Short-term financial assets	21	284	0
Cash and cash equivalents	15	67,600	43,708
Current assets		146,168	111,795
TOTAL ASSETS		266,868	202,755

EQUITY AND LIABILITIES	December 31, 2006		December 31, 2005
	Notes	(EUR '000)	(EUR '000)
Share capital	16	35,747	34,883
Share premium	16	200,899	198,887
Treasury shares	16	-256	-256
Hedging and other reserves	17	4,745	331
Cumulative translation differences	17	-3,922	905
Retained earnings	17	-101,384	-131,391
Capital and reserves attributable to Company's equity holders		135,829	103,359
Minority interest		500	518
TOTAL EQUITY		136,329	103,877
Borrowings	18	18,156	19,356
Deferred tax liabilities	11	225	40
Provisions	19	11,813	7,945
Other long-term liabilities	20	21,578	12,914
Non-current liabilities		51,772	40,255
Borrowings	18	5,448	6,055
Other short-term financial liabilities	21	0	1,597
Accounts payable		23,437	15,771
Current income tax liabilities		441	155
Other payables	22	49,441	35,045
Current liabilities		78,767	58,623
TOTAL LIABILITIES		130,539	98,878
TOTAL EQUITY AND LIABILITIES		266,868	202,755

Consolidated Income Statement for The Year Ended December 31, 2006

The Group has chosen to present its income statement based on the function of expenses.

INCOME STATEMENT	December 31, 2006		December 31, 2005
	Notes	(EUR '000)	(EUR '000)
Sales and contract revenue		170,257	136,099
Cost of sales and contract costs		116,912	92,244
Gross profit		53,345	43,855
Selling and marketing expenses		15,815	12,224
General and administrative expenses		17,733	18,847
Research and development expenses		10,028	9,689
Other operating (income)/ expenses - net	23	-10,442	4,593
Finance (income) – net	24	-593	-7,314
Share of (profit)/loss of companies consolidated using equity method	10	-2,882	638
Profit before tax		23,686	5,178
Tax (income)/ expense	25	-7,827	2,455
Profit for the period from continuing operations		31,513	2,723
Profit/ (loss) for the period from discontinued operations	6	-1,524	325
Profit for the year		29,989	3,048
Attributable to:			
Equity holders of the parent		30,007	3,048
Minority interest		-18	0
		29,989	3,048
Earnings per share from continuing and discontinued operations (EUR per share)			
- basic		1,19	0,12
- diluted		1,13	0,12
Earnings per share from continuing operations (EUR per share)			
- basic		1,25	0,11
- diluted		1,19	0,11
Earnings per share from discontinued operations (EUR per share)			
- basic		-0,06	0,01
- diluted		-0,06	0,01

Consolidated Statement of Changes in Shareholders' Equity

(EUR '000)	Attributable to equity holders of the Company							Minority Interests	Total Equity
	Share capital	Share premium	Treasury shares	Hedging reserves	Other reserves	Cumulative translation differences	Retained Earnings		
Balance at January 1, 2005	34,605	275,279	-256	2,246	745	3,052	-134,786	50	180,935
Cash flow hedges, net of tax				-2,951					-2,951
Other movements							347	468	815
Currency translation differences						-2,147			-2,147
Net income/ (expenses) recognized directly in equity				-2,951		-2,147	347	468	-4,283
Profit/(loss) for the period							3,048		3,048
Total recognized income for the period				-2,951		-2,147	3,395	468	-1,235
Employee share options					291				291
Issue/Reduction of share capital	278	-76,392							-76,114
Balance at December 31, 2005	34,883	198,887	-256	-705	1,036	905	-131,391	518	103,877
Balance at January 1, 2006	34,883	198,887	-256	-705	1,036	905	-131,391	518	103,877
Cash flow hedges, net of tax				927					927
Gains or losses on available-for-sale investments					658				658
Currency translation differences						-4,827			-4,827
Net income/ (expenses) recognized directly in equity				927	658	-4,827			-3,242
Profit/(loss) for the period							30,007	-18	29,989
Total recognized income/(expenses) for the period				927	658	-4,827	30,007	-18	26,747
Dividends									
Employee share options					2,829				2,829
Issue/Reduction of share capital	864	2,012							2,876
Balance at December 31, 2006	35,747	200,899	-256	222	4,523	-3,922	-101,384	500	136,329

Consolidated Cash Flow Statement

The Group has chosen to present the cash flow statement using the indirect method.

	Notes	December 31, 2006	December 31, 2005
		(EUR '000)	(EUR '000)
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit/(loss) for the year		30,007	3,048
Adjustments for:			
Depreciation and impairment of property, plant and equipment	8	8,866	9,987
Amortization and impairment of intangible assets	7	2,597	850
Write-off on receivables	14	4,425	2,900
Foreign exchange differences		0	-9,440
Changes in fair value ((gains)/losses) on financial assets		-243	1,116
Change in provisions	19	4,700	2,415
Taxes	25	-7,827	2,456
Share of result of associates and joint ventures accounted for using the equity method	10	-2,882	638
Other non-cash items	27	-25,478	69
Net profit/(loss) before changes in working capital		14,164	14,040
Accounts receivable, other receivables, and accruals		-11,772	-14,088
Inventories		2,346	1,228
Accounts payable, other payables and accruals		11,430	581
Changes in working capital		2,003	-12,279
Income tax paid/received, net		-1,092	-1,244
Interest paid		1,893	1,667
Interest received		-1,424	-1,283
Net cash (used in)/ generated from operations		15,545	901

		December 31, 2006	December 31, 2005
	Notes	(EUR '000)	(EUR '000)
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisitions of property, plant and equipment		-12,682	-5,957
Acquisitions of intangible assets		-903	-831
Disposals of fixed assets		436	209
Acquisitions of subsidiaries, net of cash acquired		25,797	-21,194
Acquisition of third party and equity-accounted companies		-161	-254
Disposals of subsidiaries and equity-accounted companies, net of cash disposed of		156	371
Other investing cash flows	27	-3,020	-3,477
Net cash (used in)/ generated from investing activities		9,622	-31,133
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings		2,303	8,362
Repayments of borrowings		-8,470	-5,070
Interest paid		-1,893	-1,667
Interest received		1,424	1,283
Capital increase (or proceeds from issuance of ordinary shares)		2,441	-74,939
Other financing cash flows	27	5,089	3,366
Net cash (used in)/ generated from financing activities		894	-68,665
Net cash and cash equivalents at beginning of the year		43,708	139,594
Change in net cash and cash equivalents		26,061	-98,897
Exchange gains/ (losses) on cash and cash equivalents		-2,169	3,012
Net cash and cash equivalents at end of the year		67,600	43,708

Notes to the Consolidated Financial Statements

1 SUMMARY OF SIGNIFICANT IFRS GROUP ACCOUNTING POLICIES

1.1 Introduction

The significant IFRS Group accounting policies that are applied in the preparation of these Group IFRS consolidated financial statements are set out below.

1.2 Basis of Preparation

These consolidated financial statements of IBA for the year ended December 31, 2006 have been drawn up in compliance with IFRS ("International Financial Reporting Standards") and IFRIC interpretations ("International Financial Reporting Interpretations Committee") adopted by the European Union, issued and effective or issued and early adopted as at December 31, 2006.

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

These financial statements are prepared on an accruals basis and on the assumption that the entity is a going concern and will continue in operation in the foreseeable future.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

New standards, amendments and interpretations to existing standards have been published that are mandatory for the Group's accounting periods beginning on or after January 1, 2007. The Group has not early

adopted these standards and is currently assessing the impact of such standards and IFRIC interpretations.

1.3 Consolidation

The parent and all the subsidiaries that it controls are included in the consolidation.

1.3.1 SUBSIDIARIES

Assets and liabilities, rights and commitments, income and charges of the parent and its subsidiaries that it controls exclusively are consolidated in full. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. It is presumed to exist when the IBA Group holds at least 50%, plus one share of the entity's voting power; these presumptions may be rebutted if there is clear evidence to the contrary. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls an entity.

Consolidation of a subsidiary takes place from the date of acquisition, which is the date on which control of the net assets and operations of the acquiree is effectively transferred to the acquirer. From the date of acquisition, the parent (the acquirer) incorporates into the consolidated income statement the financial performance of the acquiree and recognizes in the consolidated balance sheet the acquired assets and liabilities (at fair value), including any goodwill arising on the acquisition. Subsidiaries are de-consolidated from the date on which control ceases.

The following treatments are made on consolidation:

- the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary are eliminated;
- minority interest in the net assets of consolidated subsidiaries are identified and presented in the consolidated balance sheet separately under the caption "Minority interest" within equity;
- the portion of the result of the fully consolidated subsidiaries attributable to shares held by entities

outside the Group is presented in the consolidated income statement under the caption "Result attributable to minority interest";

- intra-group balances and transactions and unrealized gains and losses on transactions between Group companies are eliminated in full.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

1.3.2 ASSOCIATES

An associate is an entity in which the investor has significant influence, but which is neither a subsidiary nor a joint venture (see next sub-section) of the investor. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not to control those policies. It is presumed to exist when the investor holds at least 20% of the investee's voting power but not to exist when less than 20% is held; these presumptions may be rebutted if there is clear evidence to the contrary.

All associates are accounted for using the equity method: the participating interests are separately included in the consolidated balance sheet (under the caption "Investments in associates") at the closing date at an amount corresponding to the proportion of the associate's equity (as restated under IFRS), including the result for the year. Dividends received from an investee reduce the carrying amount of the investment.

The portion of the result of associates attributable to the Group is included separately in the consolidated income statement under the caption "Share of the profit/ (loss) of associates".

Unrealized profits and losses resulting from transactions between an investor (or its consolidated subsidiaries) and associates are eliminated to the extent of the investor's interest in the associate.

1.3.3 JOINTLY CONTROLLED ENTITIES

Similarly as for associates, the equity method is used for the entities over which joint control is exercised (i.e. joint ventures) by the Group.

1.3.4 TREATMENT OF GOODWILL OR NEGATIVE GOODWILL

Business combinations are the bringing together of separate entities or businesses into one reporting entity. A business is a set of activities and assets applied and managed together in order to provide a return or any other economic benefit to its investors. It consists of inputs, processes and outputs used to generate revenues. In all business combinations, one entity (the acquirer) obtains control that is not transitory of one or more other entities or businesses (the acquiree).

All business combinations (acquisition of businesses) that arose as from January 1, 2004 are accounted for by applying the purchase method. The acquirer measures the cost of the business combination at the acquisition date (the date on which the acquirer obtains control over the net assets of the acquiree) and compares it with the fair value of the acquiree's identifiable net assets, liabilities and contingent liabilities. The difference between the two represents goodwill (if this difference is positive) or negative goodwill (if this difference is negative). For all business combinations that arose before January 1, 2004, no retrospective restatement to fair value has been made.

Similar rules applied for investments accounted by applying the equity method except that any goodwill arising on such investment is included in the carrying amount of the investment. Negative goodwill arising on such investments is included in the determination of the entity's share of the investee's profit or losses in the period in which the investment is acquired.

Goodwill is not amortized under IFRS but instead is tested for impairment annually (or more frequently if circumstances require it)

Negative goodwill is recognized as a profit under IFRS.

1.3.5 ACQUISITION OF MINORITY INTERESTS

The excess of the acquisition cost of minority interests over the balance of these minority interests in the balance sheet is deducted from equity ("economic entity model").

1.3.6 TRANSLATION OF FINANCIAL STATEMENTS OF FOREIGN OPERATIONS

All assets (including goodwill) and liabilities, both monetary and non-monetary, are translated at the closing rate. Income and expenses are translated at the rate of the date of the transaction (historical exchange rate) or at an average rate for the month.

The principal exchange rates that have been used are as follows:

	2006		2005	
	Closing rate at December 31	Average rate for the year	Closing rate at December 31	Average rate for the year
USD	1.3137	1.2558	1.1843	1.2457
SEK	9.0401	9.2588	9.4097	9.2855
GBP	0.6705	0.6821	0.6882	0.6842
CNY	10.2519	10.0221	9.5535	10.2227
INR	58.1745	56.9409	53.3450	53.5928

1.4 Intangible Fixed Assets

Recognition as an intangible asset is required when (1) it is identifiable, i.e. it is separable (i.e., it can be sold, transferred or licensed), or where it arises from contractual or other legal rights (2) it is probable that future economic benefits attributable to the asset will flow to IBA (3) IBA can control the resource and (4) the cost of the asset can be measured reliably.

Intangible fixed assets are carried at acquisition cost less any accumulated amortization and less any accumulated impairment loss.

Cost includes the fair value of the consideration given to acquire the asset and any costs directly attributable to the transaction, such as relevant professional fees or non-refundable taxes. Indirect costs as well as general overheads are not included. Expenditure previously recognized as an expense is not included in the cost of the asset.

Costs arising from the research phase of an internal project are expensed as incurred. Costs arising from

the development phase of an internal project (product development project or IT project) are recognized as an asset when IBA can demonstrate: its technical feasibility, its intention to complete the developments, how the intangible asset will generate probable future economic benefits (for example, the existence of a market for the output of the intangible asset or for the intangible asset itself), the availability of resources to complete the development, and its ability to measure the attributable expenditure reliably. Maintenance costs, as well as the costs of minor upgrades whose objective is to maintain (rather than increase) the level of performance of the asset, are expensed as incurred.

The above recognition criteria are fairly strict and are applied prudently.

No borrowing cost is included in the acquisition cost of the intangible fixed assets.

The cost of the intangible assets is allocated on a systematic basis over the useful life of the asset, using the straight-line method. The applicable useful lives are:

Intangible assets	Useful life
Product development costs	3 years except if a longer useful life (however not exceeding 5 years) is justified
IT development costs relating to major software (e.g.: ERP)	5
Other software	3
Concessions, patents, licenses, know-how, trademarks and other similar rights	3 years except if a longer useful life is justified
Goodwill	Not amortized but tested for impairment at least annually

Amortization commences only when the asset is available for use, in order to achieve a proper matching of costs and revenue.

1.5 Tangible Fixed Assets (property, plant and equipment)

Tangible fixed assets are carried at acquisition cost less any accumulated depreciation and less any accumulated impairment loss.

Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and taxes). Directly attributable costs are the cost of site preparation, delivery, installation costs, relevant professional fees, and the estimated cost of dismantling and removing the asset and restoring the site (to the extent that such a cost is recognized as a provision).

No borrowing cost is included in the acquisition cost of the tangible fixed assets.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is separately depreciated over its useful life using the straight-line method. The depreciable amount is the acquisition cost, except for vehicles. For vehicles, it is the acquisition cost less the residual value of the asset at the end of its useful life.

The applicable useful lives are:

Tangible fixed assets	Useful life
Land	Not depreciated
Office buildings	33
Industrial buildings	33
Cyclotrons and vaults	15 except in rare and specific circumstances, where a different useful life is justified
Laboratory equipment	5
Other technical equipment	5 to 10
Hardware	3 to 5 (5 for major mainframes)
Furniture and fittings	5 to 10
Vehicles	2 to 5

1.5.1 LEASE TRANSACTIONS INVOLVING IBA AS A LESSEE

A finance lease, which transfers substantially all the risks and rewards incident to ownership is recognized as an asset and a liability at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments (= sum of capital and interest portions included in the lease payments). Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The depreciation policy for leased assets is consistent with that for similar assets owned.

1.5.2 INVESTMENT PROPERTIES

Investment properties are carried at acquisition cost less any accumulated depreciation and less any impairment loss.

1.6 Impairment of Intangible and Tangible Fixed Assets

An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount, which is the higher of its fair value less costs to sell (corresponding to the cash that IBA can recover through sale) and its value in use (corresponding to the cash that IBA can recover if it continues to use the asset).

When possible, the tests have been performed on individual assets. When however it is determined that assets do not generate independent cash flows, the test is performed at the level of the cash-generating unit (CGU) to which the asset belongs (CGU = the smallest identifiable group of assets that generates inflows that are largely independent from the cash flows from other CGUs).

Goodwill arising on a business combination is allocated among the group's CGUs that are expected to benefit from synergies as a result of the business combination. This allocation is based on management's assessment of the synergies gained and is not dependent on the location of the acquired assets.

Goodwill (and the related CGU) is tested for impairment annually, since it is not amortized (or more frequently if circumstances require it), even if no indication of impairment exists. Other intangible and tangible fixed assets/ CGUs are tested only if there is an indication that the asset is impaired.

Any impairment loss is first charged against goodwill. Any impairment loss exceeding the book value of goodwill is then charged against the other CGUs' fixed assets only if their recoverable amount is below their net book value. Reversals of impairment losses (other than on goodwill) are recorded if justified.

1.7 Inventories

Inventories are measured at the lower of cost and net realizable value at the balance sheet date.

The cost of inventories comprises all costs incurred in bringing inventories to their present location and condition, including indirect production costs but excluding borrowing costs. Administrative overheads that do not contribute to bringing inventories to their present location and condition, selling costs, storage costs and abnormal amounts of wasted materials are not included in the cost of inventories.

The standard cost method is used. When the standard cost of an item of inventory at period-end does not approximate its actual cost, it is adjusted to its actual cost.

The allocation of fixed production overheads to the production cost of inventories is based on the normal capacity of the production facilities.

The cost of inventories that are ordinarily interchangeable is assigned by using the weighted average cost formula. The same cost formula is used for all inventories that have a similar nature and use to the entity.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale (e.g. sales commissions).

IBA books a write-down when the net realizable value at balance sheet date is lower than the cost.

IBA applies the following policy for write-down on slow-moving items:

- if no movement after 1 year: write-off over 3 years;
- if movement occurs at any point in time: reversal of the previous write-off.

1.8 Revenue Recognition (excluding contracts in progress which are dealt with in the following section)

Revenue arising from the sale of goods is recognized when an entity transfers the significant risks and rewards of ownership and collectibility of the related receivable is reasonably assured.

The transaction is not a sale and revenue is not recognized when: (1) IBA retains an obligation for unsatisfactory performance not covered by normal warranty provisions; (2) the receipt of revenue from a particular sale is contingent on the derivation of revenue by the buyer from its sale of the goods; (3) the buyer has the power to rescind the purchase for a reason specified in the sales contract; and (4) IBA is uncertain about the probability of return.

Revenue is normally recognized when the buyer accepts delivery, and installation and inspection are complete. However, revenue is recognized immediately upon the buyer's acceptance of delivery when installation is simple in nature.

Revenue from the rendering of services is recognized by reference to the state of completion of the transaction at the balance sheet date using rules similar to those for construction contracts (see next section): revenue is recognized at the same rhythm as the costs are incurred. Unless it is clear that the trend for the occurrence of the costs is not linear, revenue are spread evenly over the period of the services.

The recognition criteria are applied to the separately identifiable components of a single transaction when it is necessary to reflect the substance of the transaction.

Interest income is recognized using the effective yield method. Royalties are recognized on an accrual basis in accordance with the substance of the relevant agreement. Dividends relating to year N are recognized when the shareholder's right to receive payment is established (i.e. in year N+1).

1.9 Contracts in Progress

Contract costs comprise:

- direct and indirect production costs (same as for inventories above);
- such other costs as are specifically chargeable to the customer under the terms of the contract;
- costs incurred in securing the contract if they can be separately identified and measured reliably and if it is probable that the contract will be obtained.

When the outcome of a construction contract (i.e. estimation of the final margin) can be estimated reliably, contracts in progress are measured at production cost, increased, according to the stage of completion of the contract, by the difference between the contract price and production cost ("percentage-of-completion" method). The stage of completion is determined based on actual costs incurred to date compared to the estimated costs to completion (costs that do not reflect the work performed such as commissions and royalties are excluded for this calculation). The percentage of completion is applied on a cumulative basis.

When the outcome of the contract cannot be estimated reliably, revenue is recognized only to the extent of costs incurred that it is probable will be recovered; contract costs are recognized as an expense as incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss are recognized as an expense immediately.

The IBA Group presents as an asset the gross amount due from customers for contract work for all contracts in progress for which costs incurred plus recognized profits (less recognized losses) exceeds progress billings. Progress billings not yet paid by customers and retentions are included within "trade receivables".

The IBA Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognized profits (less recognized losses).

Should financial guarantees be given to third parties in relation to a contract and these guarantees involve a financial risk for IBA, a financial liability would be recognized.

1.10 Receivables

Receivables after and within one year are recognized initially at fair value and subsequently measured at amortized cost, i.e. at the net present value of the receivable amount. Unless the impact of discounting is material, the nominal value is taken. Receivables are written down, when receipt of all or part is uncertain or doubtful.

Receivables are written down when receipt of all or part is uncertain or doubtful.

As general guideline, IBA applies the following policy for write-downs on bad/ doubtful debts:

- 25% after 90 days overdue;
- 50% after 180 days overdue;
- 75% after 270 days;
- 100% after 360 days.

An individual assessment of the recoverability of the receivables is however made, and exceptions to the above general guideline are made if justified.

1.11 Financial Assets

The Group classifies its financial assets in the following categories: loans and receivables and available-for-sale financial assets.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and with no intention of trading.

Term deposits are classified as loans and receivables under IAS 39. Investments in interest bearing securities, as well as investments in shares (other than shares in subsidiaries, joint ventures and associates) are accounted for as available-for-sale financial assets. They are recorded at fair value with gains and losses reported in equity, until they are impaired or sold, at which time the gains or losses accumulated in equity are recycled into the income statement.

Where there are indicators of impairment, all financial assets are subject to an impairment test. The indicators should provide objective evidence of impairment as a result of a past event that occurred subsequent to the initial recognition of the asset. Expected losses as a result of future events are not recognized, no matter how likely.

1.12 Cash and Cash Equivalents

Cash balances are recorded at their nominal value. Cash equivalents are short-term, highly liquid investments with a maturity date not exceeding three months as from acquisition date. Cash and cash equivalents include bank overdrafts.

1.13 Share Capital

Ordinary shares are classified under the caption "share capital".

Treasury shares are deducted from equity. Movements on treasury shares do not affect the income statement.

1.14 Deferred Charges and Accrued Income

Charges to be deferred are the prorated amount of charges incurred during the current or prior financial periods but which relate to one or more subsequent periods; accrued income are the prorated amount of income which relates to the current or prior periods but which will only be received in subsequent periods.

1.15 Capital Grants

Capital grants are recorded under deferred income. The grants are recognized as income at the same rate as the depreciation of the related fixed assets.

1.16 Provisions

A provision is recognized only when:

- IBA has a present obligation to transfer economic benefits as a result of past events;
- it is probable (more likely than not) that such a transfer will be required to settle the obligation;
- a reliable estimate of the amount of the obligation can be made.

When the impact is likely to be material (for long-term provisions), the amount recognized as a provision is estimated on a net present value basis (discount factor). The increase in provision due to the passage of time is recognized as an interest expense.

A present obligation arises from an obligating event and may take the form of either a legal obligation or a

constructive obligation (a constructive obligation exists when IBA has an established pattern of past practice that indicates to other parties that it will accept certain responsibilities and as a result has created a valid expectation on the part of those other parties that it will discharge those responsibilities). An obligating event leaves IBA no realistic alternative to settling the obligation, independently of its future actions.

Provisions for decommissioning costs, for restoring sites are recorded as appropriate in application of the above.

Provisions for future operating losses are strictly prohibited.

If IBA has an onerous contract (the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it), the present obligation under the contract are recognized as a provision.

A provision for restructuring is only recorded if IBA demonstrates a constructive obligation to restructure at the balance sheet date. The constructive obligation should be demonstrated by: (a) a detailed formal plan identifying the main features of the restructuring; and (b) raising a valid expectation to those affected that it will carry out the restructuring by starting to implement the plan or by announcing its main features to those affected.

1.17 Pension and other Employee Benefits

1.17.1 PENSIONS

Premiums paid in relation to a defined contribution plan are expensed as incurred. Defined contribution plans are post-employment benefit plans under which IBA pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

Plans other than defined contribution plans are defined benefit plans. Unfunded obligations arising from a defined benefit plan are provided for using the Projected Unit Credit Method (an actuarial valuation method). Unfunded obligations arising from other long-term or post-employment benefits are also provided for using the Projected Unit Credit Method.

IBA does not have any defined benefit plans as at December 31, 2006 and at December 31, 2005.

1.17.2 STOCK OPTION PLANS (SHARE BASED PAYMENTS)

Share-based payments cover transactions to be settled by shares, share options or other equity instruments (granted to employees or other parties); or in cash or other assets (cash-settled transactions) when the amount payable is based on the price of the entity's shares.

All transactions involving share-based payments are recognized as assets or expenses, as appropriate.

Equity-settled share-based payment transactions are measured at the fair value of the goods or services received at the date on which the entity recognizes the goods and services. If the fair value of goods or services cannot be estimated reliably (such as employee services), the entity should use the fair value of the equity instruments granted. Equity-settled share-based payments are not re-measured.

Cash-settled share-based payments are measured at the fair value of the liability. IBA does not have such plans.

1.18 Deferred Taxes

The comprehensive method as well as the liability method is used. Deferred taxes are recorded on the temporary differences arising between the carrying amount of the balance sheet items and their tax base, using the rate of tax expected to apply when the asset is recovered or the liability is settled.

There are three exceptions to the general principle that deferred taxes are provided on all temporary differences. Deferred taxes are not to be provided on:

- goodwill that is not amortized for tax purposes;
- initial recognition of an asset or liability in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit;
- investments in subsidiaries, branches, associates and joint ventures (deferred taxes should only be recognized when IBA has control over the distribution and it is likely that dividends will be distributed in the foreseeable future).

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The same principles apply to recognition of deferred tax assets for unused tax losses carried forward. Prudence is applied when making this assessment.

Deferred taxes are calculated at the level of each fiscal entity in the Group. IBA is able to offset deferred tax assets and liabilities only if the deferred balances relate to income taxes levied by the same taxation authority.

1.19 Payables after and within one Year

Payables after and within one year are measured at amortized cost, i.e. at the net present value of the payable amount. Unless the impact of discounting is material, the nominal value is taken.

1.20 Accrued Charges and Deferred Income

Accrued charges are the prorated amount of charges which will be paid in a subsequent financial period but which relate to a prior financial period; deferred income are the prorated amount of income received during the current or prior financial periods but which relates to a subsequent financial period.

1.21 Foreign Currency Transactions

Foreign currency transactions are converted into the functional currency of the Group entity party to the transaction using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the conversion at the period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Exchange differences arising in consolidation on monetary items that form part of the reporting entity's net investment in a foreign entity (i.e. when settlement is neither planned nor likely to occur in the foreseeable future) are recorded in equity if the following two conditions are met: (1) the loan is made in either the functional currency of the reporting entity or the foreign operation; and (2) the loan is made between the reporting entity and a foreign operation.

1.22 Derivatives and Hedging Activities

Derivatives are accounted for at fair value as from the date the contracts are entered into. Changes in the fair value of derivative transactions are accounted for through income statement unless the derivatives are designated as Cash Flow hedges under IAS 39. The Group designates certain derivatives as either hedges of the variability of the fair value of recognized assets or liabilities (fair value hedges) or an unrecognized firm commitment or hedges of the cash flow variability that is attributable to a particular risk associated with a recognized asset or liability or a highly probable forecasted transactions (cash flow hedges) or hedges of net investments in foreign operations.

The Group documents at the inception of the transaction the relationship between the hedging instruments and the hedged item as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

A) FAIR VALUE HEDGES

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

B) CASH FLOW HEDGES

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognized in equity. The gain or loss relating to the ineffective portion of the hedge is recognized immediately in the income statement.

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place).

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the income statement. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

c) DERIVATIVES THAT DO NOT QUALIFY FOR HEDGE ACCOUNTING

Certain derivative instruments do not qualify for hedge accounting. Such derivatives are recognized at fair value on balance sheet, with changes in fair value recognized in the income statement

1.23 Segment Information

A business segment is a distinguishable component engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that is subject to risks and returns that are different from those of segments operating in other economic environments.

2 DESCRIPTION OF FINANCIAL RISK MANAGEMENT POLICIES

2.1 Financial Risk Factors

The Group's activities expose it to a variety of financial risks: mainly market risk (including currency risk), credit risk, liquidity risk and interest rate risk. The Group's overall financial risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Financial risk management is carried out by a central treasury department (Group Treasury) under policies approved by the Audit Committee of the Board of Directors. These policies provide written principles for overall financial risk management, as well as written policies covering specific areas, such as foreign exchange risk, use of derivative financial instruments and non-derivative financial instruments, and investing excess liquidity. Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units.

2.1.1 MARKET RISK

a) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar and Swedish Krona. Foreign exchange risk arises from future and committed commercial transactions, recognized financial assets and liabilities and net investments in foreign operations.

To manage foreign exchange risk arising from future and committed commercial transactions, recognized assets and liabilities denominated in a currency different from the entity's functional currency, entities in the Group use foreign currency forward contracts, transacted with Group Treasury. Group Treasury is responsible for hedging the net position in each foreign currency by using forward

currency contracts entered into with banks when possible and appropriate.

For segment reporting purposes, each subsidiary designates contracts with Group Treasury as fair value hedges or cash flow hedges, as appropriate. External foreign exchange contracts are designated at Group level as hedges of foreign exchange risk on specific assets, liabilities or committed or future transactions on a gross basis.

The Group's general hedging policy is to hedge any confirmed sales contracts denominated in a foreign currency as well as expected net operational cash flows when they can be reasonably predicted. Appropriate documentation is prepared in accordance with IAS 39. The CFO approves and the CEO is informed of significant hedging transactions, with reporting to the audit committee twice a year.

Inter-company loans denominated in foreign currencies are entered into to finance certain subsidiaries and expose the Group to fluctuations in exchange rate.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

b) Other market risks

The Group is exposed to securities risk because of commercial paper held by the Group in the context of its excess cash management. Risk is mitigated by selection of commercial paper and limitation of the investment maturity.

2.1.2 CREDIT RISK

The Group has no significant exposure to credit risk. The Company policy for large contracts is to get appropriate letters of credit issued prior to delivery of the equipment. The Company has also a general agreement with the

Belgian national export credit insurance institution (OND) that foresees systematic coverage of all large equipment transactions.

2.1.3 LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of outstanding credit facilities. Due to the dynamic nature of the underlying businesses, Group Treasury aims to maintain flexibility in funding by keeping credit lines available.

2.1.4 CASH FLOW AND FAIR VALUE INTEREST RATE RISK

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

2.2 Accounting for Derivative Financial Instruments and Hedging Activities

Please refer to Note 1.22 of these financial statements

2.3 Fair Value Estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Income taxes

The Group has accumulated net operating losses useable to offset future taxable profits essentially in Belgium, Sweden, and the US amounting to EUR 126 million at December 31, 2006. The Company has recognized deferred tax assets amounting to EUR 25 million. The valuation of this asset depends on a number of judgmental assumptions regarding the future probable taxable profits of different group subsidiaries in different jurisdictions. These estimates are made prudently in the limit of the best current knowledge. Where circumstances should change and the final tax outcome would be different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

In order to mitigate this risk and given the rapid evolution of the technical environment in which the IBA Group operates, estimated taxable profits beyond a horizon of 4 years are not considered.

(b) Provision for decommissioning costs

The production of FDG (Radioisotope segment) generates some radiation and causes the contamination of the facilities of the production sites. This situation may require the Group to incur restoration costs to comply with the regulations in these various jurisdictions and to settle any legal or constructive obligations.

Analysis and estimates are performed by the Group, together with its legal advisers, in order to determine the probability, timing and amount involved with probable required outflow of resources.

In this context, provisions for decommissioning costs in relation to the sites where radioisotopes are produced have been recognized where an obligation exists to incur these costs. These provisions are measured at the net present value of the best estimate of the costs that will need to be incurred.

In the US, an amount of approximately USD 1.1 million is classified as restricted cash, in order to meet these legal obligations in some specific States (Illinois & California).

At December 31, 2006, the amount of such provisions amounts to EUR 2.7 million.

(c) Revenue recognition

Contracts in progress are valued at their cost of production, increased by income accrued by reference to the percentage of completion of the contract activity at the balance sheet date to the extent that it is probable that the economic benefits associated with the contract will flow to the Group. Such probability requires some judgment. When some judgmental criteria change from those used for the recognized revenues, the Group's income statement is impacted.

When appropriate, the Company revises its estimated margin at completion to take into account the evaluation of a residual risk that it may be subject to, for a certain number of years. When the final outcome of the uncertainties differs from the initial estimates, the Group's income statement is impacted.

4 SEGMENT INFORMATION

On the basis of its internal financial reporting to the Board of Directors on the one hand and the main source of risk and profitability for the Group, on the other hand, IBA has identified that:

- the information per business segment represents its primary segment reporting format;
- the information per geographical segment represents its secondary segment reporting format.

4.1 Business Segments

At December 31, 2006, the Group reports its figures under two main business segments: (1) Technology and Equipments and (2) Radioisotopes.

- **Technology and Equipments** forming the technology foundation of the Company's many businesses, including the development, manufacture, and service of medical and industrial particle accelerators, proton therapy systems, and a wide range of dosimetry products and solutions in radiation therapy.
- **Radioisotope Production and Distribution** composed of production and distribution services for FDG (¹⁸F fluorodeoxyglucose a radiopharmaceutical used in medical imaging). The development of advanced brachytherapy products, previously presented under the Radioisotopes segment, has been discontinued in the course of 2006.

The table below provides details of the income statement for each segment. Any inter-segment sales are contracted at arms' length.

	EQUIPMENT	RADIOISOTOPES	GROUP
Year ended December 31, 2006	(EUR '000)	(EUR '000)	(EUR '000)
Net sales	106,512	66,087	172,599
Inter-segment sales	-2,342		-2,342
External sales	104,170	66,087	170,257
Segment result	6,216	23,884	30,100
Unallocated expenses			-9,889
Financial income			593
Share of (profit)/ loss of companies consolidated using equity method	106	2,776	2,882
Profit before tax			23,686
Tax income			7,827
Loss for the period from discontinued operations			-1,524
PROFIT FOR THE PERIOD			29,989
Segment assets	117,893	114,745	232,638
Investments accounted for using the equity method	24	5,720	5,744
Non-allocated assets			28,486
TOTAL ASSETS	117,917	120,465	266,868
Segment liabilities	84,441	45,602	130,043
Non-allocated liabilities			496
TOTAL LIABILITIES	84,441	45,602	130,539
OTHER SEGMENT INFORMATION			
Capital expenditure (incl. fixed assets in companies acquired in 2006)	1,054	25,814	
Depreciation on PPE	1,165	7,701	
Amortization on intangible assets	621	1,976	
Non-cash expenses other than depreciation and amortization	6,730	6,024	
Headcount at year end	513	542	

	EQUIPMENT	RADIOISOTOPES	GROUP
Year ended December 31, 2005	(EUR '000)	(EUR '000)	(EUR '000)
Net sales	90,386	45,713	136,099
Inter-segment sales	0	0	0
External sales	90,386	45,713	136,099
Segment result	9,863	-5,939	4,470
Unallocated expenses			-5,968
Financial income			7,314
Share of loss of companies consolidated using equity method		-638	-638
Profit before tax			5,178
Tax expense			-2,455
Profit of the period from discontinued operations			325
PROFIT FOR THE PERIOD			3,048
Segment assets	97,842	80,933	178,775
Investments accounted for using the equity method	0	1,214	1,214
Non-allocated assets			22,766
TOTAL ASSETS	97,842	82,147	202,755
Segment liabilities	61,747	36,727	98,474
Non-allocated liabilities			404
TOTAL LIABILITIES	61,747	36,727	98,878
OTHER SEGMENT INFORMATION			
Capital expenditure (incl. fixed assets in companies acquired in 2005)	757	29,929	
Depreciation on PPE	966	8,940	
Amortization on intangible assets	425	425	
Non-cash expenses other than depreciation and amortization	3,314	318	
Headcount at year end	463	418	

4.2 Geographical Segments

The Group's business segments operate in two main geographical areas, the United States and the Rest of the World.

These geographical segments have been determined on the basis of the economic and political context, the degree of proximity of the business activities and the

specific risks associated with the business activities in a given geographical zone.

The sales presented below are based on the location of customers whereas segment balance sheet items are based on the location of assets.

	USA	ROW	GROUP
Year ended December 31, 2006	(EUR '000)	(EUR '000)	(EUR '000)
SALES	82,705	87,552	170,257
Segment assets	81,033	155,113	236,146
Investments accounted for using the equity method	883	4,861	5,744
Non-allocated assets			24,978
TOTAL ASSETS			266,868
CAPITAL EXPENDITURE (incl. fixed assets from acquisitions 2006)	5,621	21,247	

	USA	ROW	GROUP
Year ended December 31, 2005	(EUR '000)	(EUR '000)	(EUR '000)
SALES	75,102	60,997	136,099
Segment assets	92,131	92,895	185,026
Investments accounted for using the equity method	952	262	1,214
Non-allocated assets			16,515
TOTAL ASSETS			202,755
CAPITAL EXPENDITURE (incl. fixed assets from acquisitions 2005)	26,901	4,681	

5 LIST OF SUBSIDIARIES AND EQUITY-ACCOUNTED INVESTMENTS

At December 31, 2006 the IBA Group consists of IBA S.A. and a total of 38 companies and associated companies in 11 countries.

Of these 32 are fully consolidated and 6 are accounted for using the equity method. The Group has elected not to use the proportional method for any of the joint subsidiaries.

5.1 List of Subsidiaries

Name	Country of incorporation	Share of equity held (in %)	Variation in % held compared to December 31, 2005
IBA Radiolotopes S.A. (BE 0466.749.548)	BELGIUM	95%	-
IBA Molecular Holding (BE 0880.070.706)	BELGIUM	100%	100%
IBA Pharma S.A. (BE 0860.215.596)	BELGIUM	100%	-
IBA Pharma Invest S.A. (BE 0874.830.726)	BELGIUM	61.90%	-
IBA Participations S.P.R.L. (BE 0465.843.290)	BELGIUM	100%	-
IBA Investment S.C.R.L. (BE 0471.701.397)	BELGIUM	100%	-
IBA Corporate Services S.A. (BE 0471.889.261)	BELGIUM	100%	-
Ion Beam Beijing Medical Appliance Technology Service Co. Ltd.	CHINA	100%	-
Ion Beam Applications Co Ltd	CHINA	100%	100%
IBA Radiolotopes France S.A.S.	FRANCE	100%	-
Scanditronix Wellhöfer Dosimetrie GmbH	GERMANY	100%	-
IBA Molecular Imaging (India) Pvt. Ltd.	INDIA	61.90%	-
IBA Radiolotopi Italia S.r.L.	ITALY	100%	50%
IBA Molecular Spain	SPAIN	100%	100%
MediFlash Holding A.B.	SWEDEN	100%	-
Scanditronix Wellhöfer A.B.	SWEDEN	100%	-
IBA Advanced Radiotherapy A.B. (formerly GyraB International A.B.)	SWEDEN	100%	-
UK Radiopharma Ltd.	UNITED KINGDOM	100%	50%
Scanditronix Wellhöfer North America Inc.	USA	100%	-
IBA Proton Therapy Inc.	USA	100%	-
Radiation Dynamics, Inc.	USA	100%	-
IBA Radiolotopes Inc.	USA	100%	-
RadioMed Corporation	USA	100%	-
Eastern Isotopes Inc.	USA	100%	-
IBA USA Inc.	USA	100%	-
New Mexico Positron L.P.	USA	100%	-
Lubbock West Texas Positron L.L.C.	USA	100%	-
Pharmalogic PET Services of NJ L.L.C.	USA	100%	-
Pharmalogic PET Services of MA L.L.C.	USA	100%	-
Pharmalogic PET Services of NY L.L.C.	USA	100%	-
Cyclotech L.L.C.	USA	100%	-
IBA Molecular Montreal Holding Corp.	USA	100%	-

5.2 List of Equity-Accounted Investments

Name	Country of incorporation	Share of equity held (in %)	Variation in % held compared to December 31, 2005
Striba GmbH	GERMANY	50%	50%
Beta Process & Research S.A.(BE 0477.551.685)	BELGIUM	0%	-49.90%
Betaplus Pharma S.A. (BE 0479.037.569)	BELGIUM	40%	-
Pharmalogic Pet Services of Montreal Cie	CANADA	48%	-
PetLinq L.L.C.	USA	40%	-
Radiopharma Partners SA (BE 0879.656.475) consolidated (includes Cis bio International)	BELGIUM	19.9%	19.9%

The Group has noticeable influence in RadioPharma Partners S.A. to the extent it is represented at the Board of Directors and in CIS bio International to the extent it is represented in the supervisory board ("Conseil de

surveillance"-with 2 seats out of a total of 15) and one employee is employed by IBA and by Cis bio. The IBA Group, nevertheless, does not have any decision power or control over Cis bio International.

6 BUSINESS COMBINATIONS AND OTHER CHANGES IN THE COMPOSITION OF THE GROUP

6.1 Acquisition of Companies

On February 23, 2006, IRE (related party – owner of 3.45% of IBA shares) and IBA announced that the consortium they formed had signed a purchase agreement for the acquisition of Schering AG's European FDG and CIS bio international radiopharmaceutical business. The transaction includes CIS US and Japan operations. CIS bio International markets a broad range of therapeutic and diagnostic products for detection, treatment, and monitoring in a several essential fields of medicine, including oncology, cardiology, rheumatology, and endocrinology.. It has about 750 employees and generated sales of approximately EUR 120 million in 2005. Under the consortium, IRE holds an 80.1% share and IBA a 19.9% share in CIS bio International. In addition, IBA took over the control of Schering AG's European FDG business (Italy, Germany, UK and Spain) and joined forces with CIS bio for distribution of radiopharmaceutical products in Europe.

The closing of the transaction occurred on May 5, 2006. The 2006 financial statements include the results of the European FDG (fully consolidated) and CIS bio International (RadioPharma Partners, equity accounted) for eight months from the acquisition date. The costs of the acquisition amount to EUR 5.9 million and include EUR 3.3 million for re-capitalization and restructuring, EUR 1.7 million for professional fees paid to advisors and EUR 0.9 million for reduction in the value of assets.

The acquired businesses contributed revenues of EUR 9.8 million and a net loss of EUR 1 million to the Group for the period from May to December 2006 (before inclusion of the negative goodwill generated on this transaction).

Details of net assets acquired and negative goodwill are as follows.

Purchase consideration	(EUR '000)
- Cash paid	0
- Deferred consideration	0
- Direct costs related to the acquisition	5,873
Total purchase consideration	5,873
Fair value of net assets acquired	35,118
Adjust for participation of 50% owned in Italy & UK prior to acquisition of the further 50%	-1,003
Negative goodwill	28,242

Of the negative goodwill of EUR 28.2 million, EUR 26 million is allocated to the fully consolidated entities and

EUR 2.2 million is allocated to the entities accounted for using the equity method.

The assets and liabilities arising from the acquisitions are as follows:

	Fair value	Carrying Amount
	(EUR '000)	(EUR '000)
Cash & cash equivalents	51,768	51,768
Accounts receivable	6,878	7,145
Net property, plant & equipment	13,068	21,392
Intangible assets	1,440	1,348
Invest under equity method	4,232	4,470
Other net assets	3,880	3,422
Accounts payable	-13,107	-13,008
Provision	-25,609	-14,719
Borrowings	-5,761	-5,761
Other LT liabilities	-1,668	-1,668
Net assets acquired	35,118	54,388

The annual impact of the acquisition of the businesses of Schering AG to the results of the Group can not be

determined as far as the activities, prior to acquisition, were not all lodged into separate legal entities.

6.2 Disposal of Companies

Early January 2006, IBA sold 90.1% of its investment in the Swedish subsidiary, ScandiMagnet A.B. as part of the strategy of re-focus on its core business. The transaction has been settled for a sales price of SEK 2 million, paid in cash at closing, and generated a capital loss of EUR 19 thousand.

As previously announced, IBA decided to discontinue its Brachytherapy activity. As a consequence, all the P&L

elements related to this business have been reclassified into the section "Result of discontinued operations" and amount to EUR 1.5 million.

In 2005, the Group disposed of its investment in the Swedish entity, Scandiflash A.B., as part of its strategy to re-focus on its core business. The sale generated a capital gain of EUR 0.2 million.

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Revenues	51	2,017
Expenses	1,556	1,846
Profit before tax from discontinued operations	-1,505	171
Income tax expense	0	49
Profit before tax from discontinued operations	-1,505	122
Capital gain	-19	242
Adjustments to amounts previously presented under discontinued operations	0	-39
Profit from discontinued operations	-1,524	325

7 GOODWILL AND OTHER INTANGIBLE ASSETS

7.1 Goodwill

Movements of goodwill are detailed as follows.

	(EUR '000)
At January 1, 2005	17,614
Additions through business combinations	11,424
Currency translation differences	2,034
At December 31, 2005	31,072
At January 1, 2006	31,072
Final adjustments to previously acquired goodwill	649
Goodwill impairment	-1,106
Currency translation differences	-2,515
At December 31, 2006	28,100

Goodwill that arose in connection with an acquisition is allocated to the cash-generating units (CGU) concerned and an impairment test is carried out annually on the CGUs' fixed assets (including goodwill).

Following the provisional accounting at acquisition in 2005 of the US entities Pharmalogic Pet Services and Cyclotech LLC, a final adjustment of EUR 0.6 million was made to goodwill in the course of 2006.

Additions and adjustments to goodwill in both 2006 and 2005 were allocated to the Radioisotopes business segment.

A summary per business segment of the allocation of the carrying amount of goodwill is as follows:

	TECHNOLOGY & EQUIPMENTS	RADIOISOTOPES	TOTAL
	(EUR '000)	(EUR '000)	(EUR '000)
Allocation of goodwill 2006	3,806	24,294	28,100
Allocation of goodwill 2005	3,742	27,331	31,072
Discount rate applied	9.30%	10.750%	
Long-term growth rate	2.60%	2.58%	

The recoverable amounts of subsidiaries' fixed assets have been determined on the basis of their value in use. These values in use have been calculated on the basis of the latest business plans of IBA as approved by the Board of Directors in the framework of the 5-year strategic plan. The cash flows beyond the 5-year period have been extrapolated using growth rates shown in the table above. Impairment testing uses gross budgeted operational margins estimated by management on the basis of past performance and future development

prospects. Discount rates used reflect the specific risks in relation to the segments in question.

On the basis of these assumptions, an impairment of EUR 1.1 million has been identified on the goodwill previously recognized on the acquisition of the US companies New Mexico Positron LP and Lubbock West Texas Positron LLC.

No goodwill impairment was identified in the course of the year 2005.

7.2 Other Intangible Assets

	Software	Patents & Trademarks	Development costs	Other	Total
	(EUR '000)	(EUR '000)	(EUR '000)	(EUR '000)	(EUR '000)
Gross carrying amount at January 1, 2005	2,088	1,245	469	1,600	5,402
Additions	471	23	303	34	831
Additions through business combinations	0	0	0	2,372	2,372
Disposals	0	0	0	0	0
Transfers	541	-8	0	282	815
Changes in consolidation scope	20	0	0	9	29
Currency translation differences	43	16	0	42	101
Gross carrying amount at December 31, 2005	3,163	1,276	772	4,339	9,550
Accumulated amortization at January 1, 2005	1,948	402	18	1,600	3,968
Additions	292	243	86	230	851
Additions through business combinations	0	0	0	51	51
Disposals	0	0	0	0	0
Transfers	-26	25	0	-13	-14
Changes in consolidation scope	0	0	0	7	7
Currency translation differences	31	1	0	34	66
Accumulated amortization at December 31	2,245	671	104	1,909	4,929
Net carrying amount at January 1, 2005	140	843	451	0	1,434
Net carrying amount at December 31, 2005	918	605	668	2,430	4,621

	Software	Patents & Trademarks	Development costs	Other	Total
	(EUR '000)	(EUR '000)	(EUR '000)	(EUR '000)	(EUR '000)
Gross carrying amount at January 1, 2006	3,163	1,276	772	4,339	9,550
Additions	270	129	226	279	904
Additions through business combinations	0	0	0	0	0
Disposals	0	0	0	0	0
Transfers	170	0	0	0	170
Changes in consolidation scope	2	3	0	158	163
Currency translation differences	-41	-13	-33	-267	-354
Gross carrying amount at December 31, 2006	3,564	1,395	965	4,509	10,433
Accumulated amortization at January 1, 2006	2,245	671	104	1,909	4,929
Additions	406	278	265	542	1,491
Additions through business combinations	0	0	0	0	0
Disposals	0	0	0	0	0
Transfers	-135	0	0	135	0
Changes in consolidation scope	0	0	0	0	0
Currency translation differences	-25	-7	-6	-64	-102
Accumulated amortization at Dec. 31, 2006	2,491	942	363	2,522	6,318
Net carrying amount at January 1, 2006	918	605	668	2,430	4,621
Net carrying amount at December 31, 2006	1,073	453	602	1,987	4,115

The majority of the intangible assets relate to software, licenses for tracers production and distribution, and customer lists recognized through purchase accounting on the acquisitions made by the Group.

For details of impairment testing, see Note 7.1.

No impairment has been identified on other intangible assets (as indicated under this note 7.2) either at December 31, 2006 or December 31, 2005.

8 PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Plant, machinery and equipment	Furniture, and fixtures and vehicles and equipment	Other property, plant and equipment	Total
	(EUR '000)	(EUR '000)	(EUR '000)	(EUR '000)	(EUR '000)
Gross carrying amount at January 1, 2005	15,036	30,911	8,735	1,822	56,503
Additions	225	4,227	1,105	1,019	6,576
Additions through business combinations	2,650	11,550	621	1,849	16,670
Disposals	0	-247	-643	-36	-926
Transfers	-59	-1,245	-110	-1,144	-2,558
Changes in consolidation scope	-64	-616	-24	-1,751	-2,455
Currency translation differences	1,110	3,081	523	321	5,035
Gross carrying amount at December 31, 2005	18,898	47,661	10,207	2,080	78,845
Accumulated depreciation at January 1, 2005	6,067	15,437	7,299	-5	28,798
Additions	2,443	6,371	1,173	0	9,987
Additions through business combinations	1,901	3,275	445	0	5,621
Disposals	0	-101	-615	0	-716
Transfers	-81	-565	-158	0	-804
Changes in consolidation scope	-21	-234	-11	0	-266
Currency translation differences	448	1,455	418	-1	2,320
Accumulated depreciation at December 31, 2005	10,757	25,637	8,551	-6	44,939
Net carrying amount at January 1, 2005	8,969	15,474	1,436	1,826	27,705
Net carrying amount at December 31, 2005	8,141	22,024	1,656	2,085	33,906
Gross carrying amount at January 1, 2006	18,898	47,661	10,207	2,079	78,845
Additions	1,369	2,318	2,984	6,011	12,682
Additions through business combinations	664	1,243	65	0	1,972
Disposals	-520	-326	-499	-12	-1,356
Transfers	709	-643	704	-1,526	-756
Changes in consolidation scope	-342	3,402	228	7,212	10,499
Currency translation differences	-1,098	-3,496	-479	-93	-5,166
Gross carrying amount at December 31, 2006	19,680	50,160	13,209	13,673	96,719
Accumulated depreciation at January 1, 2006	10,757	25,637	8,551	-6	44,939
Additions	982	6,618	1,266	0	8,866
Additions through business combinations	0	0	0	0	0
Disposals	-321	-201	-405	0	-927
Transfers	0	0	73	0	73
Changes in consolidation scope	-113	134	59	0	80
Currency translation differences	-589	-1,750	-387	1	-2,725
Accumulated depreciation at December 31, 2006	10,716	30,438	9,157	-5	50,306
Net carrying amount at January 1, 2006	8,141	22,024	1,656	2,085	33,906
Net carrying amount at December 31, 2006	8,964	19,722	4,051	13,677	46,414

Other property, plant and equipment mainly include assets under construction. There is no property, plant and equipment subject to restrictions on title.

As set out in Note 7.1, an impairment test was carried out in respect of the non-current assets on the date of transition and at December 31, 2006 and at December 31, 2005 to verify that the book values of property, plant and equipment, intangible assets and goodwill are supported by their recoverable amounts.

The key assumptions used for calculation of the values in use at the end of 2006 are set out in Note 7.1. On the basis of this test, impairment of EUR 2.9 million (included in additions to depreciation) was identified on property, plant and equipment and EUR 1.1 million was identified on the goodwill value belonging to the Radioisotopes segment at December 31, 2006.

An impairment charge of EUR 3.9 million was recognized on the Radioisotopes segment in 2005.

9 LEASE ARRANGEMENTS

IBA holds the following assets under financial lease contracts:

	Land and buildings		Machinery and equipment		Furniture and vehicles	
	Dec. 31, 2006	Dec. 31, 2005	Dec. 31, 2006	Dec. 31, 2005	Dec. 31, 2006	Dec. 31, 2005
	(EUR '000)	(EUR '000)	(EUR '000)	(EUR '000)	(EUR '000)	(EUR '000)
Gross book value	3,413	4,356	21,992	21,264	11	0
Accumulated depreciation	1,687	2,366	10,179	5,798	0	0
Net book value	1,726	1,990	11,813	15,466	11	0

Details of lease payments on finance liabilities related to leased assets are set out in Note 18.2.

10 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD AND OTHER INVESTMENTS

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Investments accounted for using the equity method	5,744	1,525
Other investments	2,560	222
TOTAL	8,304	1,747

At December 31, 2006, "Other investments" are constituted of shares of unquoted companies. These shares are revaluated either on the basis of the

discounted cash flow method or on the basis of the value per share derived from the most recent rounds of financing.

10.1 Movements in Investments Accounted for Using the Equity Method

The list of equity-accounted companies is given in Note 5.2.

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
At January 1	1,525	823
Share of (loss)/profit	2,882	-638
Acquisitions	1,897	1,807
Other movements	-560	-467
At December 31	5,744	1,525

Details of the Group's interest in its principal associates, all of which are unlisted, were as follows:

	Country of incorporation	Assets (EUR '000)	Liabilities (EUR '000)	Revenues (EUR '000)	Profit/(Loss) (EUR '000)	% interest held
2005						
UK Radiopharma Ltd.	United Kingdom	4,373	3,538	0	-582	50.0%
Beta Process & Research S.A.	Belgium	566	1	0	-45	49.9%
Betaplus Pharma S.A.	Belgium	2,364	2,427	80	-601	40.0%
IBA Radiosotopi Italia S.R.L.	Italy	4,972	4,221	885	-68	50.0%
Pharmalogic Pet Services of Montreal Cie.	Canada	3,277	2,277	68	-89	48.0%
PetLinq L.L.C.	USA	487	60	101	-260	40.0%
2006						
Betaplus Pharma S.A.	Belgium	2,660	3,448	88	-730	40.0%
MolyPharma	Spain	7,881	3,706	8,325	228	24.5%
CIS bio International (indirectly through Radiopharma Partners)	France	176,291	119,222	120,442	-40,440	19.9%
RadioPharma Partners	Belgium	45	0	0	-16	19.9%
Pharmalogic Pet Services of Montreal Cie.	Canada	3,381	2,725	2,022	-249	48.0%
PetLinq L.L.C.	USA	412	65	334	0	40.0%
Striba GmbH	Germany	18,180	18,126	0	170	50.0%

The Group has noticeable influence in RadioPharma Partners S.A. to the extent it is represented at the Board of Directors and in CIS bio International to the extent it is represented in the supervisory board ("Conseil de

surveillance") and one employee is employed by IBA and by Cis bio International. The IBA Group, nevertheless, does not have any decision power or control over Cis bio International (see page 53 of this report).

10.2 Jointly Controlled Companies

In 2005, the Group held 50% of the capital of IBA Radioisotopi Italia and UK Radiopharma Ltd. The remaining 50% of these entities were acquired from Schering AG in April 2006 (see section on changes in the composition of the Group).

In 2006, IBA formed with Strabag Projektentwicklung GmbH (Germany) a joint venture named Striba GmbH.

This joint-venture will provide a Proton Therapy system and related medical technology to the Universitätsklinikum Essen (North-Rhine Westphalia, Germany).

The assets and liabilities of these joint ventures (consolidated by equity method) are detailed below:

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Assets		
Non-current assets	0	6,382
Current assets	18,180	2,963
TOTAL	18,180	9,345
Liabilities		
Non-current liabilities	0	6,782
Current liabilities	18,126	977
TOTAL	18,126	7,759
Net assets	54	1,586
Revenue	0	885
Expenses /(income)	-170	1,535
After-tax result	170	-650

11 DEFERRED TAXES

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Deferred tax assets:		
- Deferred tax asset to be recovered after more than 12 months	20,057	16,442
- Deferred tax asset to be recovered within 12 months	4,921	73
TOTAL	24,978	16,515

Deferred tax liabilities :		
- Deferred tax liability to be recovered after more than 12 months	225	40
- Deferred tax liability to be recovered within 12 months	0	0
TOTAL	225	40
Net deferred tax asset	24,753	16,475

Deferred tax assets:	Tax losses	Other	TOTAL
	(EUR '000)	(EUR '000)	(EUR '000)
At January 1, 2005	18,007	161	18,168
Credited/(charged) to the income statement	-1,284	-88	-1,372
Offset		-2,030	-2,030
Exchange differences	1,749		1,749
At December 31, 2005	18,472	-1,957	16,515
Credited/(charged) to the income statement	9,584	0	9,584
Exchange differences	-1,121	0	-1,121
At December 31, 2006	26,935	-1,957	24,978

Deferred tax liabilities:	Other	TOTAL
	(EUR '000)	(EUR '000)
At January 1, 2005	90	90
Acquisition of subsidiary	2,030	2,030
Offset	-2,030	-2,030
Charged to equity	-50	-50
At December 31, 2005	40	40
(Credited)/charged to the income statement	222	222
Exchange differences	-37	-37
At December 31, 2006	225	225

Deferred income tax assets are recognized for tax loss carry-forwards to the extent that the realization of the related tax benefit through the future taxable profits is probable. Note 3 explains the estimates and judgments IBA used in making this assessment.

At December 31, 2006, deferred taxes have not been recognized on the balance sheet for tax losses carried forward, for a total of EUR 55.8 million (EUR 85.8 million in 2005). These tax losses do not have an expiry date.

12 OTHER LONG-TERM RECEIVABLES

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Loans to joint ventures	1,550	2,420
Long-term receivables on contracts	3,109	203
Receivables on disposal of subsidiaries	385	239
Other receivables	3,745	237
TOTAL	8,789	3,099

At December 31, 2006, "Other receivables" includes the fair value of an option to increase the percentage ownership in an associate. This option was acquired in the course of 2006, and its fair value is based on application of the discounted cash flow method to the operations of this company.

The impact of the revaluation to fair value is presented under the caption "Finance income" on the face of the income statement for an amount of EUR 1.4 million.

13 INVENTORIES AND CONTRACTS IN PROGRESS

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Raw material and supplies	7,825	5,421
Finished products	2,963	3,537
Work in progress	4,410	10,035
Contracts in progress	20,291	10,272
Write-off on inventories	-4,296	-610
Inventories and contracts in progress	31,194	28,655

Contracts in progress	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Costs to date and recognized profit	34,444	81,375
Less: progress billings	-14,153	-71,103
Contracts in progress	20,291	10,272
Gross amount due to customers for contract work (see note 22)	23,806	14,002

Work in progress relates to production of inventory for which a client has not yet been secured, while contracts

in progress relate to production for specific clients further to execution of a signed contract.

14 ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

14.1 Accounts Receivable

The analysis of the accounts receivables is as follows:

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Amounts invoiced to customers in relation to contracts in progress, but for which payment has not yet been received at the balance sheet date	6,079	12,443
Other trade receivables, net	35,327	22,182
Impairment of doubtful receivables (-)	-4,359	-4,134
TOTAL	37,046	30,492

At December 31, 2005, an impairment charge of EUR 2.9 million was recognized in the income statement, of which EUR 1.1 million was recognized generally on the basis of Group accounting policies while the remaining EUR 1.8 million was recognized on the receivable for a proton therapy contract in China (Wanjie).

At 30 June 2006, the Group decided to adjust the presentation of the sub-accounts "Non-trade receivables" and "Non-trade payables".

These accounts were previously presented under the "Accounts receivable" and "Accounts payable" captions and are now presented under the "Other receivables" and "Other payables" captions.

This reclassification generates a decrease of EUR 5.6 million of the Accounts receivable presented at December 31, 2005 in the consolidated balance sheet

of this report compared to the amount presented in the 2005 annual report (and respectively an increase of the "Other receivables" by the same amount).

It also generates a decrease of the Accounts payable at December 31, 2005 presented in this report of EUR 0.5 million compared to the amount presented in the 2005 annual report (and respectively an increase of the "Other payables" by the same amount).

14.2 Other Receivables

Other receivables mentioned on the balance sheet mainly include prepaid expenses, accrued income and impairment on other assets for EUR 3 million.

15 CASH AND CASH EQUIVALENTS

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Cash	12,840	17,049
Restricted cash	15,876	8,810
Short-term bank deposits and commercial papers	38,884	17,850
TOTAL	67,600	43,708

At December 31, 2006, the effective interest rate on the cash position was 2.99% (2.31% in 2005). The short-term deposits and commercial papers have an average maturity of less than 30 days.

16 SHARE CAPITAL AND SHARE OPTIONS

16.1 Share Capital

	Number of	Ordinary	Share	Treasury	Total
	(EUR '000)	shares	premium	shares	(EUR '000)
	(EUR '000)	(EUR '000)	(EUR '000)	(EUR '000)	(EUR '000)
At January 1, 2005	24,642,453	34,605	275,279	-256	309,628
Share options exercised	200,000	278			278
Capital reduction			-76,392		-76,392
Other					0
At December 31, 2005	24,842,453	34,883	198,887	-256	233,514
Share options exercised	622,613	864	2,011		2,875
Capital reduction					0
Other					0
At December 31, 2006	25,465,066	35,747	200,898	-256	236,389

In January 2005, IBA paid out EUR 76.4 million in share premiums to its shareholders. Of this amount, EUR 0.7 million is still outstanding at December 31, 2006.

At December 31, 2006, 60.72% of IBA's shares were floating on Euronext. Full details of the Group's shareholders are set out in the section on Shareholders and the Stock Exchange on page 100 of this annual report.

16.2 Share Options

During the period ended December 31, 2006, IBA had 6 equity-settled share-based payment arrangements with employees, 1 new arrangement being entered into during 2006.

Stock option plans granted in 2000 and 2001 have the following vesting scheme: 25% definitively acquired by employees at grant date + 1 year, 50% at grant date + 2 years, 75% at grant date + 3 years, 100% at grant date + 4 years.

Stock option plans granted from 2002 onwards have the following vesting scheme: 20% definitively acquired by employees at grant date + 1 year, 40% at grant date + 2 years, 60% at grant date + 3 years, 80% at grant date + 4 years, 100% at grant date + 5 years.

In 2005, the Group reimbursed a share premium of EUR 3.1 per share to its shareholders. Further to this reimbursement, on March 13, 2006, IBA's Board of Directors approved a reduction of the exercise price of the stock option plans granted in 2000, 2001, 2002 and 2004 to IBA employees. As a result, and in application of IFRS 2, this repricing qualifies as a modification of the terms of the grants of the 2000, 2001, 2002 and 2004 plans. A charge of EUR 2.4 million has been recognized in the income statement 2006 to reflect this modification.

The details of the arrangements entered into in the course of 2006 and 2005 are described below.

	December 31, 2006	December 31, 2005
Nature of the arrangement	Grant of share options	Grant of share options
Date of grant	14/12/2006	14/12/2005
Number of instruments granted	437,250	90,000
Exercise price	13.64	6.37
Share price at the date of grant	17.52	7.13
Contractual life (years)	6	6
Settlement	Shares	Shares
Expected volatility	40.98%	52.04%
Expected option life at grant date (years)	4.1	4.5
Risk-free interest rate	3.77%	3.04%
Expected dividend (dividend yield)	0%	0%
Expected departures (grant date)	0%	0%
Fair value per granted instrument determined at the grant date	8.11	3.51
Valuation model	Black & Scholes	Black & Scholes

The entity uses the Black & Scholes model to value options with no vesting conditions other than time. The expected volatility for the share option arrangements is based on historical volatility determined by the statistical analysis of daily share price movements over the past year. The fair value of the shares for the arrangements in which shares are granted was based on the average quoted share price for the 30 days preceding the grant date. In light of its deferred losses, the Group is not in a position to distribute dividends in the short term, and consequently, the measurement of the options' fair value did not consider dividends.

At December 31, 2006 a charge of EUR 2.8 million was recognized in the financial statements (before taxes) for employee stock options, of which EUR 2.4 million was related to the modification of the strike prices mentioned above.

The share options outstanding at December 31, 2006 have the following expiry dates and exercise prices.

Expiry date	December 31, 2006		December 31, 2005	
	Range of exercise prices (EUR)	Number of share options	Range of exercise prices (EUR)	Number of share options
February 28, 2009	24.90	167,148	28.00	167,148
December 31, 2010	12.60	242,775	15.70	260,525
August 31, 2012	3.34	554,027	5.11	1,158,890
September 30, 2010	3.72	886,000	6.36	886,000
September 30, 2011	6.37	90,000	6.37	90,000
September 30, 2012	13.64	437,250		
TOTAL outstanding share options		2,377,200		2,562,563

The movements in the share options can be summarized as follows:

	December 31, 2006		December 31, 2005	
	Average exercise price in EUR per share	Number of share options	Average exercise price in EUR per share	Number of share options
Outstanding at January 1	8.16	2,562,563	7.55	3,146,783
Granted	13.64	437,250	6.37	90,000
Forfeited (-)			5.11	-474,220
Exercised (-)	3.60	-622,613	5.11	-200,000
Lapsed (-)			-	-
Outstanding at December 31	7.95	2,377,200	8.16	2,562,563
Exercisable at year-end		963,950		1,586,563

17 RESERVES

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Hedging & other reserves	4,745	331
Cumulative translation differences	-3,922	905
Retained earnings	-101,384	-131,391

Hedging and other reserves include legal reserves. In terms of the Companies Code, the legal reserve must amount to at least 10% of the share capital of the company. Until such time as this level is attained, a top slice of at least one-twentieth of the net profit for the year (determined according to Belgian accounting law) must be allocated to forming this reserve fund. The current level of the legal reserve is sufficient in terms of the statutory requirement.

The hedging reserve includes changes in the fair value of financial instruments used to hedge cash flows of transactions that have not yet occurred.

Other reserves include the fair value adjustment on available-for-sale investments as well as the impact of revaluation of the employee stock option plans.

Cumulative translation differences include differences related to the conversion of financial statements of consolidated entities whose functional currency is not the euro. They also include foreign exchange differences arising on long-term loans that form part of the Group's net investment in foreign operations as per IAS 21.

18 BORROWINGS

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Non-current		
Bank borrowings (Note 18.1)	5,783	701
Other borrowings (Note 18.3)	4,567	5,066
Financial lease liabilities (Note 18.2)	7,806	13,589
TOTAL	18,156	19,356
Current		
Bank borrowings (Note 18.1)	595	1,020
Financial lease liabilities (Note 18.2)	4,853	5,035
TOTAL	5,448	6,055

18.1 Bank Borrowings

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Non-current	5,783	701
Current	595	1,020
TOTAL	6,378	1,721

Movements on bank borrowings can be detailed as follows:

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Opening amount	1,721	3,750
Disposal of borrowings via subsidiaries disposed of	0	-707
New borrowings	1,959	0
Repayments of borrowings	-1,486	-1,313
Entry in consolidation scope	4,374	0
Exit of consolidation scope	-196	
Currency translation differences	6	-9
Closing amount	6,378	1,721

The maturities of bank borrowings are detailed as follows:

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
One year or less	595	1,020
Between 1 and 2 years	1,744	632
Between 2 and 5 years	2,896	9
Over 5 years	1,143	60
TOTAL	6,378	1,721

The effective interest rates for bank borrowings at the balance sheet date were as follows:

	December 31, 2006		December 31, 2005	
	EUR	USD	EUR	SEK
Bank borrowings	5.39%	7.32%	5.45%	4.35%

The carrying amounts of the Group's borrowings are denominated in the following currencies:

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
EUR	5,414	1,525
USD	901	0
RMB	63	0
SEK	0	196
TOTAL	6,378	1,721

Undrawn borrowing facilities are as follows:

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Floating rate		
– expiring within one year	131	106
– expiring beyond one year	9,778	16,873
Fixed rate		
– expiring within one year		
TOTAL	9,909	16,979

The facilities expiring within one year are annual facilities subject to review at various dates during 2007. The other

facilities have been arranged to help finance the proposed expansion of the Group's activities in Europe.

18.2 Financial Lease Liabilities

Minimum lease payments on finance lease liabilities are as follows:

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Not later than one year	5,758	6,314
Later than one year and not later than 5 years	8,506	12,463
Later than 5 years		2,891
	14,265	21,668
Future finance charges on finance leases (-)	-1,605	-3,044
Present value of finance lease liabilities	12,659	18,624

The present value of lease liabilities is as follows:

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Not later than one year	4,853	5,035
Later than one year and not later than 5 years	7,806	11,218
Later than 5 years		2,371
TOTAL	12,659	18,624

The carrying amounts of the lease liabilities are denominated in the following currencies:

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
EUR	1,092	1,281
USD	11,567	17,343
TOTAL	12,659	18,624

The average interest rate paid on lease liabilities at December 31, 2006 was 7.55% (7.88% in 2005).

18.3 Other Liabilities

Other liabilities relate to an Industrial Development Revenue Bond issued by the Town of Islip, New York, on behalf of a U.S. entity belonging to the IBA Group. This bond matures in 2009.

19 PROVISIONS

	Environment	Guarantees	Litigation	Other	Total
At January 1, 2006	2,614	3,838	1,319	174	7,945
Additions (+)	36	3,000	99	3,509	6,644
Write-backs (-)	-207	-1,677	0	-57	-1,941
Utilizations (-)	0	-1,026	0	-97	-1,123
Reclassifications	324	0	0	1	325
Currency translation difference	-58	9	-3	15	-37
Total Movement	95	306	96	3,371	3,868
At December 31, 2006	2,709	4,144	1,415	3,545	11,813

Provisions for decommissioning costs in relation to the Group sites where radioisotopes are produced have been recognized where an obligation exists to incur these costs. These provisions are measured at the net present value of the best estimate of the costs that will need to be incurred. More information on these provisions is included in Note 3 of this report.

Provisions for guarantees cover warranty and potential termination losses on machines sold to clients.

Provisions for litigation at December 31, 2006 mainly relate to the potential tax litigation in Sweden for which a provision of EUR 1.3 million was previously recognized.

Other provisions include an amount of EUR 2.4 million to cover the commitments taken at the acquisition of the FDG business of Schering AG.

20 OTHER LONG-TERM LIABILITIES

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Advances received from local government	14,033	9,183
Liabilities towards shareholders	699	1,174
Other	6,379	0
Deferred payments on acquisitions	467	2,557
TOTAL	21,578	12,914

In 2006, the Group received EUR 4.8 million in cash of advances from the Walloon Region of Belgium (interests free).

As mentioned earlier, the Group reimbursed EUR 76.4 million to its shareholders in January 2005. Of this amount, EUR 0.7 million still remain unclaimed at December 31, 2006 (EUR 1.2 million at December 31, 2005).

Other long-term liabilities include down- payments of EUR 3.1 million received on proton therapy contracts and for which the corresponding receivable amounts do not qualify for derecognition under IAS 39.

Deferred payments on acquisitions include the long-term portion of amounts to be paid on the acquisitions made by the Group.

21 OTHER SHORT-TERM FINANCIAL ASSETS & LIABILITIES

The Group's policy for use of financial instruments is detailed in Note 1.22 on Group accounting policies and Note 2 on financial risk management.

At December 31, 2006, the amount of EUR 0.3 million recognized as a short-term financial asset represented the fair value of forward exchange contracts (EUR 0.1 million) and options (EUR 0.2 million) to hedge future commercial cash flows expressed in USD. These contracts have a maturity of one year or less, at December 31, 2006.

At December 31, 2005, the amount of EUR 1.6 million recognized as a short-term financial liability represented the fair value of forward exchange contracts (EUR 1.5 million) and options (EUR 0.1 million) to hedge future commercial cash flows that are mainly in USD and to a small extent in SEK. These contracts had a maturity of one year or less.

Some of these financial instruments are designated as hedging instruments as they hedge specific exchange rate risks that the Group is exposed to. Hedge accounting has been applied to these contracts as they have been proved to be effective as per IAS 39. For these cash flow hedges, movements are recognized directly in equity and released to the income statement to offset the income statement impact of the underlying transactions. A loss of EUR 0.2 million has thus been recognized directly in equity (under hedging reserves) as per December 31, 2006.

22 OTHER PAYABLES

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Amounts due to customers under construction contracts (or advances received from contract work)	23,806	14,002
Social liabilities	5,654	3,543
Accrued expenses	5,673	4,666
Deferred revenue	5,416	809
Capital grants	846	1,151
Other	8,046	10,874
Other payables and accruals	49,441	35,045

23 OTHER OPERATING EXPENSES (NET)

Other operating expenses can be detailed as follows:

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Litigation fees	346	1,497
Capital gains	0	-1,301
Share option plan expenses	2,830	
Net negative goodwill	-25,952	
Write-offs and impairments	10,751	3,971
Other	1,585	426
TOTAL	-10,442	4,593

Litigation fees relate to expenses on the Optivus dispute detailed in Note 28.

At December 31, 2005, capital gains related to the sale of 50% of the Group's investment in its subsidiary in Milan.

The repricing of the stock options plans granted to employees from 2000 to 2004 generated an expense of EUR 2.4 million.

The acquisition of the European FDG network from Schering (excl. impact of the minority participation acquired in CIS bio International through RadioPharma Partners SA) generated a net negative goodwill of EUR 26 million which was directly recognized in the income statement.

At December 31, 2006, the Group recognized impairment charges on tangible assets (EUR 2.9 million), goodwill (EUR 1.1 million), inventory (EUR 3.6 million) and other receivables (EUR 3 million).

Write-offs and impairments at December 31, 2005 related to the impairment charge booked on the assets of IBA's subsidiary located in Fleurus, Belgium.

At December 31, 2006, the caption "Other" includes costs incurred by the Group for the rebranding of the IBA image and the accrued rental fees further to the discontinuation of the operational activity at a radioisotope production site located in the U.S.

24 NET FINANCIAL INCOME

The various items comprising the financial income are as follows:

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Interest received on receivables	-1,637	-1,283
Interest paid on debts	1,912	1,667
Net foreign exchanges gains and losses	709	-8,963
Changes in fair value of derivatives	-243	1,116
Liability charges		
Others	-1,334	148
TOTAL	-593	-7,314

At December 31, 2006, "Others" includes the fair value of an option to increase the percentage holdings in an associate.

25 INCOME TAXES

The tax charge for the year breaks down as follows:

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Current taxes	1,535	1,084
Deferred taxes	-9,362	1,372
TOTAL	-7,827	2,455

The tax charge on IBA's result before taxes differs from the theoretical amount that would have resulted from application of the average applicable tax rates to the

profits of the consolidated companies. The analysis is as follows:

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Profit/(loss) before taxes	23,686	5,178
Taxes calculated on the basis of national tax rates	6,560	1,380
Unrecognized deferred taxes	2,575	2,809
Tax exempt transactions	-6,319	-1,459
Adjustments in respect of deferred tax charge of previous years	227	135
Write-down of previously recognized deferred tax assets		1,237
Loss available for offset against future taxable income	-9,600	
Utilization of previously recognized tax losses	-1,517	-1,711
Other tax charges included other than corporation tax	245	65
Reported tax charge	-7,827	2,455
Theoretical tax rate	27.7%	26.6%
Effective tax rate	-33.0%	47.2%

Due to the level of tax losses available, IBA didn't calculate any deferred tax income on items charged or credited directly to equity.

26 DEFINED CONTRIBUTION PLANS

At December 31, 2006, the Group recognized an expense of EUR 380 thousand for defined contribution plans.

27 CASH FLOW STATEMENT

At December 31, 2006, "Other non cash items" include the impact of the negative goodwill generated on the acquisition of the European FDG network of Schering AG and the revaluation at fair value of options, partly compensated by the charges related to the stock option plans granted to employees and impairments on inventory.

Other investing cash flows mainly include loans to associate companies.

At December 31, 2006, other financing cash flows include cash advances (interest free) received from the Walloon Region of Belgium and cash received from employees for the exercise of the stock option plans for which the capital increase of the Company occurred post year-end closing.

At December 31, 2005, other financing cash flows mainly included deferred payments that were still to be made on the business acquisitions of the Group.

28 CONTINGENT LIABILITIES

The Group is currently involved in certain legal proceedings. The risks that these disputes might occasion are either judged to be insignificant or unquantifiable or, when potential damages are quantifiable, adequately covered by provisions. The development of the disputes in progress at the end of the 2005 period, and the principal disputes in progress at December 31, 2006, are presented in this note.

Development of Disputes in Progress at December 31 2006, Mentioned in the 2005 Annual Report.

LITIGATION WITH OPTIVUS TECHNOLOGY

On August 7, 2002, Optivus Technology Inc. (Optivus) filed a complaint in the U.S. District Court for the Central District of California, claiming that IBA's proton therapy system infringed five patents held by Optivus and seeking an injunction against continuing infringement and damages against IBA ("patent infringement claim"). Very soon afterwards, Optivus filed an amended complaint adding claims for unfair competition and intentional interference and seeking additional damages ("unfair competition claim"). In January 2003, Optivus further amended its complaint to include Loma Linda University Medical Center as a co-plaintiff.

In early January 2005, the court dismissed the unfair competition claim, and on March 13, 2005, it ruled that two of the five patents were invalid (U.S. Patent No. 4,870,287, "Multi-Station Proton Beam Therapy System," and U.S. Patent No. 5,260,581, "Method of Treatment Room Selection Verification in a Radiation Beam Therapy System"). Given that a jury would now be deciding only on the issues of whether the remaining three patents were valid and whether they were being infringed by IBA, IBA was able to convince Optivus to withdraw these claims. However, under the terms of this agreement, Optivus could appeal the January and March 2005 judgments against it and reassert infringement of the remaining three patents if its appeal was successful in whole or in part.

The appeal was filed in August 2005. In its decision of November 16, 2006, the appeals court confirmed the invalidity of the two patents and substantially confirmed the dismissal of the unfair competition claim. However, on two limited component claims, it ruled that the first judge had insufficient factual elements to conclude that IBA had not engaged in unfair competition without submitting the claim to a jury.

Optivus immediately reactivated a lower court action alleging infringement of the other three patents and unfair competition as narrowly defined by the Appeals Court. A jury trial was set for February 27, 2007 but was later postponed because of a conflict in the judge's schedule. A new trial date has not been set.

IBA is convinced more than ever that Optivus' claims are totally without merit. The company has made no provision under this heading at December 31, 2006.

OTHER LITIGATION

The management report also covers the tax lawsuit pending with the Swedish National Tax Board, for which it set aside a provision of EUR 1.3 million during a previous period.

New litigation during the period under review

LITIGATION WITH BAYER SCHERING PHARMA AG

Until April 30, 2006, IBA and Schering AG (now Bayer Schering Pharma AG) were partners in a joint venture to establish a network of FDG manufacturing sites in Italy and the United Kingdom. On April 30, 2006, in the context of closing a package deal for the sale of its radiopharmaceutical business to IBA and IRE (Institut National des Radioéléments), Bayer Schering Pharma AG sold its British and Italian holdings to IBA for a symbolic euro. During closing, the parties disagreed over the handling of loans made by each of the partners to their joint British subsidiary. Bayer Schering Pharma AG immediately initiated an arbitration procedure with the Association Française d'Arbitrage (French Arbitration Association). This procedure is pending, and no timetable has been set at this time. IBA contends that the loan from Bayer Schering Pharma AG was abandoned together with the equity for the symbolic euro and need not be repaid. Bayer Schering Pharma AG contends that this loan is not covered by the package deal and must be repaid by its due date of April 22, 2013. Subsidiarily, Bayer Schering Pharma AG contends that the loan should have been repaid

on April 30, 2006. The principal of the disputed loan is GBP 1,144,000. The interest rate is LIBOR plus 1%.

The same package deal with Bayer Schering Pharma AG could give rise to further litigation. The parties have a difference of opinion on the order of EUR 300,000 as to the amount of the net cash position adjustment at closing. Also, Bayer Schering Pharma AG maintains that IBA and IRE have not complied with their best effort obligation in connection with the Japanese operation. To date, no litigation has been initiated either of on these two issues.

29 COMMITMENTS

29.1 Operating Leases

The Group has a number of non-cancellable operating leases relating to vehicles and office space rental.

Total future minimum lease payments under non-cancellable operating leases are as follows:

	December 31, 2006	December 31, 2005
	(EUR '000)	(EUR '000)
Not later than one year	2,610	2,950
Later than one year and not later than 5 years	7,287	5,641
Later than 5 years	5,454	1,265
TOTAL	15,351	9,856

Total lease payments included in the income statement in 2006 amounted to EUR 2.9 million (EUR 2.4 million in 2005)

29.2 Financial Guarantees

At December 31, 2006, IBA possesses financial guarantees for EUR 45 million given by Group entities as securities for debts or commitments. Of this amount, EUR 19 million cover guarantees given by the parent company to cover its subsidiaries' lease liabilities and bank borrowings.

30 RELATED PARTY TRANSACTIONS

30.1 Consolidated Companies

A list of subsidiaries and equity-accounted companies is given in Note 5.

30.2 Relations with the Shareholders

Details of IBA's shareholders at December 31, 2006 are as follows:

	# of Shares	%
Belgian Anchorage	5,698,132	22.38%
Belgian Leverage	2,300,000	9.03%
Institut des Radioéléments	878,660	3.45%
Sopartec	670,185	2.63%
Université Catholique de LLN	426,885	1.68%
IBA Investment (*)	29,183	0.11%
Public	15,462,021	60.72%
TOTAL	25,465,066	100.00%

(*)At December 31, 2006, IBA held a total of 29,183 of its own shares via the company IBA Investments SCRL, an indirect 100% affiliate.

IBA's major shareholders—Belgian Anchorage, Belgian Leverage, UCL, Sopartec, and IRE—have declared that they are acting jointly and have entered into an agreement, which expires in 2013. This agreement provides for, among others, sharing of information and preferential rights for IBA shares. The parties to this agreement hold 10,003,045 ordinary shares as of December 31, 2006, representing 39.28% of the Company's voting rights. Under the terms of this agreement, in the event of the issue of new shares by IBA, if one of the shareholders does not exercise its preferential subscription right, that right will be assigned to the other major shareholders (and in the first place to Belgian Anchorage S.A.). If a party to this agreement wishes to dispose of its IBA shares, the other parties (and in the first place Belgian Anchorage S.A.) will have a right of first refusal to acquire these shares.

This right of first refusal is subject to certain exceptions and does not apply specifically in the case of a share transfer to Belgian Anchorage S.A.

At the time of acquisition of the radiopharmaceutical business of Schering AG in April 2006, the shareholders of "RadioPharma Partners SA", respectively IBA Group and IRE, agreed with their Japanese local partner to refinance the Japanese entity in which IBA obtained a minority interest.

The financing will be performed by IBA on behalf of both shareholders of "RadioPharma Partners SA".

Pursuant to the agreement with IRE, IBA recognized at December 31, 2006 an asset equal to the estimated contribution of IRE into the refinancing.

Future reimbursements by IRE to IBA are dependent on the positive evolution of the profitability of the Japanese entity.

Based on the discounted cash flow analysis of this Japanese entity performed at December 2006, the IBA Group recognized a write-off of EUR 0.5 million on that asset.

30.3 Relations with the Directors and Management

30.3.1 DIRECTORS

Fixed compensation awarded to the members of the Board for services rendered in 2006, amounted to EUR 108 thousand. Independent directors were designated as beneficiaries of the 2006 stock option plan. Managing Directors were not compensated for attending Board meetings.

30.3.2 MANAGING DIRECTORS AND MANAGEMENT TEAM

The total amount paid by the IBA Group to Managing Directors and the members of the Management Team for functions performed or services rendered amounted to EUR 2.7 million for 2006, including 1.9 million fixed remuneration and EUR 0.8 million of bonuses.

At December 31, 2006, the directors held 894,690 IBA shares (including 878,660 shares owned by the IRE).

At that date, independent directors still had 17,400 options allowing them to subscribe to IBA shares and issued in the scope of the 2000, 2001, 2002 and 2006 stock option plans.

At December 31, 2006, members of the Management Team, including Managing Directors, held a total of 905,450 stock options distributed as follows:

- 11,500 options issued in the context of the 2000 plan at the exercise price of EUR 24.90
- 62,500 options issued in the context of the 2001 plan at the exercise price of EUR 12.60
- 321,450 options issued in the context of the 2002 plan at the exercise price of EUR 3.34.
- 300,000 options issued in the context of the 2004 plan at the exercise price of EUR 3.72.
- 50,000 options issued in the context of the 2005 plan at the exercise price of EUR 6.37.
- 160,000 options issued in the context of the 2006 plan at the exercise price of EUR 13.64

31 REMUNERATIONS FOR SERVICES RENDERED BY THE STATUTORY AUDITORS

Ernst & Young Reviseurs d'Entreprises SCRL, auditor of the statutory accounts of IBA S.A., and auditor of the

consolidated accounts of IBA, provided the following services during the year:

	December 31, 2006
	(EUR '000)
Remuneration for statutory audits & audit of consolidated accounts	306
Tax related services	7
Other services	66
TOTAL	378

32 IFRS STANDARDS AND IFRIC INTERPRETATIONS NOT ANTICIPATED BY THE GROUP

IFRS standards and IFRIC interpretations for which the compulsory application after 2006 has not been anticipated by the Group:

IFRS 7 – *Financial Instruments, disclosures*, which define the information to be disclosed in order to evaluate the importance of the financial instruments with respect to their return as well as the nature and importance of the associated risks.

IFRS 8 - *Operating Segments*. This standard which will replace IAS 14 – *Segment Reporting*, aims at the adoption of the same approach for the presentation of the notes on segment reporting into to the financial statements as the one followed by the management for internal reporting.

IFRS 7 – *Financial Instruments, disclosures* and IFRS 8 - *Operating Segment* if and when applicable, could lead to the modification of the information provided into the notes to the Financial Statements.

33 EVENTS AFTER THE BALANCE SHEET DATE

On January 8, 2007, IBA announced that ProCure Treatment Centers, Inc. had selected IBA to build the first private proton therapy facility (four treatment rooms) in Oklahoma City, USA. This contract is subject to financing. A group of seven doctors from Radiation Medicine Associates (RMA) and Radiation Oncology Associates (ROA), two leading cancer radiation treatment clinics in Oklahoma City, have joined forces with ProCure Treatment Centers, Inc. to build this new proton therapy facility.

On January 18, 2007, IBA announced that it is launching an ambitious expansion program to meet the ever-increasing demand for Proton Therapy systems. This expansion program will allow the production of up to eight Proton Therapy systems per year in a first phase, a fourfold increase over the current production rate. The investment, in excess of EUR 3 million, will entail an expanded production surface and the addition of new testing vaults at IBA's Louvain-la-Neuve (Belgium) facility. The new facility should be operational by mid-Summer 2007. This investment is part of an overall development program that also includes a significant hiring plan to maintain IBA's leadership in the most advanced radiation-based cancer therapy.

On February 26, 2007, IBA announced that it had finalized a contract to provide India's Department of Atomic Energy (DAE) with a Cyclone® 30—a 30 MeV cyclotron—that will be used to produce medical radioisotopes. The contract is for an undisclosed amount between EUR 5 and 10 million. This cyclotron will be used to produce SPECT (Single Photon Emission Computed Tomography) radioisotopes such as thallium-201. It will also be equipped with a beamline for research and development purposes. As a result of its acquisition, India will no longer be dependent on expensive imports for many radioisotopes which it will be able to produce locally in order to serve more of its population. The cyclotron will be installed at a new site of the DAE's Variable Energy Cyclotron Centre in Calcutta and should go on line in early 2009.

34 EARNINGS PER SHARE

34.1 Basic

Basic earnings per share are calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares in

issue during the period. The weighted average number of ordinary shares excludes shares purchased by the Company and held as treasury shares.

BASIC EPS	December 31, 2006	December 31, 2005
Weighted average number of ordinary shares in issue	25,249,108	24,797,948
Profit attributable to equity holders of the Company (EUR '000)	30,007	3,048
Basic earnings per share from continuing and discontinued operations (EUR per share)	1.19	0.12
Profit from continuing operations attributable to equity holders of the Company (EUR '000)	31,513	2,723
Weighted average number of ordinary shares in issue	25,249,108	24,797,948
Basic earnings per share from continuing operations (EUR per share)	1.25	0.11
Profit from discontinued operations attributable to equity holders of the Company (EUR '000)	-1,524	325
Weighted average number of ordinary shares in issue	25,249,108	24,797,948
Basic earnings per share from discontinued operations (EUR per share)	-0.06	0.01

34.2 Diluted

Diluted earnings per share are calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has only one category of dilutive potential ordinary shares: share options.

The calculation is performed for the share options to determine the number of shares that could have been acquired at fair value (determined as the average annual

market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

DILUTED EPS	December 31, 2006	December 31, 2005
Weighted average number of ordinary shares in issue	25,249,108	24,797,948
Weighted average number of shares under option	1,731,892	2,342,434
Average share price over period	11.93	6.77
Dilution effect from weighted number of shares under option	1,195,807	409,181
Weighted average number of ordinary shares for diluted earnings per share	26,444,915	25,207,128
Profit attributable to equity holders of the Company (EUR '000)	30,007	3,048
Diluted earnings per share from continuing and discontinued operations (EUR per share)	1.13	0.12
Profit from continuing operations attributable to equity holders of the Company (EUR '000)	31,513	2,723
Diluted earnings per share from continuing operations (EUR per share)	1.19	0.11
Profit from discontinued operations attributable to equity holders of the Company (EUR '000)	-1,524	325
Diluted earnings per share from discontinued operations (EUR per share)	-0.06	0.01

Auditor's Report on the Consolidated Financial Statements



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STATUTORY AUDITOR'S REPORT TO THE GENERAL MEETING OF SHAREHOLDERS OF ION BEAM APPLICATIONS SA ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

In accordance with the legal requirements, we report to you on the performance of our mandate of statutory auditor. This report contains our opinion on the consolidated financial statements as well as the required additional comments.

Unqualified opinion on the consolidated financial statements with an emphasis of matter paragraph

We have audited the consolidated financial statements of Ion Beam Applications SA and its subsidiaries (collectively referred to as 'the Group') for the year ended 31 December 2006, as mentioned in the attached pages 27 to 87, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium. These consolidated financial statements comprise the consolidated balance sheet as at 31 December 2006, and the consolidated statements of income, changes in equity and cash flows for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated balance sheet shows total assets of € 266,867,433.63 and the consolidated statement of income shows a profit for the year, share of the Group, of € 30,006,697.33.

Responsibility of the board of directors for the preparation and fair presentation of the consolidated financial statements

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Responsibility of the statutory auditor

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the legal requirements and the auditing standards applicable in Belgium, as issued by the Institute of Registered Auditors (*Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren*). Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

■ Société civile ayant emprunté la forme d'une société coopérative à responsabilité limitée
 Burgerlijke vennootschap die de rechtsvorm van een coöperatieve vennootschap met beperkte aansprakelijkheid heeft aangenomen
 RPM Bruxelles - RPR Brussel : T.V.A. - B.T.W. BE 0446.334.711
 Banque - Fortis - Bank : 210-0905900-69

In accordance with these standards, we have performed procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. We have evaluated the appropriateness of accounting policies used, the reasonableness of significant accounting estimates made by the Group and the presentation of the consolidated financial statements, taken as a whole. Finally, we have obtained from the board of directors and the Group's officials the explanations and information necessary for executing our audit procedures. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, the consolidated financial statements for the year ended 31 December 2006 give a true and fair view of the Group's financial position as at 31 December 2006 and of the results of its operations and its cash flows in accordance with IFRS as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium.

Without qualifying our opinion, we draw attention to Note 28 to the financial statements and to the Directors' report, which describe the claim filed against the Company by Optivus Technology, Inc. At the date of this report, its ultimate outcome cannot be predicted and no provision has been established to cover this case.

Additional comments

The preparation and the assessment of the information that should be included in the directors' report on the consolidated financial statements are the responsibility of the board of directors.

Our responsibility is to include in our report the following additional comments, which do not modify the scope of our opinion on the consolidated financial statements:

- The directors' report on the consolidated financial statements deals with the information required by law and is consistent with the consolidated financial statements. We are, however, unable to comment on the description of the principal risks and uncertainties which the entities included in the consolidation are facing, and on their financial situation, their foreseeable evolution or the significant influence of certain facts on their future development. We can nevertheless confirm that the matters disclosed do not present any obvious inconsistencies with the information that we became aware of during the performance of our mandate.



Audit report dated 30 March 2007 on the consolidated financial statements of Ion Beam Applications SA for the year ended 31 December 2006

- In the context of our audit of the statutory financial statements of Ion Beam Applications SA, we ascertained that the board of directors of the Company had complied with the legal provisions applicable to cases of conflicting interest of a financial nature. In conformity with the Companies' Code, these transactions have been covered explicitly in our report on the statutory financial statements of Ion Beam Applications SA.

30 March 2007

Ernst & Young Reviseurs d'Entreprises SCCRL
Statutory auditor
represented by

A handwritten signature in black ink, appearing to read 'Eric Golenvaux', written over a horizontal line.

Eric Golenvaux
Partner

IBA S.A. Financial Statements after Appropriation I

IBA S.A. financial statements are presented in a condensed version. In accordance with company Law, the full set of financial statements and the auditor's report are filed with the National Bank of Belgium.

These documents can also be obtained on request from IBA headquarters in Belgium.

ASSETS (in EUR 000)	2006	2005	2004
FIXED ASSETS	179,478	307,383	277,217
Formation expenses	-	-	-
Intangible fixed assets	884	1 070	116
Tangible fixed assets	3,457	3,157	4,194
Land and buildings	635	625	729
Plant, machinery and equipment	45	82	86
Furniture and vehicles	862	550	548
Leases and similar rights	1,812	1,900	1,993
Assets under construction and advance payments	103		838
Financial assets	175,137	303,156	272,907
Affiliated companies	172,393	302,499	272,404
Other companies	0	311	311
Other financial assets	2,744	346	192
CURRENT ASSETS	182,807	135,715	239,681
Accounts receivable after one year	1,342	202	
Inventories and contracts in progress	121,610	87,391	94,995
Inventories	11,385	15,893	14,943
Contracts in progress	110,225	71,498	80,052
Amounts receivable within one year	24,748	25,327	23,022
Trade debtors	22,740	20,517	13,457
Other amounts receivable	2,008	4,810	9,565
Investments	33,261	15,976	98,779
Cash at bank and in hand	669	5,882	20,728
Deferred charges and accrued income	1,177	937	2,157
TOTAL ASSETS	362,285	443,098	516,898

LIABILITIES AND EQUITY (in EUR 000)	2006	2005	2004
SHAREHOLDERS' EQUITY	150,124	148,040	232,224
Capital	35,747	34,883	34,605
Additional paid-in capital	200,898	198,887	275,278
Reserves	745	745	745
Legal reserve	542	542	542
Untaxed reserves	203	203	203
Retained earnings	-87,435	-86,664	-78,907
Capital grants	169	189	503
PROVISIONS AND DEFERRED TAXES	3,781	3,617	1,774
CREDITORS	208,380	291,441	282,900
Amounts payable after one year	71,789	241,107	197,385
Financial debts	870	1,075	1,288
Advances received on contracts in progress	19,546	59,318	36,934
Other amounts payable	51,373	180,714	159,163
Amounts payable within one year	135,402	49,943	84,663
Current portion of amounts payable after one year	4,562	3,698	4,213
Financial debts		3,814	
Trade debts	16,238	10,279	10,210
Advances received on contracts in progress	102,674	24,892	52,460
Current tax and payroll liabilities	2,334	2,155	3,749
Other amounts payable	9,594	5,105	14,031
Accrued charges and deferred income	1,189	391	852
TOTAL LIABILITIES	362,285	443,098	516,898

INCOME STATEMENT (in EUR 000)	2006	2005	2004
Operating income	67,798	62,054	54,613
Operating expenses (-)	-66,151	-62,055	-50,022
Raw materials, consumables, and goods for resale	-21,191	-19,309	-14,854
Services and other goods	-22,653	-17,285	-14,813
Salaries, social security, and pensions	-15,658	-15,596	-14,424
Depreciation and write-offs on fixed assets	-4,822	-5,129	-4,736
Increase/(decrease) in write-downs on inventories,	-341	-1,715	-1,862
Provisions for liabilities and charges	-163	-1,843	975
Other operating expenses	-1,323	-1,178	-308
Operating Profit/(Loss)	1,647	-1	4,591
Financial income	10,634	12,648	17,479
Income from financial assets	7,608	531	452
Income from current assets	1,224	495	1,217
Other financial income	1,802	11,622	15,810
Financial expenses (-)	-9,846	-19,853	-15,176
Interest expense	-3,510	-4,165	-6,125
Other financial charges	-6,336	-15,688	-9,051
Profit/(loss) on ordinary activities before taxes	2,435	-7,206	6,894
Extraordinary income (+)	0	314	4,980
Gain on sale of fixed assets	0	314	4,980
Extraordinary expenses (-)	-3,207	-855	-1,346
Extraordinary depreciation and write-offs on fixed assets			
Amounts written off financial fixed assets	-199		-188
Other extraordinary expenses	-3,008	-855	-1,158
Profit/(Loss) for the period before taxes	-772	-7,747	10,528
Income taxes (-) (+)	0	-10	-2
Profit for the period (+)	-772	-7,757	10,526
Transfer to tax free reserves (-)	-	-	-
Profit/(Loss) for the period available for appropriation	-772	-7,757	10,526

APPROPRIATION OF RESULTS (in EUR '000)	2006	2005	2004
Loss to be appropriated (-)	-87,436	-86,664	-78,907
Profit for the period available for appropriation	-772	-7,757	10,526
Loss carried forward (-)	-86,664	-78,907	-89,433
Transfers to capital and reserves			
Loss to be carried forward	-87,436	-86,664	-78,907

STATEMENT OF CAPITAL (in EUR '000)	AMOUNT	NUMBER OF SHARES
Capital		
1. Issued capital		
At the end of the previous financial year	34,883	
Changes during the financial year	866	622,613
At the end of the financial year	35,749	
2. Structure of the capital		
2.1. Categories of shares		
• Ordinary shares without designation of face value	20,507	14,734,590
• Ordinary shares without designation of face value with WPR strip	15,242	10,730,476
2.2. Registered or bearer shares		
• Registered shares		9,485,814
• Bearer shares		15,979,252
Own shares held by		
• The Company itself	-	-
• Its subsidiaries	41	29,183
Share issue commitments		
Following exercise of share options		
• Number of outstanding share options		2,377,200
• Amount of capital to be issued	3,314	
Maximum number of shares to be issued		2,377,200
Amount of non-issued authorized capital	24,193	

General Information I

General Information

Corporate Name

Ion Beam Applications S.A., abbreviated IBA.

Registered Office

Chemin du Cyclotron, 3 – B-1348 Louvain-la-Neuve – Belgium. Company No. 428 750 985.

Date, Form, and Period of Incorporation

IBA was incorporated for an indefinite period on March 28, 1986 as a société anonyme under Belgian law. It is a listed corporation pursuant to article 4 of Belgium's Code des Sociétés (Corporate Code).

Corporate Purpose (ARTICLES 3 OF THE ARTICLES OF INCORPORATION)

The corporate purpose of the Company is to engage in research and development and to acquire intellectual property rights with a view to the exploitation, fabrication, and marketing of applications and equipment in the field of applied physics. It may engage in any and all securities, real-estate, financial, commercial, and industrial operations that are directly or indirectly related to its corporate purpose. It may acquire an interest, by contribution, merger, purchase of shares, or any other means, in enterprises, associations, or companies whose purpose is similar, analogous, related, or useful to the achievement its corporate purpose in whole or in part.

Consultation of Corporate Documents

The Company's statutory and consolidated statements are filed with the National Bank of Belgium. Copies of the Company's consolidated articles of incorporation, its annual and semi-annual reports, and all other shareholder documentation may be obtained at the Company's website (www.iba-worldwide.com) or by shareholder request to the Company's registered office.

Capital Stock

At December 31, 2006, IBA's capital stock was valued at EUR 35,749,298.55 and consisted of 25,465,066 fully paid shares with no par value, including 10,730,476 shares with VVPR strips.

In June 2000, the Company issued 427,000 employee stock options ("2000 Plan"). Of these options, 185,778 were canceled by notarial act on July 9, 2002, and 74,074 were canceled by notarial act on July 13, 2004. Most of these stock options allow the beneficiary to purchase a new share at EUR 24.90 (originally EUR 28) following certain procedures during specific periods between June 1, 2001 and February 28, 2009. At December 31, 2006, 167,148 of the 2000 Plan stock options remained outstanding. None of these options has been exercised to date.

In October 2001, the Company issued 500,000 employee stock options ("2001 Plan"). Of these options, 121,100 were canceled by notarial act on July 9, 2002, and 118,375 were canceled by notarial act on July 13, 2004. Most of these stock options allow the beneficiary to purchase a new share at EUR 12.60 (originally EUR 15.70) following certain procedures during specific periods between December 1, 2002 and December 31, 2010. Exercise of 17,750 of the 2001 Plan stock options was recorded by notarial act on October 17, 2006. At December 31, 2006, 242,775 of the 2001 Plan stock options remained outstanding.

In September 2002, the Company issued 3,000,000 employee stock options ("2002 Plan"). Of these options, 167,650 were canceled by notarial act on June 17, 2003, 991,750 were canceled by notarial act on July 13, 2004, and 474,220 were canceled by notarial act on July 11, 2005. Most of these stock options allow the beneficiary to purchase a new share at EUR 3.34 (originally EUR 5.11) following certain procedures during specific periods between December 1, 2003 and August 31, 2012. Of these stock options, 5,700 were exercised by notarial act on July 13, 2004, 1,790 were exercised by notarial act on October 8, 2004, 200,000 were exercised by notarial act on March 23, 2005, 350,000 were exercised by notarial act on February 17, 2006, 7,930 were exercised by notarial act on April 18, 2006, 159,823 were exercised by

notarial act on July 14, 2006, and 87,110 were exercised by notarial act on October 17, 2006. At December 31, 2006, 554,027 of the 2002 Plan stock options remained outstanding.

In October 2004, the Company issued 1,000,000 employee stock options ("2004 Plan"). Of these options, 500,000 were given free of charge to employees of IBA and its Belgian subsidiaries and Specific Persons subject to the Belgian Employment Action Plan Act of March 26, 1999 ("free stock options"). Another 500,000 of these options were offered at 4% of the strike price to employees and Specific Persons not subject to the Belgian Employment Action Plan Act of March 26, 1999 ("purchasable stock options"). This segment was intended essentially for employees and Specific Persons associated with subsidiaries of IBA S.A. in countries outside Belgium, where stock options are taxed when they are exercised rather than when they are granted. In order to distribute the impact of the tax burden on beneficiaries subject the Belgian Employment Action Plan Act, instead of giving these stock options away, the Company issued them at a price approximately equal to the marginal tax rate burden for beneficiaries subject to the Act. Of the total offering, 496,000 free stock options were accepted, and 390,000 purchasable options were purchased. Consequently, 4,000 free options were canceled by notarial act on December 22, 2004. These stock options allow the beneficiary to purchase a new share at EUR 3.72 (originally EUR 6.36) following certain procedures during specific periods between December 1, 2007 and September 30, 2010. At December 31, 2006, a total of 886,000 of the 2004 Plan stock options remained outstanding. None of these options has been exercised to date.

The Company reduced the strike price of these stock options as indicated above following the EUR 3.1 refund of issue premiums over par on February 1, 2005, done with the approval of the Belgian revenue office.

In October 2005, the Company issued 90,000 employee stock options ("2005 Plan"). All of the stock options were accepted. They allow the beneficiary to purchase a new share at EUR 6.37 following certain procedures during specific periods between December 1, 2008 and September 30, 2011. None of these options has been exercised to date.

On October 16, 2006, the Board of Directors of IBA S.A. decided to issue 575,000 employee stock options ("2006 Plan"). The offering was distributed in much the same way as for the 2004 Plan. As recorded by notarial act, on December 22, 2006, of the 332,000 free stock options, 287,500 had been accepted, and of the 243,000 purchasable stock options, 149,750 had been purchased. Consequently, the Board of Directors canceled 44,500 free stock options by notarial act on October 16, 2006. At December 31, 2006, there were 437,250 stock options in this plan.

A total of 2,377,200 stock options are issued and outstanding.

All stock options may be exercised in the event of a takeover bid for IBA or of a capital increase with preferential rights.

Authorized Capital

The Extraordinary General Meeting of May 10, 2006 authorized the Board of Directors to increase the Company's capital through one or more stock offerings up to a maximum of EUR 25,000,000. This authorization is valid for five years from the date of publication in the *Moniteur Belge* of the decision of the Extraordinary General Meeting of May 10, 2006; that is, until May 29, 2011. At December 31, 2006, following the launching of the 2006 stock option plan, the authorized capital was valued at EUR 24,192,757.50.

Patents and Technologies

IBA is careful to patent all aspects of its technology for which a patent provides a commercial advantage.

In addition, the Company has maintained the secrecy of a significant portion of its know-how that is unpatentable or for which the Company believes secrecy is more effective than publication in a patent application. More fundamentally, the Company believes that the best way to protect itself from its competitors is not by patenting its inventions, but by maintaining its technological lead.

IBA also licenses patents from third parties and pays royalties on them, as in the case of the Rhodotron®.

Licensing and Cooperation Agreements

IBA uses licensing agreements involving various aspects of its technology. Listing and explaining the nature and terms of these agreements is beyond the scope of this annual report. The licensed technologies include those used for the cyclotron, the Rhodotron®, and several components of the Company's proton therapy installations.

Five-Year Capital History

Operation	Shares		Capital (in EUR)		
	Movement	Total	Change	Total	
09.07.02	Exercise of 1998 Plan stock options	+ 55,688	24,527,718	+ 238,902	34,134,111
14.11.04	Exercise of 1998 Plan stock options	+ 1,125	24,528,843	+ 4,826	34,138,937
09.03.04	Exercise of 1998 Plan stock options	+ 106,120	24,634,963	+ 455,255	34,594,192
13.07.04	Exercise of 2002 Plan stock options	+ 5,700	24,640,663	+ 7,933	34,602,125
08.10.04	Exercise of 2002 Plan stock options	+1,790	24,642,453	+2 491	34,604,616
23.03.05	Exercise of 2002 Plan stock options	+ 200,000	24,842,453	+ 278,340	34,882,956
17.02.06	Exercise of 2002 Plan stock options	+350,000	25,192,453	+ 487,095	35,370,051
18.04.06	Exercise of 2002 Plan stock options	+7,930	25,200,383	+11,036	35,381,087
14.07.06	Exercise of 2002 Plan stock options	+159,823	25,360,206	+222,426	35,603,513
17.10.06	Exercise of 2002 Plan stock options	+87,110	25,447,316	+121,231	35,724,744
17.10.06	Exercise of 2001 Plan stock options	+17,750	25,465,066	+24,554,53	35,749,299

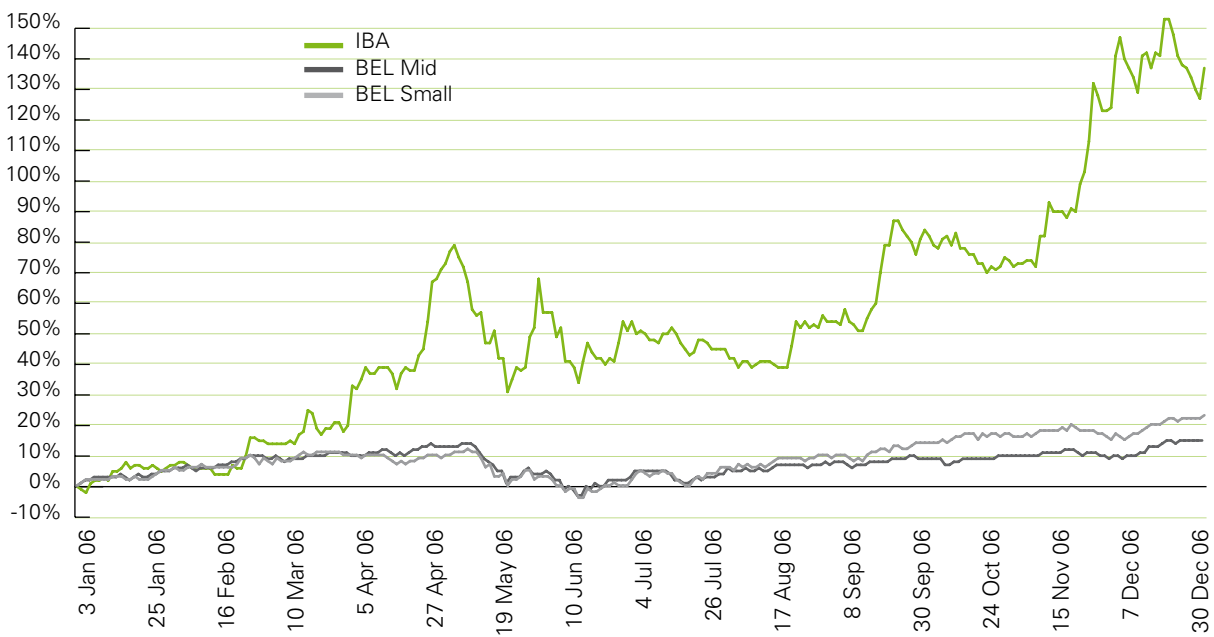
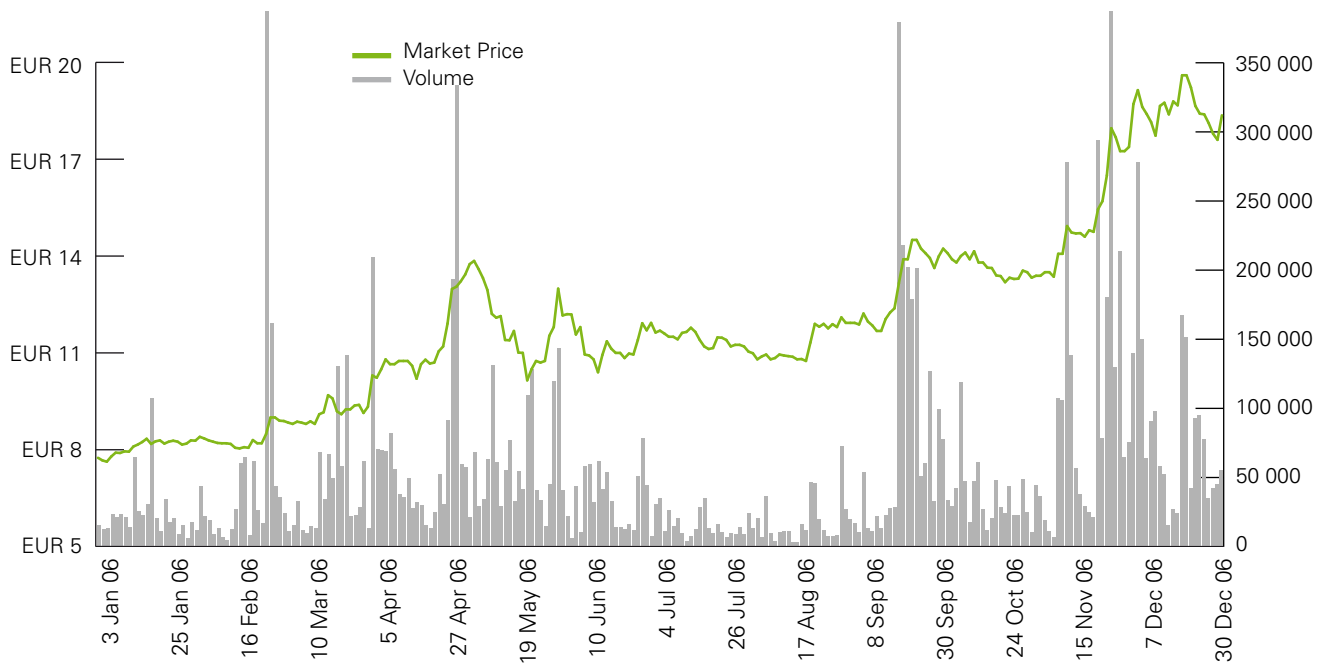
The Stock Market and the Shareholders I

IBA Stock

IBA stock is continuously traded on Euronext Brussels. It is included in the NextEconomy segment and Bel Mid index of the Brussels exchange. It was first listed on June 22, 1998 at EUR 11.90 per share (price adjusted for the 5 for 1 split in June 1999).

At December 31, 2006, it had no convertible bonds or bonds with warrants outstanding. Total employee stock options outstanding at end-2006 numbered 2,377,200.

Stock Market Prices



Shareholders	Dec. 31, 2006		Diluted		Dec. 31, 2005		Diluted	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
Belgian Anchorage S.A. ⁽¹⁾⁽²⁾	5,698,132	22.4%	5,698,132	20.5%	6,383,632	25.7%	6,383,632	23.3%
Belgian Leverage ⁽¹⁾⁽³⁾	2,300,000	9.0%	2,300,000	8.3%	2,300,000	9.3%	2,300,000	8.4%
Institut des Radioéléments (IRE) ⁽¹⁾⁽³⁾	878,660	3.5%	878,660	3.2%	878,660	3.5%	878,660	2.8%
Sopartec (UCL) ⁽¹⁾	670,185	2.6%	670,185	2.4%	770,185	3.1%	770,185	3.2%
UCL (Université Catholique de Louvain) ⁽¹⁾	426,885	1.7%	426,885	1.5%	532,885	2.1%	532,885	1.9%
IBA Investments ⁽⁴⁾	29,183	0.1%	29,183	0.1%	29,183	0.1%	29,183	0.1%
Float	15,462,021	60.7%	17,839,221	64.0%	13,947,908	56.1%	16,510,471	60.3%
Total	25,465,066	100%	27,405,016	100%	24,842,453	100%	27,405,016	100%

(1) Transparency Statement at December 31, 2006 (most recent published statement).

(2) Belgian Anchorage is a company established and wholly owned by IBA management and employees.

(3) Belgian Leverage is a wholly owned subsidiary of Belgian Anchorage.

(4) IBA Investments is a second-tier subsidiary of IBA S.A.

Shareholders' Calendar

2007 General Shareholder's Meeting
 Publication of results at June 30, 2007
 Publication of results at December 31, 2007
 2008 General Shareholders' Meeting

May 9, 2007, 10:00 AM
 August 31, 2007
 March 6, 2008
 May 14, 2008, 10:00 AM

Contact

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