



MEANINGFUL INNOVATION

Viggo Mommaerts, treated with proton therapy

PROTECT +
ENHANCE +
SAVE LIVES



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IBA AT A GLANCE

IBA focuses on three main activities:

Proton therapy

Proton therapy is considered to be the most advanced form of radiation treatment available in the fight against cancer. With the unique dose deposition that proton therapy offers, it is possible to target the tumor more effectively while limiting the side effects. Protons deposit the majority of their energy within a controlled zone while limiting the impact on healthy tissues surrounding the tumor.

Dosimetry

IBA offers a full range of monitoring equipment and software that enable hospitals to perform the necessary calibration and procedural checks for radiation therapy and radiology equipment. Precision and control are essential. That is why delivering exactly the prescribed dose to a precisely defined area in the patient's body is absolutely crucial. The treatment's success and the patient's safety depend on it.

Particle accelerators

IBA has installed more than 450 accelerators worldwide. Most of these are used to produce radioisotopes in oncology (for cancer detection), as well as in neurology and cardiology. In addition to its medical activities, IBA leverages its scientific expertise in radiation to develop sterilization and ionization solutions for various industrial uses.

Our mission is to Protect, Enhance and Save Lives. We develop innovative solutions for the diagnosis and treatment of cancer, pushing back the limits of technology. IBA is the global leader in advanced cancer radiation therapy technologies. Our special expertise lies in the development of leading-edge proton therapy technology.

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SAVE LIVES

A MESSAGE FROM OLIVIER LEGRAIN

“IBA’s employees are the key to our success.”

Was 2016 a good year for IBA?

Yes, it was a very good year. On the economic level, the results were in line with the objectives we set ourselves, with growth exceeding 20% and an operating margin that was higher than 11%. On the commercial level, we signed a record number of contracts, including for the sale of eight proton therapy solutions and fourteen orders for Other Accelerators. Our order book has achieved a record level of EUR 335.5 million for the Proton Therapy and Other Accelerators segment. Our services order book has also hit a new record, with EUR 673 million, representing revenues for the next 10 to 15 years. Proton therapy is a huge defining factor in IBA’s growth but we have a nicely balanced portfolio of activities, that are all profitable and synergies also exist between them.

How do you explain this success?

IBA owes its success to the quality of its employees, who work tirelessly every day to introduce innovative solutions to different markets. Proteus®ONE*, our compact proton therapy solution, for example caused a minor revolution, making proton therapy more accessible, while incorporating the latest innovations and technology.

Another example is the Cyclone®KIUBE, which was launched to market in 2016 by our RadioPharma Solutions division. This highly compact and evolutive cyclotron led to an incremental increase in our production capacity. This new accelerator demonstrates IBA’s impressive growth capacity, and not just in proton therapy.

How do you explain the exponential growth of proton therapy?

This growth is no coincidence. Three factors contributed to the success of proton therapy.

Firstly, the medical community’s growing recognition of the role of proton therapy in cancer therapy. Secondly, better access to technology because of Proteus®ONE, which means a larger number of clinical institutions and patients around the world can enjoy the benefits of proton therapy. And finally, the new technology that we incorporate in our solutions and that allows us to extend the scope of proton therapy applications, such as, for example, Pencil Beam Scanning and Cone Beam CT.

How does IBA respond to this growth?

On the one hand, we are increasing our production capacity by building a new assembly line for the particle accelerators for Proteus®ONE, which will be up and running in 2018. We have also hired just under 400 new employees, for the installation and maintenance of the centers in our order book. We will pursue this recruitment drive with the hiring of another 200 engineers in 2017.

What about the future?

The prospects for 2017 are good, and our growth is expected to continue. Our order book is continuing to fill up. Our workforce has doubled in just a few years. Regionalisation will become more important. If we succeed in achieving our vision of ensuring that 20% of all patients who are treated with radiation therapy have access to proton therapy, IBA may very well become one of the market leaders for radiation

Proton therapy’s penetration in the radio therapy market is on the rise because of the medical community’s growing interest, thanks to cheaper access and technological progress.



Olivier Legrain, Chief Executive Officer

therapy in the years to come. IBA is undergoing a transformation, albeit without forfeiting its unique culture. IBA is also very fortunate that its teams are exceptionally loyal and committed. All IBA employees have the same open, caring mindset when it comes to their colleagues, to patients, to society and to the environment. We aim to have a societal impact while minimising our carbon footprint. IBA also succeeded in bringing its employees together around a unique project and company, thanks to the noble task it set itself. Every time patients show their gratitude, it gives us a sense of why what we do makes such a difference.

Olivier Legrain
Chief Executive Officer



A tribute to Professor Philippe De Woot
Former President of IBA's Board of Directors, who was a leading light in the field of Corporate Social Responsibility, passed away September 29, 2016.

PROTON THERAPY

Proton therapy is currently considered to be the most advanced form of radiation treatment possible.

It is considered the most advanced form of radiation treatment available in the fight against cancer thanks to the uniform dose deposition and the reduction of the doses to the tissue adjacent to the tumor. Protons deposit the majority of their energy within a controlled zone while limiting the impact on the healthy tissue that surrounds the tumor, meaning larger doses can be deposited in the tumor without increasing the risk of secondary effects or long-term complications. This has the potential to improve the treatment results and the patients' quality of life.

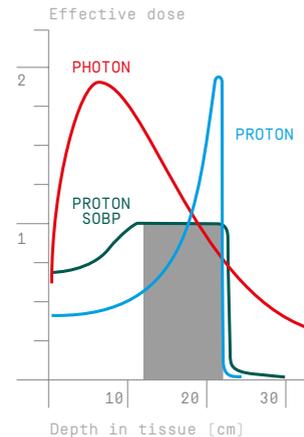
Unfortunately, not enough patients can benefit from proton therapy. Less than 1% of all patients who are undergoing radiation therapy currently have access to it.



The only thing we, as parents, could do for Viggo was to look for the best therapy in the world so that after treatment, he could maintain a high quality of life.

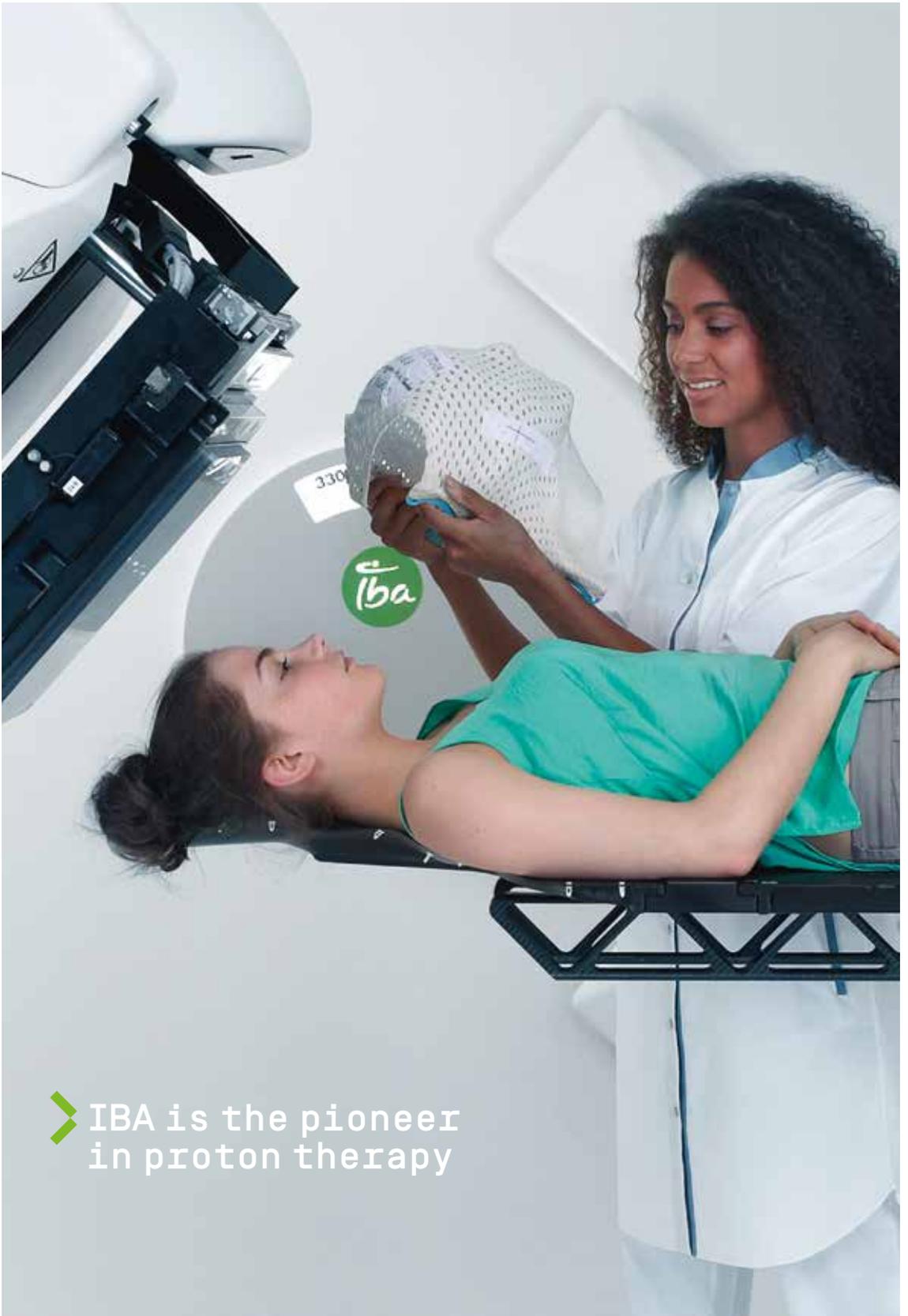
Valérie Verlinden
Viggo's mother

Bragg Peak*



■ Prescribed dose in tumor

* Proton beams release the majority of their destructive energy within a small range inside the tumor, depositing less entrance dose and no exit dose.



➤ IBA is the pioneer
in proton therapy

The advantages of proton therapy.

Nowadays proton therapy is used to treat many forms of cancer. It is particularly appropriate in situations where treatment options are limited and conventional radiation therapy using a photon beam presents unacceptable risks to patients. These situations include and are not limited to: eye and brain cancers, head and neck cancers, prostate, liver, lung, breast, and pediatric cancers, as well as other tumors in close proximity to one or more critical structures.



Protons can help us be more effective and smarter in the way we try to address and treat the tumor. It can also help us better spare the surrounding tissues.

Ramesh Rengan MD PhD

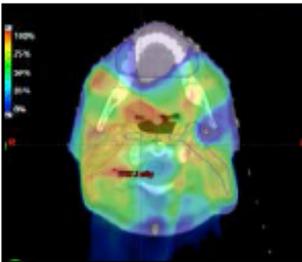
Medical Director, SCCA Proton Therapy
Associate Member, Clinical Research
Division Fred Hutchinson Cancer Research
Center. Associate Professor, Department of
Radiation Oncology, University of Washington
School of Medicine, USA

The advantages of proton therapy

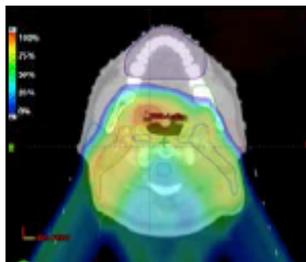
- Little to no radiation beyond the tumor
- Lower integral dose per treatment
- Potential to lower the risk of side effects
- May improve the quality of life during and after treatment

Proton therapy vs Conventional photon beam radiation therapy

Head and neck



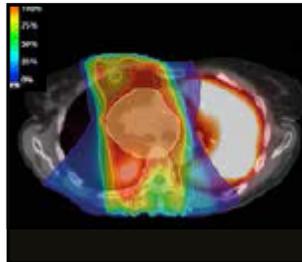
Conventional photon beam radiation therapy



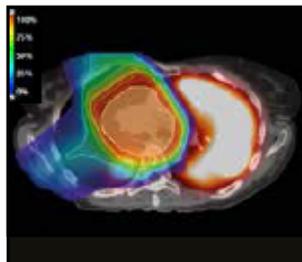
Proton therapy

Images with courtesy of Dr Alexander Lin, University of Pennsylvania School of Medicine

Lung



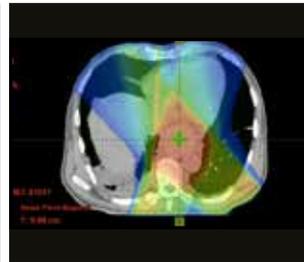
Conventional photon beam radiation therapy



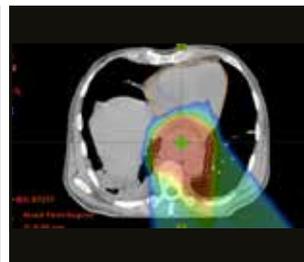
Proton therapy

Images with courtesy of Stephen Bowen, PhD, University of Washington

Esophagus

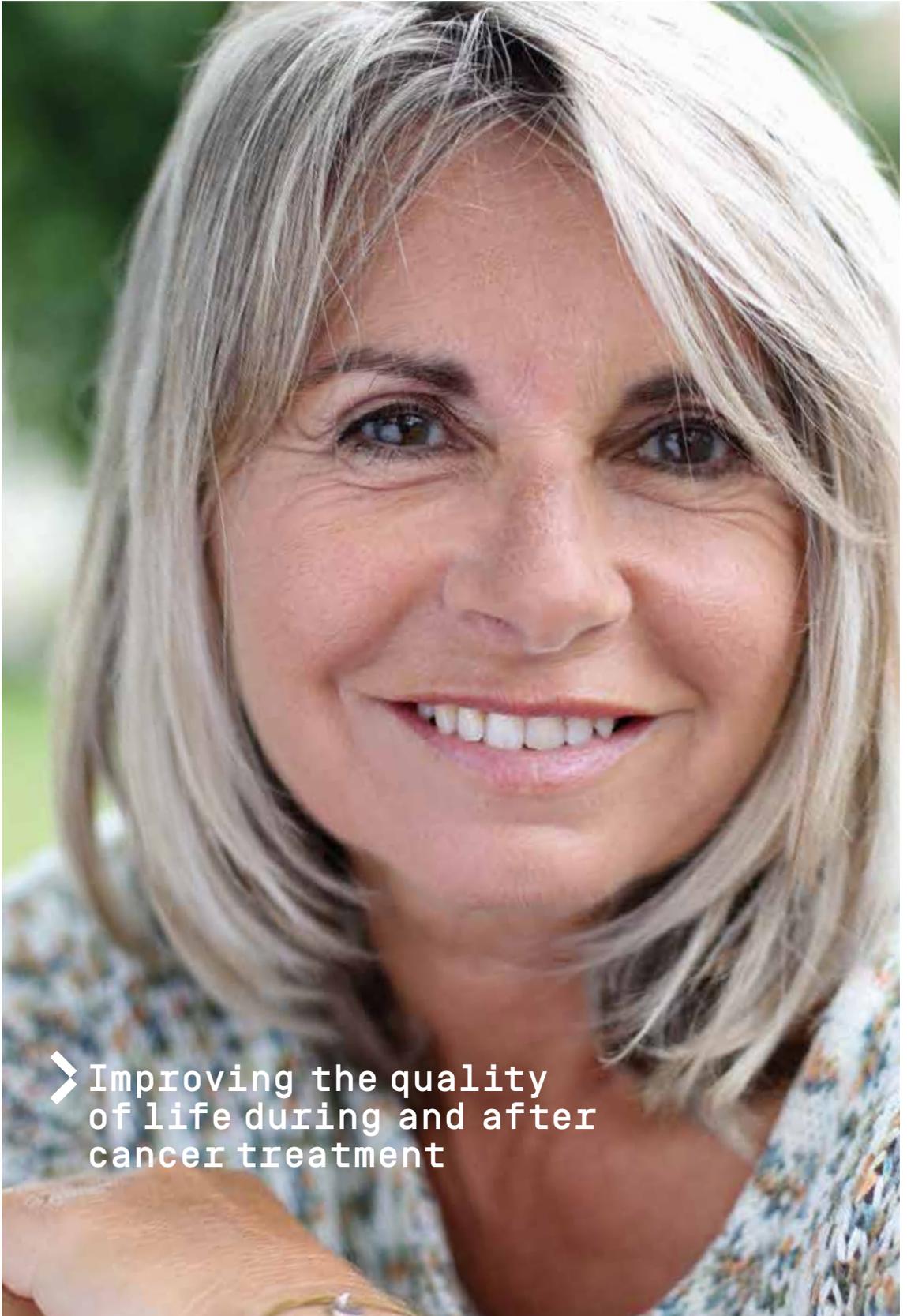


Conventional photon beam radiation therapy



Proton therapy

Images of the esophagus are from Dr John Plastaras, University of Pennsylvania School of Medicine



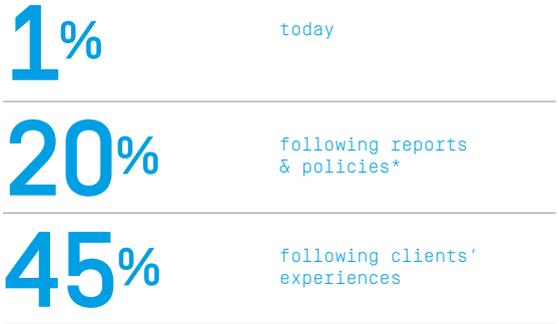
➤ Improving the quality
of life during and after
cancer treatment

A new era for proton therapy treatment.

While proton therapy today accounts for less than 1% of radiation therapy treatments, studies estimate that at least 20%* of radiation therapy patients would benefit from proton therapy. A large number of clinical trials are under way to demonstrate the benefits of proton therapy. IBA develops new, more affordable solutions and technologies that will further increase the adoption of proton therapy. These developments will shape the future of proton applications, and undoubtedly open a new era for proton therapy treatment.

* Nederlands Gezondheidsraad. Health Council of the Netherlands. Proton radiotherapy. Horizon scanning report. Publication n° 2009/17E. ISBN 978-90-5549-786-7. www.gezondheidsraad.nl

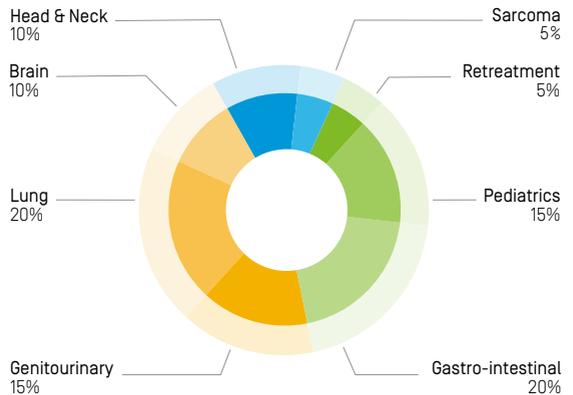
Perspective on radiation therapy patients receiving proton therapy as part of their treatment



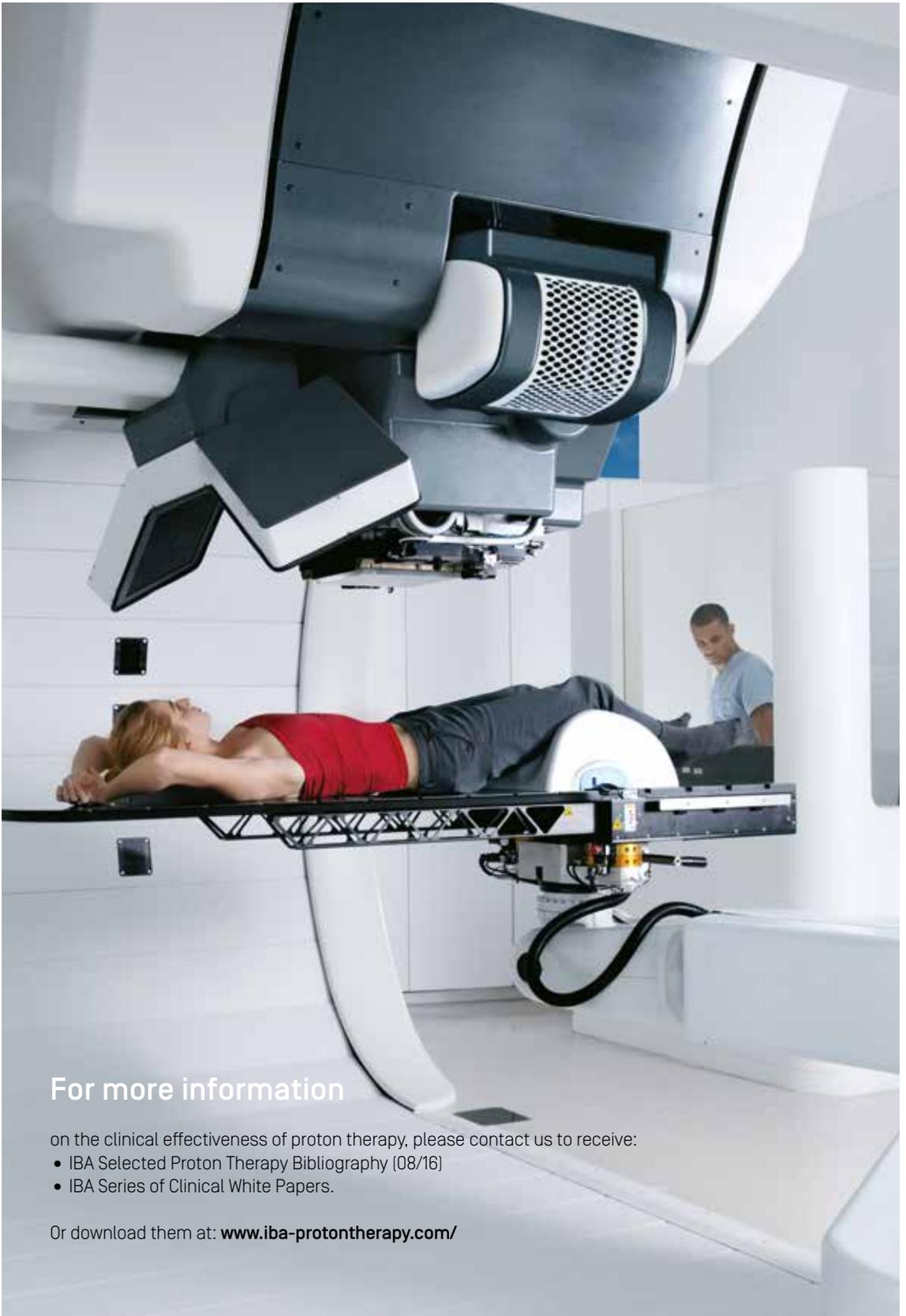
Following our clinical practice experience, we have been able to implement PBS technology and Cone Beam CT which have allowed us to open new protocols and increase to 40% the number of patients eligible for proton treatment at our center.

James M Metz, MD
Chair of Penn Medicine Department of Radiation Oncology
Executive Director, OncoLink,
Philadelphia, PA, USA

Proton therapy typical cancer indication mix (% patients)



Source: data from a cutting edge academic center in the United States



For more information

on the clinical effectiveness of proton therapy, please contact us to receive:

- IBA Selected Proton Therapy Bibliography (08/16)
- IBA Series of Clinical White Papers.

Or download them at: www.iba-protontherapy.com/



Recognition of the clinical advantages of proton therapy.

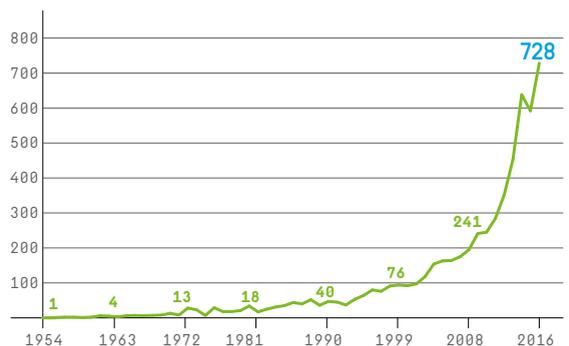
Awareness of proton therapy within the medical community is growing, just as the number of patients treated with proton therapy grows. The interest is reflected in the increasing amount of clinical data that has become available. Last year more than 700 scientific papers were published.

To keep up with the new findings, IBA compiles and updates the available data into a series of white papers, dedicated to each specific indication. This series of white papers contains information about current practices and the opportunities and challenges for proton therapy in oncology. Besides making available general information about proton therapy, these white papers present an overview of the available data and results for specific indications, targeting stakeholders in cancer radiation therapy around the world.

728

scientific papers
published last year

Publication statistics per year



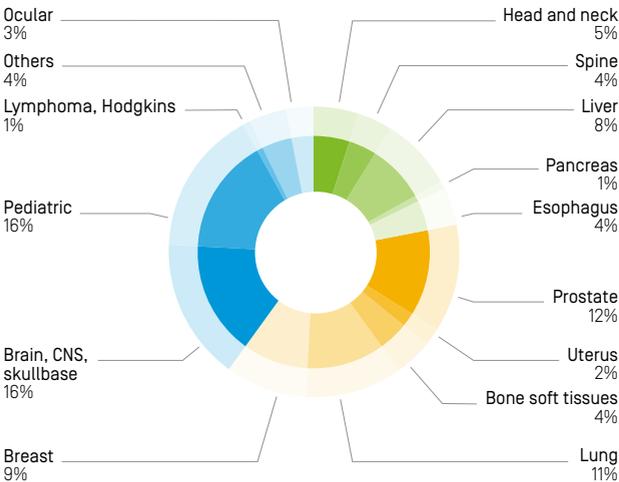
Source: <https://www.ncbi.nlm.nih.gov/pubmed>
use keywords: "Proton beam therapy" and "Proton therapy"



➤ IBA gathers its customers every year to build proton therapy of tomorrow

IBA users meeting in Dallas, TX, USA, March 2017

PT market scoreboard
Growth in prospective clinical trials
108 trials open and recruiting



Data from <https://clinicaltrials.gov/>

|| The IBA users meeting is a unique opportunity to connect with other worldwide experts in proton therapy. It allows exchanging ideas and sharing recent developments with the worldwide technology leader in the field of proton therapy. The Skandionkliniken is happy to be the next center to host the IBA users meeting in 2018.

Håkan Nyström, PhD
PhD. Chief Physicist at Skandionkliniken, Uppsala, Sweden

IBA makes proton therapy more accessible.

IBA has been researching and developing ways to minimize the cost of proton therapy and make it more accessible to all cancer patients.

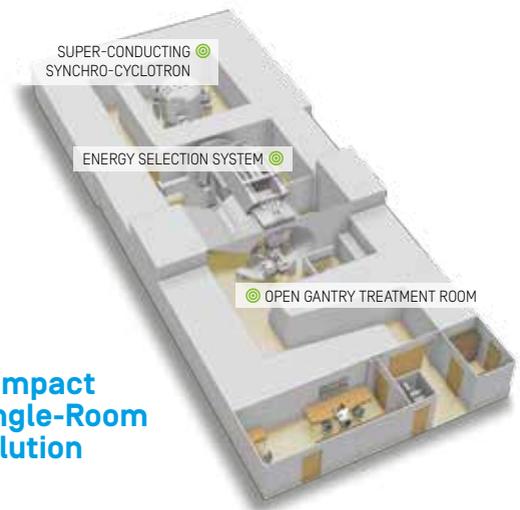
In line with this commitment, the Proteus®ONE is a compact single-room solution that is more affordable while also being easier to install, operate and finance. Proteus®ONE delivers the latest improvements in proton therapy: Image-Guided IMPT.

It combines the precise dose delivery of Pencil Beam Scanning (PBS) with the dimensionally accurate imaging of 3D Cone Beam Computed Tomography (CBCT), enabling physicians to truly track where protons will be targeting tumor cells.



Proteus®ONE was inspired by everyday clinical practice. Its patient-centered design was developed in collaboration with Philips Healthcare to foster a soothing patient environment while helping the medical staff work more efficiently.

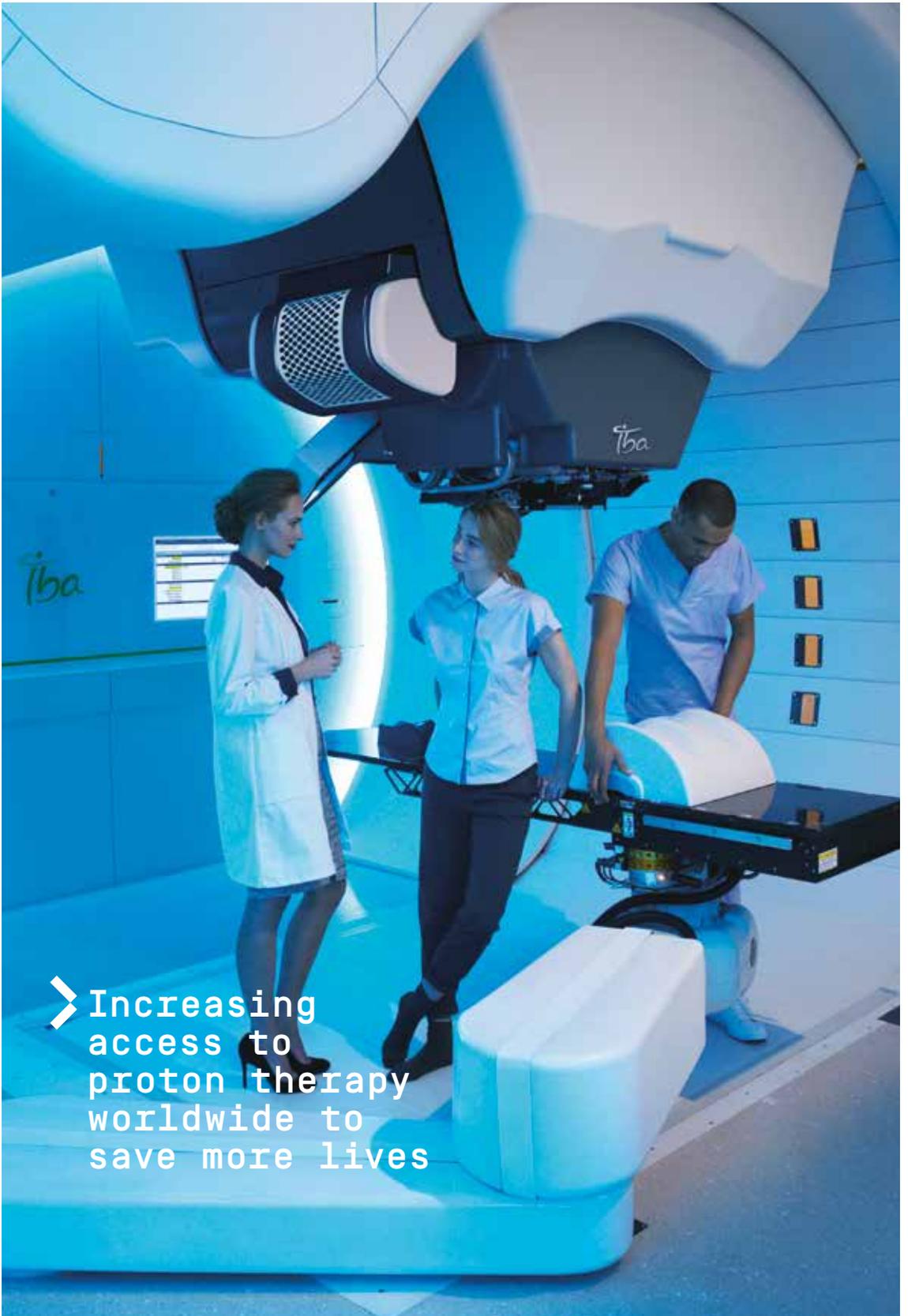
With Proteus®ONE, proton therapy becomes accessible for more patients worldwide. Interest in this compact solution has grown rapidly.



At the Willis-Knighton Cancer Center in Shreveport, LA, we wanted to offer the latest form of proton therapy, Pencil Beam Scanning, while taking advantage of advances in image guidance and remaining within the budget of our hospital system. We needed assurances that our partner had experience in designing, installing, and maintaining a proton therapy facility but also had the financial strength to invest in research and development for the future. IBA has continually demonstrated innovation in the field of proton therapy and they were chosen for their unique ability to meet our department needs.

Lane R Rosen, MD

Medical Director
Willis-Knighton Cancer Center, Shreveport, LA, USA



➤ Increasing
access to
proton therapy
worldwide to
save more lives

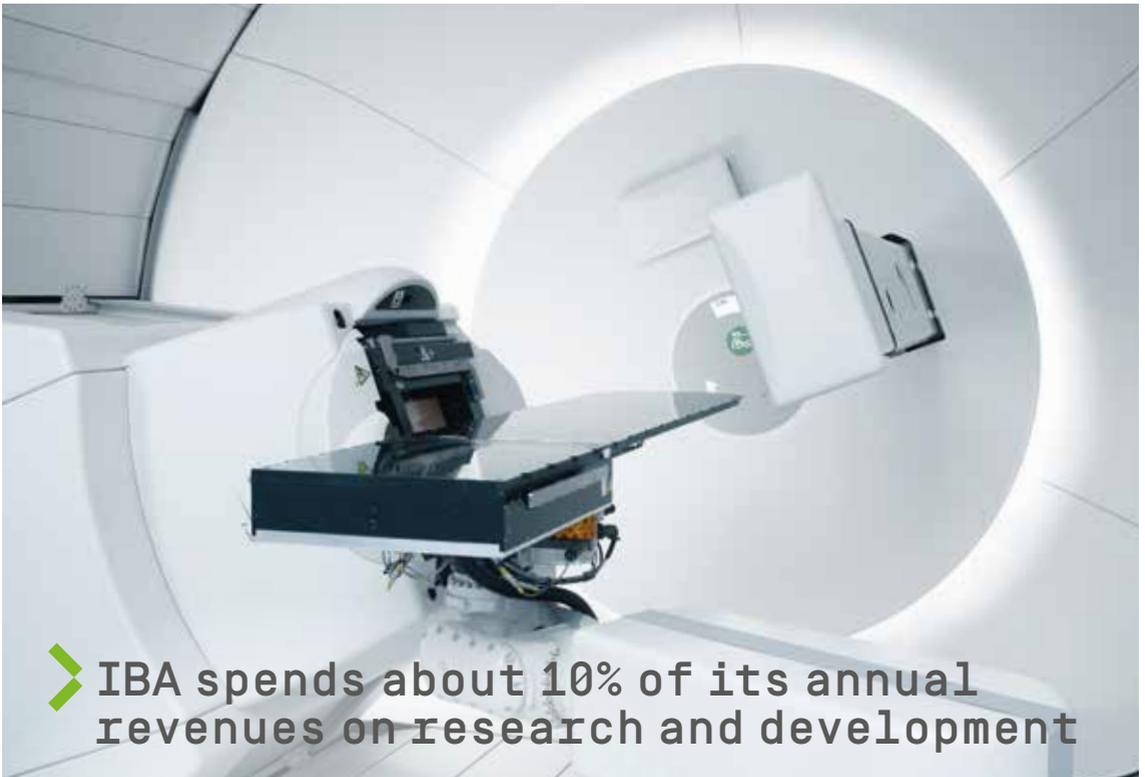
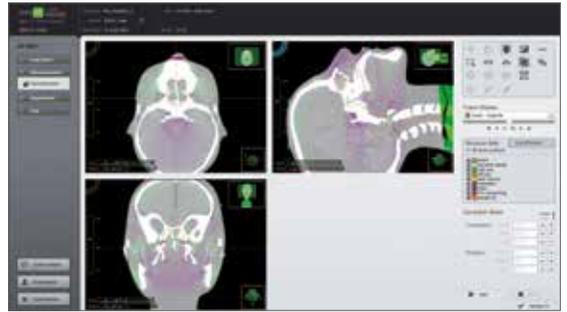
Treating with Intensity Modulated Proton Therapy.

IBA continues to provide the most advanced technologies to its partners and maintains its unrivaled position as an innovator in proton therapy.

IMAGE-GUIDED PROTON THERAPY (IGPT)

Measurement tools are important to maximize the efficiency of radiation therapy, and fine tuning these tools significantly increases the precision of proton therapy. IBA incorporates the latest imaging technologies so clinicians can deliver Image-Guided Proton Therapy (IGPT) to cancer patients. IGPT relies on high-resolution and high-sensitivity X-ray digital imaging systems that provide low-dose stereoscopic and 3D imaging in various geometrical arrangements. Those advanced imaging technologies ensure quick and accurate patient position verification by comparison with diagnostic

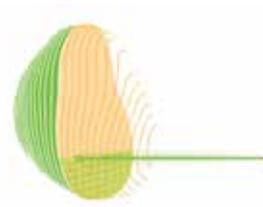
CT images during the treatment planning process. IBA also benefits from a partnership with Philips Healthcare to provide superior diagnostic imaging expertise.



➤ IBA spends about 10% of its annual revenues on research and development

PENCIL BEAM SCANNING

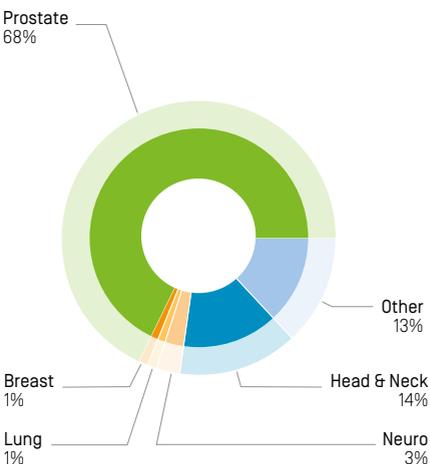
Pencil Beam Scanning (PBS) easily and precisely sculpts the dose in complex volumes. PBS is a proton beam delivery mode which paints the target volume, one layer at a time, voxel by voxel, to precisely match the shape of the tumor. It allows clinics to sculpt the dose with very high levels of conformity and dose uniformity, even in complex shaped tumors. PBS provides the opportunity to increase the number of clinical indications for proton therapy and contributes to minimizing the overall radiation dose.



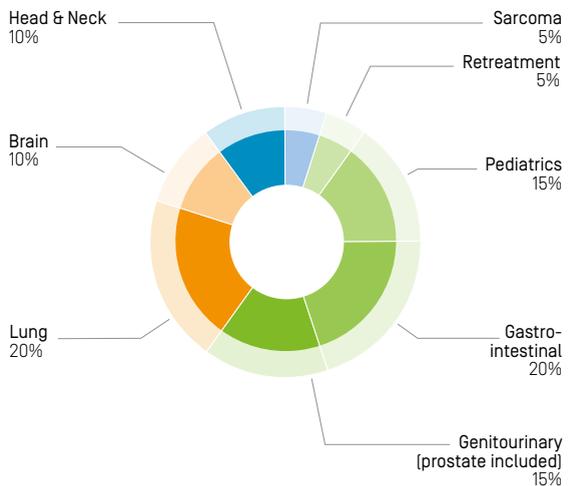
PBS sculpts the dose by painting the target volume, one layer at a time, voxel by voxel

THANKS TO PBS, MORE CLINICAL INDICATIONS ARE TREATED BY PROTON THERAPY

Before PBS



After PBS



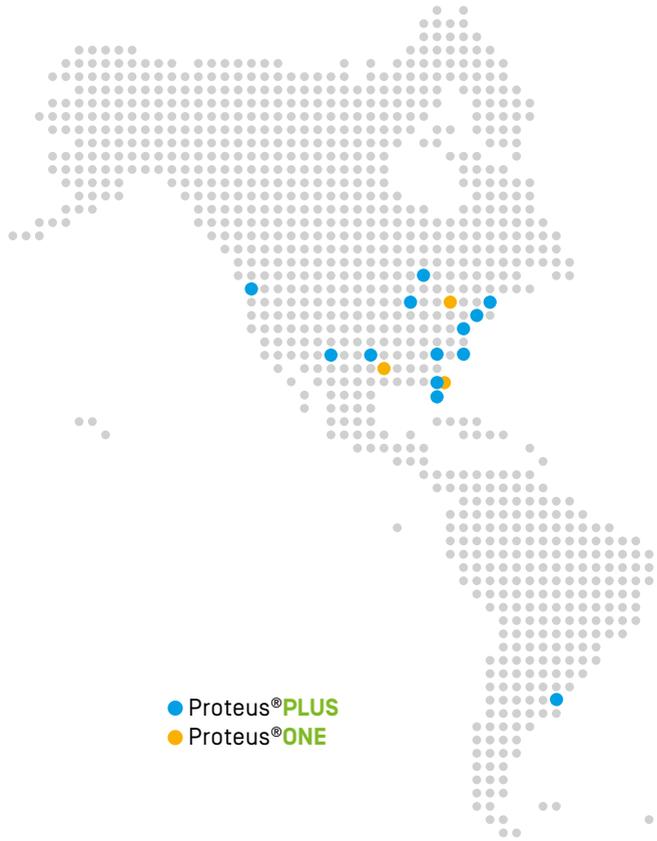
*Typical cancer indication treated [% patients]
Data from a leading center in the US]*

IBA continues to strengthen its leading market position.

Proton therapy is IBA's principal source of growth for the future, particularly since the company also enjoys the position of uncontested global market leader. IBA provides the systems for more than half of all proton therapy treatment projects in the world.

The company benefits from the increasing global adoption and acceptance of proton therapy as it is considered as the most advanced and precise treatment option for radiation therapy patients. IBA has continued to maintain its strong leadership in the field, securing approximately 50% of all proton therapy solutions ordered. To date, more than 50,000 patients have been treated by IBA customers, more than on all competitor systems combined.

Thanks to new collaborations with Philips and Toshiba, IBA further strengthens its world leadership in proton therapy remaining at the forefront when it comes to delivering the latest in innovative cancer therapy in key regions.

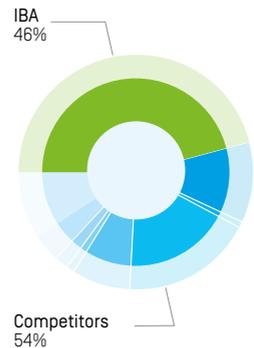


Patients treated with IBA systems

+ 50 000

Total market share of IBA proton therapy systems

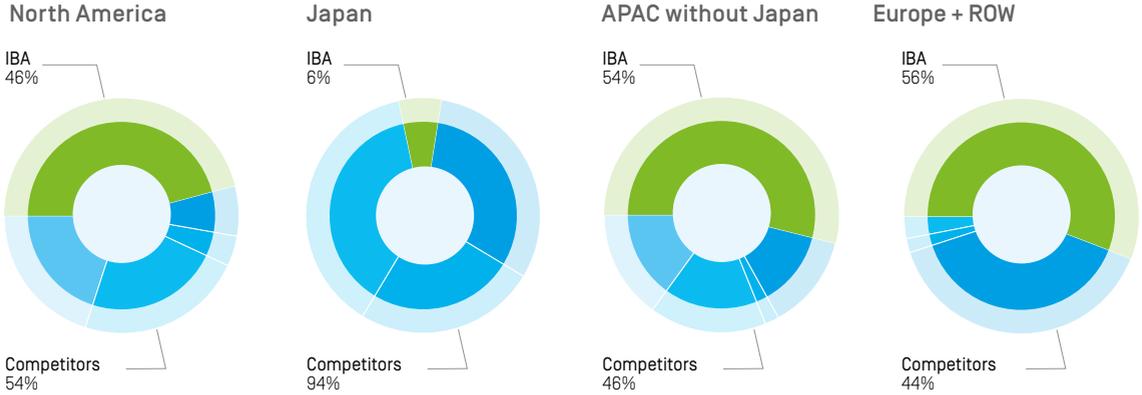
46%





Total market share of IBA proton therapy rooms

45%



DOSIMETRY

Integrated Quality Assurance.

IBA dosimetry offers a full range of integrated high-quality solutions in radiation therapy and medical imaging quality assurance, and calibration procedures.

Both in medical imaging and in radiation therapy applications, radiation has to be applied wisely and carefully. In medical imaging, the goal is to minimize radiation exposure to the patient while maintaining good image quality. In radiation therapy, the goal is to target the tumor mass with a high dose of cancer-killing radiation with pinpoint accuracy, while sparing healthy tissue.

With over 10,000 users worldwide, IBA Dosimetry is the market leader in providing healthcare professionals with high-end quality assurance solutions to measure and analyze the imaging and treatment doses received by patients.

IBA believes that in view of the increasing requirement in the healthcare market for higher patient safety, the demand for dosimetry and quality assurance solutions in conventional radiation therapy, proton therapy, and medical imaging will grow as fast as the demand for radiation therapy and medical imaging equipment.



myQA® sets a new workflow efficiency standard by integrating all quality assurance applications and data into one common software platform. It offers a complete overview of the radiation therapy department and connects users worldwide, so that new treatment methods can be applied faster and with more confidence - resulting in safer patient treatments.

#1

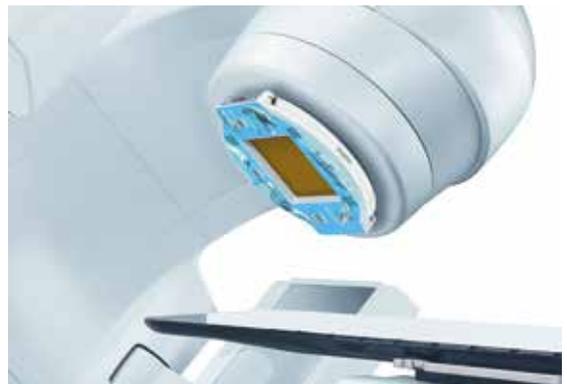
Worldwide leader for providing solutions for innovative high-end dosimetry and QA equipment

+10 k

More than 10000 users worldwide



Unique CAREprogram for customers: expert services, enhanced trainings, engaging events.



Dolphin® Online Ready Patient QA and Monitoring solution



➤ IBA provides the best patient safety in radiation therapy and medical imaging

|| *Being so straightforward to use it allows us to plan to the capabilities of the treatment machines, rather than limiting what we do because legacy verification processes cannot keep up. This ensures our clinicians can offer the best possible care to their patients.*

|| **Docteur Andrew Reilly**

Head of Radiotherapy Physics at the new North West Cancer Centre, Londonderry, United Kingdom

RADIOPHARMA SOLUTIONS

Better diagnosis for better treatment strategies.

IBA has developed in-depth experience in setting up medical radiopharmaceutical production centers. Based on this longstanding expertise, the IBA RadioPharma Solutions team helps nuclear medicine departments in hospitals and radiopharmaceutical distribution centers to design, build and operate a radiopharmacy.

Acquiring a cyclotron is the first step in the complex project of acquiring a fully-functional radiopharmacy, one that requires all components and auxiliary equipment to be integrated into a consistent and efficient radiopharmacy center.

IBA RadioPharma Solutions has already installed 260 cyclotrons and over 500 Synthera® chemistry modules throughout the world. The sales potential for IBA in mid- and high-energy cyclotrons is high considering the increased demand for radiopharmaceuticals for the diagnosis of severe diseases throughout the world, particularly in emerging countries. In addition, in 2016, IBA launched the Cyclone®KIUBE and the Synthera®+ which are the perfect answers to the market needs for PET tracers production.

260

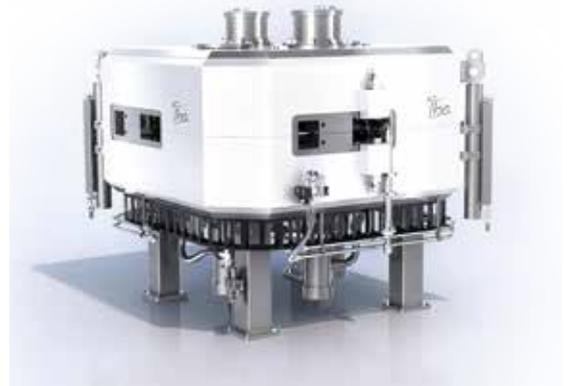
cyclotrons sold worldwide

500

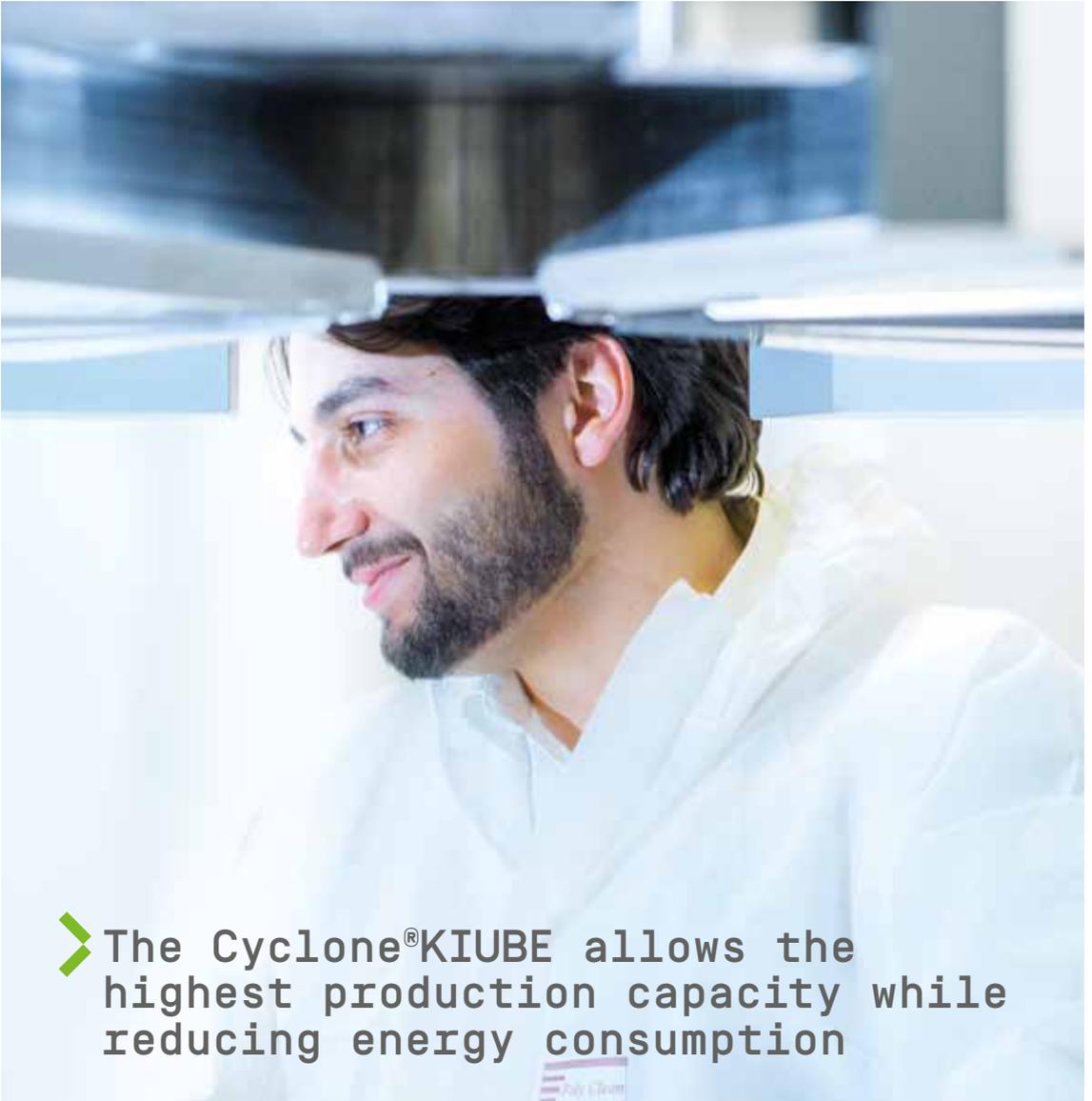
Synthera® sold worldwide

80

radiopharmaceutical production facilities that have been fully integrated by IBA



The new Cyclone®KIUBE cyclotron

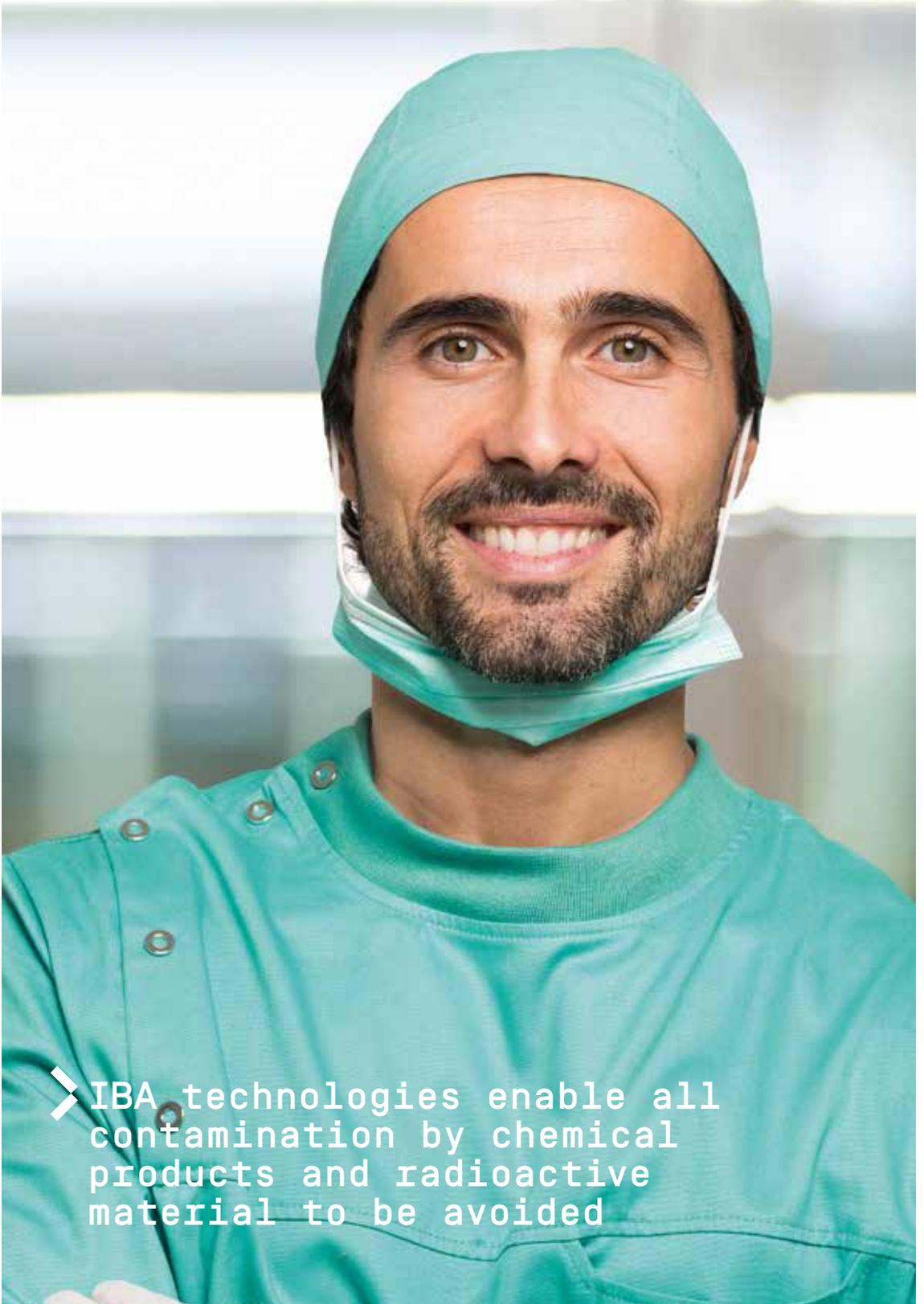


➤ The Cyclone®KIUBE allows the highest production capacity while reducing energy consumption

|| *With the Cyclone®KIUBE and Synthera®+, IBA not only reduces the global footprint of a radiopharmacy but creates the opportunity to do a wider range of products, simultaneously. This allows us to broaden our perspective to deliver the compounds that the community of practitioners and patients need.* ||

Trevor Subero

Senior Director, Business Development Zevacor Pharma, Inc. USA



➤ IBA technologies enable all contamination by chemical products and radioactive material to be avoided

INDUSTRIAL & STERILIZATION SOLUTIONS

E-beam and X-ray sterilisation of medical devices.

As the world leader in electron, X-ray and proton high energy accelerators for industrial applications, IBA Industrial remains at the forefront of innovation. The two key target market share the sterilization of single-use medical products and the improvement of the physical properties of polymers (crosslinking).

In the sterilization market, IBA offers unique high power solutions based on the Rhodotron®. These solutions allow customers to sterilize medical devices either by X-ray or electron beam treatment. That enables the industry to break its dependency on chemical or radioactive-based sterilization processes.

The second key target market - polymer crosslinking - is mainly bolstered by the automotive industry, which benefits from light and compact high performance crosslinked electric cables, which improve fuel efficiency.

In addition, IBA Industrial is continuously evaluating and developing new growth markets, such as X-ray cargo screening. IBA Industrial's X-ray generator, based on the Rhodotron®, is the heart of a new kind of cargo screening system installed in the Port of Boston. It is a state-of-the-art, non-intrusive, cargo inspection system designed to efficiently detect, locate and identify contraband and security threats.

Over 200 IBA Industrial accelerators are used in the world today.

#1

Worldwide n°1

+200

industrial accelerators

|| *We were supported perfectly throughout the whole project lifetime. It's more partnership and not only cooperation.* ||

Bernhard Gallnboeck-Wagne
Technical Manager, Mediscan GmbH



In 2016, IBA unveiled its new 10 MeV Rhodotron®, the TT50: a new compact system

SUSTAINABLE DEVELOPMENT

We wanted to build a different company. While we need to make a profit, as it is a condition for our survival, we don't consider it an end in itself.

Yves Jongen

Founder and Chief Research Officer



From left to right: Pierre Mottet, Olivier Legrain and Yves Jongen

Since its inception, IBA has focused on bringing real improvement to people's lives, not just on providing services or products. Sustainability is part of our business culture. We share ideas and know-how with our customers and our partners to contribute to new solutions for the diagnosis and treatment of cancer and new processes for the long-term vitality of our industry. We care about the well-being of patients, our employees, society, the Earth and our shareholders because this is the only way we can complete our mission to Protect, Enhance and Save Lives.

OUR AMBITION

Besides its economic purpose, IBA is determined to reduce any negative impact on society and the environment. In this effort toward a sustainable world, we are in the process of defining our focus and main targets, using participative methods. Sharing our ambition and our progress publicly and

transparently is a real driver and motivator to go beyond expectations and regulations.

ENGAGEMENT, QUALITY AND INNOVATION

There are three levers of action to realize our ambitions toward sustainability. The first is the engagement of our people through raising awareness about global issues, encouraging voluntary action and supporting employee's initiatives. A second lever is the efficiency and quality of our day-to-day operations, industrial processes and management. The third is about our core business, the heart of our mission: the innovations we develop for our products and services.

➤ Sustainability
is part of our
culture



A stakeholder's approach.

We believe that we will create positive impact and values if our stakeholders can be part of the journey, if they can bring their voices into the debate.

IBA is committed to hearing the voices of its stakeholders when defining or reviewing its strategies. Each stakeholder of our five-pointed star deserves our attention. We then strive to keep a fair balance between them, as we don't want to create value for one stakeholder at the cost of another. To the contrary, we focus on synergies between them to improve our positive impact in a global approach.

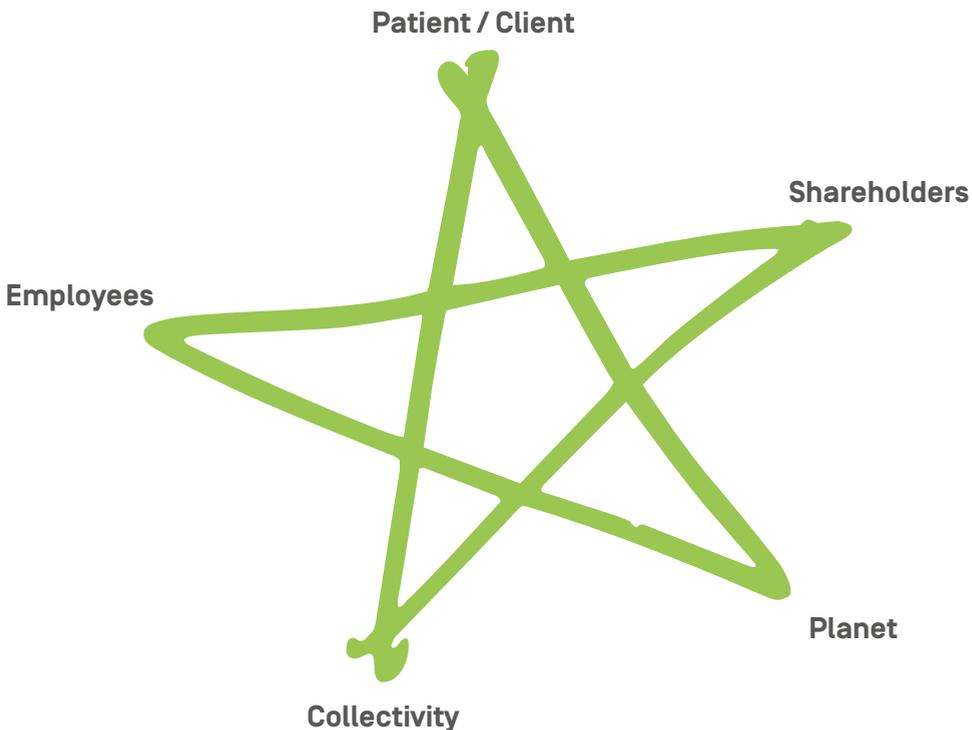


Dare to believe in your dreams, to go beyond the limits of your managerial competencies, to break out of your comfort zone, in your professional life. Don't be a conformist. Be creative and innovative, be an entrepreneur.



Pr Philippe De Woot

Former IBA chairman of the Board of Directors and recognized as a pioneer in the development of the Corporate Social Responsibility



Focus on our customers and their patients.

To satisfy its customers and help them to take care of their patients, IBA works on:

- **Innovation**

As part of its DNA, IBA develops leading-edge technologies and advanced features in line with its mission to Protect, Enhance and Save Lives.

- **Affordability**

IBA works continuously to make its solutions affordable to more customers. Today, thanks to the compact proton therapy solution Proteus®ONE, proton therapy is more accessible to cancer hospitals and patients.

- **Clinical Affairs**

Launched in 2015, IBA continues the white paper series on proton therapy in oncology.

This series compiles information on current practice, opportunities and challenges of proton therapy. IBA published three papers in 2016, increasing the awareness of the clinical advantage of proton therapy so that more institutions adopt this technology.

- **Treatment & process quality**

IBA develops top quality and associated processes (medical and industrial) for the safety of users and the healing of patients.

- **Customer satisfaction**

IBA fosters a strong quality culture and moves its quality system from a compliance tool to a business and improvement tool. By challenging its internal and external suppliers, the company delivers the best products to its customers.



We have been able to treat more than 6,500 patients in just 10 years and we have been at capacity since we were open. Over this time period, there have been only six days that we have lost to treatment. So the operation and equipment have been fantastic from the highest levels to the IBA people on the ground. There is an obvious, deep commitment to patient care.

Nancy Mendenhall, MD

Medical Director at UF Health Proton Therapy Institute, Jacksonville, Florida, USA

Focus on our employees.

At IBA, we believe that our people are our most important asset and that they are the driving force behind our organization.

A MUTUAL ENGAGEMENT

IBA is an ambitious company that creates, innovates and stimulates, a company that passionately believes in its employees. Our priority is to ensure their safety and their well-being at work. Creating an environment in which they can boldly innovate and do an interesting job, with an impact. An environment in which they can develop on a professional and private level. These are just a few of the commitments that IBA has made to its employees in the framework of The Promise.

Without this commitment, the company could never achieve its mission and fulfil its social and economical role. On the other hand, IBA also enjoys the full support and loyalty of its personnel, with an employee turnover of 3.48% around the world and 0.67% in Belgium.

A STRONG CULTURE

IBA employees also share a common open and friendly culture. A culture where we all care for each other and our stakeholders. Where we are mutually accountable for our results. Where we constantly act in the spirit of fairness and sustainability.

EXTERNAL RECOGNITION

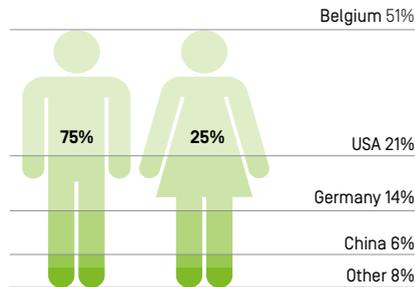
For its contribution to building and sustaining a change-minded workforce and a positive environment for its employees, IBA was honored with a "Corporate HR" and the "Best Workplaces" awards.



IBA employees profile



IBA employees worldwide





➤ IBA recruits 600 engineers over a two-year period

Focus on our Shareholders.

Since its founding, IBA has made sustainability a priority to ensure its economic health and a means of achieving its purpose and mission. Being sustainable means IBA has better access to capital from responsible investors caring about the purpose of our business and the ethical way we work.

Besides investing in an ethical company with a sustainable purpose, we believe that our shareholders also deserve to enjoy a “traditional” return on investment. IBA expects to maintain the dividend pay-out ratio at 30%.

As a recognition of its corporate social responsibility, as per December 31, 2016, IBA was selected for the Triodos' sustainable investment universe and became therefore eligible for investment by the Triodos SRI funds and Triodos Bank Private Banking. The share was included in the Triodos Sustainable Pioneer Fund. This fund invests worldwide in small and medium-sized listed companies engaged in innovative and groundbreaking activities in the field of sustainability. Further details about this fund via www.triodos.com

Focus on our Society.

IBA's sustainability program also reaches out to the community and future generations with actions that can change lives.

SUPPORT OF VARIOUS CANCER ASSOCIATIONS

Reinforcing its mission to Protect, Enhance and Save Lives, IBA supports many associations and employee initiatives in the fight against cancer and their efforts to provide patient support. IBA supports the Belgian foundation against cancer through direct sponsoring, as well as through donations from employee initiatives such as the IBA Sailing Team and the "Golf Against Cancer" event. In the US, IBA provides a grant to the Compass to Care Childhood Cancer Foundation which helps children access life-saving cancer treatment like proton therapy by providing travel from their homes to the hospital.

INTEGRATION OF YOUNG GRADUATES

With the future in mind, IBA has joined forces with other large European companies to launch the "All4Youth" Program. It helps to integrate young graduates all over Europe in the job market by offering internships. Since the launch of this program in 2015, 150 graduates have had that opportunity at IBA and 28 were offered a contract at IBA.



I've wondered how we could help all these families in need without IBA. I've realized how much of a blessing IBA has been to our organization and to those we help.

Michelle Ernsdorff-May
Compass to Care founder



Volunteers working for the Belgian association "La Vie-là". www.lavielaottignies.org

Focus on our Planet.

PLANET-MINDED PRODUCTION

Finally, IBA measures the environmental impact of IBA's activities (externalities) and assigns financial means for internal company projects aimed at shrinking that impact.

IBA is committed to reducing its greenhouse emissions. In order to determine its goals and the time frame, IBA is currently calculating its precise carbon footprint. Drawing inspiration from the "Science Based Target" method, the company will be able to define its commitments, over the next few months, in line with the climate change targets of COP21.

Among numerous sustainability projects, IBA announced the construction of a new logistic and production center in order to meet the growing demand for the compact proton therapy solution, Proteus®ONE. This new kind of factory will help reduce greenhouse emissions and optimize the use of energy and raw materials. [This construction includes the innovative elements of green roofs, biodiversity, recycled materials, solar panels energy for electricity, lights and heating, among others...]

Lower Activation Concrete is another project that reflects how innovative IBA and its partners can be. It uses concrete that retains less radioactivity in shielding the vaults when testing accelerators. This project illustrates the focus of IBA to reduce and sort waste from our end-of-life products, as well as develop new products and services while using renewables and recycled resources.



The new logistic and production center will be operational by 2018



IBA employees working in the IBA vegetable garden

**> We have one life,
we have one world**

GOVERNANCE

Management Team.



From left to right: Frédéric Nolf, Jean-Marc Bothy, Rob Plompen, Soumya Chandramouli, Yves Jongen, Olivier Legrain

Board of Directors.



From left to right: Jeroen Cammeraat, Sybille van den Hove, Marcel Miller, Olivier Legrain, Pierre Mottet, Dr Mary Gospodarowicz, Eric de Lamotte, Katleen Vandeweyer, Yves Jongen

ECONOMICAL REVIEW

IBA reported a 21.6% increase in revenues to EUR 328.8 million during 2016 (2015: EUR 270.4 million).

Recurring operating profits before interest and taxes (REBIT) continued to improve compared with 2015 due to Proton Therapy equipment revenues, productivity gains and operational leverage.

The Company's REBIT increased 25.7% in 2016 from EUR 29.6 million in 2015 to EUR 37.1 million in 2016.

The Board of Directors intends to recommend to the General Assembly that a gross dividend of EUR 0.29 per share be paid in 2017, based on 2016 results.

Operating cash flow during 2016 amounted to EUR -17.0 million with recurring operations impacted by the growth of activity at the working capital level. This remains favorable and was affected by year-end cut-off and scheduling of projects rather than being indicative of any future trend.

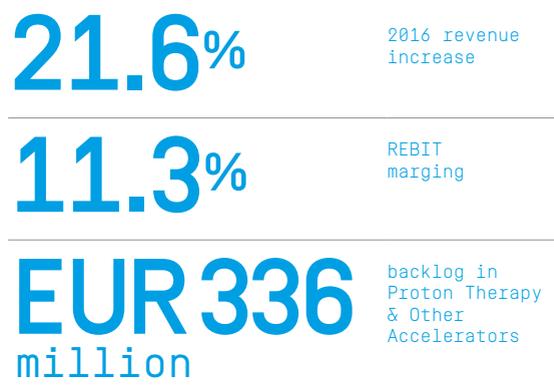
The net cash position remains stable, with a year-end figure of EUR 44.5 million.

OUTLOOK AND GUIDANCE

IBA expects to achieve revenue growth between 15% to 20% in 2017 and double digit thereafter.

The Company expects its operating margin to be 11% to 12% in 2017, increasing to 13%-15% by 2018 and stabilizing at 15% by 2020.

IBA is planning to maintain a dividend payout ratio of 30%.



	2016 [EUR 000]	2015 [EUR 000]	Change [EUR 000]	CAGR [%] ⁽¹⁾ 2015/2016
Sales and services	328 774	270 357	58 417	21.6%
Gross margin	138 561	113 655	24 906	21.9%
REBITDA ⁽²⁾	42 690	33 710	8 980	26.6%
REBITDA/Sales and services	13.0%	12.5%		
REBIT⁽³⁾	37 136	29 553	7 583	25.7%
REBIT margin	11.3%	10.9%		
Net result	24 440	61 189	-36 749	-60.1%*

* Impacted by almost EUR 40 million non-recurring profits, including foreign exchange gains on USD and the capital gain on exit from the Molecular business in 2015

(1) CAGR: compound annual growth rate

(2) REBITDA: recurring earnings before interest, taxes, depreciation, and amortization

(3) REBIT: recurring earnings before interest and taxes

SALES TRENDS BY ACTIVITY^[1]

	2011 [EUR '000]	2012 [EUR '000]	2013 [EUR '000]	2014 [EUR '000]	2015 [EUR '000]	2016 [EUR '000]	CAGR [%] ^[2] 5 ans
Turnover	203 165	221 106	212 412	220 577	270 357	328 774	10.1%
Proton Therapy	121 157	133 213	121 202	128 488	161 938	226 529	13.3%
Other Accelerators	38 896	38 991	45 387	49 199	54 323	54 137	6.8%
Dosimetry	43 112	48 902	45 823	42 890	54 096	48 108	2.2%

[1] The figures do not include any pharmaceutical activity

[2] Compound annual growth rate

CONTINUING OPERATIONS

	2016 [EUR 000]	2015 [EUR 000]	Variation [EUR 000]	Variation [%]
Capital expenditure	12 965	4 305	8 660	201.2%
Research and development expenses	32 350	26 747	5 603	20.9%
Equity	150 391	163 632	-13 241	-8.1%
Net cash position ^[1]	44 495	50 041	-5 546	-11.1%
Current liabilities	186 443	205 866	-19 423	-9.4%
Total assets	380 617	395 352	-14 735	-3.7%
Return on equity	16.3%	37.4%		
Return on capital employed (ROCE)	19.1%	15.6%		
Share price on December 31 [Euro]	41.64	33.90		22.8%
Number of shares	29 764 396	29 115 067		2.2%
Net earnings per share (EPS) [Euro per share]	0.82	2.10		
Price/Earnings	50.71	16.13		
Market capitalization ^[2]	1 239 389	987 001		
Book value per share [Euro per share]	5.05	5.62		
Dividend per share	0.29	1.39		
Enterprise value ^[3]	1 194 894	936 960		27.5%
EV/REBITDA	28.0	27.8		0.7%
Employees as of December 31	1 431	1 175	256	23.9%

[1] Cash and cash equivalents less long-term and short-term financial debts

[2] The share price on December 31 multiplied by the number of shares.

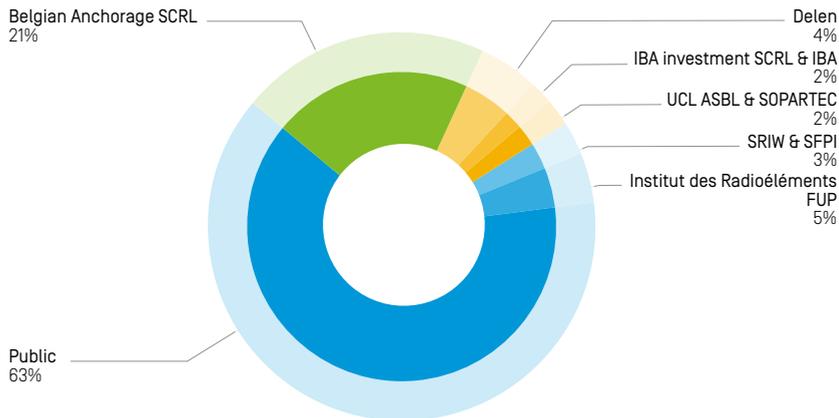
[3] Market capitalization less the net cash position

STOCK AND SHAREHOLDERS

IBA stock is quoted on the Euronext Brussels continuous market (Compartment B since January 17, 2013). It was introduced on the Stock Exchange on June 22, 1998 at a price of EUR 11.90 (adjusted for a

5-to-1 split in June, 1999). IBA stock closed at EUR 41.64 on December 31, 2016. The total number of outstanding stock options as at December 31, 2016 amounts to 598,003 stock options.

IBA SHAREHOLDERS AS AT DECEMBER 31, 2016



SHAREHOLDERS' AGENDA

First Quarter 2017 trading update	May 10, 2017
General Assembly	May 10, 2017
First Half 2017 results	August 24, 2017
Third Quarter 2017 trading update	November 16, 2017

EVOLUTION OF IBA STOCK - 2016



COMPARISON OF IBA STOCK WITH BEL20 INDEX AND BEL MID





IBA Contact

Thomas Ralet
Vice-President Corporate Communication
Tel.: +32 10 47 58 90
E-mail: investorrelations@iba-group.com

Version française disponible sur demande.

Ion Beam Applications, SA

Chemin du Cyclotron, 3
1348 Louvain-la-Neuve, Belgique
Tel.: +32 10 47 58 11 - Fax: +32 10 47 58 10
RPM Nivelles - TVA: BE 428.750.985
E-mail: info-worldwide@iba-group.com
Website: www.iba-worldwide.com

E.R.: IBA SA, Chemin du Cyclotron, 3
1348 Louvain-la-Neuve, Belgique.

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