IBt
International Brachytherapy

Annual results 2007
EMBARGO until
Thursday 6 March 2008 – 17.40 Brussels time

- **2007 Results**
  - **Impact of the decision to stop direct sales activities in USA**
  - **Q4 2007 results demonstrate clear Progress**
- **Prospects**
  - **No. 1 in Europe with acquisition of Bebig GmbH**
  - **Net profit expected in 2008**

KEY CONSOLIDATED FIGURES - IFRS

(in thousands of EUR)	FY 2007	FY 2006	Var. in %	Q4 2007
Sales and services	**10.945**	**9.595**	**+ 14%**	**3.156**
a. Turnover	8.840	8.329	+ 6 %	2.181
b. Other income	2.105	1.266	+ 66 %	975
EBITDA (1)	**(705)**	**131**	n/a	**(13)**
Operating result	**(2.280)**	**(1323)**	-72 %	**(225)**
Net financial result	**261**	**47**	+ 115 %	**339**
Current result	**(2.019)**	**(1.276)**	- 58 %	**113**
Net result - IBt share	**(2.369)**	**(1.444)**	- 64 %	**61**
Impact of discontinued activities	**(6.244)**	**n/a**	n/a	**n/a**
Net result - IBt share, after discontinuation of activities	**(8.613)**	**n/a**	n/a	**n/a**

The figures in this table, expressed in thousands of EUR, are the consolidated results of the IBt group.

(1) EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortization

(2) The presentation of the data for 2006 has been slightly modified (from that given in the press release of 28 February 2007) to bring it in line with current IFRS nomenclature. This change in presentation does not affect turnover, net result or EBITDA.

(3) The statutory auditor has confirmed that, at the present stage of his ongoing audit, there are no elements that could alter significantly the financial information contained in this press release.

KEY ITEMS

Turnover generated by sales of products after margin rebates to distribution partners is up 6% compared to last year. These sales consisted essentially (over 80%) of sales of Iodine-125 implants on the European continent. The balance was made up of sales by the US subsidiary, IBt Inc., for the first three quarters of

the year (in an amount of EUR 0.83 million), and initial sales of brachytherapy equipment and accessories by IBt as a distributor for the products of Isodose Control and IBA.

Other operating income relates mainly to capitalized production, to amounts received from IsoRay under the technology licence signed between the two companies at the start of the year, and to a major relinquishment of a receivable (non-recurrent by nature). Operating *charges* break down into *purchases of raw materials* (EUR 2.85 million), *services and other goods* (EUR 3.81 million), *wages and salaries* (EUR 4.89 million), *depreciation and amortization* (EUR 1.58 million) and *other costs* (EUR 0.1 million).

The *financial result* represents essentially the income from short-term treasury investments.

EBITDA and *current result* are down. These were affected this year by two main sources of loss: (1) the operating results of the US subsidiary IBt Inc., and (2) the production of the Pd-103 radioactive isotope at the Seneffe site and the assembly activity of the related implant.

Net result is affected by a non-recurrent loss of EUR 6.24 million. This loss is slightly higher than initially estimated, owing a currency loss recorded on the receivable held on the american subsidiary.
This non-recurrent book loss was already announced and recorded in the third quarter results. Essentially it did not have any cash impact. The main elements of this loss are:

- *Accelerated depreciation and amortization of tangible and intangible assets* (EUR 5.4 million). These relate mainly to (1) the two cyclotrons installed on the Seneffe site, and (2) the capitalized costs of developing the OptiSeed^{103} implant.
- *Write-downs* (EUR 0.2 million) on the inventory of raw materials and finished products.
- *Personnel costs and other expenses* (EUR 0.4 million), consisting of severance indemnities, contractual indemnities and provisions.
- *Currency translation loss* on receivables (EUR 0.3 million).

COMMENTS

The group results reflect a difficult year for IBt.

They have been severely affected by the loss related to the decision to stop direct sales activities in the United States and the corollary decision to cease production of the Pd-103 isotope and the associated product at the Seneffe site.

The reasons for these decisions lie in recent changes in the US health care reimbursement system and the unfavourable evolution of the EUR-USD exchange rate. These decisions had the effect of cutting the two major sources of losses, which were also generating a major cash drain for the group. It was anticipated that these decisions would negatively impact turnover but positively affect the net result (cf. press release of 27 November 2007).

Indeed, results from the last quarter of 2007 onwards are encouraging. Sales in the fourth quarter were up 9% on the third quarter despite the absence of income from the US market, with the EBITDA result practically in balance.

OUTLOOK

Looking forward, the recent acquisition of the activities of the Bebig GmbH group in the field of permanent implants considerably modifies the group's prospects.

With this acquisition, that was finalized last week, IBt has doubled in size. The group now has a market share of over 40% and is taking a clear leadership position in its field of activity at the European level. Today it is active on practically every major European market through its subsidiaries in France, Netherlands, Germany, United Kingdom, Belgium, Italy and Spain and an extensive network of distributors.

In 2008 more than 5,000 men will be treated with the group’s products.

The first priority today is to rapidly integrate the distribution networks, the operating groups at Berlin and Seneffe, and the teams of the two companies.

In the coming quarters, IBt will continue its development strategy aimed at creating a group with a strong identity, seen as the reference in the field of brachytherapy cancer treatment and innovation in this specific segment.

This strategy will be based both on organic growth (through expanding its distribution network and extending its product portfolio) and on external growth. In this context, and as part of the deal with the Eckert Ziegler group, IBt holds an option to acquire another division of the group, which operates in the sector of cancer treatment with temporary implants ("afterloaders"), an area that is ideally complementary with IBt's activities. The option is valid for a year, but the company expects to take a rapid decision on this opportunity.

Diary

15 March 2008 - Participation in the "Shareholder's Day" organized by "Cash"
2 June 2008 - General Meeting of Shareholders

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