PRESS RELEASE

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Agfa-Gevaert reports third quarter results

- **Margin improvement in all business groups**
- **Positive pricing impact in Graphics**
- **Continued strong growth in HealthCare IT**
- **Early start of cost savings plan resulted in net loss for the quarter**

Mortsel (Belgium), November 16, 2006 – Agfa-Gevaert today announced its third quarter results. Group sales grew 1.0 percent compared to the third quarter of 2005, with flat sales in Graphics (on a comparable basis), a modest increase in HealthCare and double-digit growth in Specialty Products. Although raw materials costs continued to rise, all business groups were able to improve their EBIT-margins (before restructuring and non-recurring items) compared to last year.

Marc Olivié, Agfa's President and CEO, stated: "Our business groups continue to be very successful in assisting their respective clients in the conversion from analog to digital and IT solutions. Due to the ongoing shift to more profitable digital technologies, we were again able to improve the margins of our businesses compared to last year, and this despite the impact of high raw material costs."

Third quarter results

Agfa Group – third quarter

in million Euro	Q3 2005	Q3 2006	% change
Net sales	797	**805**	1.0%
Gross profit	273	**297**	8.8%
EBITDA (*)	77	**83**	7.8%
% of sales	9.7%	**10.3%**	
EBIT (*)	38	**45**	18.4%
% of sales	4.8%	**5.6%**	
Operating result	(36)	**12**	-
Net result (consolidated comp.)	(108)	**(8)**	-
Net operating cash flow	55	**43**	-21.8%

(*) before restructuring and non-recurring items.

Sales grew 1.0 percent compared to the third quarter of 2005, mainly as a result of targeted price increases and strong performances in the field of digital solutions in all business groups. This more than compensated the ongoing decline in the traditional film-related businesses.

Due to improved production and service efficiencies, the Group's gross profit margin grew to 36.9 percent from 34.3 percent in the third quarter of 2005, despite the significant increase of raw material costs.

Sales and general administration costs (excluding non-recurring items) amounted to 24.5 percent of sales, compared to 24.2 percent in the third quarter of 2005. Measures to bring down these costs are being discussed with the social partners or are already being implemented as part of the Group's plan to reduce total costs by approximately 250 million Euro by 2008.

R&D expenses decreased slightly to 46 million Euro. Supporting the business groups' growth strategies, the Group's R&D focus continues to be on industrial inkjet printing, as well as on healthcare IT and software solutions.

Recurring EBIT grew 18.4 percent compared to the third quarter of 2005, amounting to 45 million Euro. The EBIT-margin improved from 4.8 percent to 5.6 percent of sales.

Restructuring and non-recurring items amounted to 33 million Euro, as the Group started to implement the first part of its cost savings plan.

The non-operating result amounted to minus 20 million Euro.
The net loss amounted to 8 million Euro, or minus 6 Eurocents per share, versus 108 million Euro or minus 85 Eurocents per share in the third quarter of 2005.

Balance sheet and cash flow

- At the end of September 2006, total assets were 3,826 million Euro, compared to 3,982 million Euro at the end of 2005.
- Days of inventories amounted to 118 at the end of September 2006, versus 116 days at the end of September 2005. Days of trade receivables were 91, versus 92 at the end of September 2005. Trade payables reached 65 days at the end of September, better than the target of 55 days.

- Net financial debt decreased by 27 million Euro over the quarter to 726 million Euro at the end of September.
- Net operating cash flow amounted to 43 million Euro in the third quarter. For the first nine months of the year, Agfa generated a strong net operating cash flow of 113 million Euro, which is significantly better than last year.

Agfa Graphics – third quarter

in million Euro	Q3 2005 (**)	Q3 2006	% change
Net sales	422	**408**	-3.3%
EBITDA (*)	33.4	**33.7**	0.9%
% of sales	7.9%	**8.3%**	
EBIT (*)	13.4	**16.7**	24.6%
% of sales	3.2%	**4.1%**	

(*) before restructuring and non-recurring items.
(**) Including 13 million Euro sales from products transferred from Graphics to Specialty Products in 2006.

In the beginning of 2006, certain niche products, such as film for Identification and Security, Aerial Photography, Phototooling and Advanced Materials were transferred from Graphics to Specialty Products. On a comparable basis, Graphics' sales remained virtually unchanged. The continuous double-digit growth of digital printing plates and the increasing impact of the pricing initiatives were offset by adverse currency effects and the discontinuation of some unprofitable business of analog printing consumables.

The EBITDA-margin (before restructuring and non-recurring items) amounted to 8.3 percent of sales, compared to 7.9 percent last year. Although high silver and aluminum costs continued to have a major impact, recurring EBIT grew 24.6 percent to 16.7 million Euro and the EBIT-margin improved to 4.1 percent of sales versus 3.2 percent in the third quarter of 2005. The main drivers were pricing measures, improved production efficiencies, and the accelerated shift to higher margin digital solutions.

In prepress, Agfa Graphics added the :Avalon SF Thermal platesetter to its computer-to-plate (CtP) range. The solution uses Agfa's own high definition optical system to bring a new level of quality, flexibility and reliability to printers with smaller press formats. Furthermore, Graphics launched an addition to its :Arkitex production software. The solution optimizes ink utilization in newspaper printing, offering printers the opportunity to offset the increase in ink prices by reducing ink volumes needed.

A number of important contracts confirmed Graphics' market leader position for newspaper CtP technology and software. In North America and Latin America, Agfa is playing a major part in the shift to digital CtP technology, as numerous newspapers have recently purchased the company's popular :Advantage violet-laser platesetter and :Arkitex software. At IfraExpo, an annual event for the newspaper industry held in Amsterdam, Graphics signed contracts for 20 complete digital violet CtP lines with major European newspaper publishers, such as WAZ (Germany), Wegener Groep (the Netherlands) and La Nueva España (Editorial Prensa Iberica) (Spain).

In the field of industrial inkjet, the entry model of the :Anapurna XL wide format printer for indoor and outdoor signs and displays was introduced in Australia at the Visual Impact Image Expo. With its :Grand Sherpa Universal range of large format printers, Graphics reached a milestone in Latin America, where it now has 50 installations, bringing the worldwide total of installed :Grand Sherpa Universal systems to more than 500.

Agfa HealthCare – third quarter

in million Euro	Q3 2005	Q3 2006	% change
Net sales	334	**338**	1.2%
EBITDA (*)	39.2	**43.9**	12.0%
% of sales	11.7%	**13.0%**	
EBIT (*)	22.1	**24.9**	12.7%
% of sales	6.6%	**7.4%**	

(*) before restructuring and non-recurring items.

Sales in HealthCare were up 1.2 percent compared to the third quarter of 2005. With particularly strong revenues in RIS/PACS (Radiology Information Systems / Picture Archiving and Communication Systems), the growth in IT solutions more than compensates for the decline in the traditional film and print business. IT solutions (RIS/PACS, Cardiology solutions and Enterprise-wide IT) now represent 31 percent of total HealthCare sales. As in the preceding quarters, HealthCare continued to record a strong order intake for its digital and IT solutions.

Mainly as a result of favorable mix elements, such as the growing share of IT services, and increased production and service efficiencies, HealthCare's profitability improved, despite the continuing adverse effect of high silver prices. The EBITDA-margin (before restructuring and non-recurring items) increased from 11.7 percent of sales in the third quarter of 2005 to 13.0 percent. Recurring EBIT increased from 22.1 million Euro in the third quarter of 2005 to 24.9 million Euro, or 7.4 percent of sales.

The business group continued to strengthen its leading position in the North-American PACS market through contracts with organizations ranging from large multi-facility groups to community-based hospitals and imaging centers. Health Management Associates selected Agfa as one of two 'vendors of choice' for PACS for its network of 63 hospitals in the non-urban southeast and southwest areas of the US. 45 hospitals run by the US Department of Veterans Affairs will install TalkStation, Agfa's radiology reporting system, based on voice recognition technology.

In the field of cardiology, the centre hospitalier de l'Université de Montréal, one of the largest Canadian medical centers, and a leading Australian cardiac center, the Prince Charles Hospital in Brisbane, will install Agfa's solution for cardiology image and information management. Agfa's Heartlab Congenital solution was introduced to the European healthcare market. The system is the world's most comprehensive and flexible reporting and analysis tool for congenital echocardiography.

In enterprise-wide IT, an important contract was signed with the AZ Monica hospital in Antwerp, Belgium. Agfa's ORBIS system will be used to manage the entire patient flow through all departments at the two sites of the hospital. In Italy, Clinica Malzoni (Avellino) signed a contract to become the first ORBIS pilot site in the country. A recent study shows that ORBIS plays a key role in the improvement of efficiency and also facilitates the administrative tasks of hospital staff. In the analyzed process areas, implementing ORBIS reduced process costs by as much as 30 percent.

Agfa Specialty Products – third quarter

Including the business transferred from Graphics, sales increased 9.3 percent to 59 million Euro, mainly driven by significant growth in motion picture film and film for non-destructive testing. The EBITDA-margin (before restructuring and non-recurring items) increased from 11.2 percent of sales in the third quarter of 2005 to 17.1 percent. Recurring EBIT amounted to 8.2 million Euro. The EBIT-margin reached 13.9 percent.

Agfa expanded its cooperation with CCI Eurolam. Already a distributor in France for Agfa's film and chemicals for the printed circuit board industry, CCI Eurolam will now also cover Norway, Sweden, Finland, Denmark, the Netherlands, Belgium and

Luxembourg. In November, Agfa presented the second generation of ANaiS, its complete system for the production of high-security identification cards, at the Cartes trade show in Paris.

Results after nine months

Agfa Group – year to date

In million Euro	9m 2005	9m 2006	% change
Net sales	2,395	**2,474**	3.3%
Gross profit	873	**957**	9.6%
EBITDA (*)	253	**291**	15.0%
% of sales	10.6%	**11.8%**	
EBIT (*)	133	**176**	32.3%
% of sales	5.5%	**7.1%**	
Operating result	54	**107**	98.1%
Net result (consolidated comp.)	(57)	**40**	-
Net operating cash flow	(18)	**113**	-

(*) before restructuring and non-recurring items.

- Due to the improved production and service efficiencies and the impact of price increases, the gross profit margin increased from 36.5 percent to 38.7 percent.
- The Group posted a net profit of 40 million Euro or 32 Eurocents per share, compared to a net loss of 57 million Euro or minus 45 Eurocents per share after nine months in 2005.

Agfa Graphics – year to date

In million Euro	9m 2005 (**)	9m 2006	% change
Net sales	1,268	**1,268**	0.0%
EBITDA (*)	106.0	**106.9**	0.9%
% of sales	8.4%	**8.4%**	
EBIT (*)	47.0	**54.9**	16.8%
% of sales	3.7%	**4.3%**	

(*) before restructuring and non-recurring items.
(**) including 39 million Euro sales from products transferred from Graphics to Specialty Products in 2006.

On a comparable basis, taking account of the transfer of some niche products to Specialty Products, sales increased 3.2 percent, mainly as a result of volume growth and the effect of the pricing actions. Despite the high raw material costs, EBITDA (before restructuring and non-recurring items) increased to 106.9 million Euro, or 8.4 percent of sales.

Agfa HealthCare – year to date

In million Euro	9m 2005	9m 2006	% change
Net sales	998	**1,027**	2.9%
EBITDA (*)	136.7	**159.1**	16.4%
% of sales	13.7%	**15.5%**	
EBIT (*)	80.7	**101.1**	25.3%
% of sales	8.1%	**9.8%**	

(*) before restructuring and non-recurring items.

Driven by the digital solutions and related services, favorable currency effects and the acquisition of the Heartlab activities in June 2005, sales increased 2.9 percent to 1,027 million Euro.
EBITDA (before restructuring and non-recurring items) reached 159.1 million Euro, or 15.5 percent of sales.

Agfa Specialty Products – year to date

Taking into account the business transferred from Graphics, sales increased 6.6 percent to 179 million Euro. The EBITDA-margin (before restructuring and non-recurring items) was 22.2 percent of sales versus 10.5 percent in 2005.

Update on cost savings plan

In August, Agfa announced its plan to reduce costs annually by 250 million Euro by 2008. As a result of the savings initiatives, almost 2,000 functions worldwide could become redundant. In a number of countries, the plan is already in the implementation phase. In Germany, measures were taken to increase efficiency in the production of CR (Computed Radiography) devices, while in the US various initiatives were launched to reduce SG&A costs in Graphics. In Belgium, where the cost savings plan could impact 945 functions, the information and consultation procedures with the social partners are ongoing in the Mortsel site.

Outlook

Agfa-Gevaert feels confident about the fourth quarter, which should be solid despite continued high raw material costs. Sales and results will benefit from seasonal effects in HealthCare and from the further increasing impact of pricing initiatives in Graphics.

Although the implementation of the cost savings plan has started, negotiations are still continuing in a number of major countries. The plan will therefore only have a marginal impact in the fourth quarter, while substantial effects will occur in 2007 and 2008. On the other hand a significant part of the restructuring charges is expected to be booked in the fourth quarter, which will heavily influence the Group's net result.

"We are continuing to work with the social partners in the different countries to achieve the required cost savings. The proposed measures will enable us to continue investing in new business areas and to grow in our highly competitive markets," said Marc Olivié, Agfa's President and CEO.

End of message

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The full press release and financial information is also available on the company's website: www.agfa.com

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Consolidated Statements of Income (in million Euro)

Non-audited, consolidated figures following IFRS/IAS valuation rules

	9m 2005	9m 2006	% change	Q3 2005	Q3 2006	% change
Net sales	**2,395**	**2,474**	3.3%	**797**	**805**	1.0%
Cost of goods sold	(1,522)	(1,517)	-0.3%	(524)	(508)	-3.1%
Gross profit	**873**	**957**	9.6%	**273**	**297**	8.8%
Gross margin	36.5%	38.7%		34.3%	36.9%	
Selling expenses	(430)	(416)	-3.3%	(141)	(135)	-4.3%
Research & Development expenses	(143)	(143)	0.0%	(48)	(46)	-4.2%
General administration expenses	(171)	(205)	19.9%	(52)	(64)	23.1%
Other operating income	239	217	-9.2%	62	57	-8.1%
Other operating expenses	(314)	(303)	-3.5%	(130)	(97)	-25.4%
Operating result (**)	**54**	**107**	98.1%	**(36)**	**12**	133.3%
Net interest expenses	(13)	(24)	84.6%	(4)	(10)	150.0%
Other non-operating income (expense)	3	(25)	-	(12)	(10)	16.7%
Non-operating result	**(10)**	**(49)**	-	**(16)**	**(20)**	-25.0%
Profit before tax	**44**	**58**	31.8%	**(52)**	**(8)**	84.6%
Tax	(101)	(18)	-82.2%	(56)	0	100.0%
Net income	**(57)**	**40**	170.2%	**(108)**	**(8)**	92.6%
of which minority interest	-	-		-	-	
of which Agfa-Gevaert NV stockholders	(57)	40	170.2%	(108)	(8)	92.6%

Operating result	54	107	98.1%	(36)	12	133.3%
Restructuring and non-recurring items	(79)	(69)		(73)	(33)	
EBIT(*) (**)	133	176	32.3%	38	45	18.4%

Outstanding shares per end of period	124,940,270	124,780,270		124,940,270	124,780,270	
Weighted number of shares used for calculation	125,874,758	124,780,270		125,319,662	124,780,270	
Earnings per share (€)	(0.45)	0.32		(0.85)	(0.06)	

(*) EBIT = Earnings Before Interest and Taxes, before restructuring charges and non-recurring items
(**) Non-allocated costs, mainly pension costs for non-active employees, amounted to 5 million Euro in the third quarter and to 15 million Euro in the first nine months of 2006.

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Consolidated Balance Sheets (in million Euro)

Non-audited, consolidated figures following IFRS/IAS valuation rules

	FY 2005	9m 2006
ASSETS		
Non-current assets	**1,561**	**1,457**
Intangible assets	924	883
Property, plant and equipment	502	462
Investments	32	36
Long-term loans receivable	102	74
Derivative financial instruments	1	2
Non-current assets classified as held for sale	**5**	**1**
Current assets	**2,129**	**2,065**
Inventories	586	685
Trade receivables	854	812
Other receivables and other assets	498	420
Cash and cash equivalents	169	122
Deferred charges	20	23
Derivative financial instruments	2	3
Deferred taxes	**287**	**303**
Total assets	**3,982**	**3,826**
EQUITY AND LIABILITIES		
Shareholder's equity	**1,032**	**984**
Capital stock of Agfa-Gevaert N.V.	140	140
Share premium of Agfa-Gevaert N.V.	109	109
Retained earnings	1,069	987
Reserves	(301)	(291)
Net income	(19)	40
Translation differences	31	(4)
Minority interest	3	3
Noncurrent liabilities	**1,394**	**1,364**
Liabilities for post-employment benefits	709	689
Liabilities for personnel commitments	29	29
Financial obligations > 1 year	552	570
Provisions > 1 year	102	75
Deferred income	2	1
Derivative financial instruments	-	-
Current liabilities	**1,445**	**1,369**
Financial obligations < 1 year	296	278
Trade payables	375	379
Miscellaneous liabilities	365	266
Liabilities for personnel commitments	77	88
Provisions < 1 year	301	335
Deferred income	15	19
Derivative financial instruments	16	4
Deferred taxes	**111**	**109**
Total Equity and Liabilities	**3,982**	**3,826**

Consolidated Cash Flow Statements (in million Euro)

Non-audited, consolidated figures following IFRS/IAS valuation rules

	9m 2005	9m 2006	Q3 2005	Q3 2006
Operating result	54	107	(36)	12
Current tax expense	(109)	(40)	(54)	(12)
Depreciation / Amortization and impairment losses	120	122	39	38
Changes in fair value of derivative financial instruments	5	(3)	1	
Adjustment for other non-cash income		(1)		(1)
Change in long-term provisions	(14)	(35)	8	(12)
Loss on divestiture		4		
(Gains) / losses on retirement of non-current assets	(11)	(7)		
Gross operating cash flow	**45**	**147**	**(42)**	**25**
Decrease (increase) in inventories	(73)	(114)	(4)	(19)
Decrease (increase) in trade receivables	(4)	25	56	14
Increase (decrease) in trade payables	(32)	15	(53)	(19)
Change in short-term provisions	69	14	107	35
Change in other working capital	(23)	26	(9)	7
Changes in working capital	**(63)**	**(34)**	**97**	**18**
Net operating cash flow	**(18)**	**113**	**55**	**43**
Cash outflows for additions to intangible assets	(19)	(23)	(6)	(13)
Cash outflows for additions to property, plant and equipment	(52)	(54)	(18)	(19)
Cash inflows from disposals of property, plant and equipment	24	9	2	
Cash inflows from disposals of assets held for sale		4		2
Cash inflows from divestiture		14		14
Cash inflows (outflows) for equity and debt instruments	(7)	22	1	10
Cash inflows (outflows) for taxes paid on previous disposals	(41)		(1)	
Cash outflows for acquisitions	(361)			
Cash outflows for previous acquisitions		(53)		
Cash inflows related to purchase price adjustments of previous acquisitions	3			
Interests and dividends received	16	4	6	1
Net cash used in investing activities	**(437)**	**(77)**	**(16)**	**(5)**
Dividend payments to stockholders	(76)	(63)		
Repurchase of own shares	(33)	-	(19)	
Capital contributions	2	-		
Prefinancing AgfaPhoto in respect of previous CI divestiture	37	(5)	46	(7)
Net issuances of debt	383	15	(19)	1
Interest paid	(18)	(30)	(7)	(9)
Other financial inflows / (outflows)	25	4	2	4
Net cash provided by / (used in) financing activities	**320**	**(79)**	**3**	**(11)**
Change in cash due to business activities	**(135)**	**(43)**	**42**	**27**
Change in cash due to changes in exchange rate	9	(6)		
Total change in cash	**(126)**	**(49)**	**42**	**27**