

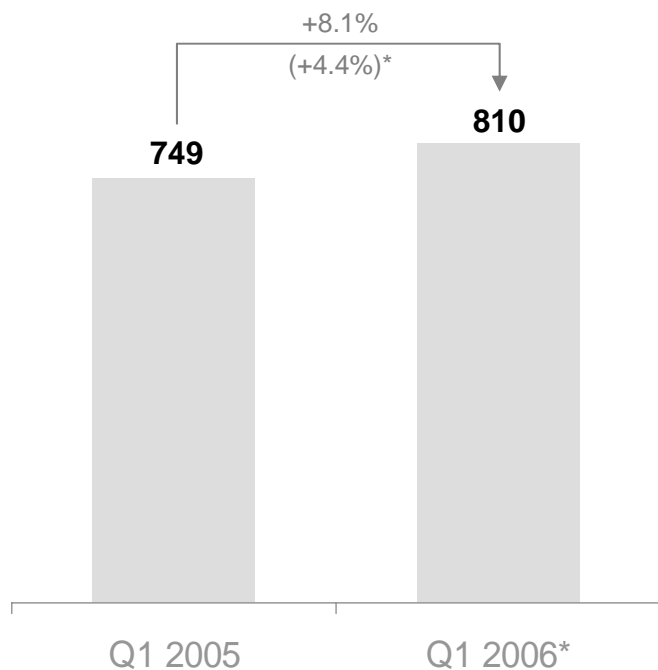
# Q1 Results 2006

Telephone Conference  
May 17, 2006



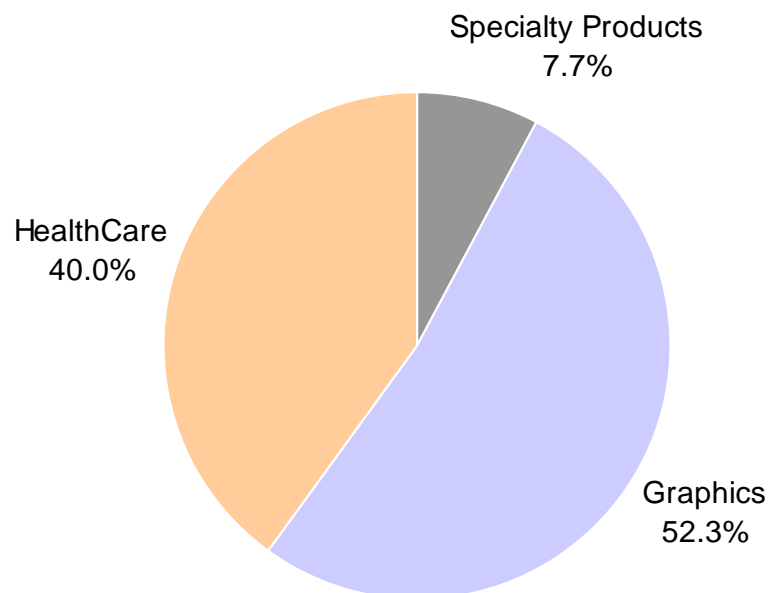
# Group Sales (in million Euro)

## Total Sales



\* Excluding currency impact

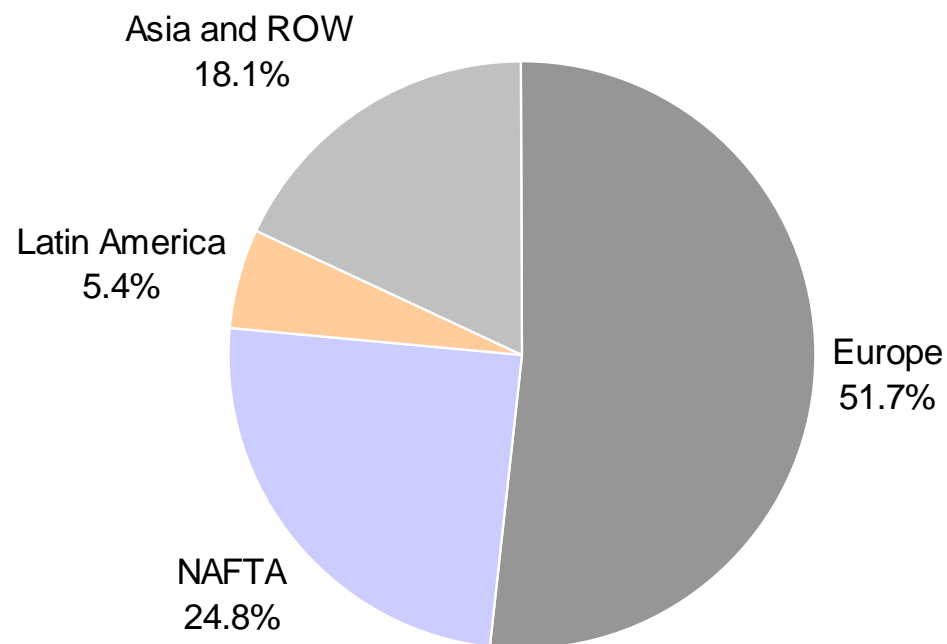
## Split per Business Group



➡ Sales increase driven by higher volumes, positive currency effects and virtually no price erosion

# Q1 2006 Sales Breakdown per Region

100% = 810 million Euro



- ➡ Half of sales in Europe; strong presence in NAFTA and Asia (excl. Japan)
- ➡ Growth in NAFTA, Latin America and ASPAC; flat in Europe

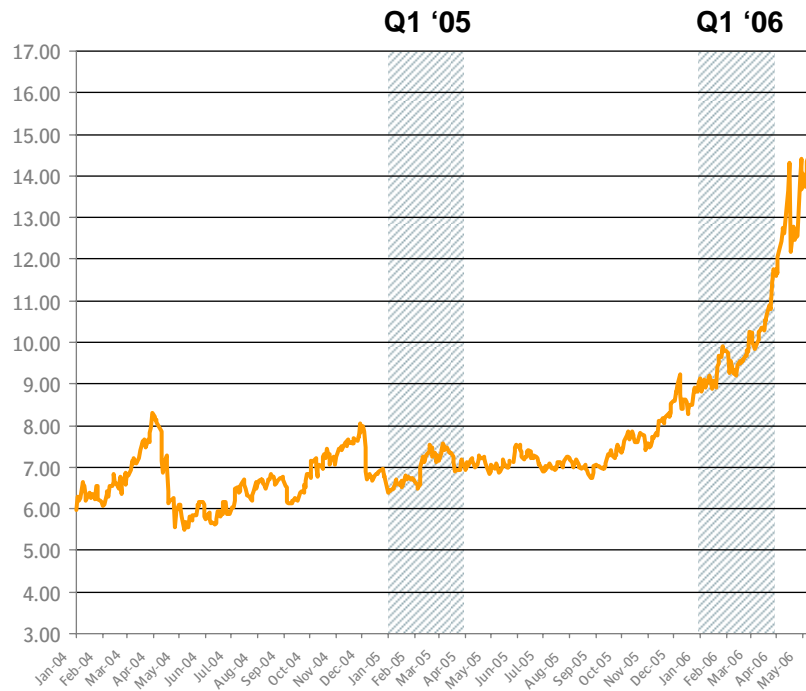
# Profit & Loss: Key Figures (in million Euro)

|                     | Q1 '05 | Q1 '06       | % change |
|---------------------|--------|--------------|----------|
| Sales               | 749    | <b>810</b>   | 8.1%     |
| Gross profit        | 284    | <b>316</b>   | 11.3%    |
| Gross profit margin | 37.9%  | <b>39.0%</b> |          |

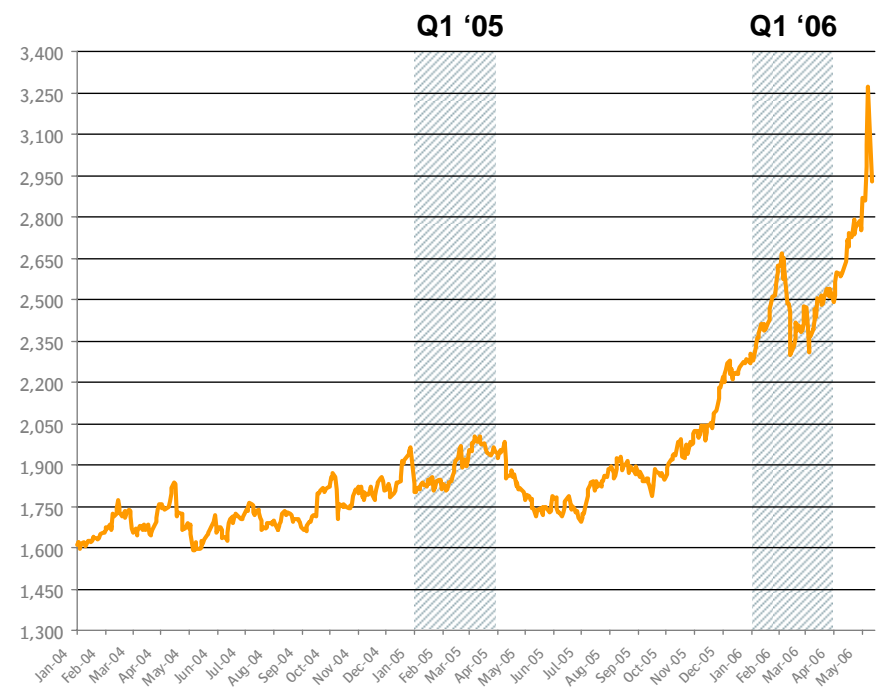
➔ Increased production efficiency, favorable mix effects and less price pressure result in increased gross profit margin, despite steeply higher raw material costs

# Raw Materials

Silver (USD/troyounce)



Aluminium (USD/ton)



➡ 21 million Euro higher raw material costs vs. Q1 2005 (of which silver 16 million Euro and aluminium 5 million Euro)

# Profit & Loss: Key Figures (in million Euro)

|                       | Q1 '05 | Q1 '06       | % change |
|-----------------------|--------|--------------|----------|
| Gross profit          | 284    | <b>316</b>   | 11.3%    |
| R&D                   | -47    | <b>-47</b>   | 0.0%     |
| SG&A                  | -197   | <b>-210</b>  | 6.6%     |
| as a % of sales       | 26.3%  | <b>25.9%</b> |          |
| Other operating items | 1      | <b>-5</b>    | -600.0%  |
| EBITDA*               | 81     | <b>93</b>    | 14.8%    |
| as a % of sales       | 10.8%  | <b>11.5%</b> |          |
| EBIT*                 | 41     | <b>54</b>    | 31.7%    |
| as a % of sales       | 5.5%   | <b>6.7%</b>  |          |

\* Before restructuring charges and non-recurring items.

- ➔ SG&A expenses as a % of sales decrease to 25.9%
- ➔ EBITDA margin increases from 10.8% to 11.5% and EBIT margin from 5.5% to 6.7%

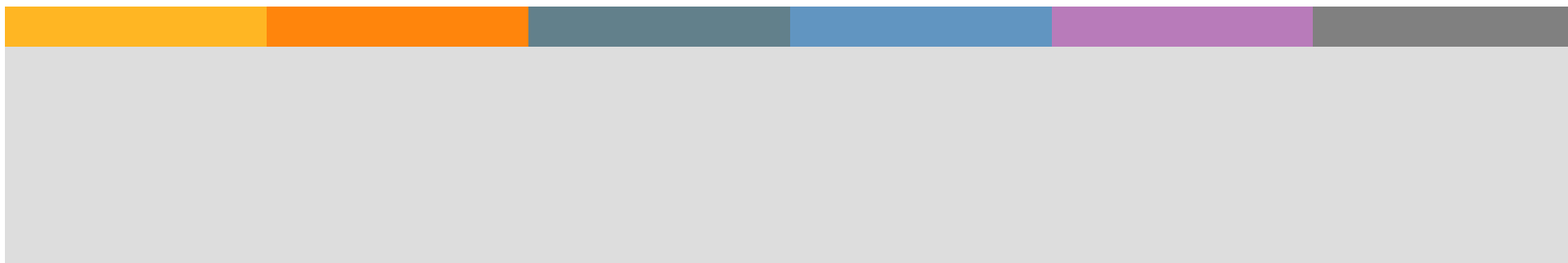
# Profit & Loss: Key Figures (in million Euro)

|                                 | Q1 '05 | Q1 '06     | % change |
|---------------------------------|--------|------------|----------|
| EBIT*                           | 41     | <b>54</b>  | 31.7%    |
| Restructuring and non-recurring | 1      | <b>-11</b> |          |
| Operating result                | 42     | <b>43</b>  | 2.4%     |
| Non-operating result            | 20     | <b>-16</b> | -180.0%  |
| Profit before taxes             | 62     | <b>27</b>  | -56.5%   |
| Taxes                           | -33    | <b>-7</b>  | -78.8%   |
| Net result                      | 29     | <b>20</b>  | -31.0%   |

\* Before restructuring charges and non-recurring items.

- ➡ EBIT before restructuring increases by 32%
- ➡ Previous year's non operating result affected by exceptional gains
- ➡ Net result 20 million Euro or 0.16 Euro per share

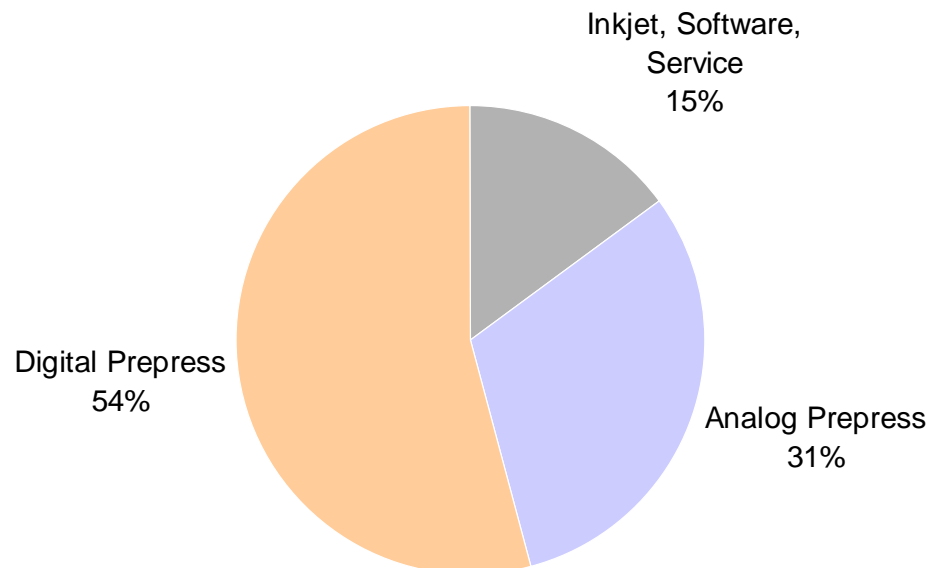
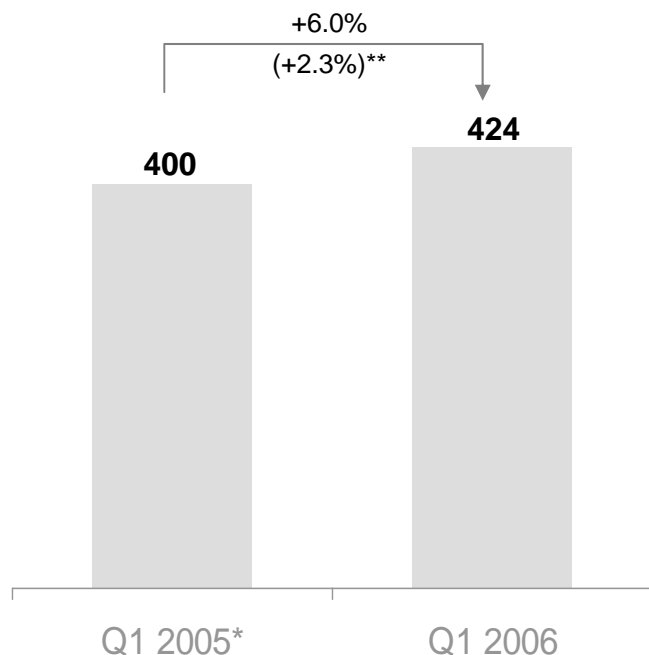
# Agfa Graphics





# Graphics: Sales (in million Euro)

## Total Sales



\* Including 12 million Euro sales from products transferred from Graphics to Specialty Products in 2006

\*\* Excluding currency effect

- ➡ Solid sales growth mainly due to volume growth in digital pre-press and inkjet, and stable pricing
- ➡ On a comparable basis, sales increased 9.3%

# Graphics: Key Figures (in million Euro)

|            | Q1 '05** | Q1 '06      | % change |
|------------|----------|-------------|----------|
| Sales      | 400      | <b>424</b>  | 6.0%     |
| EBITDA*    | 35.6     | <b>38.1</b> | 7.0%     |
| % of sales | 8.9%     | <b>9.0%</b> |          |
| EBIT*      | 16.6     | <b>20.1</b> | 21.1%    |
| % of sales | 4.2%     | <b>4.7%</b> |          |

\* Before restructuring charges and non-recurring items

\*\* Including 12 million Euro sales from products transferred from Graphics to Specialty Products in 2006

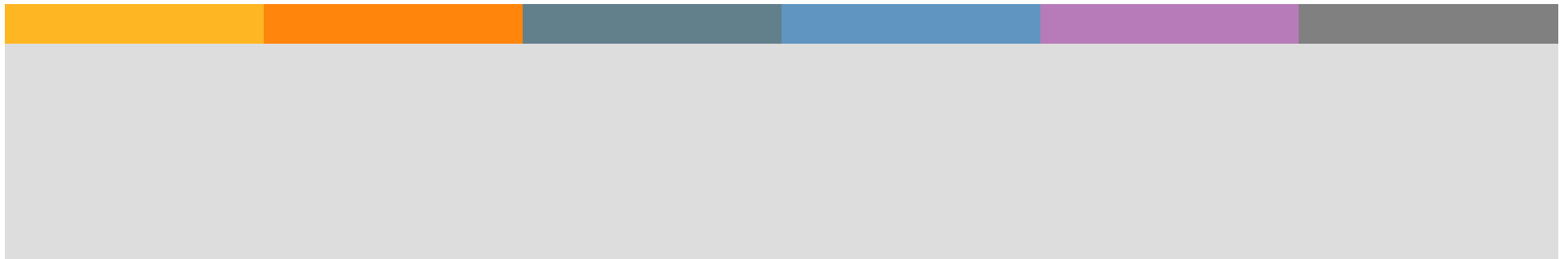
- ➔ Growth in margin as a result of favorable trading conditions, first impact of price increases and improvement in production efficiency
- ➔ 13 million Euro higher raw material costs (8 million Euro silver, 5 million Euro aluminium)

# Graphics: Q1 Highlights

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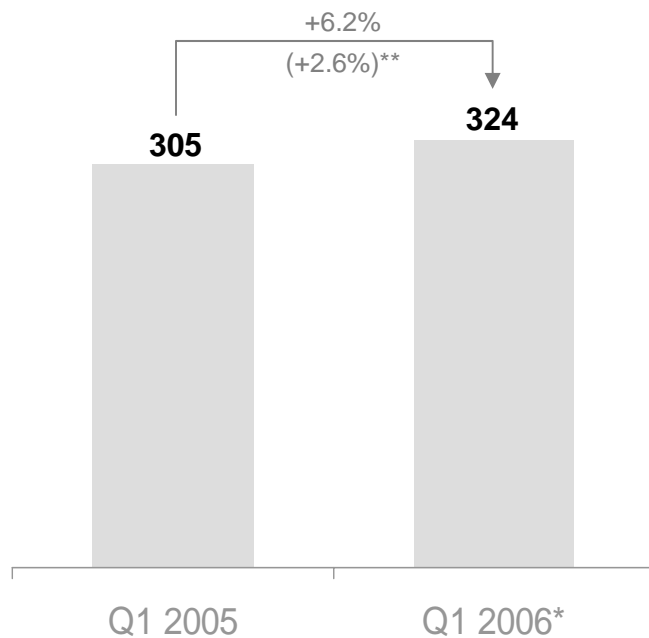
- Significant sales increase for digital printing plates
  - Largely compensates for the decline in sales of analog products
  - Launch of :Energy, the next-generation thermal plate line for commercial and packaging printers
- Industrial inkjet strategy on track
  - Launch of a new version of the :Dotrix inkjet press and 2 new models in the :Anapurna wide-format printer assortment
  - First M-Press hybrid inkjet press for high-quality and high-volume printing operational at the *SMP Group Plc* (UK)
- 10 year partnership with *News International*
  - Largest contract in the history of Agfa Graphics
  - Includes equipment, enterprise-wide software, violet digital printing plate materials, support, maintenance and technical service

# Agfa HealthCare



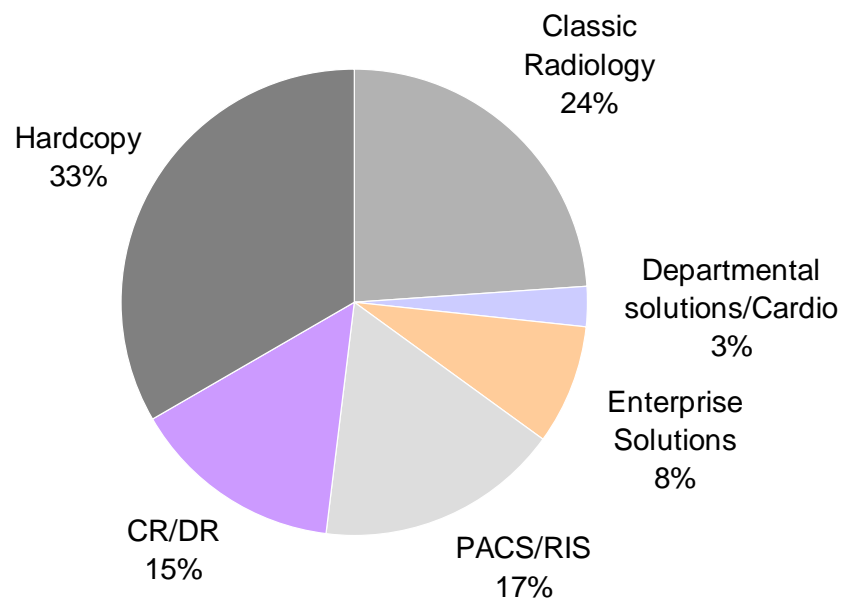
# HealthCare: Sales (in million Euro)

## Total Sales



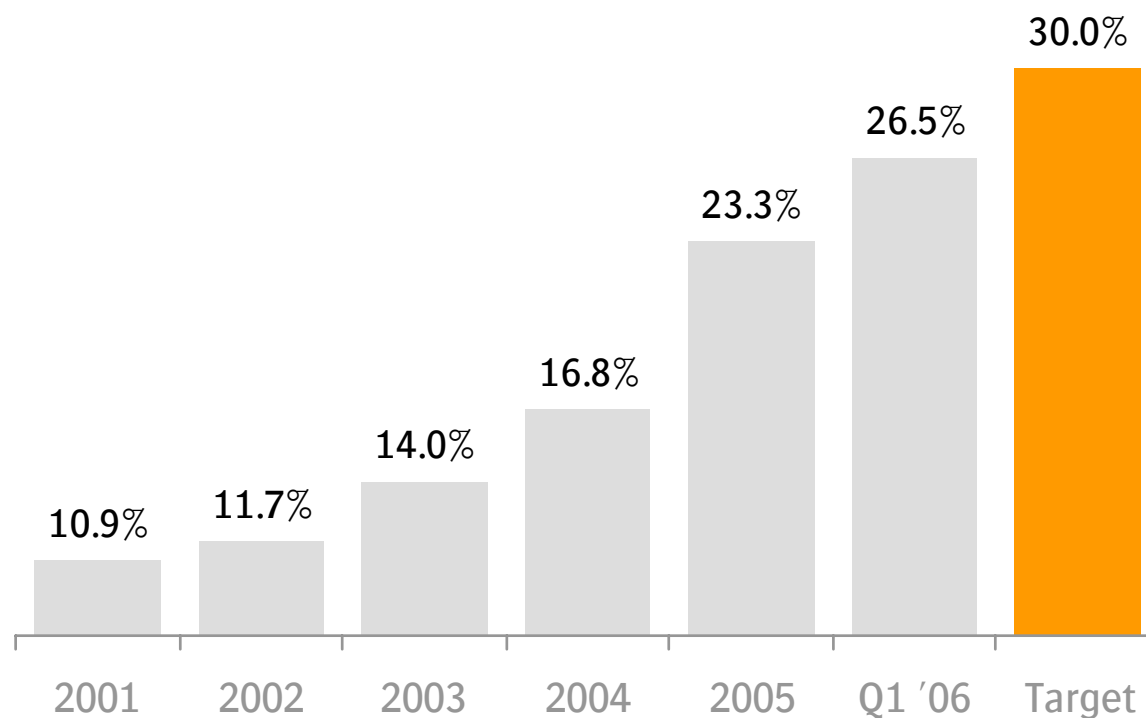
\* Including Heartlab, acquired in June '05

\*\* Excluding currency effect



➡ Sales growth driven by PACS, CR/DR and cardiology

# Service Revenues as % of HealthCare Sales



➔ Continuous increase of services in HealthCare sales driven by growing importance of IT

# HealthCare: Key Figures (in million Euro)

|            | Q1 '05 | Q1 '06       | % change |
|------------|--------|--------------|----------|
| Sales      | 305    | <b>324</b>   | 6.2%     |
| EBITDA*    | 42.8   | <b>45.0</b>  | 5.1%     |
| % of sales | 14.0%  | <b>13.9%</b> |          |
| EBIT*      | 22.8   | <b>25.0</b>  | 9.6%     |
| % of sales | 7.5%   | <b>7.7%</b>  |          |

\* Before restructuring charges and non-recurring items

➔ The EBITDA margin remained stable despite increasing raw material costs (5 million Euro)

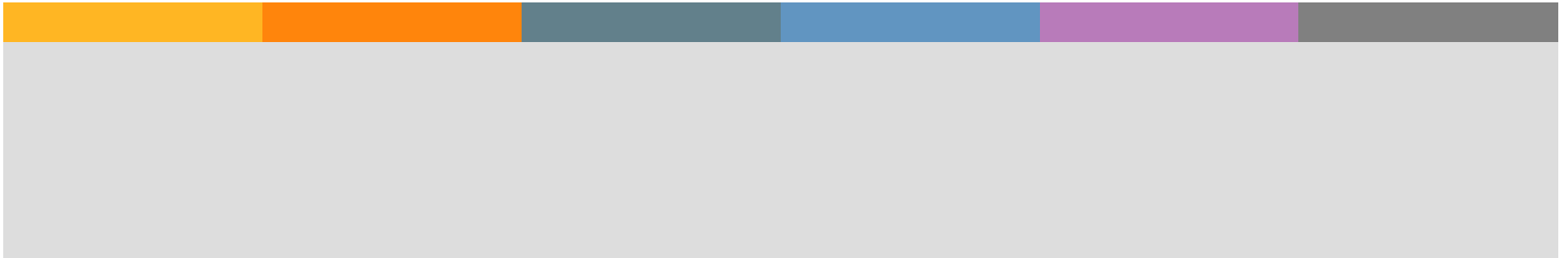
# HealthCare: Q1 Highlights

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- International roll-out of ORBIS
  - 27 contracts in France, Germany, Austria and Switzerland
  - 3 pilot sites in Belgium
  - IT strategy for North-America introduced, including ORBIS
- Strong order intake for RIS/PACS around the world
- More than 100 sites signed up for IMPAX 6.0
- *Novation*, a leading US global purchasing organization, selected Agfa as CR supplier
- *Quantum Medical Imaging* (USA) will provide Agfa CR systems and hardcopy printers to Amerinet's 1,200 medical sites



# Agfa Specialty Products



# Specialty Products: Key Figures (in million Euro)

|            | Q1 '05** | Q1 '06       | % change |
|------------|----------|--------------|----------|
| Sales      | 44       | <b>62</b>    | 40.9%    |
| EBITDA*    | 3.7      | <b>13.4</b>  | 262.2%   |
| % of sales | 8.4%     | <b>21.6%</b> |          |
| EBIT*      | 2.7      | <b>12.4</b>  | 359.3%   |
| % of sales | 6.1%     | <b>20.0%</b> |          |

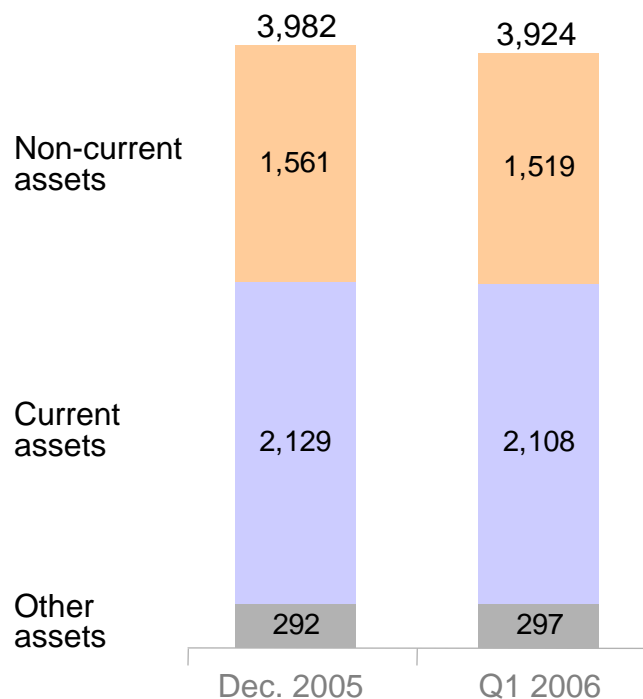
\* Before restructuring charges and non-recurring items

\*\* Excluding 12 million Euro sales from products transferred from Graphics to Specialty Products in 2006

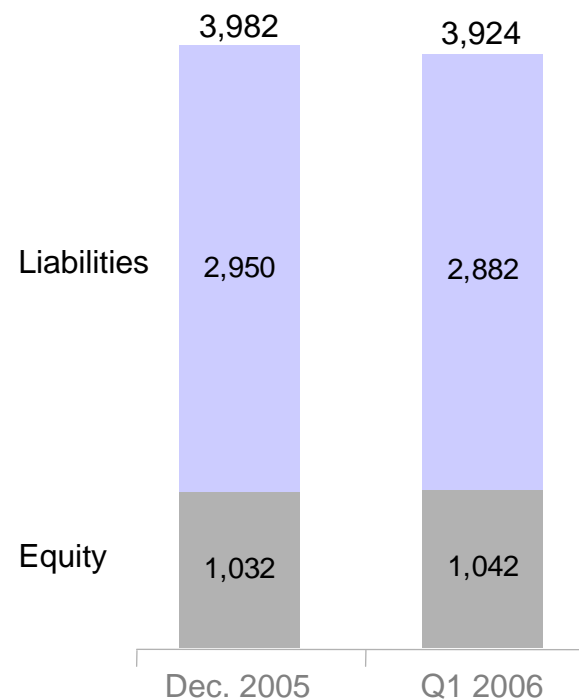
- ➡ On a comparable basis, sales increased 10.7%
- ➡ Growth driven by film for Cine, aerial photography and PCB
- ➡ Good performance of Identification and Security

# Balance Sheet: Key Figures (in million Euro)

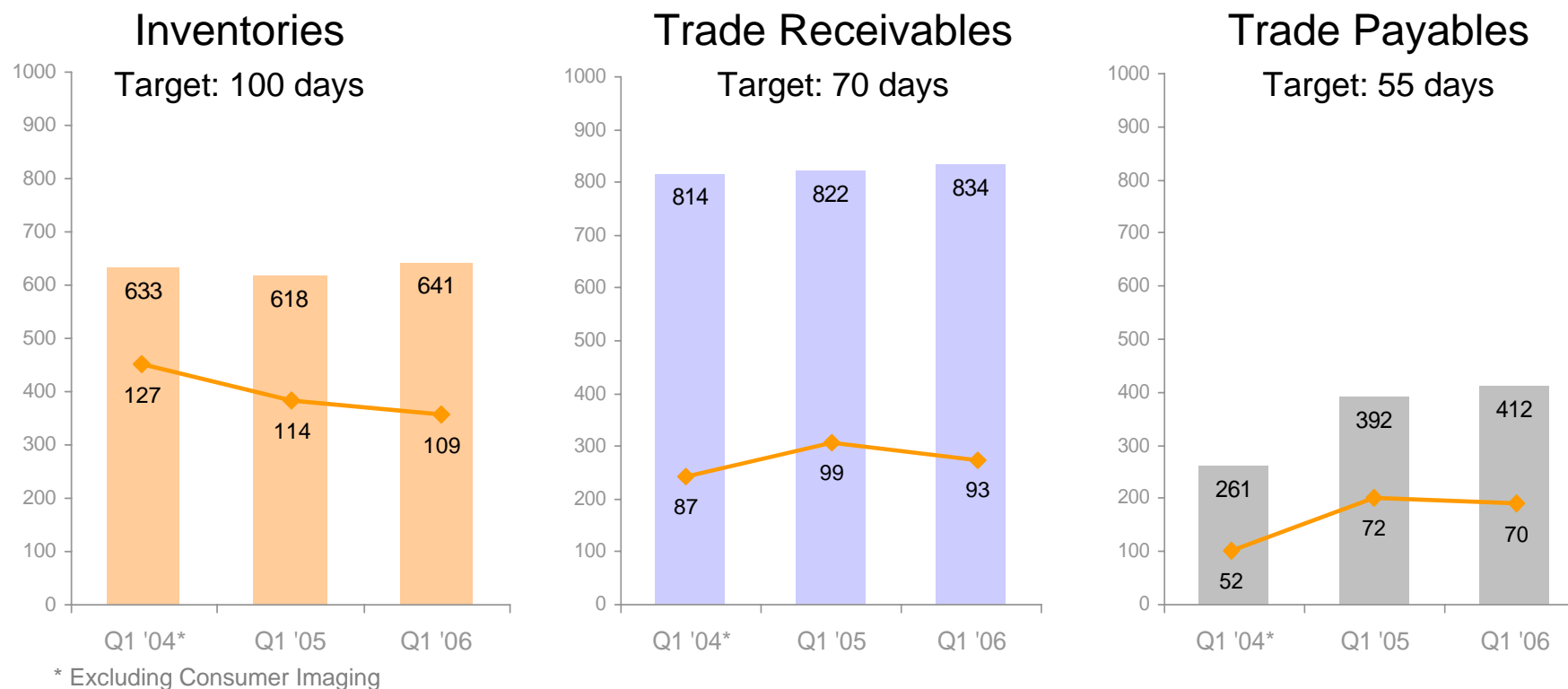
## Assets



## Liabilities



# Working Capital: Key Figures (in million Euro/days)

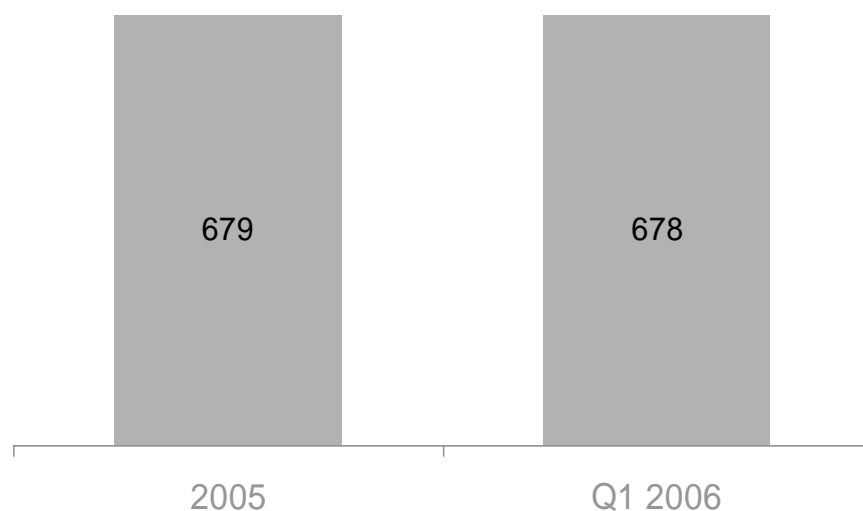


➡ Days of inventories and days of trade receivables decreased by 5 and 6 days since Q1 '05

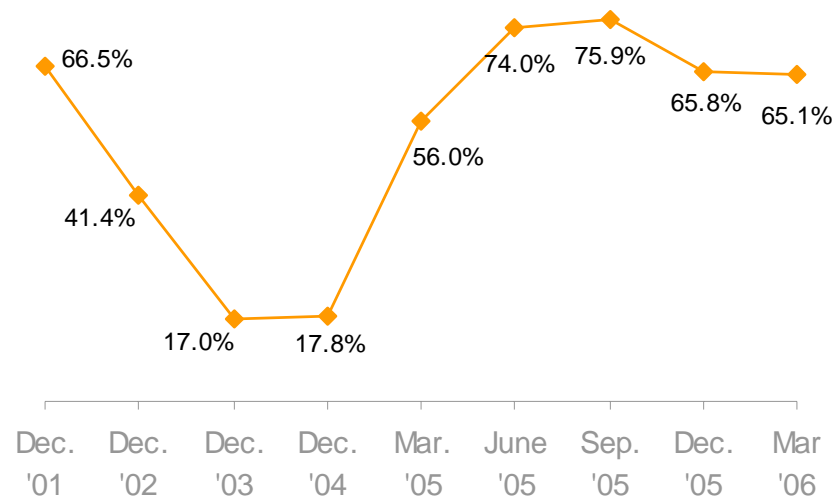
➡ Target for days of trade payables largely exceeded

# Balance Sheet: Key Figures

Net Financial Debt (in million Euro)



Gearing Ratio (%)

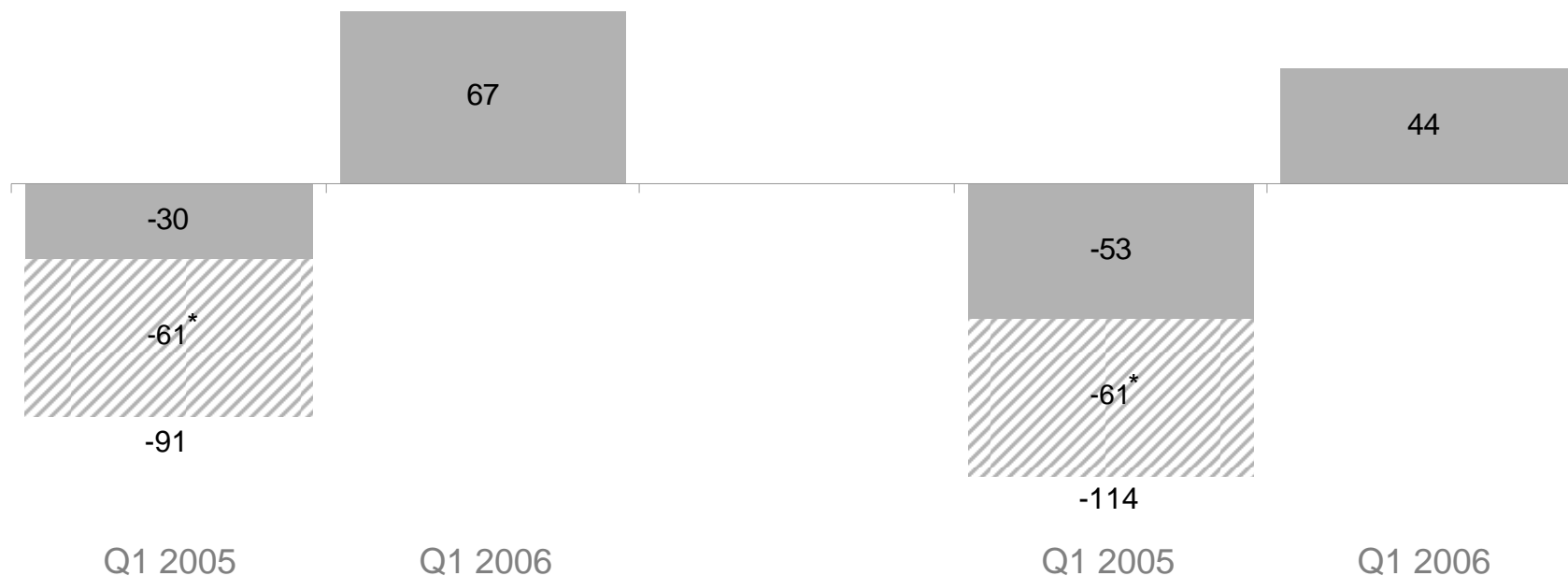


➔ Net financial debt stable, including payment of the first earn-out of 52.5 million Euro related to the acquisition of GWI

# Cash Flow: Q1 2006 Key Figures (in million Euro)

## Net operating cash flow

## Free cash flow



\* Termination of securitization of receivables

➡ Positive cash flow generation, mainly driven by improved working capital

# Questions & Answers

