

Q2 and First Half 2010 Results

August 25, 2010



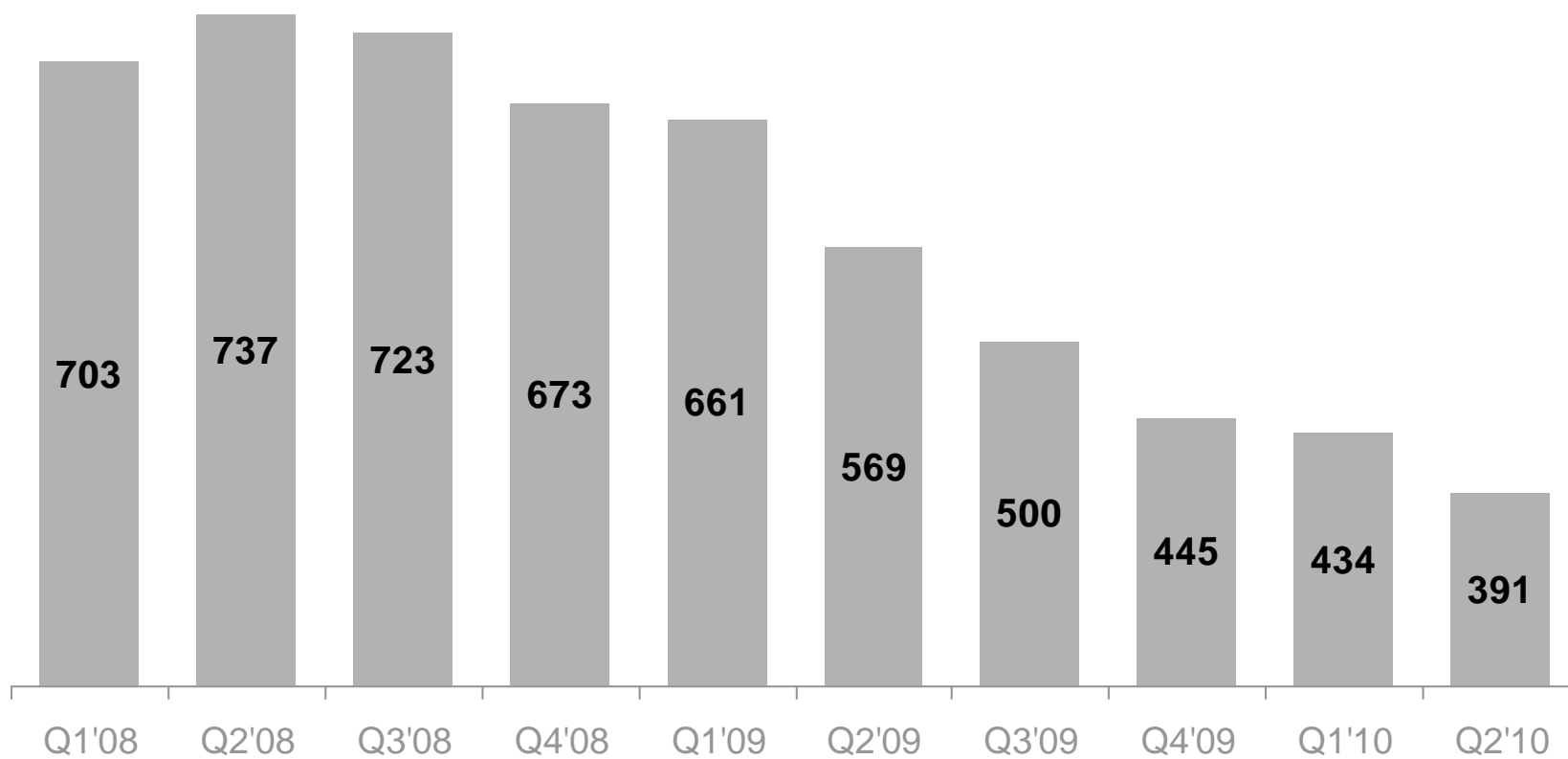
Profit & Loss: Key Figures (in million Euro)

	Q2'09	Q2'10	Δ % (excl. X-rate)	H1'09	H1'10	Δ % (excl. X-rate)
Sales	677	736	+8.7% (+4.6%)	1,339	1,400	+4.6% (+2.8%)
Gross Profit*	214	265	23.8%	422	494	17.1%
as a % of sales	31.6%	36.0%		31.5%	35.3%	
R&D*	-37	-40	8.1%	-78	-77	-1.3%
SG&A*	-138	-147	6.5%	-282	-283	0.4%
as a % of sales	20.4%	20.0%		21.1%	20.2%	
Other operating items*	-1	5		4	3	
Recurring EBITDA*	64	107	67.2%	119	184	54.6%
as a % of sales	9.5%	14.5%		8.9%	13.1%	
Recurring EBIT*	38	84	121.1%	66	137	107.6%
as a % of sales	5.6%	11.4%		4.9%	9.8%	

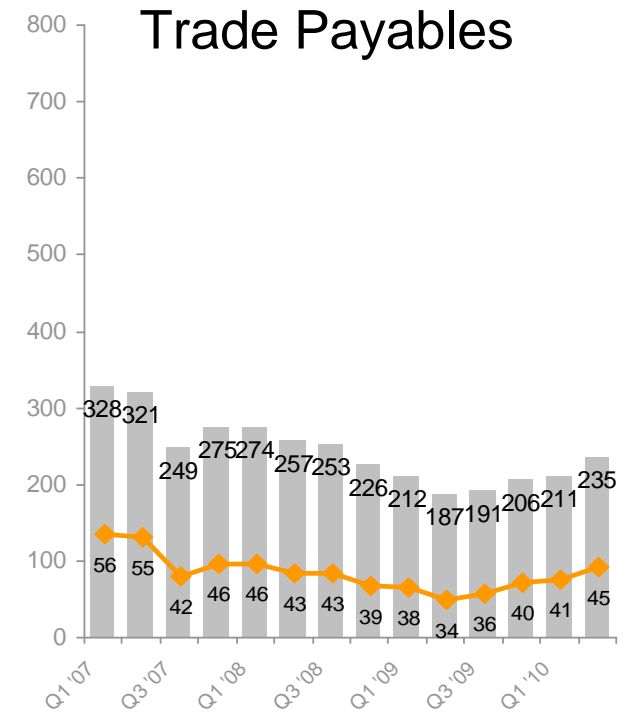
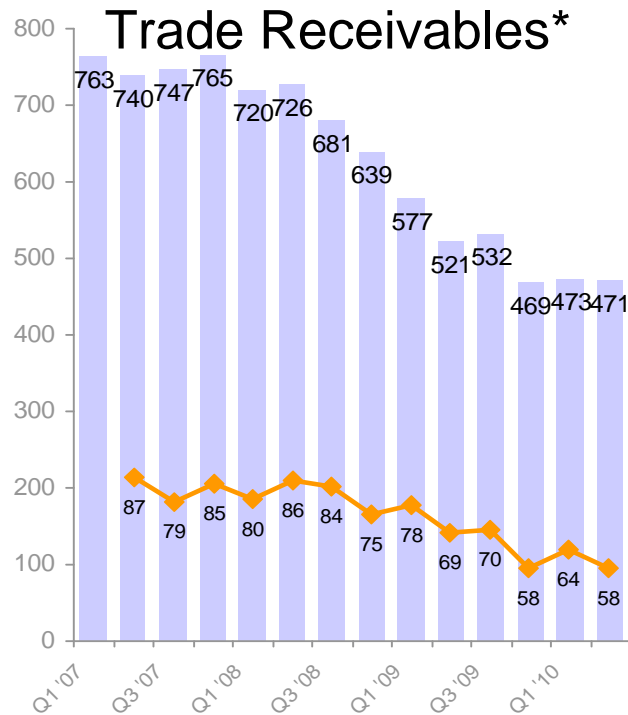
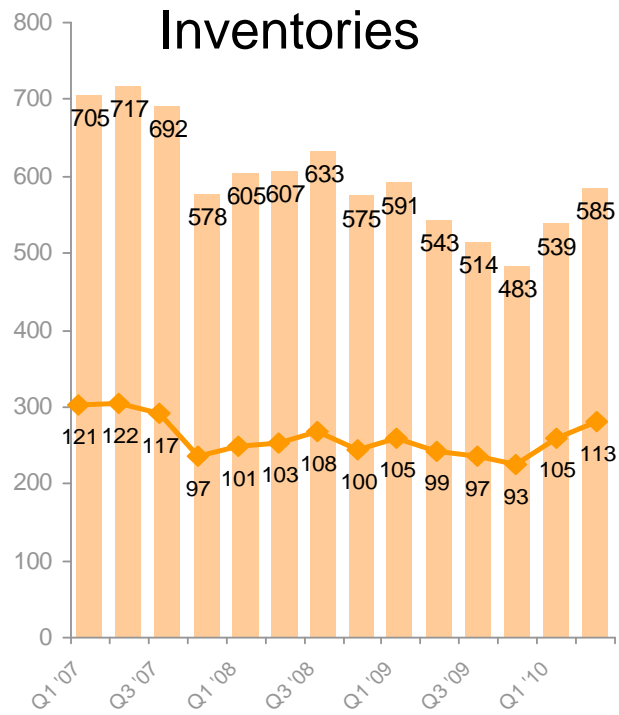
* Before restructuring charges and non-recurring items

- ➔ Revenue increase due to good performance in the USA and in the emerging countries
- ➔ EBIT margin more than doubles due to higher sales volumes, the success of efficiency improvement programs, optimal use of manufacturing capacity, favorable raw material effects and continued strict cost management

Net Financial Debt (in million Euro)



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



* Trade receivables minus deferred revenue and advanced payments from customers

Main Group Drivers behind Key Figures

Q2 2010

- Sales at 736 million Euro – increase of 8.7% due to good performance in the USA and in the emerging countries
- Increase in gross profit margin because of the success of efficiency improvement programs, optimal use of manufacturing capacity, favorable raw material effects and an IP related one-off effect in Agfa Graphics
- SG&A % decreased to 20.0% of revenue versus 20.4% in Q2 2009
- Recurring EBIT more than doubled to 84 million Euro
- Net financial debt at 391 million Euro, a further improvement versus Q2 2009 and Q1 2010

Profit & Loss: Key Figures (in million Euro)

	Q2'09	Q2'10	Δ %	H1'09	H1'10	Δ %
Recurring EBIT*	38	84	121.1%	66	137	107.6%
Restructuring and non-recurring	-12	-15	25.0%	-3	-17	466.7%
Operating result	26	69	165.4%	63	120	90.5%
Non-operating result	-27	-22		-57	-45	
Profit before taxes	-1	47		6	75	
Taxes and minority interest	-8	-8		-24	-18	
Net result	-9	39		-18	57	

* Before restructuring charges and non-recurring items

Agfa Graphics



Graphics: Key Figures (in million Euro)

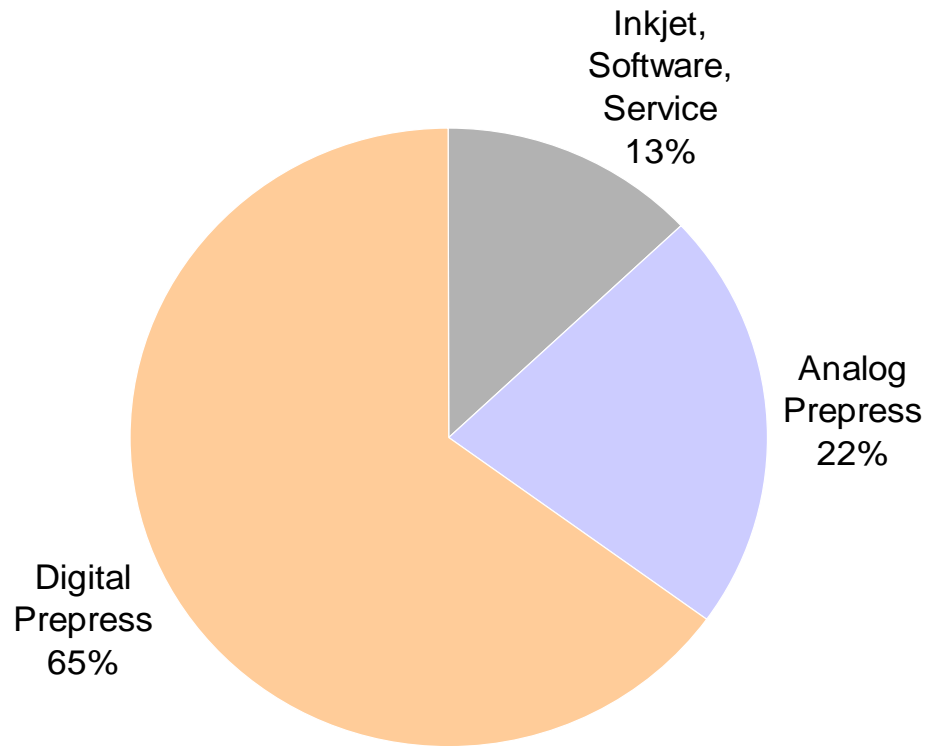
	Q2'09	Q2'10	Δ % (excl. curr.)	H1'09	H1'10	Δ % (excl. curr.)
Sales	326	391	19.9% (15.2%)	641	736	14.8% (12.5%)
Gross Profit*	88	130	47.7%	172	235	36.6%
as a % of sales	27.0%	33.2%		26.8%	31.9%	
R&D*	-9	-10	11.1%	-21	-20	-4.8%
SG&A*	-67	-76	13.4%	-136	-146	7.4%
as a % of sales	20.6%	19.4%		21.2%	19.8%	
Other operating items*	1	2		-1	1	
Recurring EBITDA*	23.9	56.6	136.8%	37.4	91.7	145.2%
as a % of sales	7.3%	14.5%		5.8%	12.5%	
Recurring EBIT*	12.2	46.1	277.9%	13.4	70.7	427.6%
as a % of sales	3.7%	11.8%		2.1%	9.6%	

* Before restructuring charges and non-recurring items

- ➔ Sales increase due to a good performance in the USA and in the emerging countries
- ➔ Positive impact of sales increase, efficient use of manufacturing capacity, positive raw material effects and an IP related one-off effect on margins

Graphics: YTD Sales per Business Segment

YTD 2010
100% = 736 million Euro



Graphics: Main Drivers behind Key Figures

Q2 2010

- Sales increase due to good performance in the USA and in the emerging countries because of an upturn of the CtP prepress business and Agfa Graphics' success in the analogue CtF market
- Industrial inkjet sales also continued to grow
- Gross margin positively impacted by higher sales volumes, efficient use of manufacturing capacity, positive raw material effects and an IP related one-off effect
- Further reduction of SG&A % to 19.4% of sales
- EBIT almost quadruples

Agfa HealthCare



HealthCare: Key Figures (in million Euro)

	Q2'09	Q2'10	Δ % (excl. curr.)	H1'09	H1'10	Δ % (excl. curr.)
Sales	295	296	0.3% (-3.7%)	586	572	-2.4% (-3.9%)
Gross Profit*	116	124	6.9%	228	236	3.5%
as a % of sales	39.3%	41.9%		38.9%	41.3%	
R&D*	-27	-26	-3.7%	-54	-50	-7.4%
SG&A*	-64	-65	1.6%	-131	-125	-4.6%
SG&A as % of sales	21.7%	22.0%		22.4%	21.9%	
Other operating items*	2	2		10	2	
Recurring EBITDA*	42.2	48.1	14.0%	81.2	87.9	8.3%
as a % of sales	14.3%	16.3%		13.9%	15.4%	
Recurring EBIT*	28.5	35.6	24.9%	54.0	63.2	17.0%
as a % of sales	9.7%	12.0%		9.2%	11.0%	

* Before restructuring charges and non-recurring items

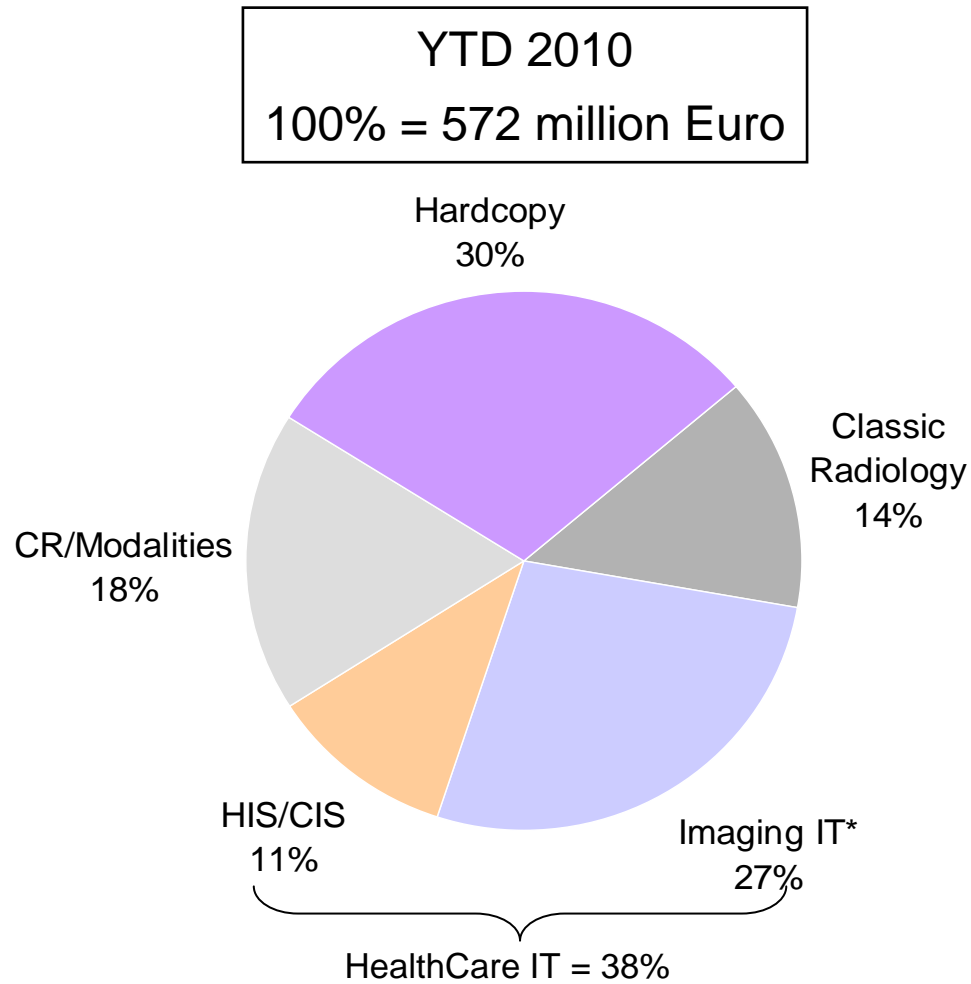
- ➔ Sales influenced by market-driven decline in traditional imaging, good performance of CR, and substantial growth in IT in the USA and in the emerging markets
- ➔ Profitability significantly increased due to improved service efficiency in IT and efficient use of manufacturing capacity

HealthCare: Main Drivers behind Key Figures

Q2 2010

- Traditional imaging products continue their market-driven decline
- Good actual performance of CR/DR as well as a strong order intake
- Substantial growth in IT revenues
 - In the emerging countries and in the USA Agfa HealthCare outperformed the market
 - In Southern Europe, sales are still impacted by the unstable economic climate
- Gross margin positively impacted by improved service efficiency in IT and efficient use of manufacturing capacity
- EBIT increased significantly

HealthCare: YTD Sales per Business Segment



* Includes Radiology and Cardiology IT

Agfa Specialty Products



Specialty Products: Key Figures (in million Euro)

	Q2'09	Q2'10	Δ % (excl. curr.)	H1'09	H1'10	Δ % (excl. curr.)
Sales	56	49	-12.5% (-14.1%)	112	92	-17.9% (-18.3%)
Gross profit*	10	11	10.0%	21	23	9.5%
as a % of sales	17.9%	22.4%		18.8%	25.0%	
R&D*	-2	-4	100.0%	-4	-7	-75.0%
SG&A*	-7	-6	-14.2%	-14	-13	-7.1%
as a % of sales	12.5%	12.2%		12.5%	14.1%	
Other operating items*	2	2		3	2	
Recurring EBITDA*	4.6	4.4	-4.3%	8.1	7.7	-4.9%
as a % of sales	8.2%	9.0%		7.2%	8.4%	
Recurring EBIT*	3.6	3.6	0.0%	6.0	5.9	-1.7%
as a % of sales	6.4%	7.3%		5.4%	6.4%	

* Before restructuring charges and non-recurring items.

- ➔ Sales decrease due to market-driven decline for traditional products and shift of part of the film business to Agfa Graphics partly countered by the sales increase in PCB film
- ➔ Profitability positively impacted by manufacturing efficiencies due to efficient use of capacity, counterbalanced by revenue impact and R&D spending for new business products.

Specialty Products: Main Drivers behind Key Figures

Q2 2010

- Sales decline of 12.5% as a result of market-driven trend in the traditional products and shift of part of the film business to Agfa Graphics, partly countered by the sales increase in PCB film
- Profitability positively impacted by manufacturing efficiencies due to better use of capacity and the sales increase in PCB film, counterbalanced by revenue impact and R&D spending for new business products

Outlook

- Provided that exchange rates and macro-economic conditions remain stable, the Agfa Group expects a full year revenue growth of about 200 million Euro versus 2009. The revenue increase is expected to come from Agfa Graphics, as the business group's internal growth will be supplemented by the impact of the recently announced acquisitions and joint venture. Agfa Graphics' full year 2010 EBIT to revenue ratio is expected to be higher than average because of the favorable raw material costs, the stronger than anticipated recovery of the graphic industry in the USA and the IP related one-off effect. Agfa HealthCare anticipates a better top line performance in the second half of the year. Agfa Healthcare expects its full year 2010 EBIT to revenue ratio to be closer to 11% than to 10%.
- Agfa Graphics sticks to its 7% medium term EBIT target. Agfa HealthCare will continue its programs to improve service efficiency and its profitability will become less exposed to the fluctuations of the silver price. For Agfa HealthCare, the medium term EBIT to revenue ratio is expected to be between 10.5% and 11%.
- Agfa Specialty Products continues to invest in new businesses, which only gradually start to compensate for the ongoing decline in the traditional imaging business.

Questions & Answers

