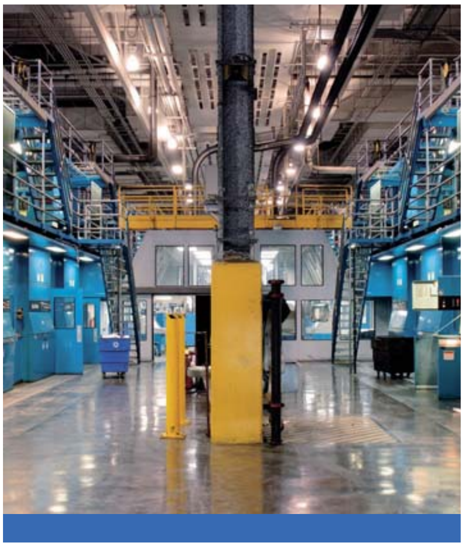


# Strong first quarter sales growth in all business groups

**Agfa-Gevaert announced its first quarter results. All business groups reported solid sales, leading to an increase in Group sales of 8.1 percent compared to the first quarter of 2005. In Graphics, the growth of digital printing plates largely compensated for the decline in sales of analog products. HealthCare posted strong figures for its IT business, especially in the US. Although raw material costs have continued to increase in recent months, the Group was able to improve profitability.**

- Significant volume increase for digital printing plates
- HealthCare IT sales increased 29 percent
- Overall margin improvement
- Raw material costs continue to affect profitability
- Net operating cash flow reached 67 million Euro

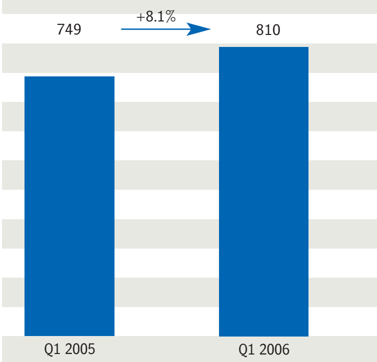
Marc Olivié, Agfa's President and CEO, stated: "All business groups posted solid sales growth and we also improved our margins, despite the increasing raw material costs. Graphics reported strong volume growth, especially for digital printing plates, and the business group's inkjet sales are also gaining momentum. In HealthCare, innovative IT solutions showed double-digit growth as we are leveraging the recent acquisitions in this area."

### Agfa Group

| million Euro | Q1 2005 | Q1 2006 | % change |
|---|---|---|---|
| Net sales | 749 | 810 | 8.1% |
| Gross profit | 284 | 316 | 11.3% |
| EBITDA (*) | 81 | 93 | 14.8% |
| % of sales | 10.8% | 11.5% | |
| EBIT (*) | 41 | 54 | 31.7% |
| % of sales | 5.5% | 6.7% | |
| Operating result | 42 | 43 | 2.4% |
| Net result (consolidated comp.) | 29 | 20 | -31.0% |
| Net operating cash flow | -91 | 67 | |

(*) before restructuring and non-recurring items

**Group Sales** (million Euro)




Sales increased 8.1 percent compared to the first quarter of 2005, driven by significant volume growth, a favorable trading environment and positive currency effects.

The gross profit margin increased from 37.9 percent in the first quarter of 2005 to 39.0 percent, despite significantly increased raw material costs, especially for silver. This is the result of several cost saving initiatives, the effects of price increases already initiated last year, favorable product mix effects and production efficiency improvements, particularly in Graphics and Specialty Products.

Sales and general administration costs (SG&A) amounted to 210 million Euro, or 25.9 percent of sales, versus 26.3 percent of sales in the first quarter of 2005. Agfa will continue to focus on reducing these costs. Compared to the first quarter of 2005, R&D expenses remained stable at 47 million Euro. The main focus is on digital printing plates and industrial inkjet in Graphics and on state-of-the-art imaging technologies and IT in HealthCare.

Recurring EBIT increased 31.7 percent from 41 million Euro in the first quarter of 2005 to 54 million Euro and the EBIT margin increased to 6.7 percent, compared to 5.5 percent last year. The non-operating result stood at minus 16 million Euro, compared to plus 20 million Euro in the first quarter of 2005, when it was impacted by large one-time gains. The net profit amounted to 20 million Euro, or 16 Eurocents per share, versus 29 million Euro or 23 Eurocents per share in the first quarter of 2005.

## Balance sheet and cash flow

At the end of March 2006, total assets amounted to 3,924 million Euro, compared to 3,982 million Euro at the end of December 2005.

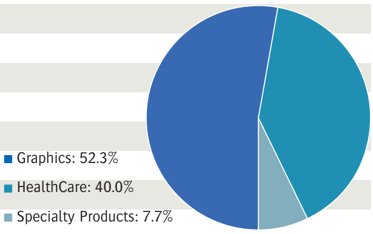
Days of inventories stood at 109 at the end of March 2006. This figure shows a normal seasonal increase compared to the end of 2005, but also a clear improvement compared to the same period in 2005 (114 days). Days of trade receivables improved from 99 at the end of March 2005 to 93. Trade payables reached 70 days at the end of March, which is markedly better than the target of 55 days.

Net financial debt remained virtually unchanged at 678 million Euro compared to the end of 2005 (679 million Euro) despite the seasonal build up of working capital and the payment of the first earn-out of 52.5 million Euro related to the acquisition of GWI. As stipulated in the acquisition agreement, the payment followed the achievement of agreed milestones.

Agfa generated a substantial net operating cash flow of 67 million Euro.

**Share of Group Sales by Business Group**

100% = 810 million euro




## Segment results

Agfa reports its segment results for Graphics, HealthCare and Specialty Products. From 2006 onwards, certain costs (income), mainly pension costs for non-active employees, are no longer allocated to the business groups. These costs amounted to approximately 5 million Euro in the first quarter.

### Agfa Graphics

| million Euro | Q1 2005 (*) | Q1 2006 | % change |
|---|---|---|---|
| Net sales | 400 | 424 | 6.0% |
| EBITDA (**) | 35.6 | 38.1 | 7.0% |
| % of sales | 8.9% | 9.0% | |
| EBIT (**) | 16.6 | 20.1 | 21.1% |
| % of sales | 4.2% | 4.7% | |

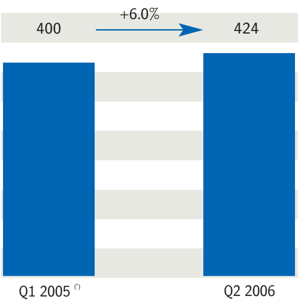
(*) including 12 million Euro sales from products transferred from Graphics to Specialty Products in 2006

(**) before restructuring and non-recurring items

**Sales by Business Group**

(million Euro)

**Agfa Graphics**




(*) including 12 million Euro sales from products transferred from Graphics to Specialty Products in 2006

In January 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 increased 9.3 percent. The evolution is driven by overall volume growth, particularly in digital printing plates, but also in inkjet, and by favorable currency effects.

The EBITDA-margin (before restructuring and non-recurring items) increased to 9.0 percent of sales. EBIT amounted to 20.1 million Euro, or 4.7 percent of sales, compared to 4.2 percent in the previous year. This results from stable pricing, improved production efficiencies and a favorable product mix. The steep cost increases for raw materials, energy and transportation negatively affected Graphics' margins in the first quarter. To offset these costs, the business group announced considerable price increases, which will have their main impact from the second quarter of 2006 onwards.

In the first quarter, Graphics announced the launch of :Energy, the next-generation thermal plates for commercial and packaging printers. This confirms Agfa's position as the supplier with the widest choice of digital plates in the prepress market.

Agfa also took further steps in the implementation of its industrial inkjet strategy, and sales of inkjet equipment are accelerating. Together with a new version of the :Dotrix inkjet press, two new models in Graphics' :Anapurna wide-format printer assortment were launched at the Ipex exhibition in Birmingham (UK) in April. The first M-Press hybrid inkjet press for high-quality and high-volume printing was installed at the SMP Group Plc in London and is already fully operational. All these systems use Agfa's own industrial inks.

In April, Graphics announced a 110 million Euro, ten-year partnership with News International. This contract, the largest in the history of Graphics, brings a new production model to newspaper publishing whereby Agfa provides full facilities management from file intake to press-ready plates. The deal includes equipment, enterprise-wide software, violet digital printing plate materials as well as 24/7 staffing, support, maintenance and technical service for The Times, The Sunday Times, The Sun and News of the World.

### Agfa HealthCare

| million Euro | Q1 2005 | Q1 2006 (*) | % change |
|---|---|---|---|
| Net sales | 305 | 324 | 6.2% |
| EBITDA (**) | 42.8 | 45.0 | 5.1% |
| % of sales | 14.0% | 13.9% | |
| EBIT (**) | 22.8 | 25.0 | 9.6% |
| % of sales | 7.5% | 7.7% | |

(*) including Heartlab, acquired in June 2005

(**) before restructuring and non-recurring items

HealthCare's sales increased 6.2 percent compared to the first quarter of 2005, mainly as a result of the strong performance of the business group's IT activities, favorable currency effects and the recently acquired Heartlab activities. Sales in IT increased 29 percent compared to the first quarter of 2005, thus more than compensating for the continuing decline in the North American film and print markets. Driven by the strong increase in IT, the share of services in HealthCare's sales increased to 26.5 percent in the first quarter of 2006 versus 23.3 percent in the full year 2005.

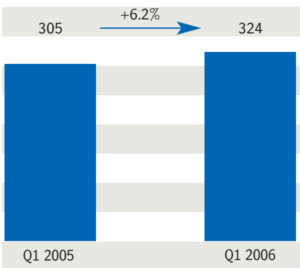
The results were negatively affected by sharply increasing silver prices. However, due to continued targeted pricing actions for film and print products, HealthCare's margins remained virtually unchanged compared to the first quarter of 2005. The EBITDA-margin (before restructuring and non-recurring items) was 13.9 percent of sales. EBIT amounted to 25 million Euro, or 7.7 percent of sales, compared to 7.5 percent in the first quarter of 2005.

Agfa's healthcare IT strategy progressed further with strong performance in hospital-wide IT and in Radiology Information Systems and Picture Archiving and Communication Systems (RIS/PACS). In hospital IT, Agfa became the first global company to provide Belgian hospitals with an integrated IT platform which covers the whole healthcare enterprise. ORBIS, Agfa's comprehensive hospital and clinical IT system, will be implemented in pilot projects in three Belgian hospitals. In France, the first six orders for ORBIS were booked and in the Germany-Austria-Switzerland region 21 new ORBIS contracts were signed. HealthCare also unveiled its IT strategy for North America, in which ORBIS will play a central role.

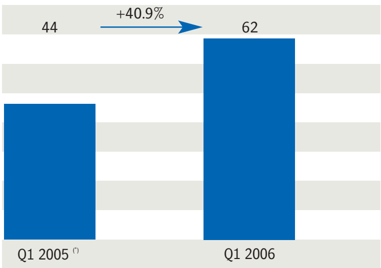
Worldwide orders for RIS/PACS were exceptionally strong in the first quarter, partly driven by US imaging centers and community-based hospitals. In the first months after its release, more than 100 sites around the world have signed up for IMPAX 6.0, Agfa's next-generation PACS solution.

Novation, a global purchasing organization based in the US, listed Agfa as an approved CR supplier for its more than 3,000 members. Also in the US, Quantum Medical Imaging, an exclusive distributor of Agfa products and systems since the fourth quarter of 2005, signed a deal with the hospital group Amerinet. This allows Quantum to offer Agfa's CR systems and hardcopy printers to Amerinet's 1,200 medical sites.

**Agfa HealthCare**



## Agfa Specialty Products




(*) excluding 12 million Euro sales from products transferred from Graphics to Specialty Products in 2006

**Agfa Specialty Products**

On a comparable basis, including the activities transferred from Graphics, Specialty Products' sales increased 10.7 percent over the first quarter of 2005 to 62 million Euro. EBIT (before restructuring and non-recurring items) was 12.4 million Euro, or 20.0 percent of sales, versus 6.1 percent in the first quarter of 2005. Both sales and profitability were driven by a strong demand for cine and aerial photography film as well as film used in the production of printed circuit boards. The identification and security business also performed very well in the first quarter.

Agfa and DuPont Printed Circuit Materials signed a deal according to which DuPont will distribute the new Agfa Idealine phototooling films and chemicals to printed circuit board fabricators in the Asia Pacific region outside Japan and Korea. DuPont is already the exclusive distributor of Agfa's phototooling films in the Americas.

## Outlook

Excluding currency effects, Agfa expects the favorable sales evolution to continue. However, the recent and dramatic increases in raw material costs, especially silver and aluminum, will have a considerable impact on Agfa's results in the next quarters. Agfa will therefore continue to adjust its pricing based on the evolution in raw material markets. Furthermore, building on the increased operational independence of the business groups, Agfa will take additional actions to further substantially reduceits operating expenses, particularly in the traditional parts of the business.

Marc Olivié, Agfa's President and CEO, said: "All business groups posted strong sales in the first quarter. This confirms we are following the right strategies. However, as we continue to be confronted with skyrocketing raw material costs and a very competitive environment, we need to bring our costs down significantly."

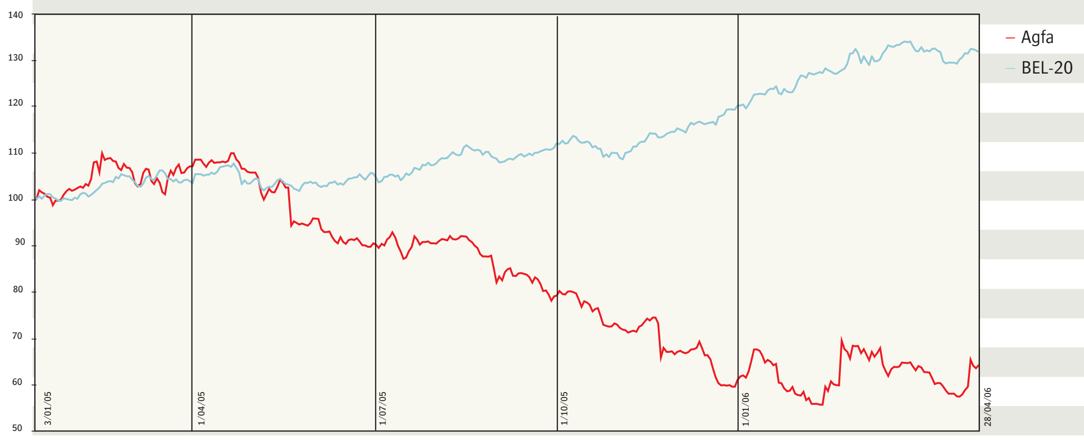
## Consolidated Statements of Income (million Euro)

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

| | Q1 2005 | Q1 2006 | % change |
|---|---|---|---|
| **Net sales** | **749** | **810** | 8.1% |
| Cost of goods sold | -465 | -494 | 6.2% |
| **Gross profit** | **284** | **316** | 11.3% |
| Gross margin | 37.9% | 39.0% | |
| Selling expenses | -138 | -140 | 1.4% |
| Research & Development expenses | -47 | -47 | 0.0% |
| General administration expenses | -59 | -70 | 18.6% |
| Other operating income | 96 | 81 | -15.6% |
| Other operating expenses | -94 | -97 | 3.2% |
| **Operating result** | **42** | **43** | 2.4% |
| Net interest expenses | -3 | -7 | 133.3% |
| Other non-operating income (expense) | 23 | -9 | -139.1% |
| **Non-operating result** | **20** | **-16** | -180.0% |
| **Profit before tax** | **62** | **27** | -56.5% |
| Tax | -33 | -7 | -78.8% |
| **Net income** | **29** | **20** | -31.0% |
| of which minority interest | 0 | 0 | |
| of which Agfa-Gevaert NV stockholders | 29 | 20 | -31.0% |
| **Net result** | **29** | **20** | -31.0% |
| | | | |
| Operating result | 42 | 43 | 2.4% |
| Restructuring and non-recurring items | 1 | -11 | |
| EBIT (*) | 41 | 54 | 31.7% |
| | | | |
| Outstanding shares per end of period | 126,287,687 | 124,780,270 | |
| Weighted number of shares used for calculation | 126,214,127 | 124,780,270 | |
| Operating profit per share (Euro) | 0.33 | 0.34 | |
| Earnings per share (Euro) | 0.23 | 0.16 | |

(*) EBIT = Earnings before Interest and Taxes

## Evolution Agfa share price against BEL-20



**Consolidated Balance Sheets** (million Euro)

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

| ASSETS | Q1 2005 | Q1 2006 |
|---|---|---|
| **Non-current assets** | **1,454** | **1,519** |
| Intangible assets | 789 | 903 |
| Property, plant and equipment | 512 | 486 |
| Investments | 37 | 36 |
| Long-term loans receivable | 112 | 93 |
| Derivative financial instruments | 4 | 1 |
| **Non-current assets classified as held for sale** | | **3** |
| **Current assets** | **2,191** | **2,108** |
| Inventories | 618 | 641 |
| Trade receivables | 822 | 834 |
| Other receivables and other assets | 506 | 496 |
| Cash and cash equivalents | 215 | 109 |
| Deferred charges | 28 | 25 |
| Derivative financial instruments | 2 | 3 |
| **Deferred taxes** | **324** | **294** |
| **Total assets** | **3,969** | **3,924** |

| EQUITY AND LIABILITIES | | |
|---|---|---|
| **Shareholder's equity** | **1,133** | **1,042** |
| Capital stock of Agfa-Gevaert NV | 140 | 140 |
| Share premium of Agfa-Gevaert NV | 109 | 109 |
| Retained earnings | 1,145 | 1,050 |
| Net result | 29 | 20 |
| Translation differences | -33 | 14 |
| Reserves | -260 | -294 |
| Minority interest | 3 | 3 |
| **Non-current liabilities** | **1,600** | **1,386** |
| Liabilities for post-employment benefits | 729 | 701 |
| Liabilities for personnel commitments | 33 | 29 |
| Financial obligations > 1 year | 706 | 590 |
| Provisions > 1 year | 130 | 64 |
| Deferred income | 2 | 2 |
| **Current liabilities** | **1,115** | **1,388** |
| Financial obligations < 1 year | 144 | 197 |
| Trade payables | 392 | 412 |
| Miscellaneous liabilities | 209 | 300 |
| Liabilities for personnel commitments | 87 | 87 |
| Provisions < 1 year | 253 | 353 |
| Deferred income | 23 | 30 |
| Derivative financial instruments | 7 | 9 |
| **Deferred taxes** | **121** | **108** |
| **Total Equity and Liabilities** | **3,969** | **3,924** |

**Consolidated Cash Flow Statements** (million Euro)

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

| | Q1 2005 | Q1 2006 |
|---|---|---|
| **Operating result** | **42** | **43** |
| Current tax expense | -43 | -19 |
| Depreciation / Amortization and impairment losses | 40 | 39 |
| Changes in fair value of derivative financial instruments | 5 | -3 |
| Change in long-term provisions | -16 | -11 |
| (Gains) / losses on retirement of non-current assets | -9 | -7 |
| **Gross operating cash flow** | **19** | **42** |
| Decrease (increase) in inventories | -49 | -61 |
| Decrease (increase) in trade receivables | -37 | 13 |
| Increase (decrease) in trade payables | 6 | 42 |
| Change in short-term provisions | -1 | 25 |
| Change in other working capital | -29 | 6 |
| **Changes in working capital** | **-110** | **25** |
| **Net operating cash flow** | **-91** | **67** |
| Cash outflows for additions to intangible assets | -8 | -5 |
| Cash outflows for additions to property, plant and equipment | -15 | -18 |
| Cash inflows from disposals of property, plant and equipment | 17 | 12 |
| Cash inflows from disposals of assets held for sale | | 2 |
| Cash inflows (outflows) for equity and debt instruments | -9 | 2 |
| Cash inflows (outflows) for taxes paid on previous disposals | -38 | |
| Cash outflows for acquisitions | -251 | |
| Cash outflows for previous acquisitions | | -53 |
| Interests and dividends received | 5 | 2 |
| **Net cash used in investing activities** | **-299** | **-58** |
| Capital contributions | 1 | |
| Prefinancing AgfaPhoto in respect of previous CI divestiture | -46 | -10 |
| Net issuances of debt | 336 | -56 |
| Interest paid | -5 | -5 |
| Other financial inflows / (outflows) | 21 | 3 |
| **Net cash provided by / used in financing activities** | **307** | **-68** |
| **Change in cash due to business activities** | **-83** | **-59** |
| Change in cash due to changes in exchange rate | 3 | -2 |
| **Total change in cash** | **-80** | **-61** |

## Financial Calendar 2006 - 2007

| | |
|---|---|
| Half year 2006 results | August 24, 2006 |
| Third quarter 2006 results | November 16, 2006 |
| Full year 2006 results | March, 2007 |
| Annual General Meeting | April 24, 2007 |

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