Third quarter results 2004

November 18, 2004

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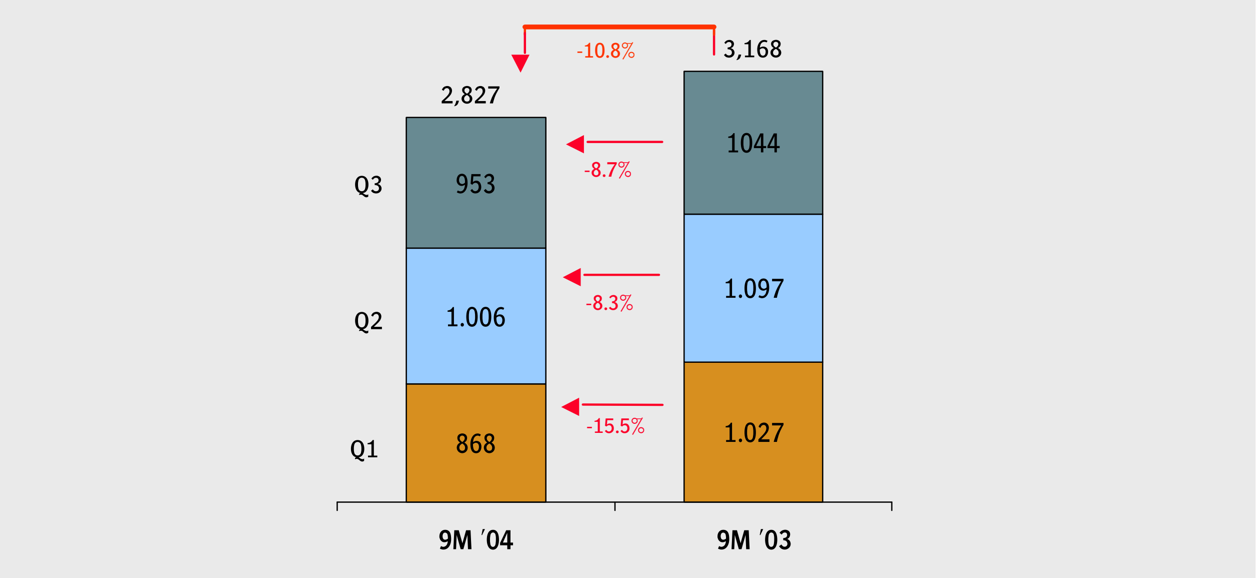
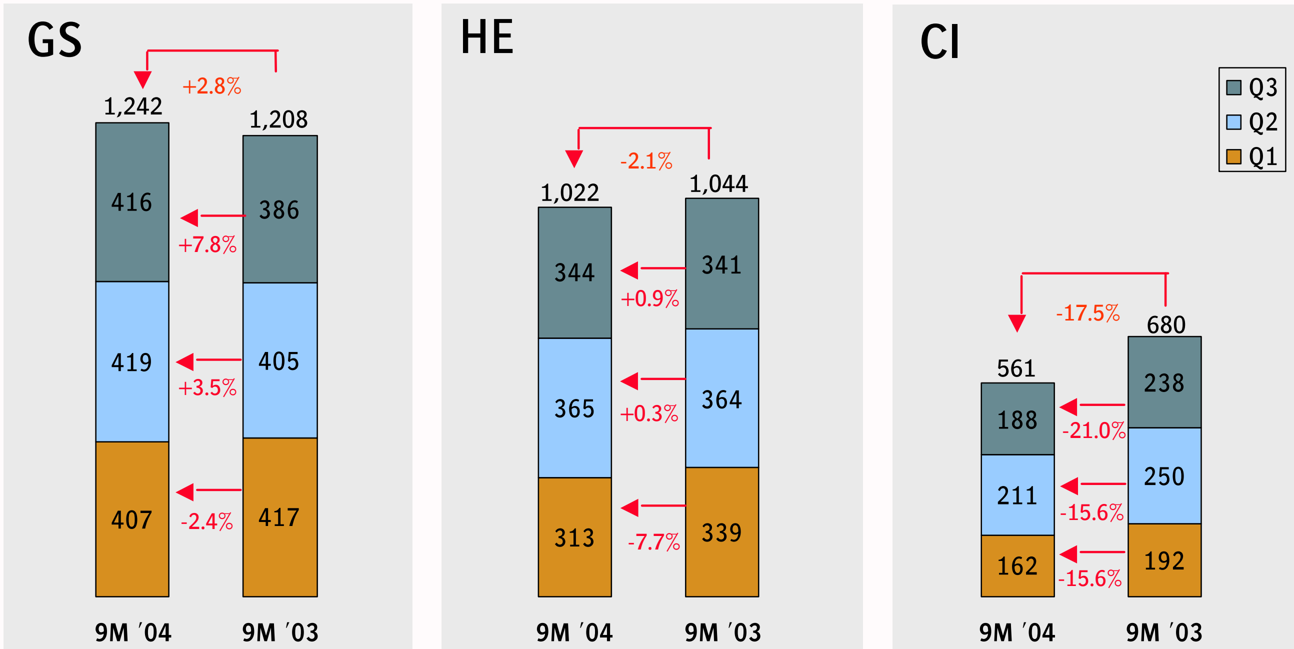
Trends in turnover (in mio Euros)



Turnover decreased 8.7% in Q3, of which 2.7% is explained by currency effects and 3.3% by the NDT divestiture at end 2003. Excluding these, the decline is limited to 2.7%, and exclusively explained by Consumer Imaging.

Sales trends per business group (excl. currency effects)



- Continuous good performance of Graphic Systems
- Modest growth in HealthCare
- Further deterioration in Consumer Imaging

Key figures Profit & Loss - Group (in mio Euros)

	Q1 ‘04	Q2 ‘04	Q3 ‘04	Q3’ 03	9M’ 04	9M’ 03
Sales	868	1,006	953	1,044	2,827	3,168
				-8.7%		-10.8%
Gross profit	368	414	373	439	1,155	1,351
				-15.0%		-14.5%
Gross profit margin	(42.4%)	(41.2%)	(39.1%)	(42.0%)	(40.9%)	(42.6)%

Gross profit margin affected by price erosion, increased raw material prices and continuous adverse exchange rate effects.

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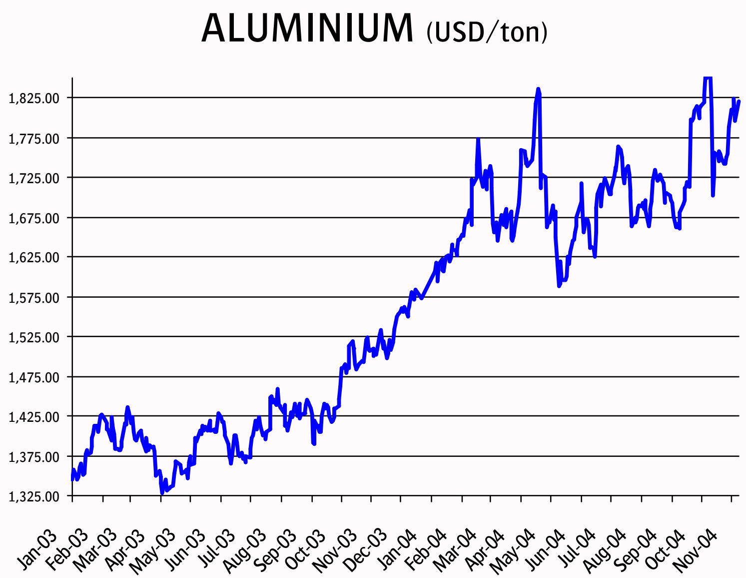
Raw materials



Increased raw material prices affected gross profit by 31 mio Euros.

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Key figures Profit & Loss - Group (in mio Euros)

	Q1 '04	Q2 '04	Q3'04	Q3 '03	9M '04	9M '03
Gross profit	368	414	373	439	1,155	1,351
				-15.0%		-14.5%
R&D	-51	-49	-48	-60	-148	-179
				-20.0%		-17.3%
SG&A	-242	-256	-240	-269	-738	-814
				-10.8%		-9.3%
Other operating expenses*	-29	-475	-35	-39	-539	-98
of which:						
- restructuring charges	-8	-24	-21	-24	-53	-46
- expected loss on CI divestiture	-	-430	-	-	-430	-
Operating result	46	-366	50	71	-270	260
Operating result excl. expected loss on CI divestiture	46	64	50	71	160	260
				-29.6%		-38.5%
(in % of sales)	5.3%	6.4%	5.2%	6.8%	5.7%	8.2%

* income minus expenses

- R&D expenditures decrease mainly due to the trend in CI.
- Decline of gross margin in Q3 is partially offset by a decrease in operating expenses.

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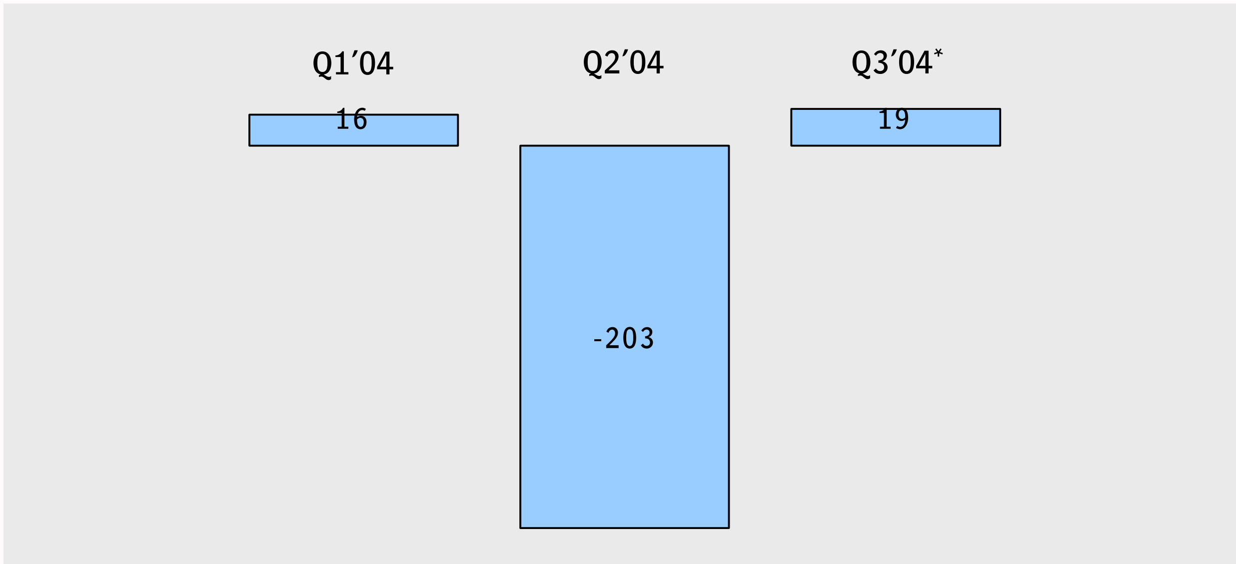
Key figures Profit & Loss - Group (in mio Euros)

	Q1 ‘04	Q2 ‘04	Q3 ‘04	Q3 ‘03	9M‘04	9M ‘03
Operating result	46	-366	50	71	-270	260
Non-operating result	-15	-11	-15	-15	-41	-55
Profit before taxes	31	-377	35	56	-311	205
Taxes	-11	+122	-12	-21	+99	-71
Net result	20	-255	23	35	-212	134
Net result excl. effect of CI divestiture	20	36	23	35	79	134

Tax income of 99 mio Euros due to the set up of 139 mio Euros tax credits related to CI divestiture.

Earnings per share (in Eurocents)



* Based on an average number of outstanding shares of 126,000,210

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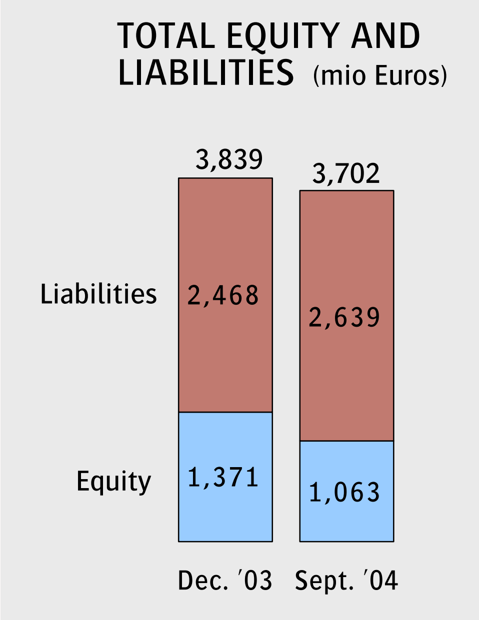
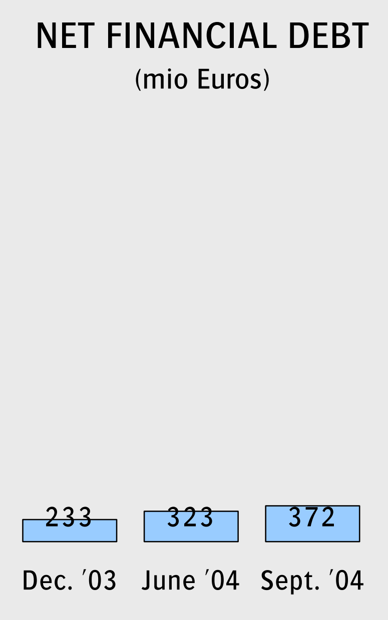
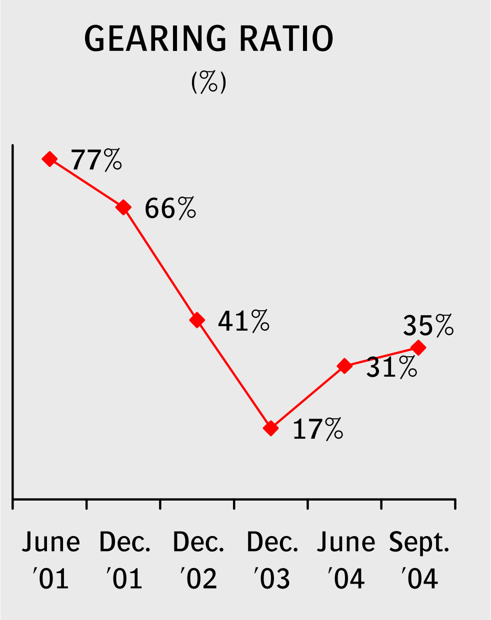
Key figures Balance sheet







- Balance sheet already reflects the expected loss of 430 mio Euros on the CI divestiture.
- Slight increase of net financial debt, due to the acquisition of Lastra (155 mio Euros).
- Balance sheet remains very solid, with low financial debt and gearing ratio.

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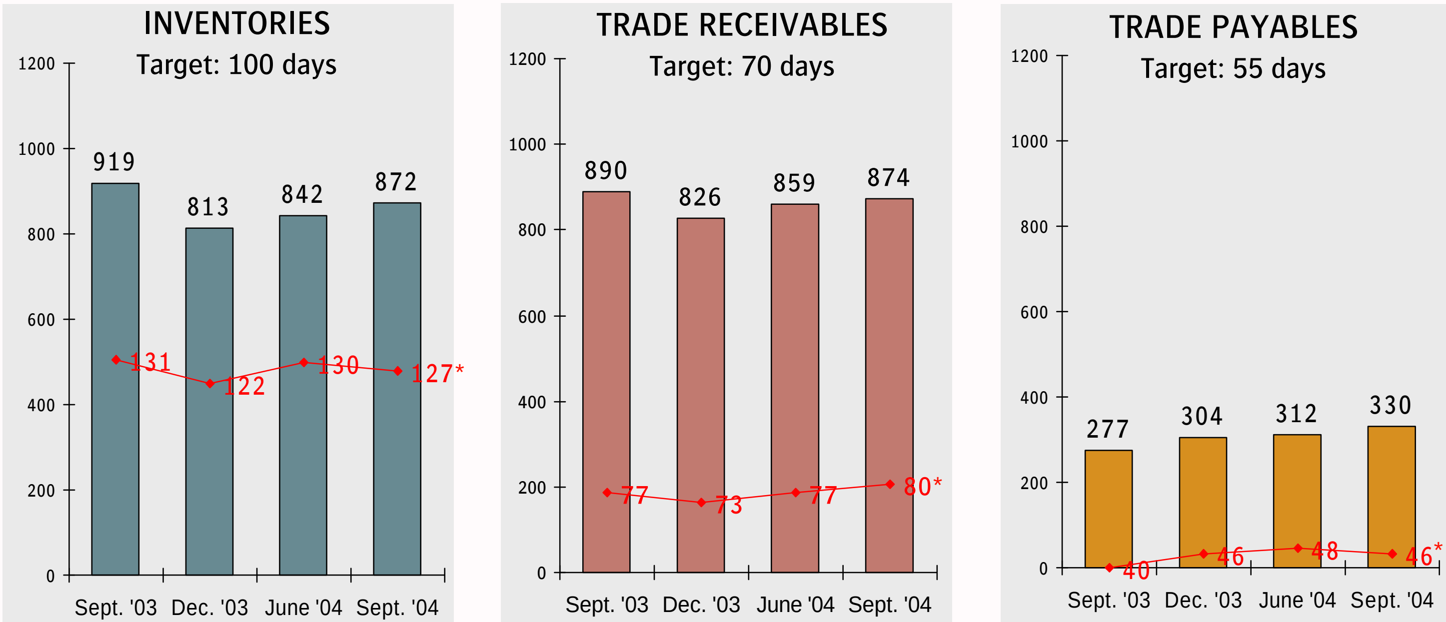
Working capital: Key figures (in mio Euros/days)



* Excluding Lastra impact

- Days of sales outstanding affected by discontinued securitisation program for CI
- Continuous efforts to decrease working capital

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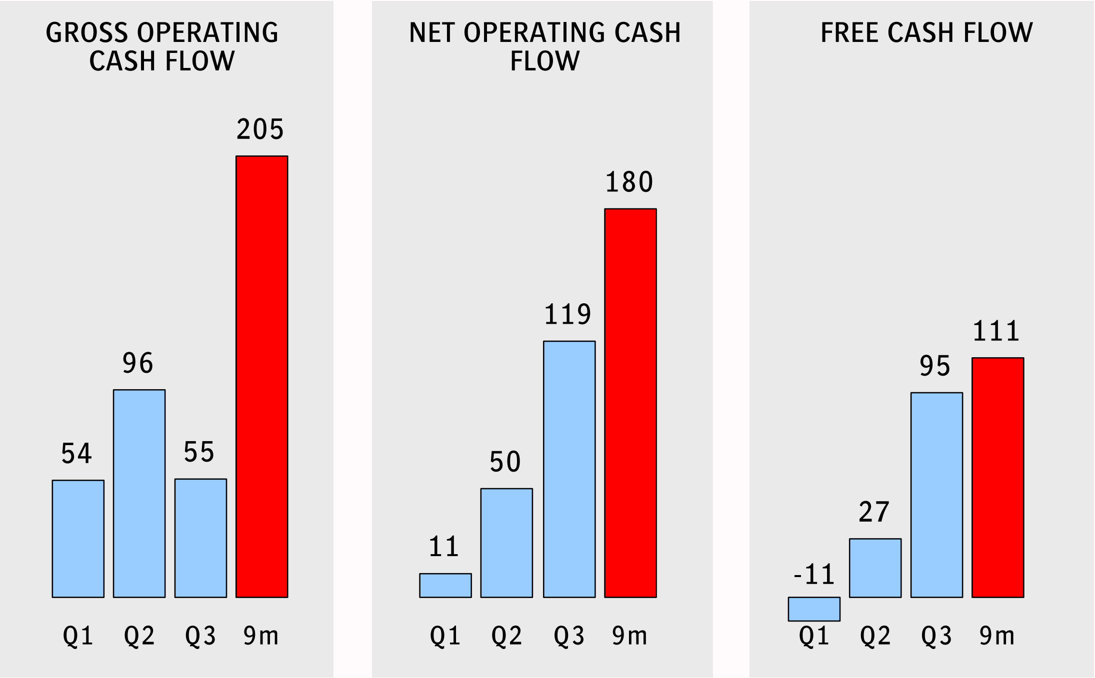
Cash flow: Key figures (in mio Euros)



Strong cash generation in Q3.

Consumer Imaging: Key figures (in mio Euros)

	Q1 '04	Q2 '04	Q3'04	Q3 '03	9M '04	9M '03
Sales	155	208	185	238	548	680
				-22.3%		-19.4%
Sales excl. currency effect	162	211	188	238	561	680
				-21.0%		-17.5%
Restructuring/non-recurring expenses	+0.6	-11.4	-15.1	-13.8	-25.9	-23.0
Operating result excl. of expected loss on CI divestiture	-19.0	-10.7	-20.0	-24.2	-49.7	-49.1
				+17.4%		-1.2%
Operating result	-19.0	-440.7	-20.0	-24.2	-479.7	-49.1

- Trading conditions continue to deteriorate.
- Consumer Imaging to be deconsolidated as of Nov. 1st, 2004.

Graphic Systems: Key figures (in mio Euros)

	Q1 '04	Q2 '04	Q3'04	Q3 '03	9M '04	9M '03
Sales	386	413	406	386	1,205	1,208
				+5.2%		-0.2%
Sales excl. currency effect	407	419	416	386	1,242	1,208
(Y-o-Y difference)	(-2.4%)	(+3.5%)	(+7.8%)		(+2.8%)	
Restructuring/non-recurring expenses	-5.0	-9.3	-0.8	-4.8	-15.1	-10.8
Operating result	20.9	19.8	22.8	23.2	63.5	84.3
				-1.7%		-24.7%
Return on sales	5.4%	4.8%	5.6%	6.0%	5.3%	7.0%

- Turnover confirms the positive trend in the printing industry.
- The Lastra acquisition added 15 mio sales in Q3.
- Q3's organic growth (excluding currencies and Lastra) equals 3.4%.

HealthCare: Key figures (in mio Euros)

	Q1 '04	Q2 '04	Q3 '04	Q3 '03	9M '04	9M '03
Sales	292	356	331	341	979	1,044
				-2.9%		-6.2%
Sales excl. currency effect	313	365	344	341	1,022	1,044
(Y-o-Y difference)	(-7.7%)	(+0.3%)	(+0.9%)		(-2.1%)	
Restructuring/non-recurring expenses	-4.1	-3.0	-5.1	-3.4	-12.2	-6.6
Operating result	36.4	53.7	46.8	64.5	136.9	202.7
				-27.4%		-32.5%
Return on sales	12.5%	15.1%	14.1%	18.9%	14.0%	19.4%

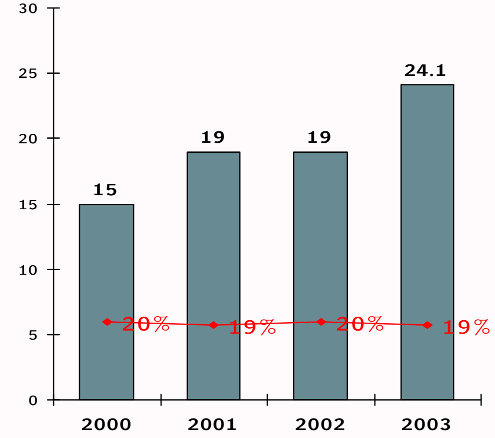
- Sales pick-up during the year
- HealthCare mostly affected by exchange rates and rise of silver price
- Operating margin before restructuring charges in Q3 at same level as in Q2

Symphonie On Line: profile

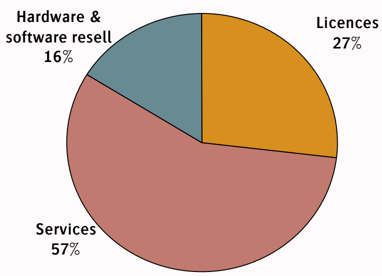
- Founded: 1984
- Installed base: more than 1,200 hospitals in France
- Number of employees: more than 200 FTE's
- Acquisition closed as of October 2004

  Transaction price: 42 mio Euros

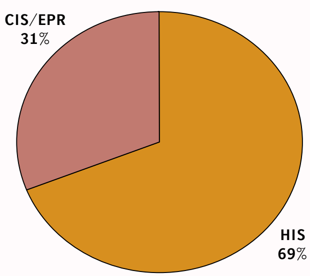
Revenues (mio Euros) and Ebit Margin (%)



Turnover by segment (2004)



Turnover by category (2004)



Acquisition targets in HealthCare IT

- State-of-the-art technology
- Large installed base
- Proven track record of growth and profitability
- Focus on Europe, a fragmented market ready to consolidate
- EPS accretive, at the latest after two years

➡ Agfa aims to become a leading player in the fast growing market of HealthCare IT systems, allowing to improve medical diagnosis and to increase efficiency in hospitals.

Questions & Answers

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