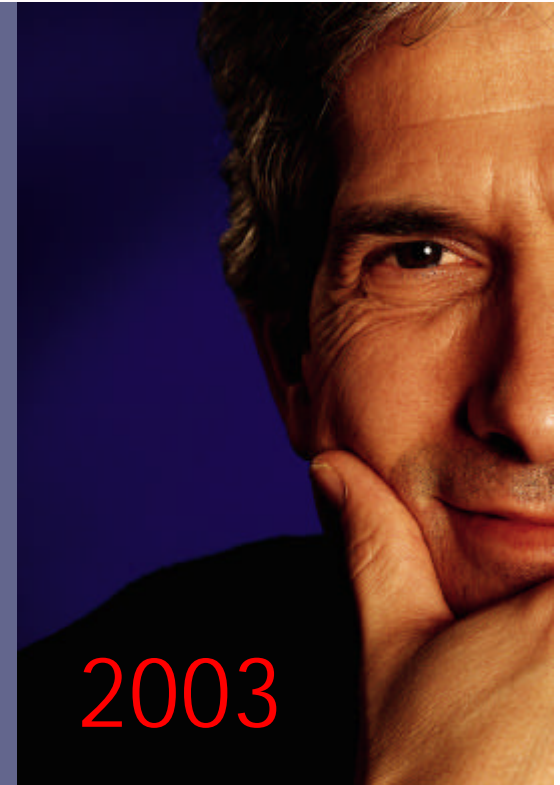




Annual Results 2003

March 11th, 2004



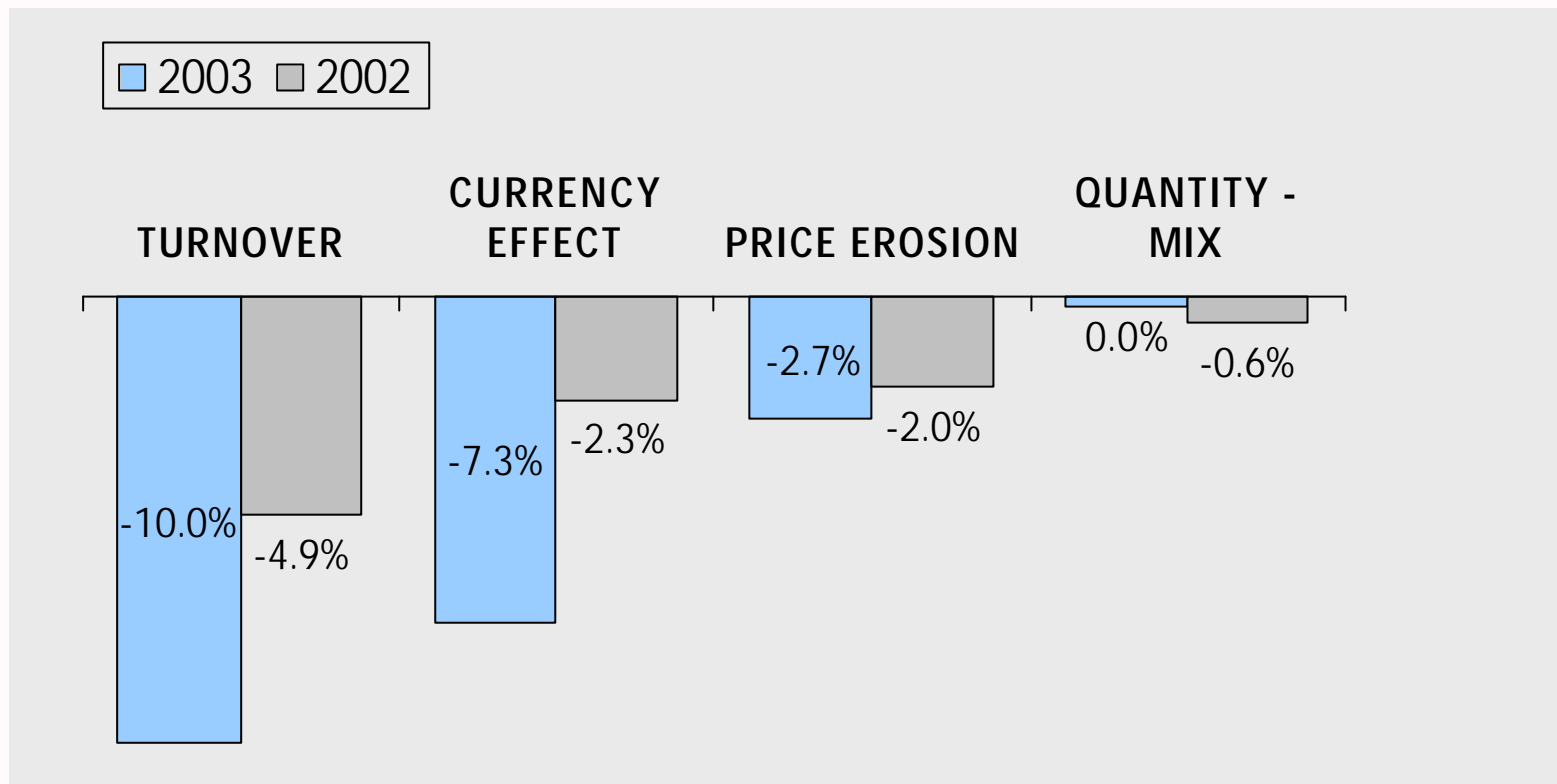
Key figures Profit & Loss (in mio Euros)

	2003	2002	Q4 '03	Q4 '02
Sales	4,215	4,683	1,047	1,184
		-10.0%		-11.6%
Sales excl. currency effect	4,555	4,683	1,123	1,184
		-2.7%		-5.2%
Sales New Digital Solutions (in %)	42.3%	36.5%	46.0%	40.7%
Gross profit	1,766	1,978	415	477
		-10.7%		-13.0%
Gross profit margin	41.9%	42.2%	39.6%	40.3%

➡ Sales heavily impacted by currency effects.

➡ Transition to digital imaging continues.

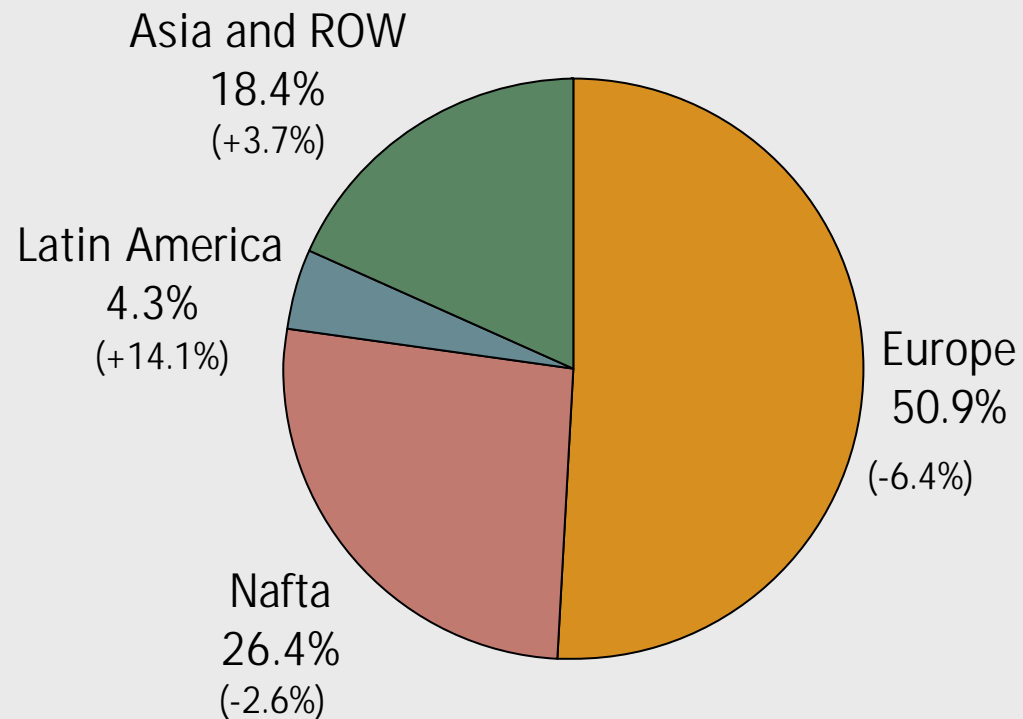
Turnover analysis



➡ Sharply increased currency effects, going together with increased price erosion

Turnover by region (in %)

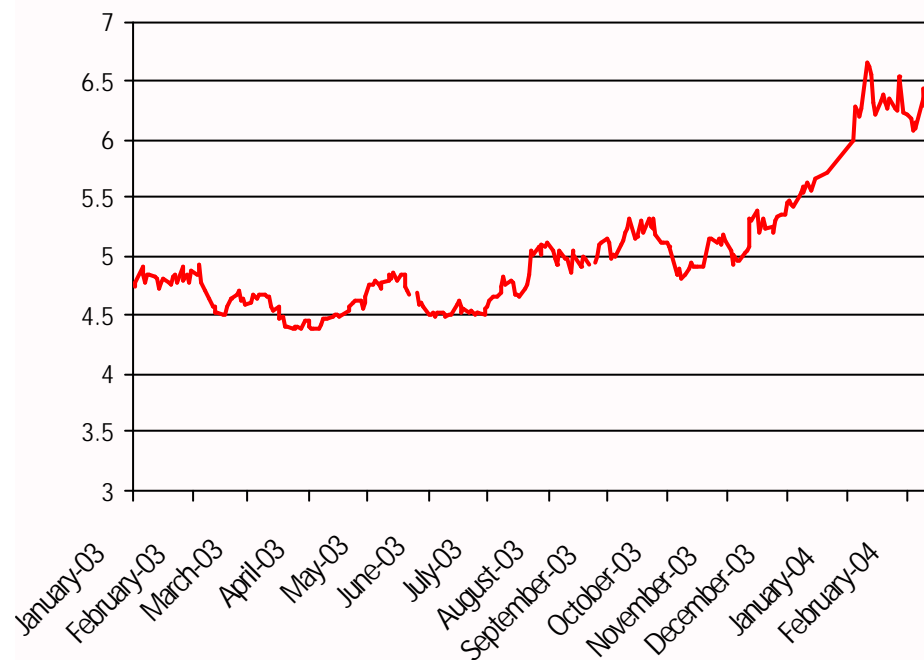
(Change in turnover compared to 2002, excluding currency effect)



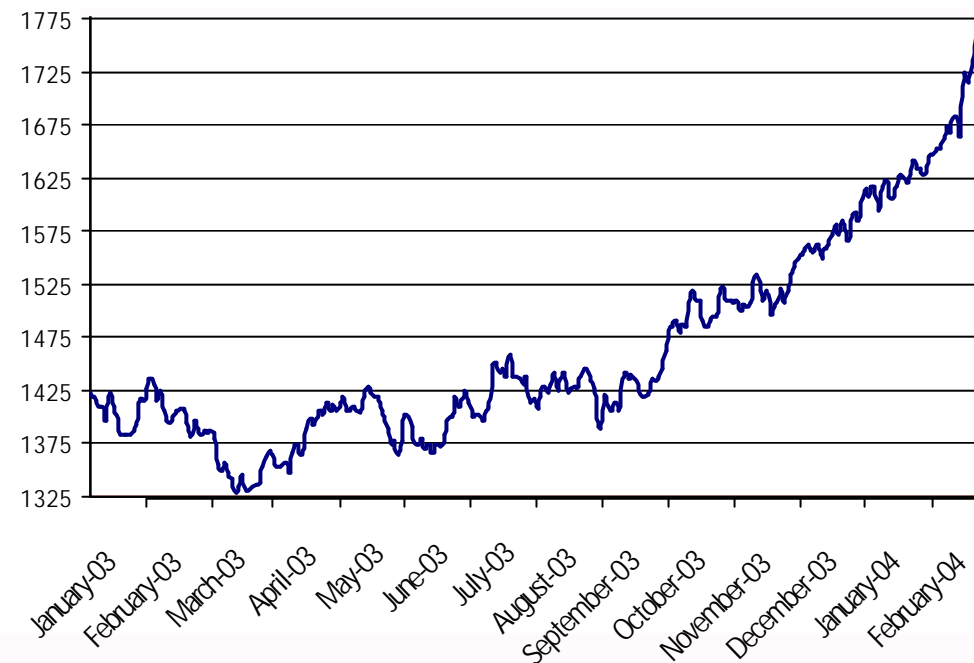
➡ Europe, representing half of total turnover, was especially weak.

Raw Materials

SILVER (USD/troyounce)



ALUMINIUM (USD/ton)



Key figures Profit & Loss (in mio Euros)

	2003	2002	?	Q4 '03	Q4 '02	?
Gross profit	1,766	1,978	-10.7%	415	477	-13.0%
R&D	-233	-248	-6.0%	-54	-67	-19.4%
SG&A	-1,087	-1,179	-7.8%	-273	-302	-9.6%
Restructuring & non-recurring items	-87	-78	+11.5%	-41	-11	x 3.73
Capital gain NDT	231	-		231	-	
Other operating expenses / (income)	-62	-80	-22.5%	-10	-7	+42.9%
Operating result	528	393	+34.4%	268	90	x 2.98
Operating margin	12.5%	8.4%		25.6%	7.6%	

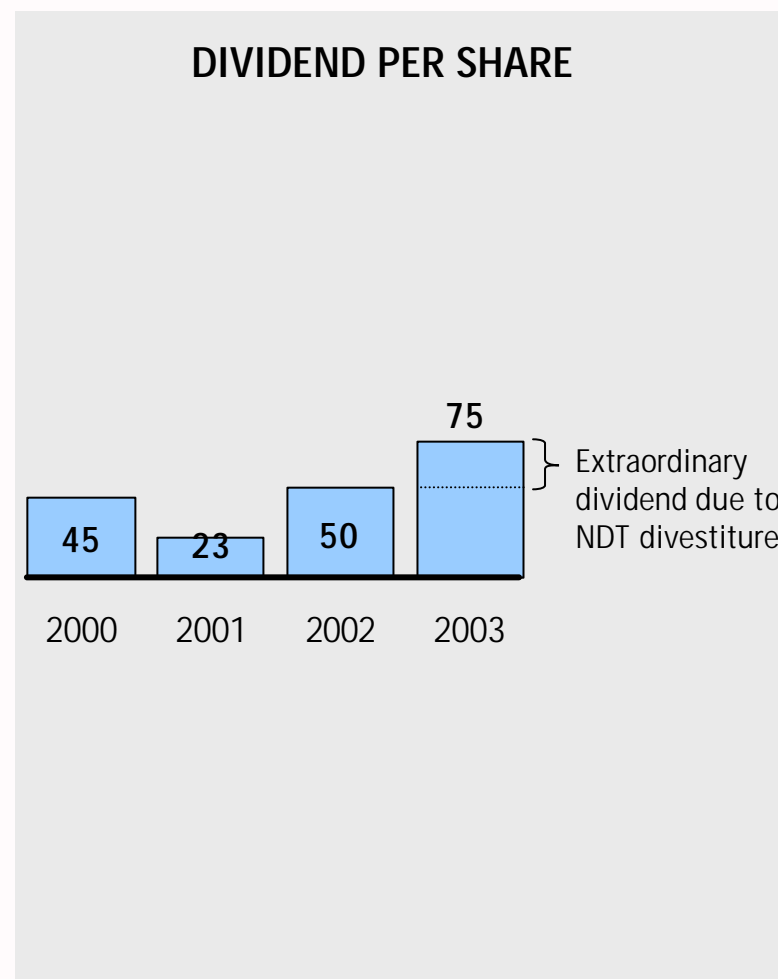
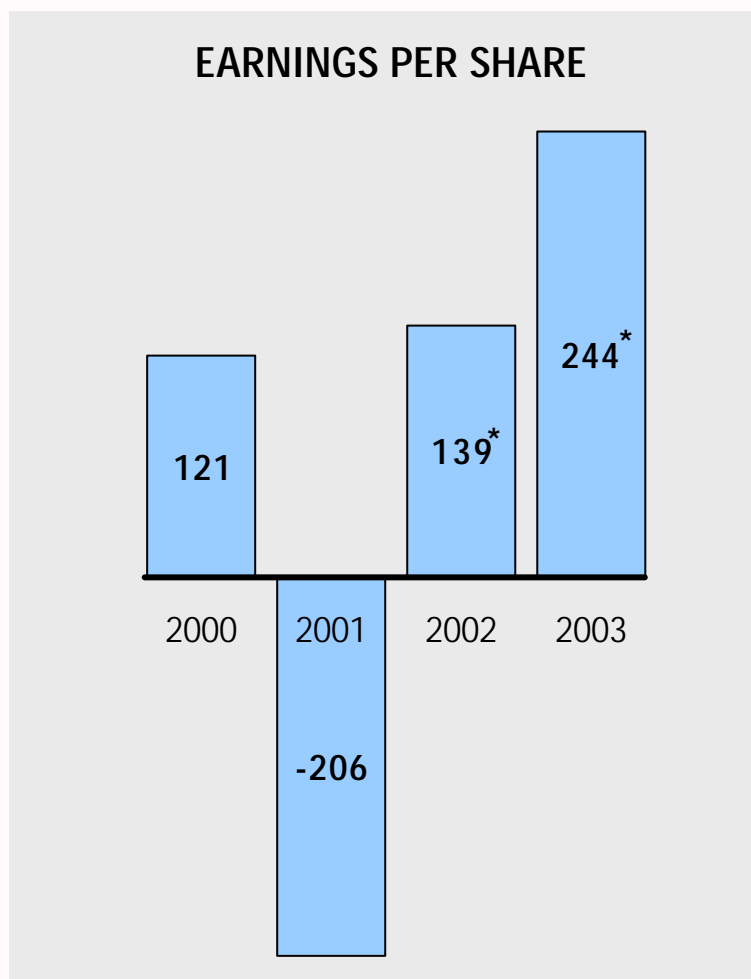
- ➡ R&D and SG&A expenses decrease, mainly as a result of Horizon savings and currency effects.
- ➡ Operating result affected by sale of NDT, Horizon savings and difficult market conditions.

Key figures Profit & Loss (in mio Euros)

	2003	2002	?	Q4 '03	Q4 '02	?
Operating result	528	393	+34.4%	268	90	x 2.98
Non-operating result	-71	-97	-26.8%	-16	-24	-33.3%
Profit before tax	457	296	+54.4%	252	66	x3.82
Taxes	-135	-99	+36.4%	-64	-21	x3.05
Net result	323	194	+66.5%	189	45	x4.2

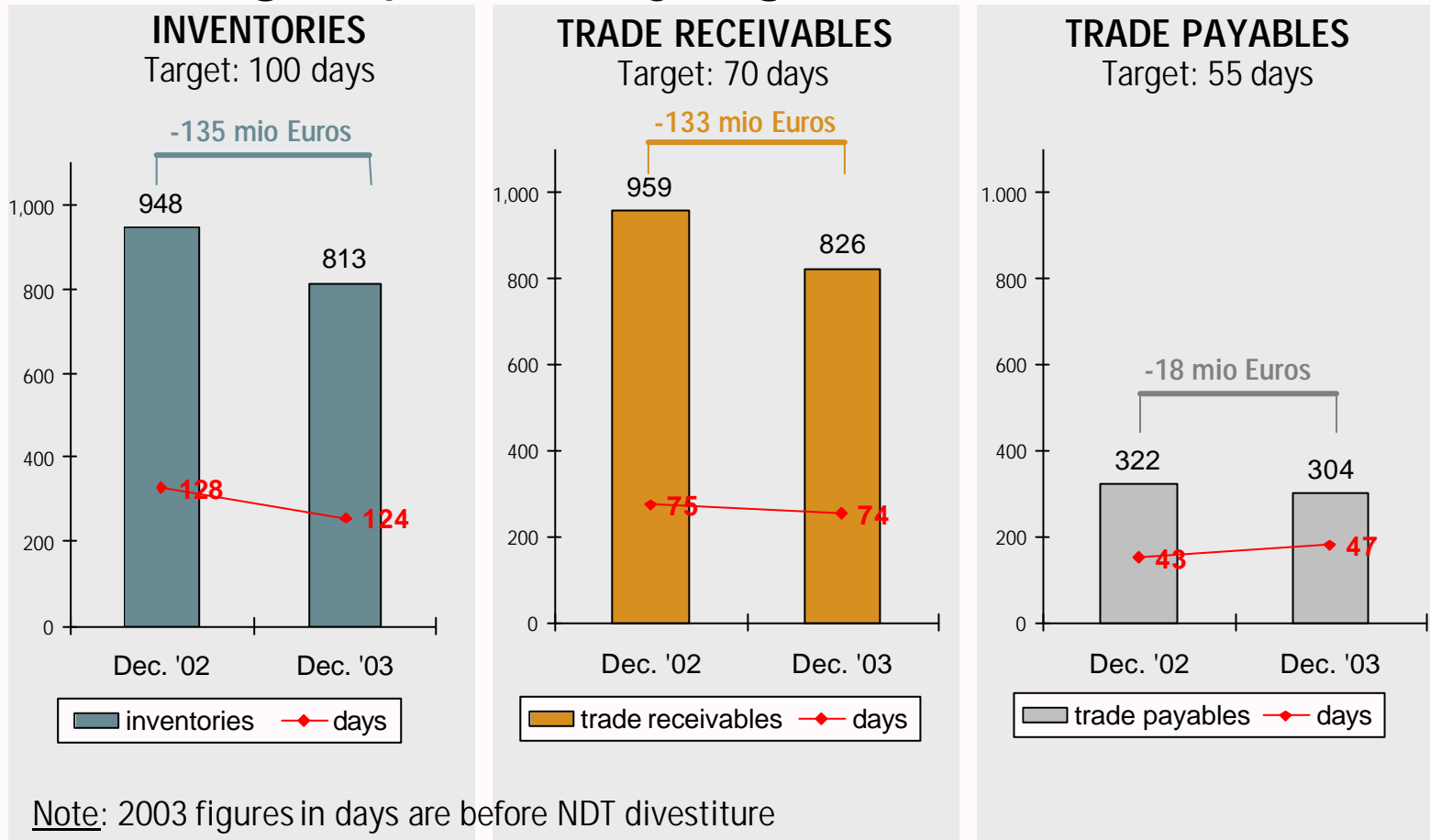
- ➡ Non-operating result decreases to minus 71 because of lower net financial debt and lower interest rates.
- ➡ Tax rate decreases to 29% because the capital gain on the NDT sale is partially tax exempt.
- ➡ Net result substantially higher.

Earnings and dividend per share (in Eurocents)



* Number of shares used for calculation : 139,611,425 in 2002 and 132,045,438 in 2003

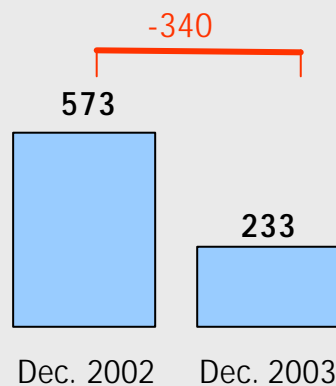
Working capital: key figures (mio Euros / days)



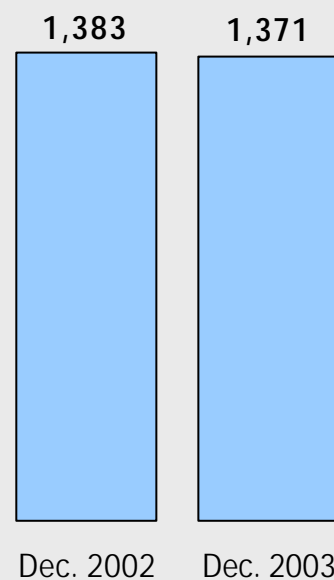
➡ Continuous efforts to reduce working capital.

Key figures 2003

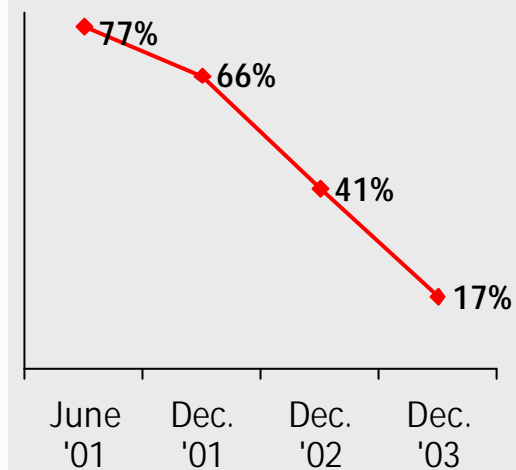
NET FINANCIAL DEBT (mio Euros)



SHAREHOLDERS EQUITY (mio Euros)

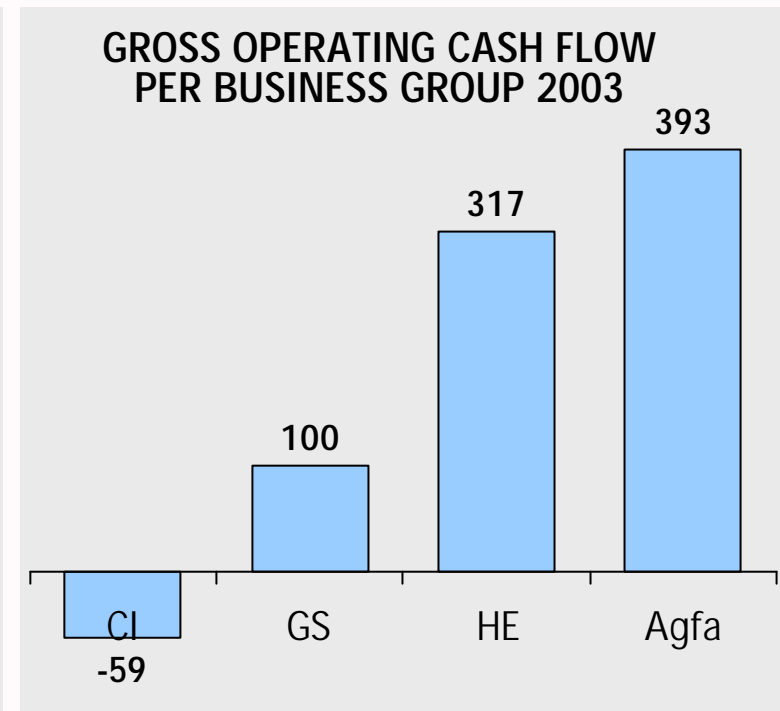


GEARING RATIO (%)



Cash flow (in mio Euros)

	2003	2002	2001
Gross operating cash flow	393	482	226
Net operating cash flow	522	611	738
Capex	178	167	186
Free cash flow	344	444	552



➡ Agfa generates substantial cash flows, even in tough economic conditions.

Consumer Imaging: key figures (mio Euros)

	Q1 '03	Q2 '03	Q3 '03	Q4 '03	Q4 '02	2003	2002
Sales	192	250	238	190	249	870	1,048
					-23.7%		-17.0%
Sales excl. currency effect	206	263	256	201	249	926	1,048
					-19.3%		-11.6%
Restructuring/non-recurring items	1.0	8.2	13.8	15.0	3.5	38.0	14.6
Operating result	-21.4	-3.5	-24.2	-34.8	-14.1	-83.9	16.3
Return on sales	-11.1%	-1.4%	-10.2%	-18.3%	-5.7%	-9.6%	+1.6%

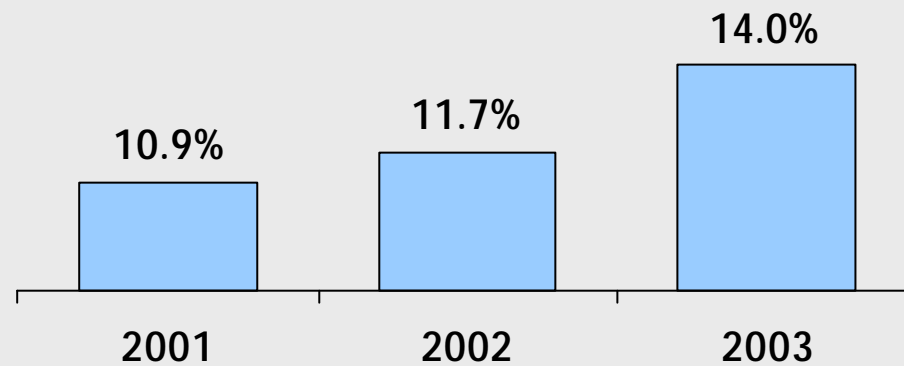
- ➡ Consumer Imaging confronted with extremely weak market conditions in 2003.
- ➡ Deterioration of sales and result of Q4 mainly explained by seasonal effects and by Lab Equipment, as customers were awaiting the introduction of d.lab-1 and the digital wholesale lab.

HealthCare: key figures (mio Euros)

	Q1 '03	Q2 '03	Q3 '03	Q4 '03	Q4 '02	2003	2002
Sales	339	364	341	364	392	1,408	1,491
					-7.1%		-5.6%
Sales excl. currency effect	375	405	372	395	392	1,547	1,491
					+0.8%		+3.8%
Restructuring/non-recurring items	1.5	1.7	3.4	5.7	4.2	12.2	33.4
Operating result	66.7	71.4	64.6	61.1	65.1	263.8	223.3
Return on sales	19.7%	19.6%	18.9%	16.8%	16.6%	18.7%	15.0%

- ➡ Continuous excellent performance of HealthCare, despite considerable adverse currency effects.
- ➡ Q4 Return on sales slightly lower than in previous quarters due to mix effect. Informatics break-even in Q4.

Service revenues as % of total HealthCare sales



➡ Service revenues increase as the transition to digital continues



HealthCare: Strategy

Radiology Solutions

- † Consolidate our number 1-2 position in Radiology, Imaging and IT by converting our large customer base from analogue to digital

Clinical applications

- † Create a significant position in clinical applications by converting our analogue portfolio into a departmental digital imaging and IT solution

Enterprise Solutions

- † Become a worldwide player in hospital 'enterprise' IT solutions and 'automation of the care process'

Graphic Systems: key figures (mio Euros)

	Q1 '03	Q2 '03	Q3 '03	Q4 '03	Q4 '02	2003	2002
Sales	417	405	386	414	461 -10.2%	1,622	1,813 -10.5%
Sales excl. currency effect	455	441	410	443	461 -3.9%	1,749	1,813 -3.5%
Restructuring/non-recurring items	2.4	3.6	4.8	16.1	0.4	26.9	23.6
Operating result	33.9	27.1	23.3	5.7	35.4	90.0	126.3
Return on sales	8.1%	6.7%	6.0%	1.4%	7.7%	5.5%	7.0%

- ➡ Sluggish markets in Graphic Systems in 2003, also characterised by accelerated price erosion.
- ➡ Q4 results affected by currencies, mix effect, price erosion and higher restructuring charges.



Graphic Systems: Strategy

- ➡ A leading solutions provider in **pre-press**, offering consumables, equipment and software
- ➡ Entering the growth market of industrial **inkjet printing**

Graphic Systems: Strategy

Agfa is a leading supplier of consumables, equipment and software in the mature pre-press market

† Concentrate on higher growth segments:

‡ Regionally: Asia

‡ Markets: Packaging and newspapers

‡ Functionally: Software

=> Wuxi printing plate factory

=> Esko-Graphics newspaper customers

=> Launch of Apogee-X, Delano

† Strive for cost-, technology- and market leadership in consumables

=> Lastra acquisition

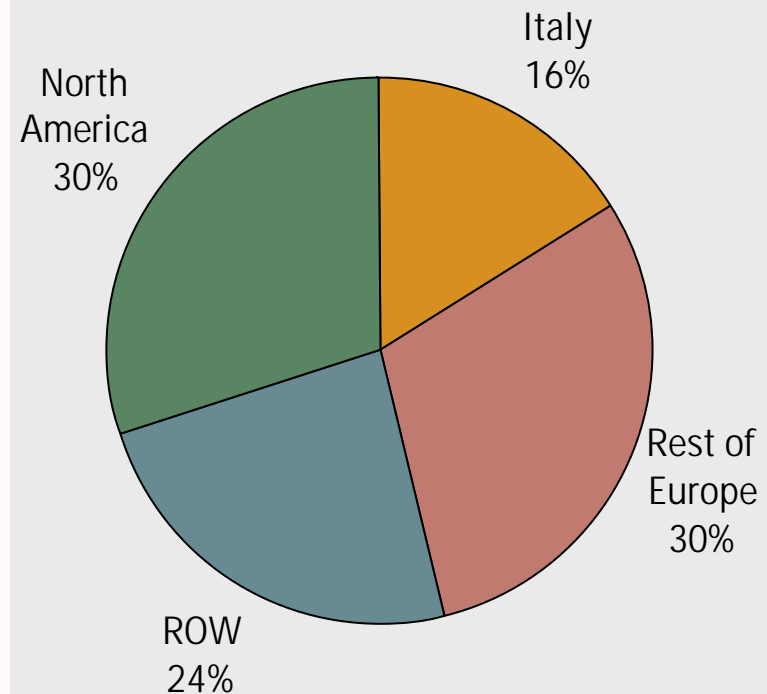
† Make the equipment business profitable

=> increased outsourcing

Lastra profile

- † Italian manufacturer of printing plates, chemicals and equipment
- † Mainly analogue printing plates, but recently started production of digital plates
- † 6 factories:
4 in Italy, 2 in US
- † Number of employees:
? 900

2003 SALES ? 240 MIO EUROS



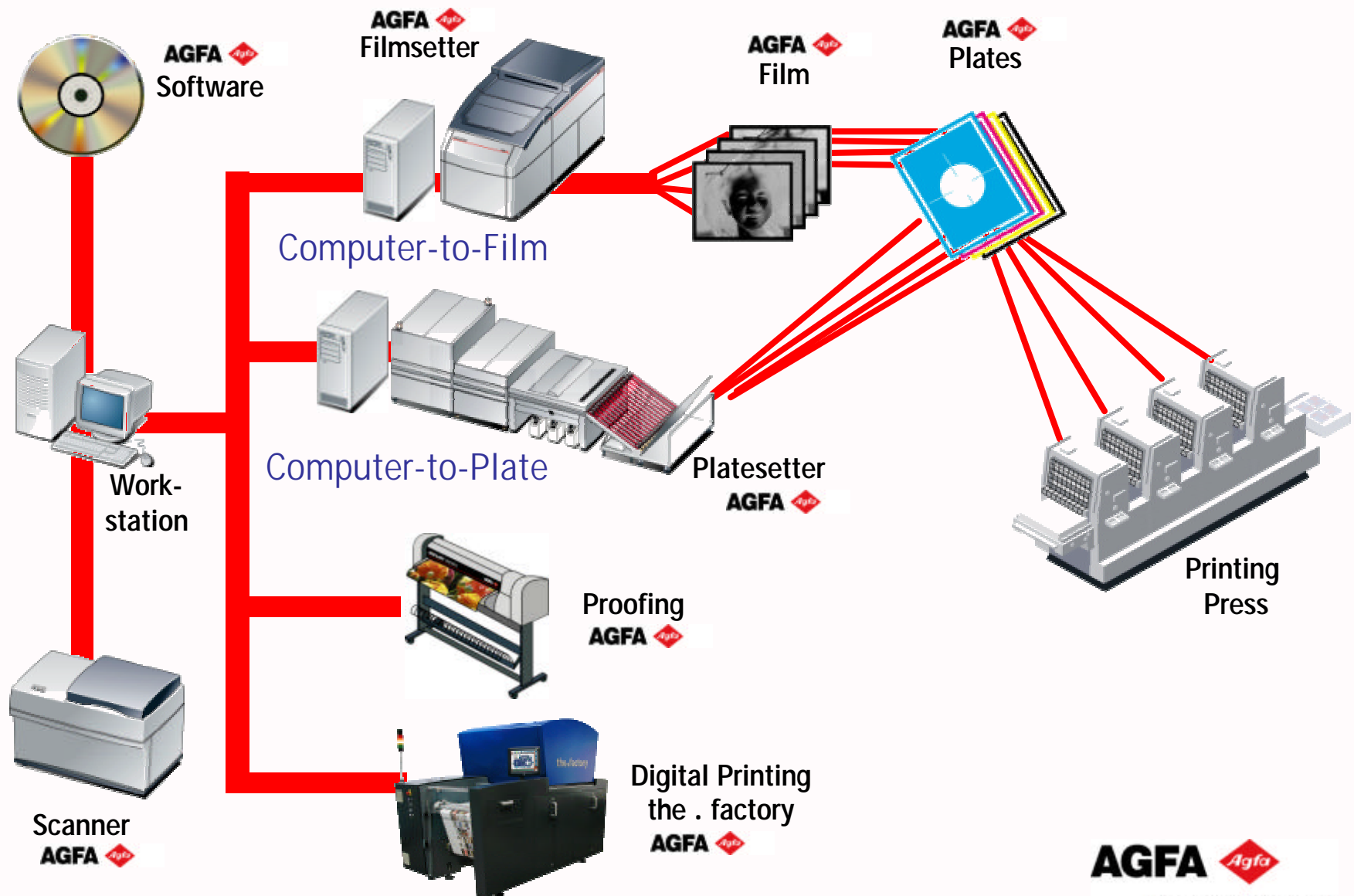


Lastra acquisition: rationale

Lastra + Agfa:

- † Increased market coverage from low end to high end
- † Access to additional production capacity
- † Obtain cost leadership in printing plates
- † Large cost and revenue synergies
- † Accretive from first year

From Pre-press to Press





Graphic Systems: Strategy

Building a growth platform in industrial inkjet printing

✚ Markets for inkjet printing

- ✚ wide format printing
- ✚ screen printing
- ✚ packaging
- ✚ newspaper printing

✚ Market potential: 10 billion Euros by 2010



Graphic Systems: Strategy

From Pre-press to Press

- † Concentrate on higher growth markets in Pre-press
- † Strive for cost-, technology- and market leadership in consumables
- † Make equipment business profitable
- † Build growth platform in inkjet digital printing, with a full solution including:
 - † inkjet paper
 - † ink
 - † press



Business Group reporting as from 2004

† Consumer Imaging

† Graphic Systems

† HealthCare

† Specialty Products

† Sale of NDT film to General Electric

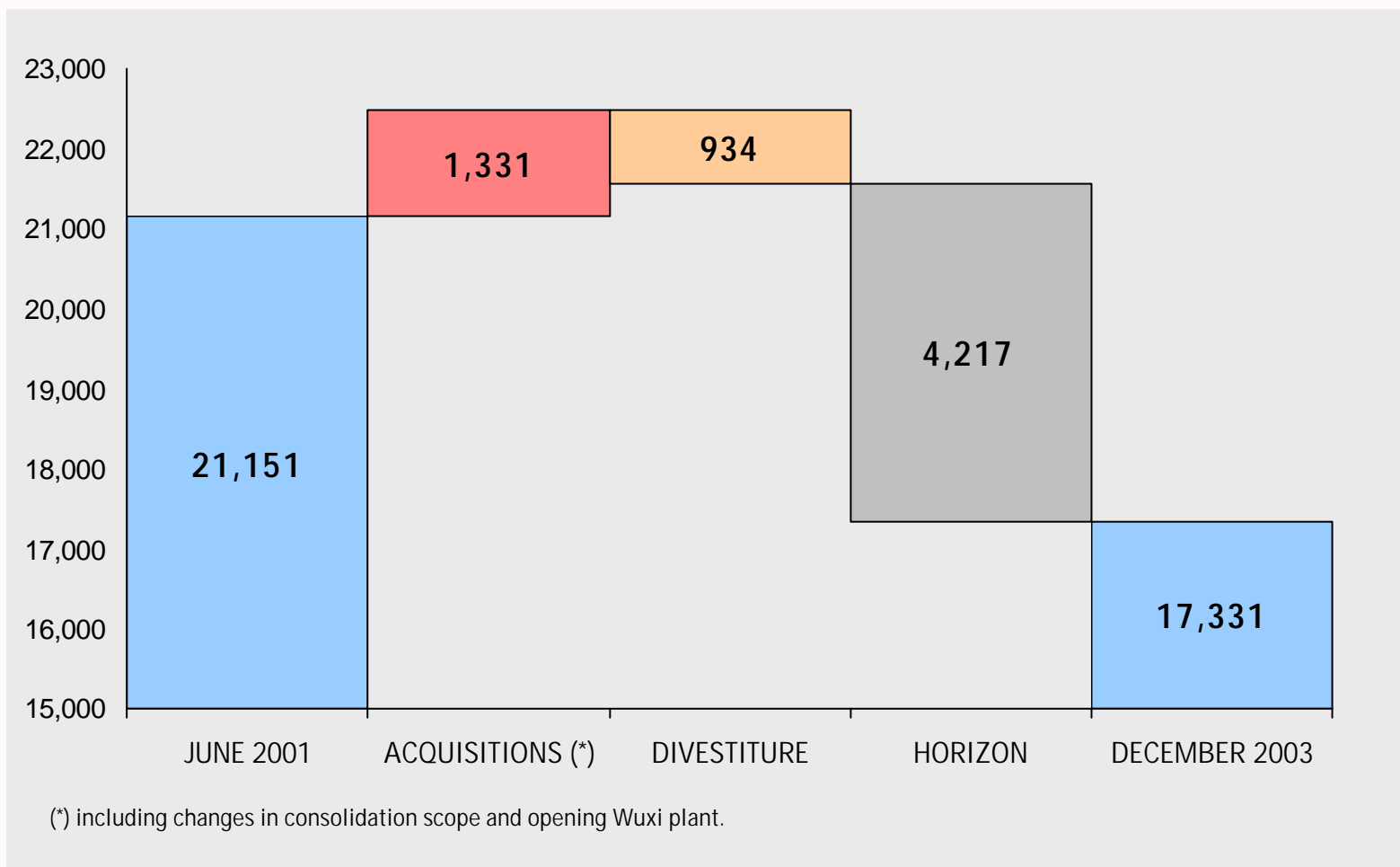
† Motion Pictures

† Micrography

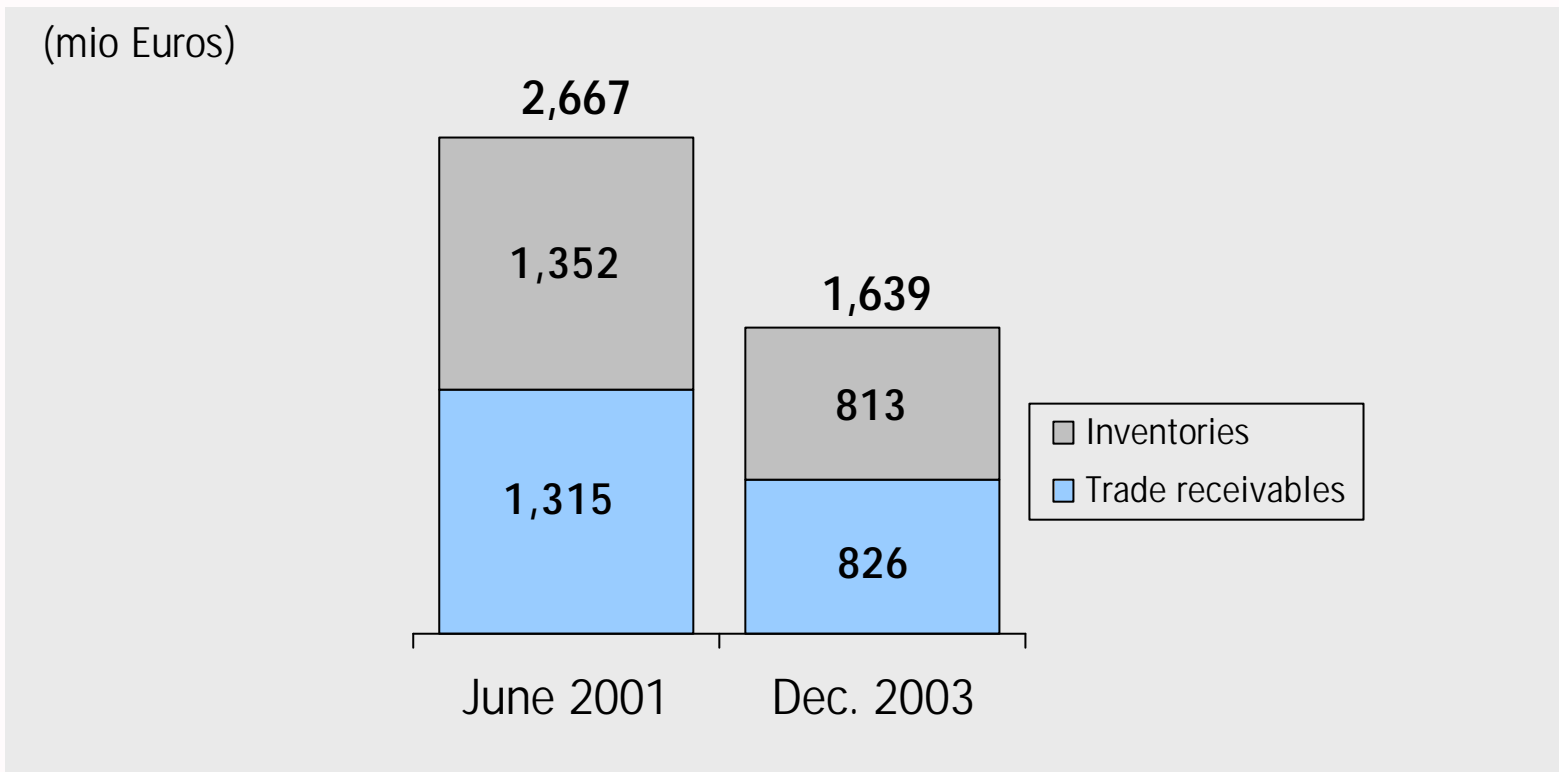
† Specialty Foils and Components

} turnover of ± 110 million
Euros in 2003

Horizon: staff levels (FTE)

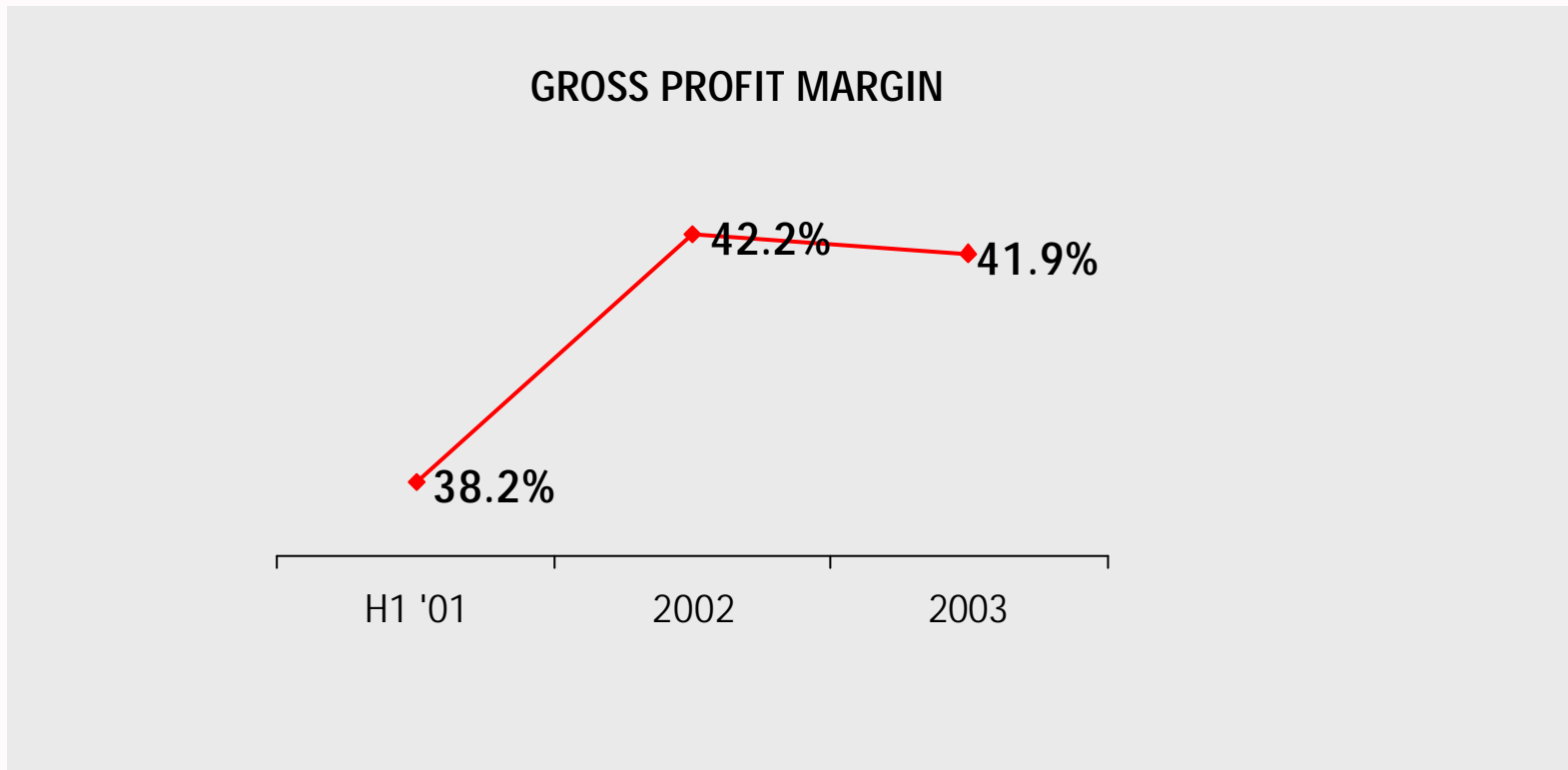


Horizon: tighter financial management



➡ Working capital reduced by more than 1 billion Euros

Horizon: improved operating efficiency



➡ Gross profit margin kept up in harsh economic circumstances.



ORION

† To increase growth

† To improve our business processes and overall quality

† To reduce working capital

† To reduce overhead costs

† by a combination of organic initiatives and targeted acquisitions

† by a systematic project approach, leading to cost savings of 200 million Euros

† by bringing days of inventories to 100, days of sales outstanding to 70 and payment terms to 55, generating extra cash for 350 million Euros

† by reducing SG&A costs as percentage of sales to 22%



Outlook

- † Subdued markets in Consumer Imaging and Graphic Systems
- † Continued growth in HealthCare
- † Strength of Euro and raw material prices
- † Efficiency gains and cost savings
- † Reduction of working capital

➡ Agfa will continue to generate strong cash flows.



Questions & Answers



2003