




Agfa Poised for Growth

Annual Results 2004

March 10th, 2005



Portfolio changes

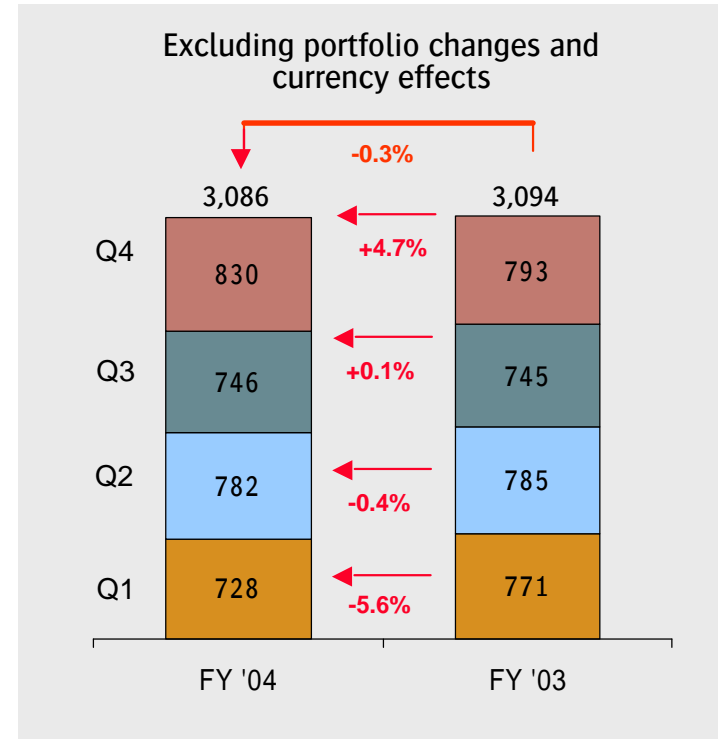
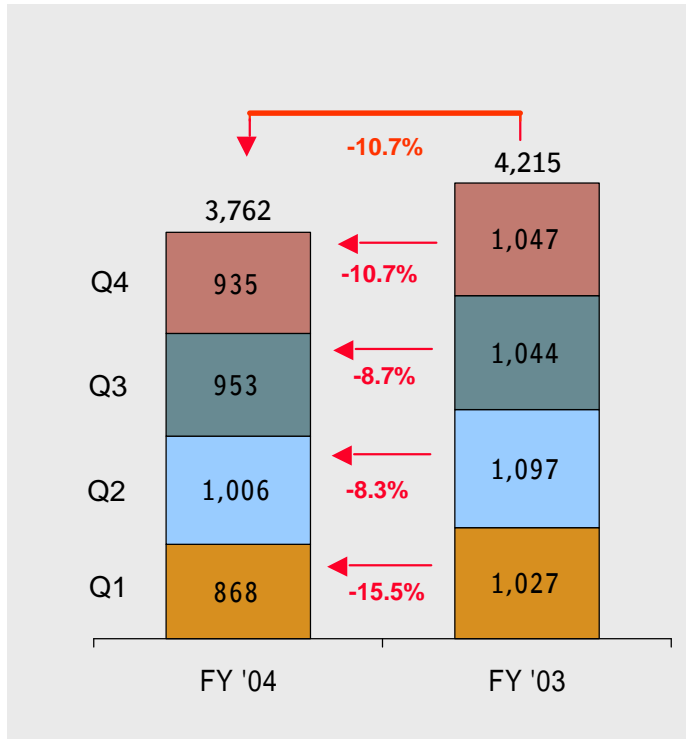
- **Divestitures**

- Non-Destructive Testing (from January 2004)
- Consumer Imaging (from November 2004)
- Monotype (from November 2004)

- **Acquisitions**

- Lastra (from September 1, 2004)
- Symphonie On Line (from October 2004)
- Dotrix (January 2004), Prolmage

Trends in turnover (in mio Euros)

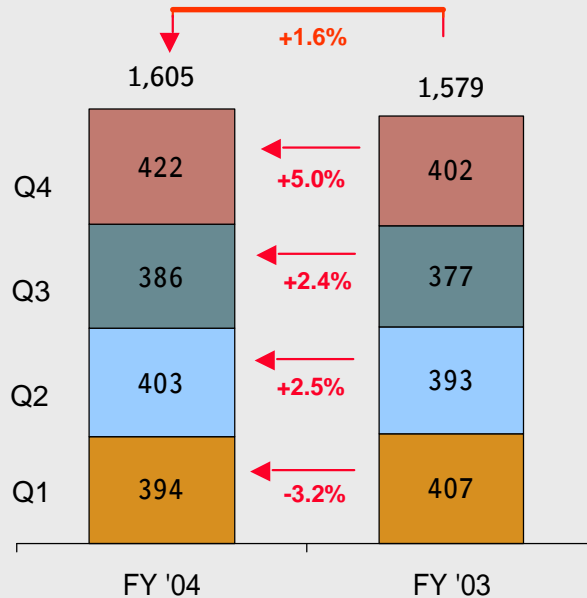


Continuously improving organic sales trend during the year

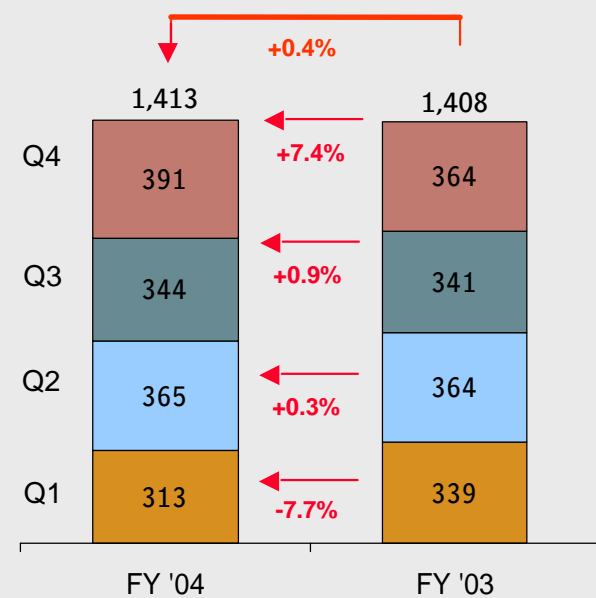
Sales trend per business group

(excl. currency effect - constant business portfolio)

Graphic Systems



HealthCare



Continuously improving sales trends in both Graphic Systems and HealthCare

Key figures Profit & Loss (in mio Euros)

	2004	2003	%	Q4 '04	Q4 '03	%
Sales	3,762	4,215	-10.7%	935	1,047	-10.7%
Gross profit	1,497	1,766	-15.2%	342	415	-17.6%
% of sales	39.8%	41.9%		36.6%	39.6%	
SG&A	-969	-1,087	-10.9%	-231	-273	-15.4%
% of sales	25.8%	25.8%		24.7%	26.1%	
R&D	-191	-233	-18.0%	-43	-54	-20.4%
% of sales	5.1%	5.5%		4.6%	5.2%	
Other	-43	-62	-30.6%	13	-10	
Ebit before restructuring & exceptionals	294	384	-23.4%	81	78	3.8%
	7.8%	9.1%		8.7%	7.4%	

- ➡ Gross profit margin affected by positive volume trend in HE and GS, overcompensated by adverse effects of currencies, prices and raw material costs
- ➡ Strong last quarter

Raw materials

SILVER (USD/troyounce)

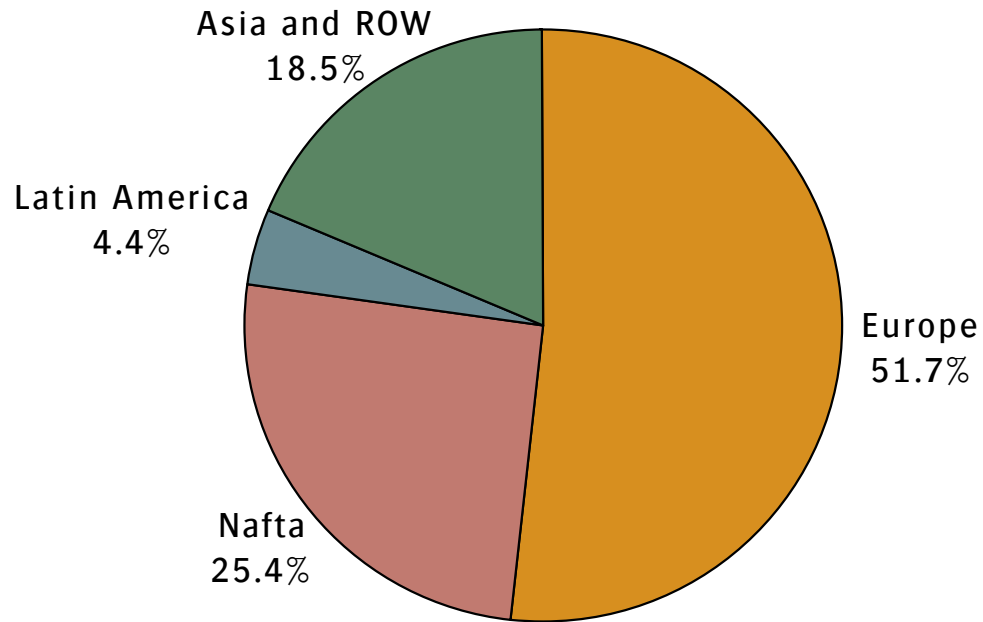


ALUMINIUM (USD/ton)



➡ Increased raw material prices affected gross profit by 48 mio Euros.

Turnover by region FY'04 (in %)



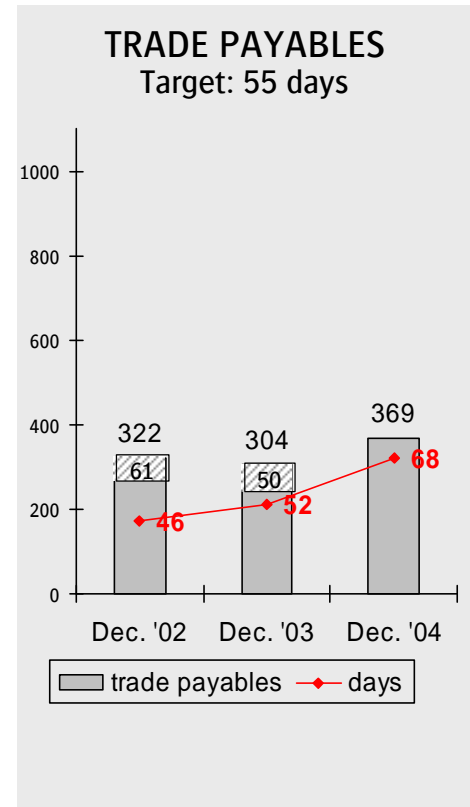
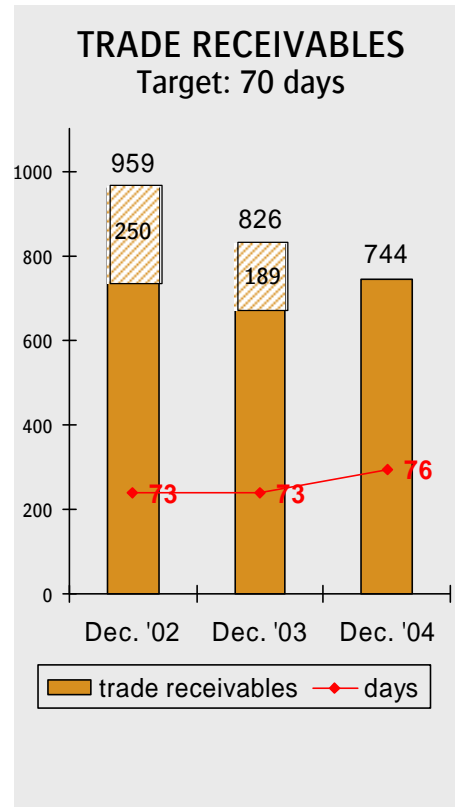
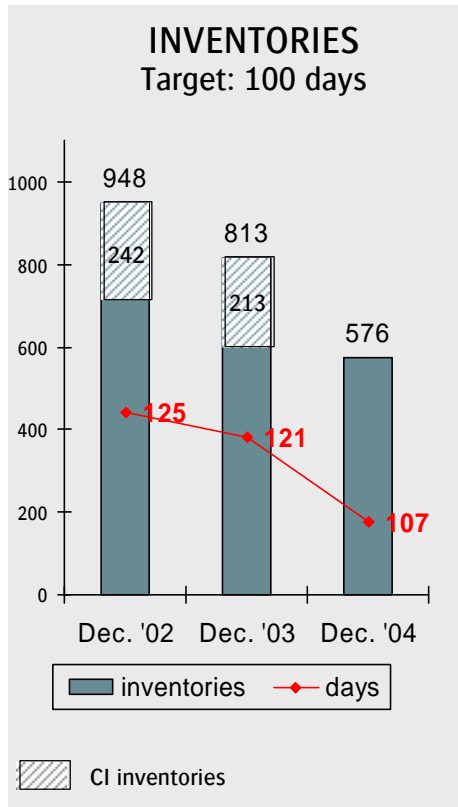
Key figures Profit & Loss (in mio Euros)

	2004	2003	Q4 '04	Q4 '03
Ebit before restructuring & exceptionals	294	384	81	78
Restructuring charges	-109	-87	-56	-41
Exceptional items*	-312	231	118	231
Operating result	-127	528	143	268
Non-operating result	-56	-71	-15	-16
Profit before tax	-183	457	128	252
Taxes	39	-135	-60	-64
Net result**	-143	323	69	189

* Divestiture CI -430, Monotype +118 in 2004, NDT +231 in 2003

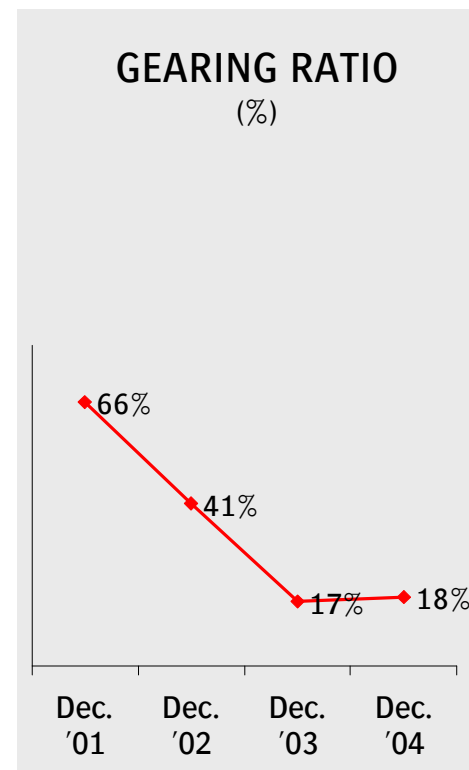
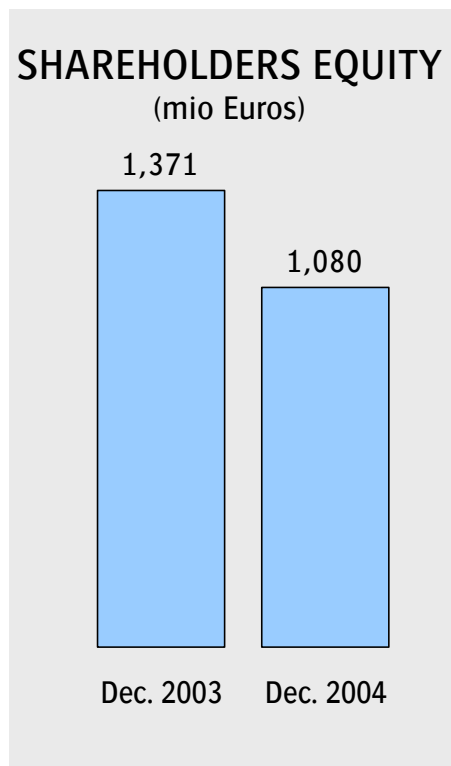
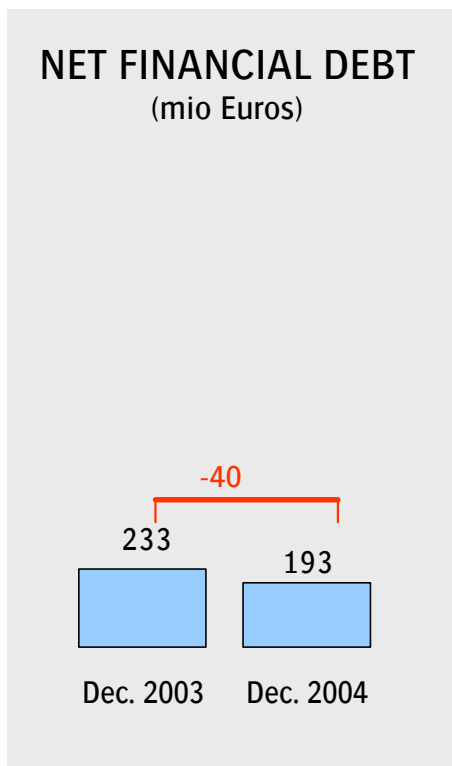
** Also taken account of minorities of +1 in 2003 and 2004

Working capital: key figures (mio Euros/days)



➡ Considerable progress in working capital

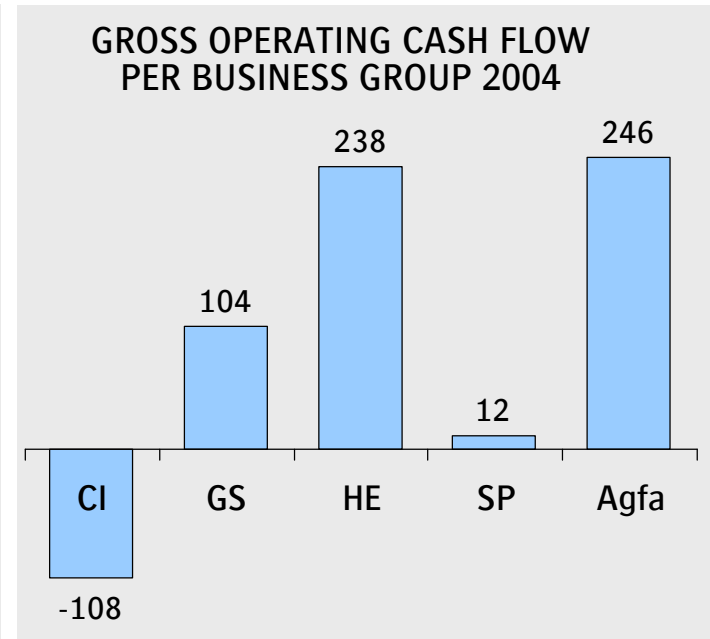
Key figures 2004



➡ Gearing ratio remains very low in spite of net loss due to CI divestiture

Cash flow (in mio Euros)

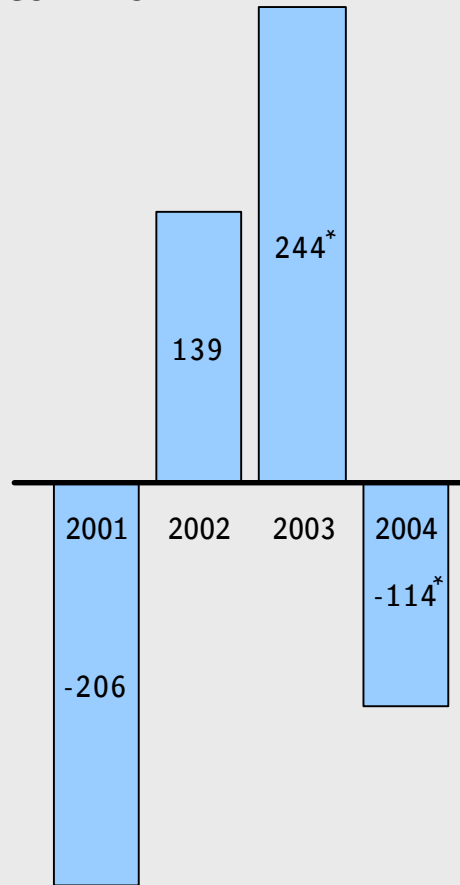
	2004	2003	2002
Gross operating cash flow	246	393	482
Net operating cash flow	305	522	611
Capex	112	178	167
Free cash flow	193	344	444



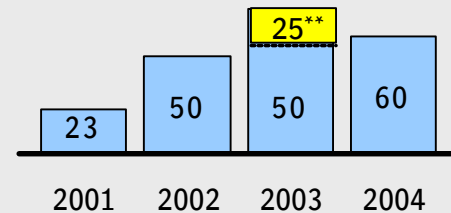
➡ Continuous strong cash generation

Earnings and dividend per share (in Eurocents)

EARNINGS PER SHARE



DIVIDEND PER SHARE



* Number of shares used for calculation : 132,045,438 in 2003 and 126,008,540 in 2004

** Extraordinary dividend linked to NDT divestiture



Consumer Imaging divestiture

- All photo activities transferred to AgfaPhoto, a fully independently operating, privately owned company
- Adjusted purchase price: 112 mio Euros
 - vendor loan for the same amount
 - repayable in four years
 - fully secured by lease portfolio of 175 mio Euros
- Pre-tax non-cash book loss of 430 mio Euros
- 139 mio Euros deferred tax assets set up



Consumer Imaging: key figures

Operating result (Jan - Oct. 2004 / in mio Euros)

● Sales	599
● Ebit before restructuring	-47
● Operating result after restructuring	-62

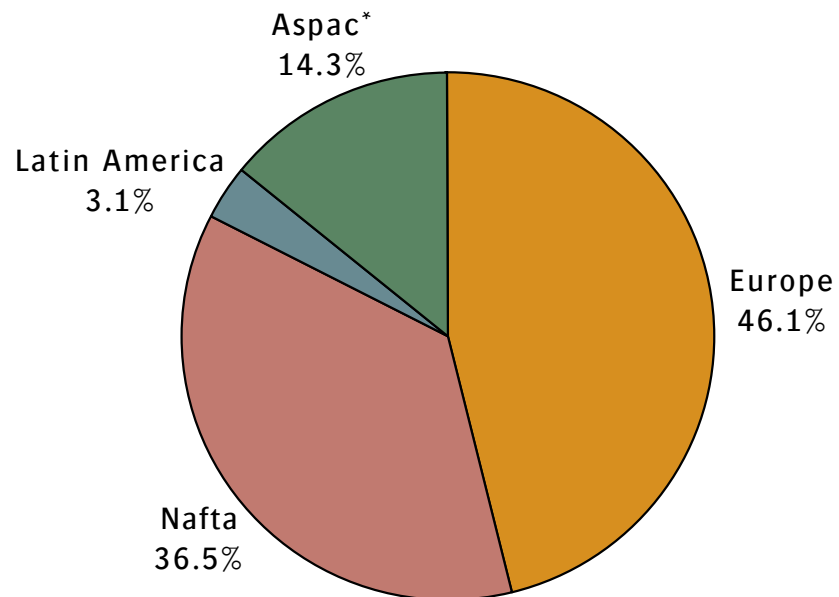
HealthCare: key figures (in mio Euros)

	2004	2003	%	Q4 '04	Q4 '03	%
Sales	1,361	1,408	-3.3%	382	364	4.9%
excl. portfolio changes and currency variances	1,413	1,408	0.4%	391	364	7.4%
Ebit before restructuring	226	276	-18.1%	77	67	14.9%
% of sales	16.6%	19.6%		20.2%	18.4%	
Ebitda*	306	361	-15.2%	98	88	11.4%
% of sales	22.5%	25.6%		25.7%	24.2%	

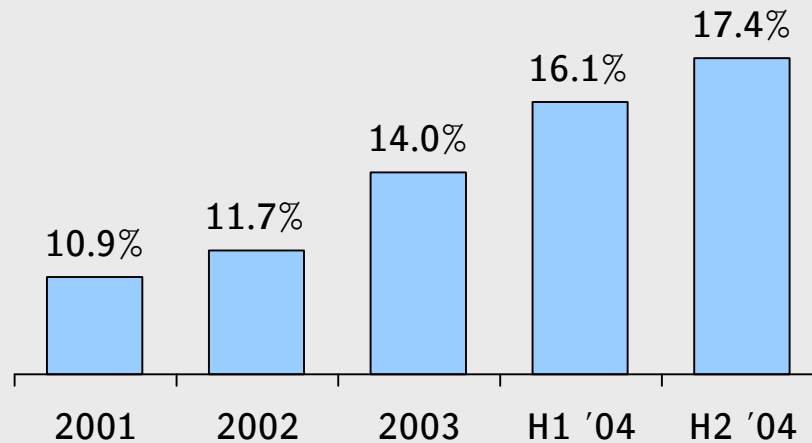
* before restructuring

- ➡ A particularly strong Q4, with robust organic growth (over 7%) and high returns
- ➡ Operating margin of the second half of 2004 exceeds 17%, in spite of adverse external effects
- ➡ 2004 influenced by a weak start, pronounced seasonality and higher than normal price erosion (Premier)

HealthCare: 2004 sales per region



Service revenues as % of total HealthCare sales



➡ Service revenues in line with goals



Agfa HealthCare Strategy

Radiology solutions

- ➔ **Grow with radiology**
 - Provide imaging information systems and services

Departmental solutions

- ➔ **Develop presence in clinical departments**
 - Provide image management and information systems and services

Healthcare IT solutions

- ➔ **Establish position as global leader**
 - Provide community wide systems and services, Hospital Information System and Electronic Patient Record (HIS, EPR)

Imaging Technologies

- ➔ **Leverage Intellectual property and expertise**
- ➔ **Innovate through alliances and partnerships**
 - Provide leading edge healthcare Imaging technologies and computer aided detection tools

Radiology Solutions: achievements 2004

- **Product development**

- **Hardcopy printers: DRYSTAR 5300**
- **Digitizers: CR 25.0 and CR 75.0**
- **CP-GU high-speed film**
- **PACS/RIS:**
 - **IMPAX ES**
 - **MediWeb**
 - **TalkStation 3.0**
 - **fully integrated RIS/PACS for North American hospitals**
 - **Practice Management System**





Departmental Solutions: achievements 2004

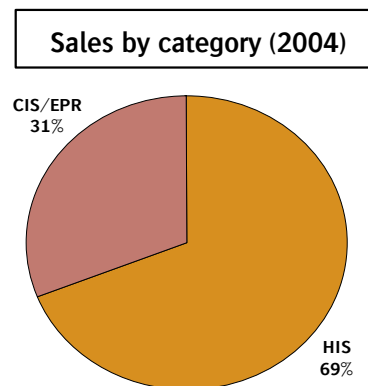
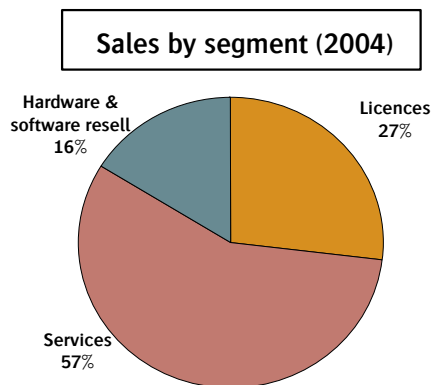
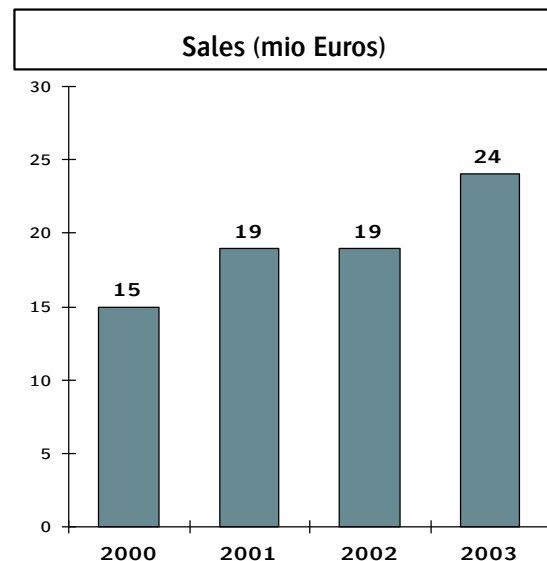
- **Product development**
 - IMPAX for cardiology
 - IMPAX for Orthopedics
 - IMPAX MA3000 for mammography

Healthcare IT: achievements 2004

- **Acquisitions**
 - Symphonie On Line
 - GWI

Symphonie On Line: profile

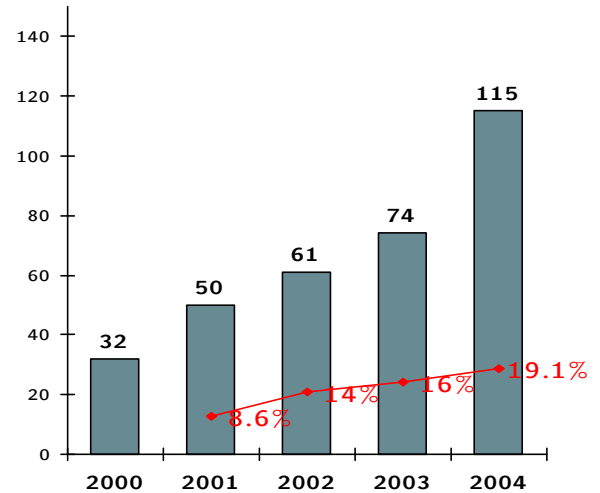
- Founded: 1984
- Installed base: more than 1,200 customers in France
- Number of employees: more than 200



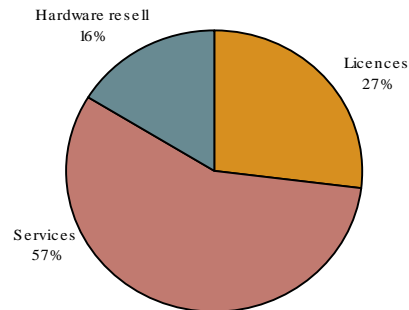
GWI: profile

- Founded: 1990
- Installed base: more than 2,000 customers in Germany, Austria, Switzerland and France
- Number of employees: \pm 900

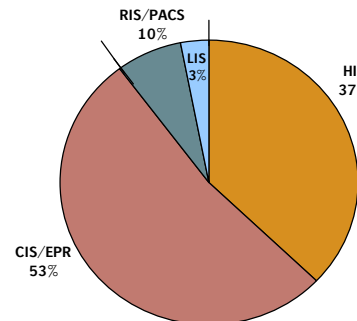
Sales (mio Euros) and Ebit Margin (%)



Sales by segment (2004)



Sales by category (2004)





Unique technology and portfolio

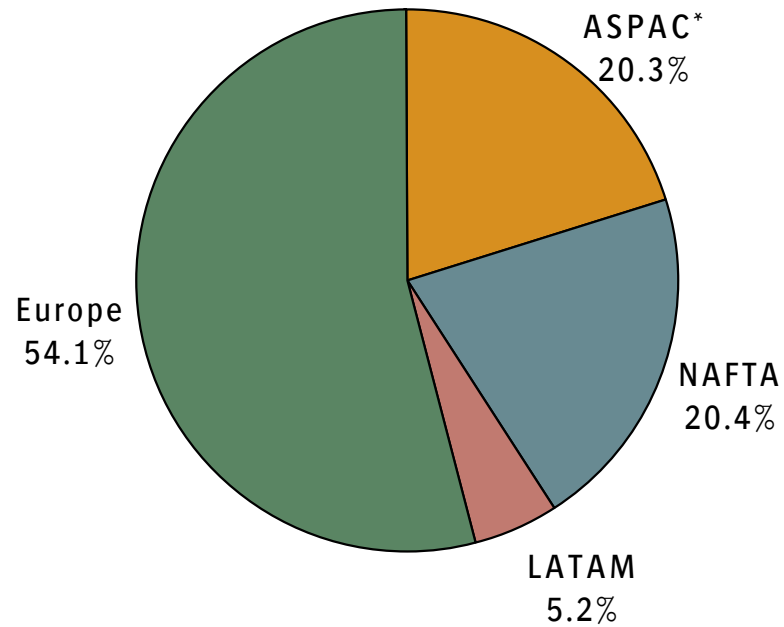
- **ORBIS®** : one-of-a-kind platform integrating clinical systems with administrative data, providing higher quality and more cost efficient patient care, based on more reliable information exchange and increased security
- **ORBIS®** : a suite of over a hundred modules which can be used according to growing and changing needs of hospitals
- **ORBIS®** enterprise-wide system installed in more than 600 healthcare facilities
- Combined with Agfa's IMPAX, the ORBIS® platform will be the foundation for future healthcare software applications

Graphic Systems: key figures (in mio Euros)

	2004	2003	%	Q4 '04	Q4 '03	%
Sales	1,673	1,622	3.1%	468	414	13.0%
excl. portfolio changes and currency variances	1,605	1,579	1.6%	422	402	5.0%
Ebit before restruct. and exceptionals	105	117	-10.3%	26	22	18.2%
% of sales	6.3%	7.2%		5.6%	5.3%	
Ebitda	176	182	-3.3%	49	40	22.5%
% of sales	10.5%	11.2%		10.5%	9.7%	

- ➡ Accelerating organic growth during 2004
- ➡ Increased market share
- ➡ Increased raw material cost

Graphic Systems: 2004 sales per region



Graphic Systems: strategy

- Strengthen position in pre-press
- Entering the growth market of industrial inkjet printing
 - wide format printing
 - screen printing
 - packaging
 - newspaper printing



Graphic Systems: achievements 2004



- **Acquisitions:**
 - Lastra (manufacturer of printing plates, chemicals and equipment),
 - Dotrix (industrial digital printing solutions),
 - ProImage (browser-based digital workflow solutions)
- **Divestiture:**
 - Monotype

PROIMAGE
Making Complex Publishing Simple

Graphic Systems: pre-press achievements '04



- :Azura chemistry-free digital printing plate + :Acento platesetter
- :Sublima screening technology wins 'Technological Innovator of the Year' award and takes the market by storm
- Large contracts for the newspaper segment in Thailand, Indonesia, Italy, Japan and the Nordic region
 - more than 175 :Arkitex systems sold since launch in 2003





Graphic Systems: inkjet achievements '04

- Launch of proprietary inkjet inks
- Introduction of wide-format inkjet printers
(:Grand Sherpa)
- Investment in production of inkjet printing heads

Questions & Answers



| see more | do more |