

# Q3 2018 Results

7 November 2018



# Profit & Loss: Key Figures (in million Euro)

	Q3'17	Q3'18	Δ % (excl. X-rate)	9M'17	9M'18	Δ % (excl. X-rate)
Sales	593	539	-9.1%(-7.9%)	1.803	1.647	-8.6%(-5.2%)
Gross Profit*	195	171	-12,1%	600	529	-11,8%
as a % of sales	32,9%	31,8%		33,3%	32,1%	
SG&A*	-117	-115	-1,7%	-375	-355	-5,5%
SG&A as % of sales	19,7%	21,4%		20,8%	21,5%	
R&D*	-35	-32	-8,1%	-109	-105	-3,6%
Other operating items*	-2	-2		-3	11	
Recurring EBITDA*	53	35	-34,3%	152	121	-20,6%
as a % of sales	8,9%	6,5%		8,4%	7,3%	
Recurring EBIT*	40	21	-47,0%	113	81	-28,3%
as a % of sales	6,7%	4,0%		6,3%	4,9%	

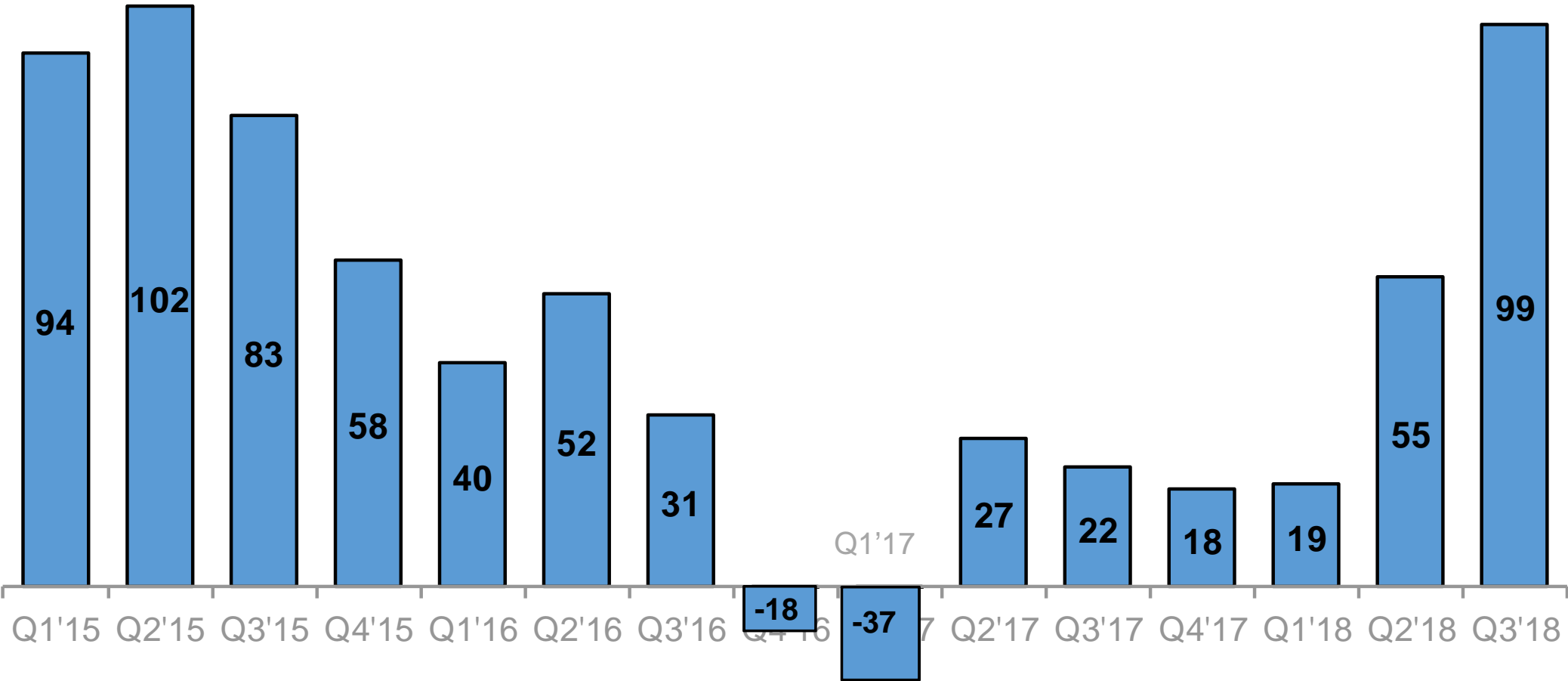
\* Before restructuring charges and non-recurring items

# Profit & Loss: Key Figures (in million Euro)

	Q3'17	Q3'18	Δ %	9M '17	9M '18	Δ %
Recurring EBIT*	40	21	-47,0%	113	81	-28,3%
Restructuring and non-recurring	-9	-15		-14	-28	
Operating result	31	6		99	53	
Non-operating result	-8	-11		-28	-31	
Share of result of equity accounted investees - net of income tax	0	-1		0	-1	
Profit before taxes	23	-5		71	21	
Taxes	-9	0		-22	-13	
Net result	14	-5		49	8	
of which attr to equity holders of the company	12	-5		44	4	
of which attr to non controlling interests	2	1		5	4	

\* Before restructuring charges and non-recurring items

# Net Financial Debt (in million Euro)



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

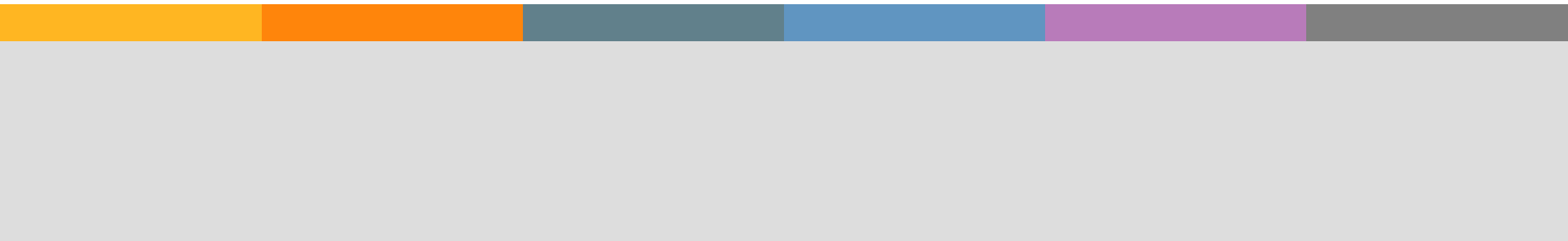
	Q4 2017	Q3 2018
Inventories (Mio Eur)	476	536
• DIOH in days	105	125
Trade Receivables, Contract Assets, Contract liabilities (Mio Eur)	393	357
• DSO in days	55	59
Trade Payables (Mio Eur)	(224)	(241)
• DPO in days	50	56
Trade Working Capital (Mio Eur)	644	653
• Trade Working Capital as % of sales	26%	29%

# Main Group Drivers behind Key Figures

## Q3 2018

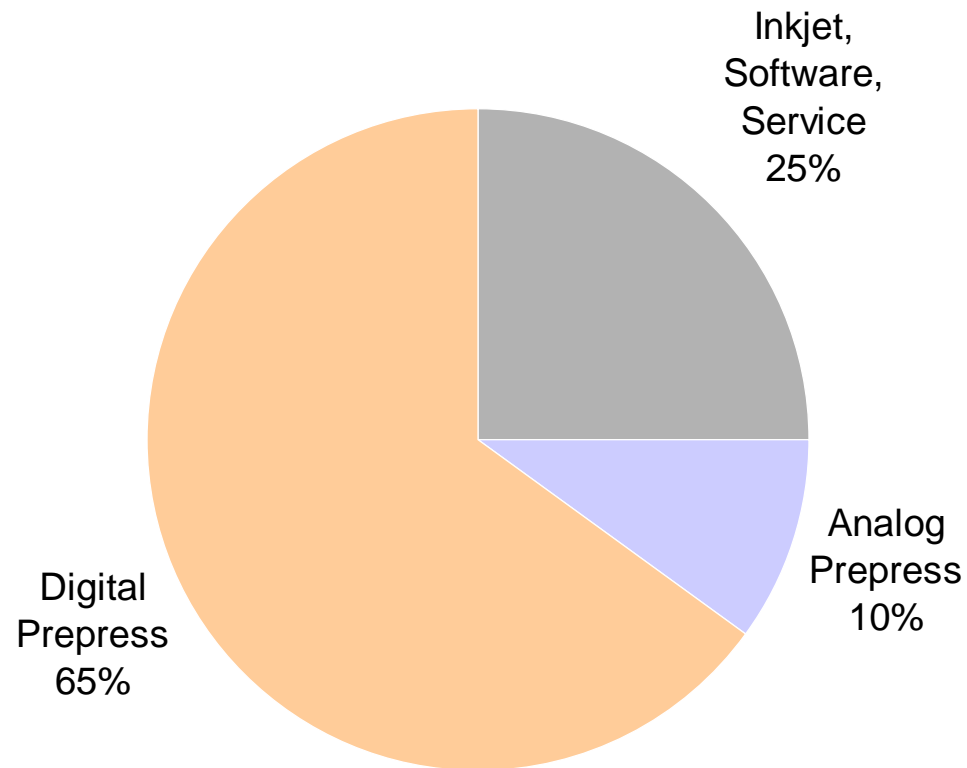
- The Agfa-Gevaert Group's top line evolution was strongly impacted by the product portfolio reorganization in the Agfa Graphics business group's prepress business. Excluding portfolio rationalizations and currency effects, the Group's revenue decline amounted to 4.8%. Several growth engines – including Agfa Graphics' inkjet business, Agfa HealthCare's HealthCare Information Solutions and several activities of Agfa Specialty Products – posted strong topline growth.
- Mainly due to high aluminum prices and adverse product/mix effects, the Group's gross profit margin decreased to 31.8% of revenue.
- Net loss of 5 million Euro.
- Net debt at 99 million Euro.

# Graphics



# Graphics: YTD Sales per Business Segment

9M 2018  
100% = 777 million Euro





# Graphics: Key Figures (in million Euro)

	Q3'17	Q3'18	$\Delta$ % (excl. curr.)	9M'17	9M'18	$\Delta$ % (excl. curr.)
Sales	284	257	-9.6%(-9.5%)	893	777	-13.0%(-9.6%)
Gross Profit*	79	66	-16,4%	262	206	-21,3%
as a % of sales	27,8%	25,6%		29,3%	26,5%	
SG&A*	-59	-58	-2,5%	-190	-178	-6,5%
as % of sales	20,8%	22,6%		21,3%	22,8%	
R&D*	-11	-9	-20,1%	-33	-31	-5,1%
Other operating items*	-1	3		-1	14	
Recurring EBITDA*	14,2	7,9	-43,6%	57,0	29,1	-49,0%
as a % of sales	5,0%	3,1%		6,4%	3,7%	
Recurring EBIT*	8,2	2,2	-73,2%	38,7	11,5	-70,4%
as a % of sales	2,9%	0,9%		4,3%	1,5%	

\* Before restructuring charges and non-recurring items

# Graphics: Main Drivers behind Key Figures

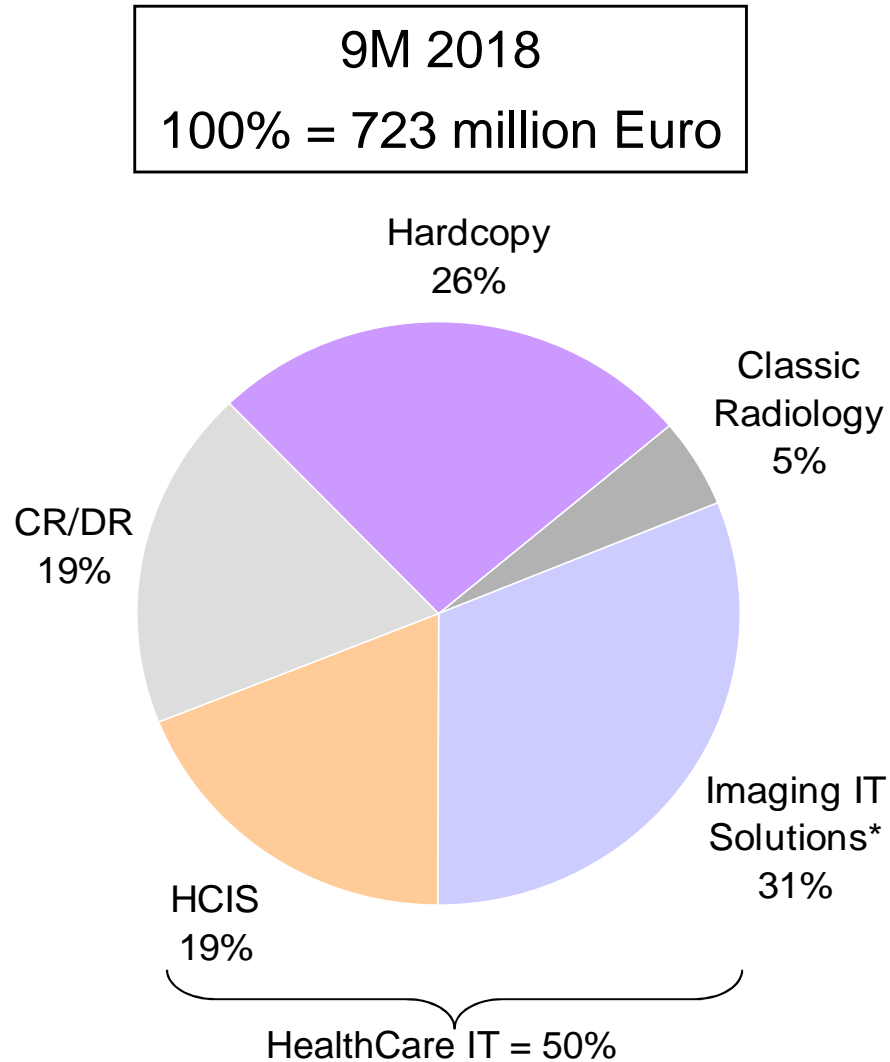
## Q3 2018

- Excluding the effects of the decision to discontinue certain prepress-related reseller activities in the US and currency effects, Agfa Graphics' top line decreased by 3.8%, which is markedly better than in the previous quarters of the year. The main driver behind this positive evolution is the Inkjet segment, which grew its top line by over 9% based on the success of the recently released Jeti printers and on the good performance of the ink range.
- Mainly due to the high aluminum price and adverse product and regional mix effects, Agfa Graphics' gross profit margin decreased.
- Recurring EBIT at 2.2 million Euro.
- Business highlights:
  - Strategic steps: alliance with Lucky HuaGuang Graphics / Intended acquisition of prepress business of Ipagsa
  - Launch of the Avatar V-ZH chemistry-free violet printing plate
  - Multiple orders for the new Jeti Tauro H3300 LED inkjet printer

# HealthCare



# HealthCare: YTD Sales per Business Segment



\* Includes Radiology and Cardiology IT

# HealthCare: Key Figures (in million Euro)

	Q3'17	Q3'18	$\Delta$ % (excl. curr.)	9M'17	9M'18	$\Delta$ % (excl. curr.)
Sales	258	236	-8.5%(-6.0%)	761	723	-4.9%(-1.0%)
Gross Profit*	105	95	-9,9%	301	285	-5,4%
as a % of sales	40,7%	40,0%		39,6%	39,3%	
SG&A*	-52	-52	-1,2%	-167	-159	-4,6%
as % of sales	20,2%	21,8%		21,9%	22,0%	
R&D*	-23	-22	-4,6%	-70	-67	-3,2%
Other operating items*	-1	-4		1	0	
Recurring EBITDA*	35,7	24,4	-31,6%	84,1	77,2	-8,1%
as a % of sales	13,8%	10,3%		11,1%	10,7%	
Recurring EBIT*	29,5	17,6	-40,5%	65,3	57,7	-11,6%
as a % of sales	11,4%	7,4%		8,6%	8,0%	

\* Before restructuring charges and non-recurring items

# HealthCare: Main Drivers behind Key Figures

## Q3 2018

- Excluding currency effects, Agfa HealthCare's revenue decreased by 6.0%. Following a recovery in the first six months of the year, sales for the Imaging segment's hardcopy business slowed down in the third quarter due to certain late effects of the reorganization of the distribution channels in China. The hardcopy business is expected to pick up again in the coming quarters. The IT segment performed well, with the HealthCare Information Solutions range reporting double-digit top line growth and continuously strong order book growth. Overall, the Imaging IT Solutions range performed according to expectations, with good performances in most major geographies and a slowdown in the USA.
- Mainly due to adverse product/mix effects in the Imaging segment, Agfa HealthCare's gross profit margin evolved to 40.0%.
- Recurring EBIT at 17.6 million Euro.
- Business highlights:
  - Launch of the new MUSICA Workstation
  - Florida Hospital installs DR 800 at three facilities
  - Successful go-live Enterprise Imaging for Radiology at Princess Alexandra Hospital

# Specialty Products



# Specialty Products: Key Figures (in million Euro)

	Q3'17	Q3'18	$\Delta$ % (excl. curr.)	9M'17	9M'18	$\Delta$ % (excl. curr.)
Sales	50	45	-9.1%(-9.2%)	148	146	-1.3%(0.0%)
Gross Profit*	11	11	-2,1%	37	38	2,5%
as a % of sales	22,0%	24,4%		25,0%	26,3%	
SG&A*	-5	-6	1,1%	-18	-17	-4,2%
as % of sales	10,0%	12,5%		12,2%	11,9%	
R&D*	-1	-2	25,0%	-6	-6	-0,8%
Other operating items*	0	-1		-1	-1	
Recurring EBITDA*	4,9	3,5	-27,8%	14,5	17,1	18,0%
as a % of sales	9,8%	7,8%		9,8%	11,7%	
Recurring EBIT*	4,0	2,5	-37,4%	12,0	14,1	17,6%
as a % of sales	8,0%	5,6%		8,1%	9,7%	

\* Before restructuring charges and non-recurring items



# Specialty Products: Main Drivers behind Key Figures

## Q3 2018

- Agfa Specialty Products' top line decreased by 9.1% to 45 million Euro, mainly due normal fluctuations in the contract business and the effect of the lower silver price. Synaps Synthetic Paper and the Specialty Chemicals business (including Orgacon Electronic Materials) performed well.
- Recurring EBIT amounted to 2.5 million Euro.

# Questions & Answers

