AGFA

PRESS RELEASE

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Agfa-Gevaert comments on its achievements in 2018

Major steps in the Agfa-Gevaert Group's transformation process

- **Internal split-up into Agfa HealthCare and Agfa within the Agfa-Gevaert Group**
- **New, simplified divisional structure**
- **Strategic alliance in the offset industry**
- **Refocus on core businesses**
- **Reorganization of hardcopy distribution channels in China**
- **Further pension de-risking**

Financial results

- **Strong volume growth in HealthCare Information Solutions, Direct Radiography and a number of businesses of Agfa Specialty Products**
- **Top line decline of 3.2% excluding currency effects and portfolio rationalizations**
- **Recurring EBITDA at 8% of revenue, in line with guidance**
- **Net loss and increase in net financial debt largely due to transformation investments**

Mortsel (Belgium), March 13, 2019 - Agfa-Gevaert today commented on its achievements in 2018.

MAJOR STEPS IN THE AGFA-GEVAERT GROUP'S TRANSFORMATION PROCESS

"In 2018, we have taken major steps to transform our Group, resulting in the separation of the HealthCare IT business (renamed Agfa HealthCare) from the rest of the activities (renamed Agfa). The new Agfa HealthCare now has the means and the independence it needs to be a leader in its markets and to further build its already strong IT portfolio. Furthermore, the impact of the steps we have taken to drive the consolidation of the offset industry, should not be underestimated. The alliance with Lucky and the acquisition of Ipagsa have far-reaching consequences for our activities, and even for the offset industry as a whole. We are now looking into various options to strengthen the other activities of Agfa. It is our goal to secure the future of both Agfa HealthCare and Agfa, giving them the power and the means to pursue profitable growth," said Christian Reinaudo, President and CEO of the Agfa-Gevaert Group.

Split-up into Agfa HealthCare and Agfa within the Agfa-Gevaert Group

The internal technical split-up of the Group in two parts was successfully concluded. January 1, 2019, two new entities emerged within the Agfa-Gevaert Group: Agfa HealthCare and Agfa. The new Agfa HealthCare groups all IT related activities of the former Agfa HealthCare business group. The new Agfa includes the activities of the former Agfa Graphics and Agfa Specialty Products business groups, as well as the Imaging activities of the former Agfa HealthCare business group. This split-up gives both entities the independence to seek partnerships and to take the necessary strategic steps to pursue future profitable growth.

New, simplified divisional structure

The activities of the newly created Agfa have been regrouped into three divisions: Offset Solutions (the prepress business of the former Agfa Graphics business group), Digital Print & Chemicals (the inkjet business of the former Agfa Graphics business group and the activities of the former Agfa Specialty Products business group) and Radiology Solutions (the imaging activities of the former Agfa HealthCare business group). This simplified divisional structure is technology and solutions based and will allow Agfa to seek future partnerships. As from the first quarter of 2019, the Agfa-Gevaert Group’s financial reporting will be based on this new Group structure.

Strategic alliance in the offset industry

Several major steps have been taken to realize the Agfa-Gevaert Group’s ambition to drive the consolidation of the offset industry. Firstly, Agfa entered into an important strategic prepress alliance with the Chinese company Lucky HuaGuang Graphics Co. Ltd. This alliance should allow both companies to realize growth through the optimization of their respective strengths in the fields of manufacturing, technology and distribution of graphic prepress products and services. It is an important step in the further development of Agfa’s strategy to offer its offset customers more choice and to strengthen its global presence in this market segment in a profitable way. Secondly, the prepress business of the Spanish printing plate supplier Ipagsa Industrial S.L. was acquired. It is expected that in 2019, this acquisition will already contribute to Agfa’s top line with a strong EBITDA percentage. Thirdly, the closure of the printing plate factory in Branchburg, New Jersey (USA) was a further step in the strategic plan to optimize the global production capacity and supply chain for printing plates.

Refocus on core businesses

Major decisions have been taken to streamline the portfolios of the two entities. The discontinuation of certain less profitable activities will allow them to strengthen the focus on their core businesses. Among other things, in the field of offset, it was decided to discontinue certain prepress-related reseller activities in the United States. In the field of healthcare IT, it was decided to refocus the Imaging IT Solutions business on core geographies, leaving certain less important countries where the margins for this business were not sustainable.

Reorganization of hardcopy distribution channels in China

The Agfa-Gevaert Group finalized the reorganization of the hardcopy distribution channels in China, eliminating several steps in the supply chain. Initially, the reorganization had a considerable impact on this business' top line, but the effects have started to fade over the past few quarters.

Further pension de-risking

The Agfa-Gevaert Group took several measures to reduce the risks related to pension liabilities. The Group has put in place a two-year program consisting of several pension de-risking initiatives in the US and the UK.

Future steps

After a strategic options review, the Board of Directors of the Agfa-Gevaert Group has decided to further extend the independence of Agfa HealthCare. In this respect, the Board will be appointing J.P. Morgan as financial advisor. Further details on scope and timing will be communicated in due course.

In the field of offset, the alliance with Lucky HuaGuang Graphics Co. Ltd. will be extended, as both companies will explore additional options to intensify their collaboration in R&D, manufacturing and distribution.

Strategic steps similar to the ones taken in the offset business, will be examined for the other businesses of Agfa.

Projects will be launched to further streamline the various businesses of the Agfa-Gevaert Group, aiming at reducing operational costs and improving profitability.

FINANCIAL RESULTS

“Overall, our 2018 results are in line with our guidance. The top line was influenced by measures to streamline our product portfolios. Furthermore, we have invested heavily in the future of our Group. If we would exclude the investments related to the transformation process, we would have posted a positive net result, said Christian Reinaudo, President and CEO of the Agfa-Gevaert Group. “This is the last time that we will comment on the results of the former Agfa Graphics, Agfa HealthCare and Agfa Specialty Products business groups. As from next quarter, our financial reporting will be based on our new Group structure.”

Agfa-Gevaert Group – full year 2018

in million Euro	2017	2018	% change (excl. FX effects)
Revenue	2,443	2,247	-8.0% (-5.3%)
Gross profit (*)	814	722	-11.3%
% of revenue	33.3%	32.1%	
Recurring EBITDA (*)	222	179	-19.4%
% of revenue	9.1%	8.0%	
Recurring EBIT (*)	169	125	-26.4%
% of revenue	6.9%	5.5%	
Result from operating activities	138	59	
Result for the period	45	(15)	
Net cash from (used in) operating activities	39	(44)	

(*) before restructuring and non-recurring items

The Agfa-Gevaert Group’s full year top line evolution was strongly impacted by the discontinuation of certain prepress-related reseller activities in the United States and by currency effects. Excluding these elements, the Group’s revenue decline amounted to 3.2%. Several growth engines – including Agfa HealthCare’s HealthCare Information Solutions and Direct Radiography systems, as well as several activities of Agfa Specialty Products – posted top line growth.

Mainly due to adverse product/mix effects and high aluminum costs, the Group’s gross profit margin decreased to 32.1% of revenue.

Selling and General Administration expenses decreased from 496 million Euro in 2017 to 476 million Euro (21.2% of revenue).

R&D expenses amounted to 141 million Euro, or 6.3% of revenue. The Group continues to invest in innovation to remain or become the technology leader in its key markets.

Recurring EBITDA reached 8.0% of revenue, versus 9.1% in 2017. Recurring EBIT reached 5.5% of revenue.

Mainly due to investments related to the transformation of the Agfa-Gevaert Group, including the closure of the printing plate factory in Branchburg (USA), restructuring and non-recurring items resulted in an expense of 66 million Euro, versus an expense of 31 million Euro in the previous year.

The net finance costs remained stable at 39 million Euro.

Income tax expenses amounted to 34 million Euro, versus 53 million Euro in 2017.

As a result of the elements mentioned above, the Agfa-Gevaert Group posted a net loss of 15 million Euro. Excluding the investments related to the transformation process, the net result would have been positive.

Financial position and cash flow

- At the end of 2018, total assets were 2,367 million Euro, compared to 2,233 million Euro at the end of 2017.
- Trade working capital moved from 644 million Euro (26% of sales) at the end of 2017 to 653 million Euro (29% of sales) at the end of 2018.
- Net financial debt amounted to 144 million Euro, versus 18 million Euro at the end of 2017. The increase is largely due to the investments related to the transformation of the company and to the closure of the printing plate factory in Branchburg.
- Net cash from operating activities amounted to minus 44 million Euro.

Agfa Graphics – full year 2018

in million Euro	2017	2018	% change (excl. FX effects)
Revenue	1,195	1,049	-12.2%(-9.9%)
Recurring EBITDA (*)	77.0	40.3	-47.7%
% of revenue	6.4%	3.8%	
Recurring EBIT (*)	52.8	17.0	-67.9%
% of revenue	4.4%	1.6%	

(*) before restructuring and non-recurring items

Excluding the effects of the decision to discontinue certain prepress-related reseller activities in the United States and currency effects, Agfa Graphics' top line decreased by 5.7%.

On top of the portfolio reorganization, the prepress segment's top line was impacted by the strong market-driven decline for analog computer-to-film products, the pressure on volume for the digital computer-to-plate product offerings and regional mix effects. In the course of 2018, important strategic steps have been taken that should help to restore the prepress segment's top line and margins.

In the inkjet segment, the high-end Jeti wide format printer range performed solidly and continuous strong volume growth was recorded for the ink range.

Mainly due to adverse product and regional mix effects and high aluminum costs, Agfa Graphics' gross profit margin decreased from 29.1% of revenue in 2017 to 26.4%. Recurring EBITDA amounted to 40.3 million Euro (3.8% of revenue), versus 77.0 million Euro (6.4% of revenue) in 2017 and recurring EBIT reached 17.0 million Euro (1.6% of revenue), versus 52.8 million Euro (4.4% of revenue).

Agfa HealthCare – full year 2018

in million Euro	2017	2018	% change (excl. FX effects)
Revenue	1,052	1,004	-4.6% (-1.0%)
Recurring EBITDA (*)	131.1	118.1	-9.9%
% of revenue	12.5%	11.8%	
Recurring EBIT (*)	105.9	91.0	-14.0%
% of revenue	10.1%	9.1%	

(*) before restructuring and non-recurring items

On a currency comparable basis, Agfa HealthCare's revenue decline was limited to 1.0%. The Imaging segment's hardcopy business started to recover from the reorganization of the distribution channels in China, which is expected to start showing results in the next quarters. The Direct Radiography growth engine reported volume growth.

In the IT segment, the HealthCare Information Solutions business performed strongly, reporting close to double digit volume growth. The Imaging IT Solutions business performed according to expectations, with good performances in most major geographies and a slowdown in the USA. In the course of the year, the company accompanied its customer base in user adoption of its new Enterprise Imaging platform, the equivalent of the EMR for image information. In addition, the company refocused its business on core geographies and it adapted to an increasing degree of customer managed and purchased infrastructure.

Mainly due to adverse product/mix effects in the Imaging segment, Agfa HealthCare's gross profit margin evolved from 39.8% of revenue in 2017 to 39.3%. Recurring EBITDA decreased from 131.1 million Euro (12.5% of revenue) in 2017 to 118.1 million Euro (11.8% of revenue). Recurring EBIT reached 91.0 million Euro (9.1% of revenue), versus 105.9 million Euro (10.1% of revenue) in the previous year.

Agfa Specialty Products – full year 2018

in million Euro	2017	2018	% change (excl. FX effects)
Revenue	195	194	-0.7% (0.2%)
Recurring EBITDA (*)	18.0	23.2	29.5%
% of revenue	9.2%	12.0%	
Recurring EBIT (*)	14.7	19.3	31.3%
% of revenue	7.5%	10.0%	

(*) before restructuring and non-recurring items

Excluding currency effects, Agfa Specialty Products posted a small top line increase. Most future-oriented businesses, including Synaps Synthetic Paper and the Specialty Chemicals business (including Orgacon Electronic Materials) performed well.

The business group's recurring EBITDA reached 23.2 million Euro (12.0% of revenue). Recurring EBIT amounted to 19.3 million Euro (10.0% of revenue).

Fourth quarter results

Agfa-Gevaert Group – fourth quarter 2018

in million Euro	Q4 2017	Q4 2018	% change (excl. FX effects)
Revenue	640	600	-6.3% (-5.5%)
Gross profit (*)	214	192	-9.8%
% of revenue	33.4%	32.1%	
Recurring EBITDA (*)	70	58	-16.5%
% of revenue	10.9%	9.7%	
Recurring EBIT (*)	56	44	-22.5%
% of revenue	8.8%	7.3%	
Result from operating activities	39	6	
Result for the period	(4)	(23)	
Net cash from (used in) operating activities	25	(25)	

(*) before restructuring and non-recurring items

Excluding portfolio rationalizations and currency effects, the Agfa-Gevaert Group's revenue decline amounted to 3.4%, which is markedly better than in the previous quarter. Top line growth was recorded for several of the Group's growth engines, including Agfa HealthCare's HealthCare Information Solutions and Direct Radiography systems, as well as several activities of Agfa Specialty Products.

Driven by adverse product/mix effects and high aluminum costs, the Group's gross profit margin decreased to 32.1% of revenue.

Recurring EBITDA reached 9.7% of revenue, versus 10.9% in the fourth quarter of 2017. This is a clear improvement versus the previous quarters of the year. Recurring EBIT reached 7.3% of revenue.

Partly due to investments related to the transformation of the Company and to costs related to the closure of the printing plate factory in Branchburg (USA), restructuring and non-recurring items resulted in an expense of 37 million Euro, versus an expense of 17 million Euro in the previous year.

The net finance costs decreased from 11 million Euro in the fourth quarter of 2017 to 8 million Euro.

Income tax amounted to 21 million Euro, versus 31 million Euro in the fourth quarter of 2017.

As a result of the elements mentioned above, the Agfa-Gevaert Group posted a net loss of 23 million Euro.

Agfa Graphics – fourth quarter 2018

in million Euro	Q4 2017	Q4 2018	% change (excl. FX effects)
Revenue	302	271	-10.0% (-10.9%)
Recurring EBITDA (*)	20.0	11.2	-43.9%
% of revenue	6.6%	4.1%	
Recurring EBIT (*)	14.1	5.5	-61.0%
% of revenue	4.7%	2.0%	

(*) before restructuring and non-recurring items

Excluding the effects of the decision to discontinue certain prepress-related reseller activities in the United States, Agfa Graphics' top line decreased by 5.4%.
The prepress segment continued to suffer from the elements mentioned above. The strategic steps taken to drive the consolidation of the offset industry are expected to become visible in the top line and bottom line in the course of 2019.
In the inkjet segment, the ink range continued to report solid volume growth.

Mainly due to adverse product and regional mix effects and high aluminum costs, Agfa Graphics' gross profit margin decreased from 28.3% of revenue in the fourth quarter of 2017 to 25.9%. Recurring EBITDA amounted to 11.2 million Euro (4.1% of revenue), versus 20.0 million Euro (6.6% of revenue) in the fourth quarter of 2017 and recurring EBIT reached 5.5 million Euro (2.0% of revenue), versus 14.1 million Euro (4.7% of revenue).

As part of its strategic plan to optimize its global production capacity and supply chain for printing plates, Agfa Graphics decided to close its offset printing plate factory in Branchburg, New Jersey, USA.

In the field of prepress, the Brazilian Association of Graphic Technology (ABTG) named Agfa Graphics the 'Best Printing Plates Supplier' during the Fernando Pini Awards ceremony. The ABTG's award is generally recognized as one of the most important awards in the global printing industry.
Furthermore, a 5-year contract for chemistry-free printing plates and associated products was signed with News Corp Australia, Australia's number one media company and part of the world's largest media and information service. In the UK, Agfa Graphics won the printing plate tender for St Clements Press (1988) ltd., part of the Financial Times. Other major prepress contracts were signed with, among

other companies: Conquest and RPI Printing (both in the USA); Independent News & Media (Ireland); Newsprinters and Interpress (both in the UK); Maury and MMP Premium (both in France); KLS Pure Print (Denmark).

In the field of inkjet, Agfa Graphics was named a Preferred Partner by SpeedPro Imaging, an important US printing and graphics franchise. Many SpeedPro Studios have purchased inkjet equipment from Agfa Graphics over the years and are taking advantage of the partnership.
In October, Agfa Graphics' Jeti Tauro H3300 LED inkjet printing system made its North American debut at the SGIA Expo. TC Transcontinental, Canada's largest printer, was the first in North America to adopt the Jeti Tauro H3300 LED printer, followed by Sandy Alexander, one of the largest privately owned graphic communications companies in the USA. In Japan, Artlink - the largest inkjet printing company in the Hokkaido area - decided to install a Jeti Mira printing system. Furthermore, the Jeti Tauro H3300 LED system took home gold at the 2018 Canadian Printing Awards in the wide format category. The Canadian Printing Awards celebrate the creativity and innovation of Canada's printing industry.

Agfa HealthCare – fourth quarter 2018

in million Euro	Q4 2017	Q4 2018	% change (excl. FX effects)
Revenue	291	280	-3.7% (-1.0%)
Recurring EBITDA (*)	47.0	40.9	-13.0%
% of revenue	16.1%	14.6%	
Recurring EBIT (*)	40.5	33.3	-17.9%
% of revenue	13.9%	11.9%	

(*) before restructuring and non-recurring items

Excluding currency effects, Agfa HealthCare's revenue decreased by only 1.0% compared to the strong fourth quarter of 2017. Volumes in the Imaging segment's hardcopy business started to pick up again. The Direct Radiography business posted strong double-digit revenue growth.
The IT segment performed according to expectations with continuously strong top line growth for the HealthCare Information Solutions range.

Agfa HealthCare's gross profit margin evolved from 40.4% of revenue in the fourth quarter of 2017 to 39.4%. Recurring EBITDA decreased from 47.0 million Euro (16.1% of revenue) in the fourth quarter of 2017 to 40.9 million Euro (14.6% of revenue). Recurring EBIT reached 33.3 million Euro (11.9% of revenue), versus 40.5 million Euro (13.9% of revenue) in the previous year.

In the field of Imaging, Agfa HealthCare signed an agreement with China Meheco Corporation, a leading distributor and producer of pharmaceuticals in China. The contract covers the distribution of Agfa HealthCare's DRYSTAR film and equipment to hospitals and other healthcare centers in several provinces of China.

In the USA, Agfa HealthCare was awarded a group purchasing agreement with Premier, allowing Premier members to take advantage of pre-negotiated prices and terms for Agfa HealthCare's line of Direct Radiography (DR) systems. Furthermore, Florida Hospital (part of the Advent Health system) will install Agfa HealthCare's DR800 system at three facilities.

In the field of Imaging IT Solutions, GenesisCare rolls out Enterprise Imaging for Cardiology to all of its cardiology clinics across Australia, following a successful pilot. GenesisCare is the largest private provider of cardiology services in Australia, offering those services to more than 80 locations across the country.
In November, Agfa HealthCare announced the successful go-live of the latest version of Enterprise Imaging in Zuckerberg San Francisco General Hospital and Trauma Center. The solution consolidates imaging data into one single platform and provides secure access to a patient's medical images 'anywhere, anytime'.
The Amsterdam UMC – site Academic Medical Center (AMC) (the Netherlands) decided to implement Enterprise Imaging for its radiology and enterprise-wide image management. The merging of the enterprise-wide imaging environment into Agfa HealthCare's Enterprise Imaging brings images from throughout the enterprise into a single, unified environment, giving clinicians fast access to images.

At RSNA 2018, Agfa HealthCare demonstrated developments in progress to its purpose-built Enterprise Imaging platform, previewing how it will serve as the foundation to enable machine learning and evidence-based AI.

Agfa Specialty Products – fourth quarter 2018

in million Euro	Q4 2017	Q4 2018	% change (excl. FX effects)
Revenue	47	48	0.9% (0.5%)
Recurring EBITDA (*)	3.5	6.2	77.9%
% of revenue	7.3%	13.0%	
Recurring EBIT (*)	2.7	5.2	92.5%
% of revenue	5.7%	10.9%	

(*) before restructuring and non-recurring items

Agfa Specialty Products' top line increased by 0.9% to 48 million Euro, with good performances of the Specialty Chemicals business (including Orgacon Electronic Materials) and the Industrial Foils business.

The business group's recurring EBITDA increased to 6.2 million Euro (13.0% of revenue). Recurring EBIT reached 5.2 million Euro (10.9% of revenue).

End of message

Management Certification of Financial Statements and Quarterly Report

This statement is made in order to comply with new European transparency regulation enforced by the Belgian Royal Decree of 14 November 2007 and in effect as of 2008.
"The Board of Directors and the Executive Committee of Agfa-Gevaert NV, represented by Mr. Julien De Wilde, Chairman of the Board of Directors, Mr. Christian Reinaudo, President and CEO, and Mr. Dirk De Man, CFO, jointly certify that, to the best of their knowledge, the consolidated financial statements included in the report and based on the relevant accounting standards, fairly present in all material respects the financial condition and results of Agfa-Gevaert NV, including its consolidated subsidiaries. Based on our knowledge, the report includes all information that is required to be included in such document and does not omit to state all necessary material facts."

Statement of risk

This statement is made in order to comply with new European transparency regulation enforced by the Belgian Royal Decree of 14 November 2007 and in effect as of 2008.
"As with any company, Agfa is continually confronted with – but not exclusively - a number of market and competition risks or more specific risks related to the cost of raw materials, product liability, environmental matters, proprietary technology or litigation."
Key risk management data is provided in the annual report available on www.agfa.com.

Confirmation Information - press release Agfa-Gevaert NV

The statutory auditor, KPMG Bedrijfsrevisoren – Réviseurs d'Entreprises, represented by H. Van Donink, has confirmed that the audit procedures, which have been substantially completed, have not revealed any material misstatement in the accounting information included in the Company's annual announcement.

Berchem, March 13, 2019

KPMG Bedrijfsrevisoren / Réviseurs d'Entreprises
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The full press release and financial information is also available on the company's website: www.agfa.com

Consolidated Statement of Profit or Loss (in million Euro)

Consolidated figures following IFRS accounting policies.

	FY 2017 Restated	FY 2018	Q4 2017 Restated	Q4 2018 Unaudited
Revenue	**2,443**	**2,247**	**640**	**600**
Cost of sales	(1,629)	(1,533)	(427)	(415)
Gross profit	**814**	**713**	**213**	**185**
Selling expenses	(336)	(321)	(81)	(81)
Administrative expenses	(169)	(172)	(43)	(44)
R&D expenses	(144)	(141)	(35)	(36)
Net impairment loss on trade and other receivables, including contract assets	(2)	(5)	(1)	(2)
Other operating income	68	56	19	11
Other operating expenses	(93)	(73)	(33)	(27)
Results from operating activities	**138**	**59**	**39**	**6**
Interest income	1	2	-	-
Interest expense	(8)	(10)	(2)	(3)
Interest income (expense) - net	**(7)**	**(8)**	**(2)**	**(3)**
Other finance income	10	5	1	3
Other finance expense	(42)	(36)	(10)	(8)
Other finance income (expense) - net	**(32)**	**(31)**	**(9)**	**(6)**
Net finance costs	**(39)**	**(39)**	**(11)**	**(8)**
Share of profit of associates, net of tax	(1)	(1)	(1)	-
Profit (loss) before income taxes	**98**	**19**	**27**	**(2)**
Income taxes	(53)	(34)	(31)	(21)
Profit (loss) for the period	**45**	**(15)**	**(4)**	**(23)**
Profit (loss) attributable to:				
Owners of the Company	37	(24)	(7)	(28)
Non-controlling interests	8	9	3	5
Results from operating activities	138	59	39	6
Restructuring and non-recurring items	(31)	(66)	(17)	(37)
Recurring EBIT	169	125	56	44
Earnings per share (Euro)	0.22	(0.14)	(0.04)	(0.16)

During 2018, the Group has consistently applied its accounting policies used in previous years, except for the presentation of the statement of profit or loss and comprehensive income that has changed resulting from the application of the new IFRS standard IFRS 9 'Financial Instruments'. According to this new standard the impairment losses on trade and other receivables are now shown on the face of the statement of profit or loss.

Consolidated Statements of Comprehensive Income for the year ending December 2017 / December 2018 (in million Euro)

Consolidated figures following IFRS accounting policies

	2017	2018
Profit / (loss) for the period	**45**	**(15)**
Other Comprehensive Income, net of tax		
Items that are or may be reclassified subsequently to profit or loss:		
Exchange differences:	**(43)**	**(1)**
Exchange differences on translation of foreign operations	(43)	(1)
Cash flow hedges:	**9**	**(22)**
Effective portion of changes in fair value of cash flow hedges	35	(18)
Changes in the fair value of cash flow hedges reclassified to profit or loss	(8)	(4)
Adjustments for amounts transferred to initial carrying amount of hedged items	(14)	(4)
Income taxes	(4)	4
Available-for-sale financial assets	**1**	**-**
Changes in the fair value of available-for-sale financial assets[1]	1	-
Items that will not be reclassified subsequently to profit and loss:	**53**	**24**
Equity investments at fair value through OCI – change in fair value[1]	-	(2)
Remeasurements of the net defined benefit liability	55	26
Income tax on remeasurements on the net defined benefit liability	(2)	-
Total other Comprehensive Income for the period, net of tax	**20**	**1**
Total Comprehensive Income for the period attributable to:	**65**	**(14)**
Owners of the Company	60	(23)
Non-controlling interests	5	9

[1] Following the introduction of the new IFRS standard IFRS 9 'Financial Instruments', the Group has adapted the presentation of the statement of comprehensive income. In this statement the change in fair value of equity instruments at fair value through OCI has shifted to 'items that will not be reclassified to profit or loss'.

Consolidated Statements of Comprehensive Income for the quarter ending December 2017 / December 2018 (in million Euro)

Consolidated figures following IFRS accounting policies

	Q4 2017	Q4 2018 Unaudited
Profit / (loss) for the period	**(4)**	**(23)**
Other Comprehensive Income, net of tax		
Items that are or may be reclassified subsequently to profit or loss:		
Exchange differences:	**(8)**	**-**
Exchange differences on translation of foreign operations	(8)	-
Cash flow hedges:	**5**	**(8)**
Effective portion of changes in fair value of cash flow hedges	14	(10)
Changes in the fair value of cash flow hedges reclassified to profit or loss	(4)	1
Adjustments for amounts transferred to initial carrying amount of hedged items	(4)	1
Income taxes	(1)	-
Available-for-sale financial assets	**1**	**-**
Changes in the fair value of available-for-sale financial assets[1]	1	-
Items that will not be reclassified subsequently to profit and loss:	**53**	**26**
Equity investments at fair value through OCI – change in fair value[1]	-	(1)
Remeasurements of the net defined benefit liability	55	26
Income tax on remeasurements on the net defined benefit liability	(2)	1
Total other Comprehensive Income for the period, net of tax	**51**	**18**
Total Comprehensive Income for the period attributable to:	**47**	**(5)**
Owners of the Company	45	(10)
Non-controlling interests	2	5

[1] Following the introduction of the new IFRS standard IFRS 9 'Financial Instruments', the Group has adapted the presentation of the statement of comprehensive income. In this statement the change in fair value of equity instruments at fair value through OCI has shifted to 'items that will not be reclassified to profit or loss'.

Consolidated Statement of Financial Position (in million Euro)

Consolidated figures following IFRS accounting policies.

	31/12/2017	01/01/2018 (1)	31/12/2018
Non-current assets	**985**	**985**	**1,019**
Intangible assets and Goodwill	**589**	**589**	**615**
Property, plant & equipment	**190**	**190**	**174**
Investments in associates	**5**	**5**	**4**
Other financial assets	**11**	**11**	**9**
Trade receivables	**14**	**14**	**16**
Receivables under finance leases	**55**	**55**	**62**
Other assets	**6**	**6**	**24**
Deferred tax assets	**115**	**115**	**114**
Current assets	**1,248**	**1,248**	**1,348**
Inventories	487	476	498
Trade receivables	503	419	420
Contract assets	-	105	105
Current income tax assets	63	63	71
Other tax receivables	23	23	25
Receivables under finance lease	30	30	30
Other receivables	14	14	14
Other current assets	44	34	34
Derivative financial instruments	16	16	1
Cash and cash equivalents	68	68	141
Non-current assets held for sale	-	-	10
TOTAL ASSETS	**2,233**	**2,233**	**2,367**

	31/12/2017	01/01/2018 [1]	31/12/2018
Total equity	**307**	**307**	**290**
Equity attributable to owners of the company	**275**	**275**	**252**
Share capital	187	187	187
Share premium	210	210	210
Retained earnings	878	878	854
Other reserves	(69)	(69)	(93)
Translation reserve	(8)	(8)	(9)
Post-employment benefits: remeasurements of the net defined benefit liability	(923)	(923)	(897)
Non-controlling interests	32	32	38
Non-current liabilities	**1,241**	**1,241**	**1,336**
Liabilities for post-employment and long-term termination benefit plans	1,149	1,149	1,066
Other employee benefits	13	13	13
Loans and borrowings	47	47	219
Provisions	5	5	9
Deferred tax liabilities	21	21	22
Trade payables	4	3	2
Contract liabilities	-	1	3
Other non-current liabilities	2	2	2
Current liabilities	**685**	**685**	**741**
Loans and borrowings	39	39	66
Provisions	66	49	52
Trade payables	220	220	217
Contract liabilities	-	145	163
Deferred revenue and advance payments received from customers	128	-	-
Current income tax liabilities	53	53	47
Other tax liabilities	34	34	27
Other payables	12	13	8
Employee benefits	128	128	134
Other current liabilities	3	2	13
Derivative financial instruments	2	2	13
TOTAL EQUITY AND LIABILITIES	**2,233**	**2,233**	**2,367**

1) During 2018, the Group has consistently applied its accounting policies used in previous years, except for the presentation of the balance sheet that has changed resulting from the application of the new IFRS-standard 15 'Revenue from Contracts with Customers'. The Group has adopted IFRS 15 using the cumulative effect method, with the effect of initially applying this standard recognized at the date of initial application, i.e. January 1, 2018. As a result, the Group will not apply the requirements of IFRS 15 to the comparative period presented.
The new standard has introduced the concept of contract assets and contract liabilities. At December 31, 2017 these assets and liabilities were included in other captions of the balance sheet. At January 1, 2018 recognized not billed revenue amounting to 84 million Euro, previously comprised in trade receivables, has been reclassified to contract assets. Reclassifications from inventory to contract assets amounted to 11 million Euro and mainly comprised work in progress. The reclassification from other assets to contract assets amounted to 10 million Euro and related to contracts with a third party that provides supporting services enabling the Group to deliver maintenance services to the customers.
On the liability side, contract liabilities at 1 January 2018 comprised 'Deferred revenue and advance payments received from customers' amounting to 128 million Euro, previously presented separately on the face of the balance sheet and bonuses and rebates related to goods and service purchased by customers during the period. The latter amounted to 17 million Euro and was previously presented as part of trade-related provisions.

Consolidated Statement of Cash Flows (in million Euro) Consolidated figures following IFRS accounting policies.

	FY 2017 Restated [1]	FY 2018	Q4 2017 Restated [1]	Q4 2018 Unaudited
Profit (loss) for the period	45	(15)	(4)	(23)
Income taxes	53	34	25	21
Share of (profit)/loss of associates, net of tax	1	1	1	-
Net finance costs	39	39	17	8
Operating result	**138**	**59**	**39**	**6**
Depreciation, amortization and impairment losses	**56**	**60**	**17**	**20**
Recycling of hedge reserve	(8)	(4)	(4)	1
Government grants and subsidies	(10)	(14)	(3)	(1)
(Gains)/losses on the sale of intangible assets and PP&E	1	(2)	2	2
Expenses for defined benefit plans & long-term termination benefits	30	38	8	16
Accrued expenses for personnel commitments	110	93	27	19
Write-downs/reversal of write-downs on inventories	16	23	6	12
Impairments/reversal of impairments on receivables	2	5	1	2
Additions/reversals of provisions	13	30	5	15
Exchange results and changes in fair value of derivatives	(2)	(2)	(1)	1
Other non-cash expenses	**153**	**168**	**42**	**67**
Change in inventories	(41)	(57)	32	26
Change in trade receivables	(39)	(8)	(33)	(24)
Change in contract assets	-	4	-	21
Change in trade working capital assets [2]	**(80)**	**(61)**	**(1)**	**23**
Change in trade payables	7	(4)	(3)	(25)
Change in deferred revenue and advance payments	(5)	-	(16)	-
Change in contract liabilities	-	25	-	(4)
Changes in trade working capital liabilities [2]	**2**	**21**	**(19)**	**(29)**
Changes in trade working capital	**(78)**	**(40)**	**(20)**	**(6)**
Cash out for employee benefits	(199)	(209)	(58)	(54)
Cash out for provisions	(19)	(25)	(8)	(7)
Changes in lease portfolio	-	(11)	(2)	(1)
Changes in other working capital	11	(29)	21	(34)
Cash settled operating derivatives	-	13	-	(3)
Cash generated from operating activities	**62**	**(14)**	**31**	**(11)**
Income taxes paid	(22)	(30)	(8)	(14)
Net cash from / (used in) operating activities	**40**	**(44)**	**23**	**(25)**
Capital expenditure	(46)	(40)	(17)	(9)
Proceeds from sale of intangible assets and PP&E	6	5	3	(2)
Acquisition of subsidiaries, net of cash acquired	(2)	(25)	-	(5)
Interests received	1	3	-	1
Dividends received	-	-	-	-
Net cash from / (used in) investing activities	**(41)**	**(57)**	**(14)**	**(16)**

	FY 2017 Restated (1)	FY 2018	Q4 2017 Restated (1)	Q4 2018 Unaudited
Interests paid	(9)	(15)	(2)	(5)
Dividends paid to non-controlling interests	(10)	(3)	-	-
Proceeds from borrowings	-	227	-	96
Repayment of borrowings	(23)	(34)	(9)	-
Changes in borrowings	(23)	193	(9)	96
Proceeds / (payment) of derivatives	-	(1)	-	1
Other financing income / (costs) incurred	-	(2)	-	-
Other financial flows	(13)	2	(4)	-
Net cash from/ used in financing activities	**(55)**	**175**	**(15)**	**92**
Net increase / (decrease) in cash & cash equivalents	**(56)**	**74**	**(6)**	**51**
Cash & cash equivalents at the start of the period	**127**	**67(3)**		
Net increase / (decrease) in cash & cash equivalents	(56)	74		
Effect of exchange rate fluctuations on cash held	(3)	(5)		
Cash & cash equivalents at the end of the period	**68**	**136(3)**		

1) During 2018, the Group has changed the presentation of the Consolidated statement of cash flows by separating following non-cash expenses: write-downs on inventories, impairment losses on receivables, additions and reversals of provisions and accrued expenses for personnel commitments and defined benefit plans and similar plans. These other non-cash expenses were previously reflected in 'Changes in Trade Working Capital' and 'Changes in Provisions'. By this new presentation, management believes to provide more relevant information to the users of the Consolidated Financial Statements. Therefore, the Group has restated the comparative period presented.
2) During 2018, the Group has consistently applied its accounting policies used in previous year, except for the presentation of the consolidated statement of financial position and the consolidated statement of cash flows that both have changed resulting from the application of the new IFRS-standard 15 'Revenue from Contracts with Customers'. The Group has adopted IFRS 15 using the cumulative effect method, with the effect of initially applying this standard recognized at the date of initial application, i.e. January 1, 2018. As a result, the Group will not apply the requirements of IFRS 15 to the comparative period presented. Due to the changes in IFRS15, the cashflows on the different line items of the Trade Working Capital are not comparable with 2017 as the cash from / (used in) contract assets and contract liabilities for 2017 were reflected in the line items 'Changes in inventories', 'Changes in trade receivables' and 'Changes in other working capital'. More information is provided in footnote (1) to the Consolidated statement of financial position.
3) Net of bank overdraft previously included in proceeds / repayments of borrowings (December 31, 2017: 1 million Euro / December 31, 2018: 5 million Euro).

Consolidated Statement of changes in Equity (in million Euro)

Consolidated figures following IFRS accounting policies.

	ATTRIBUTABLE TO OWNERS OF THE COMPANY										
in million Euro	Share capital	Share premium	Retained earnings	Reserve for own shares	Revaluation reserve	Hedging reserve	Remeasurements of the net defined benefit liability	Translation reserve	Total	NON-CONTROLLING INTERESTS	TOTAL EQUITY
Balance at January 1, 2017	**187**	**210**	**841**	**(82)**	**2**	**1**	**(976)**	**32**	**215**	**37**	**252**
Comprehensive income for the period											
Profit (loss) for the period	-	-	37	-	-	-	-	-	37	8	45
Other comprehensive income, net of tax	-	-	-	-	1	9	53	(40)	23	(3)	20
Total comprehensive income for the period	**-**	**-**	**37**	**-**	**1**	**9**	**53**	**(40)**	**60**	**5**	**65**
Transactions with owners, recorded directly in equity											
Dividends	-	-	-	-	-	-	-	-	-	(10)	(10)
Total transactions with owners, recorded directly in equity	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(10)**	**(10)**
Balance at December 31, 2017	**187**	**210**	**878**	**(82)**	**3**	**10**	**(923)**	**(8)**	**275**	**32**	**307**
Balance at January 1, 2018	**187**	**210**	**878**	**(82)**	**3**	**10**	**(923)**	**(8)**	**275**	**32**	**307**
Comprehensive income for the period											
Profit (loss) for the period	-	-	(24)	-	-	-	-	-	(24)	9	(15)
Other comprehensive income, net of tax	-	-	-	-	(2)	(22)	26	(1)	1	-	1
Total comprehensive income for the period	**-**	**-**	**(24)**	**-**	**(2)**	**(22)**	**26**	**(1)**	**(23)**	**9**	**(14)**
Transactions with owners, recorded directly in equity											
Dividends	-	-	-	-	-	-	-	-	-	(3)	(3)
Total transactions with owners, recorded directly in equity	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(3)**	**(3)**
Balance at December 31, 2018	**187**	**210**	**854**	**(82)**	**1**	**(12)**	**(897)**	**(9)**	**252**	**38**	**290**