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Press Release

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IBA to expand medical sterilization facilities in Wallonia and Eastern Europe : investment of EUR 10 million

The European-based Medical Sterilization Division of IBA (Griffith Micro Science), announces today that it will expand its medical sterilization facility in Petit Rechain (near Verviers) to meet increasing market demands.

"In 1999, we have been confronted with such substantial increases in product volumes that expansion is now a necessity," confirms Dirk Barrie, President of IBA Medical Sterilization Europe, based in Herentals, Belgium. *"The medical sterilization market is growing to such an extent that our existing capacity to meet customer needs in the year 2000 and beyond is clearly insufficient. Since an increasing number of multinational companies are using the Benelux countries as their European hub, we need to be ready to accommodate their volumes and provide them with one-stop shopping."*

The Petit Rechain facility, acquired by Griffith Micro Science from Boston Scientific in 1996, provides sterilization of medical disposables using Ethylene Oxide (EtO) technology. The new expansion will have initial capacity to treat an anticipated volume of 26000 pallets of medical products.

The new facility represents a total investment of EUR 4.6 million, additional investments will follow totalling EUR 800 000 in year 3 of the operation. Groundbreaking for the new facility is planned for mid-January 2000. The new extension represents an additional surface area of 3500 square meters. Over time, the new facility will create 20 additional job opportunities.

IBA Group management also announces that they have entered into final negotiations with authorities in the Czech Republic to start sterilization operations in Pilzen. All permits are expected to be granted by the beginning of February 2000. This would allow the IBA Medical Sterilization Division Europe to start up its first East European operation mid-2001.

"In the last 4 to 5 years, we have seen an increasing number of medical companies start up operations in Eastern Europe", says Dirk Barrie. *"This together with expanding local healthcare production has made us decide to invest in Pilzen. The Czech facility will sterilize medical devices produced in an area of about 500 km around Prague. The initial investment will amount to EUR 4.6 million with additional investments of EUR 900.000 following in year 5. In addition to taking on East European volumes, the Pilzen facility will cope with overflow from another IBA company in Frankfurt, Germany".*

Acquired by IBA in May 1999, Griffith Micro Science is leader in the sterilization of medical products using ethylene oxide (EtO) and has 8 sterilization plants in Europe. Three facilities are located in Belgium (Herentals, Fleurus and Petit Rechain), one in Holland, one in Germany, one in the UK and two in France. Griffith Micro Science has been operating in Europe for more than 25 years and together with SteriGenics, leader in sterilization using cobalt 60, it is part of the fully integrated Sterilization & Ionization Business of IBA offering to customers global solutions based on a trio of complementary technologies (EtO, cobalt 60, gamma and electron beams).

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Further information on IBA is available on the World Wide Web at the following address:
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