

EVS Broadcast Equipment

2Q 2016 results

August 25, 2016

Muriel DE LATHOUWER, Managing Director, CEO

Yvan ABSIL, SVP, CFO

Geoffroy d'OULTREMONT, VP Investor Relations and Corporate Communication

www.evs.com



FORWARD LOOKING INFORMATION

The statements made in this presentation that are not historical facts contain forward-looking information that involves risks and uncertainties. All statements, other than statements of historical fact, which address EVS Group's ("EVS", "the Group" or the "Company") expectations, should be considered as forward-looking statements. Such statements made by EVS are based on knowledge of the environment in which it currently operates, but because of factors beyond its control, actual results may differ materially from the expectations expressed in the forward-looking statements. Important factors that may cause actual results to differ from anticipated results include, but are not limited to, financing risk, acquisition risk, changes in technology, and other risks as outlined in the filings with securities regulators and can also be found at www.evs.com.

AGENDA

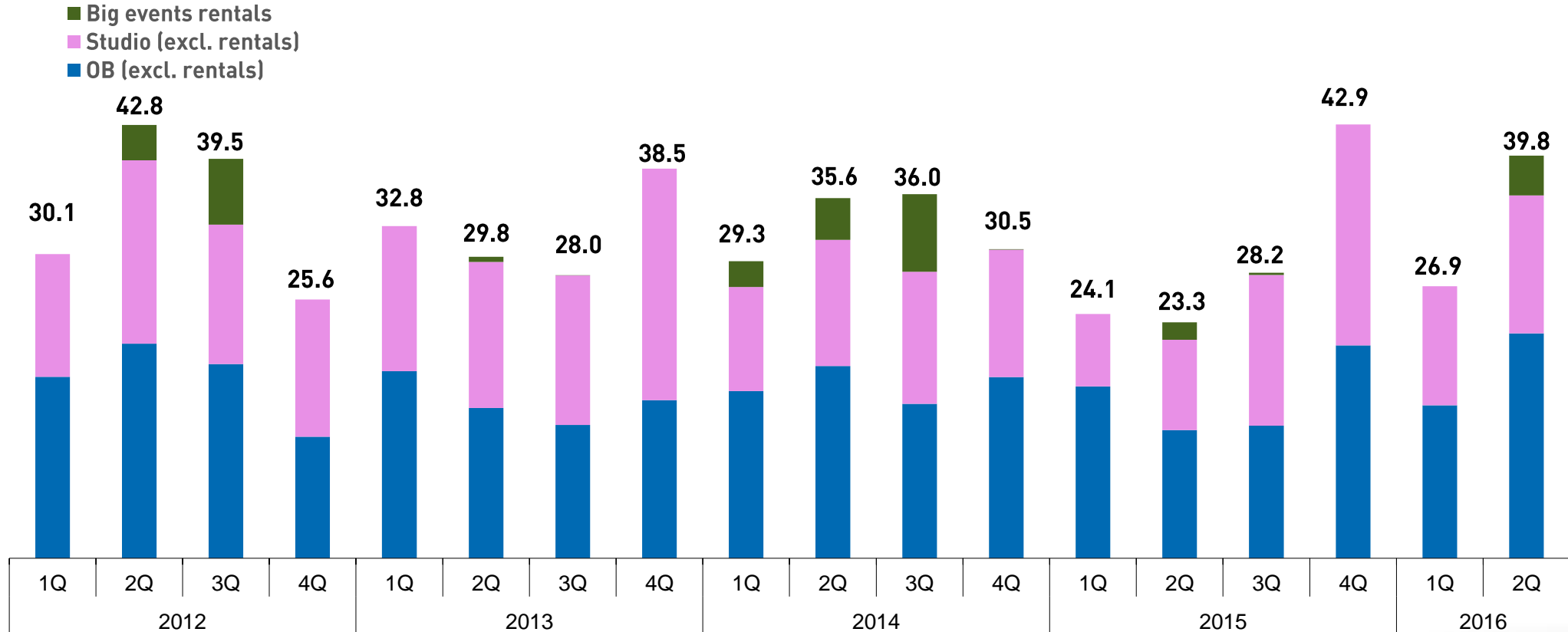
▶ 2Q 2016 review

▶ Outlook

▶ Annexes

Q2 REVENUE: EUR 39.8 million

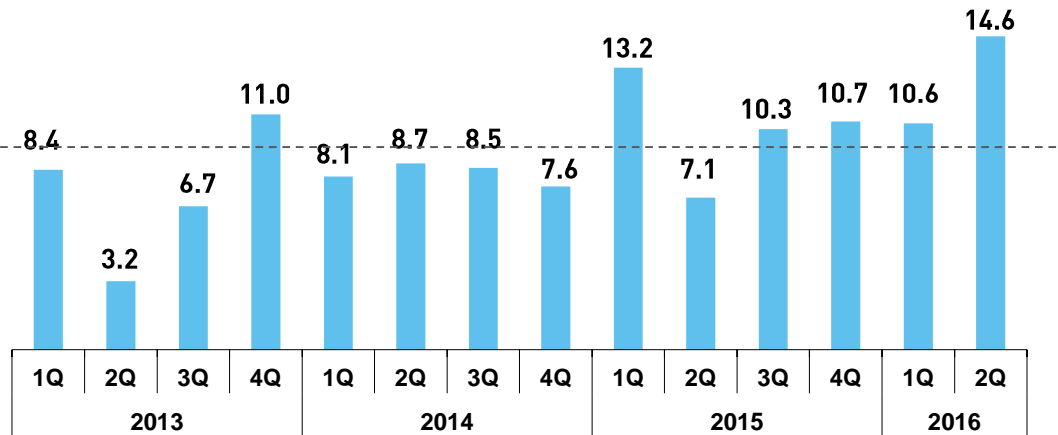
+67.6% compared to low 2Q15, at constant currency and excl. big event rentals



Q2 REVENUE: GEOGRAPHICAL SPLIT

Solid 2Q performance in all regions

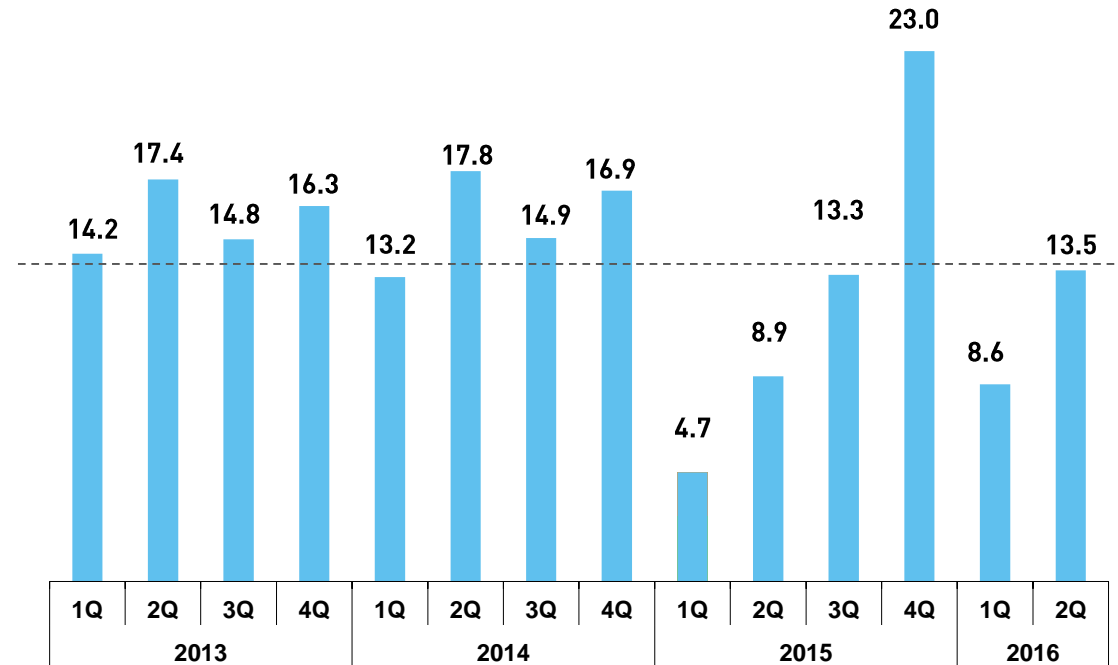
Americas (excl. events)



Revenue 2Q16: EUR 14.6 million

- +112.1% vs 2Q15 at cst currency, excl. big events

EMEA (excl. events)



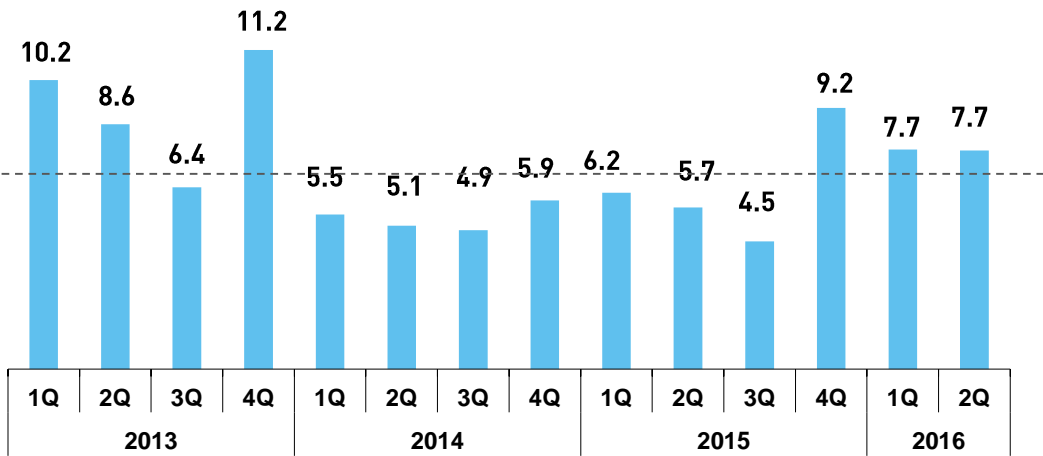
Revenue 2Q16: EUR 13.5 million

- +52.5% vs 2Q15 at cst currency, excl. big events



Q2 REVENUE: GEOGRAPHICAL SPLIT

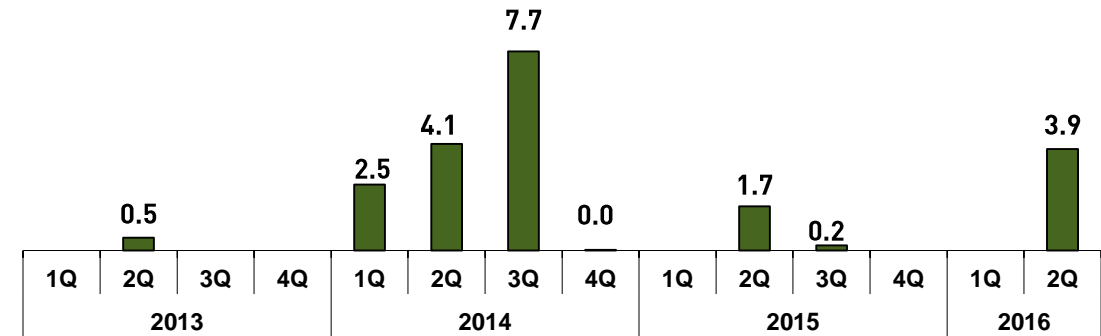
APAC (excl. Events)



Revenue 2Q16: EUR 7.7 million

- +35.9% vs 2Q15 at cst currency, excl. big events

Big event rentals



- Part of EURO football game recognized in Q2

2Q16

High profitability due to high sales and product mix

In millions of EUR	2Q16	2Q15
REVENUE	39.8	23.3
Cost of sales	(9.0)	(7.8)
Gross margin	30.7	15.5
Gross margin %	77.3%	66.7%
S&A	(7.4)	(7.1)
R&D	(5.4)	(6.2)
EBIT	17.4	1.9
EBIT MARGIN	43.7%	8.2%
Financial result	0.0	(1.0)
Taxes	(4.8)	(0.3)
NET PROFIT	12.6	0.7
BASICS EPS ¹⁾	0.93	0.05

- ▶ Gross margin:
 - + Higher sales
 - + Product mix

- ▶ Opex: -3.0% vs 2Q15
 - + Closing Chengdu in 2Q15
 - + Move to the new building in 2Q15
 - + R&D subsidies in 2Q16

- ▶ EBIT margin of 43.7%

- ▶ EPS : EUR 0.93

1) Basic EPS is computed on the adjusted number of shares, i.e. less own shares

1H16

Strong first half, compared to low 1H15

In millions of EUR	1H16	1H15
REVENUE	66.6	47.4
Cost of sales	(17.0)	(14.7)
Gross margin	49.7	32.8
Gross margin %	74.6%	69.1%
S&A	(13.9)	(12.9)
R&D	(11.3)	(12.1)
Other revenues	1.0	0.3
EBIT	24.9	7.4
EBIT MARGIN	37.4%	15.6%
Financial result	(0.8)	0.3
Taxes	(6.8)	(2.3)
NET PROFIT	17.5	5.5
BASICS EPS ¹⁾	1.29	0.41

▶ Gross margin:

- + Higher sales
- + Product mix

▶ Opex: +0.5% vs 1H15

- + Under control

▶ EBIT margin of 37.4%

- ▶ 35.8% excl. *Other revenues*

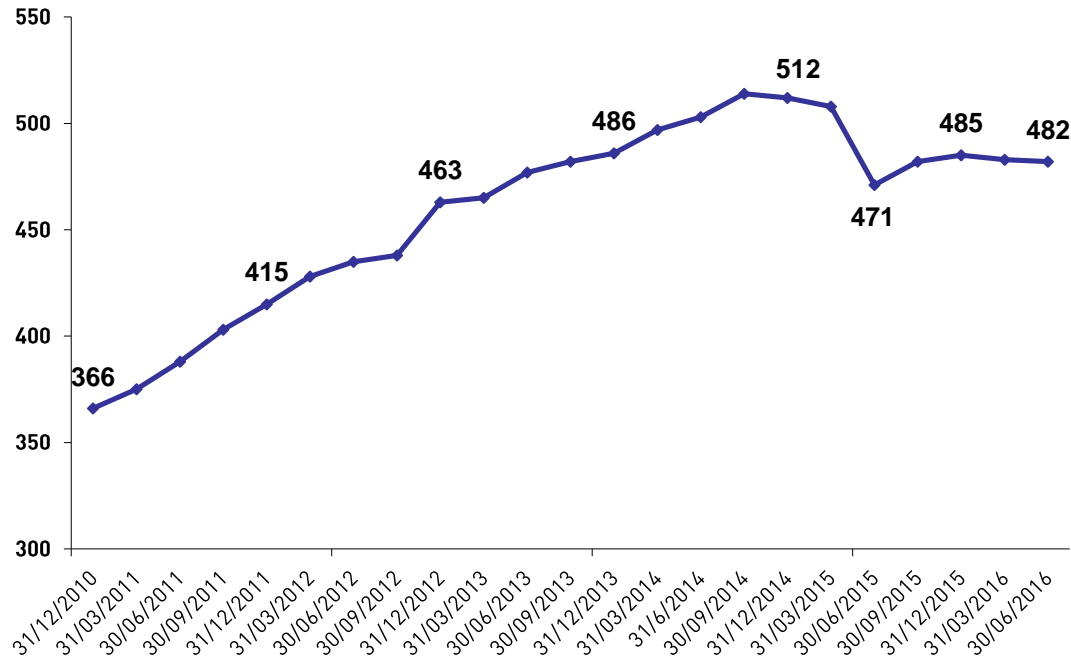
▶ EPS : EUR 1.29

1) Basic EPS is computed on the adjusted number of shares, i.e. less own shares

FTE EVOLUTION

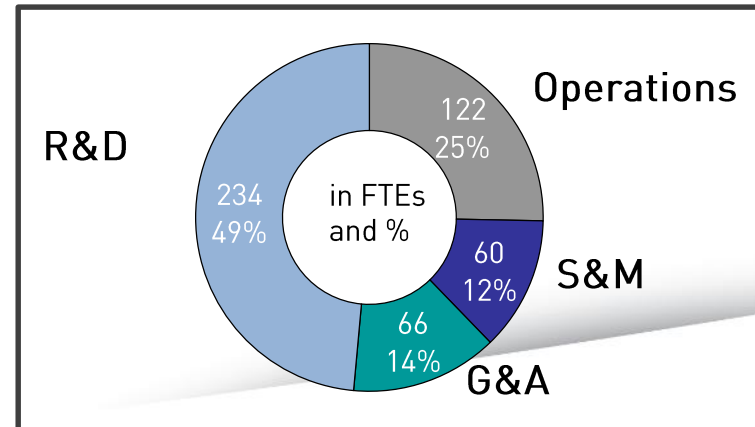
482 FTE at the end of June 2016

Headcount evolution (FTE)



- ▶ -3 FTE vs 31/12/2015
 - Strong discipline for new recruitments
- ▶ Average 481 FTE in 1H16 (-0.7% vs 1H15)
- ▶ 15-20 open positions

Headcount 6/2016 (FTE)



STRONG BALANCE SHEET

EUR 33.3 million cash

In millions of EUR	June 2016	Dec. 2015
ASSETS		
Goodwill and intangibles	1.6	1.5
Lands and buildings	47.8	48.1
Investments at equity	1.0	0.9
Inventories	16.3	15.6
Receivables	34.4	36.3
Cash	33.3	22.6
Assets held for sale	4.0	5.1
Other assets	9.6	8.4
Total assets	148.0	138.5
EQUITY AND LIABILITIES		
Total equity	89.3	78.2
Non-current liabilities	21.6	23.6
Short term portion of financial debt	5.0	5.2
Trade payables	4.6	5.0
Other current liabilities	27.5	26.5
Total equity and liabilities	148.0	138.5

- ▶ Investments in the new HQ reflected in:
 - EUR 47.8 million in Lands and Buildings
 - LT financial liabilities of EUR 17.3 million
 - Assets held for sale of EUR 4.0 million

- ▶ Inventories higher due to big events

- ▶ Healthy cash level: EUR 33.3 million

AGENDA

- ▶ 2Q 2016 review

- ▶ Outlook

- ▶ Annexes

OUTLOOK – ORDER BOOK AT AUGUST 24, 2016: EUR 41.4 MILLION

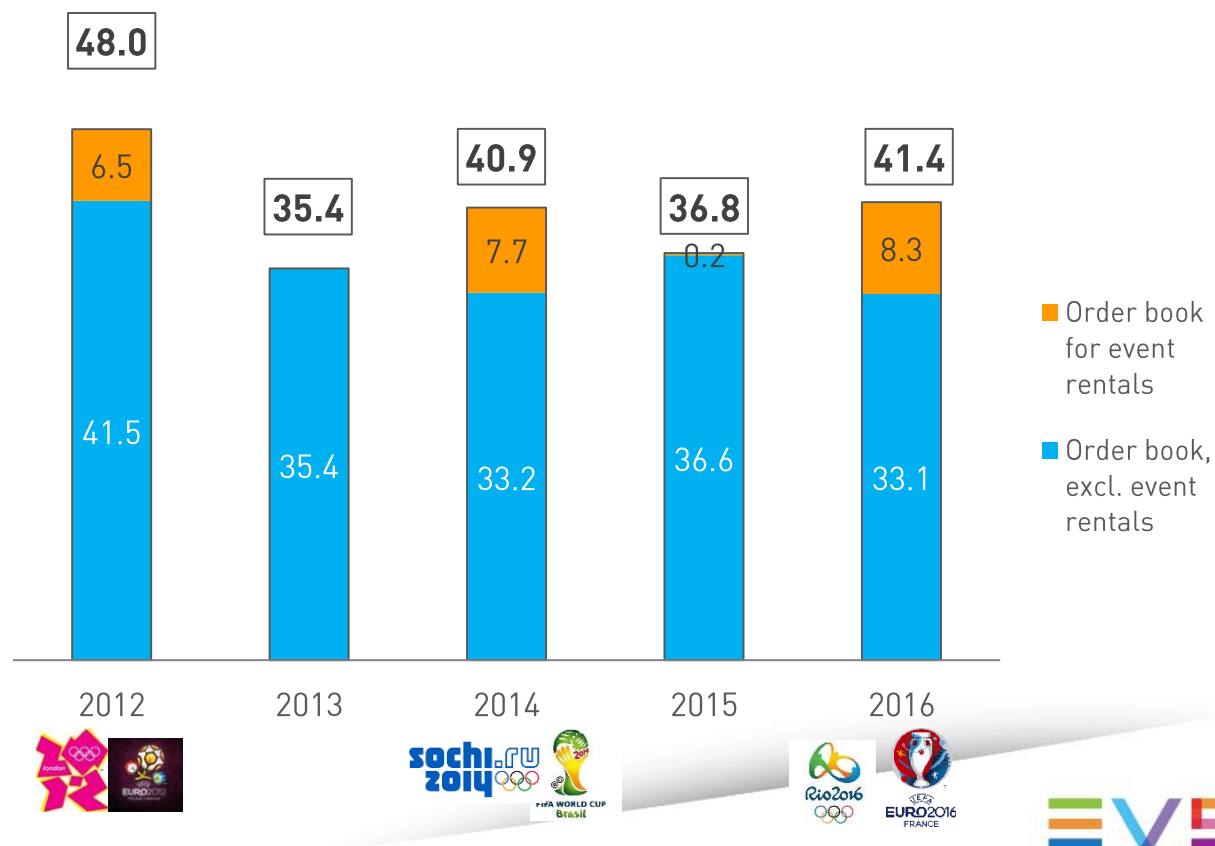
+ 1.2% compared to last even year

- ▶ +12.5% vs last year (-9.6% excl. big event rentals)

- ▶ 80-85% of EUR 41.4 million order book to be invoiced on 3Q16

- ▶ Includes EUR 8.3 million rentals for big events, and the 2016 portion of the NEP contract

- ▶ For 2017 and beyond: EUR 16.9 million
 - Include 2017-2018 portion of NEP contract



OUTLOOK

2016 guidance

- ▶ 2016 revenue is likely to be in the EUR 128-138 million range (incl. around EUR 12 million of big event rentals)
- ▶ Opex is expected to be stable or slightly higher vs 2015
 - Continued disciplined opex management
 - Limited currency effect
 - Q2-Q3 opex seasonally higher due to the timing of major trade show spending

AGENDA

- ▶ 2Q 2016 review

- ▶ Outlook

- ▶ Annexes

CORPORATE CALENDAR

- ▶ Thursday August 25, 2016: 2Q16 results
- ▶ September 9-13, 2016: IBC Amsterdam
- ▶ Thursday November 10, 2016: 3Q16 results

CONTACT

Geoffroy d'Oultremont

VP Investor Relations & Corporate Communications

[Corpcom \[a\] evs.com](mailto:Corpcom [a] evs.com)

Tel: +32 4 361 70 14