

EVS Broadcast Equipment

1Q 2016 results

May 17, 2016

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www.evs.com



FORWARD LOOKING INFORMATION

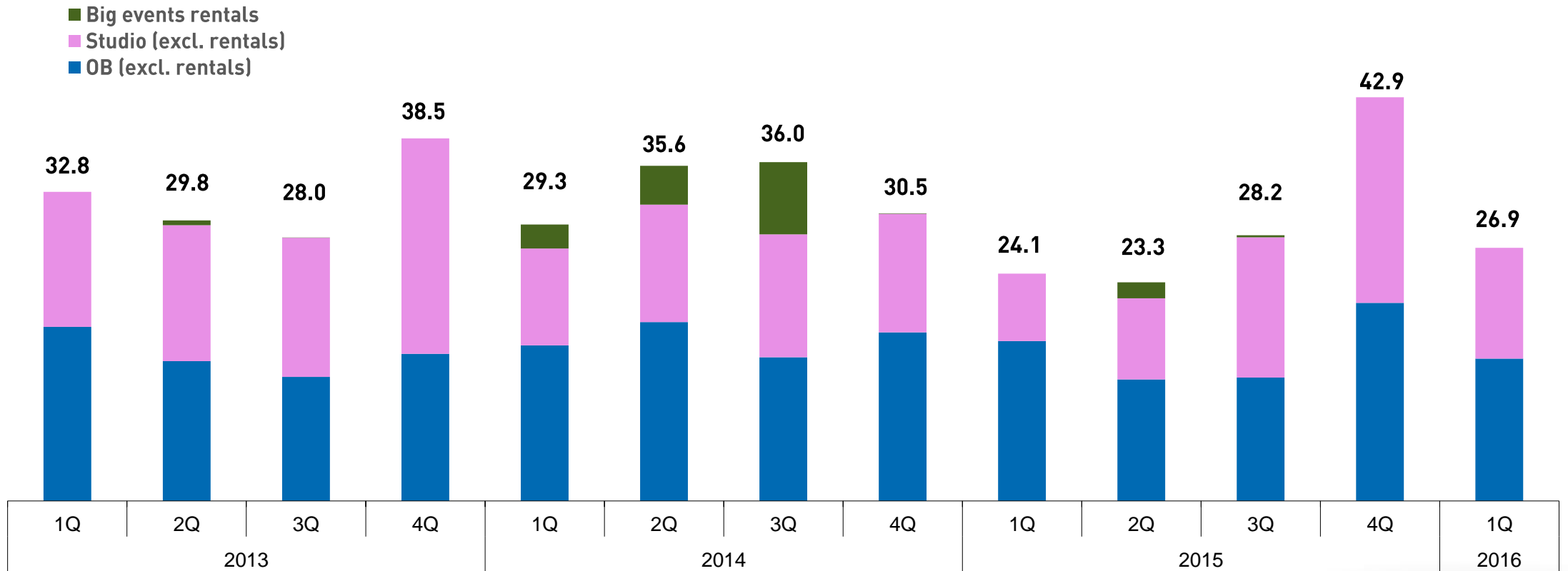
The statements made in this presentation that are not historical facts contain forward-looking information that involves risks and uncertainties. All statements, other than statements of historical fact, which address EVS Group's ("EVS", "the Group" or the "Company") expectations, should be considered 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

- ▶ 1Q 2016 review
- ▶ Business update
- ▶ Outlook
- ▶ Annexes

Q1 REVENUE: EUR 26.9 million

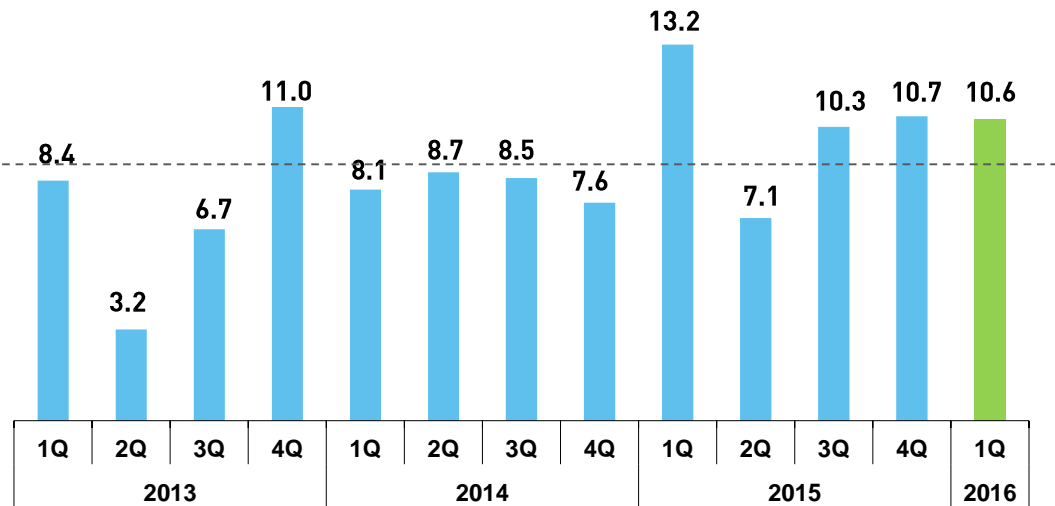
+11.4% compared to 1Q15



Q1 REVENUE: GEOGRAPHICAL SPLIT

Strong NALA ...

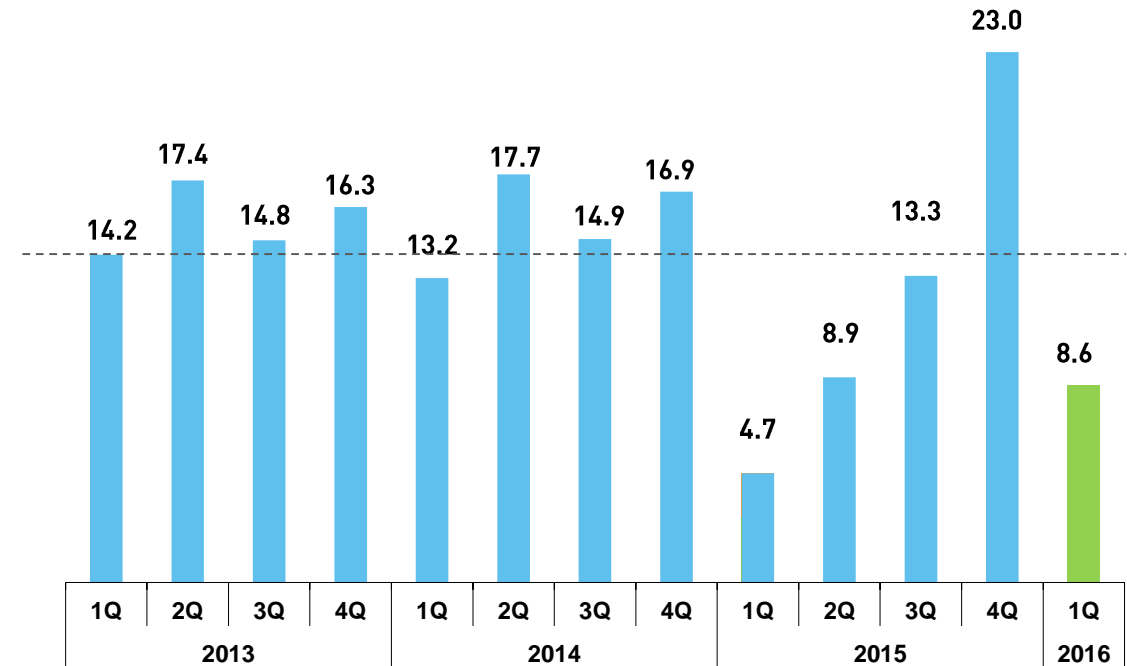
Americas (excl. events)



Revenue 1Q16: EUR 10.6 million

- 21.5% vs 1Q15 at cst currency, excl. big events

EMEA (excl. events)



Revenue 1Q16: EUR 8.6 million

- +80.9% vs 1Q15 at cst currency, excl. big events

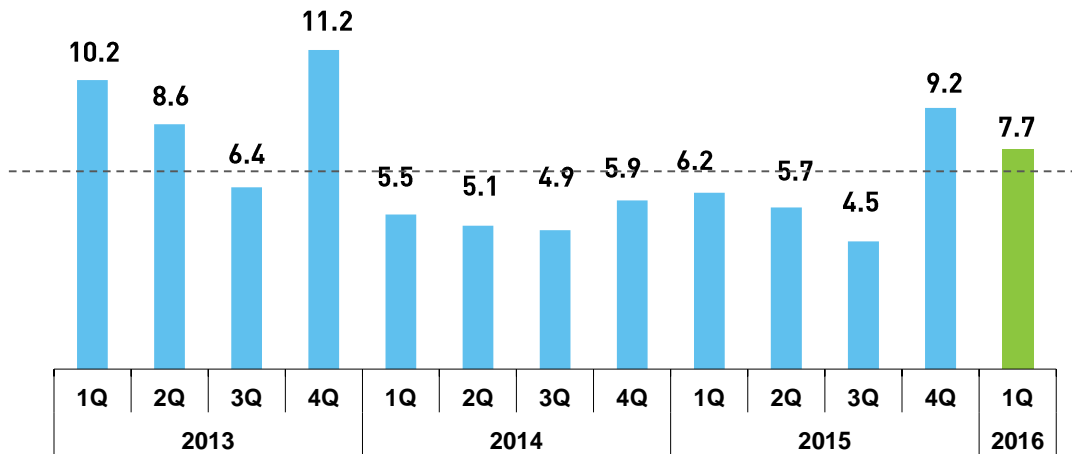
Note: the dashed line is the average since 2013



Q1 REVENUE: GEOGRAPHICAL SPLIT

... and strong APAC

APAC (excl. Events)

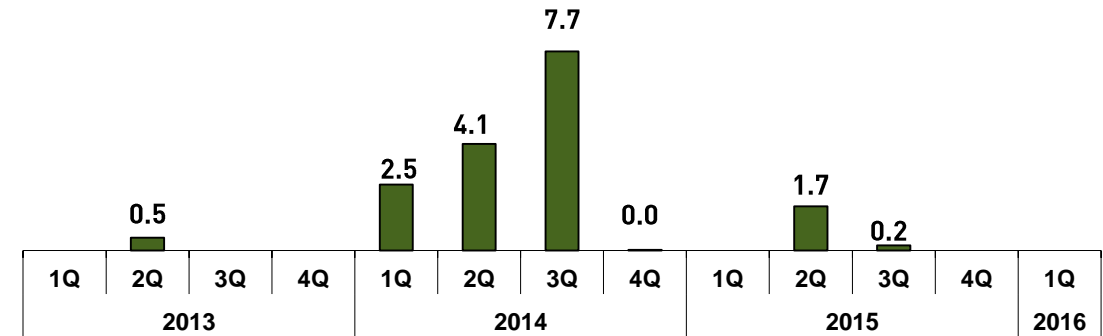


Revenue 1Q16: EUR 7.7 million

- +24.5% vs 1Q15 at cst currency, excl. big events

Note: the dashed line is the average since 2013

Big event rentals



No big events in 1Q16

1Q16

In line with management expectations

In millions of EUR	1Q16	1Q15
REVENUE	26.9	24.1
Cost of sales	(7.9)	(6.9)
Gross margin	18.9	17.2
Gross margin %	70.5%	71.4%
S&A	(6.4)	(5.8)
R&D	(5.8)	(6.0)
Other revenues	1.0	0.1
EBIT	7.6	5.5
EBIT MARGIN	28.1%	22.7%
Financial result	(0.8)	1.2
Taxes	(1.9)	(2.0)
NET PROFIT	4.9	4.8
BASICS EPS ¹⁾	0.36	0.36

▶ Gross margin:

- + Higher sales
- New building
- Product mix

▶ Opex: +4.5% vs 1Q15

- New building
- Changes in provisions on accounts receivables

▶ EBIT margin of 28.1%

- ▶ 24.3% excl. *Other revenues*

▶ Strong variation in net financial result due to exchange results relating to IFRS consolidation methodology

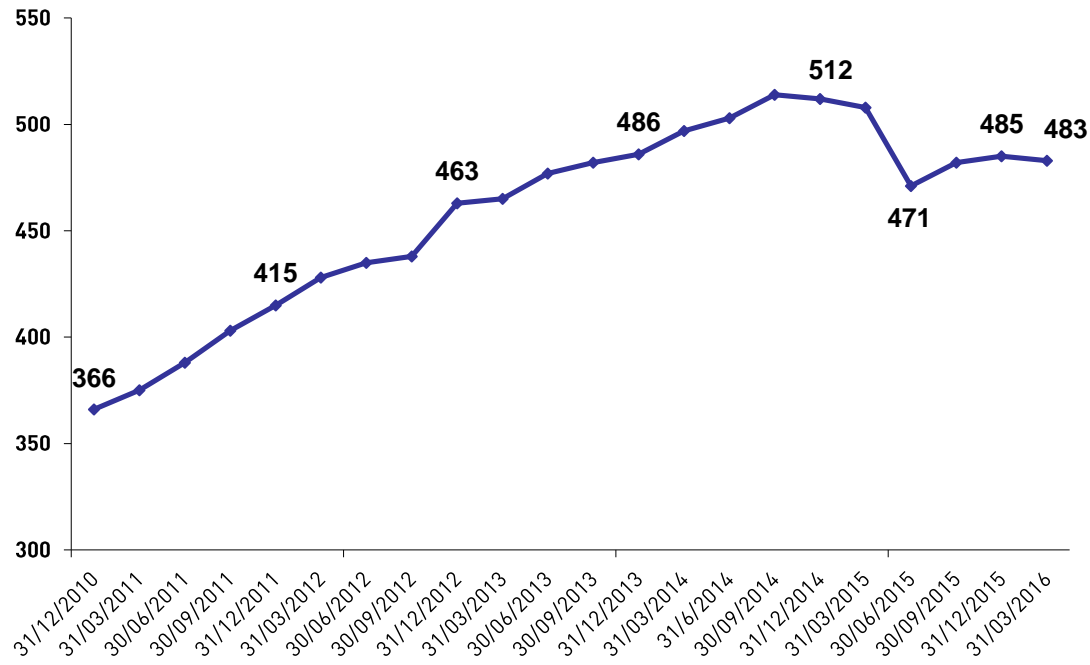
▶ EPS : EUR 0.36

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

STABLE FTE

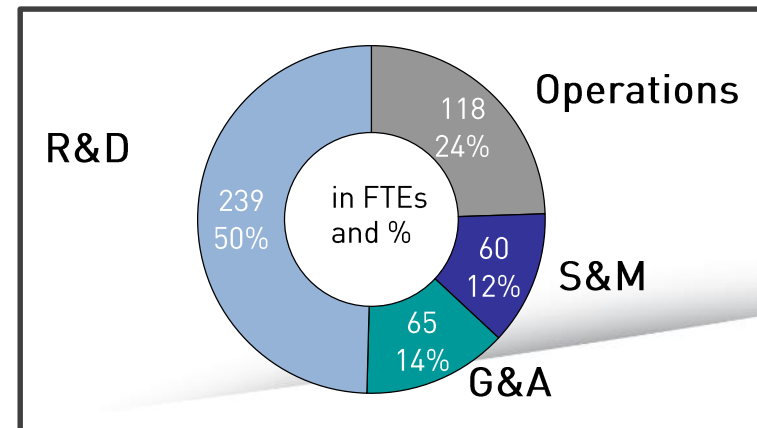
483 FTE at the end of March 2016

Headcount evolution (FTE)



- ▶ -2 FTE vs 31/12/2015
 - Strong discipline for new recruitments
- ▶ Average 480 FTE in 1Q16 (-6.2% vs 1Q15)
- ▶ 20+ open positions as of March 31st

Headcount 3/2016 (FTE)



STRONG BALANCE SHEET

EUR 29.2 million cash

In millions of EUR	March 2016	Dec. 2015
ASSETS		
Goodwill and intangibles	1.5	1.5
Lands and buildings	47.8	48.1
Investments at equity	0.9	0.9
Inventories	17.4	15.6
Receivables	31.0	36.3
Cash	29.2	22.6
Assets held for sale	4.0	5.1
Other assets	8.6	8.6
Total assets	140.4	138.5
EQUITY AND LIABILITIES		
Total equity	82.6	78.2
Non-current liabilities	21.2	23.6
Short term portion of financial debt	6.2	5.2
Trade payables	5.5	5.0
Other current liabilities	24.9	26.5
Total equity and liabilities	140.4	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 29.2 million

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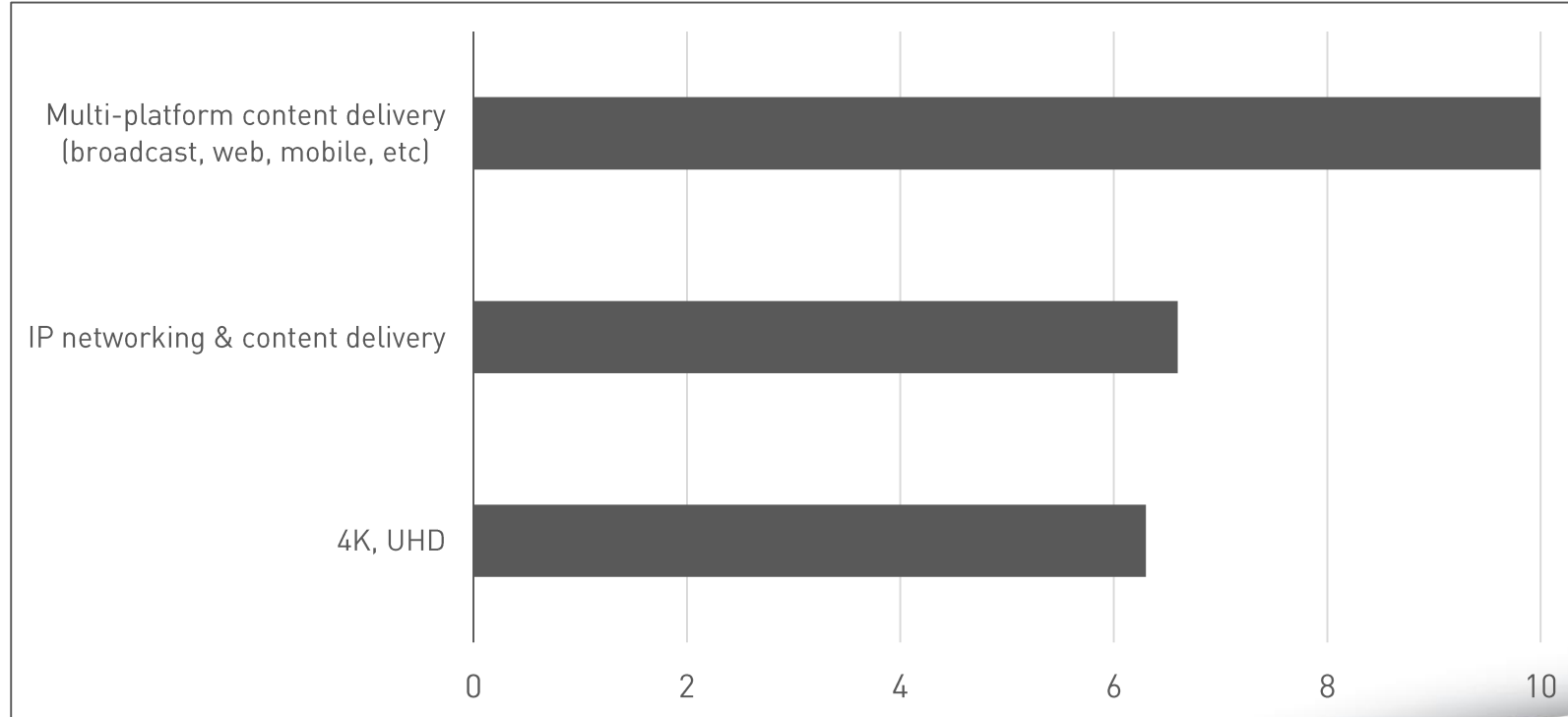
- ▶ Annexes

NAB FEEDBACK

The key drivers for the industry are 4K, IP and multi-platform delivery

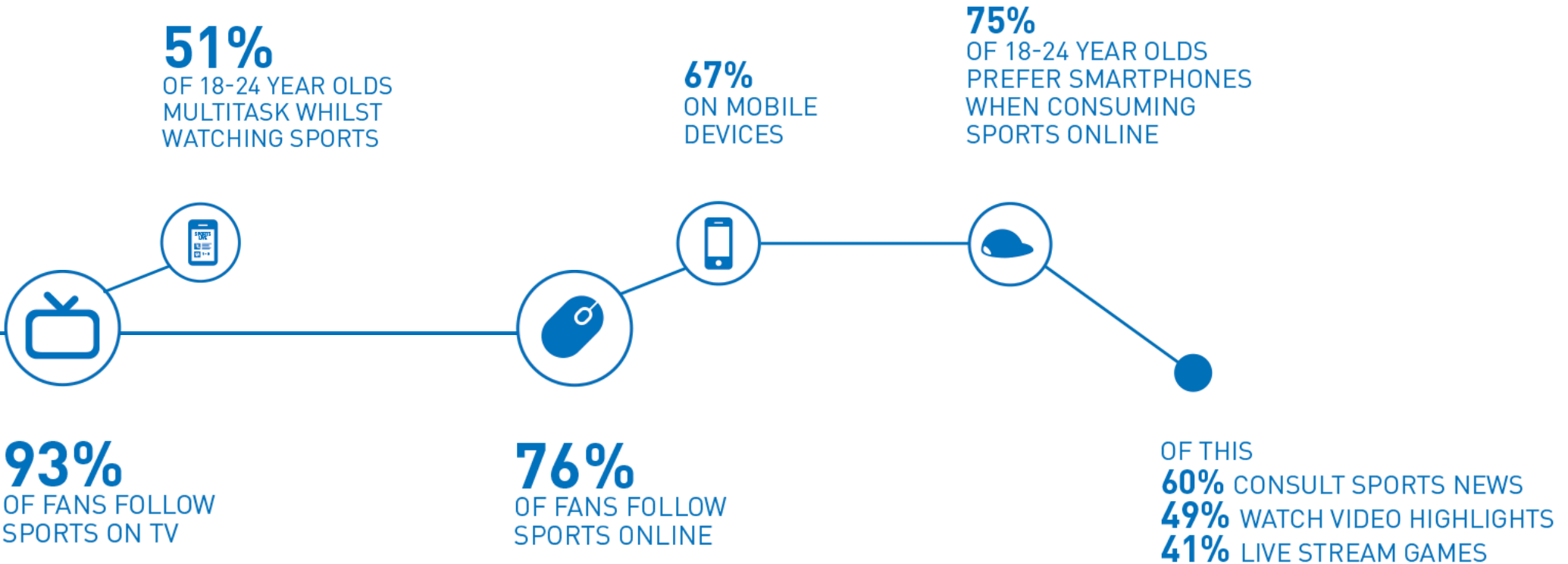
2016 Big Broadcast Survey Global Trend Index

(commercial importance to end-users business over next 2-3 years)



MULTIMEDIA DELIVERY

76% of fans follow sports online

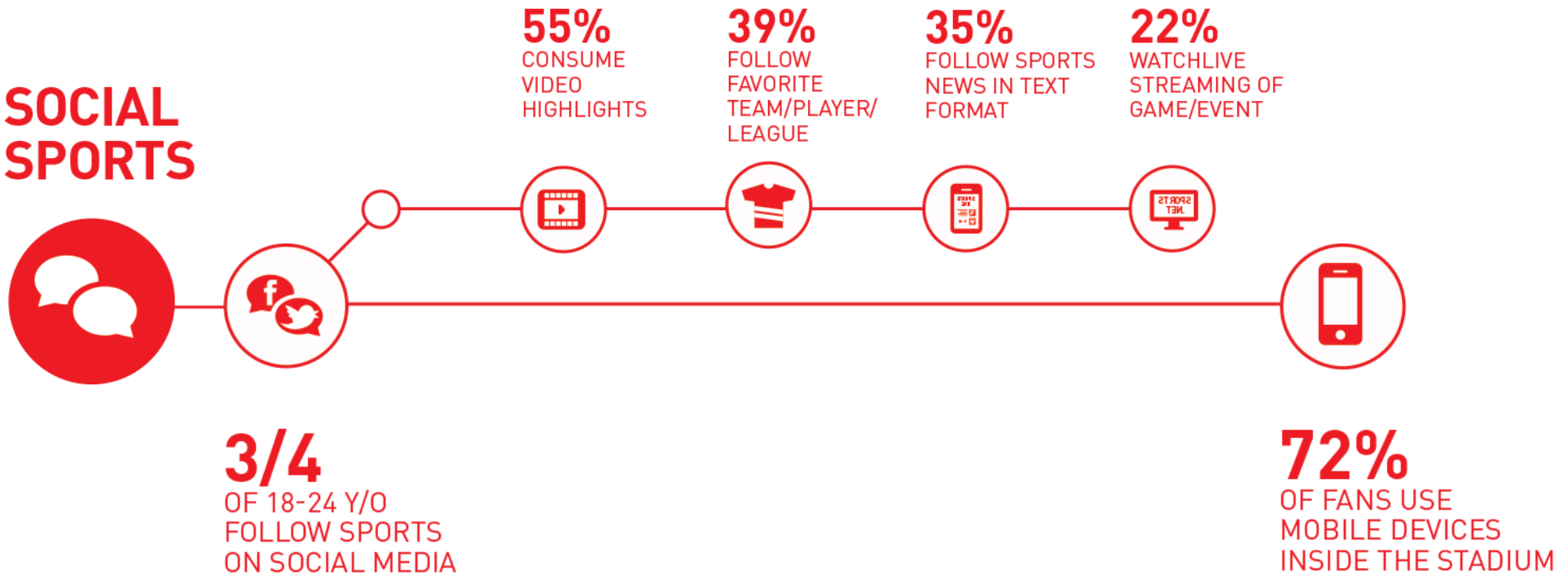


Source: EVS survey, 1,585 fans

MULTIMEDIA DELIVERY

Growing interest for snackable content

SOCIAL SPORTS



Source: EVS survey, 1,585 fans

NAB FEEDBACK

Growing AIMS impact



To foster the adoption of common, ubiquitous set of protocols for the broadcast and media industry as it transitions from SDI to IP

- Adoption of open standards in the marketplace
- Accelerate the education, development, and promotion of solutions
- Nurturing the creation and acceleration of new standards

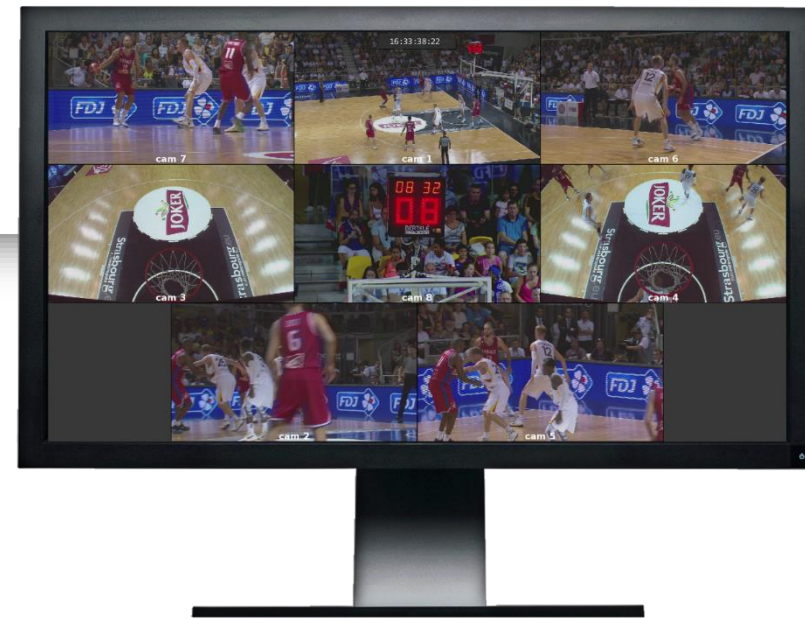


NAB FEEDBACK

Xeebra

- ▶ Introducing new referee system
 - Based on a 2RU server
 - Homologated by the International Basketball Federation
 - Very fast review of up to 16 HD synchronized cameras
 - Pinch and zoom capabilities
 - Two awards at NAB

- ▶ Also interest from commentators, coaches, etc



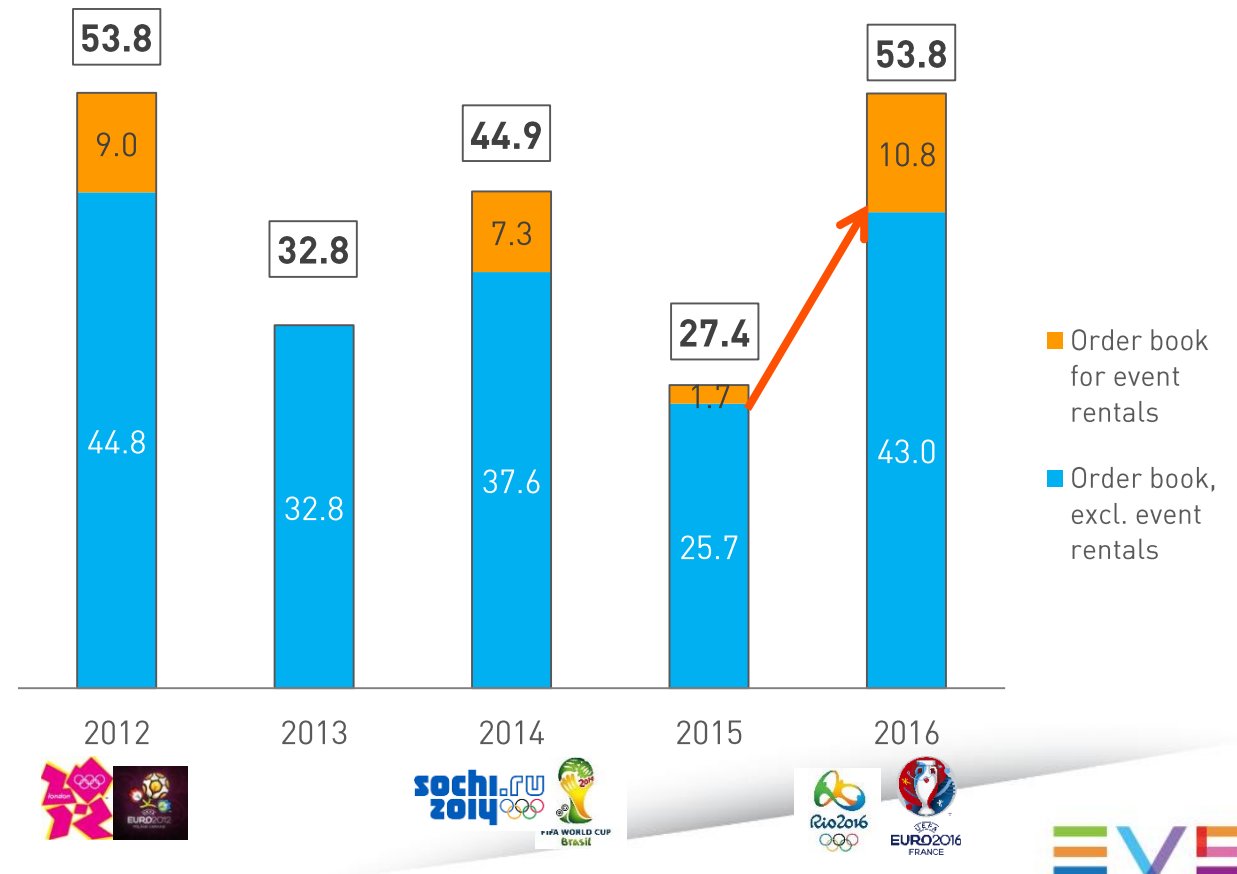
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OUTLOOK – ORDER BOOK AT MAY 10, 2016: EUR 53.8 MILLION

+ 19.8% compared to last even year

- ▶ Around 2/3 of EUR 53.8 million order book to be recognized in 2Q16
- ▶ Includes the 2016 portion of the NEP contract and EUR 10.8 million rentals for big events
- ▶ For 2017 and beyond: EUR 12.6 million
 - Includes 2017-2018 portion of NEP contract



OUTLOOK

2016 guidance

- ▶ Broadcast industry still in transition
 - 4K, IP, Cloud are even more hot topics but uptake will take time
 - More clarity on new technologies adoption (AIMS standard for IP transition)
- ▶ 2016 revenue is likely to be in the EUR 120-140 million range (incl. around EUR 11 million of big event rentals)
- ▶ Opex is expected to have a controlled growth
 - Investments and hiring decisions strictly reviewed, Strong opex control
 - Limited currency effect
 - Q2-Q3 opex will be higher than 1Q16 due to the timing of some projects and major trade show spending

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GENERAL MEETING

- ▶ May 17, 2016 in the EVS headquarter

- ▶ Total gross dividend of EUR 1.00 (56.8% payout, 3.5% dividend yield)
- ▶ Mandates of Directors:
 - Renewal of Michel Counson and Freddy Tacheny
 - Confirmation of Patrick Tillieux
 - Appointment of InnoConsult bvba, represented by Martin De Prycker
- ▶ Remuneration of the Board members
- ▶ Appointment of new Statutory Auditor

CORPORATE CALENDAR

- ▶ Tuesday May 17, 2016: Ordinary General Meeting
- ▶ Tuesday May 24, 2016: final dividend – ex-date
- ▶ Wednesday May 25, 2016: final dividend – record-date
- ▶ Thursday May 26, 2016: final dividend – pay-date
- ▶ Thursday August 25, 2016: 2Q16 results
- ▶ Thursday November 10, 2016: 3Q16 results

CONTACT

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