Barco 6 months ended

30 June 2008

BARCO

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Obligations with regard to periodical information following the transparency directive effective as of 1 January 2008

Declaration regarding the information given in this report 6 months ended 30 June 2008

The undersigned declare that:

- the quarterly accounts, which are in line with the standards applicable for annual accounts, give a true and fair view of the capital, the financial situation and the results of the issuer and the consolidated companies;
- the report 6 months ended 30 June 2008 gives a true and fair view of the development and the results of the company and of the position of the issuer and the consolidated companies, as well as a description of the main risks and uncertainties they are faced with.

Martin De Prycker, CEO
Dirk De Man, CFO

Key figures on the basis of continuing operations*

[in thousands of euros]	2008 2nd quarter	2007 2nd quarter	2008 1st half	2007 1st half
Net sales	179,578	191,933	344,913	347,736
Gross profit	62,445	74,688	125,498	135,942
EBIT before restructuring	6,625		12,632	
EBIT	5,027	15,499	11,034	21,789
Profit before taxes	4,592	15,338	9,781	21,204
Net income from continuing operations	3,750	12,457	7,727	17,354
Net income from discontinued operations	857	1,852	3,463	4,503
Net income attributable to the equityholder	4,607	14,309	11,190	21,857
EBITDA	20,475	28,547	40,796	47,197
Earnings per share (in euro)	0.39	1.19	0.94	1.81
Diluted earnings per share (in euro)	0.36	1.12	0.88	1.71

* excluding BarcoVision and the mechanical assembly activity of the former division Barco Manufacturing Services (divestment effective as of 1 January 2008)

Key figures as reported**

[in thousands of euros]	2008 2nd quarter	2007 2nd quarter	2008 1st half	2007 1st half
Net sales	193,749	208,245	375,800	380,739
Gross profit	68,328	82,209	139,507	152,095
EBIT	6,377	17,817	15,653	27,515
Profit before taxes	5,947	17,656	14,405	26,929
Net income attributable to the equityholder	4,607	14,309	11,190	21,857
EBITDA	23,175	32,602	48,127	56,442
Earnings per share (in euro)	0.39	1.19	0.94	1.81
Diluted earnings per share (in euro)	0.36	1.12	0.88	1.71

** for 2007: including BarcoVision and the mechanical assembly activity of the former division Barco Manufacturing Services
for 2008: including BarcoVision, excluding the mechanical assembly activity of the former division Barco Manufacturing Services (divestment effective as of 1 January 2008)

Number of employees

	30 June 2008	30 June 2007
Total	**3,741**	**3,333**

Capital & ownership of the company's shares

On 30 June 2008, the capital amounted to euro 54,169,171.60, represented by 12,669,955 shares.
Ownership of the company's shares was as follows:

	fully diluted
Gimv: 9.87% (1,249,921 shares)	Gimv: 9.33% (1,249,921 shares)
Franklin Resources, Inc: 7.00% (887,669 shares)	Franklin Resources, Inc: 6.62% (887,669 shares)
Allianz SE: 3.93% (497,475 shares)	Allianz SE: 3.71% (497,475 shares)
Public: 73.38% (9,296,927 shares)	Public: 74.83% (10,027,369 shares)
Barco: 5.82% (737,963 shares)	Barco: 5.51% (737,963 shares)

This information is updated on www.barco.com on an ongoing basis.

Management discussion and analysis of the results

Weak second quarter - Good order intake
Euro 30 million cost reduction plan to improve results

Second Quarter 2008 financial highlights[1] on the basis of continuing operations[2]:

- The order book at the end of June 2008 amounted to euro 332.6 million compared to euro 322.4 million the previous year. Order intake totaled euro 185.4 million, up 2% compared to the same period in 2007. At constant currencies growth would have been 10%.

- Sales amounted to euro 179.6 million, a decrease of 6% but a marginal growth of 1% excluding currency evolution.

- Gross profit declined by 16% to euro 62.4 million from euro 74.7 million the previous year.

- EBIT before restructuring and currency impact declined by 34%. Restructuring cost was euro 1.6 million. Currency impact was euro 3.6 million. After restructuring and currency impact EBIT was euro 5.0 million, down 68% year-on-year. EBIT margin was 2.8% compared to 8.1% in 2Q07.

- EBITDA was euro 20.5 million, a margin of 11.4%. In 2Q07 EBITDA was euro 28.5 million, a margin of 14.9%.

- Net income was euro 4.6 million, down 68% from euro 14.3 million in 2Q07.

- Net earnings per share were euro 0.39 compared to euro 1.19 for the same period the previous year.

A euro 30 million cost reduction plan is being implemented to improve the bottom line and cope with inflation and the economic slowdown.

Referring to the 2Q08 results Barco CEO, Martin De Prycker, commented: “The second quarter results were weak, even though at constant currencies we did grow sales marginally by 1%. The strong performance of the Security & Monitoring and Medical divisions could not fully compensate for the decline in sales in the Media & Entertainment division and in Other Markets.”

Mr De Prycker stated that management expects the economic uncertainty to continue, making it imperative to reduce costs. He explained: “A cost reduction plan of euro 30 million is being implemented. This plan is composed of manpower reductions, the streamlining of the business portfolio and cost containment actions. It will result in an improvement of EBIT in 2009 and offset inflation.” As to the second half of 2008 he said: “We expect to take a one time restructuring cost of around euro 20 million in 2H08. Notwithstanding the current economic circumstances, we expect a significant improvement of the EBIT level before restructuring in 2H08 compared to 1H08, thanks to the good order intake, the cost reduction plan and the introduction of a number of new products.” In this respect Mr de Prycker also referred to the order intake in the second quarter: “Growth year-on-year was 2% despite the negative currency impact. In addition, we are currently working on a number of large contracts.”

Pointing at the recent acquisition of Austin based High End Systems Mr De Prycker said that this company had already contributed positively to sales and profit in the second quarter. He further added that the impact on 2008 EPS is estimated to be positive.

[1] Unless otherwise indicated, all financial and operating data discussed in this announcement are in accordance with IFRS and in million of Euro. Tables state figures in thousands of Euro, unless otherwise noted. Unless otherwise stated, all comparisons are between the three-month period ended June 30, 2008, and the equivalent three-month period ended June 30, 2007.

[2] Following IFRS rules comparison must be made on the basis of “continuing operations”. This means that the results of the division BarcoVision is shown as a separate line (“results from discontinued operations”) and added to the net results of the continuing operations. All financial data appearing further in this announcement will be based on “continuing operations” for 2Q08 as well as for 2Q07, unless otherwise indicated.

CONSOLIDATED RESULTS FOR THE QUARTER

Sales & Orders

Excluding currency evolution sales for the quarter increased by 1% year-on-year to euro 179.6 million, despite the decline of the USD versus the euro of 16 % year-on-year. After currency impact there was a decrease of 6%. The strong sales performance of the Security & Monitoring division and to a lesser extent of the Medical division, could not fully compensate for the decline in sales sustained by the other divisions.

Overall order intake was solid with an increase of 2% compared to 2Q07. Order intake was particularly high in the Media & Entertainment division with an increase of 10.7% compared to 2Q07.

Sales to Europe, Middle East and Africa represented 45% of consolidated sales, while 36% of sales was achieved in the Americas and 19% in Asia Pacific. Compared to 2Q07 sales grew in the USA by 4.6%. Sales in the Middle East dropped sharply year-on-year as sales in 2Q07 benefited strongly from large shipments to Dubai.

The book-to-bill ratio was 1.03 compared with 0.95 for 2Q07.

Gross Profit & Margin

Gross profit decreased by 16% to euro 62.4 million from euro 74.7 million in 2Q07, due to currency impact, price pressure and product mix.

Operating Result (EBIT)

EBIT before restructuring and currency impact was euro 10.2 million, a decline of 34%. After restructuring cost of euro 1.6 million and currency impact of euro 3.6 million EBIT declined by 68% to euro 5 million. At euro 5 million the EBIT margin was 2.8% versus 8.1% the previous year.

As a percentage of sales, research & development expenses increased year-on-year from 8.6% to 10.7% of sales. Sales & marketing costs increased from 15.3% to 16.6% of sales. General & administration costs increased from 6.5% of sales to 6.8%.

Other operating results were euro 3.9 million compared to euro minus 0.8 million in 2Q07. Half of the difference between other operating results in 2Q08 and 2Q07 comes from reversing provisions, while the remainder was made up of positive currency exchange results and grants.

Income Taxes

Income taxes decreased from euro 2.9 million to euro 0.8 million year-on-year.

Net Income

Net income for the quarter decreased by 67.8% from euro 14.3 million in 2Q07 to euro 4.6 million in 2Q08. The net margin in 2Q08 was 2.6% versus 7.5% the year before.

Net earnings per share (EPS) for the quarter were euro 0.39, down from euro 1.19 in 2Q07. Fully diluted net earnings per share were euro 0.36, compared to euro 1.12 in the same period the year before.

DIVISIONAL RESULTS FOR THE QUARTER

Media & Entertainment Division

Sales at the Media & Entertainment Division declined 27% year-on-year. At constant currencies the decline would have been 21%.

Orders increased by 11%. In the events market orders were lower than the year before, due to currency impact. However, order intake is positively impacted by the introduction of new LED products. This increases confidence for 2H08. The media

Order book progress

	2Q08	1Q08	4Q07	3Q07	2Q07
Order book	332.6	324.2	304.2	346.8	322.4

market had a strong increase in orders. Following the Virtual Print Fee (VPF) model slowly gaining momentum, also the digital cinema market had a strong increase in orders year-on-year.

At the end of 2Q08 the order book totaled euro 69.2 million.

EBIT margin was 1.1% versus 10.6% the year before.

Initial cost reduction measures are being implemented in July.
New product introductions will be coming up to speed in 2H08.

Security & Monitoring Division

Sales grew 22%. At constant currencies growth would have been 31%. Growth was most outspoken in the defense and traffic & surveillance markets.

Orders declined by 14% after currency impact. Nevertheless order intake was good in the defense and utilities markets. In the traffic & surveillance market Barco's leadership position was confirmed. Order intake grew in the Asia Pacific region.

At the end of 2Q08 the order book totaled euro 119.9 million.

EBIT margin was 7.7% versus 0.1% in 2Q07, thanks to a higher sales and cost containment.

New products are now being introduced and will be up for deliveries in 2H08.
Streamlining of the business portfolio is also being looked at.

Medical Imaging Division

Sales in the Medical Imaging division increased by 6 % after currency impact. At constant currencies growth would have been 16%. Sales growth in the PACS market was very strong, mainly in the APAC region. Also in the modality market sales were slightly higher than the year before.

Order intake for the Medical Imaging division grew by 1% after currency impact, driven by growth in the Americas.

At the end of 2Q08 the order book totaled euro 43.0 million.

EBIT margin was 10.6% compared to 13.4% in the same period of the year before. This decrease is caused by the lower gross margin due to price pressure.

Market coverage will be broadened in 2H08 as new products will be launched. Initiatives are also taken to further outsource manufacturing to low cost countries.

Other markets

Sales in Other Markets dropped by 22% after currency impact. This would have been a decline of 14% at constant currencies. The simulation market had a lower order intake and lower sales compared to 2Q07. This was mainly due to the unavailability of LCOS products. Order intake remained flat in the presentation market but sales declined. In the avionics market orders and sales continue to grow. The first shipments of simulation projectors with new LCOS panels have started in the beginning of 3Q08. This will help to substantially increase orders and sales in 2H08.

At the end of 2Q08 the order book of euro 100.5 million was strong, particularly in both the simulation and avionics markets.

EBIT margin was minus 15%, down from 7.2% in 2Q07, as the lower gross profit could not offset the high investments in product development for the simulation and avionics markets.

Initial cost reduction measures are being implemented in July.

CONSOLIDATED RESULTS FOR THE SIX MONTHS

Sales & Orders

Sales decreased year-on-year by 1% after currency impact to euro 344.9 million. Orders decreased by 5% to euro 383.7 million, again after currency impact. The decline is fully due to a very large digital cinema order in 1Q07. Of the larger divisions the Medical Imaging division performed best in order intake.
The book-to-bill ratio was 1.11 compared to 1.16 the year before.

Gross Profit & Margin

Gross profit decreased by 8% to euro 125.5 million. This decrease was due to currency impact, price pressure and product mix.

Operating result (EBIT)

EBIT before restructuring and currency impact was euro 19.9 million, a decline of 9%. After restructuring cost of euro 1.6 million and currency impact of euro 7.3 million EBIT declined to euro 11.0 million, a decline of 49% versus 1H07. At euro 11.0 million EBIT margin was 3.2% compared to 6.3% for the same period the year before.

As a percentage of sales, research & development expenses increased year-on-year from 9.2% to 10.6% of sales. Sales & marketing costs increased from 16.4% to 17.3% of sales. General & administration costs increased from 7% of sales to 7.1%.

Other operating results were euro 6.4 million compared to euro 0.8 million the year before. The larger part of the difference between other operating results in 1H08 and 1H07 comes from positive currency exchange results, while the remainder was made up of grants and reversing provisions.

Income taxes

Income taxes decreased from euro 3.8 million for 1H07 to euro 2.1 million for 1H08.

Net income

Net income for 1H08 decreased by 49% from euro 21.9 million in 1H07 to euro 11.2 million. The net margin for the semester was 3.2% compared to 6.3% the year before.

Net earnings per share (EPS) for the semester were euro 0.94, down from euro 1.81 in 1H07. Fully diluted net earnings per share were euro 0.88 compared to euro 1.71 in the same period the year before.

Balance Sheet

At the end of 1H08 Barco had a net debt position of euro 108.4 million, compared to a net debt position of euro 24.0 million at 30 June 2007. At 31 December 2007 the net debt position was 53.4 million.

On 30 June 2008 accounts receivable were at euro 179.8 million, compared to euro 194.2 million at the end of June 2007 and euro 202.4 million at 31 December 2007.

Inventory was at euro 223.6 million versus euro 173.4 million on 30 June 2007 and euro 204.0 at 31 December 2007.

Trade payables on 30 June 2008 were euro 74.9 million. On 30 June 2007 they were euro 84.9 million and euro 87.3 million at 31 December 2007.

Net working capital at the end of 2Q08 was euro 236.4 million, compared to euro 184.9 million the year before. On 31 December 2007 net working capital was euro 230.7 million.

Capex for 1H08 was euro 6.2 million excluding capitalized R & D cost.

In 1H08 Barco bought back 27,900 of its own shares[3].

OUTLOOK FOR FULL YEAR 2008

The following statements are forward looking and actual results may differ materially.

A euro 30 million cost reduction plan is being implemented. This plan is composed of manpower reductions, the streamlining of the business portfolio and cost containment actions. The plan will result in an improvement of EBIT in 2009 and offset inflation. A one time restructuring cost of around euro 20 million will be taken in 2H08. Despite the current economic circumstances, management expects a significant improvement of the EBIT level before restructuring in 2H08 compared to 1H08, thanks to the good order intake, the cost reduction plan and the introduction of a number of new products. In the second quarter growth year-on-year in order intake was 2% despite the negative currency impact. Moreover, the company is currently working on a number of large contracts.

[3] The company now owns 737,963 of its shares or 5.8% before dilution. The buy-back program started in 2003.

Income statement on the basis of "continuing operations"*

[in thousands of euros]	2008 2nd quarter	2007 2nd quarter	2008 1st half	2007 1st half
Net sales	179,578	191,933	344,913	347,736
Cost of goods sold	-117,133	-117,245	-219,415	-211,794
Gross profit	**62,445**	**74,688**	**125,498**	**135,942**
Research and development expenses	-19,197	-16,549	-36,687	-31,976
Sales and marketing	-29,884	-29,338	-59,665	-56,965
General and administration expenses	-12,193	-12,514	-24,546	-24,421
Other operating income (expense) - net	3,855	-788	6,433	-791
Operating result before goodwill impairment (EBIT)	**5,027**	**15,499**	**11,034**	**21,789**
Goodwill impairment	0	0	0	0
Operating result	**5,027**	**15,499**	**11,034**	**21,789**
Interest income	900	679	1,499	1,217
Interest expense	-1,334	-841	-2,752	-1,803
Other non-operating income (expense) - net	0	0	0	0
Income before taxes	**4,592**	**15,338**	**9,781**	**21,204**
Income taxes	-842	-2,881	-2,054	-3,850
Net income from continuing operations	**3,750**	**12,457**	**7,727**	**17,354**
Net income from discontinued operations	857	1,852	3,463	4,503
Net income	**4,608**	**14,309**	**11,190**	**21,857**
Minority interest	0	0	0	0
Net income attributable to the equityholder of the parent	**4,607**	**14,309**	**11,190**	**21,857**
Earnings per share (in euro)	0.39	1.19	0.94	1.81
Diluted earnings per share (in euro)	0.36	1.12	0.88	1.71

* excluding BarcoVision and the mechanical assembly of the former division Barco Manufacturing Services (divestment effective as of 1 January 2008)

Income statement as reported**

[in thousands of euros]	2008 2nd quarter	2007 2nd quarter	2008 1st half	2007 1st half
Net sales	193,749	208,245	375,800	380,739
Cost of goods sold	-125,421	-126,037	-236,292	-228,644
Gross profit	**68,328**	**82,209**	**139,507**	**152,095**
Research and development expenses	-21,271	-18,602	-40,859	-36,048
Sales and marketing	-31,486	-31,043	-62,967	-60,385
General and administration expenses	-12,763	-13,859	-26,059	-27,044
Other operating income (expense) - net	3,568	-888	6,031	-1,103
Operating result before goodwill impairment (EBIT)	**6,377**	**17,817**	**15,653**	**27,515**
Goodwill impairment	0	0	0	0
Operating result	**6,377**	**17,817**	**15,653**	**27,515**
Interest income	912	689	1,525	1,235
Interest expense	-1,347	-850	-2,778	-1,821
Other non-operating income (expense) - net	5	0	5	0
Income before taxes	**5,947**	**17,656**	**14,405**	**26,929**
Income taxes	-1,339	-3,346	-3,214	-5,072
Net income	**4,608**	**14,309**	**11,190**	**21,857**
Minority interest	0	0	0	0
Net income attributable to the equityholder of the parent	**4,607**	**14,309**	**11,190**	**21,857**
Earnings per share (in euro)	0.39	1.19	0.94	1.81
Diluted earnings per share (in euro)	0.36	1.12	0.88	1.71

* for 2007, including BarcoVision and the mechanical assembly activities of the former division Barco Manufacturing Services
* for 2008, including BarcoVision, excluding the mechanical assembly activities of the former division Barco Manufacturing Services (divestment effective as of 1 January 2008)

Balance sheet on the basis of "continuing operations"*

[in thousands of euros]	30 June 2008	31 Dec 2007
ASSETS		
Goodwill	72,809	48,155
Capitalized development cost	83,440	79,383
Other intangible assets	2,134	1,544
Land and buildings	33,712	34,997
Assets under construction	1,966	2,032
Other tangible assets	28,917	28,310
Investments	327	327
Deferred tax assets	23,661	23,481
Other non-current assets	3,511	3,475
Non-current assets	250,477	221,703
Inventory	223,650	204,085
Trade debtors	179,839	202,449
Other amounts receivable	38,431	27,936
Deposits and cash at bank and in hand	56,211	73,337
Prepaid expenses and accrued income	7,610	8,879
Assets from discontinued operations	42,630	49,967
Current assets	548,371	566,653
Total assets	798,848	788,356
EQUITY AND LIABILITIES		
Equity attributable to equityholders of the parent	395,066	421,606
Minority interest	3	2
Equity	395,069	421,608
Long-term debts	14,360	14,782
Deferred tax liabilities	4,152	3,453
Other long-term liabilities	3,803	3,591
Non-current liabilities	22,314	21,826
Current portion of long-term debts	765	1,905
Short-term debts	149,506	109,983
Trade payables	74,885	87,327
Advances received on contracts in progress	23,516	14,377
Tax payables	24,130	23,325
Employee benefits	36,525	37,844
Other current liabilities	10,156	4,599
Accrued charges and deferred income	13,890	14,719
Provisions for liabilities and charges	29,689	30,344
Liabilities from discontinued operations	18,404	20,499
Current liabilities	381,465	344,922
Total equity and liabilities	**798,848**	**788,356**

* excluding BarcoVision and the mechanical assembly of the former division Barco Manufacturing Services (divestment effective as of 1 January 2008)

Balance sheet as reported**

[in thousands of euros]	30 June 2008	31 Dec 2007
ASSETS		
Goodwill	73,064	48,410
Capitalized development cost	88,948	85,032
Other intangible assets	2,138	1,547
Land and buildings	42,947	44,340
Assets under construction	1,973	2,039
Other tangible assets	30,167	29,673
Investments	358	357
Deferred tax assets	23,727	23,488
Other non-current assets	4,999	5,490
Non-current assets	268,321	240,376
Inventory	232,404	212,417
Trade debtors	192,330	216,088
Other amounts receivable	41,866	37,174
Deposits and cash at bank and in hand	56,211	73,337
Prepaid expenses and accrued income	7,716	8,964
Current assets	530,527	547,980
Total assets	798,848	788,356
EQUITY AND LIABILITIES		
Equity attributable to equityholders of the parent	395,066	421,606
Minority interest	3	2
Equity	395,069	421,608
Long-term debts	14,360	14,782
Deferred tax liabilities	6,952	6,234
Other long-term liabilities	3,803	3,591
Non-current liabilities	25,114	24,607
Current portion of long-term debts	765	1,905
Short-term debts	149,506	109,983
Trade payables	79,697	92,495
Advances received on contracts in progress	25,450	17,193
Tax payables	24,926	24,302
Employee benefits	39,474	40,388
Other current liabilities	10,158	4,801
Accrued charges and deferred income	14,428	15,283
Provisions for liabilities and charges	34,261	35,791
Current liabilities	378,665	342,141
Total equity and liabilities	**798,848**	**788,356**

* for 2007, including BarcoVision and the mechanical assembly activities of the former division Barco Manufacturing Services
* for 2008, including BarcoVision, excluding the mechanical assembly activities of the former division Barco Manufacturing Services (divestment effective as of 1 January 2008)

Comments

IAS 34 was applied to the quarterly financial report. The same accounting policies and methods of computation are followed in the interim financial statements as were followed in the annual financial statements of 2007.

The mechanical assembly activity of the former division Barco Manufacturing Services was divested, effective as of 1 January 2008.

In July 2007, an agreement for the divestiture of the BarcoVision division was signed with Itema. Closing is expected end 2008.

According to IFRS 5, the division BarcoVision is considered discontinued operation. This means that the results, cash flows, assets and liabilities of the division are shown as a separate line “discontinued operations”.

When looking at the quarterly results of Barco, it should be noted that the first and third quarter of the year normally generate lower sales than the second and fourth quarter.

Changes in equity attributable to equityholders of the parent

	2008	2007
[in thousands of euros]	2nd quarter	2nd quarter
Equity attributable to equityholders of the parent 31 March	421,910	417,862
Net income attributable to equityholders of the parent	4,607	14,309
Dividend	-28,556	-27,772
Translation adjustment	-1,481	384
Cash flow hedge	-315	-124
Capital increase	8	0
Acquisition of own shares	-1,217	-4,157
Share-based payment	110	181
Equity attributable to equityholders of the parent 30 June	395,066	400,685

	2008	2007
[in thousands of euros]	1st half	1st half
Equity attributable to equityholders of the parent 31 December	421,606	412,876
Net income attributable to equityholders of the parent	11,190	21,857
Dividend	-28,556	-27,772
Translation adjustment	-8,239	-236
Cash flow hedge	-45	-266
Capital increase	8	0
Acquisition of own shares	-1,217	-6,137
Share-based payment	320	363
Equity attributable to equityholders of the parent 30 June	395,066	400,685

Acquisition of High End Systems Inc.

Beginning of June 2008, Barco acquired 100% of the shares of High End Systems Inc, an unlisted company based in the US (Austin, Texas), a global technology provider of automated luminaires, digital lighting and lighting controls. The interim condensed consolidated financial statements include the results of High End Systems for the one month from the acquisition date. The fair value of the identifiable assets and liabilities of High End Systems as at the date of acquisition were:

[in thousands of euros]	Fair value recognized on acquisition	Previous carrying value
	Unaudited	
Non-current assets	1,364	1,364
Inventory	7,916	7,336
Trade debtors	5,726	5,726
Other current assets	2,533	2,533
	17,539	16,959
Current liabilities	-8,492	-8,212
Net assets	9,047	8,746
Goodwill arising on acquisition	24,654	
Total acquisition cost	**33,701**	

The total acquisition cost of euro 33,701 comprised a cash payment of euro 33,311 and costs of euro 390 directly attributable to the acquisition.

Cash outflow on acquisition:

	Unaudited
Net cash/(debt) acquired with the subsidiary	-2,722
Cash paid	-33,701
Net cash outflow	-36,423

The goodwill recognised above is attributed to the expected synergies and other benefits from combining the assets and activities of High End Systems with those of the group.

The acquisition of High End Systems has been financed with a short term loan.

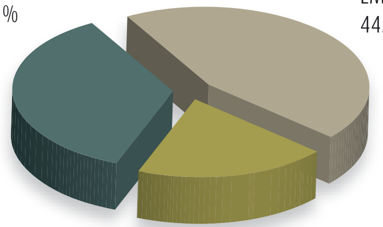
Cash flow statement on the basis of "continuing operations"*

[in thousands of euros]	2008 2nd quarter	2007 2nd quarter	2008 1st half	2007 1st half
Cash flow from operating activities				
Operating result before goodwill impairment (EBIT)	5,027	15,499	11,034	21,789
Amortization capitalized development cost	12,343	9,970	23,552	19,225
Depreciation of tangible and intangible fixed assets	3,105	3,079	6,210	6,186
Gains and losses on tangible fixed assets	46	-40	-16	-84
Share options recognized as cost	110	181	320	363
Discontinued operations: cash flow from operating activities	2,698	4,054	7,318	9,241
Gross operating cash flow	23,328	32,744	48,418	56,721
Changes in trade receivables	-5,431	-17,010	24,633	13,726
Changes in inventory	1,577	-10,624	-15,352	-35,261
Changes in trade payables	790	7,890	-15,019	22,167
Other changes in net working capital	11,268	4,785	12,804	1,988
Discontinued operations: change in net working capital	-727	-4,933	-1,930	-4,771
Change in net working capital	7,477	-19,893	5,135	-2,151
Net operating cash flow	30,805	12,851	53,553	54,570
Interest income/expense	-434	-161	-1,253	-586
Income taxes	-4,912	-3,590	-10,737	-8,148
Other non-operating results	0	0	0	0
Discontinued operations: income taxes	-497	-465	-1,160	-1,222
Cash flow from operating activities	24,961	8,634	40,403	44,615
Cash flow from investing activities				
Expenditure on product development	-14,539	-12,935	-27,707	-27,075
Purchases of tangible and intangible fixed assets	-3,366	-2,630	-6,240	-6,708
Proceeds on disposals of tangible and intangible fixed assets	-86	46	-59	214
Acquisition of Group companies, net of acquired cash	-36,423	0	-36,423	0
Disposal of Group companies, net of disposed cash	0	0	0	0
Other investing activities	1	1	-1	1
Discontinued operations: cash flow from investing activities	-824	3,561	4,726	11,330
Cash flow from investing activities	-55,237	-11,958	-65,704	-22,238
Cash flow from financing activities				
Dividends paid	-28,556	-27,772	-28,556	-27,772
Share issue	8	0	8	0
Acquisition of own shares	-1,217	-4,157	-1,217	-6,137
Proceeds from (+), payments of (-) long-term liabilities	11	594	-443	282
Proceeds from (+), payments of (-) short-term liabilities	54,445	42,703	38,383	18,963
Cash flow from financing activities	24,691	11,368	8,175	-14,663
Net decrease/increase in cash and cash equivalents	-5,584	8,044	-17,126	7,713
Cash and cash equivalents at beginning of period	61,795	81,087	73,337	81,418
Cash and cash equivalents at end of period	56,211	89,131	56,211	89,131

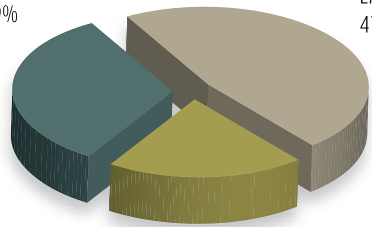
*excluding BarcoVision and the mechanical assembly of the former division Barco Manufacturing Services (divestment effective as of 1 January 2008)

Geographical breakdown of sales
on the basis of "continuing operations"*

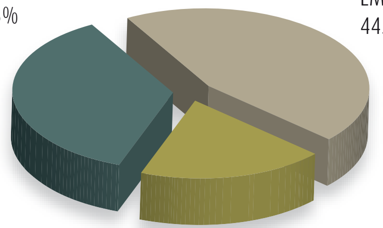
2nd quarter 2008



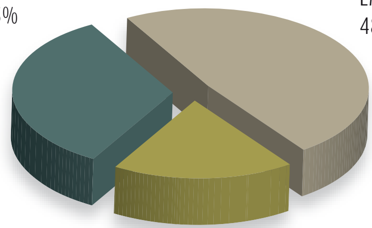
2nd quarter 2007



1st half 2008



1st half 2007



* excluding BarcoVision and the mechanical assembly activity of the former Barco Manufacturing Services (divestment effective as of 1 January 2008)
** Europe, Middle East, Africa

Results per division on the basis of "continuing operations"*

Sales in '000 euro and current EBIT

	2008 2nd quarter			2007 2nd quarter		
	Sales	**EBIT**	**%EBIT**	**Sales**	**EBIT**	**%EBIT**
Media & Entertainment	59,218	639	1.1%	81,333	8,618	10.6%
Security & Monitoring	61,920	4,746	7.7%	50,399	35	0.1%
Medical Imaging	34,545	3,669	10.6%	32,719	4,393	13.4%
Other markets	26,832	-4,028	-15.0%	34,208	2,453	7.2%
Eliminations	-2,937	0		-6,727	0	
Total	**179,578**	**5,027**	**2.8%**	**191,933**	**15,499**	**8.1%**

	2008 1st half			2007 1st half		
	Sales	**EBIT**	**%EBIT**	**Sales**	**EBIT**	**%EBIT**
Media & Entertainment	115,036	1,051	0.9%	138,287	11,229	8.1%
Security & Monitoring	114,976	7,229	6.3%	96,698	1,061	1.1%
Medical Imaging	69,470	8,956	12.9%	64,628	7,728	12.0%
Other markets	53,744	-6,203	-11.5%	60,816	1,771	-17.8%
Eliminations	-8,312	0		-12,693	0	
Total	**344,913**	**11,034**	**3.2%**	**347,736**	**21,789**	**6.4%**

*excluding BarcoVision and the mechanical assembly of the former division Barco Manufacturing Services (divestment effective as of 1 January 2008)

Auditor's report

Report of the statutory auditor to the shareholders of Barco nv on the review of the interim condensed consolidated financial statements as of June 30, 2008 and for the six months then ended

Introduction

We have reviewed the accompanying interim condensed consolidated balance sheet of Barco nv (the "Company") as at June 30, 2008 and the related interim condensed consolidated statements of income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standard *IAS 34 Interim Financial Reporting* ("IAS 34") as adopted for use in the European Union. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review ("revue limitée/beperkt nazicht" as defined by the "Institut des Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren") in accordance with the recommendation of the "Institut des Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren" applicable to review engagements. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the auditing standards of the "Institut des Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren" and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 as adopted for use in the European Union.

Brussels, July 23, 2008

Ernst & Young Bedrijfsrevisoren BCVBA
Statutory auditor
represented by

Marc Van Hoecke
Partner

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Report
This report “6 months ended 30 June 2008” is also available in Dutch and can be consulted on www.barco.com

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