

Results 2Q09

Eric Van Zele, President and CEO

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Key figures 2Q09

in € million

	Q2 2009	Q2 2008	Change
Order Book	336.7	331.2	1.6%
Incoming Orders	140.7	182.0	(22.7%)
Sales	164.7	176.7	(6.8%)
EBITDA	8.4	21.4	(60.8%)
EBIT	(5.5)	6.7	
Free Cash Flow	12.4	4.2	

Note: Orders 2Q09 exclude long term Digital Cinema contracts

Key figures income statement 2Q09

In € million	2Q09		2Q08	
Sales	164.7	100.0%	176.7	100.0%
Cost of goods sold	(117.7)	(71.5%)	(116.3)	(65.8%)
Gross Profit	47.0	28.5%	60.4	34.2%
R&D cash expense	(15.6)	(9.5%)	(20.5)	(11.6%)
Development capitalization/amortization - net	(3.6)	(2.2%)	2.2	1.3%
Sales & Marketing	(24.5)	(14.9%)	(28.6)	(16.2%)
General & Administration	(10.6)	(6.4%)	(11.9)	(6.7%)
Other operating result	1.9	1.1%	5.1	2.9%
EBIT before restructuring	(5.5)	(3.4%)	6.7	3.8%
Restructuring costs	0.0	0.0%	(1.6)	(0.9%)
EBIT after restructuring	(5.4)	(3.3%)	5.1	2.9%
Interest expense, net	(0.4)	(0.2%)	(0.4)	(0.2%)
Income Taxes	1.1	0.7%	(0.8)	(0.4%)
Net Income from continuing operations	(4.8)	(2.9%)	3.9	2.2%
Net Income from discontinued operations	(0.4)	(0.2%)	0.7	0.4%
Net Income	(5.2)	(3.2%)	4.6	2.6%
EBITDA	8.4	5.1%	21.4	12.1%
Free Cash Flow	12.4	7.5%	4.2	2.3%
Net Earnings per Share (in €)	(0.44)		0.39	

Quarterly highlights

Orders

€ 140.7 m

-22.7%

- Incoming orders weak in MED and SMD
- Overall backlog still healthy at 101.6% of prior year
- Anticipating further weakness during second half 09
- Big wins in DC not yet booked (> € 250 m)
- We lost more than € 50 m in Events/OHM compared to 1H08 (6 months)
- We however booked € 25 m more in DC during same period (excluding frame contracts)
- Some promising signs of potential upsurge in Avionics, Defense and Medical segments

Quarterly highlights

Sales € 164.7 m (6.8)%

- Sales for Barco were down 6.8% compared to 2Q08
- Sales shortfall was most notable in SMD (€ -10.6 m)
- Only moderate declines in MID and MED
- Sales in DC still flat compared to 1Q09
- Book-to-bill ratio at 0.85 excl. DC contracts

Quarterly highlights

Gross profit

€ 47.0 m

28.5%

- Margins declined steeply in Events & OHM
- Excess inventories have been sold off at low prices
- Margin on a few big projects below target
- Further substantial obsolescence write-offs
- Less favorable mix and price pressure

Effect non-cash items on operational performance

	2009	2008
EBIT	(5.5)	6.7
- Stock write-offs	(5.7)	(3.2)
- (Lower)/Higher capitalization development compared to amortization	(3.6)	2.2
- Depreciations	(3.4)	(3.1)
- Reversal of provisions	0.8	3.0
Adjusted operational cash performance	6.4	7.8

Effect non-cash items on operational performance

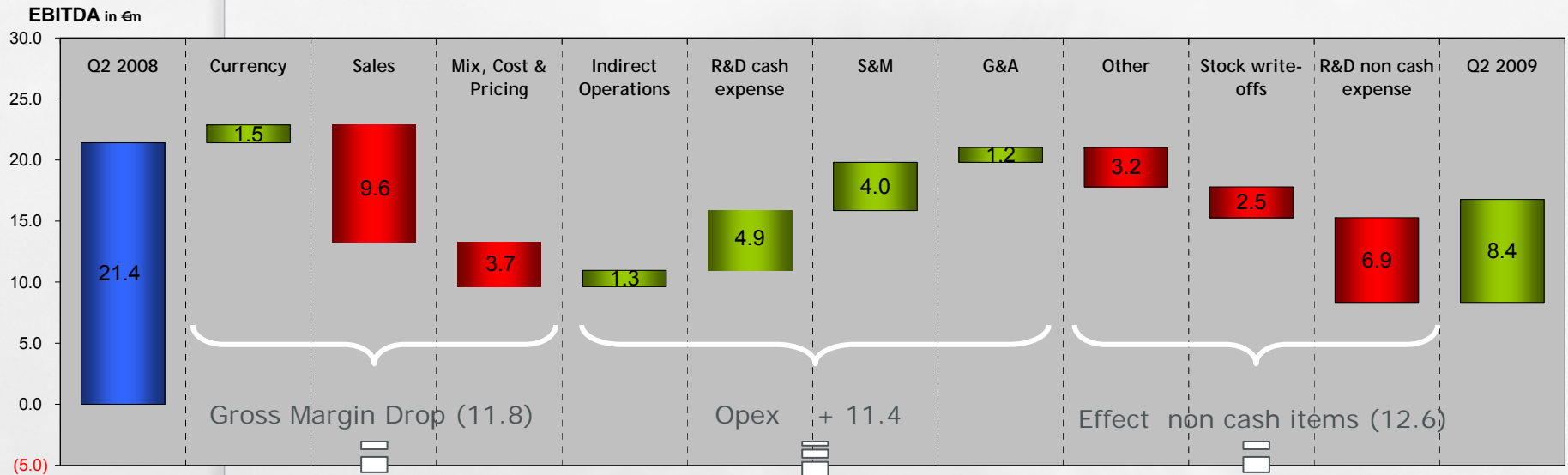
	1H09	1H08
EBIT	(11.6)	12.6
- Stock write-offs	(10.5)	(5.6)
- (Lower)/Higher capitalization development compared to amortization	(6.3)	4.1
- Depreciations	(6.7)	(6.1)
- Reversal of provisions	2.1	2.2
Adjusted operational cash performance	9.8	18.1

Quarterly highlights

Cash flow € 12.4 m

- Strong cash generation as a combination of good operating cash flow (+ € 8.5 m) and further reductions in working capital
- Trade Receivables down € 6.0 m to € 122.2 m
- Inventories down € 19.1 m to € 161.6 m
- Trade Payables down € 7.2 m to € 53.4 m
- Capital employed now reduced to € 363.4 m, which is 13% lower than last year
- Net Financial Cash position : € 36.9 m
 - Net financial cash end of 1Q09: € 24 m
 - YTD operational cash generated: € 49 m
 - YTD total cash generated (incl. Voxar): € 70 m
- We have concluded a deal with our leading banks for a further credit facility at € 85 m (2.5 years)

EBITDA Waterfall 2Q09 versus 2Q08 (- € 13.0 m)

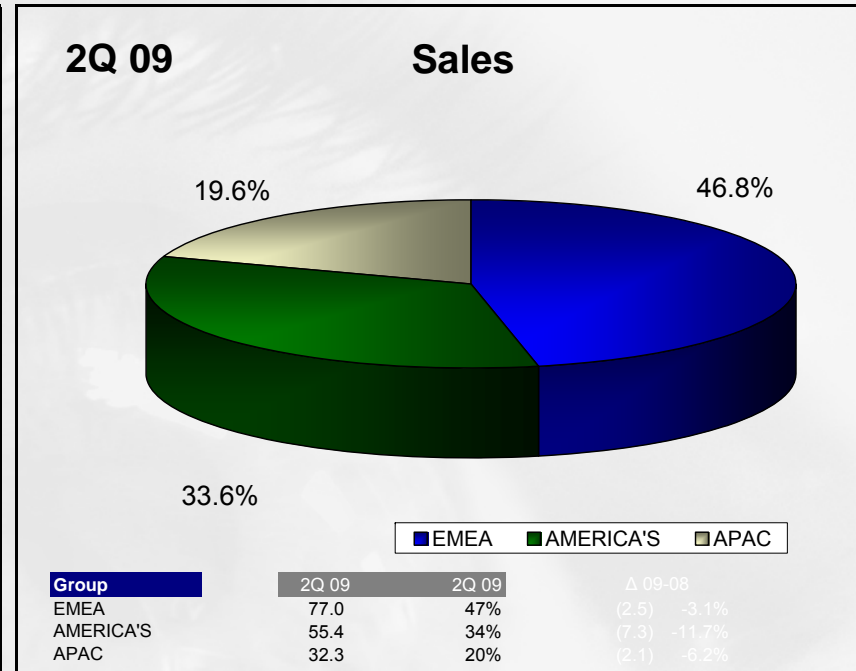
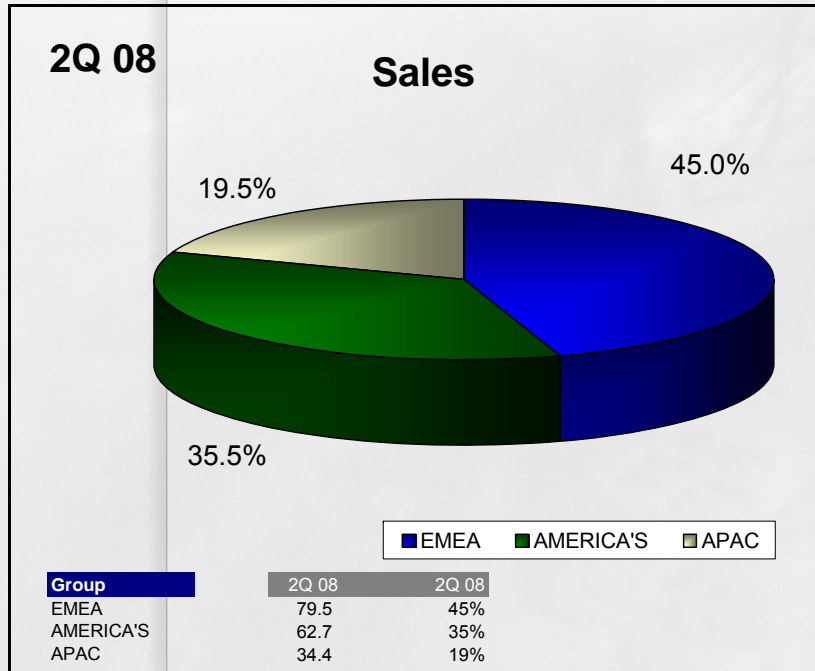


Cost containment actions

- Net gross margin decrease relates to SMD and MED
- Lower sales in all divisions
- Gross margin% due to price pressure, fire sales, less favourable mix

- Less capitalization of development costs (6.9)
- Lower reversals of provisions (3.2)
- Higher write-off of inventories (2.5)

Geographical breakdown of sales

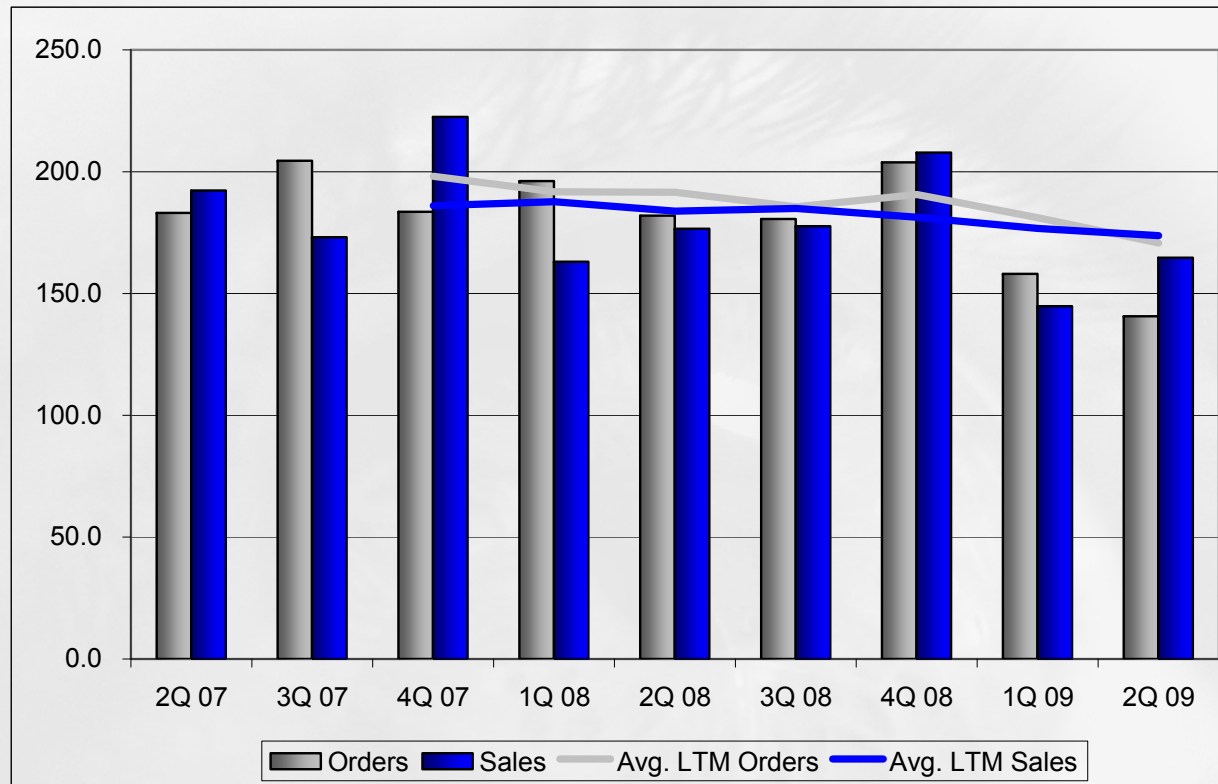


Results per quarter

In € million

Change Rate - Avg. LTM Orders: (5.6%) (10.8%)

Change Rate - Avg. LTM Sales: (5.9%) (5.5%)



Group	2Q 07	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08	4Q 08	1Q 09	2Q 09
Orders	183.0	204.5	183.5	196.1	182.0	180.6	203.9	158.0	140.7
Sales	192.3	173.1	222.5	163.1	176.7	177.7	207.9	144.7	164.7

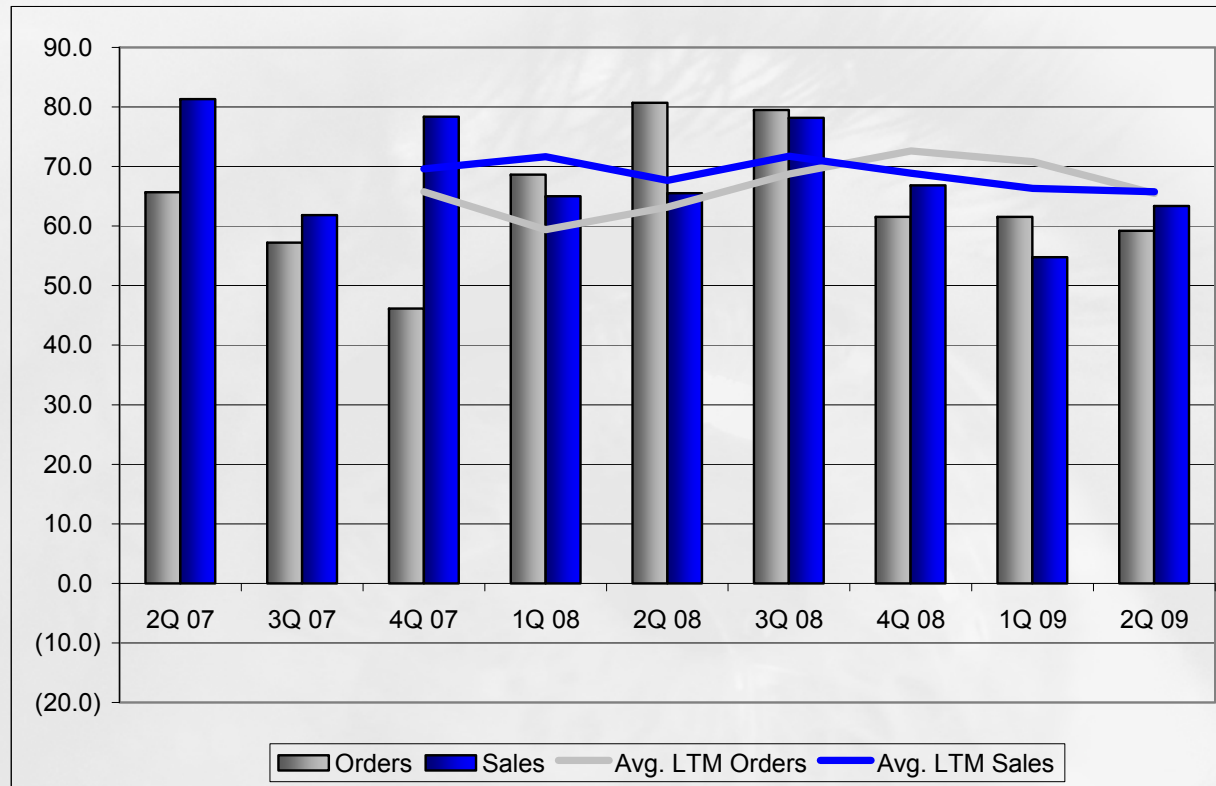
Evolution of results by division

In € million	2Q09		2Q08	
	Sales	EBITDA minus cap'd R&D	Sales	EBITDA minus cap'd R&D
Media & Entertainment	63.4	(7.0)	65.9	(1.4)
Security & Monitoring	51.3	1.4	61.9	6.0
Medical Imaging	28.2	4.0	31.6	4.9
Avionics & Simulation	23.6	3.1	20.7	(2.0)
Eliminations	(1.8)	0.0	(3.4)	(0.0)
Total	164.7	1.5	176.7	7.6

Media & Entertainment Division

In € million

Change Rate - Avg. LTM Orders: 19.2% 3.6%
 Change Rate - Avg. LTM Sales: (7.4%) (2.8%)



MED	2Q 07	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08	4Q 08	1Q 09	2Q 09
Orders	65.7	57.2	46.1	68.7	80.7	79.5	61.5	61.6	59.2
Sales	81.3	61.8	78.4	65.0	65.5	78.2	66.8	54.8	63.4

Comments Media & Entertainment division

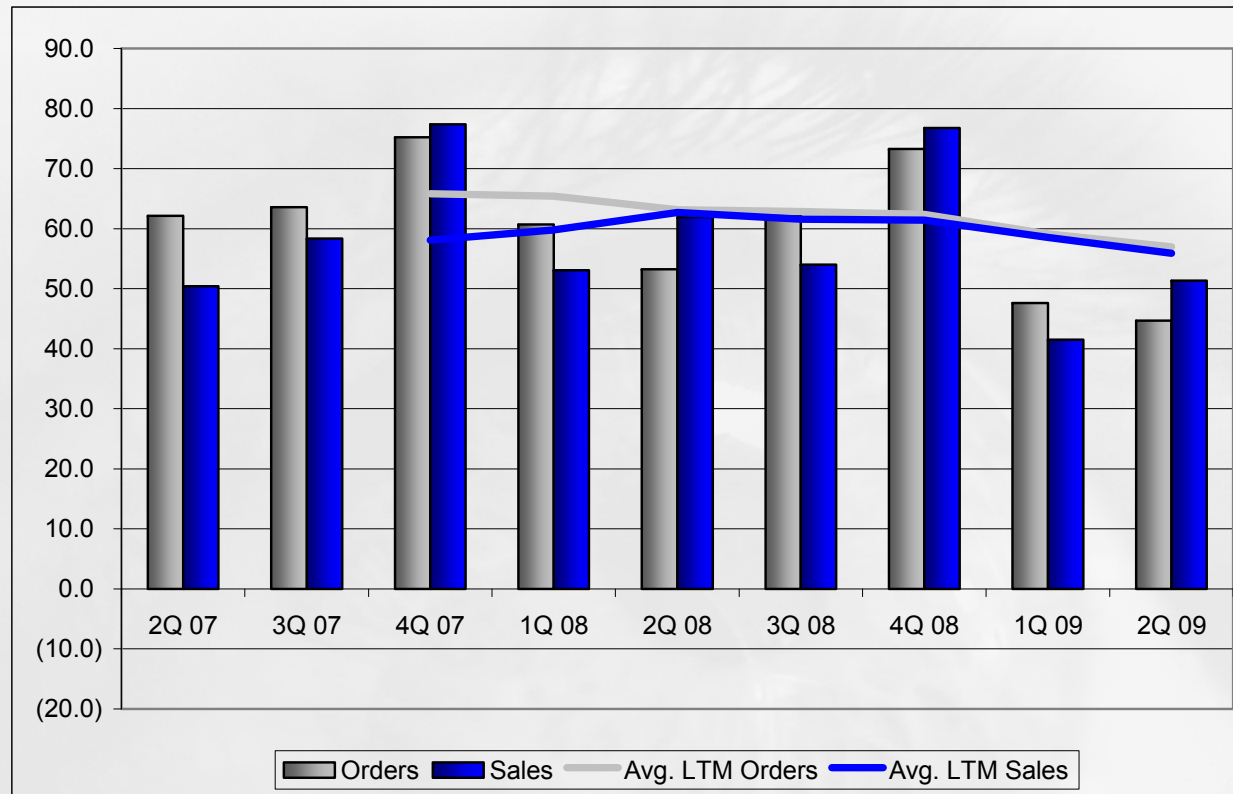
- Stable in fixed VLS installations
- Weak in events and rental segments
- DC deployment now paced by financing solutions
- Several very substantial DC frame agreements
- Still supply chain and capacity issues in DC
- Deliberate sell-off of OHM excess inventory
- Reduction in force of 45 people
- DC shipments flat compared to 1Q09

Security & Monitoring Division

In € million

Change Rate - Avg. LTM Orders: (9.6%) (9.8%)

Change Rate - Avg. LTM Sales: (2.1%) (10.8%)



SMD	2Q 07	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08	4Q 08	1Q 09	2Q 09
Orders	62.1	63.6	75.2	60.7	53.2	62.3	73.3	47.6	44.7
Sales	50.4	58.3	77.4	53.1	61.9	54.0	76.8	41.5	51.3

Comments Security & Monitoring Division

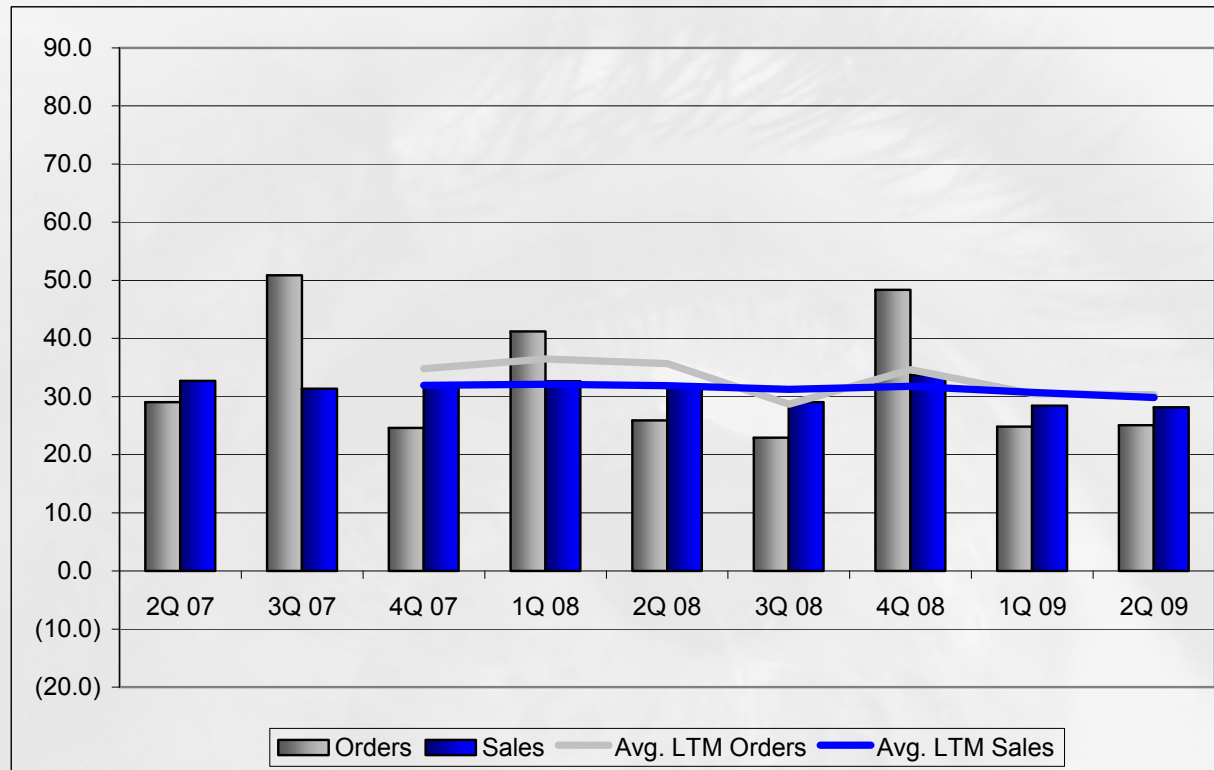
- Weakening demand in TSM segment
- Increased competition and price pressure in civil segments
- Solid demand and good prospects in defense
- Slippage in several major projects
- Accelerated introduction of 'good enough' alternatives

Medical Imaging Division

In € million

Change Rate - Avg. LTM Orders: (16.3%) (15.1%)

Change Rate - Avg. LTM Sales: (4.4%) (6.3%)



MID	2Q 07	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08	4Q 08	1Q 09	2Q 09
Orders	29.1	50.9	24.6	41.2	25.9	22.9	48.4	24.8	25.1
Sales	32.7	31.3	31.7	32.7	31.6	29.0	33.7	28.4	28.1

Comments Medical Imaging Division

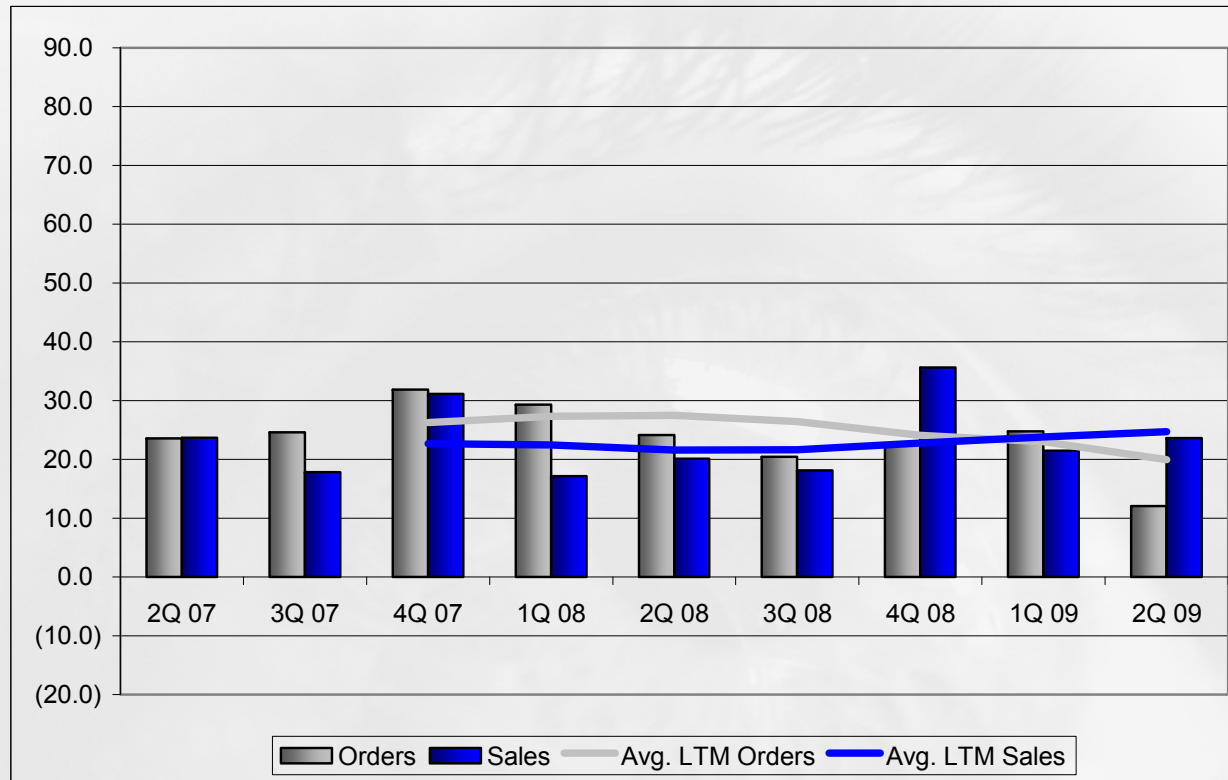
- Global markets are showing early signs of recovery
- This division is Barco's star performer
- Gross profit and ROCE exceeding expectations
- We will continue to invest in growth

Avionics & Simulation

In € million

Change Rate - Avg. LTM Orders: (15.9%) (27.4%)

Change Rate - Avg. LTM Sales: 6.2% 14.6%



ASD	2Q 07	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08	4Q 08	1Q 09	2Q 09
Orders	23.5	24.6	31.9	29.3	24.2	20.4	22.5	24.8	12.1
Sales	23.7	17.8	31.2	17.2	20.1	18.1	35.6	21.5	23.6

Comments Avionics & Simulation Division

- Continued weakness in global aircraft market
- Early recovery in refurbishment and retrofit segment
- Strong shipments in simulation but incoming orders are weak
- Early signs of stronger demand in 2H09 for avionics

2Q in review

Business Outlook

- Big wins in Digital Cinema bode well for the future
- Continued depressed performance in Events/OHM expected in 2H09
- Signs of weakness in SMD
- Continued strength in Medical
- Encouraging signs of recovery in Avionics & Defense

Operations

- Big scale up planned for DC in 2H09
- Increased focus on TQM
- Accelerated introduction of second tier products
- Increased focus on project management

2Q in review

Financial

- Solid cash generation despite restructuring charges
- Healthy balance sheet
- Cost reduction successfully implemented
- New credit lines secured
- DC financing models being deployed selectively
- EBIT depressed because of non-cash booking
- Targeting to be EBIT break-even for the year