

Barco 9 months

30 September 2009



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 9 months ended 30 September 2009

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 9 months ended 30 September 2009 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.

Eric Van Zele, CEO

Dirk De Man, CFO

Key figures on the basis of continuing operations*

	2009	2008	2009	2008
[in thousands of euros]	3rd quarter	3rd quarter	9 months	9 months
Net sales	148,009	177,667	457,459	517,403
Gross Profit	43,852	57,291	129,822	178,773
EBIT before restructuring	-3,312	-1,661	-14,887	10,931
EBIT after restructuring	-3,312	-4,884	-14,887	6,108
Profit before taxes	-3,581	-6,337	-16,347	3,402
Net income from continuing operations	-2,929	-3,524	-13,335	4,221
Net income from discontinued operations	-70	36,082	4,249	39,527
Net income attributable to the equityholder	-3,012	32,558	-9,086	43,748
EBITDA before restructuring	9,659	12,970	25,323	53,831
EBITDA after restructuring	9,659	9,747	25,323	49,008
Earnings per share (in euro)	-0.25	2.73	-0.76	3.67
Diluted earnings per share (in euro)	-0.24	2.57	-0.72	3.45

*excluding the results of the medical advanced visualization activities of the business unit Voxar

Key figures as reported

	2009	2008	2009	2008
[in thousands of euros]	3rd quarter	3rd quarter	9 months	9 months
Net sales	148,014	188,815	457,965	564,615
Gross Profit	44,034	62,682	130,355	202,190
EBIT before restructuring	-3,344	-3,928	-14,993	13,325
EBIT after restructuring	-3,344	-7,151	-14,993	8,501
Profit before taxes	-3,614	29,344	-9,247	43,749
Net income attributable to the equityholder	-3,012	32,558	-9,086	43,748
EBITDA before restructuring	9,653	12,721	25,500	62,448
EBITDA after restructuring	9,653	9,498	25,500	57,625
Earnings per share (in euro)	-0.25	2.73	-0.76	3.67
Diluted earnings per share (in euro)	-0.24	2.57	-0.72	3.45

Number of employees

30 Sep 2009

30 Sep 2008

Total	3,173	3,677
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Capital & ownership of the company's shares

On 30 September 2009, the capital amounted to euro 57,720,799.71, represented by 13,500,667 shares.

Ownership of the company's shares was as follows:

VIM	9.87%	(1,249,921 shares)
Franklin Templeton Investment Corp.	4.95%	(627,181 shares)
Templeton Investment Counsel, LLC	3.14%	(397,984 shares)
Barco	5.82%	(737,963 shares)
Public	76.22%	(9,656,906 shares)
Total	100%	(12,669,955 shares)

Fully diluted

VIM	9.26%	(1,249,921 shares)
Franklin Templeton Investment Corp.	4.65%	(627,181 shares)
Templeton Investment Counsel, LLC	2.95%	(397,984 shares)
Barco	5.47%	(737,963 shares)
Public	77.68%	(10,487,618 shares)
Total	100%	(13,500,667 shares)

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

Management discussion and analysis of the results

Barco continues to generate positive operating cash flow in mixed market conditions

Kortrijk, Belgium, 21 October 2009 - Barco (Euronext: BAR; Reuters: BARbt.BR; Bloomberg: BAR BB) today announced results for the three and nine-month periods ended 30 September, 2009.¹

With sales of 148 million euro and EBITDA at 9.7 million euro (or 6.6%) for the quarter, Barco's results materialized roughly in line with expectations. Mr Eric Van Zele, Barco's President & CEO, referred to some rather mixed market conditions to comment on the company's third quarter performance. On the one hand, results were favorably impacted by continued strong performance in the medical imaging division and unprecedented demand for digital cinema projectors, while on the other hand Barco continued to suffer from severe softness in the events and out-of-home media markets, particularly in Europe and North America. Other Barco divisions performed more or less in line with expectations.

Barco's third quarter order intake of 153 million euro was 15.3% lower than in the prior year but nevertheless up 9% from the previous quarter. Incoming orders for digital cinema projectors nearly tripled in the quarter not counting the effect of any longer term

frame agreements. Also the Medical Imaging division booked a very good order intake (+ 23% quarter-on-quarter). On the other hand orders declined sharply (by more than 40%) in the events segment of the Media & Entertainment division and were also somewhat weaker than expected in the traffic & surveillance segment (- 20% quarter-on-quarter) of the Security & Monitoring division. Year-on-year Barco's order book remained level and stood at 342.4 million euro at the end of 3Q09.

From a regional perspective orders in the APAC region grew by 21.3% quarter-on-quarter while incoming orders in the EMEA region (Europe, Middle East and Africa) declined by 19.6% quarter-on-quarter. In the Americas order intake declined by 28.9%.

Barco's gross profit continued to be depressed at merely 29.6% of revenues as a result of substantial warranty and obsolescence charges in addition to some margin erosion caused by ongoing efforts to sell off excess inventories at much reduced prices in the events and out-of-home media business units. Also ramp up costs to boost manufacturing capacity in digital cinema did weigh on the company's 3Q09 profitability, while shipments of digital cinema projectors in 3Q09 remained roughly at the same level as in 2Q09.

EBITDA for the quarter was nevertheless quite encouraging at 9.7 million euro or 6.6% of revenues as a result of solid cost controls (-17% quarter-on-quarter) and Barco generated 5.9 million euro of free cash despite negative EBIT of 3.3 million euro.

Concerning the outlook for Barco's results in 4Q09 Mr Van Zele said that business conditions in the events and out-of-home media markets are not anticipated to improve soon. Nevertheless he remained cautiously optimistic as strong growth in digital cinema will give a boost to revenues and help to alleviate profitability issues in the Media & Entertainment division. On the full year results he continued: "Operationally the signs bode well for a solid 4Q09. Nevertheless we must anticipate further weakness in the events and out-of-home media markets and hence continue to implement measures to restore profitability and establish healthy levels of working capital, even if this were to push us below the EBIT break even line for the full year. As long as we continue to generate good cash flow and can report steady progress in our growth segments, we are on the right track."

¹ Following IFRS rules comparison must be made on the basis of "continuing operations". This means that the results of the medical advanced visualization activities of the business unit Voxar are 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", unless otherwise indicated. Barco divested Voxar to Toshiba Medical Systems Corporation, Tokyo, Japan, in 1Q09.

CONSOLIDATED RESULTS FOR THE QUARTER

Third Quarter 2009 Financial Highlights on the basis of continuing operations:

- Order book at the end of September 2009 was 342.4 million euro. This is about the same level as at the end of September 2008 when the order book was 343.5 million euro. Order intake for the quarter decreased by 15.3% to 153.0 million euro.
- Sales of 148.0 million euro, down 16.7% quarter-on-quarter.
- Gross profit declined by 23.5% to 43.9 million euro from 57.3 million euro the previous year. Gross profit margin was 29.6%. In 3Q08 it was 32.2% and in 2Q09 it was 28.5%.
- EBITDA was 9.7 million euro compared to 13.0 million euro in 3Q08.
- EBIT was minus 3.3 million euro versus minus 1.7 million euro before restructuring in 3Q08. Negative EBIT was mainly due to the events and out-of-home media markets.
- Net income including income from discontinued business was minus 3.0 million euro. In 3Q08 it was 32.6 million euro. Excluding net income from discontinued business (BarcoVision) net income in 3Q08 was minus 3.5 million euro.
- Net earnings per share were minus 0.25 euro compared to 2.73 euro in 3Q08.

- Free cash flow at the end of the quarter was 5.9 million euro positive compared to minus 11.9 million euro the year before.

Sales and Order Intake

Sales for the quarter were 148.0 million euro, a 16.7% year-on-year decrease. The medical and digital cinema markets continued to perform strongly and so did the defense market. However, ongoing weakness in the events and out-of-home media markets continued to have a net negative impact on total sales for the quarter.

Sales to Europe, Middle East and Africa represented 46.4% of consolidated sales, while 32.0% of sales were realized in the Americas and 21.6% in Asia Pacific. The latter region performed very well with an increase in sales of 11.2% year-on-year. Order intake for that region increased by 21.3%. Sales as well as order intake in both other regions decreased compared to 3Q08.

Order intake in 3Q09 was 153.0 million euro, a decrease of 15.3% compared to the same quarter the year before. Order intake remained good in the medical and avionics markets. With a growth in order intake of 24.7 million euro (excluding frame agreements) the digital cinema market performed very strongly.

The order book at the end of the quarter was 342.4 million euro or 0.3% lower than at the end of 3Q08.

Gross Profit

Gross profit decreased year-on-year by 23.5% to 43.9 million euro. Gross profit margin at 29.6% compared to 32.2% in the year ago quarter and 28.5% in 2Q09. Cost savings in operations were to a large extent offset by the sell-off of slow moving products and inventory write-offs, primarily in the events segment.

EBIT

EBITDA was 9.7 million euro compared to 13.0 million euro the year before. EBIT was minus 3.3 million euro, a marginal decline of 1.6 million compared to 3Q08, despite a drop in sales of 29.7 million euro. This decline was due to the poor results in the events and out-of-home media markets.

Research & development expenses decreased year-on-year from 19.8 million euro to 14.9 million euro, or from 11.2% to 10.1% of sales. Sales & Marketing expenses decreased from 28.1 million euro to 23.1 million euro, respectively 15.8% and 15.6% of sales. General & administration decreased in absolute numbers from 11.9 million euro or 6.7% of sales to 10.3 million euro or 7.0% of sales.

Other operating income was 1.2 million euro. 3Q08 had other operating income of 0.8 million euro.

Other operating income was 1.2 million euro. 3Q08 had other operating income of 0.8 million euro.

Order book progress

Total [in millions of euro]	3Q09	2Q09	1Q09	4Q08	3Q08	2Q08
Order book	342.4	336.7	366.5	351.3	343.5	331.2

Income Taxes

In 3Q09 there was a positive tax impact of 0.7 million euro. In 3Q08 the positive tax impact amounted to 2.8 million euro.

Net Income

Net income for the quarter decreased to minus 3.0 million euro from 32.6 million euro for 3Q08. These amounts include the net income from discontinued operations. Excluding this net income from discontinued operations, net income from continuing operations in 3Q08 was minus 3.5 million euro. Net margin for the quarter was minus 2.0% from 18.3% the year before, including net income from discontinued operations.

Net earnings per ordinary share (EPS) were minus 0.25 euro, down from 2.73 euro in 3Q08. Fully diluted net earnings per share decreased to minus 0.24 euro from 2.57 euro.

DIVISIONAL RESULTS FOR 3Q09

Media & Entertainment division

Order intake and sales in the Media & Entertainment division both declined 21% compared to the same quarter the year before. For the events and the out-of-home media market this is in line with the market trend which does not yet point at a fast recovery of these markets. Sales and order intake in the digital cinema market almost tripled year-on-year. 3Q09 sales for the division were 61.9 million euro.

The order book at the end of September was 82.3 million euro, up 6.3% from the year before. This is

fully due to the impressive growth of the order book in digital cinema, which fully offset the decline in the other two markets of the division.

Gross profit margins for the events and out-of-home media markets continued at depressed levels due to exceptional items, among which the sell-off of slow moving products and the write-off on inventory. On the other hand gross profit margin in digital cinema remained strong. Divisional EBIT for 3Q09 was at minus 6.0 million euro compared to 0.3 million euro in 3Q08. EBIT was very good in digital cinema, but this could not fully compensate for the loss in both other markets.

Security & Monitoring division

Sales in the Security & Monitoring division were 42.5 million euro, a decline of 21.4% quarter-on-quarter, due to the weak performance in the civil segment. This clearly indicates that civil markets are more affected by the economic downturn as opposed to defense markets.

Order intake for the division was down 25.2% quarter-on-quarter, mainly due to the traffic & surveillance market where nevertheless some slow recovery might be anticipated. Quite some projects have been delayed for now but are expected to materialize at a later stage. In the defense market the order funnel remains healthy with good order intake in the United States but also increasingly so in other countries.

The order book at the end of the quarter was 134.4 million euro, up 2.7% quarter-on-quarter. This increase is mainly due to the defense market.

Gross profit margin improved compared to 3Q08.

Despite a drop of more than 20% in sales, EBIT for the division was on a break even level (0.1 million euro) compared to EBIT of minus 1.5 million euro in 3Q08, as lower margins were compensated by strong reductions in operating expenses.

Medical Imaging division

With a decline quarter-on-quarter of 2.6% to 28.3 million euro sales at the Medical division remained at a high level. Order intake however, increased by 23.3% quarter-on-quarter. It is clear that business momentum in the EMEA and APAC regions remains strong, while North America is slowly catching up again.

The order book at the end of the quarter was 46.8 million euro, an increase of 19.7% compared year-on-year.

Gross profit margin was at the same level as the year before, 41% of sales. EBIT margin was strong at 14.3%, partly because of good management of operating expenses.

Avionics & Simulation division

Sales in the Avionics & Simulation division were 16.9 million euro, down 6.8% year-on-year. The increase in the simulation market was not sufficient to compensate for the decline in the avionics market, which is suffering from delays in shipments. As for incoming orders the avionics market is doing very well compared to the same period of 2008, while in simulation a shift can be seen of a number of projects into 2010. This is particularly the case in virtual & augmented reality markets like oil & gas and the

automotive industry. Total decrease in order intake for the division was 21%.

The order book at the end of September 2009 was 80.2 million euro, a drop of 19.0% year-on-year.

Gross profit margin continues to be strong in both markets. EBIT for the division was minus 1.5 million euro compared to minus 2.6 million euro the year before. EBIT was positive in the simulation segment. In the avionics segment on the other hand EBIT was down year-on-year due to the lower sales volume. Cost savings continue to be focused on, resulting in substantially reduced operating expenses in the avionics segment.

BALANCE SHEET

At the end of September 2009 Barco had a net cash position of 42.3 million euro, compared to a net debt position of 32.8 million euro on 31 December 2008 and a net cash position of 36.9 million euro on 30 June 2009. Barco did not buy back any of its own shares in the first nine months of 2009. On 30 September 2009 trade receivables were at 116.7 million euro, down 5.5 million euro compared to 30 June 2009. End September DSO was 71 days, down from 87 days the year before, a reduction of 18%. Inventory was at 158.2 million euro, a decrease of 2.1% compared to 161.6 million euro end June 2009. Inventory turns improved from 2.1 at the end of 3Q08 to 3.0 at the end of 3Q09. Trade payables were 60.7 million euro, up 7.3 million euro from end June 2009. Capex for 3Q09, excluding capitalized R & D, was 1.6 million euro. For the first 9 months of the year capex was 3.4 million euro.

OUTLOOK FOR 2009

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

Management does not anticipate business conditions in the events and out-of-home media market to improve soon. Nevertheless it remains cautiously optimistic as strong growth in digital cinema will give a boost to revenues and help to alleviate profitability issues in the Media & Entertainment division. For the full year results management believes that operationally the signs bode well for a solid 4Q09. Nevertheless it anticipates further weakness in the events and out-of-home media markets. Therefore it will continue to implement measures to restore profitability and establish healthy levels of working capital, even if this were to push results below the EBIT break even line for the full year. Management states that as long as Barco continues to generate good cash flow and can report steady progress in its growth segments, the company is on the right track.

² The company now owns 737,963 of its own shares or 5.82% before dilution. The buy-back program started in 2003.

Income statement on the basis of continuing operations*

	2009	2008	2009	2008
[in thousands of euros]	3rd quarter	3rd quarter	9 months	9 months
Net sales	148,009	177,667	457,459	517,403
Cost of goods sold	-104,157	-120,376	-327,638	-338,630
Gross profit	43,852	57,291	129,822	178,773
Research and development expenses	-14,885	-19,823	-51,367	-54,858
Sales and marketing	-23,131	-28,075	-69,341	-85,509
General and administration expenses	-10,340	-11,854	-31,202	-35,911
Other operating income (expense) - net	1,192	800	7,202	8,435
EBIT before restructuring	-3,312	-1,661	-14,887	10,931
Restructuring cost	0	-3,223	0	-4,823
EBIT after restructuring	-3,312	-4,884	-14,887	6,108
Interest income	591	756	1,991	2,254
Interest expense	-860	-2,209	-3,452	-4,960
Other non-operating income (expense) - net	0	0	0	0
Income before taxes	-3,581	-6,337	-16,347	3,402
Income taxes	653	2,813	3,013	819
Net income from continuing operations	-2,929	-3,524	-13,335	4,221
Net income from discontinued operations	-70	36,082	4,249	39,527
Net income	-2,999	32,558	-9,086	43,748
Minority interest	-13	0	0	0
Net income attributable to the equityholder of the parent	-3,012	32,558	-9,086	43,748
Earnings per share	-0.25	2.73	-0.76	3.67
Diluted earnings per share	-0.24	2.57	-0.72	3.45

*excluding the results of the medical advanced visualization activities of the business unit Voxar

Income statement as reported

	2009	2008	2009	2008
[in thousands of euros]	3rd quarter	3rd quarter	9 months	9 months
Net sales	148,014	188,815	457,965	564,615
Cost of goods sold	-103,980	-126,133	-327,610	-362,425
Gross profit	44,034	62,682	130,355	202,190
Research and development expenses	-15,068	-22,437	-51,750	-63,296
Sales and marketing	-23,139	-30,639	-69,553	-93,254
General and administration expenses	-10,346	-15,210	-31,317	-41,269
Other operating income (expense) - net	1,175	1,675	7,272	8,953
EBIT before restructuring	-3,344	-3,928	-14,993	13,325
Restructuring cost	0	-3,223	0	-4,823
EBIT after restructuring	-3,344	-7,151	-14,993	8,501
Interest income	16	767	895	2,292
Interest expense	-285	-2,220	-2,356	-4,998
Other non-operating income (expense) - net	0	37,949	7,207	37,953
Income before taxes	-3,614	29,344	-9,247	43,749
Income taxes	614	3,213	161	-1
Net income	-2,999	32,558	-9,086	43,748
Minority interest	-13	0	0	0
Net income attributable to the equityholder of the parent	-3,012	32,558	-9,086	43,748
Earnings per share	-0.25	2.73	-0.76	3.67
Diluted earnings per share	-0.24	2.57	-0.72	3.45

Interim consolidated statement of comprehensive income as reported

	2009	2008	2009	2008
[in thousands of euros]	3rd quarter	3rd quarter	9 months	9 months
Net income	-2,999	32,558	-9,086	43,748
Exchange differences on translation of foreign operations	-1,878	3,230	-1,449	-5,009
Net (loss)/gain on cash flow hedges	147	-203	-95	-248
Income tax	<u>27</u>	<u>0</u>	<u>-18</u>	<u>0</u>
	120	-203	-78	-248
Other comprehensive income (loss) for the period, net of tax	-1,758	3,027	-1,526	-5,257
Total comprehensive income for the period, net of tax	-4,758	35,584	-10,612	38,491

Interim consolidated statement of financial position on the basis of continuing operations*

[in thousands of euros]	30 Sep 2009	31 Dec 2008
ASSETS		
Goodwill	57,265	57,265
Capitalized development cost	62,376	69,038
Other intangible assets	2,844	2,325
Land and buildings	31,334	33,378
Other tangible assets	23,901	29,058
Investments	327	327
Deferred tax assets	28,735	33,871
Other non-current assets	6,018	5,302
Non-current assets	212,800	230,565
Inventory	158,154	189,104
Trade debtors	116,662	168,325
Other amounts receivable	28,685	30,172
Deposits and cash at bank and in hand	63,077	72,119
Prepaid expenses and accrued income	8,359	7,484
Assets from discontinued operations	6,207	22,960
Current assets	381,144	490,162
Total assets	593,944	720,727
EQUITY AND LIABILITIES		
Equity attributable to equityholders of the parent	392,812	403,173
Minority interest	1	3
Equity	392,813	403,176
Long-term debts	13,327	13,672
Deferred tax liabilities	2,344	3,215
Other long-term liabilities	5,870	5,813
Non-current liabilities	21,541	22,700
Current portion of long-term debts	1,200	1,983
Short-term debts	6,269	89,266
Trade payables	60,718	67,004
Advances received on contracts in progress	19,171	19,180
Tax payables	18,540	20,989
Employee benefits	27,935	38,055
Other current liabilities	3,927	4,636
Accrued charges and deferred income	6,781	7,821
Provisions for liabilities and charges	26,307	40,355
Liabilities from discontinued operations	8,742	5,562
Current liabilities	179,591	294,851
Total equity and liabilities	593,944	720,727

*excluding the balance sheet of the medical advanced visualization activities of the business unit Voxar

Interim consolidated statement of financial position as reported

[in thousands of euros]	30 Sep 2009	31 Dec 2008
ASSETS		
Goodwill	57,265	72,809
Capitalized development cost	62,376	73,378
Other intangible assets	2,844	2,364
Land and buildings	31,334	33,378
Other tangible assets	23,901	29,263
Investments	327	327
Deferred tax assets	30,632	34,701
Other non-current assets	9,934	5,302
Non-current assets	218,613	251,521
Inventory	158,152	189,252
Trade debtors	117,045	170,140
Other amounts receivable	28,688	30,185
Deposits and cash at bank and in hand	63,077	72,119
Prepaid expenses and accrued income	8,369	7,509
Current assets	375,331	469,206
Total assets	593,944	720,727
EQUITY AND LIABILITIES		
Equity attributable to equityholders of the parent	392,812	403,173
Minority interest	1	3
Equity	392,813	403,176
Long-term debts	13,327	13,672
Deferred tax liabilities	7,757	3,215
Other long-term liabilities	5,870	5,813
Non-current liabilities	26,954	22,700
Current portion of long-term debts	1,200	1,983
Short-term debts	6,269	89,266
Trade payables	60,717	67,135
Advances received on contracts in progress	19,171	19,315
Tax payables	17,479	20,995
Employee benefits	27,907	38,430
Other current liabilities	3,927	4,851
Accrued charges and deferred income	10,792	12,516
Provisions for liabilities and charges	26,715	40,360
Current liabilities	174,177	294,851
Total equity and liabilities	593,944	720,727

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 2008, except for the adoption of new Standards and Interpretations as of 1 January 2009, noted below:

IFRS 2 Share-based Payment – Vesting Conditions and Cancellations

The Standard has been amended to clarify the definition of vesting conditions and to prescribe the accounting treatment of an award that is effectively cancelled because a non-vesting condition is not satisfied. The adoption of this amendment did not have any impact on the financial position or performance of the Group.

IFRS 7 Financial Instruments: Disclosures

The amended standard requires additional disclosure about fair value measurement and liquidity risk. Fair value measurements are to be disclosed by source of inputs using a three level hierarchy for each class of financial instrument. In addition, a reconciliation between the beginning and ending balance for Level 3 fair value measurements is now required, as well significant transfers between Level 1 and Level 2 fair value measurements. The amendments also clarify the requirements for liquidity risk disclosures. The fair value measurement disclosures will only be presented for year-end financial statements as the Group's exposure to Level 3 measurements is limited. The liquidity risk disclosures are not significantly impacted by the amendments.

IFRS 8 Operating Segments

This standard requires disclosure of information about the Group's operating segments and replaces the requirement to determine primary (business

and secondary (geographical) reporting segments of the Group. Adoption of this Standard did not have any effect on the financial position or performance of the Group. The Group determined that the operating segments were the same as the business segments previously identified under IAS 14 Segment Reporting. Additional disclosures about each of these segments are shown in Note Segment Information, including comparative information.

IAS 1 Revised Presentation of Financial Statements

The revised Standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented as a single line. In addition, the Standard introduces the statement of comprehensive income: it presents all items of recognised income and expense, either in one single statement, or in two linked statements. The Group has elected to present two statements.

IAS 23 Borrowing Costs (Revised)

The standard has been revised to require capitalisation of borrowing costs on qualifying assets and the Group has amended its accounting policy accordingly. In accordance with the transitional requirements of the Standard this has been adopted as a prospective change. Therefore, borrowing costs have been capitalised on qualifying assets with a commencement date on or after 1 January 2009. No changes have been made for borrowing costs incurred prior to this date that have been expensed.

IAS 32 Financial Instruments: Presentation and IAS 1 Puttable Financial Instruments and Obligations Arising on Liquidation

The standards have been amended to allow a limited scope exception for puttable financial instruments to be classified as equity if they fulfill a number of

specified criteria. The adoption of these amendments did not have any impact on the financial position or performance of the Group.

IFRIC 13 Customer Loyalty Programmes

This interpretation requires customer loyalty credits to be accounted for as a separate component of the sales transaction in which they are granted. A portion of the fair value of the consideration received is allocated to the award credits and deferred. This is then recognised as revenue over the period that the award credits are redeemed. The Group does not operate a Customer Loyalty Program.

IFRIC 9 Reassessment of Embedded Derivatives and IAS 39 Financial Instruments: Recognition and Measurement

These amendments to IFRIC 9 require an entity to assess whether an embedded derivative must be separated from a host contract when the entity reclassifies a hybrid financial asset out of the fair value through profit or loss category. This assessment is to be made based on circumstances that existed on the later of the date the entity first became a party to the contract and the date of any contract amendments that significantly change the cash flows of the contract. IAS 39 now states that if an embedded derivative cannot be reliably measured, the entire hybrid instrument must remain classified as at fair value through profit or loss. The adoption of this amendment did not have any impact on the financial position or performance of the Group.

IFRIC 16 Hedges of a Net Investment in a Foreign Operation

The interpretation is to be applied prospectively. IFRIC 16 provides guidance on the accounting for a hedge of a net investment. As such it provides guidance on identifying the foreign currency risks that qualify for

hedge accounting in the hedge of a net investment, where within the group the hedging instruments can be held in the hedge of a net investment and how an entity should determine the amount of foreign currency gain or loss, relating to both the net investment and the hedging instrument, to be recycled on disposal of the net investment. The Group has elected to recycle the gain or loss that arises from the direct method of consolidation, which is the method the Group uses to complete its consolidation. As the Group did not dispose of any net investment it has had no impact on the financial position or results.

Improvements to IFRSs

In May 2008 the Board issued its first omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. There are separate transitional provisions for each standard. The adoption of the following amendments resulted in changes to accounting policies but did not have any impact on the financial position or performance of the Group.

On 31 January 2009 Barco Group has reached a binding agreement with Toshiba Medical Visualization Systems Europe for the sale of the AVIS division (Voxar). Barco Group has received 27 Mio EUR in cash, subject to adjustments, as stipulated in the

contract, for which 4 million euro was put in escrow. The escrow will be cashed respectively 50% in April 2010 and in July 2011.

According to IFRS 5, the results and cash flows of the AVIS division until 31 January 2009 are shown as a separate line "discontinued operations". The assets and liabilities related to the AVIS division, which were not included in the sale, are shown as a separate line "discontinued operations" per 30 June 2009.

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.

Related party disclosures

In the 1st 9 months of 2009 total remuneration paid to the board of directors including the CEO was 1,161,208 euro.

Excluding the CEO, total remuneration paid in the 1st 9 months of 2009 to the members of the executive committee, including employer's contributions to personal risk insurances and retirement, was 1,434,376 euro.

Changes in equity attributable to equityholders of the parent

	2009	2008
[in thousands of euros]	3rd quarter	3rd quarter
Equity attributable to equityholders of the parent on Jun 30	397,606	395,066
Net income attributable to equityholders of the parent	-3,012	32,558
Dividend	0	0
Other comprehensive income (loss) for the period, net of tax	-1,758	3,390
Capital increase	0	0
Acquisition of own shares	0	0
Share-based payment	-24	160
Realisation translation adjustment Barco Vision		360
Equity attributable to equityholders of the parent on Sep 30	392,812	431,534

	2009	2008
[in thousands of euros]	9 months	9 months
Equity attributable to equityholders of the parent on Dec 31	403,176	421,605
Net income attributable to equityholders of the parent	-9,086	43,748
Dividend	0	-28,556
Other comprehensive income (loss) for the period, net of tax	-1,526	-4,894
Capital increase	0	8
Acquisition of own shares	0	-1,217
Share-based payment	248	480
Realisation translation adjustment Barco Vision		360
Equity attributable to equityholders of the parent on Sep 30	392,812	431,534

Cash flow statement on the basis of continuing operations*

	2009	2008	2009	2008
[in thousands of euros]	3rd quarter	3rd quarter	9 months	9 months
Cash flow from operating activities				
EBIT after restructuring	-3,312	-4,884	-14,887	6,108
Restructuring provision (personnel)	-784	0	-8,590	0
Amortization capitalized development cost	10,073	12,076	30,561	35,628
Depreciation of tangible and intangible fixed assets	2,894	3,325	9,636	9,535
Gains and losses on tangible fixed assets	21	102	203	86
Share options recognized as cost	-24	160	248	480
Discontinued operations : cash flow from operating activities	0	-7,360	207	0
Gross operating cash flow	8,869	3,419	17,379	51,837
Changes in trade receivables	5,044	7,962	51,513	32,782
Changes in inventory	2,626	2,958	30,439	-12,694
Changes in trade payables	7,353	-10,081	-6,285	-24,482
Other changes in net working capital	-4,888	-7,138	-7,786	3,184
Discontinued operations : change in net working capital	-521	1,832	-3,537	2,616
Change in net working capital	9,614	-4,468	64,345	1,407
Net operating cash flow	18,483	-1,049	81,724	53,243
Interest income/expense	-269	-1,453	-1,461	-2,706
Income taxes	-890	-2,056	-476	-12,734
Other non-operating results	0	0	0	0
Discontinued operations : income taxes	13	1,160	428	0
Cash flow from operating activities	17,338	-3,398	80,215	37,804
Cash flow from investing activities				
Expenditure on product development	-10,374	-9,606	-24,534	-35,772
Purchases of tangible and intangible fixed assets	-1,648	-2,350	-3,432	-8,477
Proceeds on disposals of tangible and intangible fixed assets	60	433	60	374
Acquisition of Group companies, net of acquired cash	0	0	0	-36,423
Other investing activities	-1	1	0	0
Discontinued operations : cash flow from investing activities	0	57,774	22,774	60,048
Cash flow from investing activities	-11,963	46,253	-5,132	-20,250
Cash flow from financing activities				
Dividends paid	0	0	0	-28,556
Share issue	0	0	0	8
Acquisition of own shares	0	0	0	-1,217
Proceeds from (+), payments of (-) long-term liabilities	-240	664	-345	221
Proceeds from (+), payments of (-) short-term liabilities	-12,729	-42,416	-83,780	-4,033
Cash flow from financing activities	-12,969	-41,752	-84,125	-33,577
Net decrease in cash and cash equivalents	-7,594	1,103	-9,042	-16,023
Cash and cash equivalents at beginning of period	70,670	56,211	72,119	73,337
Cash and cash equivalents at end of period	63,077	57,314	63,077	57,314

Free cash flow^{**}

	2009	2008	2009	2008
[in millions of euros]	3rd quarter	3rd quarter	9 months	9 months
EBIT after restructuring	(3.3)	(4.9)	(14.9)	6.1
Amortization capitalized development cost	10.1	11.3	30.6	33.5
Restructuring 2008	(0.8)	(0.4)	(8.6)	0.8
Depreciation of tangible and intangible fixed assets	2.9	3.3	9.6	9.4
Gains and losses on tangible fixed assets	0.0	0.1	0.2	0.1
Gross operating cash flow	8.9	9.4	16.9	49.9
Changes in trade receivables - (increase)/decrease	5.0	8.0	51.5	32.8
Changes in inventory - (increase)/decrease	2.6	3.0	30.4	(12.7)
Changes in trade payables - increase/(decrease)	7.4	(10.1)	(6.3)	(24.5)
Other changes in net working capital	(4.8)	(7.1)	(7.7)	3.2
Change in net working capital	10.2	(6.3)	67.9	(1.2)
Net operating cash flow	19.1	3.1	84.8	48.7
Interest income/expense	(0.3)	(1.5)	(1.5)	(2.7)
Income taxes	(0.9)	(2.1)	(0.5)	(12.8)
Cash flow from operating activities	17.9	(0.4)	82.9	33.2
Expenditure on product development	(10.4)	(9.6)	(24.5)	(35.8)
Purchases of tangible & intangible fixed assets	(1.6)	(2.3)	(3.4)	(8.5)
Proceeds on disposals of tangible & intangible fixed assets	0.0	0.4	0.1	0.4
Cash flow from investing activities	(12.0)	(11.5)	(27.9)	(43.9)
FREE CASH FLOW	5.9	(11.9)	55.0	(10.7)

*excluding the free cash flow of the medical advanced visualization activities of the business unit Voxar

Segment information

For management purposes, the group is organized into divisions based on the professional markets for which the company designs and develops visualization solutions and has four reportable operating segments as follows:

- The **Media & Entertainment** segment covers the markets for digital cinema, events and out of home media, offering a range of projection, image processing and LED solutions
- The **Security and Monitoring** segment focuses on visualization solutions for traffic & surveillance, utilities & process control, broadcast & telecom and defense & security
- The **Medical Imaging** segment covers a wide range of display solutions for medical imaging professionals
- The **Avionics & Simulation** segment offers display solutions for use aboard aircraft and specialized projection solutions for simulation.

Management monitors the operating results of its divisions separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss. Group financing (including finance costs and finance revenue) and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Results per division on the basis of continuing operations*

The following tables present revenue and profit information regarding the Group's operating segments for the third quarter and nine months ended 30 September 2009 and 2008, respectively.

[in thousands of euros]	2009			2008		
	3rd quarter			3rd quarter		
	Sales	EBIT	%EBIT	Sales	EBIT	%EBIT
Media & Entertainment	61,946	-5,934	-9.6%	78,982	-218	-0.3%
Security and Monitoring	42,496	92	0.2%	54,021	-1,814	-3.4%
Medical Imaging	28,283	4,060	14.4%	29,032	2,689	9.3%
Avionics & Simulation	16,905	-1,530	-9.0%	19,613	-2,318	-11.8%
Eliminations	-1,620	0		-3,980	0	
Total (before restructuring)	148,009	-3,312	-2.2%	177,667	-1,661	-0.9%

[in thousands of euros]	2009			2008		
	9 months			9 months		
	Sales	EBIT	%EBIT	Sales	EBIT	%EBIT
Media & Entertainment	180,099	-23,898	-13.3%	210,189	-158	-0.1%
Security and Monitoring	135,355	-653	-0.5%	168,996	5,927	3.5%
Medical Imaging	84,871	10,942	12.9%	93,324	11,890	12.7%
Avionics & Simulation	61,967	-1,278	-2.1%	58,106	-6,728	-11.6%
Eliminations	-4,833	0		-13,213	0	
Total (before restructuring)	457,459	-14,887	-3.3%	517,403	10,931	2.1%

*excluding the results of the medical advanced visualization activities of the business unit Voxar

Segment assets on the basis of Continuing operations

The following table presents segment assets of the Group's operating segments as at 30 September 2009 and 31 December 2008:

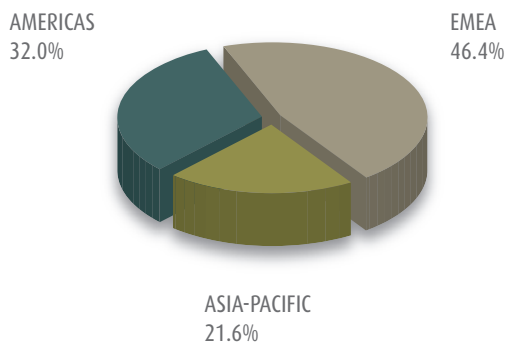
	2009	2008
[in thousands of euros]		
ASSETS		
Segment assets Media & Entertainment	205,439	227,315
Segment assets Security and Monitoring	128,852	161,890
Segment assets Medical	48,220	59,018
Segment assets Avionics & Simulation	77,695	111,390
Total segment assets	460,205	559,612
Investments	327	327
Deferred tax assets	28,735	33,871
Deposits and cash at bank and in hand	63,077	72,119
Other non-allocated assets	35,393	31,839
Assets from discontinued operations	6,207	22,960
Total assets	593,944	720,727
LIABILITIES		
Segment liabilities Media & Entertainment	56,907	52,219
Segment liabilities Security and Monitoring	48,760	49,818
Segment liabilities Medical	19,237	29,879
Segment liabilities Avionics & Simulation	28,125	40,543
Total segment liabilities	153,028	172,459
Equity attributable to equityholders of the parent	392,812	403,173
Minority interest	1	3
Long-term debts	13,327	13,672
Deferred tax liabilities	2,344	3,215
Current portion of long-term debts	1,200	1,983
Short-term debts	6,269	89,266
Other non-allocated liabilities	16,221	31,394
Liabilities from discontinued operations	8,742	5,562
Total equity and liabilities	593,944	720,727

Geographical breakdown of sales

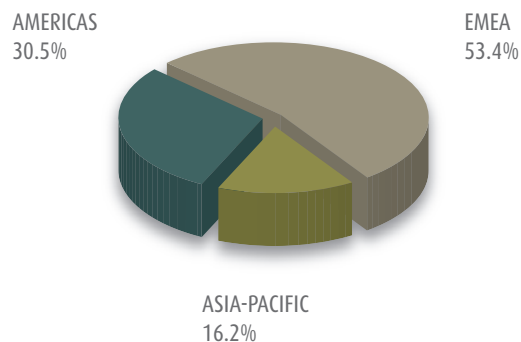
on the basis of continuing operations*

Management directs sales of the Group based on the regions to which the goods are shipped or the services are rendered and has three reportable regions Europe, Middle East and Africa (EMEA), North and Latin America (Americas) and the Asia-Pacific region (APAC). The below pie charts present the distribution of the Group's sales over the regions for the third quarter and nine months ended 30 September 2009 and 2008, respectively.

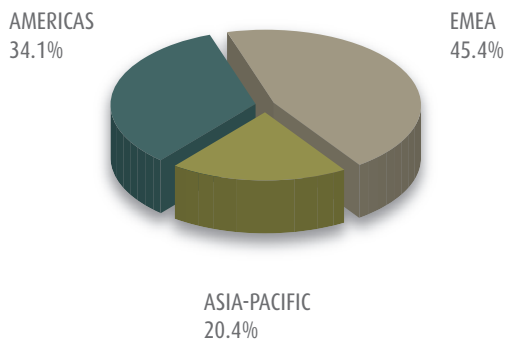
3rd quarter 2009



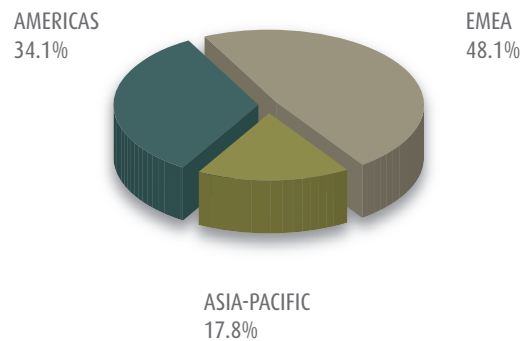
3rd quarter 2008



9 months 2009



9 months 2008



*excluding the results of the medical advanced visualization activities of the business unit Voxar

Events after the statement of financial position date

There are no major events subsequent to the balance sheet date which have a major impact on the further evolution of the company.

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Barco VVPR-strip BARS ISIN BE0005583548

Reuters BARBt.BR
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Report

This report "9 months ended 30 September 2009"
is also available in Dutch and can be
consulted on www.barco.com