

Results 2H10 & FY10

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President & CEO

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Barco 2H10: strong progress on many fronts

- Order intake of € 463m or 45% growth vs last year
- Record sales of € 529m or 61% growth vs 2009
- EBIT at 6.4% vs 3% in 1H10 and progressing steadily
- Global leadership in DC confirmed with € 179m sales in 2H10
 - **2.3 times 1H**
- Global leadership in Medical Imaging confirmed with FIMI acquisition contributing strongly to growth
 - **Sales MID 2H10 vs 2H09: +52%**
 - **Organic (excl. FIMI): +21%**
- Growth in all other divisions combined (vs 2009)
 - **Orders +21.5%**
 - **Sales +19.4%**
 - **Excluding DC and Medical Imaging**
- Supply chain issues now largely resolved but inventories are still too high
- Portfolio analysis completed; activities regrouped and new Barco structure launched

Key figures 2H10

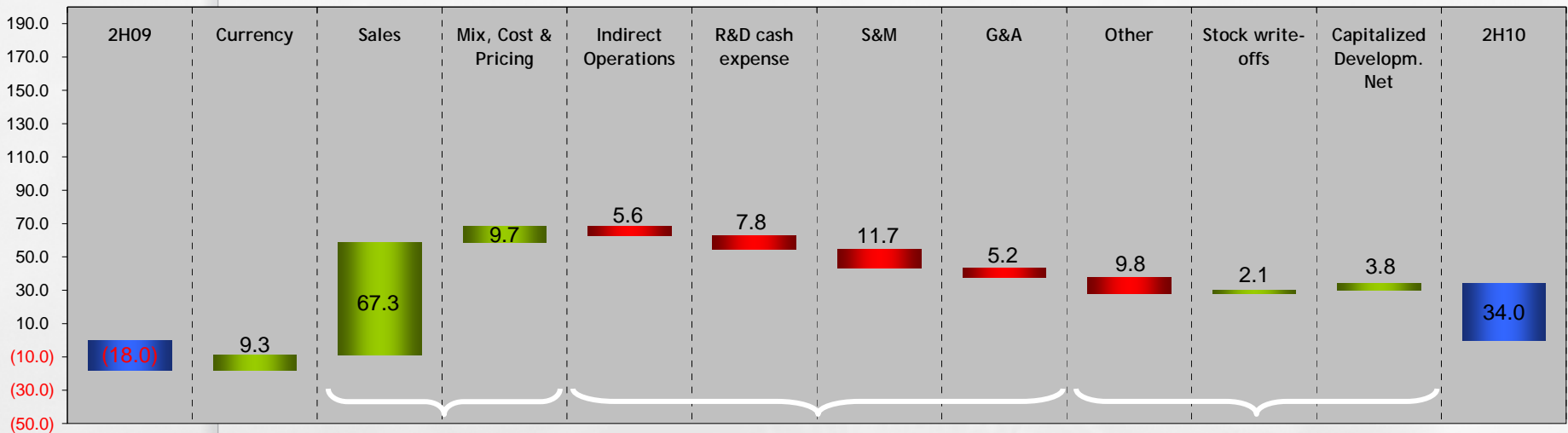
<i>in € million</i>	H2 2010	H2 2009	Change	
Order Book	426.9	331.4	95.5	+29%
Incoming Orders	463.1	319.5	143.6	+45%
Sales	528.8	328.6	200.2	+61%
EBITDA	60.6	8.4	52.2	
EBIT	34.0	(18.0)	52.0	
Restructuring & impairment costs	-	(39.3)	39.3	
Net income	35.2	(53.8)	89.0	
Free Cash Flow	(5.3)	10.3	(15.6)	

Income statement 2H10

In € million	2H 2010		2H 2009	
Sales	528.8	100.0%	328.6	100.0%
Cost of goods sold	(364.2)	-68.9%	(245.9)	-74.8%
Gross Profit	164.5	31.1%	82.8	25.2%
Research & Development	(36.7)	-6.9%	(32.8)	-10.0%
Sales & Marketing	(61.7)	-11.7%	(50.0)	-15.2%
General & Administration	(26.0)	-4.9%	(20.8)	-6.3%
Other operating result	(6.0)	-1.1%	2.8	0.9%
EBIT	34.0	6.4%	(18.0)	-5.5%
Restructuring & impairment costs	0.0	0.0%	(39.4)	-12.0%
EBIT after restructuring & impairment	34.0	6.4%	(57.4)	-17.5%
Interest expense, net	(0.7)	-0.1%	(0.5)	-0.1%
Income Taxes	1.9	0.4%	4.0	1.2%
Net Income from discontinued operations	0.0	0.0%	(0.0)	0.0%
Net Income	35.2	6.7%	(53.8)	-16.4%
EBITDA	60.6	11.5%	8.4	2.6%
Free Cash Flow	(5.2)	-1.0%	10.3	3.1%
Net Earnings per Share (in €)	2.95		(4.51)	

EBIT Waterfall 2H10 versus 2H09 (+ € 52m)

EBIT in €m



Gross Margin
+77m



Opex +30.3m, of which 7.1m related to acquisitions FIMI and dZine



Effect non cash items (-1.9m)
and other (-2m)



- Continued organic sales growth both in MES with more than doubled sales vs 2H09, and MCM (+14% organic growth, +28.3% incl FIMI)
- Sales growth in all regions

- Increased level of strategic development
- Stock write-offs again under control
- Increased bad debt reserves & other provisions
- Other: mainly credit insurance premiums

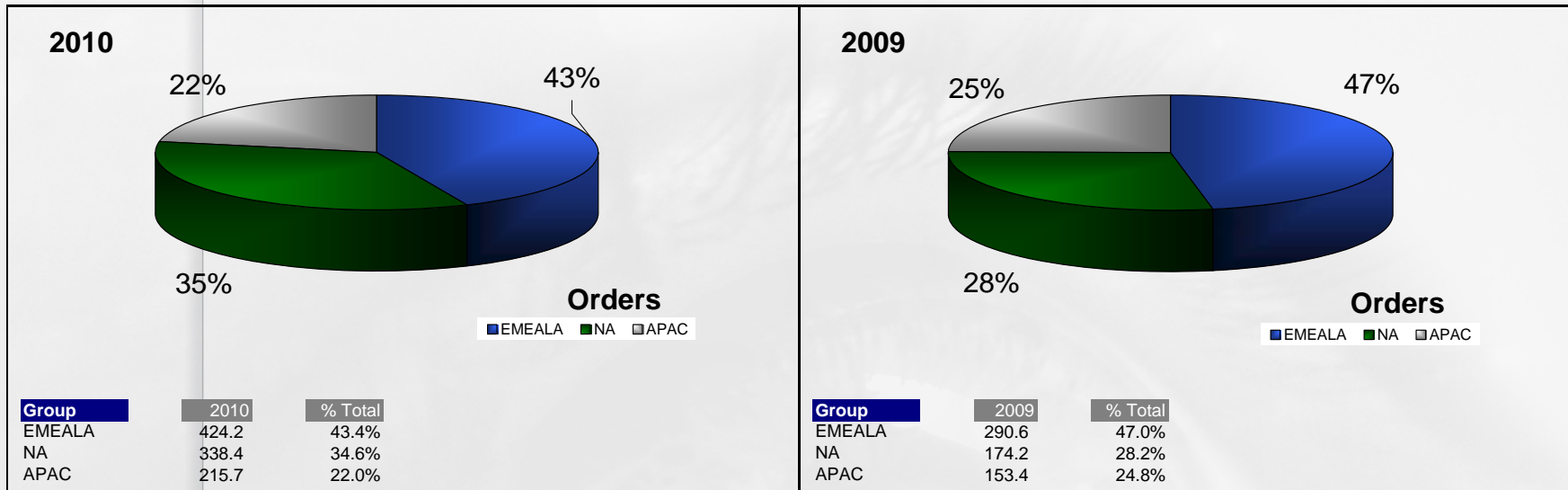
2010 - A year of strong recovery for Barco

- Unprecedented growth in orders (+ 58.3%) to € 978.3m
 - **Of which organic growth 49.7%**
- Robust growth in sales (+ 40.6%) to € 897m
 - **Of which organic growth 32.3%**
- Gross profits return to historic levels of 32%
- EBITDA breaks through 10% threshold
- EBIT at € 45.1m or 5% on sales
- Free cash flow slightly negative € -7m
- Net financial cash position of € 8.9m

Key figures 2010

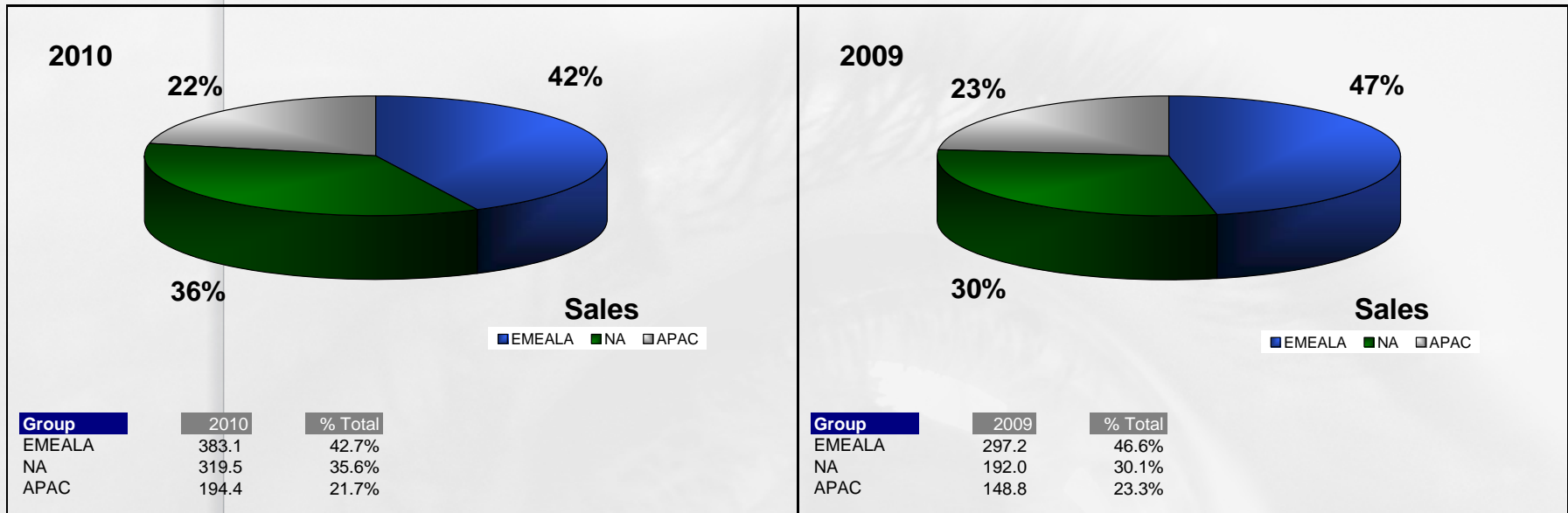
<i>in € million</i>	2010	2009	Change
Order Book	426.9	331.4	95.5
Incoming Orders	978.3	618.2	360.1
Sales	897.0	638.1	258.9
EBITDA	98.8	24.1	74.7
EBIT	45.1	(29.5)	74.6
Restructuring & impairment costs	-	(39.3)	39.3
Net income	43.6	(59.9)	103.5
Free Cash Flow	(7.0)	59.4	(66.4)

Geographical breakdown of orders



- EMEALA region grows 46%
- NA region grows 94%
- APAC region grows 41%

Geographical breakdown of sales

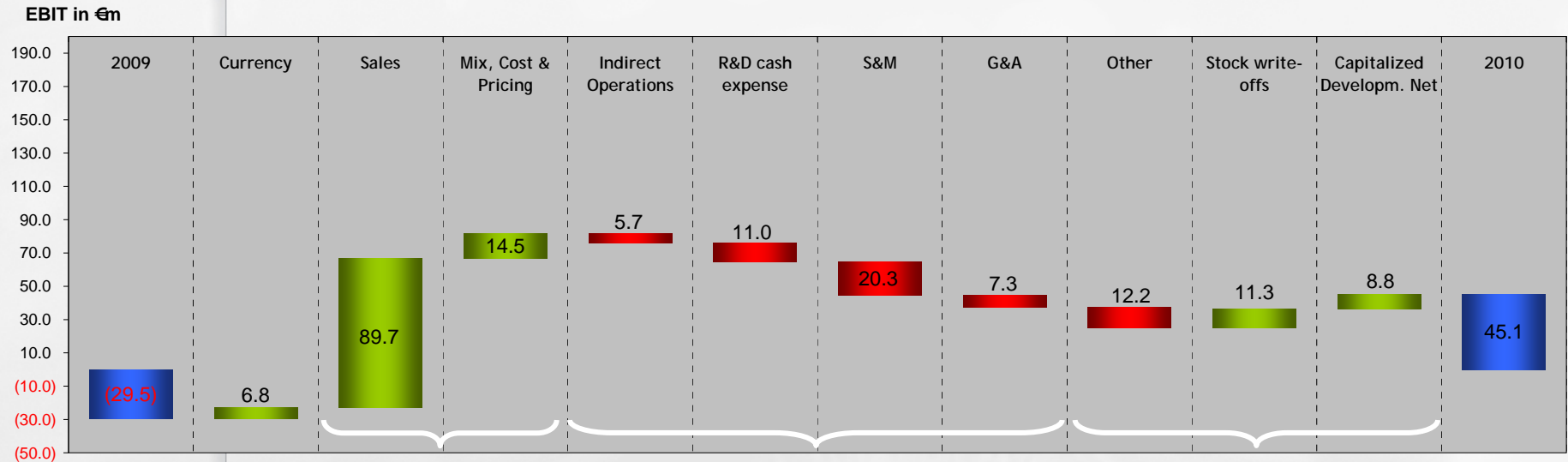


- EMEALA region grows 29%
- NA region grows 66%
- APAC region grows 31%

Income statement per semester

€m	First Half			Second Half			Full Year		
	2010	2009	Change	2010	2009	Change	2010	2009	Change
Orders	515.1	298.7	216.4	463.1	319.5	143.6	978.3	618.2	360.1
Sales	368.2	309.5	58.8	528.8	328.6	200.1	897.0	638.1	258.9
Cost of goods sold	(245.3)	(224.3)	(21.0)	(364.2)	(245.9)	(118.4)	(609.5)	(470.1)	(139.4)
% Sales % Change	-66.6%	-72.5%	9.4%	-68.9%	-74.8%	48.1%	-67.9%	-73.7%	29.6%
Gross Profit	123.0	85.2	37.8	164.5	82.8	81.8	287.5	168.0	119.6
% Sales % Change	33.4%	27.5%	44.4%	31.1%	25.2%	98.8%	32.1%	26.3%	71.2%
R&D Expenses	(33.3)	(30.2)	(3.2)	(38.8)	(31.0)	(7.8)	(72.1)	(61.2)	(11.0)
% Sales % Change	-9.0%	-9.7%	10.5%	-7.3%	-9.4%	25.1%	-8.0%	-9.6%	17.9%
Development Cap. - Net	(1.3)	(6.3)	5.0	2.1	(1.7)	3.8	0.8	(8.0)	(0.8)
Research & Development	(34.6)	(36.5)	1.8	(36.7)	(32.8)	(4.0)	(71.4)	(69.2)	(2.1)
% Sales % Change	-9.4%	-11.8%	-5.1%	-6.9%	-10.0%	12.2%	-8.0%	-10.9%	3.1%
Sales & Marketing	(52.9)	(44.2)	(8.6)	(61.7)	(50.0)	(11.7)	(114.6)	(94.3)	(20.3)
% Sales % Change	-14.4%	-14.3%	19.5%	-11.7%	-15.2%	23.3%	-12.8%	-14.8%	21.5%
General & Administration	(23.0)	(20.9)	(2.1)	(26.0)	(20.8)	(5.2)	(49.0)	(41.7)	(7.3)
% Sales % Change	-6.2%	-6.7%	10.1%	-4.9%	-6.3%	25.1%	-5.5%	-6.5%	17.6%
Other operating result	(1.4)	4.8	(6.2)	(6.0)	2.8	(8.9)	(7.4)	7.7	(15.1)
EBIT	11.1	(11.6)	22.7	34.0	(18.0)	52.0	45.1	(29.5)	74.7
% Sales % Change	3.0%	-3.7%		6.4%	-5.5%		5.0%	-4.6%	
EBITDA	38.2	15.7	22.5	60.6	8.4	52.1	98.8	24.1	74.7
% Sales % Change	10.4%	5.1%		11.5%	2.6%		11.0%	3.8%	

EBIT Waterfall 2010 versus 2009 (+ € 74.7m)



Gross Margin
+104.2m



Opex +43.7m, of which 11.2m related
to acquisitions FIMI and dZine



Effect non cash items (+11.5m)
and other (-3.6m)



- Continued organic sales growth both in MES (+53% of which dZine € 5.6m) and MCM (+13% organic growth, +27.6% incl. FIMI)
- Sales growth in all regions

- Increased level of strategic development
- Stock write-offs again under control
- Increased bad debt reserves & other provisions
- Other: mainly credit insurance premiums

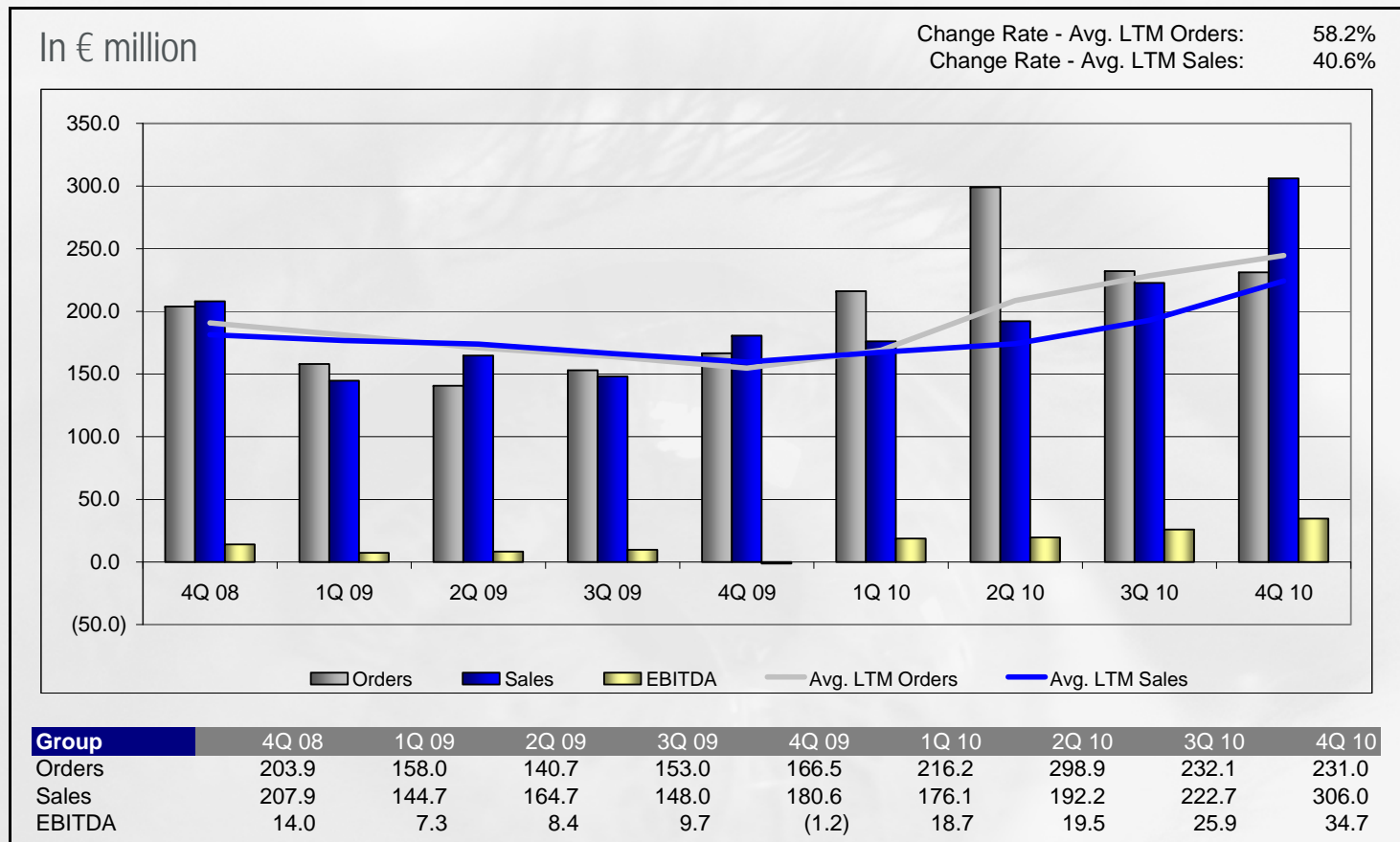
Income statement 2010

In € million	2010		2009	
Sales	897.0	100.0%	638.1	100.0%
Cost of goods sold	(609.5)	-67.9%	(470.1)	-73.7%
Gross Profit	287.5	32.1%	168.0	26.3%
Research & Development	(71.4)	-8.0%	(69.2)	-10.9%
Sales & Marketing	(114.6)	-12.8%	(94.3)	-14.8%
General & Administration	(49.0)	-5.5%	(41.7)	-6.5%
Other operating result	(7.4)	-0.8%	7.7	1.2%
EBIT	45.1	5.0%	(29.5)	-4.6%
Restructuring & impairment costs	0.0	0.0%	(39.4)	-6.2%
EBIT after restructuring & impairment	45.1	5.0%	(68.9)	-10.8%
Interest expense, net	(1.5)	-0.2%	(1.7)	-0.3%
Income Taxes	0.0	0.0%	6.4	1.0%
Net Income from discontinued operations	0.0	0.0%	4.3	0.7%
Net Income	43.6	4.9%	(59.9)	-9.4%
EBITDA	98.8	11.0%	24.1	3.8%
Free Cash Flow	(7.0)	-0.8%	59.4	9.3%
Net Earnings per Share (in €)	3.66		(5.02)	

Cash & Balance Sheet

- Inventories up € 84.2m to € 230.4m
 - **2.3 turns at end of 2010**
- Negative free cash flow caused by high inventory
 - **€ -5.2m in 2H10**
- Trade payables up € 57.5m to € 125.4m
 - **DPO at 67 days end of 2010**
- Trade receivables up € 66m to € 201m
 - **DSO at 59 days end of 2010**
- Robust gross operating cash flow of € 95.2m
 - **Strong volume growth and improving margins**
 - **Growth in working capital of € 47.3m**
 - **Free cash flow slightly negative € 7m**
- Net financial cash position of € 8.9m

Results per quarter

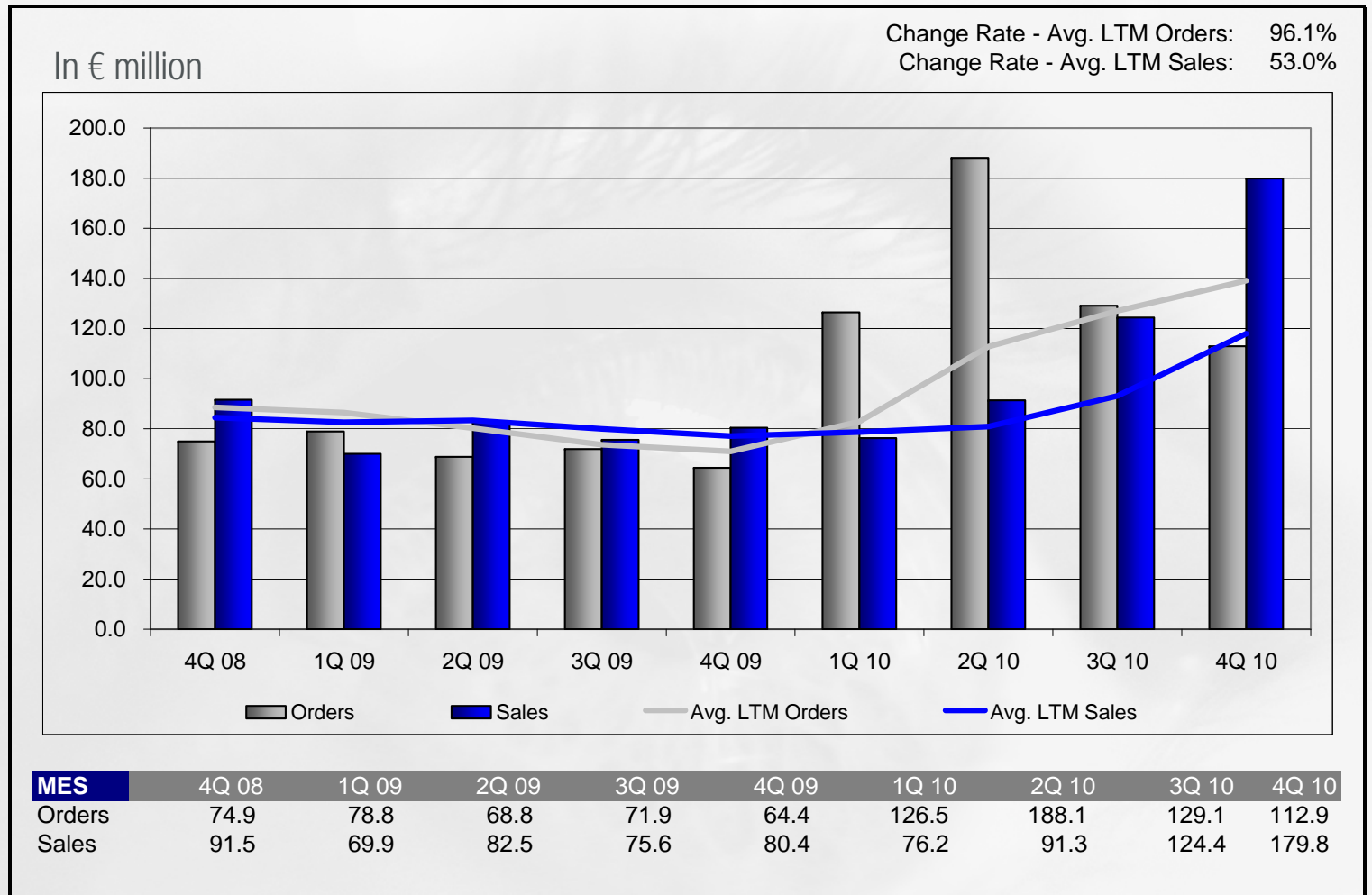


Evolution of results by business group

in € million	2H10		2H09	
	Sales	EBIT	Sales	EBIT
Media, Entertainment & Simulation	304.2	25.9	155.9	(26.2)
Monitoring, Control & Medical	225.7	8.1	175.9	8.2
Eliminations	(1.2)	-	(3.3)	0.0
Group	528.8	34.0	328.6	(18.0)

in € million	2010		2009	
	Sales	EBIT	Sales	EBIT
Media, Entertainment & Simulation	471.7	27.0	308.3	(41.4)
Monitoring, Control & Medical	427.6	18.1	335.0	11.8
Eliminations	(2.3)	-	(5.3)	-
Group	897.0	45.1	638.1	(29.5)

Media, Entertainment and Simulation



Media, Entertainment and Simulation – 2010

- Digital Cinema: Barco now a global market leader
 - Orders exceeding € 320m (excl. frame agreements)
 - Shipments exceeding € 256m (€ 179m in 2H10)
 - China manufacturing fully operational
 - Barco leads in all 3 regions in 2010
 - Series-2 projectors easier to manufacture and more reliable/performant
 - Vendor financing vehicles effective to stimulate demand
 - EBIT and ROCE now best in class

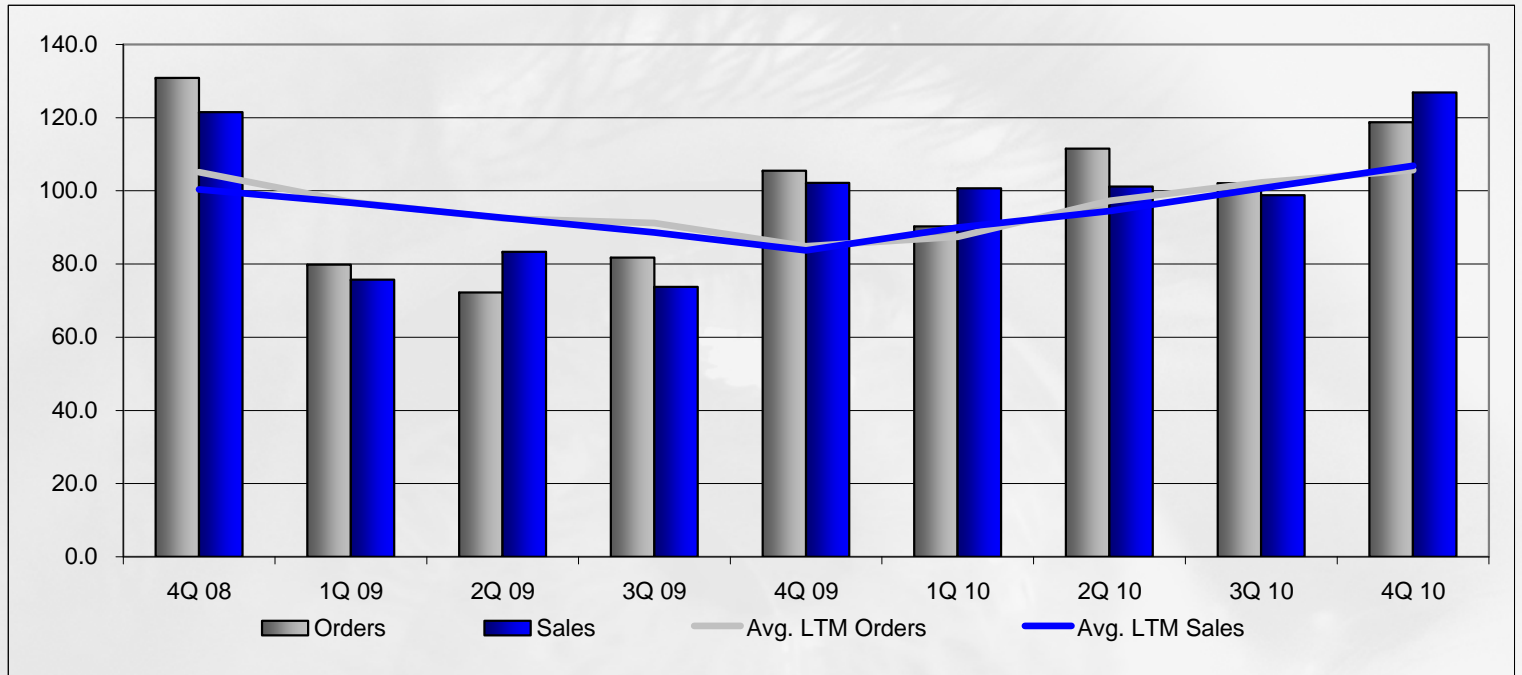
- VLS: good growth in traditional markets but issues on custom built legacy LED projects
 - Projector segment of VLS grows > 20% at healthy margins
 - dZine strengthens our offering in Digital Signage
 - Custom built LED systems will be discontinued
 - Also lighting division performs below expectations

- Simulation
 - Simulation orders grow 50% yoy and division returns to healthy level of profitability

Monitoring, Control and Medical

In € million

Change Rate - Avg. LTM Orders: 24.5%
 Change Rate - Avg. LTM Sales: 27.6%

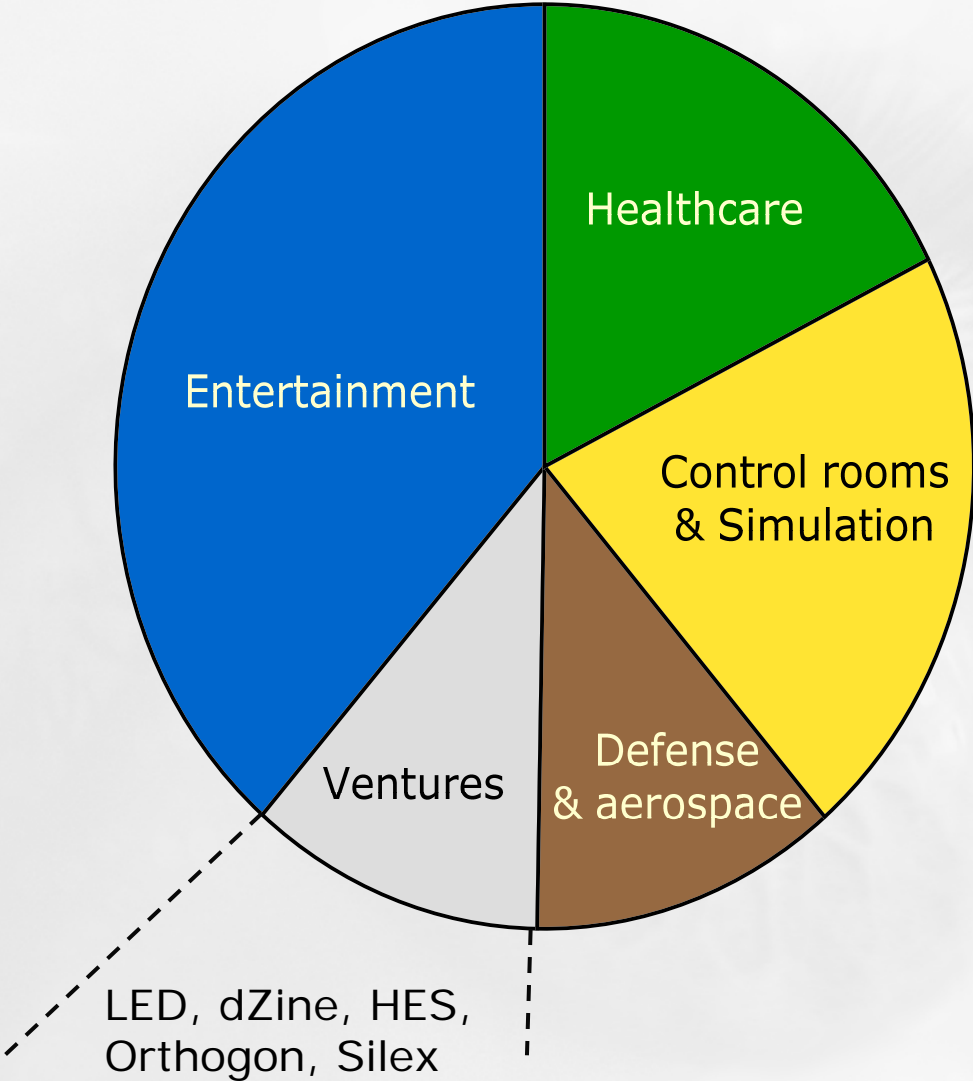


MCM	4Q 08	1Q 09	2Q 09	3Q 09	4Q 09	1Q 10	2Q 10	3Q 10	4Q 10
Orders	130.9	79.9	72.3	81.8	105.5	90.3	111.5	102.1	118.7
Sales	121.5	75.7	83.3	73.8	102.1	100.7	101.2	98.8	126.9

Monitoring, Control and Medical – 2010

- Medical division continues to strengthen its global leadership position
 - **Good organic growth of 17% yoy**
 - **FIMI adds 35% to sales (€ 46m)**
 - **Overall growth of 59.1% yoy**
- TSM recaptures market share through new LED product line
 - **New LED cubes meet with high demand**
 - **New generation controllers also very succesful**
 - **Price erosion offset by move to Noida**
 - **Emerging market for retrofiting installed base**
- Avionics benefits from increased demand for cockpit retrofit systems
 - **Shipments grew 61% yoy**
- Defense experiences softness in demand as well as increased margin pressures

New reporting structure



2010 Dividend

The Board of Directors proposes to pay a dividend of 1 € per share to the shareholders

Questions & Answers