

Results 1H12



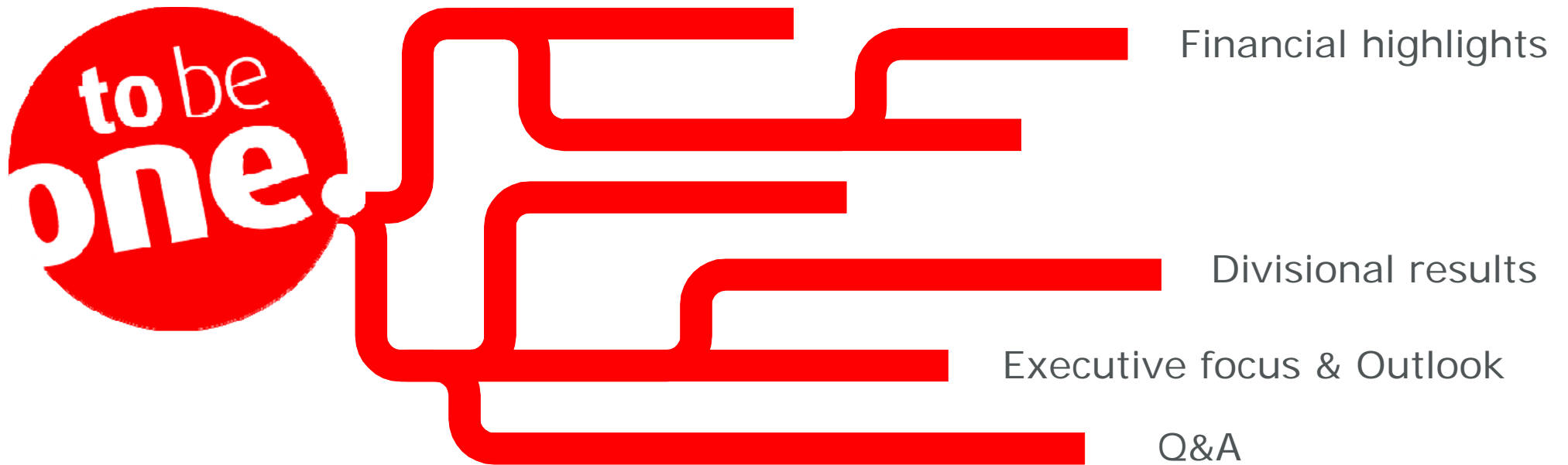
One Barco


Barco delivers solid performance

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CEO

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Agenda





Financial highlights
2012 & 1H12

Financial highlights 2Q12

- Incoming Orders @ € **283.3m** (6% above last year and 9% above 1Q12)
- Order book @ € **501.5m**, up 7m vs 1Q12
- Sales € **290.9m**, 16% above last year (+€ 40m) and 21% above 1Q12
- Very strong performance in terms of profitability

Sales [in millions of euro]	2Q12	2Q11	Change
Entertainment	119.0	103.9	14.5%
Healthcare	49.7	43.3	14.8%
Control Rooms & Simulation	59.7	57.2	4.4%
Defense & Aerospace	36.1	27.5	31.6%
Ventures	26.7	19.8	35.1%
Group	290.9	251.1	15.9%

Key figures 1H12

[in millions of euro]	1H12	1H11	Change	Change %
Order book	501.5	479.9	21.6	4.5%
Incoming Orders	542.9	560.4	(17.5)	-3.1%
Sales	531.0	490.3	40.7	8.3%
EBITDA	71.7	60.0	11.7	19.6%
EBIT	43.5	35.0	8.5	24.3%
Net Income	43.5	34.0	9.5	27.9%
Free Cash Flow	29.1	(12.7)	41.9	

Financial highlights 1H12

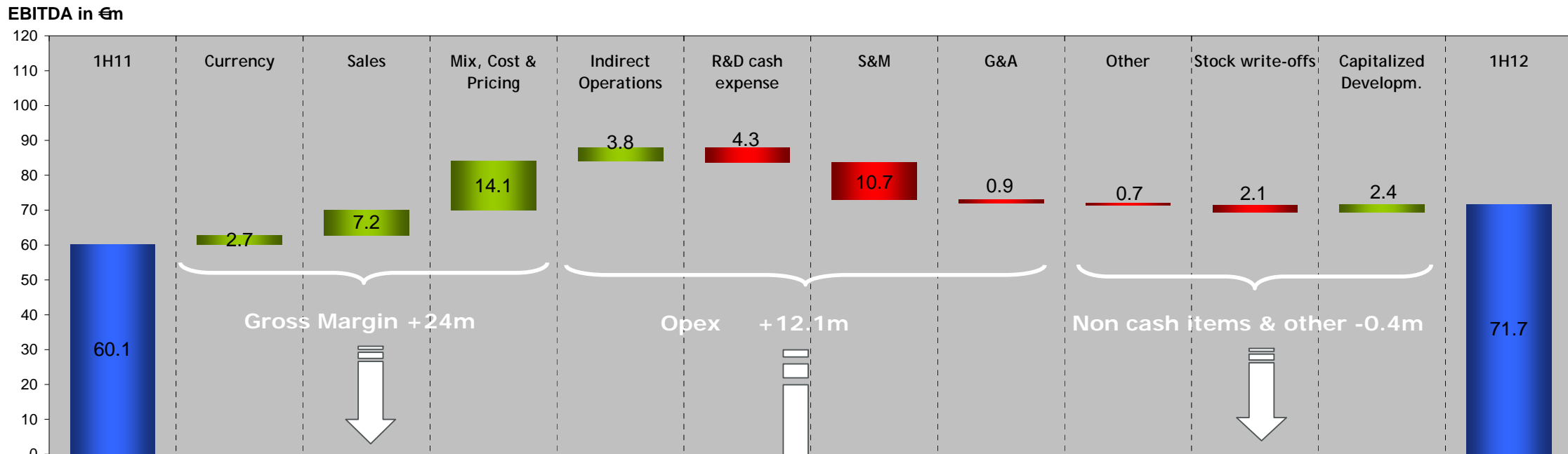
- Order book € **501.5m**, 4.5% above last year (+€ 21.6m)
- Sales € **531.0m**, 8.3% above last year (+€ 40.7m)
- EBITDA € **71.7m** (13.5% on sales) ; EBIT € **43.5m** (8.2% on sales)
- Net income € **43.5m** (8.2% on sales)
- Free cash flow € **29.1m** vs € -12.7m last year
- ROCE **19%**

1H12 [in millions of euro]	Sales	EBITDA	EBITDA %
Entertainment	218.9	40.0	18.3%
Healthcare	100.2	12.0	12.0%
Control Rooms & Simulation	103.6	9.1	8.8%
Defense & Aerospace	63.4	7.2	11.4%
Ventures	45.2	3.4	7.5%
Group	531.0	71.7	13.5%

Income statement 1H12

In € m	1H12		1H11	
Sales	531.0	100.0%	490.3	100.0%
Cost of goods sold	(357.9)	(67.4%)	(343.3)	(70.0%)
Gross profit	173.1	32.6%	147.0	30.0%
Research & development	(39.5)	(7.4%)	(34.4)	(7.0%)
Sales & marketing	(68.9)	(13.0%)	(58.3)	(11.9%)
General & administration	(25.5)	(4.8%)	(24.2)	(4.9%)
Other operating result	4.3	0.8%	5.0	1.0%
EBIT	43.5	8.2%	35.0	7.1%
Interest expense, net	1.6	0.3%	(1.1)	(0.2%)
Income taxes	(1.8)	(0.3%)	(0.0)	(0.0%)
Share in the result of JV's	0.2	0.0%	(0.0)	(0.0%)
Net income	43.5	8.2%	34.0	6.9%
EBITDA	71.7	13.5%	60.0	12.2%
Free Cash Flow	29.1		(12.7)	
Net Earnings per Share (in €)	3.62		2.84	

EBITDA waterfall 1H12 versus 1H11 (+ € 11.6m)



- Driven by solid sales growth (+8.3%) and margin improvement (1.5ppts)
- Sales growth in all regions

- Change in other income (-0.7) driven by result on liquidation Barco Manufacturing SRO (3.7) included in 1H12, offset by lower income from capital grants (decrease of 2.8m vs 1H11)
- Stock write-offs at 1.8% on sales, compared to 1.5% in 1H11
- Increased investments in strategic development projects

- Substantial improvement in warranty costs
- Increased R&D expenses in planned projects Entertainment and Healthcare
- Increased S&M expenses to foster the growth targets in all regions

Geographical breakdown of sales 1H12

NORTH-AMERICA



EMEALA



APAC



1H12	33%	44%	23%
Change	+5%	+9%	+11%

Cash & Balance sheet

- Free cash flow of € 29.1m
Complete turnaround vs last year when FCF was negative € -12.7m
- Robust operating cash flow of € 68.2m
- Increase in inventories offset by increase in payables
Inventory turns at 2.5 compared to 2.2 end of June '11
- Receivables flat vs year-end 2011 at € 194.7m with DSO at 60 days
- Net financial cash position at € 47.5m

Editorial comments

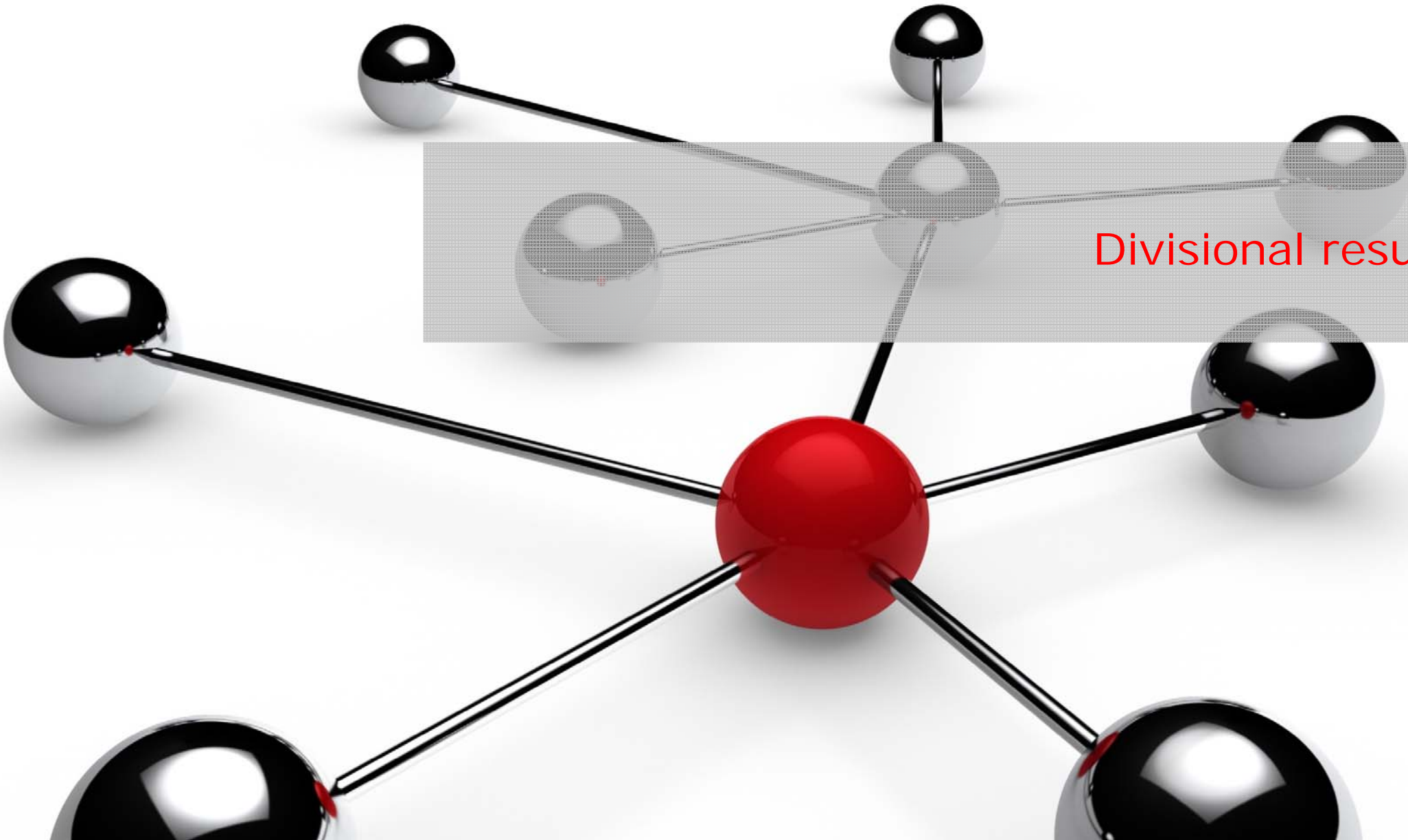
- Orders on track
 - Incoming orders of € 542.9m, 3% below 1H11 but 4% ahead of 2H11
 - Order book remains high at € 501.5m
 - Book-to-bill > 1
 - Sizable new frame agreements not included
 - Positive growth momentum in APAC & LATAM
- Sales substantially better than last year
 - € 531.0m or 8.3% growth yoy
 - Progress in all divisions

Editorial comments

- Solid second quarter
 - Marked by healthy incoming orders & sizable frame agreements for DC and D&A
 - Shipping 21% more than in 1Q12 and 16% more than in 2Q11
- Continued profitable growth in adverse economic conditions
 - Regional growth engines: Latam and Apac
 - Divisional growth engines: **All units**
 - Strong improvement on gross profit margin
 - Recent acquisitions do not yet fuel growth

Editorial comments

- Increasing profitability despite substantial investments in growth initiatives
 - Good progress in operational efficiencies
 - Leveraging scale economies in Entertainment
 - Good cost controls except in Sales & Marketing
- Several strategic initiatives launched
 - Patient care with focus on JAOtech integration
 - Digital OR with successful launch of Nexxis
 - B-labs with focus on IPVS integration
 - ClickShare for a marked re-entry into Corporate AV
- Several important initiatives underway
 - Campus
 - China site
 - Preparing Barco for SAP/ERP conversion



Divisional results

Entertainment – 1H12

- Order Intake still robust at € 230.5m
 - DC strong compared to expectations
 - Sizable frame agreements signed in 1H12
- Strong sales growth compared to last year
 - DC holds momentum
 - Continued growth for projectors for events & corporate AV, especially in NA, WE and China
- Global leadership position in DC including
 - Exclusive 7 year contract signed with IMAX
 - Successful growth of China JV
 - Continued roll out of Auro 11.1 installations
 - Financing programs established for DC in EU
- New products
 - Release of 2 new product families for Rental & Staging market
 - Introduction of 4K projector & prototype of laser projector
- High EBITDA margin of 18.3%

[in millions of euro]	1H12				1H11			
	Orders	Sales	EBITDA	EBITDA%	Orders	Sales	EBITDA	EBITDA%
Entertainment	230.5	218.9	40.0	18.3%	266.8	206.5	28.0	13.5%

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Healthcare – 1H12

- First time 1H top line exceeds € 100m for Healthcare
 - Growth of 10% year-on-year
 - Modality business performs on target, softer business momentum in radiology in Europe

- Efforts concentrated on executing our growth strategy
 - Cost burden of growth strategy not offset yet by sales in new segments
 - Demand for these emerging opportunities remains strong

- Integration of JAOtech, IPVS and finalization of Digital OR development

[in millions of euro]	1H12				1H11			
	Orders	Sales	EBITDA	EBITDA%	Orders	Sales	EBITDA	EBITDA%
Healthcare	94.2	100.2	12.0	12.0%	98.8	90.9	17.3	19.0%

Control Rooms & Simulation – 1H12

- Growth in Control Rooms but weakness in Simulation
 - Good revenue growth in the control rooms segment which is 75% of the division's revenue
 - Overall growth impacted by slowness in the large custom project-driven simulation business
 - Slowness in North America
- Operational performance improvement continues
 - On Time delivery performance improved substantially
 - Good progress in logistics and operations
- Improved EBITDA performance: 8.8% for 1H12
- New mid segment product releases in store for 2H12
- Leadership in Networked Visualization with release of new software platform
 - Installed base of 300 sites including the Network operation centre (NOC) at Google in the USA

[in millions of euro]	1H12				1H11			
	Orders	Sales	EBITDA	EBITDA%	Orders	Sales	EBITDA	EBITDA%
Control Rooms & Simulation	101.3	103.6	9.1	8.8%	103.6	99.6	7.4	7.4%

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Defense & Aerospace – 1H12

- Orders growing 24% YoY in H1 driven by Avionics and ATC
- Sales growing 18% YoY in H1
- Good traction of key account approach
- Optimized profitability thru narrowed focus on fewer profitable market opportunities
 - Initiatives in progress to reduce operational costs and inventories
- Release of new products
 - Defense: Networked visualization & new generation displays products
 - Avionics: Renewed and modular Avionics display platforms

[in millions of euro]	1H12				1H11			
	Orders	Sales	EBITDA	EBITDA%	Orders	Sales	EBITDA	EBITDA%
Defense & Aerospace	58.2	63.4	7.2	11.4%	47.0	53.6	5.4	10.1%

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Ventures – 1H12

- Strong increase in order intake and sales
- Making progress in strategic repositioning
- Remarkable turnaround by Livedots
 - Strong incoming orders
 - Renewed market leadership in Rental & Staging
 - Double digit EBITDA contribution
- Product launch of Clickshare in April
 - Extremely positive market response
 - Now in beta sites
- Weakness in High End Systems and dZine

[in millions of euro]	1H12				1H11			
	Orders	Sales	EBITDA	EBITDA%	Orders	Sales	EBITDA	EBITDA%
Ventures	60.7	45.2	3.4	7.5%	44.4	40.4	1.8	4.5%



Executive focus 2H12 & Outlook

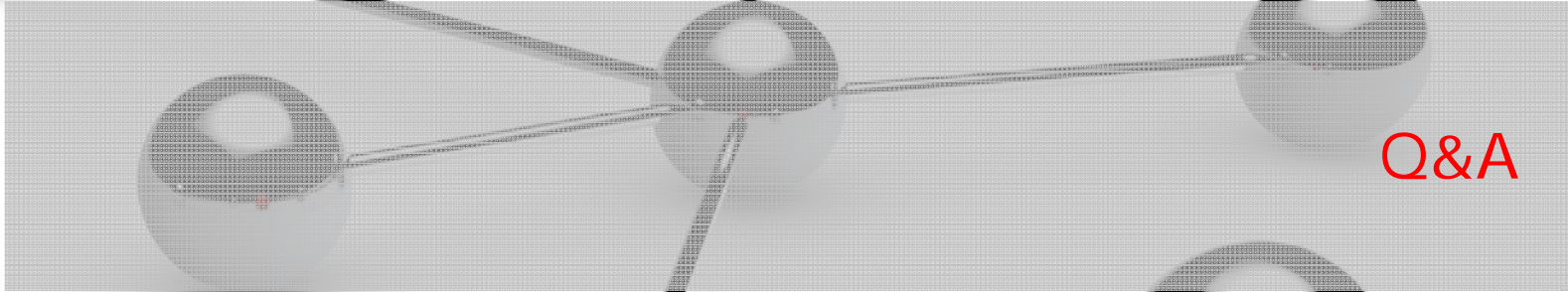
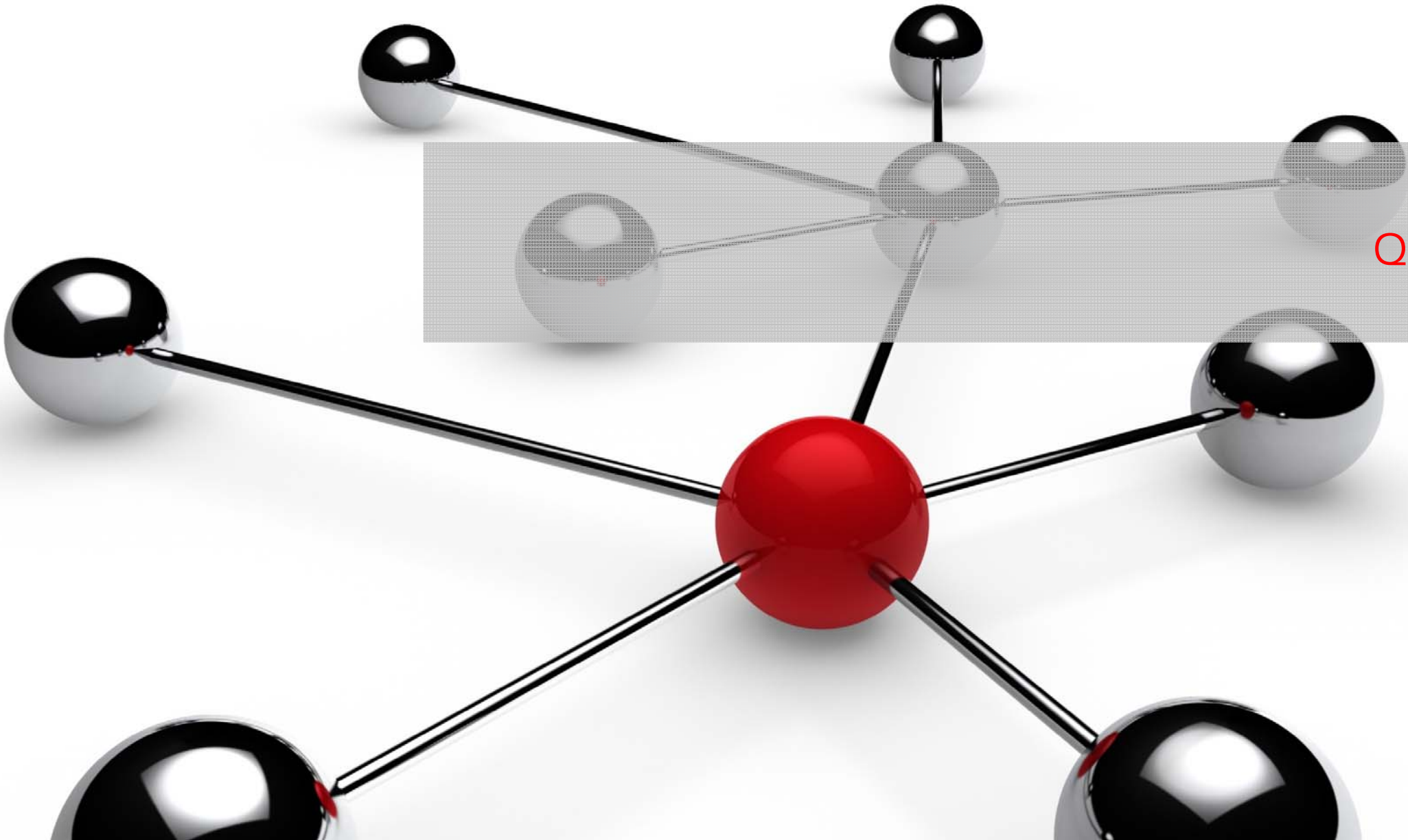
Executive focus

- Accelerate strategic options Ventures
- Establish Barco as leader in pro AV market
 - 4,000 to 10,000 lumen for projectors
 - ClickShare launch
- Implement China strategy
 - Establish low cost capabilities in mainland China
- Get 'networked video' initiative off to a good start
- Prepare company for state-of-the-art ERP
- Push for world class performance in operations
- Drive shareholder value

2H12: Outlook

Macro-economic context remains uncertain

- We believe that Barco's momentum for profitable growth is sustainable
 - We will continue to sharpen our focus on the core markets
 - We will pursue alternative options for some of the other activities
- We will continue to drive profitability and cash generation
 - Tight control on spending
 - Working capital efficiency
 - Continued improvement in quality & efficiency



Q&A