



EVS REPORTS SECOND QUARTER RESULTS AND SUMMER ORDER BOOK ANOTHER SEQUENTIAL IMPROVEMENT

- 2Q09 revenue of EUR 18.7 million, -45.8% vs. 2Q08 (-47.9% at constant exchange rate), but a sequential improvement compared to 4Q08 (+36.8%) and 1Q09 (+4.7%)
- Resilient EBIT margin of 44.3%
- 2Q09 earnings per share of EUR 0.37
- Healthy balance sheet with net cash position of EUR 37.7 million at June 30, 2009
- Summer order book of EUR 23.6 million, underlying improving business trends

Liège (Belgium), August 27, 2009, EVS Broadcast Equipment S.A. (Euronext Brussels: EVS.BR, Bloomberg: EVS BB, Reuters: EVSB.BR) (Pinksheets: EVBEF), the leader in Professional Digital Video applications for live, near-live and studio TV production, today reported its results for the second quarter (“2Q09”) and the first half (“1H09”) of 2009.

Key highlights

Pierre L’Hoest, CEO of EVS said: “The last few months have been challenging for the broadcast industry. Lower spending due to project delays, financing issues or lower advertising revenues have impacted a lot of manufacturers in our industry, including EVS. But this summer has seen more discussions with the clients, and the upcoming IBC tradeshow in Amsterdam should confirm this trend. And, as we live in a fast moving industry, it is important that we continued to develop and launch new solutions that will bring the clients to the next level.”

Commenting on the results and perspectives, Jacques Galloy, CFO added: “The global economic environment will continue to weigh on our business performance this year. Despite much lower sales, we have managed to control our costs during the downturn, delivering 47.6% EBIT margin over the first six months. Even though we expect a slightly better second half, it is clear that both revenues and profits will be much lower in 2009 than in record year 2008. All our drive is focused on 2010 and beyond.”

(unaudited)			IFRS - EUR millions, except earnings per share expressed in EUR	(reviewed)		
2Q09	2Q08	2Q09/2Q08		1H09	1H08	1H09/1H08
18.7	34.4	-45.8%	Revenue	36.5	59.8	-39.0%
8.3	22.0	-62.5%	Operating profit – EBIT	17.4	39.1	-55.6%
44.3%	64.0%	-	Operating margin – EBIT %	47.6%	65.4%	-
-0.6	-0.6	-0.9%	Contribution from 47.2% XDC affiliate	-1.4	-1.4	-2.4%
5.0	15.2	-67.5%	Net profit – Group share	10.4	26.9	-61.4%
6.4	16.4	-61.4%	Net profit from operations, excl. XDC – Group share ⁽¹⁾	12.7	29.0	-56.1%
0.37	1.12	-67.4%	Basic earnings per share	0.77	1.98	-61.1%
0.47	1.21	-61.3%	Basic earnings per share from operations, excl. XDC ⁽¹⁾	0.94	2.13	-55.9%

(1) The net profit from operations, excl. XDC, is the net profit (share of the group) excluding non operating items (net of tax) and the XDC contribution. Refer to Annex 5.3: use of non-gaap financial measures.

Revenue

EVS Broadcast revenue reached **EUR 18.7 million** in 2Q09, a decrease of 45.8% at actual exchange rate (-47.9% at constant exchange rate) compared to 2Q08, but an increase by 4.7% against 1Q09, and even +36.8% compared to 4Q08. Sales decreased by 36.8% to EUR 13.3 million in the outside broadcast segment, and by 60.0% to EUR 5.3 million in the studio (which represented 28.5% of total 2Q09 sales, compared to 38.7% in 2Q08 and 20.3% in 2Q07). In the first six months of 2009, revenue decreased by 39.0% compared to one year ago and by 15.5% compared to the first half of 2007.

2Q09	2Q08	% 2Q09 / 2Q08	Revenue – EUR millions ⁽¹⁾	1H09	1H08	% 1H09 / 1H08
18.7	34.4	-45.8%	Total reported	36.5	59.8	-39.0%
17.9	34.4	-47.9%	Total at constant exchange rate	35.1	59.8	-41.3%
17.6	32.4	-45.5%	Total at constant exchange rate excluding big events rentals	34.8	57.8	-39.7%

(1) Refer to the geographical segmentation in annex.

In the second quarter of 2009, revenues in all three regions still suffered from the challenging economic environment. However, positive signs are emerging from an increasing number of clients, as the big events of 2010 are approaching, and as our focus on developing efficient tapeless solutions for studios gets traction. More specifically:

- Europe, Middle-East and Africa (“**EMEA**”): EUR 9.6 million (-49.2%) in 2Q09. Recent developments in that region included a contract with RAI, in Italy, which upgraded a few XT[2] servers to HD, prior to the World Aquatics Championships held in Italy in July. During the second quarter, EVS signed a service providing and equipment rental agreement with HBS, the company in charge of the production of the soccer FIFA Confederation Cup 2009 and FIFA World Cup 2010. EVS will be again at the heart of one of the most successful sporting event in the world. Concretely, rental income of EUR 0.3 million has been recorded in 2Q09 in the EMEA region relating to the Confederation Cup, while EUR 4.0 million of rental income will be recorded at the time of the World Cup (2Q10 and 3Q10) in the EMEA regions (mainly for studio applications). Main drivers in the EMEA region remain the tapeless transition for efficiency reasons, and the switch to HD.
- America (“**NALA**”): EUR 5.8 million (-27.2% at constant exchange rate), representing 31.1% of group sales in 2Q09. The American market was supported by the equipment of several new mid-size and large OB vans, and upgrades of existing materials in OB vans, studios and arenas for some famous American football teams. Outside the US, EVS also won some contracts in Uruguay, Brazil and Mexico.
- Asia & Pacific (“**APAC**”): EUR 3.3 million (-61.9%), representing 17.5% of group revenue. Doordarshan, the Indian public broadcaster, has ordered its first HD server, opening the door for potential other upgrades in the future. This region is more impacted by the downturn. Last year, 2Q08 was very strong due to the Olympics in that region (Beijing). Some countries also continue to suffer from some severe currency fluctuations.

Mid September, EVS will be present at the IBC in Amsterdam, the biggest European tradeshow in the broadcast industry. Main focus points on the EVS booth will include enlarged capabilities for the XT[2] platform, including 3D compatibility and integrated graphics features, the VTR replacement solution for studio productions (the XS server and the Insio application), and XEDIO, the new EVS solution dedicated to modular productions for news and sports, which includes the new version of CleanEdit.



Operating results in 2Q09

Consolidated gross margin was 80.7% for 2Q09 (85.9% in 2Q08). Lower operating expenses (-13.3% in 2Q09) are mainly due to lower commercial and distribution expenses compared to a very strong 2Q08. This was partially offset by higher personnel costs as a result of the increased number of employees compared to last year. The overhead costs have been kept under control. The **operating (EBIT) margin decreased to 44.3% of revenue**, compared to 64.0% in 2Q08. The drop in margin is mainly due the deleveraging of the sales volume on relatively fix operating expenses. So, for instance, the marketing expenses for the second quarter do usually take into account the large expenses related to the NAB Trade Show in Las Vegas held in April (USD 0.7 million). At the end of June 2009, EVS employed 243 people (FTE), an increase by 7.5% over the end of June 2008. EVS will continue to hire good broadcast experts when they are available on the market.

During the second quarter of 2009, the average US dollar exchange rate against the Euro decreased by 12.8%. It had a positive impact of EUR 0.7 million (4.1%) on revenue and of EUR 0.4 million (4.8%) on the EBIT. This was offset by the natural hedge (both on operating expenses and foreign taxes) and by the financial hedge.

XDC, the EVS 47.2% affiliate pioneer in digital cinema, signed last week the long form facility agreements with the BNP Paribas Fortis consortium to raise EUR 100 million in 2 tranches so as to pursue wide digital screens deployment. XDC is the only European player having at the same time 6 deploying agreements with the 6 major Hollywood studios and the available roll-out financing. XDC has already deployed 500 digital screens across Europe and has recently secured 700 additional screens to deploy. Both the success of digital 3D movies as well as slightly improving box office revenues across Europe over 1H09 help exhibitors to make their decision. In 2Q09, XDC contributed an operating loss of EUR 0.6 million at equity to EVS results. Break-even is however not expected before 2011.

Net profit amounted to EUR 5.0 million in 2Q09, or 67.5% lower than 2Q08, while net profit from operations, excluding XDC, was EUR 6.4 million in 2Q09. **Basic net profit per share amounted to EUR 0.37** in 2Q09, compared to EUR 1.12 for 2Q08.

Operating results in 1H09

Consolidated gross margin was 81.8% for 1H09 (86.8% in 1H08). Lower revenue and gross profit were only partially offset by lower operating expenses (-4.9% in 1H09), resulting in an **operating (EBIT) margin of 47.6% of revenue**, compared to 65.4% in 1H08. In 1H09, XDC contributed an operating loss of EUR 1.4 million at equity to EVS results. Net profit amounted to EUR 10.4 million in 1H09, while net profit from operations, excluding XDC, was EUR 12.7 million in 1H09. **Basic net profit per share amounted to EUR 0.77** in 1H09.

Net cash and capital

The net cash from operating activities amounted to EUR 15.2 million in 1H09. On June 30, 2009, the group balance sheet shows **EUR 39.5 million in cash** and cash equivalents, and EUR 1.9 million in long-term financial debts (including short term portion of it).

Following a decision of the Extraordinary General Meeting of June 12, 2009, **250,000 own shares have been cancelled, representing 1.8% of outstanding shares**. As a consequence, the capital of EVS Broadcast Equipment S.A. (unchanged at EUR 8,342,479), is now represented by 13,625,000 shares without designation of nominal value. At the end of June, there were 13,625,000 EVS outstanding shares, of which 63,675 were owned by the company. During 1H09, EVS did not repurchase any shares. At June 30, 2009, 125,650 warrants out-of-the-money were outstanding with an average strike price of EUR 46.69.

Outlook 2009

Executing its “**Speed to Air**” strategy, EVS serves hundreds of TV stations worldwide with its high-end digital video and audio applications, especially in the field of live sports and near-live studio production where the company has developed leadership positions in various niche markets. The worldwide migration from tape-based operations to integrated tapeless workflows is underway and will certainly gain momentum the next decade. This process is accelerated by the transition from standard definition (SD) to high definition (HD) television, because new equipment needs to interoperate with digital solutions, which are increasingly high definition.

Hence, EVS directly benefits from the following **long term growth drivers**: the increasing number of video distribution channels like IPTV, the transition to tapeless workflows, the replacement market due to HD format conversion, the launch of new products to address near-live studio production needs, the demand for new “speedclipping” tools to fragment the content to multimedia environments, and an increased focus of broadcasters/IPTV and advertisers on large popular sport broadcasts to gain new viewers. The EVS Board and teams believe that the underlying demand for EVS products will continue to be supported by the transition to HDTV, which will impact the business over a long period of time and will follow usual equipment acquisition wave patterns.

The global **summer order book** (to be invoiced in 2009) amounts to **EUR 23.6 million**, which is -37.5% compared to EUR 37.8 million on the same date one year ago (hence to be invoiced in 2008, and including EUR 6.9 million for big event rentals). The summer order book is made of:

- the open order book as of July 1, 2009: EUR 8.0 million (vs. EUR 22.9 million as of July 1, 2008, including EUR 6.9 million for big events rentals),
- orders intake between July 1, 2009 and August 25, 2009: EUR 15.6 million (vs. EUR 14.9 million last year).

Studio orders represent 34.3% of the total EUR 23.6 million order book while they represent 30.9% of the total order intake since the beginning of 2009. This variation is mainly due to the postponement of some large studio projects.

In addition to the EUR 23.6 million of order book to be mainly invoiced in 3Q09, EVS has already orders for **EUR 6.2 million that will be invoiced in 2010 and beyond**, including the EUR 4.0 million of rentals relating to the FIFA World Cup.

Based on recent market feed-back, the second half should be slightly better than the first half but it should be clear that risk factors such as economical uncertainties, banking troubles, balance-sheets constraints for clients or major currencies fluctuations are not easing any forecast. However, the broadcast equipment industry turmoils may potentially turn into an advantage for EVS given its strong financials, organization flexibility and the potential of its wide installed base.

EVS prepares the future and therefore voluntarily increases its operating expenses, which should continue to grow technically on an annual basis, as 2009 will bear 12 months of the salaries of the people hired in 2008 and as EVS opens some new local offices and shall recruit some broadcast technology experts available on the market. Despite this, EVS shall generate in 2009 strong free cash flow and gain strategic market shares.

EVS will hold today the following events:

- Press conference in French in Liège at 9:30 AM CET
- Financial analysts & investors meeting in French/Dutch in Liège at 11:00 AM CET.
- A conference call in English will be held at 3:00 PM CET (Please contact corpcom@evs.tv to receive the dial-in number and the presentation).

It shall be attended by Pierre L'Hoest, CEO, Jacques Galloy, CFO and Geoffroy d'Oultremont, IRO.

Corporate Calendar:

September 10-15, 2009

Thursday November 12, 2009

Thursday February 11, 2010

Tuesday May 11, 2010

Tuesday May 18, 2010

IBC Trade Fair in Amsterdam (NL)

3Q09 earnings

FY09 earnings

1Q10 earnings

Combined Ordinary and Extraordinary General Meeting

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Forward Looking Statements

This press release contains forward-looking statements with respect to the business, financial condition, and results of operations of EVS and its affiliates. These statements are based on the current expectations or beliefs of EVS's management and are subject to a number of risks and uncertainties that could cause actual results or performance of the Company to differ materially from those contemplated in such forward-looking statements. These risks and uncertainties relate to changes in technology and market requirements, the company's concentration on one industry, decline in demand for the company's products and those of its affiliates, inability to timely develop and introduce new technologies, products and applications, and loss of market share and pressure on pricing resulting from competition which could cause the actual results or performance of the company to differ materially from those contemplated in such forward-looking statements. EVS undertakes no obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

About EVS Group

EVS Broadcast Equipment designs, develops and markets professional digital equipment for Television. The company employs over 240 persons in 13 countries and sells its products to professionals of the video and audio sectors in more than 90 countries. EVS is a public company traded on Euronext Brussels: EVS, ISIN: BE0003820371. For more information, refer to www.evs-global.com

EVS Broadcast is the world leader for Live TV Production Digital Disk Recorders and Related Software Applications, especially in the field of sports. The company's dedicated hardware and software suite offer a complete production platform: live slow motion (LSM), high speed slow motion, replay only, clips generation, quick clips editing, real-time SD/HD video files transfer, time delay, multi-camera recording, metadata association, graphics storage and play-out, digital transmission, multi-format ingest and play-back, audio record & edit, webcasting, mobile phone clipping. Main software applications like the "IP Director®" are running on the dedicated robust and flexible hardware the "XTJ2J® Platform". The world's leading broadcasters, such as NBC, BSkyB, FOX, RTBF, RTL, NHK, CANAL+, ABC, ESPN, TF1, CCTV, PBS, CBS, BBC, ZDF, Channel7, RAI, TVE, NEP, MEDIAPRO, EUROMEDIA, BEXEL, ALFACAM and many others use EVS' solutions.

EVS 47,2% affiliate XDC is pioneering Digital Cinema Logistics and Play-out and operates between the movies distributors and exhibitors. XDC has installed more than 500 digital screens throughout Europe in Germany, Sweden, France, Austria, Portugal, UK, Belgium, etc.

Interim condensed financial statements

ANNEX 1: EVS GROUP – IFRS CONSOLIDATED INCOME STATEMENT

(EUR thousands)	Annex	2Q09 Unaudited	2Q08 Unaudited	1H09 Reviewed	1H08 Reviewed
Revenue	5.4	18,657	34,403	36,477	59,806
Costs of sales		-3,608	-4,859	-6,641	-7,882
Gross profit		15,049	29,543	29,836	51,924
Gross margin %		80.7%	85.9%	81.8%	86.8%
Selling and administrative expenses		-3,038	-4,514	-5,682	-7,673
Research and development expenses		-2,950	-2,394	-5,890	-4,504
Other revenue		86	57	123	104
Other expenses		-61	-45	-78	-79
Stock based compensation and ESOP plan		-737	-552	-822	-516
Depreciation on Tax Shelter rights assets		-81	-75	-128	-150
Operating profit (EBIT)		8,268	22,022	17,359	39,106
Operating margin (EBIT) %		44.3%	64.0%	47.6%	65.4%
Net interest		126	366	344	693
Other net financial income / (expenses)	5.8	52	-30	-217	603
Share in the result of the enterprise accounted for using the equity method	5.10	-580	-541	-1,354	-1,318
Profit before taxes (PBT)		7,866	21,816	16,132	39,084
Income taxes	5.9	-2,911	-6,576	-5,727	-12,161
Net profit from continuing operations		4,955	15,240	10,405	26,923
Net profit		4,955	15,240	10,405	26,923
Attributable to :					
Minority interests		-	-	-	-1
Equity holders of the parent company		4,955	15,240	10,405	26,922
Net profit from operations, excl XDC – share of the group ⁽¹⁾	5.3	6,351	16,439	12,724	28,991
RESULT PER SHARE (in number of shares and in EUR)	5.7	2Q09 Unaudited	2Q08 Unaudited	1H09 Reviewed	1H08 Reviewed
Weighted average number of subscribed shares for the period less treasury shares		13,553,239	13,580,265	13,549,085	13,621,812
Weighted average fully diluted number of shares		13,678,889	13,751,067	13,675,231	13,684,162
Basic earnings – share of the group		0.37	1.12	0.77	1.98
Fully diluted earnings – share of the group		0.36	1.11	0.76	1.97
Basic net profit from operations, excl XDC – share of the group		0.47	1.21	0.94	2.13

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(EUR thousands)	Annex	2Q09 Unaudited	2Q08 Unaudited	1H09 Reviewed	1H08 Reviewed
Net profit		4,955	15,240	10,405	26,923
Other comprehensive income of the period					
Shared-based payments		92	70	822	477
Currency translation differences		-137	-616	-38	-111
Total comprehensive income for the period		4,910	14,694	11,189	27,289
Attributable to :					
Minority interests		-	-	-	1
Equity holders of the parent company		4,910	14,694	11,189	27,290

(1) The net profit from operations, excl. XDC, is the net profit (share of the group) excluding non operating items (net of tax) and the XDC contribution. Refer to Annex 5.3: use of noon-gaap financial measures.

ANNEX 2: EVS GROUP – IFRS CONSOLIDATED BALANCE SHEET

ASSETS (EUR thousands)	Annex	June 30, 2009 Reviewed	Dec. 31, 2008 Audited
Non-current assets :			
Technology acquired from DWESAB		852	984
Other intangible assets		450	508
Lands and buildings		10,935	9,578
Other tangible assets		1,763	1,974
Investment accounted for using equity method	5.10	1,083	2,489
Subordinated bonds	5.10	4,277	4,277
Other financial assets		247	148
Deferred tax assets		32	48
Total non-current assets		19,639	20,007
Current assets :			
Stocks		6,915	8,079
Trade receivables		13,576	10,366
Other amounts receivable, deferred charges and accrued income		1,134	1,135
Cash and cash equivalents		39,528	45,454
Total current assets		61,153	65,034
Total assets		80,792	85,040
EQUITY AND LIABILITIES (EUR thousands)			
	Annex	June 30, 2009 Reviewed	Dec. 31, 2008 Audited
Equity :			
Capital		8,342	8,342
Reserves		53,289	85,012
Interim dividends	5.5	0	-13,586
Treasury shares		-2,238	-11,601
Total consolidated reserves		51,051	59,825
Translation differences		-167	-124
Equity attributable to equity holders of the parent company		59,227	68,043
Minority interests		5	5
Total equity	4	59,232	68,049
Long term provisions		1,175	1,139
Deferred taxes liabilities		1,075	1,159
Financial long term debts		1,562	1,711
Other long term debts		546	546
Non-current liabilities		4,358	4,556
Short term portion of financial long term debts		299	299
Trade payables		4,490	3,429
Amounts payable regarding remuneration and social security		3,789	4,661
Income tax payable		4,547	2,324
Other amounts payable, advances received, accrued charges and deferred income		4,078	1,723
Current liabilities		17,202	12,436
Total equity and liabilities		80,792	85,040

ANNEX 3: EVS GROUP – IFRS CONSOLIDATED CASH FLOW STATEMENT

(EUR thousands)	1H2009 Reviewed	1H2008 Reviewed
Cash flows from operating activities		
Operating Profit (EBIT)	17,359	39,106
Adjustment for non cash items :		
- Depreciation and write-offs on fixed assets	989	668
- Foreign exchange result	-232	641
- Stock based compensation and ESOP	822	516
- Provisions and deferred taxes increase/(decrease)	-58	467
	18,880	41,399
Increase (+)/decrease (-)		
- Amounts receivable	-3,308	-6,673
- Accruals	1,267	768
- Trade debts and prepayments	1,160	5,960
- Taxes, remuneration and social security debts	1,351	6,008
- Other amounts payable	-49	16
- Inventories	1,164	-3,989
<i>Cash generated from operations</i>	20,465	43,489
Interest received	485	790
Income taxes	-5,727	-12,161
Net cash from operating activities	15,223	32,118
Cash flows from investing activities		
Purchase (-)/disposal (+) of intangible assets (incl. Investments in Tax Shelter)	-125	-64
Purchase (-)/disposal (+) of property, plant and equipment	-1,828	-1,775
Purchase (-)/disposal (+) of leasing equipment	-	-
Purchase (-)/disposal (+) of other financial assets	-46	72
Net cash used in investing activities	-1,999	-1,766
Cash flows from financing activities		
Operations with treasury shares	45	-3,365
Other net equity variations	-35	-265
Interest paid	-126	-97
Movements on long-term borrowings	-150	-158
Interim dividend paid	-	-
Final dividend paid	-18,884	-18,879
Net cash used in financing activities	-19,150	-22,764
Net increase in cash and cash equivalents	-5,926	7,588
Cash and cash equivalents at beginning of period	45,454	35,515
Cash and cash equivalents at end of period	39,528	43,103

**ANNEX 4: EVS GROUP – IFRS CONSOLIDATED STATEMENT
OF CHANGES IN EQUITY**

(EUR thousands)	Issued capital	Other reserves	Treasury shares	Currency translation differences	Equity attributable to shareholders of the parent company	Minority interest	Total Equity
Balance as per December 31, 2007	8,342	62,146	-8,090	-257	62,141	5	62,146
Total comprehensive income for the period		27,400		-111	27,289	1	27,290
Operations with treasury shares		-2,260	-591		-2,851		-2,851
Final Dividend		-20,195			-20,195		-20,195
Other increase (decrease)		-630			-630		-630
Balance as per June 30, 2008	8,342	66,461	-8,681	-368	65,754	6	65,760

(EUR thousands)	Issued capital	Other reserves	Treasury shares	Currency translation differences	Equity attributable to shareholders of the parent company	Minority interest	Total Equity
Balance as per December 31, 2008	8,342	71,427	-11,601	-124	68,044	5	68,049
Total comprehensive income for the period		11,232		-43	11,189		11,189
Operations with treasury shares		-9,318	9,363		45		45
Final dividend		-20,046			-20,046		-20,046
Other increase (decrease)		-5			-5		-5
Balance as per June 30, 2009	8,342	53,291	-2,238	-167	59,227	5	59,232

ANNEX 5: EVS GROUP – NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2009

NOTE 1: BASIS OF PREPARATION

The consolidated financial statements of EVS Group for the 6 months period ended 30 June 2009 are established under International Financial Reporting Standards (IFRS), as adopted for use in the European Union. These financial statements are presented in accordance with International Accounting Standards (IAS) 34 *Interim Financial Reporting*.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES AND METHODS

The accounting policies and methods adopted for the preparation of the Company's IFRS consolidated financial statements are consistent with those applied in the 2008 consolidated financial statements, with the exception of the following:

- IAS 1 (revised), "Presentation of Financial Statements": EVS has elected to present two statements: an income statement and a statement of comprehensive income. The statement of changes in equity presents separately the non-owner and the owner changes in equity.

The Company's IFRS accounting policies and methods are available in the 2008 annual report on www.evs-global.com.

NOTE 3: USE OF NON-GAAP FINANCIAL MEASURES

EVS uses certain non-GAAP measures in its financial communication. EVS does not represent these measures as alternative measures to net profit or other financial measures determined in accordance with IFRS. These measures as reported by EVS might differ from similar titled measures used by other companies. We believe that these measures are important indicators of our business and are widely used by investors, analysts and other parties. In the press release, the non-GAAP measures are reconciled to financial measures determined in accordance with IFRS.

The reconciliation between the net profit for the period and the net profit from operations, excl. XDC is as follows:

(EUR thousands)	1H09	1H08
Net profit for the period - IFRS	10,405	26,922
Allocation to Employees Profit Sharing Plan	638	409
Stock Option Plan	184	107
Depreciation on Tax Shelter rights assets	128	150
Contribution of XDC	1,369	1,403
Net profit from operations, excl. XDC	12,724	28,991

NOTE 4: SEGMENT REPORTING

4.1. General information

The company already applies IFRS 8 ("Operating segments") since the fiscal year ended on 31 December 2007.

From an operational point of view, the company is vertically integrated with the majority of its staff in the headquarters in Belgium, including the R&D, production, marketing and administration departments. This explains why the majority of the investments and costs are located at the level of the Belgian parent company. The foreign subsidiaries are primarily sales and representative offices. Sales relate to products of the same nature and are realized by commercial polyvalent teams.

The company internal reporting is the reflection of the abovementioned operational organization, and is characterized by the strong integration of the activities of the company; only sales are identified by geographical market in which they are realized.

By consequence, the company is composed of one segment according to the IFRS 8 definition, and the consolidated income statement of the group reflects this unique segment. However, it does not exclude a future

evolution of the segmentation according to the development of the company, of its products and of its internal performance indicators.

4.2. Additional information

4.2.1. Information on products and services

Revenue can be presented by destination: the outside broadcast vans and the TV production studios. Maintenance and after sale service are included in the complete solution proposed to the clients.

2Q09	2Q08	% 2Q09 /2Q08	Revenue (EUR thousands)	1H09	1H08	% 1H09/ 1H08
13,331	21,090	-36.8%	Outside Broadcast Vans	26,647	39,589	-32.7%
5,326	13,313	-60.0%	TV Production Studios	9,830	20,217	-51.4%
18,657	34,403	-45.8%	Total Revenue	36,477	59,806	-39.0%

4.2.2. Geographical information

Activities are divided in three regions: Asia-Pacific ("APAC"), Europe, Middle East and Africa ("EMEA") and America ("NALA").

4.2.2.1. Revenue

Revenue for the 6-months period (EUR thousands)	APAC	EMEA	NALA	TOTAL
1H09 revenue	5,375	20,365	10,737	36,477
Evolution versus 1H08 (%)	-58.2%	-38.8%	-21.5%	-39.0%
Segment revenue at constant exchange rate	5,375	20,365	9,353	35,093
Variation versus 1H08 (%) at constant exchange rate	-58.2%	-38.8%	-31.7%	-41.3%
Variation versus 1H08 (%) at constant exchange rate and excluding big event rentals	-58.2%	-35.7%	-31.7%	-39.7%
1H08 revenue	12,847	33,274	13,685	59,806

Revenue for the quarter (EUR thousands)	APAC	EMEA	NALA	TOTAL
2Q09 revenue	3,264	9,596	5,797	18,657
Evolution versus 2Q08 (%)	-61.9%	-49.2%	-16.5%	-45.8%
Segment revenue at constant exchange rate	3,264	9,596	5,053	17,913
Variation versus 2Q08 (%) at constant exchange rate	-61.9%	-49.2%	-27.2%	-47.9%
Variation versus 2Q08 (%) at constant exchange rate and excluding big event rentals	-61.9%	-44.7%	-27.2%	-45.5%
2Q08 revenue	8,574	18,889	6,940	34,403

Sales from external clients in Belgium (the country of origin of the company) represent less than 10% of the total annual sales. In the last 12 months, the group realized significant sales to external clients (according to the definition of IFRS 8) in one country: the United States of America (included in NALA in the above table). Sales in the United States of America were EUR 19.7 million in the last 12 months.

4.2.2.2. Long term assets

Considering the explanations given in 4.1, all long term assets are located in the parent company EVS Broadcast Equipment S.A. in Belgium.

4.2.3. Information on important clients

No external client of the company represents more than 10% of the sales over the last 12 months.

NOTE 5: DIVIDENDS

The Ordinary General Meeting of May 19, 2009 has approved the payment of a total gross dividend of EUR 2.48 per share, including the interim dividend of EUR 1.00 per share.

(EUR thousands)	# Coupon	1H09	2008	2007
- Final dividend for 2006 (EUR 1.20 per share less treasury shares)	4	-	-	16,323
- Interim dividend for 2007 (EUR 0.80 per share less treasury shares)	5	-	-	10,867
- Final dividend for 2007 (EUR 1.48 per share less treasury shares)	6	-	20,195	-
- Interim dividend for 2008 (EUR 1.00 per share less treasury shares)	7	-	13,586	-
- Final dividend for 2008 (EUR 1.48 per share less treasury shares)	8	20,046	-	-
Total dividends paid		20,046	33,781	27,190

NOTE 6: EQUITY SECURITIES

The number of treasury shares has changed as follows during the period:

Following a decision of the Extraordinary General Meeting of June 12, 2009, 250,000 own shares have been cancelled. As a consequence, the capital of EVS Broadcast Equipment S.A. (unchanged at EUR 8,342,479), is now represented by 13,625,000 shares without designation of nominal value.

The number of treasury shares has evolved as follows during the past period:

	2009	2008
Number of own shares at January 1	330,134	305,871
Acquisition of own shares on the market	-	63,278
Sale of own shares on the market	-	-
Allocation to Employees Profit Sharing Plans	-15,459	-4,961
Sales related to Employee Stock Option Plan (ESOP) and other transactions	-1,000	-111,000
Own shares cancellation	-250,000	-
Number of own shares at June 30	63,675	253,188
Outstanding warrants at June 30	125,650	62,350

Over the first half of 2009, the company has not repurchased any shares on the stock market. The Ordinary General Meeting of shareholders of May 19, 2009 approved the allocation of 15,459 shares to the EVS employees (grant of 50 or 100 shares to each staff member) as a reward for their contribution to the group successes.

As of June 30, 2009, 125,650 warrants are outstanding with an average strike price of EUR 46.69 and an average maturity of 2.3 years.

NOTE 7: EARNINGS PER SHARE (EPS)

The group calculates both the basic earnings per share and the diluted earnings per share in accordance with IAS 33. The basic earnings per share are calculated on the basis of the weighted average number of ordinary shares in circulation during the period less treasury shares. The diluted earnings per share are calculated on the basis of the average number of ordinary shares in circulation during the period plus the potential dilutive effect of the warrants and stock options in circulation during the period less treasury shares.

NOTE 8: OTHER NET FINANCIAL INCOME / (EXPENSES)

(EUR thousands)	1H09	1H08
Exchange results from statutory accounts	-129	307
Exchange results relating to IFRS consolidation methodology	-103	334
Other financial results	15	-38
Other net financial income / (expenses)	-217	603

The functional currency of EVS Broadcast Equipment S.A. as well as all of the subsidiaries is the euro, except for the American EVS Inc. subsidiary, whose functional currency is the US dollar. The presentation currency of the consolidated financial statements of EVS Group is the euro.

For more information on exchange rates, see also the note 5.12.

NOTE 9: INCOME TAX

Reconciliation of the tax charge

The effective tax charge of the group obtained by applying the effective tax rate to the pre-tax profit of the group, has been reconciled for the first half of 2008 and 2009 with the theoretical tax charge obtained by applying the theoretical tax rate:

(EUR thousands)	1H09	1H08
Reconciliation between the effective tax rate and the theoretical tax rate		
Reported profit before taxes and share in the result of the enterprise accounted for using the equity method	17,486	40,402
Reported tax charge based on the effective tax rate	-5,727	-12,161
Effective tax rate	32.8%	30.1%
Reconciliation items for the theoretical tax charge		
Tax effect of Tax Shelter	-38	-128
Tax effect of deduction for notional interests	-170	-204
Tax effect of non deductible expenditures	148	95
Other increase (decrease)	105	42
Total tax charge of the group entities computed on the basis of the respective local nominal rates	-5,683	-12,356
Theoretical tax rate (relating to EVS operations, excl. XDC)	32.5%	30.6%

NOTE 10: INVESTMENTS IN ASSOCIATES - XDC S.A.

EVS currently owns 47.20% of XDC S.A. share capital and has a fully diluted share of 42.7% in the company. As of June 30, 2009, XDC shares accounted for using equity method in EVS consolidated accounts amounted to EUR 0.6 million, or 47.20% of XDC S.A.'s equity at the same date. In addition, EVS holds a subordinated bond associated with warrants exercisable in 2010 for a value of EUR 4.3 million.

The XDC accounts and their contribution into EVS consolidated accounts break down as follows:

(EUR thousands)	1H09	1H08
Revenue	3,837	1,920
EBITDA	-467	-382
Net result for the period	-2,900	-2,973
Part of XDC capital held by EVS	47.2%	47.2%
Net result – share of EVS	-1,369	-1,403

The cumulated Tax Loss Carry Forward of XDC S.A. amounts to EUR 27.5 million on June 30, 2009. Deferred tax assets are being progressively recognized as the business plan materializes. As at June 30, 2009, 31% of deferred tax assets relating to these losses have been recognized.

NOTE 11: HEADCOUNT

EVS – TV (in full time equivalents)	As at June 30	Quarter average
2008	226	217
2009	243	238
<i>Variation</i>	+7.5%	+9.7%

Starting January 1, 2009 with 233 full time equivalents, the group hired 10 people, net, during the first half.

NOTE 12: EXCHANGE RATES

The main exchange rate that influences the consolidated financial accounts is USD/EUR which has been taken into account as follows:

Average exchange rate over 1H09	1.3331
Average exchange rate over 1H08	1.5303
Variation	-12.9%
At June 30, 2009	1.4134
At June 30, 2008	1.5764
Variation	-10.3%

NOTE 13: FINANCIAL INSTRUMENTS

Periodically, EVS measures the group's anticipated exposure to transactional exchange risk over one year, mainly relating to the EUR/USD risk. Given the group has a "long" position in USD and based on sales forecasts, EVS hedges future USD net in-flows by forward foreign exchange contracts. The relevant hedging results are booked as financial results.

On June 30, 2009, the group held USD 6.0 million in forward exchange contracts earmarked to hedge 50% of the net future cash-flows in dollars with an average maturity date of October 5, 2009 and with an average exchange rate EUR/USD of 1.3618.

NOTE 14: SUBSEQUENT EVENTS

Early July, EVS has acquired some technological assets and has hired a small R&D team with strong background in live graphics for sporting events. This shall allow creative directors to add-on additional virtual effects on the fly and therefore create an enhanced viewing experience. As part of the transaction, EVS purchased a portfolio of virtual imaging and live objects tracking patents.

NOTE 15: RISK AND UNCERTAINTIES

Investing in the stock of EVS involves risks and uncertainties. The risks and uncertainties relating to the remainder of the year 2009 and similar to the risks and uncertainties that have been identified by the management of the company and that are listed in the management report of the annual report (available at www.evs-global.com).

NOTE 16: RELATED PARTIES TRANSACTIONS

There were no significant related parties transactions during the first half of 2009.

Statutory Auditor's report

EVS BROADCAST EQUIPMENT SA/NV - report of the statutory auditor on the limited review of the interim condensed consolidated financial statements as of 30 June 2009 and for the six months then ended

Introduction

We have reviewed the accompanying interim condensed consolidated balance sheet of EVS Broadcast Equipment SA/NV (the "Company") as at 30 June 2009 and the related interim condensed consolidated income statement, statement of comprehensive 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 Réviseurs d'Entreprises/Instituut der Bedrijfsrevisoren") in accordance with the recommendation of the "Institut des Réviseurs 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 Réviseurs 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.

We have not performed a limited review of the quarterly information shown in the interim condensed consolidated financial statements, therefore this is outside the scope of this report.

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.

Liège, August 25, 2009
BDO Atrio Réviseurs d'Entreprises Soc. Civ. SCRL
Statutory auditor
Represented by
Félix FANK, Partner

Certification of responsible persons

Pierre L'Hoest, Managing Director and CEO
Michel Counson, Managing Director and CTO
and Jacques Galloy, Director and CFO

Certify that, based on their knowledge,

- a) the interim condensed financial statements, prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union, fairly present in all material respects the financial condition and results of operations of the issuer and the companies included in the consolidation,
- b) the Directors' report fairly presents the important events and related parties transactions of the first six months of 2009, including their impact on the interim condensed financial statements, and a description of the existing risks and uncertainties.