

FULL YEAR RESULTS

Solid topline growth; sustained profitability improvement in all divisions

Kortrijk, Belgium, 13 February 2020, 7:30 am – Today Barco (Euronext: BAR; Reuters: BARBt.BR; Bloomberg: BAR BB) announced results for the six and twelve month periods ended 31 December 2019.

Fiscal year 2019 financial highlights

- Incoming orders at 1,102.2 million euro (+9.8%)¹ ; year-end orderbook +6%
- Sales at 1,082.6 million euro (+9.5%; at constant currencies +6.4%)¹
- EBITDA of 153.0 million euro (+22.9%), EBITDA margin at 14.1% of sales (+2.0 ppts)
- Net income² of 95.4 million euro (+20.4 million euro)
- Proposal to increase the gross dividend to 2.65 euro per share from 2.30 euro
- Proposal for a 7:1 share split

Executive Summary

All divisions delivered solid sales growth in 2019 resulting in consolidated growth of 9.5%. In Entertainment sales grew 11.3% mainly driven by EMEA and North America where Barco leveraged its market leadership to capture demand bolstered by the cinema replacement cycle, which began in 2019 as anticipated. In Enterprise continued double-digit growth for ClickShare and low single digit growth for the Control Rooms segment resulted in sales growth of 6.8%. Healthcare posted strong sales growth of 9.7% as result of solid performances in both the diagnostic and the surgical segments.

Disciplined opex spending combined with topline growth led to an EBITDA margin expansion of 2 percentage points to 14.1%. All divisions reported EBITDA and EBITDA margin improvements. Consistent with EBITDA improvement, consolidated EBIT grew 20 million euro to 110 million euro or 10.2% of sales. As a result of improved EBITDA and effective working capital management, the company also generated higher free cash flow.

During 2019 Barco executed on its 'fit to lead' program, a capability-building and organization efficiency plan. The company initiated several initiatives, including expanding the channel network, services and partner programs, strengthening its software team and building a company-wide software platform with common components used across divisions.

Under the "In China for China" program, Barco's Healthcare R&D and production site in Suzhou is now operational and it yielded the targeted growth in the Chinese Healthcare market. In Entertainment, Barco launched the Series 4 laser cinema-projector platform and secured landmark projector-replacement contracts, reinforcing its market leadership position. Barco also continued to invest in the ClickShare product portfolio and is launching a new product category in the first quarter of 2020.

¹ To present comparable data for 2018, prior year orderbook, orders and sales figures are presented on a pro forma basis assuming the deconsolidation of the BarcoCFG joint venture had taken as of 1 January 2018. See for more information annex III.

² Net income attributable to the equity holder of the parent.

Quote of the CEO, Jan De Witte

“In 2019, we delivered on our ambition to resume topline growth with sales increases in all business segments,” said Jan De Witte, CEO. “Through our dual focus on growth acceleration and judicious opex spending, we added 2 percentage points to EBITDA margin for the third consecutive year.”

“In 2020, we plan to remain focused on capturing the growth opportunities in our markets based on a more competitive Barco, while continuing to invest in capabilities to grow into an outcome-based solutions business that leverages hardware, software and services capabilities. Our performance in 2019 and goals for 2020 keep us on our sustainable profitable growth path.”

Outlook 2020

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

For 2020, and assuming currencies remain at 2019 average levels, management expects a mid+ single digit topline growth and an improvement in EBITDA margin toward 15%.

Management’s full year outlook takes into consideration anticipated softer demand in the Entertainment segment in 2020 in China as a result of the Covid-19 virus outbreak and assumes that factory and logistics restrictions are lifted and resolved by end of February.

Considering some timing effect as a result of the Covid-19 virus outbreak and ClickShare Conference launch dynamic effects, management expects the full year growth to be more pronounced in the 2nd half than the 1st half of 2020.

Dividend

The Board of Directors will propose to the General Assembly to increase the gross dividend from 2.30 euro to 2.65 euro per share to be paid out in 2020.

The following timetable will be proposed to the Annual General Shareholder meeting

- Ex-date: Monday, 11 May 2020
- Record date: Tuesday, 12 May 2020
- Payment date: Wednesday, 13 May 2020

Stock Split

The Board of Directors will also propose to its shareholders a stock split in order to enhance accessibility of the Barco share. The Board proposes to split each existing share into 7 new shares ; the target date to trade the new stock is 1 June 2020.

Preliminary remark:

To present comparable data for 2018, prior year figures for orderbook, orders and sales are presented on a pro forma basis assuming the deconsolidation of the BarcoCFG joint venture³ had taken place as of 1 January 2018.

As the impact of the deconsolidation on gross profit, EBITDA and EBIT is not material, these reported values are not restated nor the margins.

An overview of reported and pro forma figures for the prior quarters can be found in the appendix, Annex III.

³ BarcoCFG is the entity where Barco joined forces with China Film Group to address the Chinese cinema market. Barco held a 58% stake in this entity till end of June 2018 when it sold a 9%-stake to China Film Group. See also the glossary in the Annual Report.

Part I - Consolidated results for the fiscal year 2019

Order Intake & Order Book

Note: The calculations of orderbook and order intake do not include large frame agreements that were signed in 2019 with cinema customers such as IMAX, Cineworld and Cinemark. Under Barco's order recognition policy, call-off orders under these frame agreements are included in the calculations of order intake and order book as received.

Order Book

Order book at year end was 322.3 million euro, compared to 303.2 at FY18 year-end on a pro forma basis, an increase of 6.0% driven by growing cinema replacement demand in the Entertainment division.

| <i>(in millions of euro)</i> | 31 Dec 2019 | 31 Dec 2018 | Change |
|------------------------------|------------------------|------------------------|---------------|
| Order book | 322.3 | 303.2 | +6% |

Order Intake

Order intake was 1,102.2 million euro, an increase of 9.8% compared to last year reflecting gains in each of the three divisions. Order intake increased 7.5% in the first semester and 12% in the second semester.

At constant currencies, order intake growth was +6.7%.

All three regions contributed to growth in orders in 2019. The Americas region was the strongest performer with a significant contribution from cinema in Entertainment.

| <i>(in millions of euro)</i> | FY19 | FY18 | Change |
|--|-------------|-------------|---------------|
| Order Intake | 1,102.2 | 1,003.6 | +9.8% |
| <i>Order Intake at constant currencies</i> | | | +6.7% |

Order Intake by division

| <i>(in millions of euro)</i> | FY19 | FY18 | Change |
|------------------------------|----------------|----------------|---------------|
| Entertainment | 491.0 | 410.1 | +19.7% |
| Enterprise | 350.9 | 336.6 | +4.2% |
| Healthcare | 260.2 | 256.9 | +1.3% |
| Group | 1,102.2 | 1,003.6 | +9.8% |

Order intake per region

| | FY19 | FY18 | Change <i>(in nominal value)</i> |
|--------------|-------------|-------------|--|
| The Americas | 41% | 38% | +14% |
| EMEA | 36% | 35% | +6% |
| APAC | 23% | 27% | +8% |

Sales

Full year sales increased 9.5% fuelled by good growth in all three divisions. After increasing 8.3% in the first semester, sales grew 10.5% in the second semester driven by strong performances in Entertainment & Healthcare.

The Americas and the EMEA region were the strongest geographies while APAC experienced softness in the Chinese cinema-market

Sales

| <i>(in millions of euro)</i> | FY19 | FY18 | Change |
|-------------------------------------|-------------|-------------|---------------|
| Sales | 1,082.6 | 989.0 | +9.5% |
| <i>Sales at constant currencies</i> | | | +6.4% |

Sales by division

| <i>(in millions of euro)</i> | FY19 | FY18 | Change |
|------------------------------|----------------|--------------|---------------|
| Entertainment | 455.1 | 408.1 | +11.5% |
| Enterprise | 358.7 | 335.9 | +6.8% |
| Healthcare | 268.8 | 245.0 | +9.7% |
| Group | 1,082.6 | 989.0 | +9.5% |

Sales by region

| | FY19 | FY18 | Change <i>(in nominal value)</i> |
|--------------|-------------|-------------|--|
| The Americas | 39% | 36% | +15% |
| EMEA | 37% | 36% | +9% |
| APAC | 24% | 28% | +1% |

Profitability

Gross profit

Gross profit increased 16.3 million to 429.3 million euro from 413.0 million euro last year. Gross profit margin decreased 0.40 percentage points to 39.7% from 40.1% for 2019, reflecting higher cost of quality associated with product ramp-ups and factory transfers in Entertainment and Healthcare.

Operating expenses & other operating results

Total operating expenses⁴ were 319.5 million euro compared to 325.5 million euro a year earlier. As a percentage of sales, operating expenses were 29.5% compared to 31.6% for 2018, an improvement of 2.1 percentage points.

- Research & Development expenses decreased slightly to 119.4 million euro compared to 120.3 million euro last year, reflecting a more selective R&D investment approach. As percentage of sales, R&D expenses were 11.0% compared to 11.7% a year earlier.
- Sales & Marketing expenses decreased to 142.5 million euro compared to 147.7 million euro for 2018, reflecting reductions in all three divisions in the areas of product management and commercial and service delivery processes. As a percent of sales, Sales & Marketing expenses were 13.2% of sales compared to 14.4% in 2018.
- General & Administration expenses amounted to 57.6 million euro compared to 57.5 million euro last year and were 5.3% as a percentage of sales compared to 5.6% in 2018.

Other operating results were a positive of 0.3 million euro versus 2.5 million euro in 2018.

EBITDA & adjusted EBIT⁵

EBITDA grew 22.9% to 153.0 million euro compared to 124.5 million euro for the prior year. EBITDA margin increased 2.0 percentage points to 14.1% versus 12.1% for 2018.

By division, EBITDA and EBITDA margin is as follows:

| FY19 (in millions of euro) | Sales | EBITDA | EBITDA % |
|-----------------------------------|----------------|---------------|-----------------|
| Entertainment | 455.1 | 43.3 | 9.5% |
| Enterprise | 358.7 | 74.0 | 20.6% |
| Healthcare | 268.8 | 35.7 | 13.3% |
| Group | 1,082.6 | 153.0 | 14.1% |

⁴ Operating expenses referenced in this press release are including depreciations on tangible and intangible fixed assets.

⁵ EBITDA and adjusted EBIT in this press release exclude impairment and restructuring costs and other non-operating income expenses: see Glossary in Annual Report.

EBITDA by division 2019 versus 2018 is as follows:

| <i>(in millions of euro)</i> | FY19 | FY18 | Change |
|------------------------------|--------------|--------------|---------------|
| Entertainment | 43.3 | 32.9 | +31.7% |
| Enterprise | 74.0 | 60.9 | +21.5% |
| Healthcare | 35.7 | 30.6 | +16.4% |
| Group | 153.0 | 124.5 | +22.9% |

Barco delivered double-digit EBITDA growth for 2019 with solid gains in all divisions.

- Significant EBITDA growth in the Entertainment division reflects operating leverage on higher volumes mainly in the cinema segment.
- EBITDA increased in Enterprise on continued double-digit growth for ClickShare and profitability improvements for Control Rooms.
- The Healthcare division registered EBITDA gains on favourable product mix while continuing to invest in growth initiatives.

Adjusted EBIT was 110.0 million euro, or 10.2% of sales, compared to 90.0 million euro, or 8.7% of sales for 2018.

Income taxes

In 2019 taxes were 20.8 million euro for an effective tax rate of 18%. Taxes in 2018 were 16.6 million euro for an effective tax rate of 17.7%.

Net income

Net income attributable to the equity holders was 95.4 million euro after deducting 1.2 million euro associated with the Cinionic non-controlling interest. For 2018, net income attributable to equity holders was 75.0 million euro after deducting profits associated with a non-controlling interest in BarcoCFG of 2.3 million euro.

Net income per ordinary share (EPS) improved to 7.60 euro from 6.03 in 2018. Fully diluted earnings per share were 7.51 euro compared to 5.98.

Cash Flow & Balance SheetFree Cash Flow and Working Capital

Barco generated free cash flow of 88.7 million euro for the year compared to 63.2 million euro for 2018, an increase of 25.5 million euro, driven by a higher gross operating free cash flow and steady working capital management.

| <i>(in millions of euro)</i> | FY19 | FY18 | FY17 |
|--|--------------|--------------|--------------|
| Gross operating Free Cash Flow | 139.8 | 120.9 | 104.0 |
| <i>Changes in trade receivables</i> | -32.2 | -11.2 | -7.3 |
| <i>Changes in inventory</i> | -33.0 | 0.3 | -3.6 |
| <i>Changes in trade payables</i> | 23.4 | -1.3 | -19.7 |
| <i>Other Changes in net working capital</i> | 15.6 | -12.7 | -8.1 |
| Change in net working capital | -26.1 | -24.9 | -38.7 |
| Net operating Free Cash Flow | 113.7 | 96.0 | 65.3 |
| <i>Interest Income/expense</i> | 5.8 | 4.3 | 2.0 |
| <i>Income Taxes</i> | -13.1 | -12.5 | -4.4 |
| Free Cash Flow from operating activities | 106.4 | 87.9 | 63.0 |
| <i>Purchase of tangible and intangible FA (excl. One Campus)</i> | -20.2 | -25.6 | -23.2 |
| <i>Proceeds on disposal of tangible and intangible FA</i> | 2.4 | 0.9 | 0.2 |
| Free Cash Flow from investing | -17.8 | -24.7 | -23.0 |
| FREE CASH FLOW | 88.7 | 63.2 | 40.0 |

Working capital

Inventory + Accounts Receivables – Accounts Payables over sales was 21.7% compared to 19% in 2018. Net working capital was 3% of sales compared to 0.2% in 2018.

| <i>(in millions of euro)</i> | FY19 | FY18 | FY17 |
|------------------------------|-------------|-------------|--------------|
| Trade Receivables | 195.4 | 161.8 | 182.1 |
| DSO | 55 | 52 | 55 |
| Inventory | 169.0 | 135.1 | 154.1 |
| Inventory turns | 3.2 | 3.8 | 3.6 |
| Trade Payables | -128.9 | -105.1 | -114.5 |
| DPO | 71 | 59 | 58 |
| Other Working Capital | -205.2 | -189.3 | -263.3 |
| TOTAL WORKING CAPITAL | 30.2 | 2.5 | -41.6 |

Capital Expenditure

Capital expenditure was 20.2 million euro compared to 25.6 million euro in 2018.

Goodwill

Goodwill on group level remained at 105.6 million euro, equal to the end of 2018.

Cash position

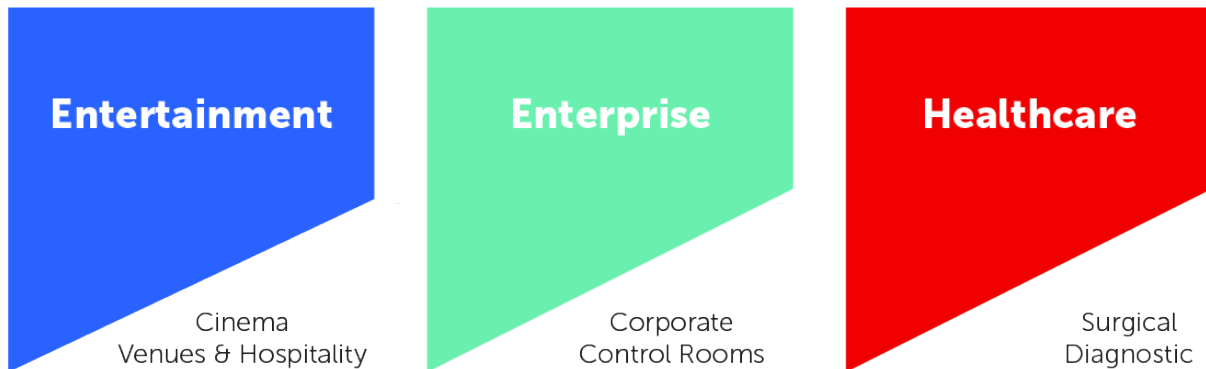
Net financial cash position, including net cash held in Cinionic, was 329.4 million euro compared to 332.0 million euro end of 2018.

The directly available net cash position amounted to 253.4 million euro compared to 247.4 million euro last year, reflecting positive free cash flow offset by distributed dividends, investments in caresyntax® and Unilumin and increased financial debt, 33 million euro as a result of the implementation of IFRS16.

Part II – Divisional results for fiscal year 2019

BARCO'S ORGANIZATIONAL STRUCTURE

Barco is a global technology company developing solutions for three main markets, which is also reflected in its divisional structure: Entertainment, Enterprise and Healthcare.



- **Entertainment:** The Entertainment division is the combination of the Cinema and Venues & Hospitality activities, which includes Professional AV, Events and Simulation activities.
- **Enterprise:** The Enterprise division is the combination of the Control Rooms activities and the Corporate activities. ClickShare is the main contributor to the Corporate activity.
- **Healthcare:** The Healthcare division includes the activities in Diagnostic Imaging (Diagnostic and Modality Imaging) and in Surgical.

ENTERTAINMENT DIVISION

| <i>(in millions of euro)</i> | FY19 | FY18⁶ | Change vs FY18 |
|------------------------------|-------------|-------------------------|---------------------------|
| Orders | 491.0 | 410.1 | +19.7% |
| Sales | 455.1 | 408.1 | +11.5% |
| EBITDA | 43.3 | 32.9 | +31.7% |
| EBITDA margin | 9.5% | 7.3% | |

The Entertainment division delivered a strong performance for 2019. Orders and sales grew 20% and 12%, respectively, driving operating leverage and a 2.2 percentage point expansion of EBITDA to 9.5% compared to 7.3% a year ago.

Solid growth in Cinema orders and sales was largely attributable to a combination of higher projector volume related to replacement cinema contracts in North America and Western Europe and higher average prices offset in part by a decline in sales from new cinema builds in China and other emerging markets. The new contracts clearly mark 2019 as the replacement cinema cycle kick-off year. With the replacement cinema cycle underway, Barco released the 4K Laser Series 4 projector in April 2019 with a goal of establishing this product as the mainstream platform for cinema, reinforcing Barco's leadership in this market.

The Cinema segment accounted for approximately 58% of the divisional sales in 2019 compared to 54% in 2018 on a comparable pro forma base.

With a sharper focus on themed entertainment, the Venues & Hospitalities segment recorded good order uptakes, expanding the customer base, and posted a strong second half performance offsetting softer results of the first half, as anticipated. The UDM, a new compact V&H projector platform, was launched in the last quarter 2019, expanding the laser-based projector portfolio.

⁶ To present comparable data for 2018, prior year orderbook, orders and sales figures are presented on a pro forma basis assuming the deconsolidation of the BarcoCFG joint venture had taken as of 1 January 2018. See for more information annex III.

ENTERPRISE DIVISION

| <i>(in millions of euro)</i> | FY19 | FY18 | FY17 | Change vs FY18 |
|------------------------------|-------------|-------------|-------------|---------------------------|
| Orders | 350.9 | 336.6 | 323.9 | +4.2% |
| Sales | 358.7 | 335.9 | 308.2 | +6.8% |
| EBITDA | 74.0 | 60.9 | 40.7 | +21.5% |
| EBITDA margin | 20.6% | 18.1% | 13.2% | |

The Enterprise division posted a 7% growth in sales for the year with the EBITDA margin expanding 2.5 percentage points, mainly driven by improved Control Rooms profitability. In terms of the sales mix, the Corporate segment accounted for about 58% of Enterprise sales for 2019.

In Corporate, continued healthy demand and traction in the IT and AV channel, drove double-digit volume and sales growth across all regions.

ClickShare has now been installed in more than 720,000 meeting rooms worldwide up from 500,000 at the end of 2018.

The company continued to invest in enhancing ClickShare features, received ISO 27001 certification for its development process, and developed ClickShare Conference, a new category which will be launched in the first quarter of 2020.

The addition of ClickShare Conference to the ClickShare portfolio is intended to sustain market leadership in the meeting room market while expanding the addressable market beyond the maturing wireless presentation market.

Control rooms delivered on its promise to return to growth with a low single digit sales uptake. In addition, improvements in gross profit margins and reduced operating expenses resulted in breakeven profitability.

UniSee performed well giving Barco new opportunities in non-core Control Room segments such as corporate workplaces. Barco also formed a strategic collaboration partnership with Unilumin through which it added a cost-competitive LED product portfolio. As a result, Barco strengthened its large video-wall value proposition with the introduction of a triple play (LED, Rear projection and LCD) videowall technology offering.

In line with the company strategy, Control Rooms continued to invest in software and networking solutions to strengthen its integrated hardware and software value proposition.

HEALTHCARE DIVISION

| <i>(in millions of euro)</i> | FY19 | FY18 | FY17 | Change vs FY18 |
|------------------------------|-------------|-------------|-------------|---------------------------|
| Orders | 260.2 | 256.9 | 245.8 | +1.3% |
| Sales | 268.8 | 245.0 | 243.2 | +9.7% |
| EBITDA | 35.7 | 30.6 | 27.5 | +16.4% |
| EBITDA margin | 13.3% | 12.5% | 11.3% | |

On the strength of a healthy orderbook, the Healthcare division posted good sales growth across all segments. Both the Diagnostic and Surgical segments produced high single digit uptakes in sales reflecting an improved product positioning and expanded partner network.

The Diagnostics segment accounted for 73% of the divisional sales for the second consecutive year.

Reflecting operating leverage on higher sales, the division improved its EBITDA margin from 12.5% to 13.3%.

With good momentum in all regions, the company expanded its sales reach for its surgical Nexxis 2.0 digital OR solution, transforming operating rooms into digital OR's. Approximately 3000 operating rooms worldwide are now equipped with Barco technology.

In the first half of the year, the division entered into a strategic partnership with and acquired a minority stake in caresyntax® as a means of strengthening its operating room value proposition and accelerating the next development of the digital Nexxis platform.

Under the "In China for China"-program, the division opened its local healthcare hub in March 2019, drawing together business development, product management and Healthcare display production and began to generate volume gains in China.

At the same time, Barco expanded its global product portfolio with the launch of new 4 and 6 megapixel diagnostic imaging platforms and invested in a number of new solutions including the Demetra skin cancer screening solution, which was launched in test-markets in 2019.

Conference call

Barco will host a conference call with investors and analysts on 13 February 2020 at 9:00 a.m. CET (3:00 am EST), to discuss the results of 2019. Jan De Witte, CEO, Ann Desender, CFO and Carl Vanden Bussche, IRO, will host the call.

An audio cast of this conference call will be available on the Company's website www.barco.com by 12:30 p.m. Brussels time (6:30 a.m. EST).

Additional information

Auditor's report

The statutory auditor, PwC Bedrijfsrevisoren BV represented by Peter Opsomer and Lien Winne has confirmed that the audit procedures, which have been completed, have not revealed any material adjustments which would have to be made to the accounting information included in this press release.

The complete audit report related to the audit of the consolidated financial statements will be shown in the 2019 annual report that will be published on the Internet (www.barco.com).

Financial Calendar 2020

- | | |
|---------------------------------------|---------------------------|
| - Trading update 1Q20 | Wednesday 22 April 2020 |
| - Annual general shareholders meeting | Thursday 30 April 2020 |
| - Announcement of results 1H20 | Thursday 16 July 2020 |
| - Trading update 3Q20 | Wednesday 21 October 2020 |

Disclaimer:

This press release may contain forward-looking statements. Such statements reflect the current views of management regarding future events, and involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Barco is providing the information in this press release as of this date and does not undertake any obligation to update any forward-looking statements contained in this press release in light of new information, future events or otherwise. Barco disclaims any liability for statements made or published by third parties and does not undertake any obligation to correct inaccurate data, information, conclusions or opinions published by third parties in relation to this or any other press release issued by Barco.

About Barco

Barco designs technology to enable bright outcomes around the world. Seeing beyond the image, we develop visualization and collaboration solutions to help you work together, share insights, and wow audiences. Our focus is on three core markets: Enterprise (from meeting, classroom and control rooms to corporate spaces), Healthcare (from the radiology department to the operating room), and Entertainment (from movie theaters to live events and attractions). In 2019, we realized sales of 1.083 billion euro. We have a global team of 3,600 employees, whose passion for technology is captured in 400 granted patents. For more information, visit us on www.barco.com, follow us on [Twitter](#) (@Barco), [LinkedIn](#) (Barco), [YouTube](#) (BarcoTV), or like us on [Facebook](#) (Barco).

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ANNEX I

Consolidated results for 2H19

Financial highlights 2H19

- Order intake for the semester was 568.3 million euro, up from 507.2 million euro a year earlier (+12.1%).⁷
- Sales were 586.1 million euro compared to 530.4 million euro for 2H18, an increase of 10.5%.
- Gross profit margin was 38.9% versus 41.5% in 2H18, a decrease of 2.6 percentage points.
- EBITDA was 85.4 million euro versus 73.0 million euro in 2H18. EBITDA margin was 14.6% to sales compared to 13.8% in 2H18.

Order Intake & Order Book

Order intake for 2H19 increased 12% compared to 2H18 mainly reflecting a very solid uptake in Entertainment and good performance in Healthcare.

Solid growth in the Americas and the EMEA region largely offset a decline in China (mainly cinema).

Order Book

| <i>(in millions of euro)</i> | 31 Dec 2019 | 30 Jun 2019 | 31 Dec 2018 | 30 Jun 2018 ⁸ |
|------------------------------|-------------|-------------|-------------|--------------------------|
| Order book | 322.3 | 344.2 | 303.2 | 324.4 |

Order Intake

| <i>(in millions of euro)</i> | 2H19 | 1H19 | 2H18 | 1H18 |
|------------------------------|-------|-------|-------|-------|
| Order Intake | 568.3 | 533.8 | 507.2 | 496.4 |

Order Intake by division

| <i>(in millions of euro)</i> | 2H19 | 2H18 | Change |
|------------------------------|--------------|--------------|---------------|
| Entertainment | 259.7 | 204.6 | +26.9% |
| Enterprise | 176.1 | 177.7 | -0.9% |
| Healthcare | 132.5 | 124.9 | +6.1% |
| Group | 568.3 | 507.2 | +12.1% |

Order intake per region

| | 2H19 | 2H18 | Change <i>(in nominal value)</i> |
|--------------|------|------|-------------------------------------|
| The Americas | 42% | 37% | +28% |
| EMEA | 36% | 39% | +1% |
| APAC | 22% | 24% | +5% |

⁷ To present comparable data for 2018, prior year orderbook, orders and sales figures are presented on a pro forma basis assuming the deconsolidation of the BarcoCFG joint venture had taken place as January 2018. As the impact of the deconsolidation on gross profit, EBITDA and EBIT is not material, these reported values are not restated nor the margins. See for more information annex III.

⁸ Orderbook of 324.4 million euro reflects the deconsolidation of BarcoCFG effective 1 July 2018.

Sales

Second semester sales reflect solid performances in both Entertainment and Healthcare. Enterprise posted slightly softer results in the second half of the year.

Year-over-year, both the Americas and the EMEA regions posted positive results while the APAC region reported a slight decrease mainly due to a softer new cinema demand in emerging markets.

Sales

| <i>(in millions of euro)</i> | 2H19 | 1H19 | 2H18 | 1H18 | 2H17 |
|------------------------------|-------------|-------------|-------------|-------------|-------------|
| Sales | 586.1 | 496.4 | 530.4 | 458.6 | 515.9 |

Sales by division

| <i>(in millions of euro)</i> | 2H19 | 2H18 | Change |
|------------------------------|--------------|--------------|---------------|
| Entertainment | 260.6 | 218.7 | +19.2% |
| Enterprise | 184.8 | 186.6 | -1.0% |
| Healthcare | 140.8 | 125.2 | +12.5% |
| Group | 586.1 | 530.4 | +10.5% |

Sales by region

| | 2H19 | 2H18 | Change <i>(in nominal value)</i> |
|--------------|-------------|-------------|--|
| The Americas | 39% | 36% | +21% |
| EMEA | 36% | 37% | +9% |
| APAC | 25% | 27% | -2% |

Profitability

Gross profit

Gross profit was 228.1 million euro for the second semester of 2019, an increase of 3.7% compared to 219.9 million euro for the second semester 2018.

Gross profit margin decreased by 2.6 percentage points to 38.9% for the second half of 2019 compared to 41.5% for the second half of 2018. While Enterprise held its gross profit margin, the Entertainment and the Healthcare division posted slightly softer results mainly as a result of quality issues related to product ramp-ups and factory transfers.

Operating expenses & other operating results

In line with the fit-to-lead objectives, total operating expenses⁹ were 165.1 million euro, or 28.2% of sales, compared to 167.4 million euro or 31.6% of sales, for the second half of 2018.

- Research & Development expenses remained essentially flat at 62.6 million euro compared to 63.8 million euro last year. As a percent of sales, R&D expenses amounted to 10.7% compared to 12.0% for 2H18.
- Sales & Marketing expenses remained essentially flat at 72.8 million euro compared to 73.6

⁹ Operating expenses referenced in this press release are including depreciations on tangible and intangible fixed assets.

million euro for the second half of 2018. As a percent of sales, Sales & Marketing expenses were 12.4% compared to 13.9% in 2H18.

- General & Administration expenses were 29.6 million euro, or 5.1% of sales, compared to 30.0 million euro, or 5.7% of sales last year.

Other operating results amounted to a negative 1.2 million euro compared to a positive 2.5 million euro last year.

EBITDA & adjusted EBIT

EBITDA was 85.4 million euro compared to 73.0 million euro for the prior year second semester. EBITDA margin in the second half was 14.6% versus 13.8% for the second half of 2018, with strong increases in both the Entertainment and Healthcare divisions. The increase reflects operating leverage on controlled operating expenses.

By division, EBITDA and EBITDA margin was as follows:

| 2H19 (in millions of euro) | Sales | EBITDA | EBITDA % |
|-----------------------------------|--------------|---------------|-----------------|
| Entertainment | 260.6 | 27.8 | 10.7% |
| Enterprise | 184.8 | 38.6 | 20.9% |
| Healthcare | 140.8 | 19.0 | 13.5% |
| Group | 586.1 | 85.4 | 14.6% |

EBITDA by division 2H19 versus 2H18 is as follows:

| (in millions of euro) | 2H19 | 2H18 | Change |
|-----------------------|-------------|-------------|---------------|
| Entertainment | 27.8 | 15.5 | +80.1% |
| Enterprise | 38.6 | 40.7 | -5.3% |
| Healthcare | 19.0 | 16.8 | +13.4% |
| Group | 85.4 | 73.0 | +17.1% |

Adjusted EBIT was 61.8 million euro or 10.5% of sales compared to 55.1 million euro or 10.4% for the same period last year.

Net income

Net income attributable to the equity holders for the second semester was 52.2 million euro compared to 47.7 million euro in 2H18.

ANNEX II

Trading Update 4Q19

Trading update fourth quarter 2019

Order Book

| <i>(in millions of euro)</i> | 31 Dec 2019 | 30 Sep 2019 | 30 Jun 2019 | 31 Mar 2019 | 31 Dec 2018 | 30 Sep 2018 |
|------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Order book | 322.3 | 359.1 | 344.2 | 341.0 | 303.2 | 319.5 |

Order Intake

| <i>(in millions of euro)</i> | 4Q19 | 3Q19 | 2Q19 | 1Q19 | 4Q18 | 3Q18 |
|------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Order Intake | 292.7 | 275.6 | 264.9 | 269.0 | 263.9 | 243.3 |

Sales

| <i>(in millions of euro)</i> | 4Q19 | 3Q19 | 2Q19 | 1Q19 | 4Q18 | 3Q18 |
|------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Sales | 319.2 | 266.9 | 253.7 | 242.8 | 281.7 | 248.7 |

Sales

| <i>(in millions of euro)</i> | 4Q19 | 4Q18 | Change |
|------------------------------|--------------|--------------|---------------|
| Entertainment | 140.4 | 110.1 | +27.5% |
| Enterprise | 107.1 | 106.7 | +0.4% |
| Healthcare | 71.7 | 64.9 | +10.5% |
| Group | 319.2 | 281.7 | +13.3% |

ANNEX III

Pro forma comparison

As announced in the 1H18 results, Barco completed the transaction on the sale of 9% shares in the BarcoCFG joint venture and reduced its stake to a 49% position. As a result, as of July 2018 the BarcoCFG joint venture orders and sales are no longer consolidated in Barco's group and Entertainment results.

2019 reported versus pro forma 2018

In order to support comparable reporting for 2019 versus 2018, we present also the pro forma orders and sales for 1H18 as if the deconsolidation had been in place as of 1 January 2018:

| <i>(in millions of euro)</i> | Reported 1Q18 | Pro forma 1Q18 | Reported 2Q18 | Pro forma 2Q18 | Reported 1H18 | Pro forma 1H18 | Reported FY18 | Pro Forma FY18 |
|------------------------------|--------------------------|---------------------------|--------------------------|---------------------------|--------------------------|---------------------------|--------------------------|---------------------------|
| Group Orders | 276.0 | 244.4 | 263.6 | 252.0 | 539.7 | 496.4 | 1,046.9 | 1,003.6 |
| Entertainment Sales | 110.3 | 89.0 | 118.6 | 100.4 | 228.9 | 189.4 | 447.6 | 408.1 |
| Group Sales | 245.2 | 223.9 | 252.9 | 234.7 | 498.1 | 458.6 | 1,028.5 | 989.0 |

ANNEX IV

Financial Tables

| Income Statement | 2019 | 2018 | 2017 |
|---|----------------|----------------|----------------|
| <i>(in thousands of euros)</i> | | | |
| Sales | 1,082,570 | 1,028,531 | 1,084,706 |
| Cost of goods sold | -653,274 | -615,578 | -680,554 |
| Gross profit | 429,295 | 412,953 | 404,152 |
| Research and development expenses | -119,389 | -120,279 | -122,305 |
| Sales and marketing expenses | -142,517 | -147,723 | -146,802 |
| General and administration expenses | -57,632 | -57,464 | -58,095 |
| Other operating income (expense) - net | 280 | 2,488 | -3,710 |
| Adjusted EBIT | 110,038 | 89,974 | 73,241 |
| Restructuring and impairments | - | -17,000 | -32,404 |
| Gain on change in control | - | 16,384 | - |
| EBIT | 110,038 | 89,358 | 40,836 |
| Interest income | 7,648 | 5,915 | 4,666 |
| Interest expense | -1,866 | -1,566 | -2,653 |
| Income before taxes | 115,820 | 93,708 | 42,849 |
| Income taxes | -20,848 | -16,586 | -11,355 |
| Result after taxes | 94,973 | 77,121 | 31,494 |
| Share in the result of joint ventures and associates | 1,566 | 191 | 1,290 |
| Net income | 96,539 | 77,312 | 32,784 |
| Net income attributable to non-controlling interest | 1,176 | 2,347 | 8,008 |
| Net income attributable to the equity holder of the parent | 95,363 | 74,965 | 24,776 |
| Earnings per share (in euros) | 7.60 | 6.03 | 2.01 |
| Diluted earnings per share (in euros) | 7.51 | 5.98 | 1.99 |
| Selected Financial Ratios | 2019 | 2018 | 2017 |
| EBITDA | 153,022 | 124,465 | 107,118 |
| EBITDA on sales | 14.1% | 12.1% | 9.9% |
| Adjusted EBIT on sales | 10.2% | 8.7% | 6.8% |
| EBIT on sales | 10.2% | 8.7% | 3.8% |
| Total debt to equity | 7.5% | 6.0% | 8.9% |

| Balance sheet | 31 Dec 2019 | 31 Dec 2018 | 31 Dec 2017 |
|---|--------------------|--------------------|--------------------|
| <i>(in thousands of euro)</i> | | | |
| ASSETS | | | |
| Goodwill | 105,612 | 105,612 | 105,385 |
| Other intangible assets | 44,469 | 47,397 | 63,361 |
| Land and buildings | 83,665 | 57,777 | 57,964 |
| Other tangible assets | 51,804 | 51,003 | 47,366 |
| Investments | 43,288 | 19,105 | 7,906 |
| Deferred tax assets | 60,116 | 67,478 | 69,859 |
| Other non-current assets | 4,018 | 9,732 | 12,887 |
| Non-current assets | 392,972 | 358,103 | 364,729 |
| Inventory | 168,983 | 135,111 | 132,754 |
| Trade debtors | 195,358 | 161,787 | 149,438 |
| Other amounts receivable | 25,669 | 19,567 | 19,368 |
| Short term investments | 24,748 | 112,795 | - |
| Cash and cash equivalents | 357,035 | 251,807 | 254,130 |
| Prepaid expenses and accrued income | 9,409 | 8,131 | 5,041 |
| Assets held for sale | - | - | 139,536 |
| Current assets | 781,203 | 689,197 | 700,267 |
| Total Assets | 1,174,176 | 1,047,301 | 1,064,996 |
| EQUITY AND LIABILITIES | | | |
| Equity attributable to equityholders of the parent | 700,060 | 633,267 | 579,449 |
| Non-controlling interests | 40,590 | 1,777 | 14,065 |
| Equity | 740,650 | 635,044 | 593,514 |
| Long-term debts | 40,225 | 29,882 | 41,036 |
| Deferred tax liabilities | 7,575 | 3,140 | 4,647 |
| Other long-term liabilities | 27,031 | 24,557 | 4,555 |
| Long-term provisions | 42,428 | 34,265 | 24,607 |
| Non-current liabilities | 117,259 | 91,844 | 74,845 |
| Current portion of long-term debts | 12,469 | 7,500 | 10,000 |
| Short-term debts | 0 | 686 | 686 |
| Trade payables | 128,914 | 105,148 | 102,943 |
| Advances received from customers | 69,515 | 53,747 | 67,040 |
| Tax payables | 9,893 | 11,370 | 9,752 |
| Employee benefit liabilities | 54,652 | 51,314 | 49,983 |
| Other current liabilities | 13,268 | 48,532 | 10,586 |
| Accrued charges and deferred income | 8,795 | 10,082 | 18,074 |
| Short-term provisions | 18,759 | 32,032 | 26,904 |
| Liabilities directly associated with the assets held for sale | - | - | 100,669 |
| Current liabilities | 316,266 | 320,412 | 396,637 |
| Total Equity and Liabilities | 1,174,176 | 1,047,300 | 1,064,996 |

| Cash flow statement | 2019 | 2018 | 2017 |
|---|----------------|-----------------|----------------|
| <i>(in thousands of euros)</i> | | | |
| Cash flow from operating activities | | | |
| Adjusted EBIT | 110,038 | 89,974 | 73,241 |
| Restructuring | -13,717 | -2,882 | -4,244 |
| Gain on sale of divestments | - | -743 | -513 |
| Depreciation of tangible and intangible fixed assets | 42,984 | 34,492 | 33,877 |
| Gain/(Loss) on tangible fixed assets | -1,024 | -149 | 362 |
| Share options recognized as cost | 2,147 | 2,050 | 1,549 |
| Share in the profit/(loss) of joint ventures and associates | 1,566 | 191 | 1,290 |
| Gross operating cash flow | 141,995 | 122,933 | 105,560 |
| Changes in trade receivables | -32,160 | -11,209 | -7,326 |
| Changes in inventory | -32,989 | 334 | -3,577 |
| Changes in trade payables | 23,404 | -1,306 | -19,660 |
| Other changes in net working capital | 15,618 | -12,722 | -8,113 |
| Change in net working capital | -26,126 | -24,903 | -38,677 |
| Net operating cash flow | 115,868 | 98,030 | 66,883 |
| Interest received | 7,648 | 5,915 | 4,666 |
| Interest paid | -1,866 | -1,566 | -2,653 |
| Income taxes | -13,053 | -12,460 | -4,395 |
| Cash flow from operating activities | 108,597 | 89,919 | 64,501 |
| Cash flow from investing activities | | | |
| Purchases of tangible and intangible fixed assets | -20,169 | -25,627 | -23,160 |
| Proceeds on disposals of tangible and intangible fixed assets | 2,379 | 922 | 168 |
| Payments for short term investments | 88,047 | -112,795 | - |
| Acquisition of Group companies, net of acquired cash | -3,272 | -5,621 | -5,889 |
| Disposal of group companies, net of disposed cash | - | -32,558 | 6,437 |
| Other investing activities | -41,285 | -2,972 | -3,729 |
| Dividends from joint ventures and associates | 7,284 | 10,499 | 8 |
| Cash flow from investing activities (including acquisitions and divestments) | 32,982 | -168,152 | -26,166 |
| Cash flow from financing activities | | | |
| Dividends paid | -28,680 | -25,975 | -23,292 |
| Capital increase | 360 | 132 | 433 |
| Sale of own shares | 6,428 | 5,928 | 5,314 |
| Payments (-) of long-term liabilities | -22,359 | -8,363 | -17,532 |
| Proceeds from (+), payments of (-) short-term liabilities | 3,033 | -4,430 | 1,401 |
| Advances on capital contribution from non-controlling interest | - | 37,906 | - |
| Dividend distributed to non-controlling interest | - | - | -17,893 |
| Cash flow from financing activities | -41,218 | 5,198 | -51,569 |
| Net increase/(decrease) in cash and cash equivalents | 100,362 | -73,035 | -13,234 |
| Cash and cash equivalents at beginning of period | 251,807 | 321,514 | 353,549 |
| Cash and cash equivalents (CTA) | 4,866 | 3,328 | -18,801 |
| Cash and cash equivalents at end of period | 357,035 | 251,807 | 321,514 |
| Cash assets held for sale (BarcoCFG) | - | - | 67,385 |
| Cash and cash equivalents at end of period excluding assets held for sale | 357,035 | 251,807 | 254,130 |

| Results per division | 2019 | 2018 | 2017 |
|--------------------------------|------------------|------------------|------------------|
| <i>(in thousands of euros)</i> | | | |
| Sales | | | |
| Entertainment | 455,125 | 447,611 | 533,285 |
| Enterprise | 358,671 | 335,914 | 308,161 |
| Healthcare | 268,774 | 245,006 | 243,259 |
| Group | 1,082,570 | 1,028,531 | 1,084,533 |
| EBITDA | | | |
| Entertainment | 43,310 | 32,879 | 38,922 |
| Enterprise | 74,051 | 60,944 | 40,662 |
| Healthcare | 35,660 | 30,642 | 27,533 |
| Group | 153,022 | 124,465 | 107,118 |