

# EVS Broadcast Equipment

## 4Q 2016 results

February 16, 2017

*Muriel DE LATHOUWER, Managing Director, CEO*

*Yvan ABSIL, SVP, CFO*

*Geoffroy d'OULTREMONT, VP Investor Relations and Corporate Communication*

[www.evs.com](http://www.evs.com)



## FORWARD LOOKING INFORMATION

The statements made in this presentation that are not historical facts contain forward-looking information that involves risks and uncertainties. All statements, other than statements of historical fact, which address EVS Group's ("EVS", "the Group" or the "Company") expectations, should be considered as forward-looking statements. Such statements made by EVS are based on knowledge of the environment in which it currently operates, but because of factors beyond its control, actual results may differ materially from the expectations expressed in the forward-looking statements. Important factors that may cause actual results to differ from anticipated results include, but are not limited to, financing risk, acquisition risk, changes in technology, and other risks as outlined in the filings with securities regulators and can also be found at [www.evs.com](http://www.evs.com).

## AGENDA

- ▶ 4Q 2016 and FY 2016 review

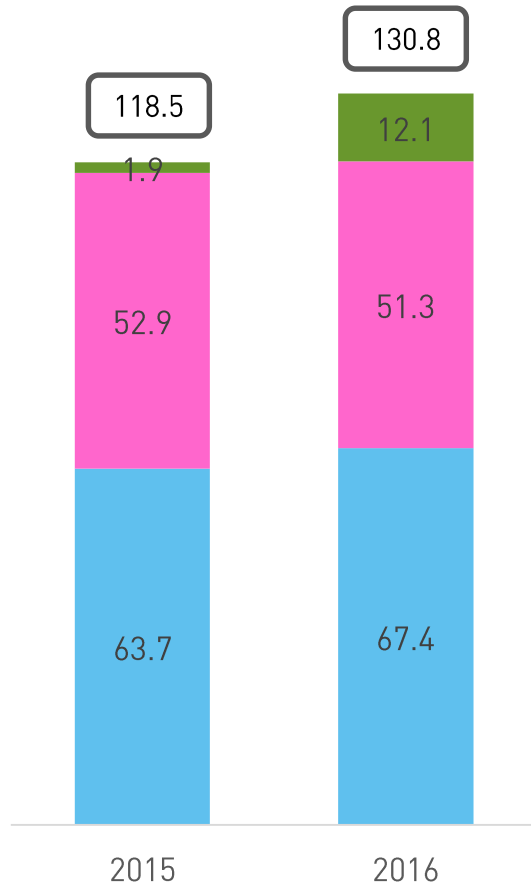
- ▶ Outlook

- ▶ Annexes

# Highlights

FULL YEAR

Q4

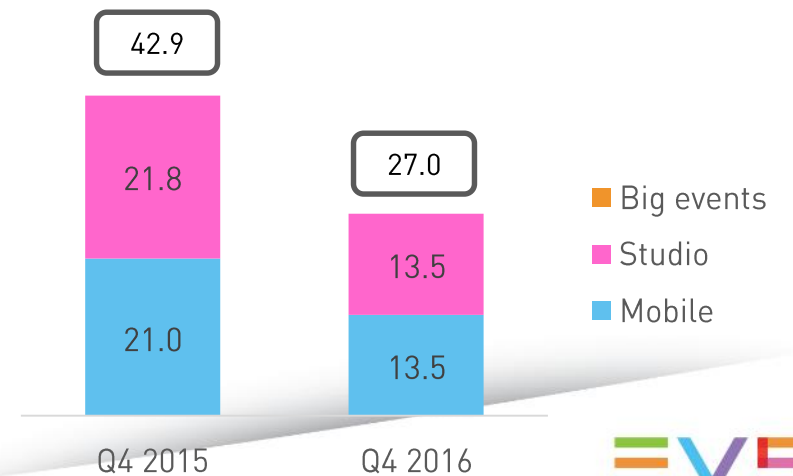


■ Big events  
■ Studio  
■ Mobile

Revenues:  
130.8m€  
+1.7% YoY  
(excluding big  
event rentals)

EBIT Margin:  
46.2m€ (35.3%)

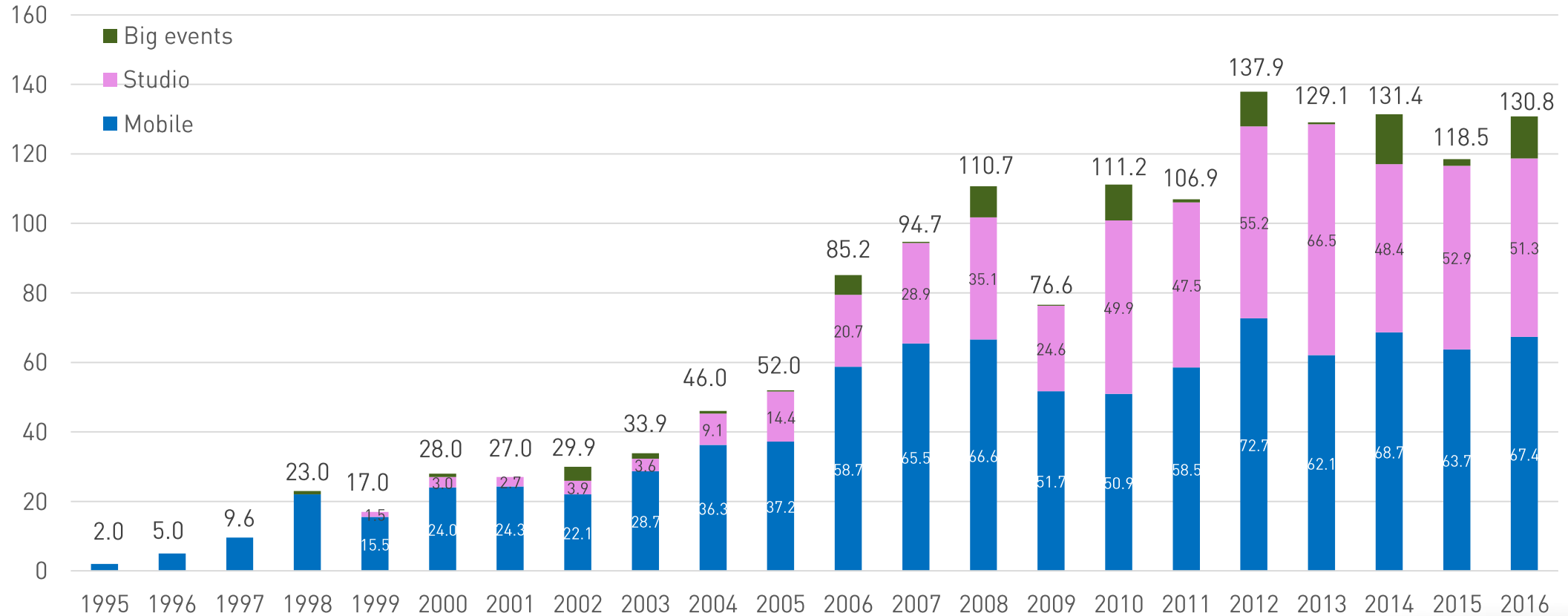
EPS: 2.43€



■ Big events  
■ Studio  
■ Mobile

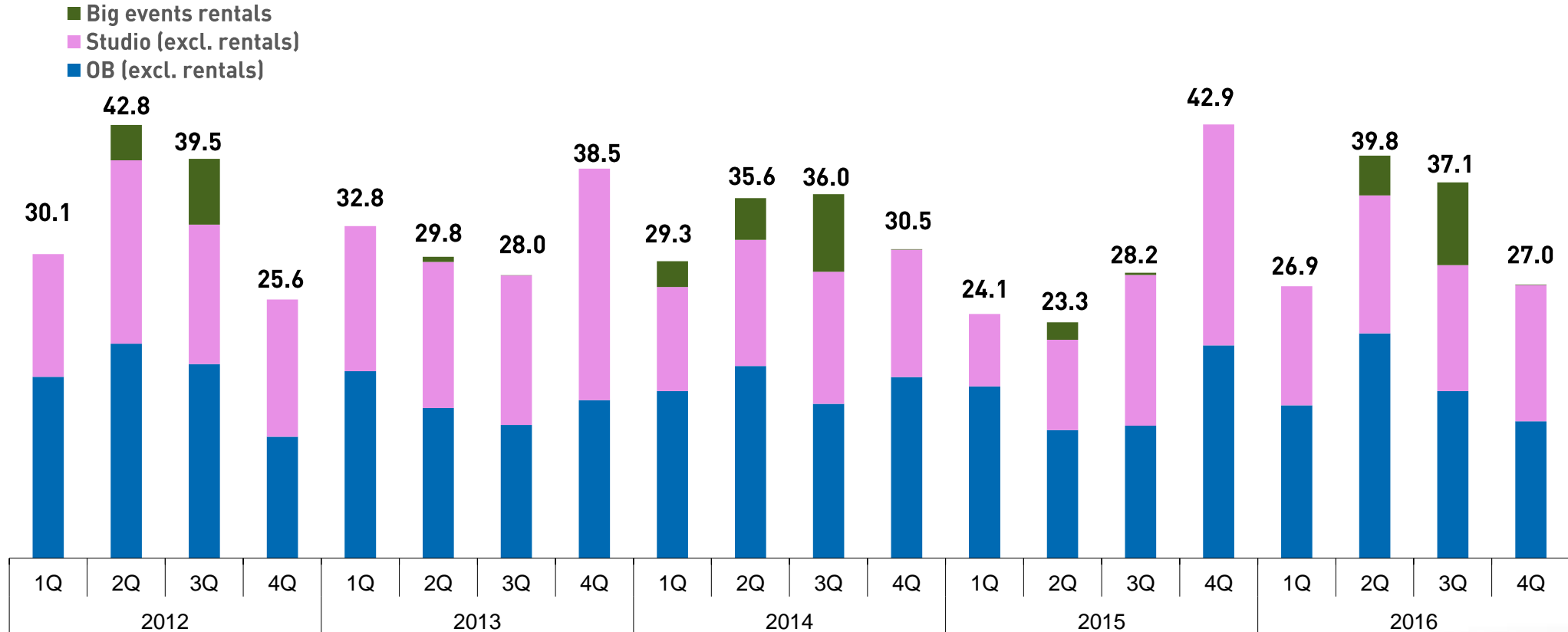
# 2016 REVENUE

## +10.4% driven by big event rentals



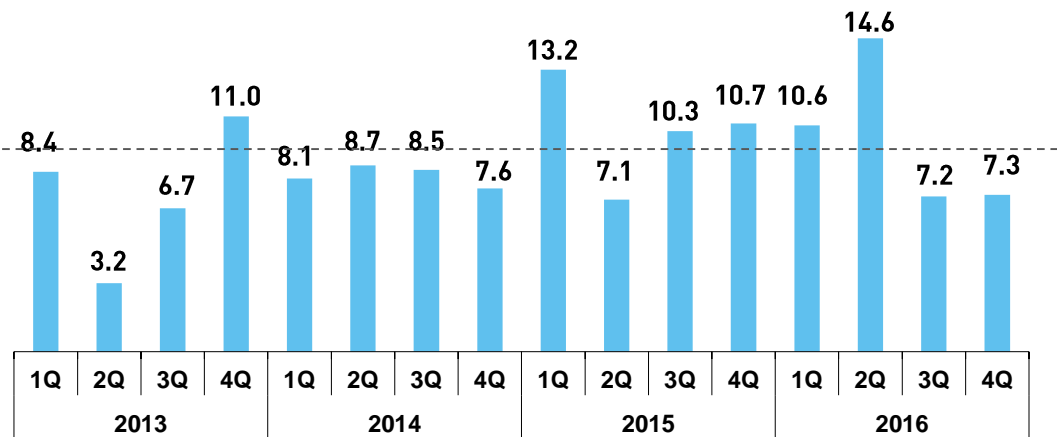
# Q4 REVENUE: EUR 27 million

Traditional slow down following big events in Q2/Q3



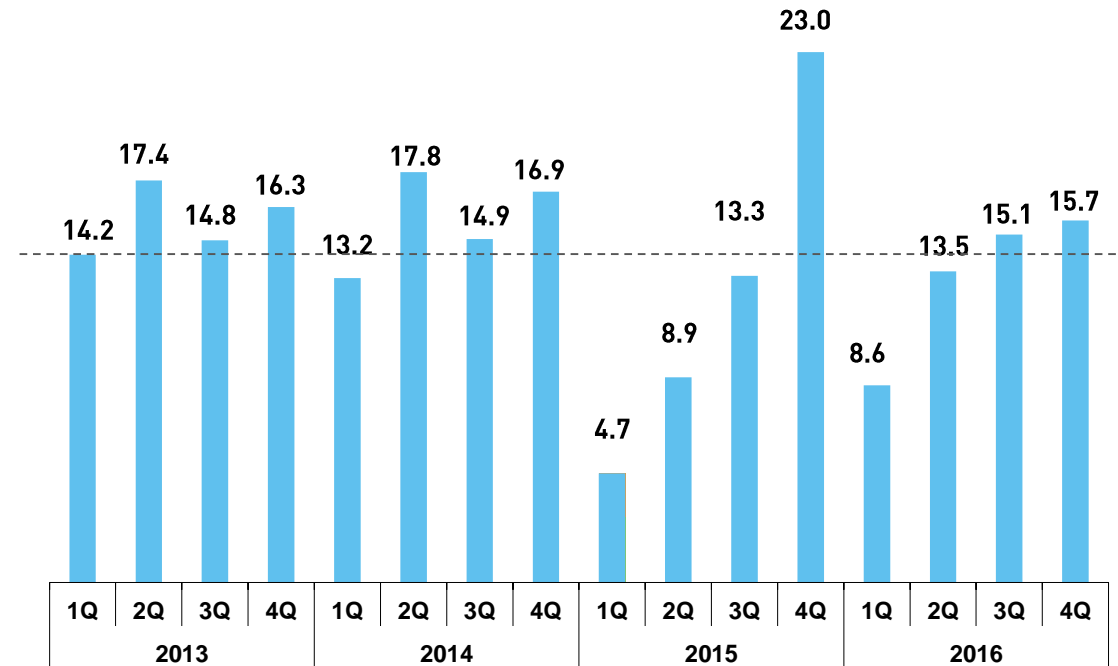
# Q4 REVENUE: GEOGRAPHICAL SPLIT

## Americas (excl. events)



Revenues: 4Q16: EUR 7.3 million  
2016: EUR 39.8 million, -3.3% vs 2015

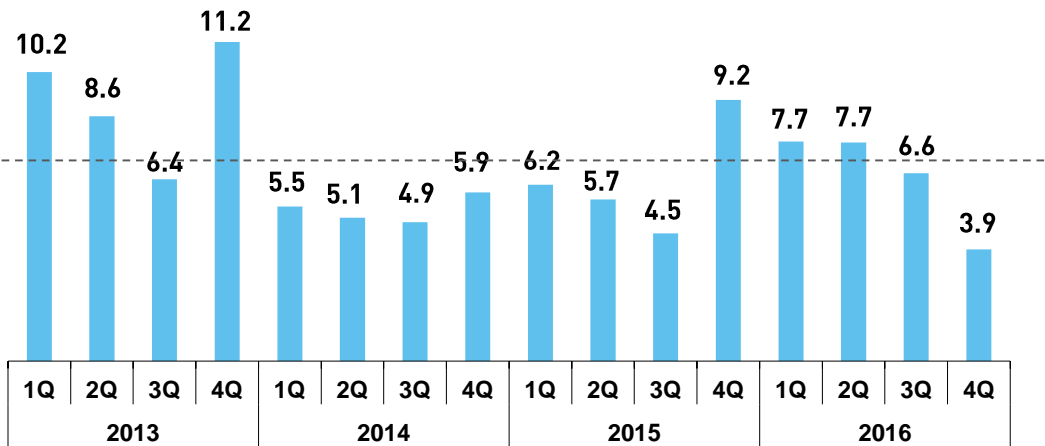
## EMEA (excl. events)



Revenue  
- 4Q16: EUR 15.7 million  
- 2016: +6.2% vs 2015

# Q4 REVENUE: GEOGRAPHICAL SPLIT

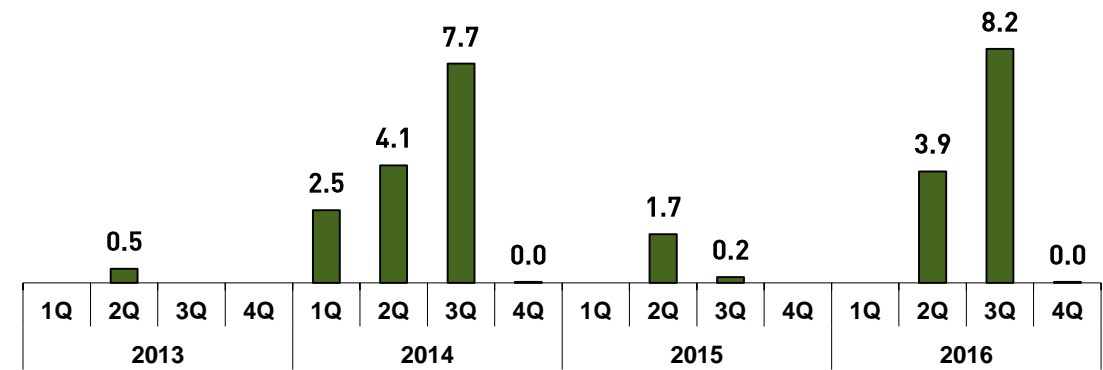
## APAC (excl. Events)



Revenue

- 4Q16: EUR 3.9 million
- 2016 revenues up 1.3%

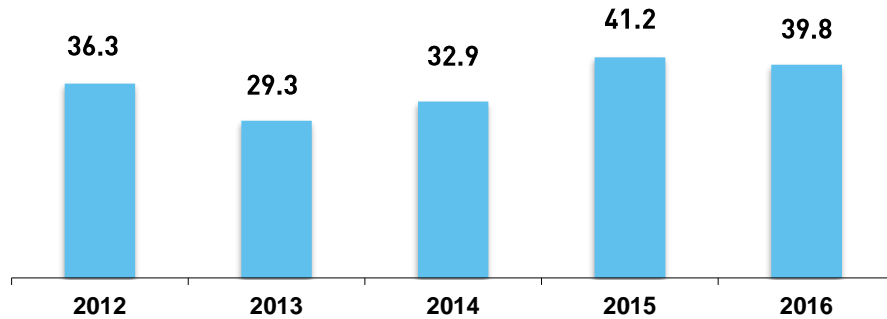
## Big event rentals



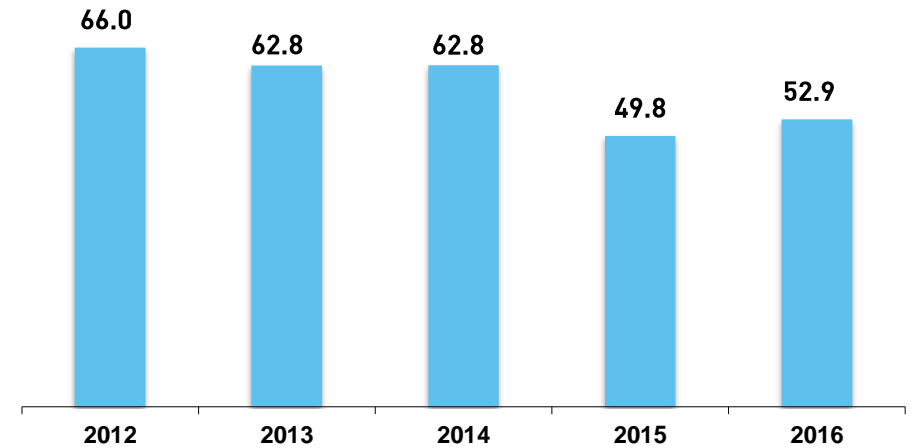


# FY 2016 - REVENUE BY GEOGRAPHIES

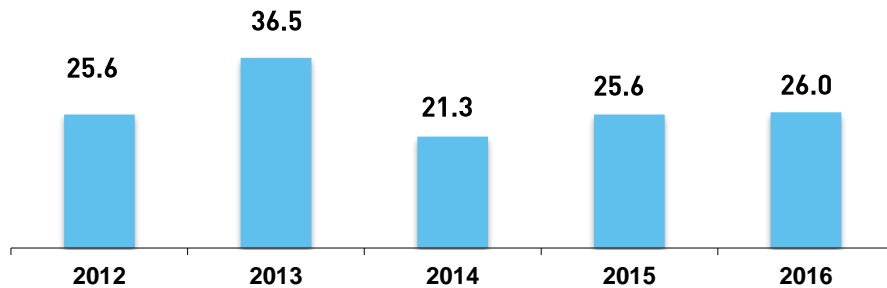
## Americas (excl. events)



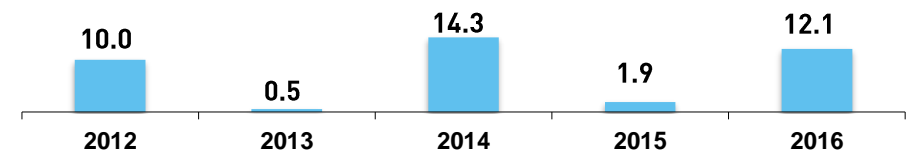
## EMEA (excl. events)



## APAC (excl. Events)



## Big event rentals



# 4Q16

Tough comparison vs record 4Q15

In millions of EUR	4Q16	4Q15
<b>REVENUE</b>	<b>27.0</b>	<b>42.9</b>
Cost of sales	(7.9)	(11.1)
Gross margin	19.1	31.7
Gross margin %	70.8%	74.0%
S&A	(6.5)	(7.1)
R&D	(6.2)	(6.6)
<b>EBIT</b>	<b>6.5</b>	<b>18.0</b>
<b>EBIT MARGIN</b>	<b>24.0%</b>	<b>42.1%</b>
Financial result	0.5	0.6
Taxes	(2.1)	(5.1)
<b>NET PROFIT</b>	<b>4.9</b>	<b>13.4</b>
<b>BASICS EPS <sup>1)</sup></b>	<b>0.36</b>	<b>1.00</b>

## ▶ Gross margin:

- Lower sales

## ▶ Opex: -7.7% vs 4Q15

- + Tax credit in France
- + Lower distribution fees

## ▶ EBIT margin of 24.0%

## ▶ EPS : EUR 0.36

1) Basic EPS is computed on the adjusted number of shares, i.e. less own shares

# FY16

Solid FY16, supported by product mix

In millions of EUR	FY16	FY15
<b>REVENUE</b>	<b>130.8</b>	<b>118.5</b>
Cost of sales	(33.7)	(34.3)
Gross margin	97.2	84.2
Gross margin %	74.3%	71.1%
S&A	(27.5)	(26.6)
R&D	(23.7)	(24.5)
Other income	1.2	0.3
<b>EBIT</b>	<b>46.2</b>	<b>32.7</b>
<b>EBIT MARGIN</b>	<b>35.3%</b>	<b>27.6%</b>
Financial result	(0.4)	0.7
Taxes	(13.1)	(9.8)
<b>NET PROFIT</b>	<b>32.8</b>	<b>23.7</b>
<b>BASICS EPS <sup>1)</sup></b>	<b>2.43</b>	<b>1.76</b>

- ▶ Gross margin:
  - + Higher sales
  - + Product mix
  
- ▶ Opex: +0.3% vs FY16
  - + R&D tax credit in France
  - + Chengdu closing costs in 2015
  - + Less dealer rebates
  
- ▶ EBIT margin of 35.3%
  
- ▶ Tax rate of 28.6%
  - ▶ R&D Investments deduction
  
- ▶ EPS : EUR 2.43

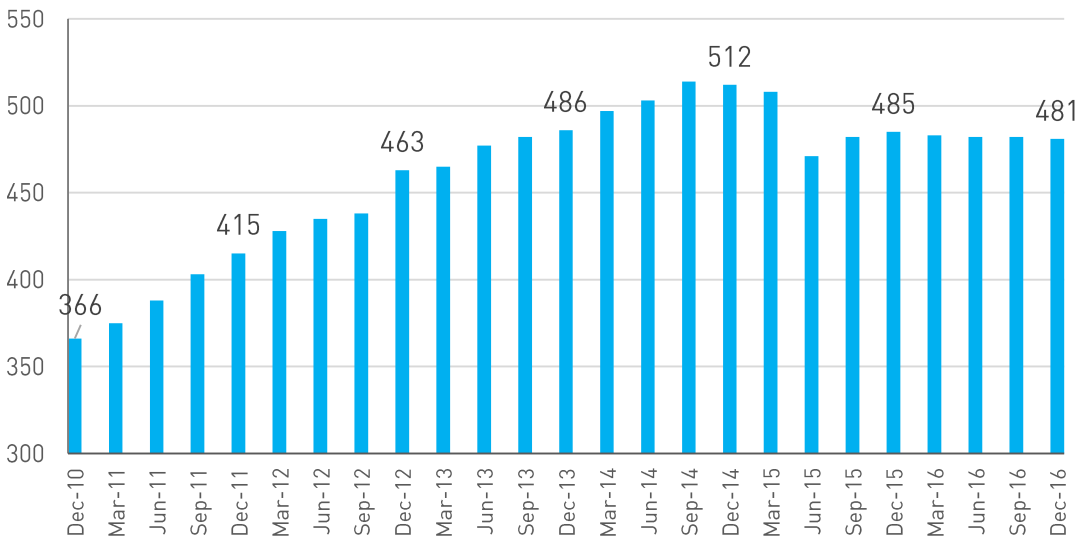
1) Basic EPS is computed on the adjusted number of shares, i.e. less own shares

# FTE EVOLUTION

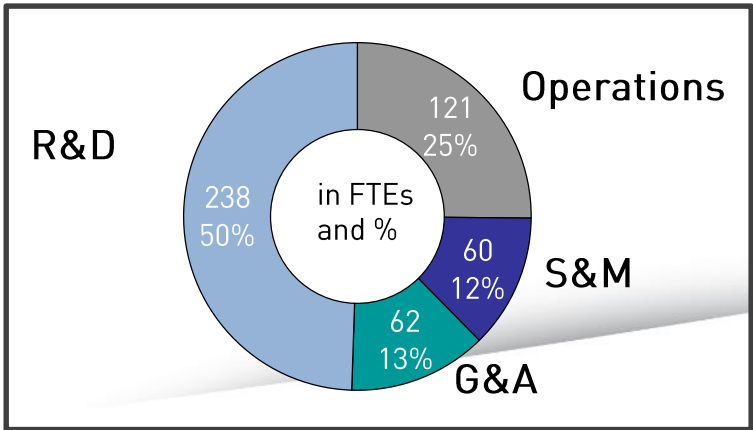
481 FTE at the end of 2016

- ▶ -4 FTE vs 31/12/2015
- ▶ Average 483 FTE in FY16 (-1.2% vs FY15)
- ▶ Around 15 open positions as of January 31

Headcount evolution (FTE)



Headcount 12/2016 (FTE)



# STRONG BALANCE SHEET

EUR 53.2 million cash

In millions of EUR	Dec. 2016	Dec. 2015
<b>ASSETS</b>		
Goodwill and intangibles	1.5	1.5
Lands and buildings	46.8	48.1
Investments at equity	1.0	0.9
Inventories	13.5	15.6
Receivables	24.9	34.7
Cash	53.2	22.6
Assets held for sale	4.0	5.1
Deferred tax assets	4.1	-
Other assets	11.3	10.0
<b>Total assets</b>	<b>160.3</b>	<b>138.5</b>
<b>EQUITY AND LIABILITIES</b>		
Total equity	97.4	78.2
Non-current liabilities	16.9	23.6
Short term portion of financial debt	5.3	5.2
Trade payables	3.7	5.0
Income tax payable	17.1	7.7
Other current liabilities	19.9	18.8
<b>Total equity and liabilities</b>	<b>160.3</b>	<b>138.5</b>

- ▶ Healthy balance sheet, with a net cash position of EUR 33.4 million:
  - EUR 53.2 million in cash & cash equivalents
  - Financial long-term debt of EUR 14.5 million (+EUR 5.3 million short term portion)
- ▶ Free cash flow \* of EUR 51.4 million in FY16

\* Net cash from operating activities - capex



## AGENDA

- ▶ 4Q 2016 and FY 2016 review

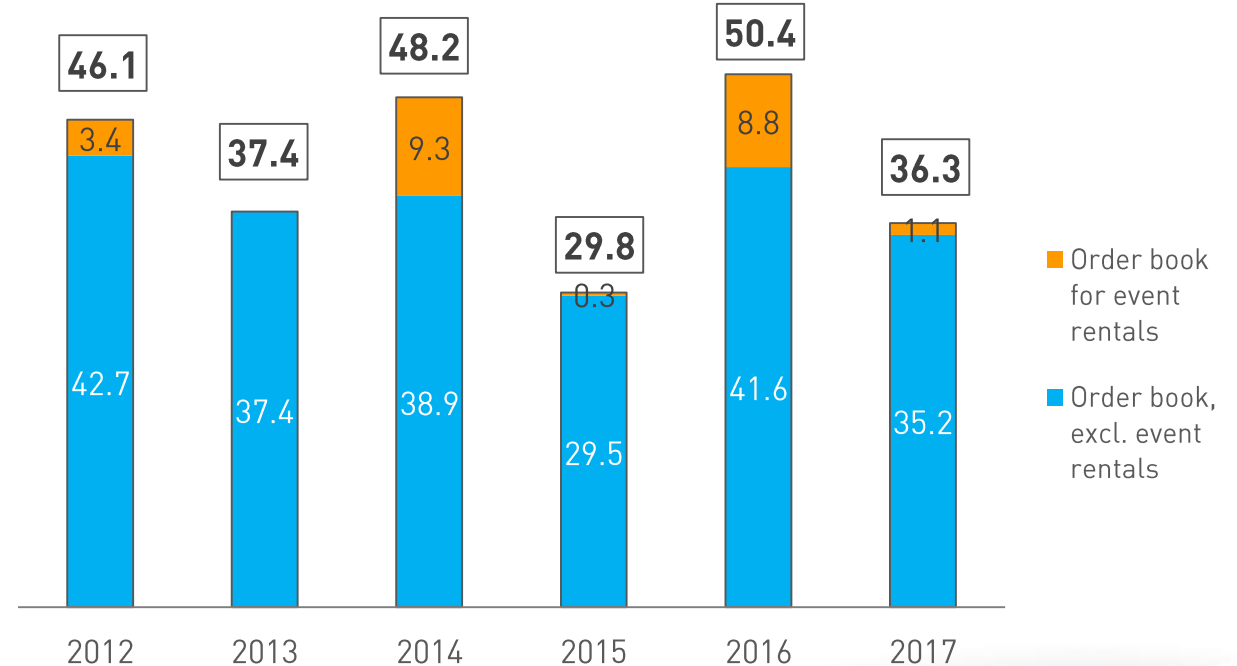
- ▶ Outlook

- ▶ Annexes

# OUTLOOK – ORDER BOOK AT FEBRUARY 15, 2017: EUR 36.2 MILLION

-15.4% excl. big event rentals

- ▶ Around 70% of the order book is expected to be booked in revenue in 1Q17
- ▶ Includes EUR 1.1 million rentals for big events
- ▶ For 2018 and beyond: EUR 17.6 million
  - Include 2018 portion of NEP contract
  - Include EUR 8.2 million of big event rentals



# OUTLOOK

## 2017 guidance

---

- ▶ For 2017, there are no major big event planned
- ▶ At this stage, our visibility on the top-line is, a usual, low
- ▶ We forecast a moderate increase of our operating expenses to sustain our efforts in innovation and new product developments



## AGENDA

- ▶ 4Q 2016 and FY 2016 review

- ▶ Outlook

- ▶ Annexes

# CORPORATE CALENDAR

---

- ▶ Thursday May 11, 2017: 1Q17 results
- ▶ Tuesday May 16, 2017: Ordinary General Meeting
- ▶ Thursday August 31, 2017: 2Q17 results
- ▶ Thursday November 16, 2017: 3Q17 results

## CONTACT

---

Geoffroy d'Oultremont

VP Investor Relations & Corporate Communications

[Corpcom \[a\] evs.com](mailto:Corpcom [a] evs.com)

Tel: +32 4 361 70 13