PRESS RELEASE

Publication on May 12, 2015, before market opening
Regulated information – Press release quarterly results
EVS Broadcast Equipment S.A.: Euronext Brussels (EVS.BR), Bloomberg (EVS BB), Reuters (EVSB.BR)

EVS REPORTS FIRST QUARTER 2015 RESULTS

> 1Q15 highlights

- Revenue of EUR 24.1 million, -18.7% excl. event rentals and at constant currency
- Growth in Americas and APAC, weak performance in EMEA mainly due to customers delays in projects and macroeconomic environment
- Stable operating expenses vs 1Q14
- EBIT of EUR 5.5 million (22.7% EBIT margin), net profit of EUR 4.8 million, EPS of EUR 0.36

> Corporate highlights

- New segment reporting
- Ordinary General Meeting on May 19: proposal of a total gross dividend of EUR 2.00

> 2015 outlook

- Order book of EUR 27.4 million on May 10, 2015
  - -31.6% vs. 2014 excl. big event rentals
  - In addition, EUR 4.2 million order book for 2016 and beyond
- 2015 guidance:
  - 2015 revenue likely to be in the range of EUR 100-115 million
  - Opex is expected to grow at high single digit vs 2014

KEY FIGURES

EUR millions, except earnings per share (EUR)	Unaudited			
	1Q15	4Q14	1Q14	1Q15/1Q14
Revenue	24.1	30.5	29.3	-17.8%
Gross margin	17.2	22.3	22.0	-21.6%
Gross margin %	*71.4%*	73.0%	*74.9%*	-
Operating profit – EBIT	5.5	8.9	10.0	-45.2%
Operating margin – EBIT %	*22.7%*	29.1%	*34.1%*	-
Net profit (Group share)	4.8	8.3	7.1	-32.5%
Basic earnings per share (Group share)	0.36	0.61	0.53	-32.4%

COMMENTS

“At the recent NAB tradeshow in Las Vegas, the feedback of our customers on the new products and solutions was very positive”, said Muriel De Lathouwer, Managing Director & CEO of EVS. “More specifically, they appreciated our innovations and the pragmatic approach we have in the developments of our solutions, with clear answers to their needs, such as the Dyvi video mixer. Unfortunately, their enthusiasm, especially in Europe, still contrasts with the challenging macro-economic environment, leading to delays in investment projects. This being said, we will continue to invest in innovation to drive future top line growth.”

Commenting on the results and prospects, Magdalena Baron, CFO, said: “1Q 2015 revenue is down by 17.8%, which reflects the ongoing challenging market conditions and customers delays in projects in EMEA. The absence of big events rentals in 1Q15 (uneven year) is offset by the positive currency effect. The order book is at EUR 27.4 million (-31.6% vs 2014, excl. big event rentals), and 2015 revenue is likely to be in the range of EUR 100-115 million. Despite the stable Opex in 1Q15 vs 1Q14 we maintain the guidance for high single digit operating expenses growth in 2015 vs 2014. This is due to timing effects, mainly relating to recruitment, the new building depreciation (starting as of 2Q15) and currency effects.”

Revenue in 1Q15

EVS revenue amounted to **EUR 24.1 million in 1Q15**, a decrease of 17.8% (-18.7% at constant currency and excluding the big event rentals) compared to 1Q14. Sales of solutions in **Outside Broadcast vans** increased by 2.7**%** (-8.7% at constant currency) to EUR 17.0 million, representing 70.4% of total group sales in 1Q15. Sales in **Studio & others** decreased by 30.4% in 1Q15 to EUR 7.1 million (-34.9% at constant currency), representing 29.6% of total sales in 1Q15. There were no **Big events rentals** in 1Q15 compared to EUR 2.5 million in 1Q14 (relating to the Sochi Winter Olympics).

Revenue – EUR millions	1Q15	1Q14	% 1Q15/ 1Q14
Total reported	24.1	29.3	-17.8%
Total at constant currency	21.8	29.3	-25.8%
Total at constant currency and excluding big event rentals	**21.8**	**26.8**	**-18.7%**

Geographically, sales (excl. big event rentals) have evolved in 1Q15 as follows:

- Europe, Middle-East and Africa ("**EMEA**"): EUR 4.7 million (-64.2% compared to 1Q14, at constant currency), weaker due to customers delays in projects. 2Q to 4Q15 revenue is expected to be closer to 2014 quarterly levels.
- "**Americas**": EUR 13.2 million (+33.1% compared to 1Q14, at constant currency)
- Asia & Pacific ("**APAC**"): EUR 6.2 million (+13.9% at constant currency).

1Q15 results

Consolidated gross margin was 71.4% for 1Q15, compared to 74.9% in 1Q14 due to lower revenue, partially offset by a better product mix. Operating expenses remained stable (+0.6%), mainly due to lower depreciation than last year (the old buildings are fully depreciated and depreciation on the new building only starts in April 2015), continued strict cost control, and the timing of the planned projects and recruitments, offset by the 4.3% growth in average FTE compared to 1Q14 and the negative currency effect. This leads to a **1Q15 EBIT margin of 22.7%**, compared to 34.1% in 1Q15. The financial result includes EUR 1.5 million (see also note 5.9) positive impact of the strong exchange rate fluctuations between December 2014 and March 2015 on the consolidation of the different EVS subsidiaries. Group net profit amounted to EUR 4.8 million in 1Q15, compared to EUR 7.1 million in 1Q14. **Basic net profit per share amounted to EUR 0.36 in 1Q15**, -32.4% compared to EUR 0.53 for 1Q14.

Staff

At the end of March 2015, EVS employed 508 people (FTE), +2.2% compared to March 2014 (497). On average, EVS employed 512 FTE in 1Q15, compared to 491 in 1Q14, a 4.3% increase.

Balance sheet and cash flow statement

Total equity represented 55.1% of total balance sheet at the end of March 2015. Inventories amounted to EUR 15.8 million, including around EUR 4.0 million value of own equipment used for R&D and demos of EVS products. Inventories were slightly up compared to December 2014, due to the NAB tradeshow preparation. The Ymagis obligations associated with warrants received as part of the dcinex disposal and the remaining subordinated loan to dcinex (EUR 151,000) have been repaid anticipatively by Ymagis at the end of 1Q15. In the liabilities, provisions include mainly the provision for technical warranty on EVS products for labor and parts.

Lands and building mainly include the new headquarters in Liège. At the end of March, around 80% of the staff has moved to it, and depreciation on the building will start in 2Q15. At the end of March 2015, EUR 54.0 million have been invested (less EUR 5.6 million of subsidies booked at the same date), on a total EUR 58.5 million budget. A total of EUR 30.0 million has been drawn on available loan facilities to finance it.

The net cash from operating activities amounted to EUR 7.5 million in 1Q15. On March 31, 2015, the group balance sheet showed **EUR 32.9 million in cash and cash equivalents** (before the payment of EUR 13.5 million dividend at the end of May), and EUR 28.2 million in financial long-term debts (including the short term portion).

At the end of March 2015, there were 13,625,000 EVS outstanding shares, of which 140,498 were owned by the company. At the same date, 369,900 warrants were outstanding with an average strike price of EUR 39.85 and an average maturity in November 2016.

Segment reporting

As announced in the press release on February 19, 2015, EVS changed its segment reporting by destination. The disclosure by region and by nature remains unchanged. Comparative quarterly figures for 2014 and 2013 are available on the company website, in the “Quarterly financial reports” section.

Outlook

The **order book** (to be invoiced in 2015) on May 10, 2015 amounts to **EUR 27.4 million**, which is -39.0% compared to EUR 44.9 million on May 10, 2014 (-31.6% excl. the big event rentals: EUR 7.3 million last year and EUR 1.7 million this year).

In addition to this order book to be invoiced in 2015, EVS already has EUR 4.2 million of orders to be invoiced in 2016 and beyond.

The slowdown witnessed in the broadcast industry (and more specifically the live production server market) persists. The EVS management explains this slowdown by macro-economic headwinds and longer investment cycles. In these conditions, the EVS management currently expects revenue in 2015 to be in the range of EUR 100-115 million. 2015 is an uneven year which, as usual, will only include a limited amount of rentals for big sporting events (compared to a record EUR 14.3 million in 2014). The management continues to expect high single digit opex growth in 2015, mainly due to the investments made in 2014 that will mechanically add opex in 2015 (including higher depreciation relating to the new building), some recruitments and currency effects, partially offset by strict opex control.

Shareholders Meeting

A Combined General Meeting is planned next Tuesday May 19, 2015 at EVS new Headquarters. The invitation as well as all details are available on the company website: www.evs.com.

Status of the control by the Statutory Auditors

The statutory Auditor BDO Réviseurs d’Entreprises Soc. Civ. SCRL has not reviewed the quarterly financial statements as presented in this press release.

Conference call

EVS will hold a conference call in English today at 3:00 pm CET for financial analysts and institutional investors. Other interested parties may join the call in a listen-only mode. The presentation used during the conference call will be available shortly before the call on the EVS website.

Dial-in numbers: +44 (0)207 1620 077 (United Kingdom), +32 (0)2 290 14 07 (Belgium), +1 334 323 6201 (United States)
Conference call ID: 953090

Corporate Calendar:

Tuesday May 19, 2015: Ordinary General Meeting
Thursday August 27, 2015: 2Q15 results
Friday November 13, 2015: 3Q15 results

For more information, please contact:

Magdalena BARON, CFO
Geoffroy d'OULTREMONT, Vice President Investor Relations & Corporate Communication
EVS Broadcast Equipment S.A., Liege Science Park, 13 rue du Bois Saint-Jean, B-4102 Seraing, Belgium
Tel: +32 4 361 70 14. E-mail:corpcom@evs.com; www.evs.com

Condensed consolidated financial statements

ANNEX 1: CONDENSED CONSOLIDATED INCOME STATEMENT

(EUR thousands)	Notes	1Q15 Unaudited	4Q14 Unaudited	1Q14 Unaudited
Revenue	5.4	24,122	30,526	29,342
Cost of sales		-6,889	-8,250	-7,371
Gross profit		**17,233**	**22,275**	**21,971**
Gross margin %		**71.4%**	**73.0%**	**74.9%**
Selling and administrative expenses		-5,766	-6,643	-5,387
Research and development expenses	5.8	-5,974	-6,617	-6,287
Other revenue		90	86	51
Other expenses		-37	-67	-40
Stock based compensation and ESOP plan		-62	-86	-136
Amortization and impairment on goodwill, acquired technology and IP		-	-67	-163
Operating profit (EBIT)		**5,484**	**8,881**	**10,009**
Operating margin (EBIT) %		**22.7%**	**29.1%**	**34.1%**
Interest revenue on loans and deposits		44	66	49
Interest charges		-78	-85	-74
Other net financial income / (expenses)	5.9	1,289	344	-29
Dcinex disposal	5.11	-	1,977	-
Share in the result of the enterprise accounted for using the equity method	5.11	32	-409	171
Profit before taxes (PBT)		**6,771**	**10,774**	**10,126**
Income taxes	5.10	-1,975	-2,872	-3,294
Net profit from continuing operations		**4,796**	**7,902**	**6,831**
Net profit		**4,796**	**7,902**	**6,831**
Attributable to :				
Non controlling interest	5.12	-	-354	-278
Equity holders of the parent company		**4,796**	**8,256**	**7,109**
Net profit from operations – share of the group (1)	**5.3**	**4,858**	**6,893**	**7,261**

EARNINGS PER SHARE *(in number of shares and in EUR)*	**5.7**	**1Q15 Unaudited**	**4Q14 Unaudited**	**1Q14 Unaudited**
Weighted average number of subscribed shares for the period less treasury shares		13,484,502	13,484,502	13,512,896
Weighted average fully diluted number of shares		13,854,402	13,866,737	13,911,547
Basic earnings – share of the group		**0.36**	**0.61**	**0.53**
Fully diluted earnings – share of the group (2)		**0.35**	**0.60**	**0.51**
Basic net profit from operations – share of the group		**0.36**	**0.51**	**0.54**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(EUR thousands)		1Q15 Unaudited	4Q14 Unaudited	1Q14 Unaudited
Net profit		**4,796**	**7,902**	**6,831**
Other comprehensive income of the period				
Currency translation differences		492	194	25
Other increase / (decrease)		58	450	313
Total comprehensive income for the period		**5,346**	**8,546**	**7,169**
Attributable to :				
Non controlling interest	5.12	-	-354	-278
Equity holders of the parent company		**5,346**	**8,900**	**7,447**

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

(2) Excluding 369,900 warrants that were not exercisable at the end of March 2015, fully diluted earnings per share in 1Q15 would have been EUR 0.36 (see also note 5.6)

ANNEX 2: CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

ASSETS (EUR thousands)	Notes	March 31, 2015 Unaudited	Dec. 31, 2014 Audited
Non-current assets :			
Goodwill		1,125	1,125
Acquired technology and IP		-	-
Other intangible assets		373	415
Lands and buildings	5.16	49,350	46,088
Other tangible assets		1,829	1,835
Investment accounted for using equity method	5.11	867	836
Bonds (Ymagis)	5.11	-	6,361
Subordinated loans	5.11	-	151
Other financial assets		278	260
Total non-current assets		**53,822**	**57,071**
Current assets :			
Inventories		15,809	15,365
Trade receivables		26,602	28,210
Other amounts receivable, deferred charges and accrued income		5,265	5,486
Other financial assets		2,337	1,575
Cash and cash equivalents		32,861	25,556
Total current assets		**82,874**	**76,191**
Assets classified held for sale	**5.16**	**6,445**	**6,445**
Total assets		**143,141**	**139,707**

EQUITY AND LIABILITIES (EUR thousands)	Notes	March 31, 2015 Unaudited	Dec. 31, 2014 Audited
Equity :			
Capital		**8,342**	**8,342**
Reserves		75,081	83,650
Interim dividends		-	-13,485
Treasury shares		-5,364	-5,364
Total consolidated reserves		**69,717**	**64,801**
Translation differences		863	371
Equity attributable to equity holders of the parent company		**78,922**	**73,514**
Non-controlling interest		**6**	**6**
Total equity	**4**	**78,928**	**73,520**
Long term provisions		1,077	1,077
Deferred taxes liabilities		1,624	1,627
Financial long term debts	5.16	22,950	24,800
Other long term debts	5.12	2,159	2,151
Non-current liabilities		**27,810**	**29,655**
Short term portion of financial debts	5.16	5,281	7,107
Trade payables		4,680	5,225
Amounts payable regarding remuneration and social security		9,823	9,932
Income tax payable		8,685	8,195
Other amounts payable, advances received, accrued charges and deferred income		7,934	6,075
Current liabilities		**36,403**	**36,533**
Total equity and liabilities		**143,141**	**139,707**

ANNEX 3: CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(EUR thousands)	Notes	1Q2015 Unaudited	1Q2014 Unaudited
Cash flows from operating activities			
Operating Profit (EBIT)		5,484	10,009
Adjustment for non cash items :			
- Depreciation and write-offs on fixed assets		330	722
- Stock based compensation and ESOP	1, 4	-	136
- Provisions and deferred taxes increase (+)/decrease (-)		-3	211
		5,811	**11,078**
Increase (+)/decrease (-) of cash flows			
- Amounts receivable		1,608	1,989
- Inventories		-444	-1,688
- Trade debts		-544	744
- Remuneration, social security and taxes debts		382	2,388
- Other items of the working capital		2,606	1,817
Cash generated from operations		*9,419*	*16,328*
Interest received		44	48
Income taxes	5.10	-1,975	-3,294
Net cash from operating activities		**7,489**	**13,081**
Cash flows from investing activities			
Purchase (-)/disposal (+) of intangible assets		-27	-133
Purchase (-)/disposal (+) of property, plant and equipment		-3,517	-3,576
Purchase (-)/disposal (+) of other financial assets	5.11	6,495	-2
Net cash used in investing activities		**2,951**	**-3,711**
Cash flows from financing activities			
Operations with treasury shares	4, 5.6	-	2,892
Other net equity variations		612	203
Interest paid		-78	-74
Movements on long-term borrowings	5.16	-3,668	-775
Net cash used in financing activities		**-3,134**	**2,246**
Net increase (+)/decrease (-) in cash and cash equivalents		**7,305**	**11,616**
Cash and cash equivalents at beginning of period		**25,556**	**10,139**
Cash and cash equivalents at end of period		**32,861**	**21,755**

ANNEX 4: CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

(EUR thousands)	Issued capital	Other reserves	Treasury shares	Currency translation differences	Equity attributable to shareholders of the parent company	Non controlling interest	Total equity
Balance as per December 31, 2013	**8,342**	**64,745**	**-5,029**	**-60**	**67,998**	**469**	**68,466**
Total comprehensive income for the period		7,422		25	7,447	-278	7,169
Share-based payments							
Operations with treasury shares			2,892		2,892		2,892
Balance as per March 31, 2014	**8,342**	**72,167**	**-2,137**	**-35**	**78,339**	**191**	**78,528**

(EUR thousands)	Issued capital	Other reserves	Treasury shares	Currency translation differences	Equity attributable to shareholders of the parent company	Non controlling interest	Total equity
Balance as per December 31, 2014	**8,342**	**70,165**	**-5,364**	**371**	**73,514**	**6**	**73,520**
Total comprehensive income for the period		4,854		492	5,346		5,346
Share-based payments		62			62		62
Operations with treasury shares							
Balance as per March 31, 2015	**8,342**	**75,081**	**-5,364**	**863**	**78,922**	**6**	**78,928**

ANNEX 5: NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5.1: BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The consolidated financial statements of EVS Group for the 3 month-period ended March 31, 2015, are established and presented in accordance with the International Financial Reporting Standards (IFRS), as adopted for use in the European Union.

5.2: 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 2014 consolidated financial statements. The Company's IFRS accounting policies and methods are available in the 2014 annual report on www.evs.com.

5.3: 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 is as follows:

(EUR thousands)	**1Q15**	**1Q14**
Net profit for the period – IFRS	4,796	7,109
Allocation to Employees Profit Sharing Plan	-	-
Stock Option Plan	62	136
Amortization and impairment on acquired technology and IP		163
Contribution of dcinex	-	-146
Net profit from operations	**4,858**	**7,261**

5.4: SEGMENT REPORTING

5.4.1. General information

The company already applies IFRS 8 ("Operating segments") since the fiscal year ended on December 31, 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. The Chief Operating Decision Maker, being the Executive Committee, reviews the operating results and operating plans, and makes resource allocation decisions on a company-wide basis. Sales relate to products of the same nature (digital broadcast production equipment) and are realized by commercial polyvalent teams. The company's internal reporting is the reflection of the above mentioned operational organization (which is primarily the translation of a new marketing approach), and is characterized by the strong integration of the activities of the company; only sales are identified following three dimensions: by geographical region, by market and by nature. EVS operates as one segment.

Consequentely, 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 following the development of the company, its products and its internal performance indicators.

The company provides only one type of solution: solutions based on tapeless workflows with a consistent modular architecture. This is the product of EVS. There are no other significant classes of business, either singularly or in aggregate. Indeed, identical modules can meet the needs of different markets. Our customers themselves are often multi-markets. Providing information for each module is therefore not relevant for EVS.

At the level of the geographical information, the activities are divided into the following regions: Asia-Pacific ("APAC"), Europe, Middle East and Africa ("EMEA"), and America ("Americas"). This division follows the organization of the commercial and support services within the group, which operates worldwide. A fourth region is dedicated to the worldwide events ("Big sporting events").

The company provides additional information with a presentation of the revenue by destination: "Outside broadcast vans", "Studio & others" and "Big sporting event rentals" for rental contracts relating to the big sporting events of the even years.

Finally, sales are presented by nature: systems and services.

5.4.2. Additional information

5.4.2.1. Information on sales by destination

Revenue can be presented by destination: Outside broadcast vans, Studio & others and Big sporting event rentals. Maintenance and after sale service are included in the complete solution proposed to the clients.

Revenue (EUR thousands)	1Q15	1Q14	% 1Q15/1Q14
Outside broadcast vans	16,973	16,522	+2.7%
Studio & others	7,150	10,277	-30.4%
Big sporting event rentals	-	2,543	N/A
Total Revenue	**24,122**	**29,342**	**-17.8%**

The quarterly revenue for 2013 and 2014 according to these new destinations is as follows:

EUR thousands (unaudited)	1Q13	2Q13	3Q13	4Q13	FY13
Outside broadcast vans	18,483	14,828	13,170	15,618	62,099
Studio & others	14,334	14,436	14,776	22,906	66,452
Big event rentals	-	530	10	-	540
Total	**32,817**	**29,794**	**27,956**	**38,524**	**129,091**

EUR thousands (unaudited)	1Q14	2Q14	3Q14	4Q14	FY14
Outside broadcast vans	16,522	18,985	15,252	17,893	68,651
Studio & others	10,277	12,484	13,047	12,599	48,406
Big event rentals	2,543	4,105	7,663	34	14,345
Total	**29,342**	**35,574**	**35,962**	**30,526**	**131,403**

5.4.2.2. Information on sales by geographical information

Activities are divided by three regions: Asia-Pacific ("APAC"), Europe, Middle East and Africa ("EMEA"), and "Americas". Aside of them, we also identify the "big event rentals".

a) Revenue

Revenue for the quarter (EUR thousands)	APAC excl. events	EMEA excl. events	Americas excl. events	Big event rentals	TOTAL
1Q15 revenue	**6,211**	**4,733**	**13,179**	**-**	**24,122**
Evolution versus 1Q14 (%)	+13.9%	-64.2%	+61.9%	N/A	**-17.8%**
Variation versus 1Q14 (%) at constant currency	+13.9%	-64.2%	+33.1%	N/A	**-18.7%**
1Q14 revenue	**5,452**	**13,205**	**8,142**	**2,543**	**29,342**

Sales realized in Belgium (the country of origin of the company) with external clients represent less than 5% of the total sales in the period. In the last 12 months, the group realized significant sales to external clients (according to the definition of IFRS 8) in one country: the US (Americas, EUR 32.4 million in the last 12 months).

b) Long term assets

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

5.4.2.3. Information on systems and services
Revenue can be presented by nature: systems and services.

Revenue (EUR thousands)	1Q15	1Q14	% 1Q15/ 1Q14
Systems	22,983	27,392	-16.1%
Services	1,139	1,950	-41.6%
Total Revenue	**24,122**	**29,342**	**-17.8%**

Services include advices, installations, project management, training, maintenance, distant support that are literally included in the invoices.

5.4.2.4. Information on important clients
No external client of the company represents more than 10% of the sales over the last 12 months.

5.5: DIVIDENDS

The Board of Directors has decided to propose a total gross dividend of EUR 2.00 per share at the May 19, 2015 Ordinary Shareholders Meeting, including an interim dividend of EUR 1.00 per share paid in November 2014. This leads to a final gross dividend of EUR 1.00 per share, for digital coupon # 20, ex-date May 26 and pay date May 28.

(EUR thousands)	# Coupon	2014	2013
- Final dividend for 2012 (EUR 1.48 per share less treasury shares)	16	-	19,933
- Interim dividend for 2013 (EUR 1.16 per share less treasury shares)	17	-	15,650
- Final dividend for 2013 (EUR 1.00 per share less treasury shares)	18	13,547	-
- Interim dividend for 2014 (EUR 1.00 per share less treasury shares)	19	13,485	-
Total paid dividends		**27,032**	**35,583**

5.6: EQUITY SECURITIES

The number of treasury shares has changed as follows during the period, together with the outstanding warrants:

	2015	2014
Number of own shares at January 1	**140,498**	**133,364**
Acquisition of own shares on the market	-	-
Sale of own shares on the market	-	-
Allocation to Employees Profit Sharing Plans	-	-
Sales related to Employee Stock Option Plan (ESOP) and other transactions	-	-76,700
Own shares cancellation	-	-
Number of own shares at March 31	**140,498**	**56,664**
Outstanding warrants at March 31	**369,900**	**343,050**

In 1Q15, the company did not repurchase any share on the stock market. No shares were used to satisfy the exercise of warrants by employees. At the end of March 2015, the company owned 140,498 own shares at an average historical price of EUR 38.18. At the same date, 369,900 warrants were outstanding with an average strike price of EUR 39.85 and an average maturity of November 2016.

5.7: 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.

5.8: RESEARCH AND DEVELOPMENT

Since 4Q10, EVS takes into account a withholding tax exemption given since 2006 by the Belgian government to companies paying or allocating compensation to individual researchers who are engaged in collaborative R&D programs according to some criteria defined under section 273 of the Code of income tax in Belgium. In the presentation of the accounts, this amount comes as a deduction of R&D charges.

The detail of the R&D expense is as follows:

(EUR thousands)	1Q15	1Q14
Gross R&D expenses	6,253	6,550
R&D tax credits for current fiscal year	-279	-263
R&D expenses	**5,974**	**6,287**

5.9: OTHER NET FINANCIAL INCOME / (EXPENSES)

(EUR thousands)	1Q15	1Q14
Exchange results from statutory accounts	-226	-8
Exchange results relating to IFRS consolidation methodology	1,521	-27
Impairment on Tax Shelter investments		-
Other financial results	-6	6
Other net financial income / (expenses)	**1,289**	**-29**

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 annex 5.14.

5.10: 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 two periods with the theoretical tax charge obtained by applying the theoretical tax rate:

(EUR thousands)	1Q15	1Q14
Reconciliation between the effective tax rate and the theoretical tax rate		
Reported profit before taxes, share in the result of the enterp. accounted for using the equity method	6,739	9,955
Reported tax charge based on the effective tax rate	-1,975	-3,294
Effective tax rate	**29.3%**	**33.1%**
Reconciliation items for the theoretical tax charge		
Tax effect of deduction for notional interests	-57	-51
Tax effect of non deductible expenditures	83	123
Other increase / (decrease)	-134	136
Total tax charge of the group entities computed on the basis of the respective local nominal rates	-2,082	-3,086
Theoretical tax rate (relating to EVS operations)	**30.9%**	**31.0%**

5.11: INVESTMENTS IN ASSOCIATES - dcinex SA (formerly XDC SA)

In 2014, EVS has sold its 41.3% stake in dcinex to Ymagis SA. Until the closing of the transaction, on October 20, 2014, dcinex was accounted using equity method in EVS consolidated accounts with a negative contribution (share of the group) of EUR -0.2 million.

On October 20, 2014, the value of dcinex in the EVS consolidated accounts was EUR 7.3 million. In addition to this, there were also EUR 1.3 million subordinated loans on the EVS balance sheet.

According to the agreement, the transaction has been valued in the EVS accounts at a total of EUR 9.9 million, including:

- EUR 1.6 million in cash (EUR 2.1 million less EUR 0.5 million for all fees and costs associated with the transaction)
- EUR 2.0 million in Ymagis shares (288,851 shares, sold on November 28 at EUR 6.89 per share)
- EUR 6.4 million in Ymagis bonds (OBSA), which had a maximum maturity of 5 years. These bonds were associated with warrants.

At the closing of the transaction, EVS reversed adjustments relating to dcinex that were booked directly in the equity of EVS (as required by IFRS) over the last few years until the disposal date for an amount of EUR 0.6 million. This resulted in a net capital gain of EUR 2.0 million in the EVS consolidated income statement in 4Q14.

At the end of March, Ymagis repaid anticipatively to EVS:

- the EUR 6.4 million obligations associated with warrants.
- the remaining EUR 151,100 subordinated loans to be repaid by dcinex.

These two repayments finalize dcinex disposal transaction in the EVS accounts.

5.12: SVS-DYVI Live

In May 2013, EVS acquired a minority stake (25.1% of the voting shares) in SVS GmbH, a private company based in Germany (“SVS”) whose principal activity is the research and development of network-based technology. Notwithstanding that EVS only held 25.1% of the shares outstanding, the Group considered to have the control of SVS because it had the power on the business decisions and it controlled totally the outflow of the company.

In December 2014, EVS acquired:

- the remaining 74,9% it didn’t own in SVS, for an amount of EUR 1.0 million paid in cash, and a possible future earn out based on the performance over the 2015-2020 period
- the remaining 5% it didn’t own in Dyvi Live SA for a global amount of EUR 0.1 million.

At March 31, 2015, goodwill amounted to EUR 1.1 million and has not changed after the acquisition of the remaining shares due to the fact EVS has already the global effective control with the first acquisition of the minority share in 2013.

On the EVS balance sheet, an amount of EUR 2.2 million has been booked in “other long term debts” recognized through the equity of EVS, to reflect the best current estimate of the future earn out at the acquisition date. The liability will be reassessed to fair value based on the business plan evolution at each reporting date until the contingency is resolved. The future changes in estimated fair value will be recognized in the income statement.

In the change in equity for business combination, an amount of EUR 4.0 million has been recognized in 2014 to reflect the acquisition of the remaining 5% in DYVI (EUR 0.1 million) and the acquisition of the remaining 74.9% in SVS (EUR 3.9 million).

5.13: HEADCOUNT

(in full time equivalents)	At March 31	Three-months average
2015	508	512
2014	497	491
Variation	*+2.2%*	*+4.3%*

5.14: EXCHANGE RATES

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

Exchange rate **USD / EUR**	**Average 1Q**	**At March 31**
2015	1.1261	1.0759
2014	1.3696	1.3788
Variation	*+21.6%*	*+28.2%*

For 1Q15, the average US dollar exchange rate against the Euro increased by 21.6% compared to 1Q14. It had a 9.7% positive impact on revenue.

5.15: 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 March 31, 2015, the group held USD 6.0 million in forward exchange contracts, with an average maturity date of September 25, 2015, and with an average exchange rate EUR/USD of 1.2938.

5.16: FINANCIAL DEBT AND NEW BUILDING INVESTMENT

In order to partially finance its new HQ and operating facilities, EVS has drawn down a total of EUR 30 million loans:

- a senior debt funding of EUR 24 million over 7 years with 3 major banks (secured in November 2013): European Investment Bank (50%), ING (25%) and BNPPF (25%)
- loan facilities of EUR 6 million over 5 years (secured in May 2014) with ING

The move to the new headquarter will be totally completed by June 2015.

Given the move into the new building, all the other existing facilities of EVS that are for sale have been reclassified as "Asset classified as held for sale" on the balance sheet for an amount of EUR 6.4 million. A "preliminary sales agreement" ("*compromis de vente*") has been signed for two of them.

5.17: SUBSEQUENT EVENTS

On April 3, 2015, the Board decided not to draw the remaining EUR 6 million available loan facility for the financing of the new building.
There was no other subsequent event that may have a material impact on the balance sheet or income statement of EVS.

5.18: RISK AND UNCERTAINTIES

Investing in the stock of EVS involves risks and uncertainties. The risks and uncertainties relating to the remainder of the year 2015 are 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.com).

5.19: CONFLICT OF INTEREST – RELATED PARTIES TRANSACTIONS

During the period under review, there was no conflict of interest according to the specific procedure provided for under Articles 523 and 524 of Company Law ("Code des Sociétés").
There were no related party transactions.
There were no changes in the related parties' transactions as described in the last management report ("rapport de gestion").

Certification of responsible persons

Muriel De Lathouwer, Managing Director & CEO
Magdalena Baron, CFO

Certify that, based on their knowledge,

a) the 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 three months of 2015, including their impact on the condensed financial statements, and a description of the existing risks and uncertainties for the remaining months of the fiscal year.