

Publication on November 13, 2015, before market opening
 Regulated information – Press release quarterly results
 EVS Broadcast Equipment S.A.: Euronext Brussels (EVS.BR), Bloomberg (EVS BB), Reuters (EVS.BR)

EVS REPORTS THIRD QUARTER 2015 RESULTS

*2015 revenue expected to be between EUR 110 million and EUR 115 million
 2015 opex expected to grow at low single digit compared to 2014*

> **3Q15 highlights**

- Revenue of EUR 28.2 million, -6.9% excl. event rentals and at constant currency, compared to 3Q14
- As expected, improvement of revenue in the second half of 2015
- EBIT of EUR 7.2 million (25.6% EBIT margin), net profit of EUR 4.8 million

> **Interim gross dividend of EUR 0.50 per share**

> **2015 outlook**

- Order book of EUR 31.4 million on October 31, 2015, to be invoiced in 2015
 - > +66.1% vs. 2014 excl. big event rentals
 - > In addition, EUR 13.7 million order book for 2016 and beyond, including EUR 3.5 million rentals for 2016 big events
- Upgrade of 2015 guidance:
 - > 2015 revenue now expected between EUR 110 million and EUR 115 million
 - > Opex is expected to grow at low single digit vs 2014

KEY FIGURES

Unaudited			EUR millions, except earnings per share expressed in EUR	Unaudited		
3Q15	3Q14	3Q15/3Q14		9M15	9M14	9M15/9M14
28.2	36.0	-21.6%	Revenue	75.6	100.9	-25.0%
19.8	26.9	-26.7%	Gross margin	52.5	75.6	-30.5%
70.0%	74.9%	-	Gross margin %	69.4%	74.9%	-
7.2	14.3	-49.5%	Operating profit – EBIT	14.6	37.2	-60.7%
25.6%	39.8%	-	Operating margin – EBIT %	19.3%	36.9%	-
4.8	11.3	-57.4%	Net profit (Group share)	10.3	27.3	-62.3%
0.36	0.84	-57.4%	Basic earnings per share (Group share)	0.76	2.02	-62.2%

* 2014 figures included higher big event rentals

COMMENTS

“The broadcast industry market continues to be challenging, with macro-economic headwinds and technology transitions still hampering investment decisions. But after a disappointing first half of 2015, our third quarter was more in line with our expectations”, said Muriel De Lathouwer, Managing Director & CEO of EVS. “As indicated in August, we see some shift of business from 1H15 to 2H15. In addition, there were a higher number of upgrades to the XT3 platform than initially expected, due to the announced end-of-support of the XT2 platform as from January 1, 2016. These resulted in revenue of EUR 28.2 million, and an order book (to be invoiced in 2015) of EUR 31.4 million (+66.1% vs 2014, excl. big event rentals). Consequently, we fine-tune our revenue estimate for 2015 (between EUR 110 million and EUR 115 million) towards the top-end of the previously announced range. Thanks to strict cost control, and despite currency effects, we also review the opex guidance, with a low single digit growth expected in 2015 vs 2014. Finally, the recruitment of a new CFO is progressing well, and we should be able to make an announcement soon.”

Revenue in 3Q15 and 9M15

3Q15	3Q14	%3Q15/ 3Q14	Revenue – EUR millions	9M15	9M14	% 9M15/ 9M14
28.2	36.0	-21.6%	Total reported	75.6	100.9	-25.0%
26.5	36.0	-26.2%	Total at constant currency	70.1	100.9	-30.5%
26.3	28.3	-6.9%	Total at constant currency and excluding big event rentals	68.3	86.6	-21.1%

EVS revenue amounted to **EUR 28.2 million in 3Q15**, a decrease of 6.9% at constant currency and excluding the big event rentals compared to 3Q14. Sales of solutions in **Outside Broadcast vans** decreased by 14.4% (-19.6% at constant currency) to EUR 13.1 million, representing 46.1% of total group sales in 3Q15. Sales in **Studio & others** increased by 14.5% in 3Q15 to EUR 14.9 million (+7.8% at constant currency), representing 53.0% of total sales in 3Q15. **Big events rentals** amounted to EUR 0.2 million in 3Q15 compared to EUR 7.7 million in 3Q14.

Geographically, sales (excl. big event rentals) have evolved in 3Q15 as follows:

- Europe, Middle-East and Africa (“**EMEA**”): EUR 13.3 million (-11.1% compared to 3Q14, at constant currency).
- “**Americas**”: EUR 10.3 million (+1.4% compared to 3Q14, at constant currency)
- Asia & Pacific (“**APAC**”): EUR 4.5 million (-8.6% at constant currency).

In 9M15, EVS revenue reached **EUR 75.6 million**, a decrease by 21.1% at constant currency and excluding the big event rentals compared to 9M14. In the first nine months of the year, Outside Broadcast vans represented 56.8%, Studio & others 40.6% and big events rentals 2.6%.

Operating results in 3Q15

Consolidated gross margin was 70.0% for 3Q15, compared to 74.9% in 3Q14 mainly due to the leverage effect of lower sales on the fixed costs. Operating expenses were stable vs. 3Q14, despite the negative currency effect and the depreciations on the new building. This leads to a **3Q15 EBIT margin of 25.6%**, compared to 39.8% in 3Q14. Group net profit amounted to EUR 4.8 million in 3Q15, compared to EUR 11.3 million in 3Q14.

Operating results in 9M15

Consolidated gross margin was 69.4% for 9M15, compared to 74.9% in 9M14, mainly due to the leverage effect of lower sales on the fixed costs, partially offset by a better product mix. Operating expenses grew by 0.8% compared to 9M14, mainly due to the negative currency effect, the closing of the Chengdu development centre and the depreciation on the new building, partially offset by lower marketing expenses and better cost control. This leads to a **9M15 EBIT margin of 19.3%**, compared to 36.9% last year. Group net profit amounted to EUR 10.3 million in 9M15, compared to EUR 27.3 million in 9M14. **Basic net profit per share amounted to EUR 0.76 in 9M15**, compared to EUR 2.02 for 9M14.

Staff

At the end of September 2015, EVS employed 482 people (FTE), -6.2% compared to September 2014 (514). On average, EVS employed 491 FTE in 9M15, compared to 499 in 9M14, a 1.6% decrease.

Most of the staff decrease in 2015 is due to the closing of the EVS development center in Chengdu (China) in June 2015. It employed 34 people at the time of the closing. Ongoing developments made in China have been transferred in new headquarter in Liège (with some additional recruitments still ongoing). This decision should help EVS to further improve the consistency and efficiency of its R&D activities, and is part of an effort to simplify the structures of the group. While there were some one-time costs related to the closing, the transfer is not expected to have any impact on future operating expenses or product roadmap.

Balance sheet and cash flow statement

Total equity represented 55.5% of total balance sheet at the end of September 2015. Inventories amounted to EUR 15.0 million, including around EUR 4.0 million value of own equipment used for R&D and demos of EVS products. Among liabilities, provisions include mainly the provision for technical warranty on EVS products (labor and parts).

Lands and building mainly include the new headquarters in Liège. Depreciation on the building started in 2Q15 and will be approximately EUR 2.1 million on a full year basis. At the end of September 2015, EUR 55.6 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, but the company already started to repay a part of it.

The net cash from operating activities amounted to EUR 11.9 million in 9M15. On September 30, 2015, the group balance sheet showed **EUR 19.9 million in cash and cash equivalents**, and EUR 25.3 million in financial long-term debts (including the short term portion).

At the end of September 2015, there were 13,625,000 EVS outstanding shares, of which 131,817 were owned by the company. At the same date, 355,800 warrants were outstanding with an average strike price of EUR 39.72 and an average maturity in June 2017.

Interim dividend

Given the solid balance sheet of the company, the Board of Directors has decided to pay an interim gross dividend of EUR 0.50 per share (or EUR 0.375 net per share after deduction of 25% withholding tax). The ex-date for Coupon # 21 is November 23, 2015, and the payment date is November 25, 2015. This coupon #21 shall be solely payable on dematerialized shares as stated in the company statutes.

Outlook 2015

The **order book** (to be invoiced in 2015) on October 31, 2015 amounts to **EUR 31.4 million**, +66.1% compared to last year at the same date. In addition to this order book to be invoiced in 2015, EVS already has EUR 13.7 million of orders to be invoiced in 2016 and beyond (incl. EUR 3.5 million big event rentals).

The slowdown witnessed in the broadcast industry persists due to the various technology transitions creating uncertainty on the customer side, longer investment and sale cycles and macro-economic headwinds. On the other side, there has been a higher than initially planned number of upgrades to the XT3 platform in 2H15, following the announcement by EVS of the end-of-support of the 10-year old XT2 platform. As a result, the EVS management now expects revenue in 2015 to be in the range of EUR 110-115 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). Management now expects low single digit opex growth in 2015. This is lower than the previous guidance, mainly due stricter cost control, some postponed and reduced investments and projects.

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)20 7162 0077 (United Kingdom), +32 (0)2 290 14 07 (Belgium), +1 334 323 6201 (United States)
Conference call ID: 956250.

Corporate Calendar

Monday November 23, 2015: interim dividend: ex-date
Tuesday November 24, 2015: interim dividend: record date
Wednesday November 25, 2015: interim dividend: payment date
Thursday February 18, 2016: FY15 results
Thursday May 12, 2016: 1Q16 results
Tuesday May 17, 2016: Ordinary General Meeting
Thursday August 25, 2016: 2Q16 results
Thursday November 10, 2016: 3Q16 results

For more information, please contact:

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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

EVS provides its customers with reliable and innovative technology to enable the production of live, enriched video programming, allowing them to work more efficiently and boost their revenue streams. Its industry-leading broadcast and media production systems are used by broadcasters, production companies, post-production facilities, film studios, content owners and archive libraries around the globe. It spans four key markets – Sports, Entertainment, News and Media. Founded in 1994, its innovative Live Slow Motion system revolutionized live broadcasting. Its reliable and integrated tapeless solutions, based around its market-leading XT server range, are now widely used to deliver live productions worldwide. Today, it continues to develop practical innovations, such as its C-Cast second-screen delivery platform, to help customers maximize the value of their media content.

The company is headquartered in Belgium and has 20 offices in Europe, the Middle East, Asia and North America. Around 500 EVS professionals sell its branded products in over 100 countries, and provide customer support globally. EVS is a public company traded on Euronext Brussels: EVS, ISIN: BE0003820371. For more information, please visit www.evs.com.

Condensed consolidated financial statements

ANNEX 1: CONDENSED CONSOLIDATED INCOME STATEMENT

(EUR thousands)	Notes	9M15 Unaudited	9M14 Unaudited	3Q15 Unaudited	3Q14 Unaudited
Revenue	5.4	75,639	100,878	28,212	35,962
Cost of sales		-23,114	-25,307	-8,460	-9,033
Gross profit		52,525	75,571	19,752	26,930
Gross margin %		69.4%	74.9%	70.0%	74.9%
Selling and administrative expenses		-19,466	-18,483	-6,575	-6,327
Research and development expenses	5.8	-17,920	-18,597	-5,785	-6,056
Other revenue		217	52	-56	21
Other expenses		-183	-126	-57	-31
Stock based compensation and ESOP plan		-558	-914	-61	-166
Amortization and impairment on goodwill, acquired technology and IP		0	-297	0	-67
Operating profit (EBIT)		14,615	37,206	7,218	14,303
Operating margin (EBIT) %		19.3%	36.9%	25.6%	39.8%
Interest revenue on loans and deposits		55	130	6	38
Interest charges		-361	-246	-127	-86
Other net financial income / (expenses)	5.9	428	784	-60	728
Share in the result of the enterprise accounted for using the equity method	5.11	95	287	32	109
Profit before taxes (PBT)		14,831	38,160	7,069	15,093
Income taxes	5.10	-4,546	-11,803	-2,250	-4,124
Net profit		10,285	26,357	4,820	10,969
Attributable to :					
Non controlling interest	5.12	-	-924	-	-328
Equity holders of the parent company		10,285	27,281	4,820	11,297
Net profit from operations – share of the group ⁽¹⁾	5.3	10,843	28,279	4,881	11,446
EARNINGS PER SHARE (in number of shares and in EUR)	5.7	9M15 Unaudited	9M14 Unaudited	3Q15 Unaudited	3Q14 Unaudited
Weighted average number of subscribed shares for the period less treasury shares		13,489,734	13,522,675	13,495,083	13,484,502
Weighted average fully diluted number of shares		13,854,255	13,904,057	13,851,073	13,891,449
Basic earnings – share of the group		0.76	2.02	0.36	0.84
Fully diluted earnings – share of the group ⁽²⁾		0.74	1.96	0.35	0.81
Basic net profit from operations – share of the group		0.80	2.09	0.36	0.85

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(EUR thousands)		9M15 Unaudited	9M14 Unaudited	3Q15 Unaudited	3Q14 Unaudited
Net profit		10,285	26,357	4,820	10,969
Other comprehensive income of the period					
Share-based payments					
Currency translation differences		308	237	-7	185
Other increase/(decrease)		-182	-486	47	12
Total comprehensive income for the period		10,411	26,108	4,860	11,166
Attributable to :					
Non controlling interest	5.12	0	-924	0	-328
Equity holders of the parent company		10,411	27,032	4,860	11,494

(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 355,800 warrants that were not exercisable at the end of September 2015, fully diluted earnings per share in 9M15 would have been EUR 0.76 (see also note 5.6)

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

ASSETS (EUR thousands)	Notes	Sept. 30, 2015 Unaudited	Dec. 31, 2014 Audited
Non-current assets :			
Goodwill		1,125	1,125
Acquired technology and IP		-	0
Other intangible assets		431	415
Lands and buildings	5.16	48,020	46,088
Other tangible assets		3,426	1,835
Investment accounted for using equity method	5.11	930	836
Bonds (Ymagis)	5.11	-	6,361
Subordinated loans	5.11	-	151
Other financial assets		267	260
Total non-current assets		54,199	57,072
Current assets :			
Inventories		15,003	15,365
Trade receivables		28,256	28,210
Other amounts receivable, deferred charges and accrued income		5,169	5,486
Other financial assets		957	1,575
Cash and cash equivalents		19,932	25,556
Total current assets		69,317	76,191
Assets classified held for sale		5,065	6,445
Total assets		128,581	139,707
EQUITY AND LIABILITIES (EUR thousands)			
Equity :			
Capital		8,342	8,342
Reserves		80,826	83,650
Interim dividends		-	-13,485
Final dividend		-13,485	-
Treasury shares		-5,007	-5,364
Total consolidated reserves		62,334	64,801
Translation differences		678	371
Equity attributable to equity holders of the parent company		71,355	73,514
Non-controlling interest		6	6
Total equity	4	71,361	73,520
Long term provisions		914	1,077
Deferred taxes liabilities		1,625	1,627
Financial long term debts	5.16	20,350	24,800
Other long term debts	5.12	2,160	2,151
Non-current liabilities		25,049	29,655
Short term portion of financial debts	5.16	4,991	7,107
Trade payables		3,677	5,225
Amounts payable regarding remuneration and social security		9,788	9,932
Income tax payable		5,053	8,195
Other amounts payable, advances received, accrued charges and deferred income		8,662	6,075
Current liabilities		32,171	36,533
Total equity and liabilities		128,581	139,707

ANNEX 3: CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(EUR thousands)	Notes	9M2015 Unaudited	9M2014 Unaudited
Cash flows from operating activities			
Operating Profit (EBIT)		14,615	37,206
Adjustment for non-cash items :			
- Depreciation and write-offs on fixed assets		1,978	1,899
- Stock based compensation and ESOP	1, 4	558	914
- Provisions and deferred taxes increase (+) / decrease (-)		-165	462
		16,986	40,481
Increase (+) / decrease (-) of cash flows			
- Amounts receivable		-46	8,926
- Inventories		362	-1,052
- Trade debts		-1,548	1,034
- Remuneration, social security and taxes debts		-3,285	3,370
- Other items of the working capital		3,958	-2,348
<i>Cash generated from operations</i>		<i>16,426</i>	<i>50,411</i>
Interest received		55	130
Income taxes	5.10	-4,546	-11,803
Net cash from operating activities		11,936	38,738
Cash flows from investing activities			
Purchase (-) / disposal (+) of intangible assets		-168	-164
Purchase (-) / disposal (+) of property, plant and equipment		-3,968	-16,275
Purchase (-) / disposal (+) of other financial assets	5.11	6,506	1
Net cash used in investing activities		2,370	-16,438
Cash flows from financing activities			
Operations with treasury shares	4, 5.6	357	-335
Other net equity variations		126	-249
Interest paid		-361	-246
Movements on long-term borrowings	5.16	-6,557	23,252
Final dividend paid	4, 5.5	-13,495	-13,625
Net cash used in financing activities		-19,930	8,797
Net increase (+) / decrease (-) in cash and cash equivalents		-5,625	31,097
Cash and cash equivalents at beginning of period		25,556	10,139
Cash and cash equivalents at end of period		19,932	41,236

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		26,795		237	27,032	-924	26,108
Share-based payments		914			914		914
Operations with treasury shares			-335		-335		-335
Final dividend		-13,625			-13,625		-13,625
Balance as per Sept 30, 2014	8,342	78,829	-5,364	177	81,984	-455	81,529

(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		10,103		307	10,410		10,410
Share-based payments		558			558		558
Operations with treasury shares			357		357		357
Final dividend		-13,485			-13,485		-13,485
Balance as per Sept 30, 2015	8,342	67,341	-5,007	678	71,354	6	71,360

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 9 month-period ended September 30, 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)	9M15	9M14
Net profit for the period – IFRS	10,285	27,281
Allocation to Employees Profit Sharing Plan	378	466
Stock Option Plan	180	448
Amortization and impairment on acquired technology and IP	-	297
Contribution of dcinex	-	-213
Net profit from operations	10,843	28,279

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.

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 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.

3Q15	3Q14	% 3Q15/ 3Q14	Revenue (EUR thousands)	9M15	9M14	% 9M15/ 9M14
13,060	15,252	-14.4%	Outside broadcast vans	42,976	50,759	-15.3%
14,934	13,047	+14.5%	Studio & others	30,722	35,807	-14.2%
218	7,663	-97.2%	Big sporting event rentals	1,941	14,311	-86.4%
28,212	35,962	-21.6%	Total Revenue	75,639	100,877	-25.0%

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
3Q15 revenue	4,471	13,261	10,262	218	28,212
Evolution versus 3Q14 (%)	-8.6%	-11.1%	+20.9%	-97.2%	-21.6%
Variation versus 3Q14 (%) at constant currency	-8.6%	-11.1%	+1.4%	-97.2%	-26.2%
3Q14 revenue	4,890	14,920	8,489	7,663	35,962

Revenue for 9 months (EUR thousands)	APAC excl. events	EMEA excl. events	Americas excl. events	Big event rentals	TOTAL
9M15 revenue	16,356	26,847	30,494	1,941	75,639
Evolution versus 9M14 (%)	+6.2%	-41.5%	+20.6%	-86.4%	-25.0%
Variation versus 9M14 (%) at constant currency	+6.2%	-41.5%	-0.8%	-86.4%	-30.5%
9M14 revenue	15,396	45,888	25,282	14,311	100,878

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 33.1 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.

3Q15	3Q14	% 3Q15/ 3Q14	Revenue (EUR thousands)	9M15	9M14	% 9M15/ 9M14
25,556	33,411	-23.5%	Systems	70,336	94,175	-25.3%
2,655	2,551	+4.1%	Services	5,303	6,703	-20.9%
28,212	36,962	-21.6%	Total Revenue	75,639	100,878	-25.0%

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 represented more than 10% of the sales over the last 12 months.

5.5: DIVIDENDS

The Ordinary General Meeting of May 19, 2015 approved the payment of a total gross dividend of EUR 2.00 per share, including the interim dividend of EUR 1.00 per share paid in November 2014, leading to a final gross dividend of EUR 1.00 per share, for digital coupon # 20, ex-date May 26 and pay date May 28.

The Board of Directors of November 10, 2015 has decided to pay an interim gross dividend of EUR 0.50 per share (EUR 0.375 per share after 25% withholding tax) for the fiscal year 2015 with November 23 as ex-date, November 24 as record date and November 25 as payment date.

(EUR thousands)	# Coupon	2015	2014
- 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
- Final dividend for 2014 (EUR 1.00 per share less treasury shares)	20	13,495	-
- Interim dividend for 2015 (EUR 0.50 per share less treasury shares)	21	6,748	-
Total paid dividends		20,243	27,032

5.6: EQUITY SECURITIES

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

	2015	2014
Number of own shares at January 1	140,498	133,364
Acquisition of own shares on the market	-	127,500
Shares held temporarily for third parties	1,900	-
Sale of own shares on the market	-	-
Allocation to Employees Profit Sharing Plans	-10,581	-10,166
Sales related to Employee Stock Option Plan (ESOP) and other transactions	-	-110,200
Own shares cancellation	-	-
Number of own shares at September 30	131,817	140,498
Outstanding warrants at September 30	355,800	409,050

In 9M15, the company did not repurchase any share on the stock market. A total of 1,900 shares have been transferred from Delta Lloyd to EVS, as a result of the termination of the 2005 EVS stock split process. These 1,900 shares will be sold in 4Q15 during the final step of the dematerialization process in Belgium. No shares were used to satisfy the exercise of warrants by employees. The Ordinary General Meeting of shareholders of May 19, 2015 approved the allocation of 10,581 shares to EVS employees (grant of 37 shares to each staff member in proportion to their effective or assimilated time of occupation in 2014) as a reward for their contribution to the group successes. At the end of September 2015, the company owned 129,917 own shares at an average historical price of EUR 38.18. At the same date, 355,800 warrants were outstanding with an average strike price of EUR 39.72 and an average maturity of June 2017.

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)	9M15	9M14
Gross R&D expenses	18,941	19,744
R&D tax credits for current fiscal year	-1,021	-1,147
R&D expenses	17,920	18,597

5.9: OTHER NET FINANCIAL INCOME / (EXPENSES)

(EUR thousands)	9M15	9M14
Exchange results from statutory accounts	-903	-171
Exchange results relating to IFRS consolidation methodology	1,300	945
Other financial results	31	10
Other net financial income / (expenses)	428	784

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)	9M15	9M14
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	14,736	37,873
Reported tax charge based on the effective tax rate	-4,546	-11,803
Effective tax rate	30.8%	31.2%
Reconciliation items for the theoretical tax charge		
Tax effect of deduction for notional interests	-132	-153
Tax effect of non-deductible expenditures	243	305
Other increase / (decrease)	-163	-90
Total tax charge of the group entities computed on the basis of the respective local nominal rates	-4,598	-11,741
Theoretical tax rate (relating to EVS operations, excluding dcinex)	31.2%	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 finalized the dcinex disposal transaction in the EVS accounts.

Therefore, the enterprises accounted for using the equity method only include Mecalec SMD SA.

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.

On September 30, 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 end of the earn out period. The future changes in estimated fair value will be recognized in the income statement.

5.13: HEADCOUNT

(in full time equivalents)	At September 30	Nine-months average
2015	482	491
2014	514	499
<i>Variation</i>	-6.2%	-1.6%

Most of the staff decrease in 2015 is due to the closing of the EVS development center in Chengdu (China) in June 2015. It employed 34 people at the time of the closing. Ongoing developments made in China have been transferred in new headquarter in Liège (with some additional recruitments still ongoing). This decision should help EVS to further improve the consistency and efficiency of its R&D activities, and is part of an effort to simplify the structures of the group. While there were some one-time costs related to the closing, the transfer is not expected to have any impact on future operating expenses or product roadmap.

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 9M	Average 3Q	At September 30
2015	1.1144	1.1117	1.1203
2014	1.3546	1.3249	1.2583
<i>Variation</i>	+21.6%	+19.2%	+12.3%

For 3Q15, the average US dollar exchange rate against the Euro increased by 19.2% compared to 3Q14. It had a 7.8% positive impact on revenue.

5.15: FINANCIAL INSTRUMENTS

The estimated fair values of the financial assets and liabilities are equal to their fair book value in the balance sheet considering their short maturity.

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 September 30, 2015, the group held USD 2.0 million in forward exchange contracts, with an average maturity date of December 3, 2015, and with an average exchange rate EUR/USD of 1.2400.

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.

EVS already started to pay these loans down, and will gradually do so until 2020.

The move to the new headquarter has been totally completed in 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. At the end of September, two of the previous buildings have already been sold for a global amount of EUR 1.4 million. A "preliminary sale agreement" (compromis de vente) has been signed in 3Q15 for a third building, and the formal sale of that building is expected before year-end (on this basis, no negative adjustment has to be recognized for that building in the books). There were "Assets classified as held for sale" for an amount of EUR 5.1 million.

5.17: SUBSEQUENT EVENTS

There was no 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
and Michel Counson, Managing Director

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 nine 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.