



TRADING UPDATE ON SALES AND ORDERS FOR 2Q09

- **2Q09 sales of EUR 18.7 million, -45.8% vs. 2Q08 (-47.9% at constant exchange rate), but a sequential improvement compared to 4Q08 et 1Q09**
- **Major service & equipment rental contract (EUR 4.3 million) signed with HBS for the recent FIFA Confederation Cup 2009 and the FIFA World Cup 2010**
- **Europe down 49.2%, Asia & Pacific down 61.9%, America down 16.5% (27.2% at constant exchange rate) compared to 2Q08**
- **Open order book at July 1, 2009 of EUR 8.0 million, -64.9% (-51.2% excl. big event rentals)**

Liège (Belgium), July 16, 2009, EVS Broadcast Equipment S.A. (Euronext Brussels: EVS.BR) (Pinksheets: EVBEF), the leader in Professional Digital Video applications for Live, Near-Live and Studio TV Production, today reported its revenue for the second quarter ("2Q09") and the first half ("1H09") of 2009.

Key Highlights

Pierre L'Hoest, CEO of EVS said: "While this quarter still represents a strong decline compared to one year ago, we clearly feel that the discussions that have taken place over the last few months are confirming that the worst is behind us. With the big events of 2010 approaching, investments that had been postponed in the difficult economic environment are coming back on the table. We are also broadening our product portfolio for sport TV solutions with the reinforcement of our R&D skills focusing on real time graphics for live sporting events."

Commenting on the perspectives, Jacques Galloy, CFO added: "The global economic environment will continue to weigh on our business performance this year. Our sales teams are doing a great job in identifying and offering the solutions that best meet the client needs, and more specifically in terms of efficiency. Even though we expect a slightly better second half, it is clear that both revenues and profits will be much lower in 2009 than in record year 2008. But we are ready to attack 2010 with an organization that has been strengthened in some areas."

Revenue

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

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

(1) Refer to the geographical segmentation in annex.

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

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

Live graphics for sporting events

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

Outlook 2009

The **open order book** (to be invoiced in 2009) as of July 1, 2009 reaches **EUR 8.0 million**, which is lower by 64.9% compared to EUR 22.9 million on the same date one year ago (then to be invoiced in 2008). Excluding big events rentals in 2008 (EUR 6.5 million), this is a **decrease of 51.2%** compared to 2Q08, and -49.1% compared to 2007. Studio orders represent 40.6% of the total EUR 8.0 million open order book while they represent 30.3% of the total order intake over the first 6 months of 2009.

In addition to the EUR 8.0 million of order book to be mainly invoiced in 3Q09, EVS has already orders for EUR 5.2 million that will be invoiced in 2010, including the EUR 4.0 million of rentals relating to the FIFA World Cup.

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

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

Statutory Auditor's BDO Atrio statement:

The statutory Auditors BDO Atrio has not reviewed yet the figures as presented in this press release.

Corporate Calendar:

Thursday August 27, 2009	2Q09 earnings
September 10-15, 2009	IBC TradeFair in Amsterdam (NL)
Thursday November 12, 2009	3Q09 earnings

For more information, please contact:

Jacques GALLOY, Director & CFO

Geoffroy d'OULTREMONT, Investor Relations & Corporate Communications Manager

EVS Broadcast Equipment S.A., Liege Science Park, 16 rue du Bois Saint-Jean, B-4102 Ougrée (Liège), Belgium

Tel: +32 4 361 70 14. E-mail: corpcom@evs.tv; www.evs-global.com

Forward Looking Statements

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

About EVS Group

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

EVS Broadcast is the world leader for Live TV Production Digital Disk Recorders and Related Software Applications, especially in the field of sports. The company's dedicated hardware and software suite offer a complete production platform: live slow motion (LSM), high speed slow motion, replay only, clips generation, quick clips editing, real-time SD/HD video files transfer, time delay, multi-camera recording, metadata association, graphics storage and play-out, digital transmission, multi-format ingest and play-back, audio record & edit, webcasting, mobile phone clipping. Main software applications like the "IP Director®" are running on the dedicated robust and flexible hardware the "XT[2]® Platform". The world's leading broadcasters, such as NBC, BSKyB, FOX, RTBF, RTL, NHK, CANAL+, ABC, ESPN, TF1, CCTV, PBS, CBS, BBC, ZDF, Channel7, RAI, TVE, NEP, MEDIAPRO, EUROMEDIA, BEXEL, ALFACAM and many others use EVS' solutions.

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

ANNEX 1: EVS GROUP – SEGMENT REPORTING

2.1. 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. Sales relate to products of the same nature and are realized by commercial polyvalent teams.

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

By consequence, the company is composed of one segment according to the IFRS 8 definition, and the consolidated income statement of the group reflects this unique segment. However, it does not exclude a future evolution of the segmentation according to the development of the company, of its products and of its internal performance indicators.

2.2. Additional information

2.2.1. Information on products and services

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

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

2.2.2. Geographical information

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

2.2.2.1. Revenue

Revenue for the 6-months period (EUR thousands)	APAC	EMEA	NALA	TOTAL
1H09 revenue	5,375	20,365	10,737	36,477
Evolution versus 1H08 (%)	-58.2%	-38.8%	-21.5%	-39.0%
Segment revenue at constant exchange rate	5,375	20,365	9,353	35,093
Variation versus 1H08 (%) at constant exchange rate	-58.2%	-38.8%	-31.7%	-41.3%
Variation versus 1H08 (%) at constant exchange rate and excluding big event rentals	-56.2%	-35.7%	-31.7%	-39.7%
1H08 revenue	12,847	33,274	13,685	59,806

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

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

2.2.2.2. Long term assets

Considering the explanations given in 2.1, all long term assets are located in the parent company EVS Broadcast Equipment S.A. in Belgium.

2.2.3. Information on important clients

No external client of the company represents more than 10% of the year-to-date sales.

ANNEX 2: EQUITY SECURITIES

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

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

	2009	2008
Number of own shares at January 1	330,134	305,871
Acquisition of own shares on the market	-	63,278
Sale of own shares on the market	-	-
Allocation to Employees Profit Sharing Plans	-15,459	-4,961
Sales related to Employee Stock Option Plan (ESOP) and other transactions	-	-111,000
Own shares cancellation	-250,000	-
Number of own shares at June 30	64,675	253,188
Outstanding warrants at June 30	125,650	62,350

ANNEX 3: EXCHANGE RATES

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

Average exchange rate over 1H09	1.3331
Average exchange rate over 1H08	1.5303
Variation	+12.9%