



EVS REPORTS THIRD QUARTER 2009 RESULTS AND AUTUMN ORDER BOOK

- 3Q09 revenue of EUR 19.6 million, -47.3% vs. 3Q08 (-35.8% at constant exchange rate and excluding the 2008 big events rentals), and a continued improvement compared to the last three quarters
- Acceleration of studio focused R&D investments: +25% vs. 2008
- 3Q09 EBIT margin of 47.5%; 3Q09 earnings per share of EUR 0.42
- Autumn order book of EUR 28.0 million (+142.8%), incl. EUR 11.8 million orders to be invoiced in 2010 and beyond
- Major studio contract with Sky News, to be delivered over the next six months
- New global service agreement for the 2010 Vancouver Olympics exceeding EUR 1 million
- 2009 is a transition year towards a stronger 2010
- EUR 1.00 gross interim dividend per share to be paid at the end of November

Liège (Belgium), November 12, 2009, EVS Broadcast Equipment S.A. (Euronext Brussels: EVS.BR, Bloomberg: EVS BB, Reuters: EVSB.BR) (Pinksheets: EVBEF), the leader in Professional Digital Video applications for live, near-live and studio TV production, today reported its results for the third quarter (“3Q09”) and the first nine months (“9M09”) of 2009.

Key highlights

Pierre L’Hoest, CEO of EVS said: “The market continues to be challenging for the broadcast industry. The somewhat improving sentiment about the global economic environment has pushed some clients to realize some *catch up* purchases, and some other clients to start thinking about large projects again, but it remains unclear whether the coming months will show clear signs of recovery or continued cautiousness in the broadcast industry. In that market, we will continue to focus on the development and launch of new solutions that will bring the clients to the next level. We are also very proud that Sky News has elected EVS as key partner for the launch of its new HD news channel in the spring of 2010. This project will help us extending our know-how in the studio market as we develop some customized tools for it.”

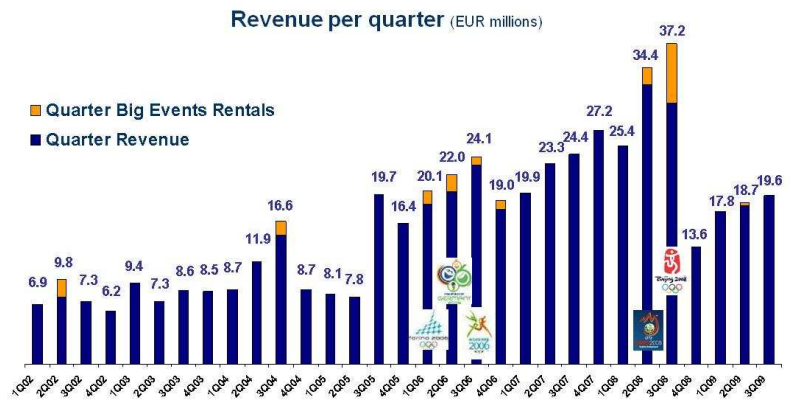
Commenting on the results and perspectives, Jacques Galloy, CFO added: “The uncertain economic environment will continue to weigh on our business performance this year. Despite lower sales, we have decided to accelerate our R&D investments and have opened new R&D centers in Brussels and Paris as well as a new subsidiary in Switzerland. The 47.5% EBIT margin during the first nine months of 2009, as well as the interim dividend, show the resilience of the company during such a downturn. Following record year 2008, 2009 is a transition year towards a stronger 2010.”

(unaudited)			IFRS - EUR millions, except earnings per share expressed in EUR	(unaudited)		
3Q09	3Q08	3Q09/3Q08		9M09	9M08	9M09/9M08
19.6	37.2	-47.3%	Revenue	56.1	97.0	-42.2%
9.3	24.6	-62.2%	Operating profit – EBIT	26.7	63.7	-58.1%
47.5%	66.1%	-	Operating margin – EBIT %	47.6%	65.7%	-
-0.6	-0.7	+6.5%	Contribution from 47.2% XDC affiliate	-2.0	-2.1	+2.9%
5.6	16.4	-65.7%	Net profit – Group share	16.0	43.3	-63.0%
6.2	17.2	-64.0%	Net profit from operations, excl. XDC – Group share ⁽¹⁾	18.9	46.2	-59.0%
0.42	1.21	-65.6%	Basic earnings per share	1.18	3.19	-62.9%
0.46	1.26	-63.9%	Basic earnings per share from operations, excl. XDC ⁽¹⁾	1.39	3.40	-59.0%

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

Revenue

EVS Broadcast revenue reached **EUR 19.6 million** in 3Q09, a decrease of 47.3% at actual exchange rate (-35.8% at constant exchange rate excluding the big events rentals in 2008) compared to 3Q08, but a sequential increase of respectively 5.2% and 4.7% against 2Q09 and 1Q09. Sales decreased by 40.3% to EUR 12.3 million in the outside broadcast segment, and by 56.0% to EUR 7.3 million in the studio. One should remind that Studio sales in 3Q08 were boosted by the Beijing Olympics rentals. Over 3Q09, the studio solutions represent 37.4% of sales. In the first nine months of 2009, revenue decreased by 42.2% compared to one year ago and by 16.9% compared to the first nine months of 2007.



3Q09	3Q08	% 3Q09 / 3Q08	Revenue – EUR millions ⁽¹⁾	9M09	9M08	% 9M09 / 9M08
19.6	37.2	-47.3%	Total reported	56.1	97.0	-42.2%
19.5	37.2	-47.8%	Total at constant exchange rate	54.6	97.0	-43.7%
19.5	30.3	-35.8%	Total at constant exchange rate excluding big events rentals	54.4	88.1	-38.3%

(1) Refer to the geographical segmentation in annex.

In the third quarter of 2009, revenues in all three regions still suffered from the challenging economic environment even if some positive signs are emerging from an increasing number of clients since last summer. We remain confident that our focus on developing efficient tapeless solutions for studios and that the 2010 big events will support the business in the coming quarters. More specifically:

- Europe, Middle-East and Africa (“**EMEA**”): EUR 13.1 million (-34.5%) in 3Q09, representing 66.8% of group revenue. Recent developments in that region included different contracts in both OB vans and studio segments, with Eastern Europe, Middle East and Africa being particularly dynamic. The Swedish TV station SVT has chosen EVS for its new centralized ingest and media platform in Stockholm. It is moving from a tape-based workflow to an integrated workflow, based on the EVS solution and a strong integration with the Avid post production tools. The equipment delivery relating to one large project for two new OB vans initially planned for the end of the third quarter has been postponed until the fourth quarter of this year. The main drivers in the EMEA region remain the tapeless transition for efficiency reasons, and the switch to HD.
- America (“**NALA**”): EUR 3.4 million (-67.7% at constant exchange rate). Even though the American market was rather weak in the third quarter, the business is starting to see some traction from the Vancouver Winter Olympics next year, such as some upgrades of existing materials in OB vans or new studio equipments. Over 3Q09, EVS supplied significant equipment to a major Brazilian customer.
- Asia & Pacific (“**APAC**”): EUR 3.1 million (-56.9%). This region remained impacted by the economic downturn, and some countries also continue to suffer from some severe currency fluctuations.

Mid September, EVS was present at the IBC in Amsterdam, the biggest European tradeshow in the broadcast industry. EVS has been considered by the visitors as one of the most innovative company during this edition of the IBC, bringing to the clients new and efficient solutions that can help them to save money and time in the live and studio production. This has been recognized through two different awards:

- the IBC Innovation Award in the Content Management Category, given to both EVS and Dalet for their significant contribution to RTBF’s (Belgian French-speaking public broadcaster) digitization
- the IBC 2009 Pick Hit Award (received from the editorial team of Broadcast Engineering) for its new live offside line creator applicable to European football or soccer, implemented as an add-on tool to the existing EVS XT[2]-LSM systems.

XEDIO, the new EVS solution dedicated to modular productions for news and sports that was at the heart of the IBC TV station, and INSIO, the application dedicated to support the production of TV series, also attracted a lot of new contacts on the EVS booth. At the IBC, EVS showed again that an open architecture has become very important in the broadcast industry. Thanks to the recent adoption of the Panasonic DVCPRO HD Codec by EVS, which is now natively supported by EVS production servers, clients will be able to build integrated workflows featuring file interchange between the EVS XS server controlled by IPDirector and, for instance, Quantel sQ production systems.

Operating results in 3Q09

Consolidated gross margin was 82.5% for 3Q09 (86.8% in 3Q08). Lower operating expenses (-9.6% in 3Q09) are mainly due to lower commercial expenses compared to 3Q08, the strongest quarter ever for EVS. This was partially offset by higher personnel costs as a result of the increased number of employees in both R&D and foreign offices compared to last year. The overhead costs have been kept under control. As a deleveraging phenomenon, the **operating (EBIT) margin decreased to 47.5% of revenue**, compared to 66.1% in 3Q08, but was in line with the operating margin of the first half of 2009. At the end of September 2009, EVS employed 248 people (FTE), an increase by 7.5% over the end of September 2008. EVS will continue to hire good broadcast experts when they are available on the market, and to support new developments required for the SKY News studio project.

During the third quarter of 2009, the average US dollar exchange rate against the Euro was 1.43, having reinforced by 5.0% compared to 1.50 in 3Q08. It had a positive impact of EUR 0.1 million (0.9%) on revenue and of EUR 0.3 million (2.9%) on the EBIT. This was offset by the natural hedge (both on operating expenses and foreign taxes) and by the financial hedge.

XDC, the EVS 47.2% affiliate pioneer in digital cinema, shows signs of progress. In 3Q09, XDC contributed an operating loss of EUR -0.6 million at equity to EVS results compared to EUR -0.7 million in 3Q08. Break-even is however not expected before 2011.

Net profit amounted to EUR 5.6 million in 3Q09, or 65.7% lower than 3Q08, while net profit from operations, excluding XDC, was EUR 6.2 million in 3Q09. **Basic net profit per share amounted to EUR 0.42** in 3Q09, compared to EUR 1.21 for 3Q08.

Operating results over 9M09

Consolidated gross margin was 82.1% for 9M09 (86.8% in 9M08). Lower revenue and gross profit were only partially offset by lower operating expenses (-6.8% in 9M09), resulting in an **operating (EBIT) margin of 47.6% of revenue**, compared to 65.7% in 9M08. In 9M09, XDC contributed an operating loss of EUR 2.0 million at equity to EVS results. Net profit amounted to EUR 16.0 million in 9M09, while net profit from operations, excluding XDC, was EUR 18.9 million in 9M09. **Basic net profit per share was EUR 1.18** in 9M09.

Net cash and capital

The net cash from operating activities amounted to EUR 24.5 million over 9M09. On September 30, 2009, the group balance sheet showed **EUR 46.1 million in cash** and cash equivalents, and EUR 1.8 million in long-term financial debts (including short term portion of it).

At the end of September, there were 13,625,000 EVS outstanding shares, of which 63,675 were owned by the company. During 9M09, EVS did not repurchase any shares. At September 30, 2009, 124,650 warrants were outstanding with an average strike price of EUR 47.16.

Interim dividend

Given the performance of the current year and its confidence in the future long term prospects of the company, the Board of Directors has decided to distribute an interim gross dividend of EUR 1.00 per share (or EUR 0.75 net per share after deduction of 25% withholding tax), equal to the November 2008's interim dividend. The strong cash position of the group allows to reward long term shareholders. Anticipating on the next final dividend to be decided and announced next spring 2010, the pay-out ratio could therefore exceed 100%. The ex-date for Coupon # 9 (ISIN: BE0003820371) is Monday November 23, 2009, and the payment date is Thursday November 26, 2009.

Outlook 2009

Executing its “**Speed to Air**” strategy, EVS serves hundreds of TV stations worldwide with its high-end digital video and audio applications, especially in the field of live sports and studio production where the company has developed leadership positions in various niche markets. The worldwide migration from tape-based operations to integrated tapeless workflows is underway and will certainly gain momentum the next decade. This process is accelerated by the transition from standard definition (SD) to high definition (HD) television, because new equipment needs to interoperate with digital solutions, which are increasingly high definition.

Hence, EVS directly benefits from the following **long term growth drivers**: the increasing number of video distribution channels like IPTV, web TV, the transition to tapeless workflows, the replacement market due to HD format conversion, the launch of new products to address near-live studio production needs, the demand for new “speedclipping” tools to fragment the content to multimedia environments, and an increased focus of broadcasters/IPTV and advertisers on large popular sport broadcasts to gain new viewers. The EVS Board and teams believe that the underlying demand for EVS products will continue to be supported by the transition to HDTV, which will impact the business over a long period of time and will follow usual equipment acquisition wave patterns.

The global **autumn order book** amounts to **EUR 28.0 million**, which is +142.8% compared to EUR 11.5 million on the same date one year ago. The global order book includes orders for EUR 11.8 million that will be invoiced in 2010 and beyond (vs. EUR 2.8 million last year), including itself the EUR 5.4 million of rentals relating to both Vancouver Olympics and FIFA World Cup. The global autumn order book is made of:

- the open order book as of October 1, 2009: EUR 17.0 million (vs. EUR 8.6 million as of October 1, 2008), including EUR 10.6 million that should be invoiced in 2009 (vs. EUR 5.8 million as of October 1, 2008)
- orders intake between October 1, 2009 and October 31, 2009: EUR 11.0 million (vs. EUR 2.9 million last year), including EUR 5.6 million that should be invoiced in 2009 (vs. EUR 2.9 million last year)

Studio orders represent 46.5% of the total EUR 28.0 million order book while they represent 36.2% of the total order intake since the beginning of 2009. This variation is mainly due to the recent Sky News project as well as the usual longer delivery period for those large projects first.

The Board of Directors draws the attention of investors focusing on the short term and therefore analyzing in very details the month-to-month order inflow pattern, what is an irrelevant sample as such. Indeed, one single and significant order received by EVS can influence the market perception depending on the date where it is recorded or delivered, while it does not specifically reflect a change in the fundamental business evolution.

Based on market evolution, the management of EVS confirms that the second half of 2009 should 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 turmoil 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 R&D and widely its operating expenses, which should continue to grow as EVS continue to open or reinforce some local offices and 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.

EVS will hold today the following events:

- Financial analysts & investors meeting in French/Dutch in Liège at 11:00 AM CET.
- A conference call in English will be held at 3:00 PM CET (Please contact corpcom@evs.tv to receive the dial-in number and the presentation).

It shall be attended by Pierre L'Hoest, CEO, Jacques Galloy, CFO and Geoffroy d'Oultremont, IRO.

Status of the control by the Statutory Auditors

The Statutory Auditor BDO Atrio Réviseurs d'Entreprises Soc. Civ. SCRL has not reviewed the quarterly consolidated financial statements as presented in this press release.

With regards to the interim dividend, the auditor has performed a limited review of the statutory accounts of EVS Broadcast Equipment S.A. at September 30, 2009.

Corporate Calendar:

Monday November 23, 2009	Interim dividend – ex date
Wednesday November 25, 2009	Interim dividend – record date
Thursday November 26, 2009	Interim dividend – payment date
Thursday February 11, 2010	FY09 earnings
Tuesday May 11, 2010	1Q10 earnings
Tuesday May 18, 2010	Combined Ordinary and Extraordinary General Meeting

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 250 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, ALFAÇAM 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.

Interim condensed financial statements

ANNEX 1: EVS GROUP – IFRS CONSOLIDATED INCOME STATEMENT

(EUR thousands)	Annex	3Q09 Unaudited	3Q08 Unaudited	9M09 Unaudited	9M08 Unaudited
Revenue	5.4	19,620	37,237	56,097	97,043
Costs of sales		-3,427	-4,924	-10,067	-12,805
Gross profit		16,193	32,312	46,029	84,237
Gross margin %		82.5%	86.8%	82.1%	86.8%
Selling and administrative expenses		-3,894	-5,192	-9,577	-12,865
Research and development expenses		-3,072	-2,516	-8,962	-7,020
Other revenue		19	67	142	171
Other expenses		-28	23	-105	-56
Stock based compensation and ESOP plan		151	8	-671	-508
Depreciation on Tax Shelter rights assets		-50	-75	-178	-225
Operating profit (EBIT)		9,319	24,629	26,678	63,735
Operating margin (EBIT) %		47.5%	66.1%	47.6%	65.7%
Net interest		54	258	398	950
Other net financial income / (expenses)	5.8	-283	84	-500	686
Share in the result of the enterprise accounted for using the equity method	5.10	-623	-643	-1,977	-1,961
Profit before taxes (PBT)		8,467	24,327	24,599	63,411
Income taxes	5.9	-2,836	-7,906	-8,563	-20,067
Net profit from continuing operations		5,631	16,421	16,035	43,344
Net profit		5,631	16,421	16,035	43,344
Attributable to :					
Minority interests		-	-	-	-1
Equity holders of the parent company		5,631	16,421	16,035	43,343
Net profit from operations, excl XDC – share of the group (1)	5.3	6,178	17,162	18,901	46,153
RESULT PER SHARE (in number of shares and in EUR)	5.7	3Q09 Unaudited	3Q08 Unaudited	9M09 Unaudited	9M08 Unaudited
Weighted average number of subscribed shares for the period less treasury shares		13,561,325	13,586,511	13,553,228	13,582,483
Weighted average fully diluted number of shares		13,686,627	13,696,549	13,679,088	13,703,848
Basic earnings – share of the group		0.42	1.21	1.18	3.19
Fully diluted earnings – share of the group		0.41	1.20	1.17	3.16
Basic net profit from operations, excl XDC – share of the group		0.46	1.26	1.39	3.40

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(EUR thousands)		3Q09 Unaudited	3Q08 Unaudited	9M09 Unaudited	9M08 Unaudited
Net profit		5,631	16,421	16,035	43,343
Other comprehensive income of the period					
Shared-based payments		-151	14	671	491
Currency translation differences		-78	210	-116	99
Total comprehensive income for the period	4	5,402	16,645	16,590	43,933
Attributable to :					
Minority interests		-	-	-	1
Equity holders of the parent company	4	5,402	16,645	16,590	43,934

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

ANNEX 2: EVS GROUP – IFRS CONSOLIDATED BALANCE SHEET

ASSETS (EUR thousands)	Annex	Sept. 30, 2009 Unaudited	Dec. 31, 2008 Audited
Non-current assets :			
Technology acquired from DWESAB		787	984
Other intangible assets		443	508
Lands and buildings		10,992	9,578
Other tangible assets		1,853	1,974
Investment accounted for using equity method	5.10	460	2,489
Subordinated bonds	5.10	5,367	4,277
Other financial assets		206	148
Deferred tax assets		27	48
Total non-current assets		20,135	20,007
Current assets :			
Stocks		6,845	8,079
Trade receivables		11,161	10,366
Other amounts receivable, deferred charges and accrued income		1,211	1,135
Cash and cash equivalents		46,074	45,454
Total current assets		65,292	65,034
Total assets		85,427	85,040
EQUITY AND LIABILITIES			
(EUR thousands)	Annex	Sept. 30, 2009 Unaudited	Dec. 31, 2008 Audited
Equity :			
Capital		8,342	8,342
Reserves		58,769	85,012
Interim dividends	5.5	0	-13,586
Treasury shares		-2,238	-11,601
Total consolidated reserves		56,531	59,825
Translation differences		-240	-124
Equity attributable to equity holders of the parent company		64,633	68,043
Minority interests		5	5
Total equity	4	64,639	68,049
Long term provisions		1,155	1,139
Deferred taxes liabilities		1,191	1,159
Financial long term debts		1,488	1,711
Other long term debts		546	546
Non-current liabilities		4,379	4,556
Short term portion of financial long term debts		299	299
Trade payables		3,966	3,429
Amounts payable regarding remuneration and social security		4,842	4,661
Income tax payable		4,676	2,324
Other amounts payable, advances received, accrued charges and deferred income		2,626	1,723
Current liabilities		16,409	12,436
Total equity and liabilities		85,427	85,040

ANNEX 3: EVS GROUP – IFRS CONSOLIDATED CASH FLOW STATEMENT

(EUR thousands)	9M09 Unaudited	9M08 Unaudited
Cash flows from operating activities		
Operating Profit (EBIT)	26,678	63,735
Adjustment for non cash items :		
- Depreciation and write-offs on fixed assets	1,501	1,071
- Foreign exchange result	-524	674
- Stock based compensation and ESOP	671	508
- Provisions and deferred taxes increase/(decrease)	27	696
	28,353	66,683
Increase (+)/decrease (-)		
- Amounts receivable	-635	-8,453
- Accruals	1,115	1,088
- Trade debts and prepayments	359	1,703
- Taxes, remuneration and social security debts	2,533	9,249
- Other amounts payable	-430	-465
- Inventories	1,234	-3,369
<i>Cash generated from operations</i>	32,529	66,436
Interest received	568	1,100
Income taxes	-8,563	-20,067
Net cash from operating activities	24,534	47,469
Cash flows from investing activities		
Purchase (-)/disposal (+) of intangible assets (incl. Investments in Tax Shelter)	-198	-1,157
Purchase (-)/disposal (+) of property, plant and equipment	-2,333	-2,139
Purchase (-)/disposal (+) of leasing equipment	-	-
Purchase (-)/disposal (+) of other financial assets	-1,097	119
Net cash used in investing activities	-3,628	-3,176
Cash flows from financing activities		
Operations with treasury shares	45	-4,695
Other net equity variations	-115	-23
Interest paid	-170	-150
Movements on long-term borrowings	-224	-210
Interim dividend paid	-	-
Final dividend paid	-19,821	-19,300
Net cash used in financing activities	-20,285	-24,378
Net increase in cash and cash equivalents	621	19,915
Cash and cash equivalents at beginning of period	45,454	35,515
Cash and cash equivalents at end of period	46,074	55,429

**ANNEX 4: EVS GROUP – IFRS CONSOLIDATED STATEMENT
OF CHANGES IN EQUITY**

(EUR thousands)	Issued capital	Other reserves	Treasury shares	Currency translation differences	Equity attributable to shareholders of the parent company	Minority interest	Total Net Equity
Balance as per December 31, 2007	8,342	62,146	-8,090	-257	62,141	5	62,146
Total comprehensive income for the period		43,834		99	43,933	1	43,934
Operations with treasury shares		-2,668	-2,519		-5,187		-5,187
Final Dividend		-20,195			-20,195		-20,195
Other increase/(decrease)		-121			-121		-121
Balance as per September 30, 2008	8,342	82,997	-10,609	-158	80,572	6	80,578

(EUR thousands)	Issued capital	Other reserves	Treasury shares	Currency translation differences	Equity attributable to shareholders of the parent company	Minority interest	Total Equity
Balance as per December 31, 2008	8,342	71,427	-11,601	-124	68,044	5	68,049
Total comprehensive income for the period		16,706		-116	16,590		16,590
Operations with treasury shares		-9,318	9,363		45		45
Final dividend		-20,046			-20,046		-20,046
Other increase/(decrease)		-			-		-
Balance as per September 30, 2009	8,342	58,770	-2,238	-240	64,634	5	64,639

ANNEX 5: EVS GROUP – NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2009

NOTE 1: BASIS OF PREPARATION

The consolidated financial statements of EVS Group for the 9 months period ended September 30, 2009 are established under International Financial Reporting Standards (IFRS), as adopted for use in the European Union. These financial statements are presented in accordance with International Accounting Standards (IAS) 34 *Interim Financial Reporting*.

NOTE 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 2008 consolidated financial statements, with the exception of the following:

- IAS 1 (revised), "Presentation of Financial Statements": EVS has elected to present two statements: an income statement and a statement of comprehensive income. The statement of changes in equity presents separately the non-owner and the owner changes in equity.

The Company's IFRS accounting policies and methods are available in the 2008 annual report on www.evs-global.com.

NOTE 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, excl. XDC is as follows:

(EUR thousands)	9M09	9M08
Net profit for the period - IFRS	16,035	43,343
Allocation to Employees Profit Sharing Plan	638	386
Stock Option Plan	33	122
Depreciation on Tax Shelter rights assets	178	225
Contribution of XDC	2,016	2,077
Net profit from operations, excl. XDC	18,901	46,153

NOTE 4: SEGMENT REPORTING

4.1. General information

The company already applies IFRS 8 ("Operating segments") since the fiscal year ended on 31 December 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.

4.2. Additional information

4.2.1. 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.

3Q09	3Q08	% 3Q09 /3Q08	Revenue (EUR thousands)	9M09	9M08	% 9M09/ 9M08
12,272	20,547	-40.3%	Outside Broadcast Vans	38,919	60,136	-35.3%
7,348	16,690	-56.0%	TV Production Studios	17,178	36,907	-53.5%
19,620	37,237	-47.3%	Total Revenue	56,097	97,043	-42.2%

4.2.2. Geographical information

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

4.2.2.1. Revenue

Revenue for the 9-months period (EUR thousands)	APAC	EMEA	NALA	TOTAL
9M09 revenue	8,473	33,475	14,149	56,097
Evolution versus 9M 08 (%)	-57.7%	-37.2%	-40.4%	-42.2%
Segment revenue at constant exchange rate	8,473	33,475	12,701	54,648
Variation versus 9M08 (%) at constant exchange rate	-57.7%	-37.2%	-46.5%	-43.7%
Variation versus 9M08 (%) at constant exchange rate and excluding big event rentals	-46.8%	-33.3%	-43.3%	-38.3%
9M08 revenue	20,041	53,274	23,728	97,043

Revenue for the quarter (EUR thousands)	APAC	EMEA	NALA	TOTAL
3Q09 revenue	3,098	13,110	3,412	19,620
Evolution versus 3Q08 (%)	-56.9%	-34.5%	-66.0%	-47.3%
Segment revenue at constant exchange rate	3,098	13,110	3,243	19,450
Variation versus 3Q08 (%) at constant exchange rate	-56.9%	-34.5%	-67.7%	-47.8%
Variation versus 3Q08 (%) at constant exchange rate and excluding big event rentals	+0.1%	-29.1%	-62.7%	-35.8%
3Q08 revenue	7,194	20,001	10,043	37,237

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 14.7 million in the last 12 months.

4.2.2.2. Long term assets

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

4.2.3. Information on important clients

No external client of the company represents more than 10% of the sales over the last 12 months.

NOTE 5: DIVIDENDS

The Ordinary General Meeting of May 19, 2009 has approved the payment of a total gross dividend of EUR 2.48 per share, including the interim dividend of EUR 1.00 per share.

The Board of Directors of November 10, 2009 has decided to pay an interim gross dividend of EUR 1.00 per share for the fiscal year 2009, with November 23, 2009 as ex-date and November 26, 2009 as payment date.

(EUR thousands)	# Coupon	9M09	2008	2007
- Final dividend for 2006 (EUR 1.20 per share less treasury shares)	4	-	-	16,323
- Interim dividend for 2007 (EUR 0.80 per share less treasury shares)	5	-	-	10,867
- Final dividend for 2007 (EUR 1.48 per share less treasury shares)	6	-	20,195	-
- Interim dividend for 2008 (EUR 1.00 per share less treasury shares)	7	-	13,586	-
- Final dividend for 2008 (EUR 1.48 per share less treasury shares)	8	20,046	-	-
- Interim dividend for 2009 (EUR 1.00 per share less treasury shares)	9	13,561	-	-
Total dividends paid		33,607	33,781	27,190

NOTE 6: EQUITY SECURITIES

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

	2009	2008
Number of own shares at January 1	330,134	305,871
Acquisition of own shares on the market	-	103,278
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	-1,000	-115,554
Own shares cancellation	-250,000	-
Number of own shares at September 30	63,675	288,634
Outstanding warrants at September 30	124,650	126,650

Over the first nine months of 2009, the company has not repurchased any shares on the stock market. The Ordinary General Meeting of shareholders of May 19, 2009 approved the allocation of 15,459 shares to the EVS employees (grant of 50 or 100 shares to each staff member) as a reward for their contribution to the group successes. The Extraordinary General Meeting of June 12, 2009 approved the cancellation of 250,000 own shares. 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.

As of September 30, 2009, 124,650 warrants are outstanding with an average strike price of EUR 47.16 and an average maturity of 4.5 years. Only 2.000 warrants are exercisable with a strike price of EUR 25 (in-the-money).

NOTE 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.

NOTE 8: OTHER NET FINANCIAL INCOME / (EXPENSES)

(EUR thousands)	9M09	9M08
Exchange results from statutory accounts	-115	-297
Exchange results relating to IFRS consolidation methodology	-409	970
Other financial results	24	13
Other net financial income / (expenses)	-500	686

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 note 5.12.

NOTE 9: 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 first nine months of 2008 and 2009 with the theoretical tax charge obtained by applying the theoretical tax rate:

(EUR thousands)	9M09	9M08
Reconciliation between the effective tax rate and the theoretical tax rate		
Reported profit before taxes and share in the result of the enterp. accounted for using the equity method	26,576	65,371
Reported tax charge based on the effective tax rate	-8,563	-20,067
Effective tax rate	32.2%	30.7%
Reconciliation items for the theoretical tax charge		
Tax effect of Tax Shelter	-115	-191
Tax effect of deduction for notional interests	-317	-306
Tax effect of non deductible expenditures	230	138
Other increase (decrease)	129	161
Total tax charge of the group entities computed on the basis of the respective local nominal rates	-8,637	-20,266
Theoretical tax rate (relating to EVS operations, excl. XDC)	32.5%	31.0%

NOTE 10: INVESTMENTS IN ASSOCIATES - XDC S.A.

EVS currently owns 47.20% of XDC S.A. share capital and has a fully diluted share of 42.7% in the company. As of September 30, 2009, XDC shares accounted for using equity method in EVS consolidated accounts, plus the EVS share of the subordinated bonds issued by XDC amounted to EUR 5.4 million. It included EUR 1.1 million subscribed by EVS, at the end of September 2009, from a EUR 4.0 million loan issued by XDC.

The XDC accounts and their contribution into EVS consolidated accounts break down as follows:

(EUR thousands)	9M09	9M08
Revenue	6,333	4,193
EBITDA	-145	-291
Net result for the period	-4,273	-4,402
Part of XDC capital held by EVS	47.2%	47.2%
Net result – share of EVS	-2,016	-2,077

The cumulated Tax Loss Carry Forward of XDC S.A. amounts to EUR 28.3 million on September 30, 2009. Deferred tax assets are being progressively recognized as the business plan materializes. As at September 30, 2009, 31% of deferred tax assets relating to these losses have been recognized.

NOTE 11: HEADCOUNT

EVS – TV (in full time equivalents)	As at September 30	Quarter average
2009	248	246
2008	227	227
<i>Variation</i>	<i>+9.3%</i>	<i>+8.4%</i>

Starting January 1, 2009 with 233 full time equivalents, the group hired 15 people, net, during the first nine months.

NOTE 12: EXCHANGE RATES

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

	9M	Q3
Average exchange rate 2009	1.3660	1.4303
Average exchange rate 2008	1.5218	1.5050
<i>Variation</i>	<i>+10.2%</i>	<i>+5.0%</i>

	At September 30
2009	1.4643
2008	1.4303
<i>Variation</i>	<i>-2.4%</i>

NOTE 13: 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 September 30, 2009, the group held USD 6.0 million in forward exchange contracts earmarked to hedge 50% of the net future cash-flows in dollars with an average maturity date of April 26, 2010 and with an average exchange rate EUR/USD of 1.3589.

NOTE 14: SUBSEQUENT EVENTS

On October 20, 2009, EVS Broadcast Equipment announced a major contract to provide a server solution to UK based 24 hour news channel Sky News, ahead of the organization's launch of an HD news channel in Spring 2010.

NOTE 15: RISK AND UNCERTAINTIES

Investing in the stock of EVS involves risks and uncertainties. The risks and uncertainties relating to the remainder of the year 2009 and 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-global.com).

NOTE 16: RELATED PARTIES TRANSACTIONS

There were no significant related parties transactions during the first nine months of 2009.