



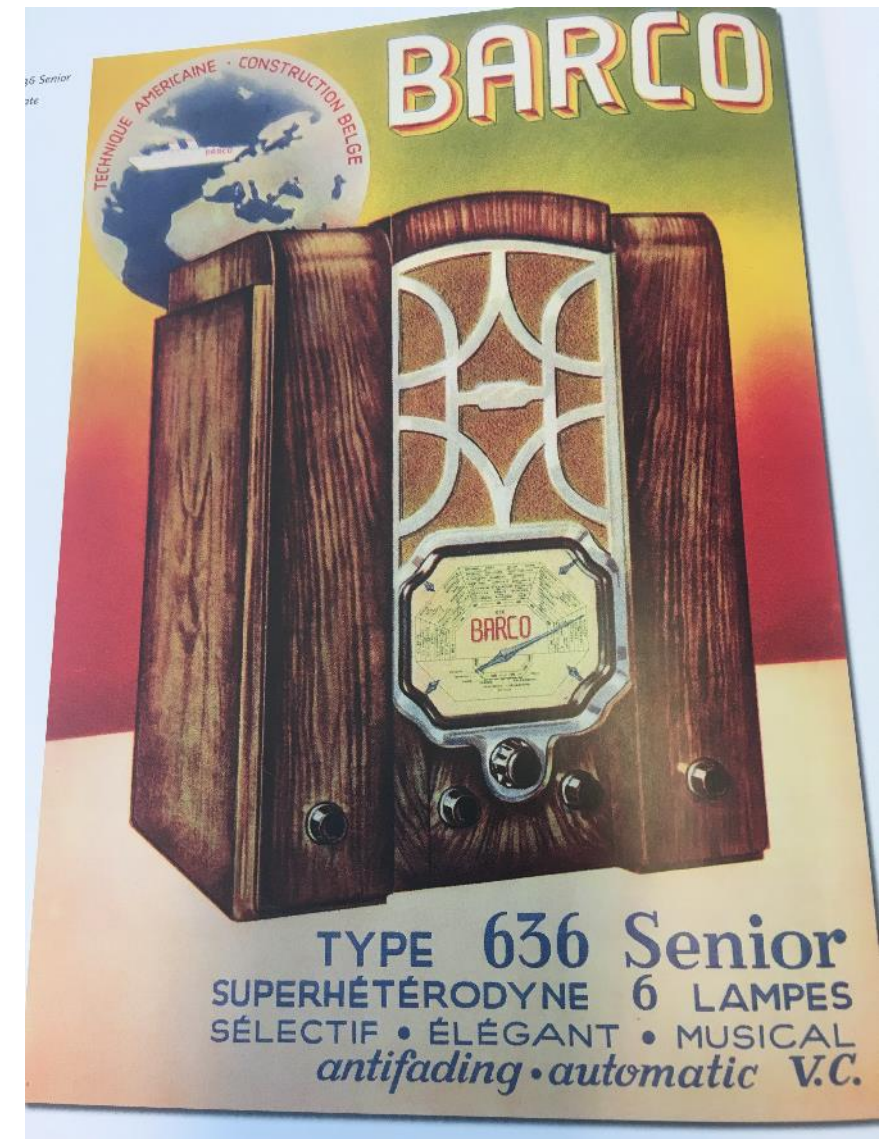
# Shape

## Shaping our future

**Building a platform for sustainable profitable growth**

IR Presentation September 2019

Happy 85th Birthday to us !



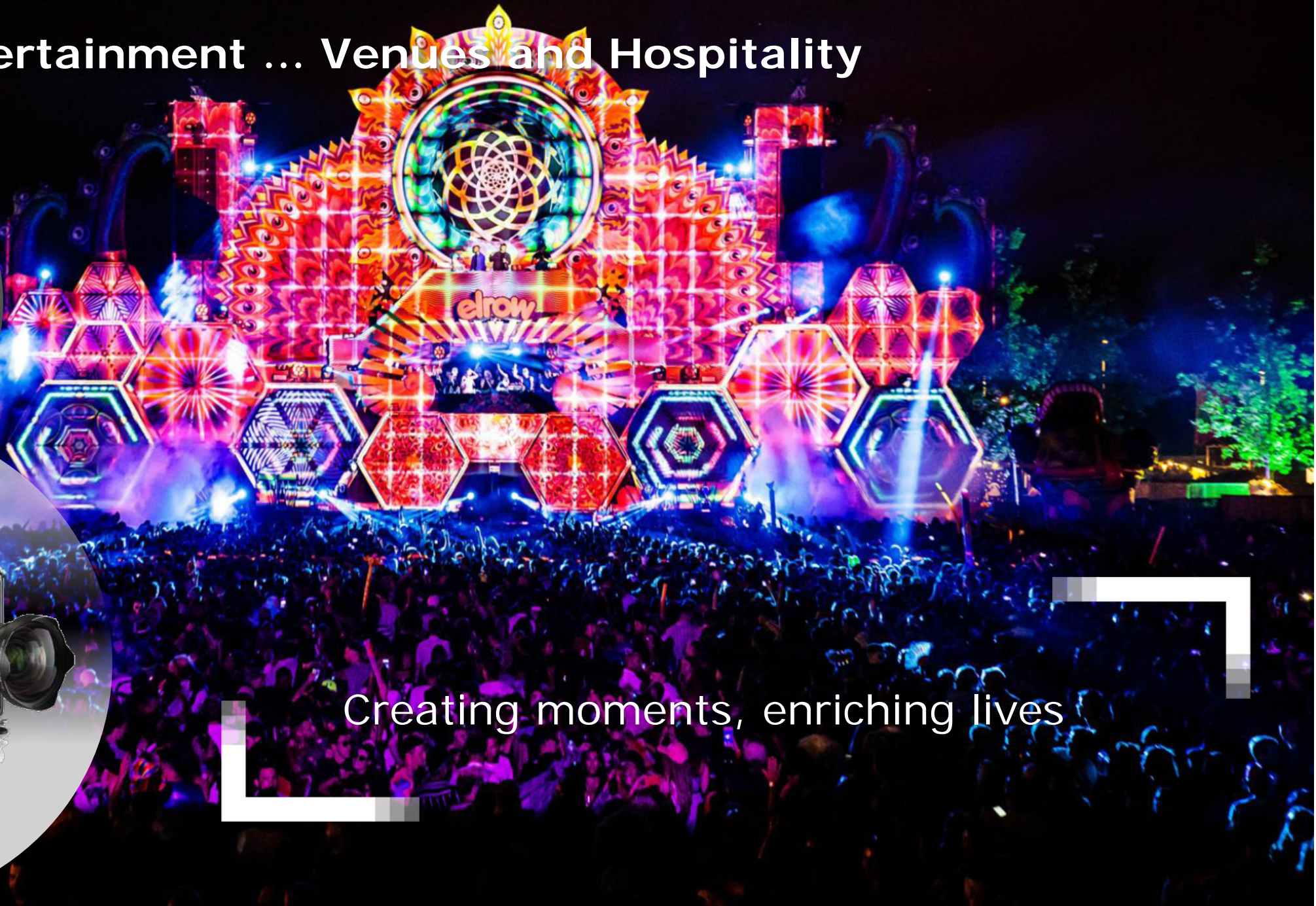
Barco ... A world leader in **ADVANCED VISUALIZATION**

The background of the slide features a complex network graph with numerous blue nodes and connecting lines, overlaid on a dark blue gradient. A human hand is visible on the right side, with fingers touching the screen, suggesting an interactive digital environment. Two white L-shaped graphic elements, composed of a series of small squares, are positioned on the left and bottom right of the central text.

We **enable bright outcomes**  
by transforming content into  
insight and emotion



# Entertainment ... Venues and Hospitality



Creating moments, enriching lives



# Entertainment ... Cinema



**cinionic**  
EXPERIENCES. DELIVERED.

Unforgettable  
moments





# Enterprise ... Corporate



Better meetings,  
better business

# Enterprise ... Control Rooms

Stay in control







# Healthcare ... Radiology Diagnostics

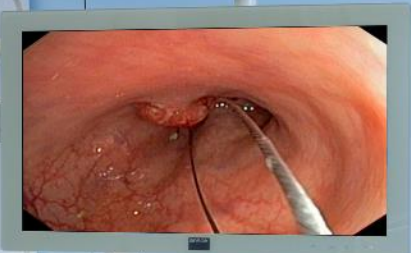
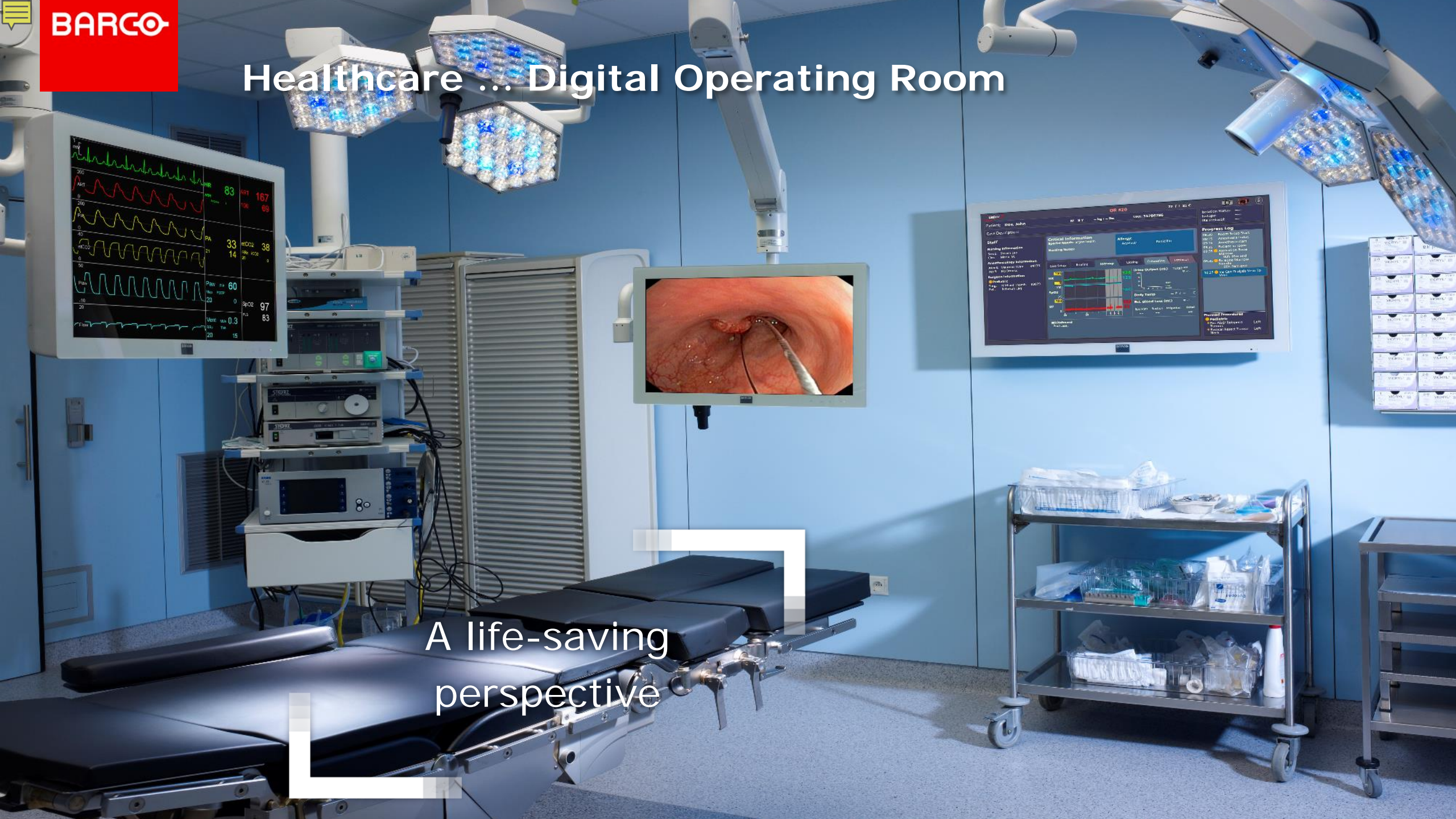


Diagnose better  
& save lives





# Healthcare ... Digital Operating Room



A life-saving  
perspective

# Innovator in advanced visualization technologies

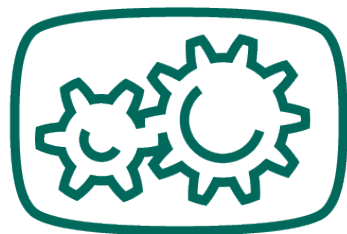
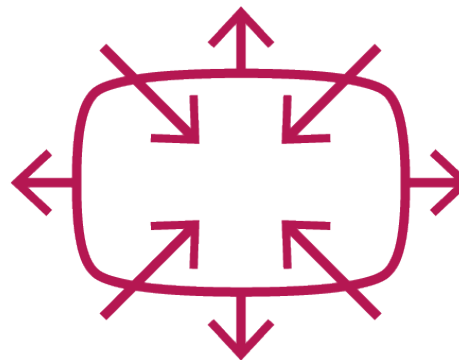
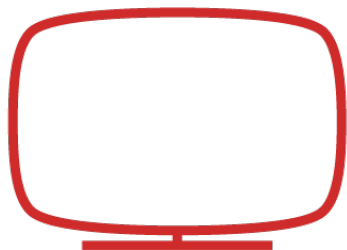


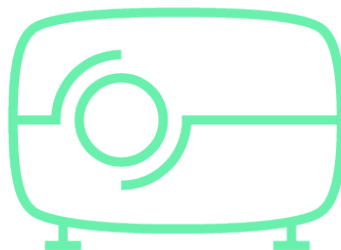
Image Processing  
& Rendering



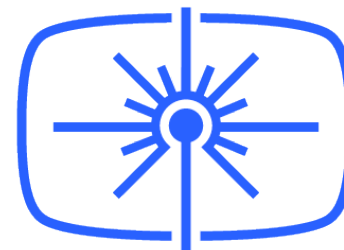
Connectivity &  
Collaboration



Display  
technology



Projection  
technology



Digital laser &  
programmable light



Global, with staying power ... Business Scope 1+ Bn EU revenue

### Sales per division

Entertainment **43%**  
Healthcare **24%**  
Enterprise **33%**

### Geographical breakdown of sales

The Americas **36%**  
EMEA **36%**  
Asia-Pacific **28%**

Multi-business enterprise ...

... global footprint



# Barco today | Global advanced visualization technology partner

... with legacy & pride



+80 years  
of growth

through **smart innovation**



A trusted partner  
listed in the Bel 20 index

...for 70% of the **Fortune**  
**500 companies**



Enabling bright outcomes  
around the world

**Global and local** capabilities



+3,600 employees

Led by an **experienced and diverse**  
leadership team



Solid financial results

A stable company ... **a profitable growth**  
**track ...** sound Balance sheet



Innovation  
that matters

We own our technology  
**(340 patents)**





## New course set for Barco in 2016

Moving **performance targets up**



Driving **execution culture**



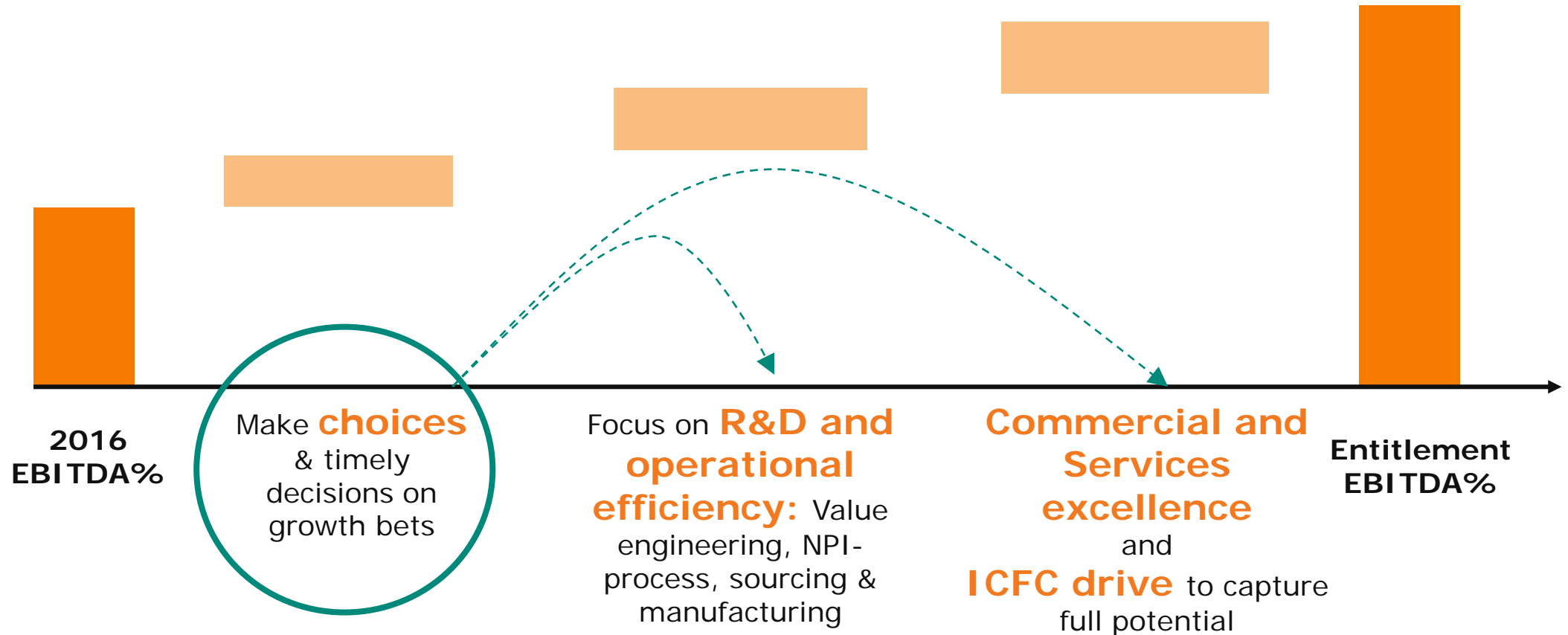
**To enhance ...**

- Quality of revenues and earnings
- Performance culture and resilience
- Stronger portfolio & capability platform



# What we said we would do as of 2017

Levers to drive Barco's "Focus to Perform"

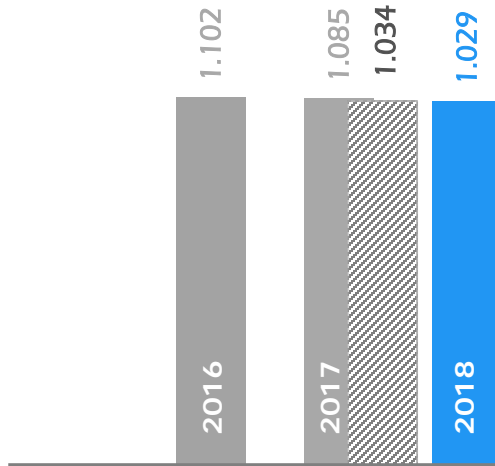


A multi-year journey ... building capabilities ... objective: **sustained profitable growth**

# Results | 2016 - 2018

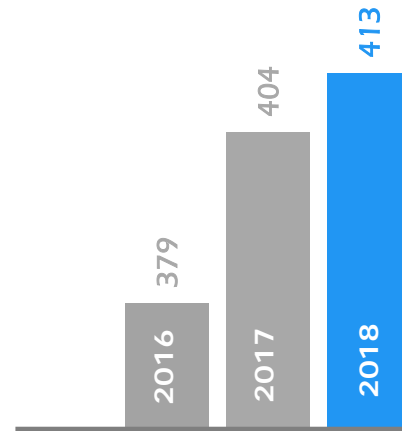
## Sales

(in millions of euro)



## Gross Profit

(in millions of euro)

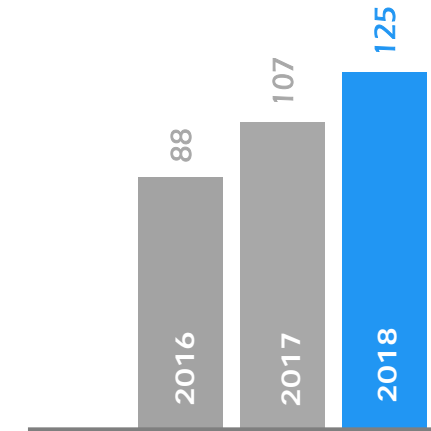


Gross Profit Margin%

34% 37% 40%

## EBITDA

(in millions of euro)



Ebitda Margin %

8,0% 9,9% 12,1%

On essentially organic flat sales Barco **showed resilience** with...

Gross Profit Margin increasing **6 ppt** reflecting **value engineering and mix** progress

and a **4 ppt EBITDA margin expansion**, fueled by opex redeployments and gross profit

### Pro forma comparison

To present comparable data 2018 versus 2017, 2017 figures for sales are presented **on a pro forma basis assuming the deconsolidation of the BarcoCFG joint venture had taken place on July 1, 2017**. Other metrics such as Gross Profit and EBITDA and related margins are not restated as the impact of the deconsolidation is not material.





## Chapter II: Leveraging OneBarco synergies



- Sharing a **coherent set of value propositions** accross the group
- Leveraging **innovation, technology platforms and business model development** across business units
- **Scale and scope economies** in operations & commercial channels
- Developing **“In Country For Country (ICFC)”** capability



## Chapter II: Further investing in Barco's growth capability

**Shape**

- Maintain & strengthen **“Focus to perform”** mindset
  - Value engineering and operations efficiency → **margin**
  - Build process & leadership capabilities → **resilience**
- Building **Growth**-capabilities and **OneBarco synergies**
  - **commercial** capabilities & coverage
  - **product management** and segment **marketing**
  - **software** development
  - **services** quality
- Sharpen organizational **agility & customer centricity**

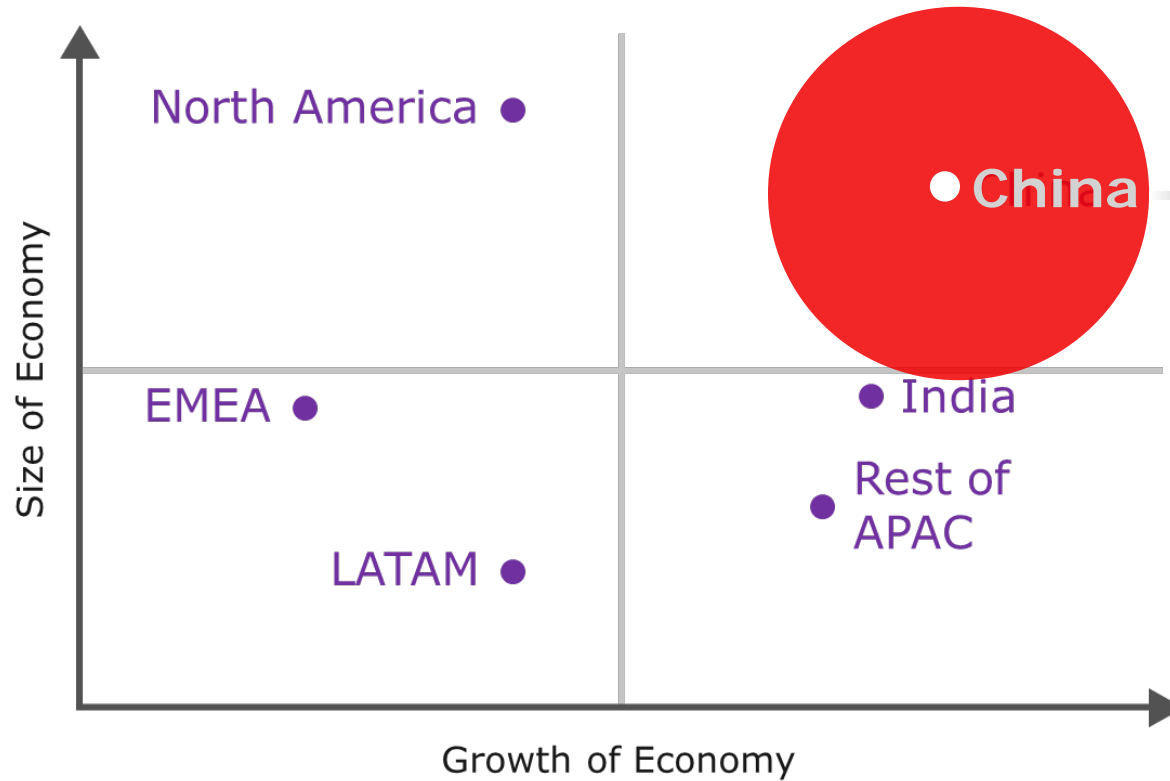




## Chapter II: Capture market growth opportunities

- **Healthy markets** with global applicability of our solutions
  - > Mature: installed base renewals & upgrades
  - > Growth: new installations
  
- Attractive **market cycle** opportunities
  - > ClickShare family: "a €360m market & growing "
  - > Surgical: "a € 250m market (2018) and growing"
  - > Cinema: renewal of 80k screens in North Am & Europe
  - > Control Rooms: 'smart' infra (cities, critical ops ...)
  
- **New Product Introduction** translating into commercial success and scale
  - > UniSee: 500 in first 500 days
  - > UDX platform: +1400 in 18 months
  - > Series 4 platform for Cinema (04/'19)
  
- Sustained R&D investment to feed **innovation pipeline**
  - > Incubators and growth investments across divisions

## Chapter II: ... and tapping into geographical opportunities



- Top 2 GDP, mid-high single digit growth
- New infrastructure build in tier 2-3 cities
- 300+ cities & 220m+ people embarking on modernization wave
- Leap frogging to latest technology

### Our way to win:

#### **In Country For Country (ICFC) ...**

- Design with Chinese customer in mind
- Local labor cost, low cost supply
- Capture local innovation
- Move at China speed
- Be seen as 'Chinese' by customers

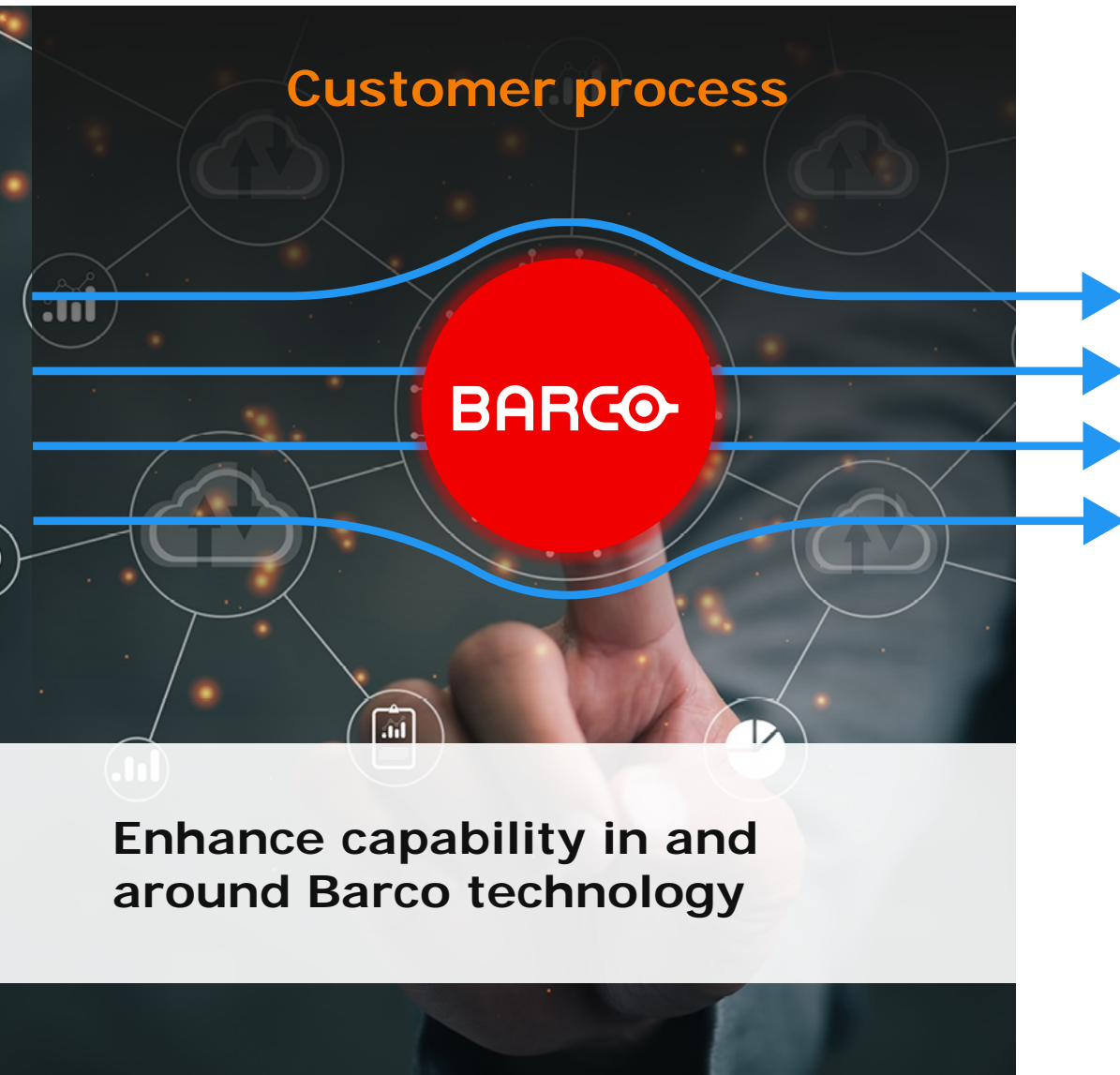
**... lead by 'glocal' talent**



## Chapter II: ... integrating in Suzhou Medtech eco-system



## And preparing Chapter III ... to capture the opportunity of Barco's installed base



### Customer outcomes

- Quality
- Cost of ownership
- Efficiency
- WOW! Experience
- Collaboration quality
- Actionable insight



**Increase value delivered to customer ... and monetize**



# Customer value and technology stack – Operating room

## Technology

## Barco Solutions

## Outcomes



### OR & Surgical analytics



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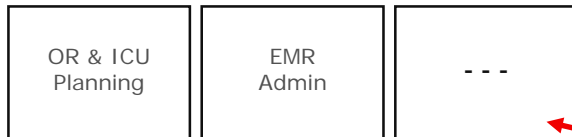
#### Barco-caresyntax collaboration



- ✓ Clinical quality & efficacy
- ✓ OR efficiency

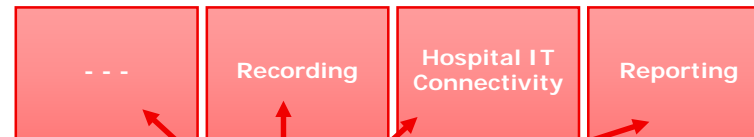


### OR Workflow

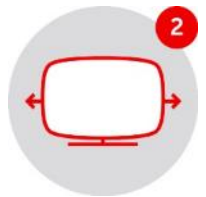


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#### Barco-caresyntax collaboration



- ✓ Integrated recording/reporting
- ✓ Collaboration across patient pathways



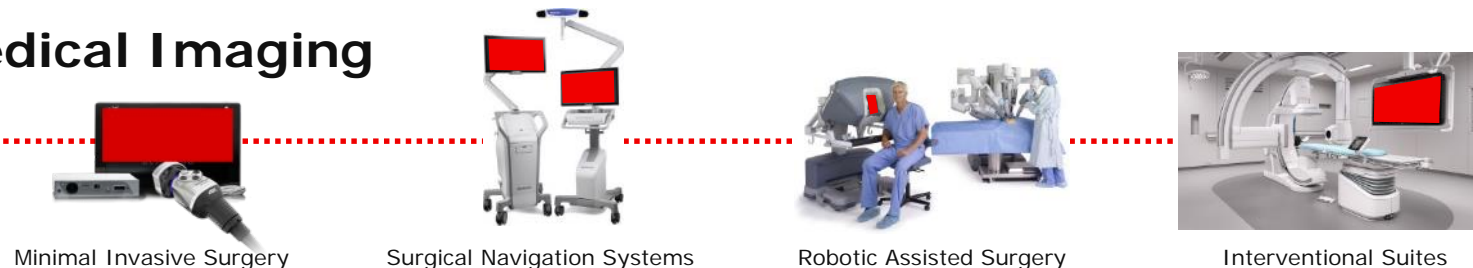
### Device connectivity



- ✓ High quality, zero-latency, connectivity of images and video streams



### OR Medical Imaging



- ✓ Reliable high resolution visualization

# How do we monetize around our Installed Base?

## Technology



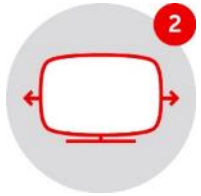
### **Analytics solutions**

Harness the power of data for sustainable outcomes



### **Workflow solutions**

Enabling customer productivity & simplicity



### **Device connectivity**

Enabling data stream, collaboration and BYOD



### **Hardware**

Build / renew innovative technology infrastructure

**SaaS and Solutions propositions** leveraging the data in and around installed base (partnerships and in-house developed)

Connectivity solutions and services revenue **capture rate** on top of installed base

**Market growth and share** capture drive topline New-build and replacement markets.



# Barco technology stack opportunity : Hardware and Software

## Technology

## Portfolio examples



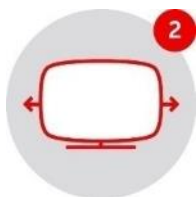
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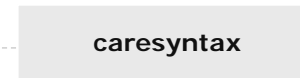
Build / renew innovative technology infrastructure



Demetra



weConnect



caresyntax



Image processing  
& rendering



ClickShare



Synergi



Cinecare



OCS

**QAWeb**

QAweb



Nexxis



Projectors



Videowall  
solutions



Surgical & DI  
displays

**Unilumin**

LED

## Barco Strategy

### INNOVATE

On what matters

Focus to

**PERFORM**

Offer

**OUTCOME-BASED  
SOLUTIONS**

Go for

**SUSTAINABLE  
IMPACT**

Augment technology innovation, and ROI, with deeper customer and market insights

Deliver with focus and efficiency, while leveraging OneBarco scale and building ICFC capability

Build capabilities to be a Hardware + Software + Services partner that enables outcomes for its customers

Go for sustainable impact for People/Planet/Communities

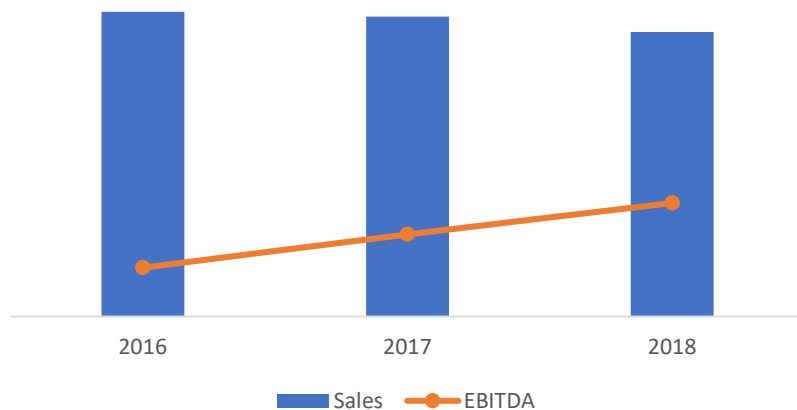




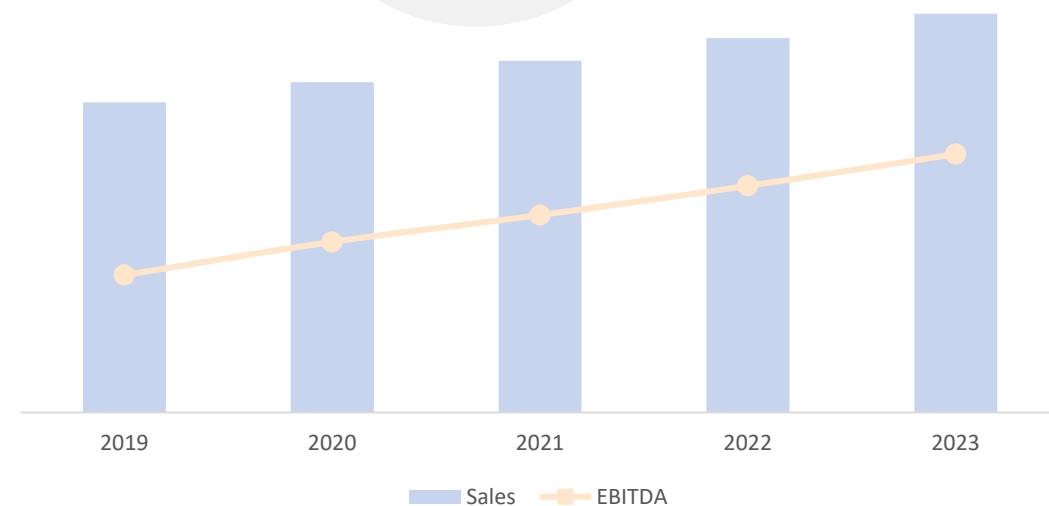
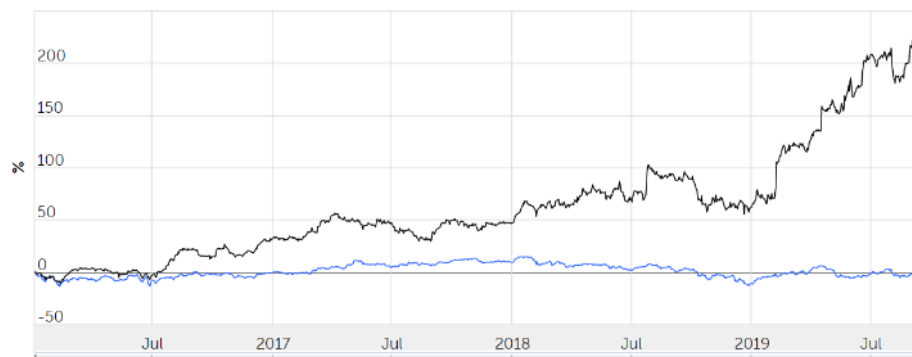
# Creating shareholder value | Short & mid-term outlook



## Results



## Share price



**Efficient growth driving profit accretion,**  
while investing in **building recurring revenues capabilities**

\*: Infographic projections based on following guidance parameters:

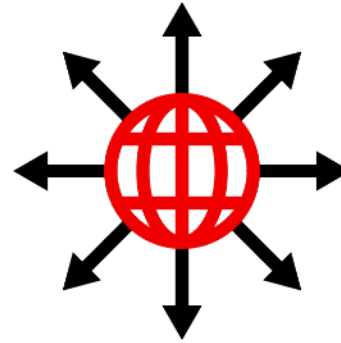
**Sales:** Efficient growth: mid+ single digit growth

**EBITDA:** 2020: 14-15% | 2022: 14-17%

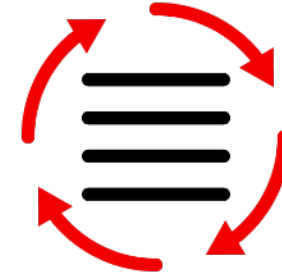
## Barco | What to remember



A more resilient and healthy platform and portfolio ... continuing to build capabilities



Capture market growth: Innovation, Commercial Excellence and ICFC



Monetize 'Value stack' around installed base



Growth outlook  
Mid+ single digit



EBITDA% outlook  
14-15% by 2020  
14-17% by 2022



**Shape**

**Thank you !**