FULL YEAR RESULTS

Sales FY21 € 804 million, EBITDA margin 7.3%
Demand strong with orderbook up 73% over 2020.

Kortrijk, Belgium, 10 February 2022, 7:30 am – Today Barco (Euronext: BAR; Reuters: BARBt.BR; Bloomberg: BAR BB) announced results for the six- and twelve-month periods ended 31 December 2021.

Financial highlights fiscal year 2021 and 4Q21[1]

- **Orders FY21** € 979 million, +31% versus orders FY20
- **Sales FY21** € 804 million, +4% versus sales FY20
- **Orderbook** year-end € 487 million up 206 million euro versus FY20

- **FY21 EBITDA** € 58.5 million euro or 7.3% of sales versus € 53.6 million in 2020
- **FY21 Adjusted EBIT** € 19.4 million compared to 10.2 million euro in 2020
- **FY21 Free Cash flow** 78 million euro versus a negative 36 million euro for FY20

- **Orders 4Q21** +52% versus 4Q20 ; -2% versus 4Q19
- **Sales 4Q21** +29% versus 4Q20 ; -21% versus 4Q19

- Proposal to increase the **gross dividend to 0.4 euro** per share from 0.378 euro

Executive summary

Group topline – solid order intake and sales conversion lagging
Orders were 979 million euro, up 31 % compared to 2020, driven by solid economic recovery across all markets and all regions.
Sales for the year increased 4% to 804 million euro, still reflecting ongoing effect of the pandemic on business activities and component shortages (estimated impact in 4Q21 was approximately 15 million euro).
Fourth quarter sales were 29% higher than 4Q20 reflecting increases in each business unit but still 21% below the pre-pandemic fourth quarter of 2019.
At the end of 2021 orderbook was at a record level of 487 million euro.

Division topline – encouraging rebound in Entertainment & Enterprise

The Entertainment division delivered good growth in both orders and sales in 2021, following a soft 2020. Both business units contributed to the year-over-year growth with Cinema showing order intake growth across all regions and sequential gains in sales. The Immersive Experience business unit recovered well, particularly in the fixed install business reflecting greater demand from museums, projection mapping and theme parks.

[1] All definitions for alternative performance measures (APM's) are available in the glossary as available on Barco's investor portal (www.barco.com/en/about-barco/investors)

Enterprise saw a continuation of quarter-over-quarter improvements in orders as of 2Q21 in both segments. Sales rebounded toward the end of the year, fueled by solid deliveries and deployments in both the Meeting Experience and Large Videowall segments.

Orders for Healthcare reached a record high in 2021 reflecting the resumption of healthcare investments in both the diagnostic imaging and surgical market segments, while sales were flat, hampered by component shortages.

Profitability & free cash flow

Gross profit margin for the year declined 1.1 percentage points to 35.7% due to higher component and logistics costs mainly in the second semester of 2021. As a result, with operating expenses flat with 2020, EBITDA 2021 amounted to 58.5 million euro for 7.3% EBITDA margin versus 53.6 million euro and a 7% EBITDA margin in 2020.

Free cash flow for 2021 was 78 million euro compared to 36 million euro negative a year earlier, resulting mainly from better gross operating cash flow and decreased working capital.

Quote of the CEO's, An Steegen & Charles Beaduin

The Barco team turned challenges into opportunities,
adjusting to the impacts of the pandemic on business operations

An Steegen and Charles Beauduin commented,"2021 was a challenging year, but we saw undeniable indications of recovery in Barco's demand across all business units and regions attesting to the health of Barco's end markets and strength of our leadership positions. The Barco team turned challenges into opportunities, adjusting to the impacts of the pandemic on business operations. Our new organizational structure has been established and we are already seeing the benefits in customer responsiveness and team engagement.

While we are still dealing with uncertainties regarding the shape and pace of market recoveries, we are starting the year with a strong orderbook, a solid balance sheet and a cost structure that gives us the flexibility to navigate the risks and opportunities ahead. As a result, we are in a good position to resume executing toward our long-term financial objectives."

Outlook 1H22

The following statements are forward looking, and actual results may differ materially.

For the first half of 2022, and assuming no further deterioration of the supply chain constraints, management expects sales to increase approximately 20% compared to 1H21. EBITDA margin is expected to be higher than the full year 2021 EBITDA margin, reflecting gradually improving gross profit margin and operating leverage on higher sales.

The company is not providing a full year outlook for 2022 as visibility for the year is currently limited and business conditions may change substantially over the year.

Dividend

Barco's board of directors will propose to the General Assembly to distribute a gross dividend of 0.4 euro per share, a 5% increase from 0.378 euro a year ago.
Barco's shareholders will be offered the choice between payment in cash or dividend in shares, enabling Barco's shareholders to reinvest in the company.

CEO, Charles Beauduin and chairman of the board, Frank Donck, have confirmed the intent of respectively Titan Baratto NV and 3D NV, to opt for the stock dividend.

Part 1: Update 4Q21

The fourth quarter results were significantly better than last year and the third quarter of 2021. In the fourth quarter, orderbook strengthened further to an all-time high level of 487.0 million euro mainly due to continued solid order intake.

In an environment marked by a mixture of demand recovery, intermittent lockdowns and supply chain constraints, Entertainment and Enterprise generated approximately 40% sales growth in the fourth quarter, compared to both the third quarter of 2021 and to the fourth quarter of 2020. The Healthcare division registered 5% growth compared to the fourth quarter of 2020 and 10% growth compared to the third quarter of 2021.
Although sales were up year-over-year in all divisions, component shortages and transport scarcity continued to cause delays in converting orders to sales (estimated impact of approximately 15 million euro in the fourth quarter).

Order intake & order book

Order intake year-over-year

(in millions of euro)	4Q21	4Q20	4Q19	Change 4Q21 vs 4Q20	Change 4Q21 vs 4Q19
Order Intake	288.1	189.7	292.7	+52%	-2%

Order intake quarter-over-quarter

(in millions of euro)	4Q21	3Q21	2Q21	1Q21	Change 4Q21 vs 3Q21
Order Intake	288.1	225.1	236.6	228.9	+28%

Order book

(in millions of euro)	31 Dec 2021	30 Sep 2021	30 Jun 2021	31 Mar 2021	31 Dec 2020	30 Sep 2020
Order book	487.0	433.2	391.4	351.5	281.5	299.1

Sales

Sales year-over-year

(in millions of euro)	4Q21	4Q20	4Q19	Change 4Q21 vs 4Q20	Change 4Q21 vs 4Q19
Sales	251.6	195.4	319.2	+29%	-21%

Sales by division year-over-year

(in millions of euro)	4Q21	4Q20	4Q19	Change 4Q21 vs 4Q20	Change 4Q21 vs 4Q19
Entertainment	106.7	77.3	140.4	+38%	-24%
Enterprise	77.2	53.9	107.1	+43%	-28%
Healthcare	67.7	64.3	71.7	+5%	-6%
Group	**251.6**	**195.4**	**319.2**	**+29%**	**-21%**

Sales by division quarter-over-quarter

(in millions of euro)	4Q21	3Q21	2Q21	1Q21	Change 4Q21 vs 3Q21
Entertainment	106.7	73.3	74.1	55.7	+46%
Enterprise	77.2	52.0	51.3	52.5	+48%
Healthcare	67.7	61.3	68.9	63.5	+10%
Group	**251.6**	**186.7**	**194.3**	**171.7**	**+35%**

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Part 2: consolidated results for the fiscal year 2021

2.A. Update financial results

Order intake & order book

Order intake

Order intake was 978.8 million euro, up 31% from 746.0 million euro a year ago with increases in all divisions and across all regions.

(in millions of euro)	FY21	FY20	FY19	*Change vs FY20*
Order intake	978.8	746.0	1,102.2	+31%
Order intake at constant currencies				*+34%*

Order book

Order book at year end was 487.0 million euro compared to 281.5 million euro at FY20 year-end, an increase of 73% mainly driven by strong order intake in all divisions combined with slow conversions from orders to sales.

(in millions of euro)	31 Dec 2021	31 Dec 2020	31 Dec 2019	*Change vs FY20*
Order book	487.0	281.5	322.3	+73%

Order intake by division

(in millions of euro)	FY21	FY20	FY19	*Change vs FY20*
Entertainment	386.6	268.7	491.0	*+44%*
Enterprise	262.4	215.2	350.9	*+22%*
Healthcare	329.8	262.1	260.2	*+26%*
Group	**978.8**	**746.0**	**1,102.2**	***+31%***

Order intake breakdown by region

	FY21	FY20	FY19	***Change*** *(in nominal value)*
The Americas	37%	39%	41%	*+28%*
EMEA	37%	35%	36%	*+37%*
APAC	26%	26%	23%	*+27%*
Global	**100%**	**100%**	**100%**	***+31%***

Sales

As a result of slower conversion of orders to sales, mainly due to supply chain constraints, full year sales increased by 4%.

Impact of supply chain constraints

As previously disclosed, Barco is not immune to component shortages and supply chain constraints both of which impacted selected product lines. While the team has been able to mitigate some of this, the negative impact was primarily noticeable in the projector and large videowall deliveries and healthcare displays & components assemblies.

While sales in Healthcare remained flat, Entertainment and Enterprise registered mid to high single digit increases. From a regional perspective, EMEA booked the strongest increase, up 9% versus last year, while the American and APAC regions booked more modest increases in sales.

Sales

(in millions of euro)	**FY21**	**FY20**	**FY19**	***Change vs FY20***
Sales	804.3	770.1	1,082.6	*+4.4%*
Sales at constant currencies				*+6.7%*

Sales by division

(in millions of euro)	**FY21**	**FY20**	**FY19**	***Change vs FY20***
Entertainment	309.7	291.4	455.1	*+6%*
Enterprise	233.1	216.8	358.7	*+8%*
Healthcare	261.5	261.9	268.8	*-0%*
Group	**804.3**	**770.1**	**1,082.6**	***+4.4%***

Sales by region

	FY21	**FY20**	**FY19**	***Change vs FY20*** *(in nominal value)*
The Americas	37%	39%	39%	*+1%*
EMEA	38%	36%	37%	*+9%*
APAC	25%	25%	24%	*+3%*
Global	**100%**	**100%**	**100%**	***+4.4%***

Profitability

Gross profit

Component and transport scarcity elevated costs of goods sold and led in addition to manufacturing and sales inefficiencies. This combination of factors had a marked impact on the gross profit margin for 2021.
Barco implemented price increases across its portfolio and regions and expects these price increases to benefit gross profit margin beginning in the first half of 2022.
In 2021, gross profit margin was 35.7%, a decline of 1.1 percentage points compared to 2020.
Gross profit was 287.5 million euro, up 1.3% compared to 2020 on a sales increase of 4.4%.

Indirect expenses & other operating results

Total indirect expenses were stable at 265.4 million euro compared to last year, reflecting continued cost containment measures offset by selective investments in research and development and commercialization to defend and extend the company's market position.
As a percentage of sales indirect expenses were 33.0% in 2021 compared to 34.5% in 2020.

- Research & Development expenses remained flat at 101.3 million euro (compared to 102.6 million euro last year). As percentage of sales, R&D expenses were 12.6% of sales compared to 13.3% a year earlier.
- Sales & Marketing expenses increased slightly to 116.2 million euro, compared to 112.3 million euro for 2020. As a percent of sales, Sales & Marketing expenses were 14.5% of sales compared to 14.6% in 2020.
- General & Administration expenses amounted to 47.9 million euro compared to 50.4 million euro last year and were 6.0% as a percentage of sales compared to 6.5% in 2020.

Other operating expenses amounted to 2.7 million euro, 5.6 million lower than 2020, as a result of a combination of lower exchange losses, lower bad debt and other provisions and gains realized on the sale of a building in a German site.

EBITDA & adjusted EBIT

The combination of a modest increase in gross profit and flat indirect expense level, resulted in an increase in EBITDA to 58.5 million euro from 53.6 million euro last year.
EBITDA margin was 7.3% versus 7.0% for 2020.

All three divisions posted mid- to high single digit full year EBITDA margin.

- Entertainment improved from break-even in 2020 to 6.9% reflecting improved gross profit margin, resulting from price increases offsetting the impact of supply constraints, and disciplined indirect cost controls.
- Enterprise EBITDA margin was 6.3%, 2 percentage points lower than last year mainly due to a lower gross profit margin as result of higher transport costs and component shortages in combination with increased investment in commercialization and core portfolio product developments.
- Healthcare's EBITDA margin was almost 5 percentage points lower year-over-year due to the negative impact on gross profit margin of component shortages and transport disruptions and a lagging effect of price increase.

FY21 *(in millions of euro)*	**Sales**	**EBITDA**	**EBITDA %**
Entertainment	309.7	21.5	6.9%
Enterprise	233.1	14.6	6.3%
Healthcare	261.5	22.4	8.6%
Group	**804.3**	**58.5**	**7.3%**

EBITDA by division 2021 versus 2020 (and 2019) is as follows:

(in millions of euro)	**FY21**	**FY20**	**FY19**	***Change vs FY20***
Entertainment	21.5	0.3	43.3	*+7380%*
Enterprise	14.6	18.2	74.0	*-20%*
Healthcare	22.4	35.0	35.7	*-36%*
Group	**58.5**	**53.6**	**153.0**	***+9%***

Adjusted EBIT[2] was 19.4 million euro or 2.4% of sales, compared to 10.2 million euro or 1.3% of sales for 2020.

As a result of the organizational redesign and a number of cost down measures across different countries and functions, Barco booked 6.4 million euro restructuring and impairment charges. Taking this charge into account EBIT was 13.0 million euro compared to -4.3 million euro in 2020.

Income taxes

Taxes in 2021 were 2.1 million euro for an effective tax rate of 18%, compared to zero last year on pre-tax negative results.

Net income

Full year net income attributable to the equity holders was 8.9 million euro compared to -4.4 million euro a year ago.

Net income per ordinary share (EPS) was 0.10 euro versus -0.05 euro in 2020. Fully diluted earnings per share were also 0.10 euro compared to -0.05 in 2020.

[2] Adjusted EBIT is EBIT excluding restructuring charges and impairments, see Glossary Annual and Half year report

Cash flow & Balance sheet

Free cash flow and Working capital

Free cash flow for 2021 was 78.0 million euro reflecting primarily gross operating cash flow of 50.5 million euro and reduced working capital. Free cash flow for 2020 was 35.9 million euro negative on lower EBITDA and cash outlays associated with the restructuring and working capital.
All divisions contributed to the positive free cash flow for 2021.

(in millions of euro)	FY21	FY20	FY19
Gross operating Free Cash Flow	**50.5**	**43.9**	**139.8**
Changes in trade receivables	*-4.9*	*41.4*	*-32.2*
Changes in inventory	*4.4*	*-12.3*	*-33.0*
Changes in trade payables	*42.8*	*-59.9*	*23.4*
Other Changes in net working capital	*13.2*	*-24.0*	*15.6*
Change in net working capital	**55.5**	**-54.8**	**-26.1**
Net operating Free Cash Flow	**106.1**	**-10.8**	**113.7**
Interest Income/expense	*-1.1*	*-0.1*	*5.8*
Income Taxes	-8.4	-10.4	-13.1
Free Cash Flow from operating activities	**96.6**	**-21.4**	**106.4**
Purchase of tangible and intangible FA	*-18.8*	*-15.0*	*-20.2*
Proceeds on disposal of tangible and intangible FA	*0.2*	*0.5*	*2.4*
Free Cash Flow from investing	**-18.6**	**-14.5**	**-17.8**
FREE CASH FLOW	**78.0**	**-35.9**	**88.7**

Working capital

Inventory + Accounts Receivables – Accounts Payables over sales was 27.2% compared to 32.6% in 2020.
Net working capital improved to 5% of sales compared to 10% of sales in 2020.

The improvements in working capital reflect mainly collections of past due trade receivables, mostly in Entertainment, and higher trade payables linked to higher amounts of component purchases. Inventory levels remained stable compared to year-end, a combination of higher raw materials and lower finished goods inventory.

(in millions of euro)	FY21	FY20	FY19
Trade Receivables	157.0	146.1	195.4
DSO	***56***	***67***	***55***
Inventory	175.5	175.4	169.0
Inventory turns	***2.4***	***2.3***	***3.2***
Trade Payables	-114.0	-70.3	-128.9
DPO	***80***	***53***	***71***
Other Working Capital	-171.7	-170.6	-205.2
TOTAL WORKING CAPITAL	**46.8**	**80.6**	**30.2**

Capital expenditure

Capital expenditure was 18.8 million euro compared to 15.0 million euro in 2020, an increase driven by investments in expanding the company's manufacturing footprint in China.

ROCE

ROCE for the year was 4% versus 3% for 2020 and versus 25% for 2019.

Cash position

Net financial cash position, including net cash held in Cinionic, was 309.8 million euro, compared to 193.5 million euro end of 2020.
The increase versus last year is attributable to the swing to positive free cash flow, a lower amount of dividend payments and the sale of a minority investment position.

2.B. Update Planet - People - Communities

Barco has organized its sustainability program into 3 pillars: the planet, our people and the communities we operate in.
For each of these three sustainability pillars, the company has formulated an overall ambition statement and defined several focus areas. In this chapter we offer some highlights on the progress we made in 2021 within each of these pillars. For a more comprehensive sustainability chapter please read our Planet – People – Communities report.

Planet

Under the Planet pillar, Barco has set a goal of reducing its environmental footprint and that of its customers.

	FY21	FY20	FY19	*Change vs 2020*
Greenhouse Gas emissions from own operations reduction (vs 2015)	-33%	-34%	-20%	*-1ppt*
% Revenues from ECO labelled products	31%	26%	-	*+5ppts*

Barco's environmental footprint performance during 2021 was mixed. An increase in the logistics emissions due to severe supply chain constraints was partially offset by savings in mobility (business travel and fuel emissions) reflecting lockdowns and travel restrictions.
To reduce the footprint of its products and to improve the eco-friendliness of its solutions portfolio Barco has introduced and rolled out a company-wide eco scoring methodology. It started measuring the revenues from the ECO-labelled solutions in 2020 and set the target level for 2023 of 70% ECO labelled revenues.[3] In 2021, 31% of revenues came from products with a Barco ECO-label compared to 26% for 2020. Driven by an increasing proposition of ECO-labelled product releases, the company expects to see ECO labelled revenues increase.
In addition, Barco's carbon reduction target was formally approved in 2021 by the Science Based Targets initiative, and declared consistent with levels to keep global warming to below 1.5°C

[3] For more information about Barco eco scoring methodology, see Barco's latest Annual report on https://ir.barco.com/2021/uploads/files/PDF/Barco-IR2021-PPC

People

Barco invests in sustainable employability by creating the right conditions for our employees to have an engaging, enriching and healthy career at Barco.

	2021	2020	2019	Change vs 2020
Employee Net Promotor Score	38.5	-	-	*NA*

In 2021, we started to measure the Employee Net Promotor Score (E-NPS) via short surveys, resulting in a first E-NPS score of 38.5, which breeds into the category “great engagement”.

Communities

Barco is committed to playing an active role in the communities in which it operates in by upholding the highest ethical and quality standards and holding its business partners to the same standards.
In this context Barco remains focused on a value-add customer experience. The company gathers feedback from end customers as well as partners on a quarterly basis using the relational Net Promotor Score (NPS) as its standard customer experience metric.

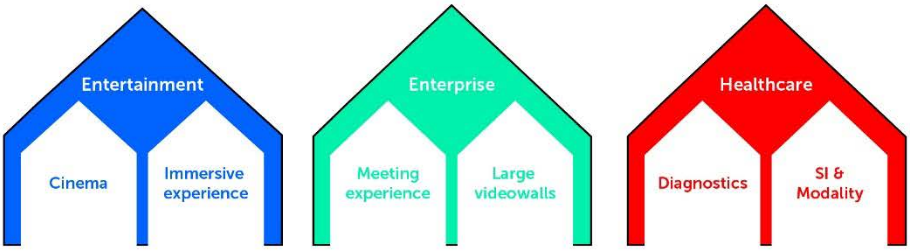
	2021	2020	*Change*
Customer net promotor score	47	47	*0*

In 2021 we significantly increased the number of responses versus previous years, making the outcome more reliable and insightful. At the end of 4Q21, Barco achieved an NPS score of 47 flat with the NPS score at the end of 2020. While Healthcare remained stable, we have seen fluctuations over the year with a lower score for the Meeting Experience segment compared to peak 2020 outcomes, offset by solid increases in our Immersive experience business unit. A score above 50 is considered excellent and that is also where we want to steer the company’s rating.

Part 3: divisional results for the fiscal year 2021

Barco's organizational structure

Barco is a global technology company developing solutions for three main markets, which is also reflected in its divisional structure: Entertainment, Enterprise and Healthcare.



While the divisions and the underlying activities remain unchanged, the naming and the grouping of the activities has been changed to better reflect the target applications and internal organization:

Entertainment: The Entertainment division comprises two business units:

- Cinema offers the industry's most complete range of laser and lamp-based cinema projectors, including image processing and audio solutions. Barco's cinema offering is marketed via Barco CFG (for China) and Cinionic (for rest of the world), which combines the projection technology with consultancy, installation, financing, monitoring and maintenance services.
- The Immersive Experience business unit (formerly named "Venues and Hospitality") offers solutions tailored to the specific needs of large venues, live events, themed entertainment (museums, theme parks, etc.) and simulation applications: projection, image processing and a modular support service solution.

Enterprise: The Enterprise division comprises two business units:

- Meeting Experience (MX) (formerly known as "Corporate") offers collaboration and visualization technologies for a smart workplace or learning environment: ClickShare wireless conference and presentations systems, installation projectors, video walls, weConnect Virtual Classroom, image processors as well as services.
- Large Videowalls (formerly known as "Control Rooms") offers a package of solutions to help control room operators make well-informed decisions: video walls, video wall controllers, control room software and a full suite of support services.

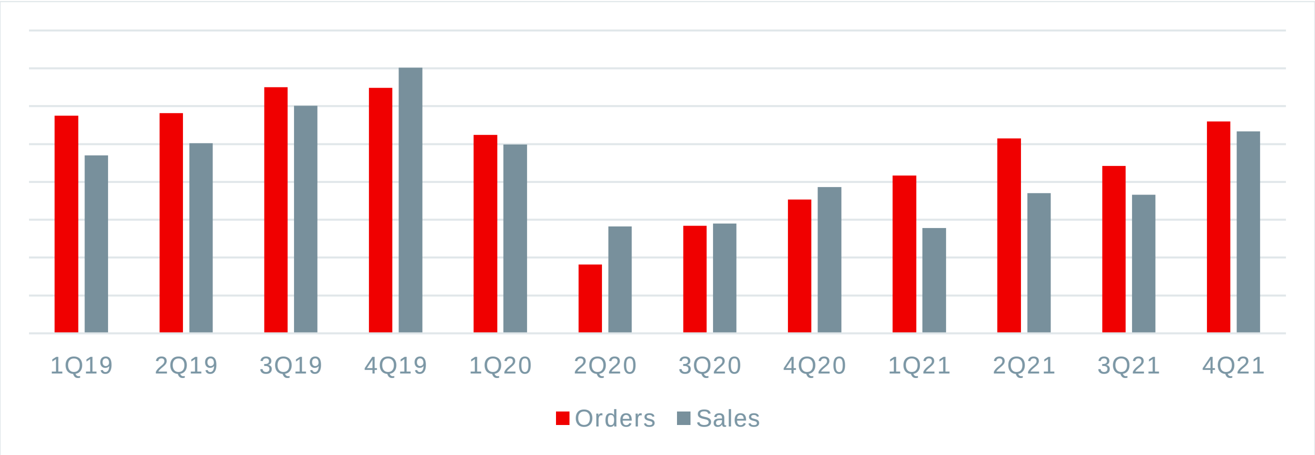
Healthcare: The Healthcare division comprises two business units:

- Diagnostic Imaging offers an extensive line-up of high-precision medical display systems for disciplines including radiology, mammography, dentistry, pathology and clinical review imaging, plus a full suite of support services.
- Surgical and Modality brings together two activities with great synergy potential, as they target the same end-customers (often ORs) and require the same go-to-market strategy. (The modality activity was previously combined with the Diagnostics Imaging activity.) The offering of this business unit includes the company's digital operating room portfolio (hardware + video-over-IP-technology), custom medical displays for modality imaging and a full suite of support services.

ENTERTAINMENT division

(in millions of euro)	FY21	FY20	FY19	*Change vs FY20*
Orders	386.6	268.7	491.0	*+44%*
Sales	309.7	291.4	455.1	*+6%*
EBITDA	21.5	0.3	43.3	*+7380%*
EBITDA margin	6.9%	0.1%	9.5%	

Quarter-over-quarter order and sales 2019-2021



On the strength of continued solid uptakes throughout the year, the entertainment division delivered a 44% increase in order intake and a 6% increase in sales for the year compared to 2020.
Orders and sales gains reflect the resumption of activity in the Immersive Experience segment with strong demand for fixed installations (Museums, theme parks) and projection mapping and in China cinema.
Cinema accounted for approximately 50% of the divisional sales in 2021, in line with the breakdown of last year and compared to 58% in 2019.

The Cinema segment saw a rebound in fundamentals during 2021 including reopening of theaters in the second half of the year in most regions and encouraging visitor attendances statistics supported by an attractive slate of movies. Following an extended period when theaters were closed due to the pandemic, this rebound gives Barco confidence that future growth opportunities in the cinema industry remain intact.
Order growth was solid compared to 2020, driven by new build programs in China, the Middle East, Latin America and selected smaller renewal projects in developed regions. Nevertheless, sales growth was modest as major renewal programs were pushed out of 2021; Barco expects these programs to resume in the second half of the 2022.
The segment also saw increased interest for its retrofit program offerings, as well as for its license-based Cinionic Giant Screen with now more than 400 installations globally (including China). Barco also signed a new long-term frame agreement in 2021 to support IMAX' shift to laser projection in its existing install base and new build plans and related services.

Within the Immersive Experience segment, Barco's intensified commercial focus on its fixed install subsegment and the expanded product portfolio resulted in market share gains and growth in orders and sales. Demand was particularly strong for the growing immersive digital art experience in museums, where Barco has a leadership position, and other fixed AV installations with deployments worldwide, offsetting weakness in the events subsegment due to pandemic-related lockdown measures and event cancellations.
While sales for the Simulation segment were slightly down in 2021 the segment's strong market position and contract wins with reference customers further build its orderbook during the year.

Entertainment's gross profit margin improved slightly compared to last year as a result of timely price increases which offset the impact of higher component and freight costs. In combination with tight indirect expense control this resulted in a significant improvement in EBITDA and an EBITDA margin of 6.9% compared to 0.1% for 2020.

ENTERPRISE division

(in millions of euro)	FY21	FY20	FY19	*Change vs FY20*
Orders	262.4	215.2	350.9	*+22%*
Sales	233.1	216.8	358.7	*+8%*
EBITDA	14.6	18.2	74.0	*-20%*
EBITDA margin	6.3%	8.4%	20.6%	

Quarter-over-quarter order and sales 2019-2021

The Enterprise division saw a gradual recovery over the year with a strong second half order intake followed by a solid sales uptake in the last quarter of the year.
As a result, year-over-year orders increased by more than 20% and sales by 8%.
In terms of the sales mix, the Meeting Experience business unit accounted for about 52% of Enterprise sales for 2021 versus 51% for 2020 and 58% for 2019.

In the Meeting Experience segment growing adoption for wireless conferencing and a reopening of offices led to a gradual recovery of orders particularly in the EMEA region throughout 2021 - demonstrating continued strong correlation with regional back-to-office dynamics- and strong order intake of 3Q21 translating into significant sales growth in the last quarter of the year.
ClickShare has now been installed in nearly 1 million meeting rooms globally up from 850.000 at the end of last year.
The new ClickShare Conference accounted for 45% of ClickShare's volume over the last quarter of 2021 and with more than 70.000 units shipped and installed since the launch in 2020.
Barco continued to build a community of leading meeting room ecosystem players from around the globe making ClickShare the most universally compatible solution for hybrid meetings.
At the same time ClickShare Conference garnered additional industry awards related to the "new normal" of hybrid meetings that commended the solution's simplicity and operability with video conferencing platforms.
In addition, the segment connected more ClickShare installations to Barco's cloud platform, providing lifetime monitoring, diagnostics and usability data on the connected installed base of 30,000 meeting rooms.

With respect to the division's virtual conferencing weConnect growth initiative, we saw our sales and marketing investments have yielded a steadily growing number of distinguished customer references in different regions and a growing funnel.

The Large Videowall segment booked quarter-over-quarter progress in both orders and sales throughout the year.
In the first 3 quarters of the year, sales were somewhat slow caused by project delays in relation with covid restrictions. The fourth quarter showed a clear rebound driven by large size deployments in the Americas region while sales was still held back by component shortages. Orders grew to healthy levels compared to 2020 and exceeded 2019, reflecting the strength of the segment's market position and value proposition. The segment has also made progress in maturing and commercializing its software and networking solution portfolio and offering robust services including upgrades to the installed base.

The division produced a 6.3% EBITDA margin down from 8.4% a year ago driven by higher component and logistics costs and higher indirect expenses reflecting by selective investments in both R&D and sales & marketing.

HEALTHCARE division

(in millions of euro)	FY21	FY20	FY19	*Change vs FY20*
Orders	329.8	262.1	260.2	*+26%*
Sales	261.5	261.9	268.8	*-0%*
EBITDA	22.4	35.0	35.7	*-36%*
EBITDA margin	8.6%	13.4%	13.3%	

Quarter-over-quarter order and sales 2019-2021

The Healthcare division posted very solid order growth in line with a gradual resumption of healthcare investments in Diagnostic Imaging and Surgical.
Conversion to sales lagged, resulting in flat year-over-year sales, mainly due to delayed deliveries resulting from component shortages.
As a result, Healthcare saw its orderbook strengthen significantly.

The Diagnostic segment delivered strong growth in orders driven by intensified demand for Diagnostic solutions in mainly the Americas and the EMEA region. Sales however were slightly down compared to 2020 due to deployments delays and supply chain disruptions.
The segment also strengthened its value proposition with the world first stand-alone approved digital pathology display.
The Surgical & Modality segment recorded solid order and modest sales growth as strategic partners are stepping up demand for Barco's digital operating room solution and the operating room infrastructure market increasingly adopting digital solutions. Barco also expanded its surgical offering with the addition of Nexxislive, an advanced secure cloud-based collaboration software platform.

For its growth initiative, Demetra, a skin cancer diagnostic-solution, Healthcare has been adding partners in both the Americas and European region and has seen its installed base -while still small- grow steadily month-over-month in 2021.

EBITDA margin was below last year's mainly as a result of higher component and freight costs. Barco increased prices also for its healthcare portfolio and expects these price increases will benefit gross profit margin beginning in the first half of 2022.

Conference call

Barco will host an earnings video call with investors and analysts on 10 February 2022 at 9:00 a.m. CET (3:00 am EST), to discuss the results of 2021. Charles Beauduin, CEO, Ann Desender, CFO and Carl Vanden Bussche, IRO, will host the call.
An audio cast of this event will be available on the Company's website www.barco.com by 12:30 p.m. Brussels time (6:30 a.m. EST).

Additional information

Auditor's report

The statutory auditor, PwC Bedrijfsrevisoren BV represented by Peter Opsomer, has issued an unqualified audit report on the consolidated accounts, and has confirmed that the accounting data reported in the press release is consistent, in all material respects, with the draft accounts from which it has been derived.

Request more information

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Financial calendar 2022

Thursday 21 April	Trading update 1Q22
Thursday 28 April	Annual general shareholders meeting
Tuesday 19 July	Announcement results 1H22
Thursday 8 September	Capital Markets Day
Wednesday 19 October	Trading update 3Q22

More information? Please visit our dedicated webpage https://www.barco.com/investors

Disclaimer

This press release may contain forward-looking statements. Such statements reflect the current views of management regarding future events, and involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Barco is providing the information in this press release as of this date and does not undertake any obligation to update any forward-looking statements contained in this press release in light of new information, future events or otherwise. Barco disclaims any liability for statements made or published by third parties and does not undertake any obligation to correct inaccurate data, information, conclusions or opinions published by third parties in relation to this or any other press release issued by Barco.

About Barco

Barco is a global technology leader that develops networked visualization solutions for the entertainment, enterprise and healthcare markets. Our solutions make a visible impact, allowing people to enjoy compelling entertainment experiences; to foster knowledge sharing and smart decision-making in organizations and to help hospitals provide their patients with the best possible healthcare.

Headquartered in Kortrijk (Belgium), Barco realized sales of 804 million euro in 2021 and has a global team of 3,000+ employees, whose passion for technology is captured in +500 granted patents. Barco has been listed on the Brussels Stock Exchange since 1985 (Euronext: BAR; Reuters: BARBt.BR; Bloomberg: BAR BB) .

For more information, visit us on www.barco.com, follow us on Twitter (@Barco), LinkedIn (Barco), YouTube (BarcoTV), or like us on Facebook (Barco).

Annex

Consolidated results for **2H21**

Financial highlights

- Order intake for the semester was 513 million euro, up 48% from 347 million euro a year earlier
- Sales were 438 million euro compared to 363 million euro for 2H20, an increase of 21%
- Gross profit margin was 35% compared to 34% in 2H20
- EBITDA was 31 million euro versus 13 million euro in 2H20. EBITDA margin was 7.1% compared to 3.5% in 2H20

Order intake & order book

Order intake for 2H21 increased 48% compared to 2H20, driven by strong recovery demand in all divisions and all regions. The Enterprise and Entertainment divisions increased with more than 50%, fuelled by the different underlying segments as whereas Healthcare registered a 35% increase.

Order book

(in millions of euro)	**31 Dec 2021**	**30 Jun 2021**	**31 Dec 2020**	**30 Jun 2020**	**31 Dec 2019**	**30 Jun 2019**
Order book	487.0	391.4	281.5	317.2	322.3	344.2

Order intake

(in millions of euro)	**2H21**	**1H21**	**2H20**	**1H20**	**2H19**	**1H19**
Order Intake	513.2	465.6	347.3	398.7	568.3	533.8

Order intake by division

(in millions of euro)	**2H21**	**2H20**	**2H19**	***Change vs 2H20***
Entertainment	200.3	127.4	259.7	*+57%*
Enterprise	151.7	100.7	176.1	*+51%*
Healthcare	161.2	119.2	132.5	*+35%*
Group	**513.2**	**347.3**	**568.3**	***+48%***

ENABLING BRIGHT OUTCOMES

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Order intake by region

	2H21	2H20	2H19	*Change vs 2H20 (in nominal value)*
The Americas	38%	36%	42%	*+57%*
EMEA	40%	34%	36%	*+73%*
APAC	22%	30%	22%	*+7%*

Sales

Second semester sales were 21% higher than 2H20 with solid year-over-year increases in Entertainment (Cinema and IX) and Enterprise (MX and Large Videowalls).
Sales increased in both the EMEA and the American regions while the APAC region showed a small decline.

Sales

(in millions of euro)	2H21	1H21	2H20	1H20	2H19	1H19	2H18
Sales	438.3	366.0	362.9	407.2	586.1	496.4	530.4

Sales by division

(in millions of euro)	2H21	2H20	2H19	*Change vs 2H20*
Entertainment	179.9	135.3	260.6	*+33%*
Enterprise	129.2	103.9	184.8	*+24%*
Healthcare	129.1	123.6	140.8	*+4%*
Group	**438.3**	**362.9**	**586.1**	***+21%***

Sales by region

	2H21	2H20	2H19	*Change vs 2H20 (in nominal value)*
The Americas	38%	35%	39%	*+32%*
EMEA	39%	37%	36%	*+27%*
APAC	24%	28%	25%	*-1%*

Profitability

Gross profit

Gross profit was 153.2 million euro for the second semester of 2021 compared to 134.3 in the first half and compared to 123.2 million euro for the second semester of 2020.
Gross profit margin was at 35.0% for the second half of 2021 compared to 36.7% in the first half of the year and 34.0% for the second half of 2020. Gross profit margin declined compared to the first half due to higher component and logistics costs.

Indirect expenses & other operating results

Total indirect expenses were 139.9 million euro or 31.9% of sales compared to 133.8 million euro or 36.9% of sales for the second half of last year. The nominal value shows an increase of 4.6% compared to last year while sales grew with 21%, reflecting good cost control across the board and with relative improvements in R&D, Sales & Marketing and G&A.

- Research & Development expenses were 53.5 million euro compared to 52.7 million euro last year. As a percent of sales, R&D expenses amounted to 12.2% compared to 14.5% for 2H20.
- Sales & Marketing expenses increased in absolute numbers to 62.1 million euro compared 53.5 million euro in 2H20. As a percentage of sales, Sales & Marketing were 14.2% of sales in 2H21 compared to 14.8% in 2H20.
- General & Administration expenses were 24.3 million euro or 5.6% of sales down from 27.5 million euro or 7.6% of sales in 2H20.

Other operating results amounted 2.2 million euro negative compared to 0.3 million euro positive last year.

EBITDA & adjusted EBIT

EBITDA was 31.0 million euro compared to 12.9 million euro for the prior year second semester reflecting increases in sales and gross profit with operating expenses in control.
EBITDA margin in the second half was 7.1% versus 3.5% for the second half of 2020.

By division, EBITDA and EBITDA margin was as follows:

2H21 *(in millions of euro)*	**Sales**	**EBITDA**	**EBITDA %**
Entertainment	179.9	15.5	8.6%
Enterprise	129.2	9.0	7.0%
Healthcare	129.1	6.6	5.1%
Group	**438.3**	**31.0**	**7.1%**

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EBITDA by division 2H21 versus 2H20 and 2H19 is as follows:

(in millions of euro)	**2H21**	**2H20**	**2H19**	***Change vs 2H20***
Entertainment	15.5	-4.6	27.8	*-436%*
Enterprise	9.0	4.5	38.6	*+99%*
Healthcare	6.6	12.9	19.0	*-49%*
Group	**31.0**	**12.9**	**85.4**	***+141%***

Adjusted EBIT was 11.1 million euro compared to -10.2 million euro for the same period last year.

Net income

Net income attributable to the equity holders for the second semester was 6.4 million euro compared to -14.8 million euro in 2H20.