

## PRESS RELEASE

## EOS imaging Reports Half-Year 2019 Revenues Upturn in commercial performance in the second quarter

Paris, July 16, 2019, 18h00 CET – EOS imaging (Euronext, FR0011191766 – EOSI) a leader in 2D/3D orthopedic medical imaging and software solutions for 3D anatomical modeling and surgical planning today announces preliminary consolidated revenues for the half year ending June 30, 2019.

### SECOND QUARTER & FIRST SEMESTER 2019 HIGHLIGHTS

- €3.4 million total Revenues in Q2 2019, of which €2.7 million from Maintenance, Consumables, and Services, and €0.7 million from Equipment sales, which are impacted by the shift in the commercial contracts and sales cycle. Total Revenues for the first half of the year 2019 were €6.0 million.
- **+16% increase in commercial performance (equipment orders + recurring revenues) in Q2 2019: revived momentum, led by over 50% growth in North America and over 30% growth in EMEA;**
- +3% global commercial performance year to date June 2019: NAM: +26%; EMEA : +16%; offset by a decline in APAC against a high H1 2018 comparable base;
- +7% in ASP's over the first half 2019 driven primarily by North America;
- +33% in recurring revenues as of H1 2019 vs H1 2018, driven by Maintenance revenues from a growing install base, bringing total recurring revenues to €5.2 million for the period.

**Mike Lobinsky, CEO of EOS imaging, commented:** “The commercial traction and the positive momentum observed during the second quarter of 2019, especially in North America and EMEA, show that the investments made in our regional commercial teams last year are beginning to deliver. With 30 EOS® orders received over the 1<sup>st</sup> half year 2019, a steady growth of our average selling price and +33% growth in recurring revenues, we are in line with our expectations through mid-year. The enhancements we made in our Advanced Orthopedic Solutions portfolio in H1, including the launch of EOSlink, further strengthen our evolving portfolio of orthopedic hardware, software, and service solutions. These ongoing evolutions along with our growing and maturing EOS system opportunity pipeline make us confident in the future.”

As a reminder, EOS imaging has modified its commercial contracts and sales cycle, to meet customer expectations. With a delay of 3 to 12 months between equipment orders and installations, the alignment of equipment delivery, installation and invoicing will impact revenues in 2019, but create better conditions for commercial development and cash management. Equipment orders are reported to provide advanced visibility and comparability on commercial performance vs. prior years.

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### Q2 2019 Equipment Orders at €6.6 million: revived commercial performance in NAM and EMEA

<b>Equipment Orders and Order Book</b> <i>Non-audited / € million</i> <i>As of June, 30</i>	<b>Q2 2019</b>	<b>Q2 2018</b>	<b>H1 2019</b>	<b>H1 2018</b>
<b>Equipment Orders</b> (in the period)	<b>6.57</b>	<b>6.05</b>	<b>12.82</b>	<b>13.61</b>
EMEA	2.37	1.64	4.79	4.09
APAC	0.70	2.11	1.80	4.21
NAM	3.49	2.30	6.24	5.30
<b>Equipment Order Book Variation</b> (end of period vs end of prior period)	<b>5.86</b>	-	<b>12.05<sup>1</sup></b>	-

In Q2 2019, EOS imaging booked 15 equipment orders, representing a total value of €6.57 million. The number of equipment orders is in line with last year with positive trends in EMEA and in NAM, offsetting a planned decrease in APAC compared to a high basis in 2018.

In value, equipment orders increased by +9% thanks to a rising average selling price in NAM and favorable geographical mix: equipment orders in value grew by +45% in EMEA and +52% in NAM. Q2 orders in APAC region (-67%) tempered by the unusually strong basis of comparison of Q2 2018.

### In the first half of 2019, EOS imaging booked 30 equipment orders for a total value of €12.82 million.

In EMEA, the momentum in France continued, with new orders from prestigious university hospitals. Orders were also booked in new markets: Sweden and the Czech Republic.

In APAC, we are in line with our expectations, as 75% of APAC 2018 FY orders were registered in H1, driven by multiple systems from a clinic chain in Australia and entry into India.

In NAM, EOS adoption continued to be good in the pediatric hospital space with acceleration occurring in hospitals that care for both adult and pediatric ortho/neuro patients as well as hospitals specializing in adult spine and hip/knee care.

### Q2 2019 and H1 2019 total revenue by product lines and by geography

<b>Revenue by product lines</b> <i>Non-audited / Including forex impact<sup>2</sup> / € million</i> <i>As of June, 30</i>	<b>Q2 2019</b>	<b>Q2 2018</b>	<b>H1 2019</b>	<b>H1 2018</b>
Equipment	<b>0.72</b>	6.05	<b>0.77</b>	13.61
Maintenance contracts	<b>2.45</b>	1.74	<b>4.66</b>	3.46
Consumables and services	<b>0.26</b>	0.21	<b>0.57</b>	0.48
<b>TOTAL REVENUE</b>	<b>3.42</b>	8.00	<b>6.00</b>	17.54

<sup>1</sup> End of June 2019, Equipment Order Book Value is equal to 12.05m€, as Dec 2018 Order Book Value was zero.

<sup>2</sup> Forex impact over Q2 2019: €0.08 million

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Revenue by geography Non-audited / Including forex impact <sup>3</sup> / € million As of June, 30	Q2 2019	Q2 2018	H1 2019	H1 2018
EMEA	1.66	2.75	2.92	6.28
APAC	0.18	2.23	0.35	4.44
NAM	1.58	3.02	2.74	6.83
<b>Total Revenues</b>	<b>3.42</b>	<b>8.00</b>	<b>6.00</b>	<b>17.54</b>

**Total revenue for the second quarter 2019 reached €3.42 million in which total Equipment sales were €0.72 million, corresponding to two units from 2019 orders.**

Total Q2 2019 recurring revenue reached €2.71 million, including €2.45 million in maintenance revenue to be compared to €1.74 million in Q2 2018 (+41% growth).

The two unit equipment sales recorded in Q2 is in line with expectations.

**As a comparable indicator to last year’s performance: total Q2 2019 revenue with the addition of the change in Equipment Order Book value, reached €9.28 million to be compared to €8.00 million in Q2 2018. This is a +16% increase, led by NAM (+57%) and EMEA (+32%), offsetting a variation in APAC (-60%).**

**Total revenue for the first half of the year 2019 was €6.0 million in which total Equipment sales were €0.77 million mostly from the two units of Q2.**

Total H1 2019 recurring revenue reached €5.23 million, ie. +33% growth compared to last year, including €4.66 million in maintenance revenue to be compared to €3.46 million in H1 2018.

**Over the semester, EOS imaging demonstrates a positive turnaround in two major markets, especially in NAM: H1 2019 revenue with the addition of the change in equipment order book value reached €18.05 million to be compared to €17.54 million in H1 2018. This global +3% growth is led by +26% in NAM, +16% in EMEA and offset by -52% variation in APAC.**

**Q2 2019 revenue call with financial analysts**

EOS imaging will hold a conference call for financial analysts following Q2 2019 press release on July 16, 2019. The webcast of this call will be available on EOS website.

<sup>3</sup> Forex impact over H1 2019: €0.16 million

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### ABOUT EOS imaging

EOS imaging is a global medical device company that designs, develops and markets innovative, low dose 2D/3D full body and weight-bearing imaging, rapid 3D modeling of patient X-ray images, web based patient-specific surgical planning, and integration of surgical plan into the operating room that collectively bridge the entire spectrum of care from imaging to post-operative assessment capabilities for orthopedic surgery. With a primary focus on hips, knees, and spine, EOS imaging is targeting a \$2 billion annual market opportunity. EOS imaging has over 300 system installations in more than 30 countries generating more than 1 million patient exams annually. In FY 2018, the company reported revenue of €35.4 million. EOS imaging has corporate locations in U.S., France, Canada, Germany, and Singapore, and engages more than 175 employees. For additional information, please visit [www.eos-imaging.com](http://www.eos-imaging.com).

**EOS imaging has been chosen to be included in the new EnterNext® PEA-PME 150 index, composed of 150 French companies and listed on Euronext and Alternext markets in Paris.**

EOS imaging is listed on Compartment C of Euronext Paris  
ISIN: FR0011191766 – Ticker: EOSI



### Next press releases:

- Release of Half-Year financials on September 23, 2019
- Release of Q3 revenue on October 10, 2019

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