

**TRANSPORTATION & LOGISTICS**



**RETAIL**



**FACTORY AUTOMATION**



**HEALTHCARE**





# DEAR SHAREHOLDERS

2015 was the best year in the history of the Datalogic Group. The strategy identified in the two previous years has enabled us to face successfully the challenges of an always more dynamic and complex environment.

The Customer was placed at the centre of the value chain with the goal of meeting and anticipating his/her data collection and process automation needs. Our closeness to our customers and our focus on their needs have been the engines of our growth, together with technological innovation. The awareness of operating in a market characterised by always more demanding customers and always more aggressive competitors have led us increasingly to invest in Research and Development and to leverage the uniqueness of our product portfolio.

To customers in the Retail, Transportation and Logistics, Manufacturing and Healthcare sectors, Datalogic is able to offer products and solutions along the entire supply chain, thanks to the ability to combine different technologies, typical of the markets of automatic data capture (ADC) and of industrial automation (IA).

A sharper focus on the customer and the launch of unique, innovative products allowed our Group to achieve excellent results in 2015, with high growth and improvements in all economic and financial measures, closing with the best results in its history.



In 2015 revenues grew by 15.2% (+5.9% at constant exchange rates) to 535.1 million Euro, as a result of the highly positive performance of the main reference markets, in particular China, Europe and the United States, and of all product lines. The projects for the optimisation of production costs and the centralisation of purchases led to an improvement in the EBITDA, which grew by 6.2% compared to 2014, to 73.7 million Euro, i.e. 13.8% of revenues (15.3% at constant exchange rates).

Investments in Research and Development were further expanded in the course of the year (+11.9% compared to 2014), enabling Invention Disclosures to increase by 25% and new patent applications filed to increase by 33%, bringing the portfolio to approximately 1,200 patents. To confirm the Company's leadership in automatic identification technologies, the acquisition of 20% of the capital of CAEN RFID, a Tuscan company at the cutting edge of RFID-Radiofrequency Identification technology in the Ultra High Frequency (UHF) band was of fundamental importance. This year the Group's innovative ability was once again appreciated at the NRF of New York, the foremost trade show in the Retail world, where the innovative solutions under the Datalogic brand attracted numerous visitors and potential customers.

All this, together with a virtuous financial management on the front of banking conditions, enabled net profit to improve sharply, and in fact it grew by 31.4% to 40.5 million Euro.

On the debt front, Datalogic further improved its net financial position, closing the year at 21 million Euro, in spite of the investments made during the year, which were nearly doubled compared to last year's figure, directed at creating the new production facility in Hungary, introducing new, cutting edge SMT (Surface Mount Technology) lines in all our plants, and at performing renovation work in some locations abroad, to provide our Group with a unified, modern image throughout the world.

These results would not have been possible without the passion and contribution of all the Group's employees and contractors. Investing in talent acquisition and personnel growth is one of the objectives I set for myself when I became Chief Executive Officer and I am convinced it continues to be one of the essential pillars for development. The Datalogic Company Culture was defined in order to orient the personnel's behaviours towards the shared objectives we have given ourselves. Putting the customer first, being innovative and long-term thinking were identified as the 3 essential values of the organisation, the foundations of its success.

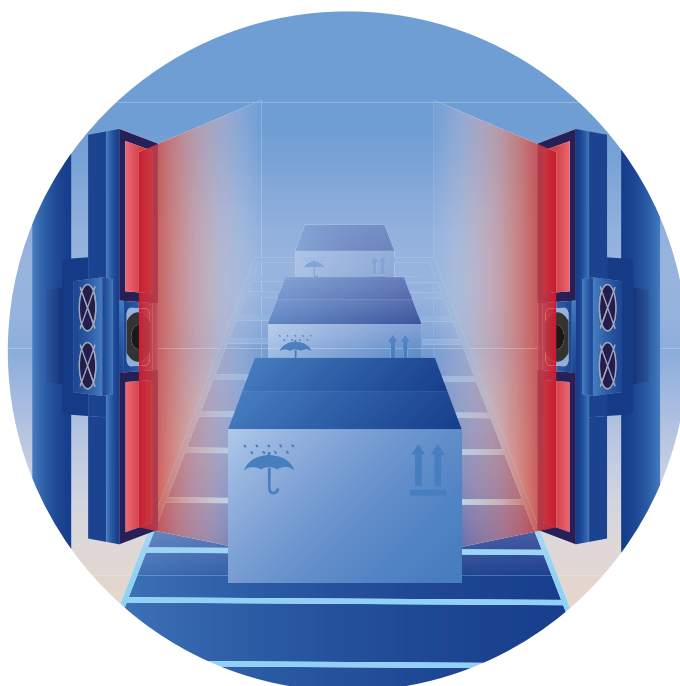
Constant focus on the customer, together with a culture that is solidly grounded on the reasons that have brought the Group from its origins to its present success, will enable us to achieve always more ambitious goals in the future.

Therefore, I am extremely proud of the record results of 2015 and I wish to thank all our Employees, our Customers and Business Partners throughout the world, along with our Suppliers, who have made these results possible. I would especially like to thank all the Shareholders who have believed in the Group, whose results were reflected by the particularly positive share performance. I am certain that, with everyone's active contribution, we will be able to continue to achieve, in the future, the challenging objectives we have set for ourselves to create value for all stakeholders.

Romano Volta  
Chairman and Chief Executive Officer



## TOTAL TRACK AND TRACE SOLUTIONS



## VISION

A World identified, detected, inspected, marked and verified by Datalogic.

## MISSION

To provide customers in the Retail, Transportation & Logistics, Manufacturing and Healthcare sectors with best quality and efficiency in data collection and process automation thanks to superior technology, products, solutions and an extremely talented team of people.

## THE GROUP

Datalogic is a success story in the production of bar code readers, mobile computers for data collection, sensors, vision systems and laser marking systems that satisfy the constantly evolving needs of today's world. Datalogic is active in over 30 nations, markets products in 120 countries, has relationships with the world's leading operators and over 1,000 partners in the **Retail, Transportation & Logistics, Manufacturing and Healthcare** sectors.

Datalogic provides its customers with the broadest range of products and solutions available dedicated to the **Automatic Data Capture (ADC)** and **Industrial Automation (IA)** sectors.

In the **ADC market**, the Group is the global leader in high performance fixed scanners for retail checkouts, an industry leader in EMEA for handheld bar code readers, and the third player in the worldwide market of mobile computers dedicated to warehouse management and data capture at the point-of-sale.

In the **Industrial Automation market**, the Group is among the world's foremost providers of products and solutions for traceability in manufacturing, and the sorting of packages and luggage for transportation and logistics sectors. In addition to bar code readers, the Group has dedicated solutions for laser marking, sensors for detection, measurement and security, vision systems for inspection and quality control in industrial applications.

## STRATEGIC GUIDELINES FOR GROWTH

Future means growth, development and new investments: focusing on **customer's** needs investing in technology and product excellence, winning over **new markets**, investing in our **human capital**, in the corporate climate and in selecting and promoting high performance personnel from within, in particular in the **Research and Development** area.



## ASSISTED SALES



## RETAIL

**Customer Focus**

**The customer is at the core of the value chain:** anticipating and meeting customers' needs in terms of improvement of the efficiency and quality of their activities is absolutely necessary for the Group's growth. This is possible only through constant product innovation, driven by the customers' needs and through the development, directly or through partnerships, of new technologies, coupled with the constant refinement of core technologies.

**International development**

**To grow in emerging markets, consolidating our presence in the core markets.** Building a strong presence in emerging markets, in particular in markets with high growth potential, like China, Turkey and Africa, while becoming stronger in mature markets, expanding our market share. Leveraging the unique feature of Datalogic - being the only true Bar Code Company, specialized in serving both reference markets, automatic data capture (ADC) and industrial automation (IA) - to be present in all geographic regions.

**Human resources**

**To develop our personnel to distinguish our performance.** The motivation, passion and dedication of the people who work for Datalogic is one of the Group's strengths. To motivate and manage human resources so they will contribute to the attainment of excellence.

These are the 3 pillars supporting future growth, accompanied by the constant search for improvements to **operating efficiency**. Streamlining **Operations**, and paying particular attention to components, both in terms of cost and of innovative content, together with the enhancement of control procedures, will translate into a marked improvement in the Group's overhead and working capital.



# EVENTS



## JANUARY

Datalogic was once again present at the National Retail Federation NRF 2016 in New York; this is the foremost trade show in the Retail world. Innovative solutions under the Datalogic brand attracted thousands of visitors. Attendance was the highest ever.

## FEBRUARY

Datalogic launched its new **linear imager scanner, the Heron HD3100**. Sophisticated design, high technology and options that can be customised by the Retailer to extend their brand experience at the checkout. When technology meets design.

## MARCH

Datalogic introduced the new **Matrix N imager** family which uses revolutionary new software called **DLCODE**. **Matrix 300N**, **Matrix 410N** and the new solution **XRF410N** are some of the leading products in the new line of 1D and 2D industrial code readers.

Datalogic also presented the new laser fibre **marker UNIQ**, a product featuring compact design, IP54 protection class, and the utmost ease of use with great flexibility for integration with existing systems.

## APRIL

Datalogic presented the **Queue Busting App** for the **Joya** device. This innovative solution reduces wait time at the checkout counter, especially when the store is most crowded, improving the customers' shopping experience and the retailer's efficiency.



## MAY

Datalogic's **QuickScan Lite QW2100** was selected by Philippine Seven Corporation, the regional associate of **7-Eleven** with over **1,300** points of sale in the Philippines, to improve their customers' shopping experience.

Datalogic launched the **Magellan 9300i** and **9400i**, new high-speed, 100% digital imaging scanners adding to the Magellan counter scanner family which is renown throughout the world.

**Royal Mail** chose a Datalogic solution to automate over **20 mail centres** in the United Kingdom. The contract, worth approximately 30 million Euro, was won because of its modular design, high technology, and operating performance developed specifically for the limited space available at Royal Mail centres.

## JUNE

Datalogic presented the new **SRX3** ultrasound fork-shaped sensor which is able to detect labels with high resolution on a broad range of materials from paper to plastic with surfaces from transparent to metallic.

## JULY

Datalogic presents the new **DS8110** and **DX8210** high performance laser readers for transportation and logistics, shipping, and airport applications where utmost reliability and **99.9%** reading rate is required.

Datalogic and Symcirus team up together to supply **Skorpio X3** mobile computers to the **SuperGroup PLC** fashion retailer. This device is used in all SuperDry stores in the UK and in Europe to improve performance at points of sale from inventory control to price checking.

## AUGUST

Datalogic launched the new **SG4-H security barriers**, the first in the world with the body entirely made of stainless steel and a glass window. It has a wash-down design profile, essential for applications where the extreme hygiene imposes frequent washing of machine and systems with highly corrosive detergents. The product is ideal for **Pharma** machinery.

## SEPTEMBER

Datalogic launched the **IMPACT+ OCR solution** that enables the **P-Series** compact smart camera to inspect printouts of variable data in the food industry, such as lot numbers, expiration date verification and traceability of serial numbers.

Datalogic expanded its international presence, opening a **new office** in **Shenzhen**, China. The new location contains commercial and administrative offices and it is also a major reference centre for **R&D and Procurement activities**. In addition, a spacious show room displays the Company's most recent technological innovations.

## OCTOBER

Datalogic launched the **Heron HD3430 2D area imager**. Design, elegance and high technology make the Heron the ideal product for points of sale of all types, in particular for clothing stores, boutiques and specialised chains.

## NOVEMBER

Datalogic expanded its international presence, opening a **new office** in **Cape Town**, South Africa. The location enables it to be closer to its current and potential customers and reflects the importance of the region for the Datalogic Group.

Datalogic presented the new **SLIM line of security barriers**. With high technology components enclosed in an **ultra-thin** profile, these light curtains are unique in their category. No dead zone and cascade connection are some of the unique features that distinguish them.

For the tenth consecutive year, Datalogic was recognised, by **VDC Research**, as the global market leader in the supply of **fixed mount scanners** for Retail POS. The report: "Strategic Insights 2015: Barcode Solutions Market" confirmed that more than half of all bi-optic scanners sold worldwide bear the Datalogic brand.

## DECEMBER

Datalogic signed an agreement for the acquisition of 20% of **CAEN RFID Srl**, a Tuscan company at the cutting edge of RFID-Radio Frequency Identification technology in the Ultra High Frequency (UHF) band. The commercial agreement provides, inter alia, for the joint development of new products, the use, by Datalogic, of CAEN RFID components in the manufacture of its own products, and the distribution of CAEN RFID products under the Datalogic brand.

Datalogic signed a loan agreement with the **European Investment Bank (EIB)** totalling 30 million Euro, an amortising with 5 year maturity, directed at sustaining the Group's investments, research and development activity and technological innovation.

# REVOLUTION IN SELF-SHOPPING





## RESULTS

In 2015, the stock price rose by 84.3%, outperforming the stocks in the FTSE MIB by 71.6% and in the FTSE STAR by 44.4%. The stock reached its highest price of 17.59 Euro per share on 30<sup>th</sup> November 2015, while its lowest price of 8.80 Euro was on 6<sup>th</sup> January 2015. The average daily volume traded in 2015 was approximately 74,277 shares (substantially in line with the previous year).

### 2015 STOCK MARKET DATA

#### Segment

STAR - MTA

#### Bloomberg code

DAL.IM

#### Reuters code

DAL.MI

#### MKT Cap

985.5 million Euros at 31<sup>st</sup> December 2015

#### Number of shares

58,446,491 (including n. 274,610 treasury shares)

#### 2015 max

17.59 Euro (30<sup>th</sup> November 2015)

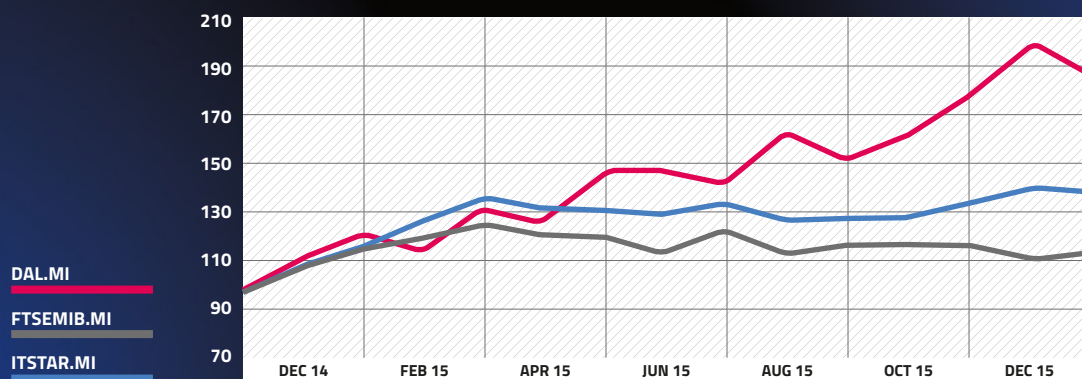
#### 2015 min

8.80 Euro (6<sup>th</sup> January 2015)

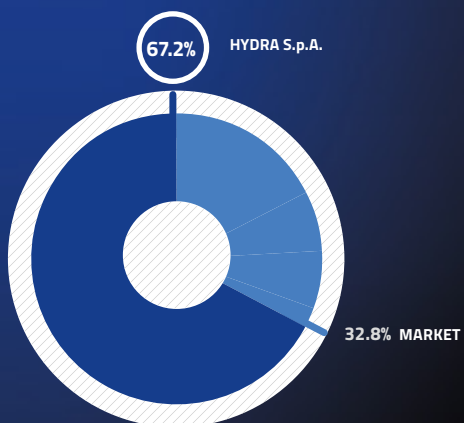


## TOTAL QUALITY INSPECTION



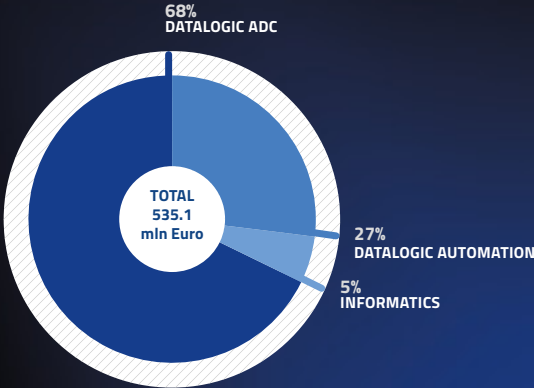


### SHAREHOLDER STRUCTURE

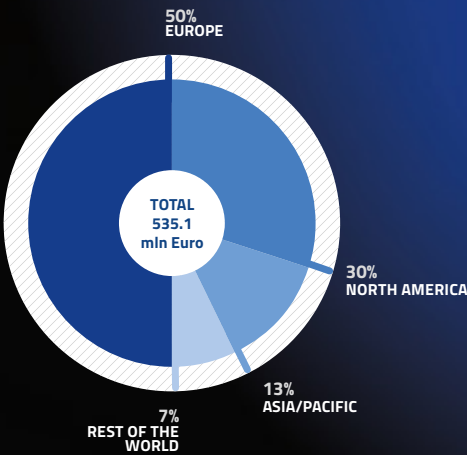




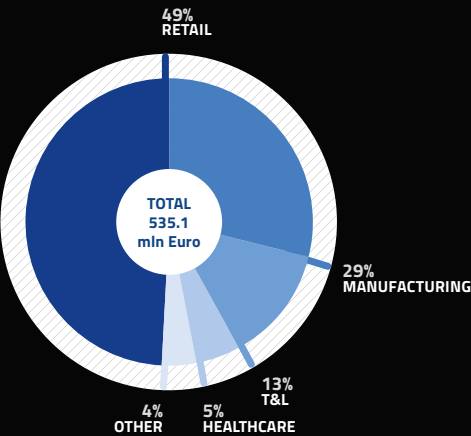
2015 REVENUES PER BUSINESS DIVISION



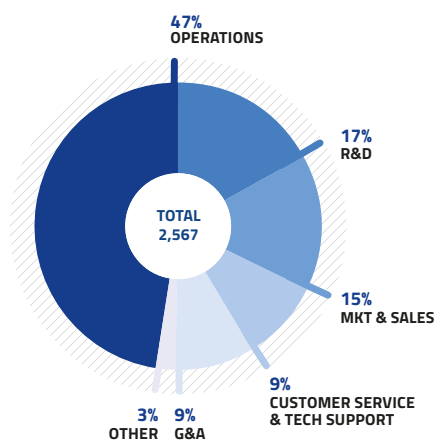
2015 REVENUES PER GEOGRAPHIC AREA



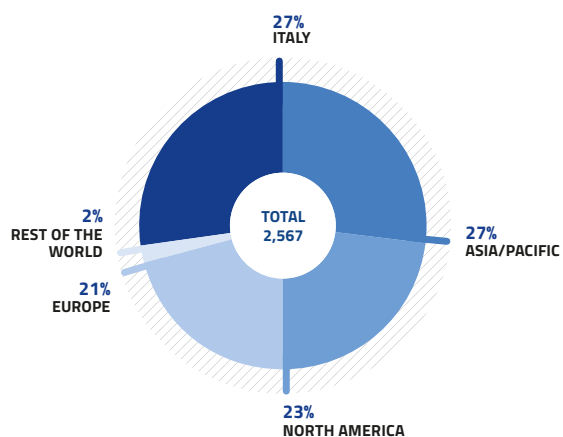
2015 REVENUES PER VERTICAL



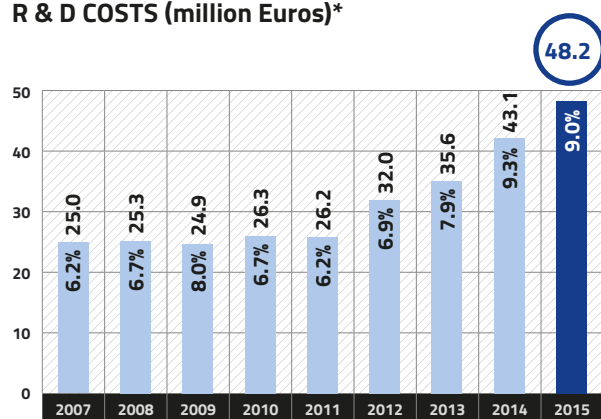
## 2015 EMPLOYEES PER FUNCTIONAL AREA



## 2015 EMPLOYEES PER GEOGRAPHIC AREA



## R &amp; D COSTS (million Euros)\*



\* % on revenues

FASHION STORE  
SCANNING

# CONSOLIDATED PROFIT AND LOSS

Million Euros	2001	2002	2003	2004	2005	2006	2007	2008 <sup>(4)</sup>	2009	2010	2011	2012 <sup>(5)</sup>	2013	2014	2015
<b>TOTAL REVENUES</b>	111.7	118.0	131.5	146.3	205.9	381.6	404.0	379.8	312.0	392.7	425.5	462.3	450.7	464.5	<b>535.1</b>
<b>EBITDA</b>	16.1	17.0	21.3	25.2	31.5	38.2	50.1	47.8	19.6	49.8	59.2	63.2	60.0	69.4	<b>73.7</b>
% on revenues	14.4	14.4	16.2	17.2	15.3	10.0	12.4	12.6	6.3	12.7	13.9	13.7	13.3	14.9	<b>13.8</b>
<b>EBITANR<sup>(1)</sup></b>	8.6	7.9	11.0	19.6	24.8	26.0	37.8	35.3	6.2	38.1	48.8	53.4	50.1	58.0	<b>61.2</b>
% on revenues	7.7	6.7	8.4	13.4	12.0	6.8	9.4	9.3	2.0	9.7	11.5	11.6	11.1	12.5	<b>11.4</b>
<b>EBT</b>	2.6	6.7	10.3	18.7	22.7	9.0	26.6	25.9	-12.8	28.2	33.2	9.5	35.5	39.2	<b>51.6</b>
% on revenues	2.3	5.7	7.8	12.8	11.0	2.4	6.6	6.8	-4.1	7.2	7.8	2.1	7.9	8.4	<b>9.6</b>
<b>NET PROFIT</b>	<b>0.8</b>	<b>5.4</b>	<b>7.2</b>	<b>11.2</b>	<b>13.0</b>	<b>4.1</b>	<b>18.1</b>	<b>17.8</b>	<b>-12.2</b>	<b>18.0</b>	<b>25.9</b>	<b>10.2</b>	<b>26.9</b>	<b>30.9</b>	<b>40.5</b>
% on revenues	0.7	4.6	5.5	7.7	6.3	1.1	4.5	4.7	-3.9	4.6	6.1	2.2	6.0	6.6	<b>7.6</b>

<b>NUMBER OF EMPLOYEES</b>	698	735	775	875	1,808	1,897	1,906	2,202	1,982	2,019	2,427	2,384	2,364	2,470	<b>2,567</b>
<b>DIVIDEND PER SHARE (Euro)</b>	0.05	0.15	0.18	1.22 <sup>(2)</sup>	0.22	0.06 <sup>(3)</sup>	0.07	0.035	-	0.15	0.15	0.15	0.16	0.18	<b>0.25</b>
<b>DIVIDEND PAID (million Euro)</b>	-	0.58	1.70	2.11	15.04	3.5	3.8	4.1	1.9	-	8.1	8.5	8.5	9.4	<b>10.5</b>

<sup>(1)</sup> EBITANR = Ordinary operating profit before non recurring costs/revenues and amortization of intangible assets from acquisition.

<sup>(2)</sup> Euro 1 extraordinary dividend (October 2005).

<sup>(3)</sup> In May 2006, execution of share capital split with a ratio of 4:1.

<sup>(4)</sup> In May 2008, execution of share capital reduction by means of cancellation of nr. 5,409,981 treasury shares.

<sup>(5)</sup> 2012 figures have been restated to reflect the application of IAS 19R.

Annual results from 2001 to 2003 are prepared in accordance with Italian Accounting Standards; annual results from 2004 are prepared in accordance with IAS/IFRS.

# CONSOLIDATED BALANCE SHEET

Million Euros	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012 <sup>(6)</sup>	2013	2014	2015
<b>FIXED ASSETS</b>	37.3	38.1	34.7	71.5	254.0	227.3	207.0	216.5	203.4	223.5	244.2	313.6	300.4	326.2	<b>363.8</b>
<b>CURRENT ASSETS</b>	62.4	65.6	72.4	75.1	145.9	142.9	152.8	152.4	122.0	131.5	150.9	157.3	150.2	164.0	<b>166.8</b>
<b>CURRENT LIABILITIES</b>	-21.1	-29.6	-34.7	-40.4	-74.7	-78.0	-90.3	-92.7	-78.8	-104.2	-121.0	-142.7	-133.6	-150.1	<b>162.7</b>
<b>NET WORKING CAPITAL</b>	41.3	36.0	37.7	34.7	71.3	64.9	62.5	59.7	43.2	27.2	29.8	14.6	16.7	13.9	<b>4.1</b>
<b>INVESTED CAPITAL</b>	73.7	68.9	66.5	80.3	255.6	245.0	236.0	242.8	217.2	216.7	229.7	294.5	282.3	297.0	<b>319.2</b>
<b>NET EQUITY</b>	98.6	102.3	106.0	116.2	129.8	186.6	173.5	135.8	116.7	140.2	170.2	173.4	185.3	241.3	<b>298.3</b>
<b>NET FINANCIAL POSITION<sup>(7)</sup></b>	24.9	33.4	39.5	35.9	-125.7	-58.4	-62.5	-106.9	-100.5	-76.5	-59.4	-121.1	-97.0	-55.7	<b>-21.0</b>

<b>CAPEX</b>	10.0	6.8	5.1	18.1	6.8	7.9	12.6	9.4	7.3	7.8	13.6	14.4	17.1	12.7	<b>22.0</b>
% on revenues	9.0	5.8	3.9	12.4	3.3	2.1	3.1	2.5	2.3	2.0	3.2	3.1	3.8	2.7	<b>4.1</b>
<b>NWC (Net Working Capital)</b>	41.3	36.0	37.7	34.7	71.3	64.9	62.5	59.7	43.2	27.2	29.8	14.6	16.7	13.9	<b>4.2</b>
% on revenues	37.0	30.5	28.7	23.7	34.6	17.0	15.5	15.7	13.9	6.9	7.0	3.2	3.7	3.0	<b>0.8</b>
<b>ROE %</b>	1.2	5.4	6.9	10.1	10.6	2.6	10.0	11.5	-9.6	14.0	16.7	5.9	15.0	14.5	<b>15.0</b>
<b>DEBT/EQUITY %</b>	-25.3	-32.6	-37.3	-30.9	96.8	31.3	36.0	78.7	86.1	54.6	34.9	69.8	52.4	23.1	<b>7.0</b>

<sup>(6)</sup> 2012 figures have been restated to reflect the application of IAS 19R

<sup>(7)</sup> In 2005, the acquisitions of Laservall, Informatics and PSC had an impact of 178 million Euro.

In January 2006, conclusion of capital increase for a total value of 76.6 million Euro.

During 2008 Datasensor S.p.A. was acquired for 45 million Euro.

During 2010, Evolution Robotics Retail Inc. was acquired for 20.96 million Euro.

During 2011, PPT Vision Inc. was acquired for 4.1 million Euro and "one-shot" costs were born for approx. 12 million Euro, of which 10.2 million Euro related to the WCO project and 1.7 million Euro for acquisitions.

During 2012, Accu-Sort Systems Inc. was acquired for 100.3 million Euro.

Annual results from 2001 to 2003 are prepared in accordance with Italian Accounting Standards; annual results from 2004 are prepared in accordance with IAS/IFRS.



## HEALTHCARE



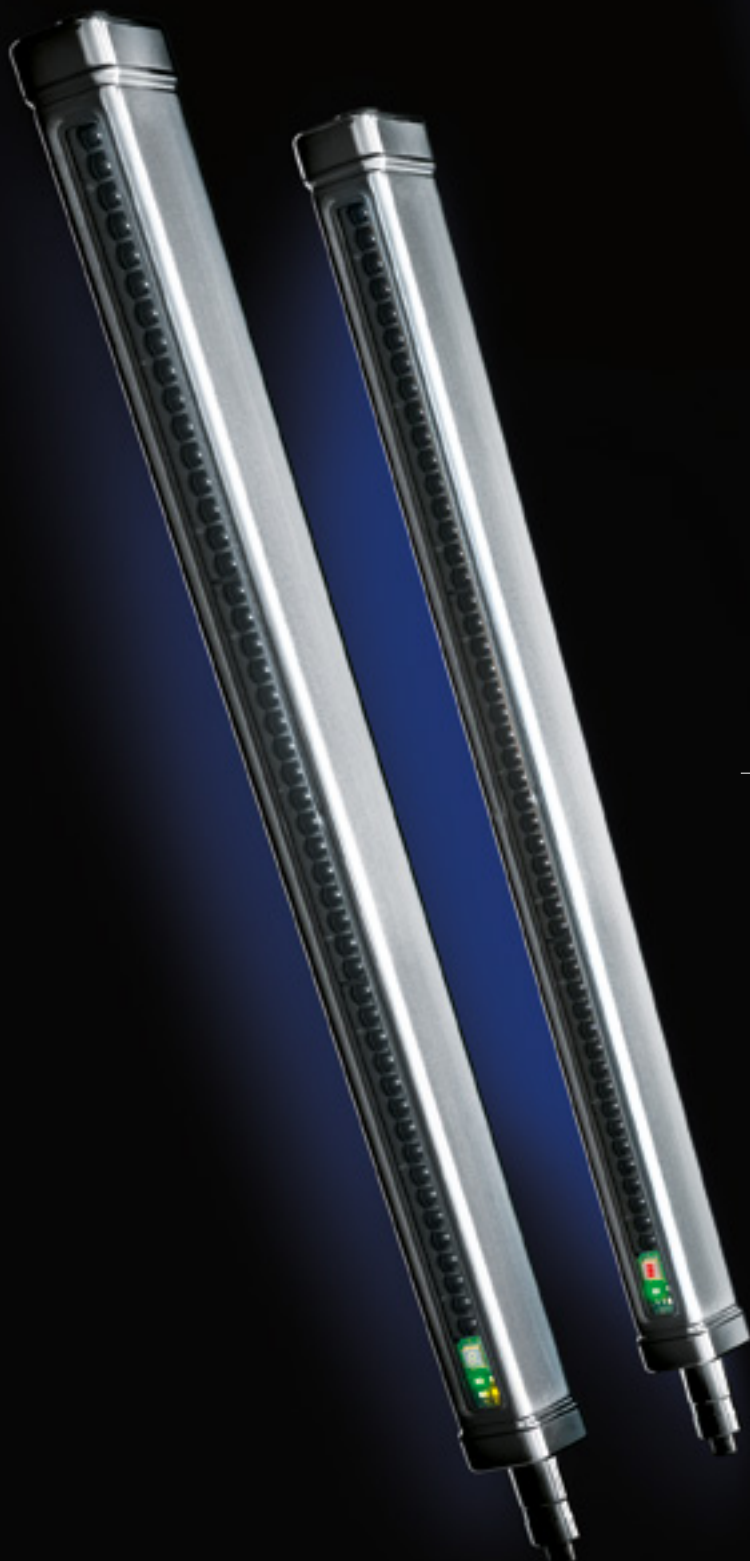
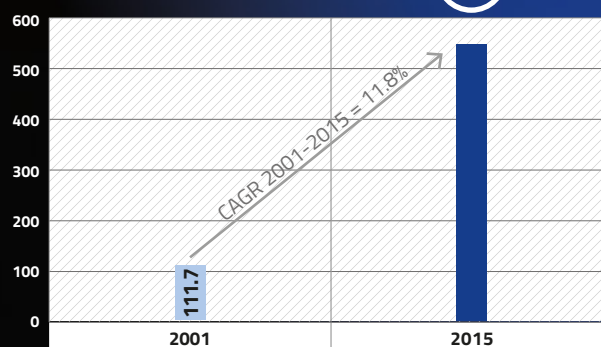
REVENUES (million Euros)

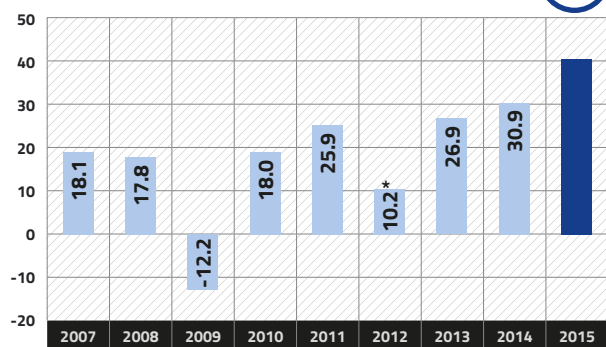
535.1



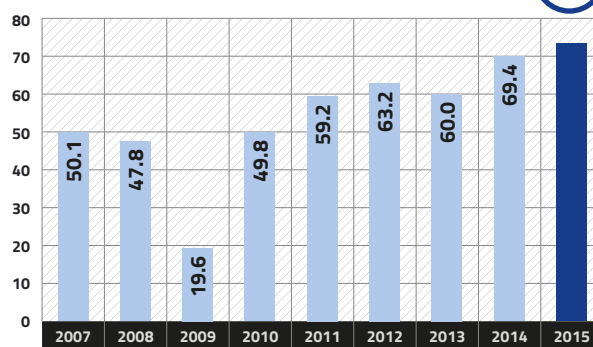
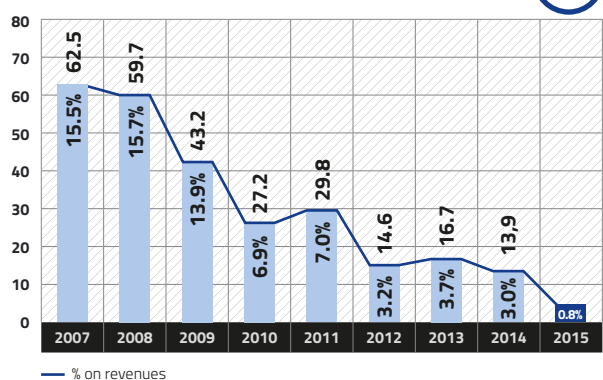
TOTAL REVENUES (million Euros)

535.1

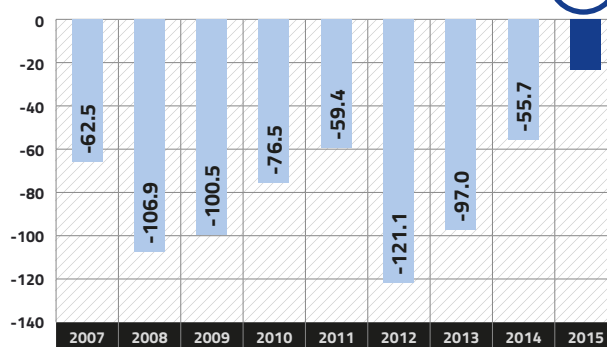


**NET PROFIT (million Euros)****40.5**

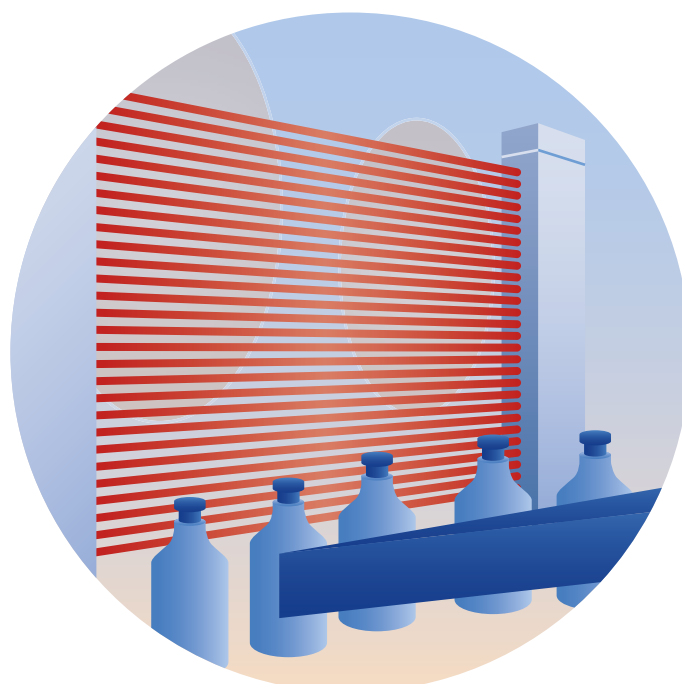
\* Net profit was affected by an impairment for 27 million Euro.

**EBITDA (million Euros)****73.7****NET WORKING CAPITAL (million Euros)****4.1**

— % on revenues

**NET FINANCIAL POSITION (million Euros)****-21.0**

**UNIQUE  
HYGIENICAL  
PROTECTION**





**DATALOGIC S.p.A.**  
VIA CANDINI, 2  
40012 LIPPO DI CALDERARA DI RENO  
BOLOGNA - ITALY

T +39 051 3147011  
F +39 051 3147205

E [corporate@datalogic.com](mailto:corporate@datalogic.com)

