## DATALOGIC RECORDS THE FIFTH CONSECUTIVE QUARTER OF PROFITABILITY GROWTH! THE BOARD OF DIRECTORS APPROVED THE HALF-YEAR REPORT AT JUNE 30TH, 2010

- Growth continued also in the second quarter of 2010: sales revenues of 101.3 million Euro, +33% vs. the same period last year
- •Five consecutive quarters of profitability recovery: net profit at 7.1 million Euro in the second quarter of 2010 vs. a loss of 9.0 million Euro in the second quarter of 2009 and EBITDA at 15.3 million Euro (15.1% of sales) up from 4.3 million Euro in the second quarter of 2009
- •Positive first half results: net profit of 11.3 million Euro (5.9% of sales) in the first half of 2010 vs. a loss of 14.5 million Euro in the first half of 2009
- •Sales revenues of 190.8 million Euro in the first half of 2010, +28% vs. 149.1 million recorded in the same period last year
- •EBITDA jumps to 25.9 million Euro from 3.8 million Euro in the first half of 2009
- •EBITDA margin returned to pre-crisis levels moving from 2.6% in the first half of 2009 to the current 13.6%
- •Net financial position negative by 92,1 million Euro, a clear improvement on 100,5 million Euro at December 31st, 2009.

Bologna, July 30th, 2010 - The Board of Directors of Datalogic S.p.A. - a company listed in the Star segment of the Milan Stock Exchange and a leader in the market for barcode readers, data collection mobile computers, RFID and vision systems - today approved the half-year report at June 30th, 2010.

The results confirm the trend of growth and profitability recovery over the last five consecutive quarters.

The first half of 2010, boosted by the very favourable performance in the second quarter of 2010 both in terms of sales revenues and of profitability, closed with a consolidated net profit of 11.3 million versus a loss of 14.5 million Euro recorded in the first half of 2009. In the second quarter of 2010 sales revenues stand at 101.3 million Euro (up by +33.3% on the second quarter of 2009 and up by 13.2% on the first quarter of 2010) and the net profit stands at 7.1 million Euro (from a loss of 9.0 million Euro in the second quarter of 2009 and up by 72.2% on the first quarter of 2010).

Mauro Sacchetto, CEO of Datalogic S.p.A. commented: "We are truly satisfied with the brilliant results achieved in the first six months of 2010, which prove the validity of the prompt decisions implemented as of spring last year and pursued with determination over subsequent quarters. These decisions enabled us to fully exploit and magnify the effects of the moderate global recovery that we are witnessing, as the 28% increase in turnover demonstrates. In fact, 2Q10 revenues are aligned with pre-crisis levels. Datalogic's growth is also the result of our committed focus to the efficiency and control of structural costs, which has enabled us to make a leap forward in profitability. This is also shown by the EBITDA margin, which has risen from 2.6% in the first six-month period of 2009 to the current 13.6% which is in line with pre-crisis parameters. These results are the reward for the hard work of the entire Datalogic team and bring hope for the future following five quarters of profitability growth. Furthermore, this translates into a major reduction in financial exposure, despite development-targeted investments. The recent acquisition of the American company Evolution Robotics Retail, a leader in the market of solutions based on the ground-breaking visual pattern



recognition technology, allows us to reinforce our innovation skills and confirm our technological leadership. And so Datalogic's focus on the constant innovation of products and processes which has enabled us to become worldwide leaders, renowned in our reference market, continues".

The first half of 2010 closed with consolidated sales revenues of 190.8 million Euro (up by  $\pm$ 28% vs. 149.1 million recorded in the same period last year). With constant Euro/USD exchange rates, growth would have been equal to 27.7%

Group EBITDA leapt from 3.8 million Euro in the first half of 2009 to 25.9 million Euro and EBITDA margin improved recording 13.6% vs 2.6% in the first half of 2009, returning nearly to pre-crisis levels.

With financial charges reduced by 8.1% to 3.0 million Euro vs. 3.3 million Euro in the first half of 2009 and foreign exchange revenues of 2.3 million Euro, the consolidated net profit grew to 11.3 million Euro vs a loss of 14.5 million Euro in the same period last year.

At June 30th, 2010 the net financial position was negative by 92.1 million Euro with a significant improvement compared to its position at December 31st, 2009 (negative by 100.5 million Euro). Net working capital was 46.6 million Euro at 30 June 2010 recording growth of 3.4 million Euro vs. 43.2 million Euro at 31 December 2009.

All results of the second quarter 2010 improved as compared to the second quarter of 2009 and to the previous quarter, thus confirming the validity of strategic decisions. In detail, sales increased to 101.3 million Euro (up by +33.3% vs. the second quarter of 2009 and up by +13.2% on the previous quarter), EBITDA improved recording 15.3 million Euro (from 4.3 million Euro in the second quarter of 2009 and up by 44.9% on the first quarter of 2010), and EBITANR improved recording 12.4 million Euro (from 0.6 million Euro in the second quarter of 2009 and up by +61.7% versus the previous quarter).

	2Q 2010		2Q 2009		Change	%
SALES REVENUE	101,312	100.0%	76,018	100.0%	25,294	33.3%
EBITOA	15,338	15.1%	4,319	5.7%	11,019	255.1%
EBITANR	12,448	12.3%		0.8%		1879.0 %
EBIT	11,760	11.6%	(8,346)	-11.0%	20,106	n.s.

	2Q 2010		2Q 2009		Change	%
SALES REVENUE	101,312	100.0%	89,520	100.0%	11,792	13.2%
EBITDA	15,338	15.1%	10,585	11.8%	4,753	44.9%
EBITANR	12,448	12.3%	7,697	8.6%	4,751	61.7%
EBIT	11,760	11.6%	6,724	7.5%	5,036	74.9%

All operating Divisions of the Group recorded impressive growth in the first half and in second quarter of 2010 both in terms of sales and of profitability, showing an acceleration in the second quarter.

In terms of sales Datalogic Mobile, specialized in the production of Mobile Computers and accounting for 22% of consolidated revenues, recorded 35.7% growth. Datalogic Automation, specialized in the production of barcode, RFID and vision systems and accounting for 23% of consolidated revenue, recorded growth of 33.5% while Datalogic Scanning, specialized in the production of bar code readers for the retail market and hand held scanners and accounting for 47% of consolidated revenues, recorded growth of 24.9%. Informatics, specialized in the online sale of barcoding solutions and accounting for 8% of consolidated revenues, recorded an increase of 13.8% to 16.6 million Euro.



The separate business Divisions sales (including intersegment sales) and segment results (before non-recurring costs/revenues and depreciation and amortization due to acquisitions - EBITANR) at June 30th, 2010 are listed below (in millions of Euro).

Business Division		Sales			EBITANR			
	1H2010	1H2009	%	1H2010	1H2009	%		
Datalogic Mobile	41.9	30.9	35.7%	4.3	(1.8)	n.a.		
Datalogic Automation	43.4	32.5	33.5%	3.3	(4.7)	n.a.		
Datalogic Scanning	89.3	71.5	24.9%	9.3	(0.1)	n.a.		
Informatics	16.6	14.6	13.8%	2.2	1.4	57.1%		
Datalogic S.p.A.	6.9	6.6	5.1%	1.8	1.8	0		
Adjustments	(7.2)	(6.9)	5.0%	(0.7)	0.0	n.a.		
Total	190.8	149,1	28.0%	20.1	(3.5)	n.a.		

Growth by geographical area was significant especially in the emerging markets of Asia and South America recording an increase of 63% and 82% respectively in the first half of 2010 versus the same period last year (from 14 million Euro to 22.9 million Euro and from 13.4 million Euro to 24.3 million Euro) mainly thanks to Datalogic Automation (+154%) in Asia and to Datalogic Mobile (+130%) in South America. North America posted 18% growth from 44.3 million Euro to 52.3 million Euro, and Europe grew by 18% from 77.5 million Euro to 91.3 million Euro.

## Subsequent events after the closing of the period

On July 1st, 2010 Datalogic S.p.A., through its subsidiary Datalogic Scanning Holdings, Inc., acquired Evolution Robotics Retail Inc., a company located in California (U.S.) with unique expertise in visual pattern recognition technology for use currently in retail loss prevention and productivity applications. The value of the transaction is equal to U.S.D. 25.5 million. Evolution Robotics Retail has no debt and Datalogic funded the acquisition by means of its own financial resources. The financial statements as of December 31st, 2009, show that Evolution Robotics Retail realized revenues equal to U.S.D. 5.1 million and negative EBITDA equal to U.S.D. 2.7 million. The value of the transaction is mainly constituted by intangible assets such as patents, trade secrets, copyrights and other intellectual property rights, licensing agreements and customer portfolios. Evolution Robotics Retail has five patents and eleven patent applications filed at the United States Patent and Trademark Office.

## Treasury shares buy-back plan

In the framework of the treasury shares buy-back plan approved by the AGM on April 29th, 2010 Datalogic hereby informs that, taking into consideration the limited liquidity of Datalogic's shares, it may exceed the 25% threshold of the average daily volume of traded shares on the Italian stock exchange.

The auditing activity for the half-year interim report has not yet been completed and the audit report will be available within the deadlines set at law.

Lastly, please note that the half-year interim report at 30th June 2010 will be available upon request at the registered office of Datalogic S.p.A. and at the offices of Borsa Italiana S.p.A., and it could also be consulted on the Company's web site www.datalogic.com (Investor Relations section).

The manager responsible for preparing the company's financial reports - Dott. Marco Rondelli - declares, pursuant to paragraph 2 of Art. 154-bis of the "Testo Unico della Finanza", that the accounting information contained in this press release corresponds to the document results, books and





accounting records.

