DATALOGIC (STAR: DAL) - HALF-YEAR REPORT AT 30TH JUNE 2014 APPROVED BY BOARD OF DIRECTORS

• Sales revenues at 224.0 million Euro, +2.4% compared to 218.8 million Euro in the first half of 2013

• R&D investments has continued to grow from 17.4 million Euro to 19.8 million Euro with an incidence on revenues growing from 8% to 8.9%

• Strong rise in EBITDA: +30.2% at 34.2 million Euro compared to 26.2 million Euro in the first half of 2013 - EBITDA Margin up from 12% to 15.2%

• Net profit up +48.9% at 15.2 million Euro compared to 10.2 million Euro in the first half of 2013

• Consolidated net financial debt improved at 86.0 million Euro compared to 97.0 million Euro at 31st December 2013

Bologna, 30th July 2014 – The Board of Directors of **Datalogic S.p.A.** (Borsa Italiana S.p.A.: **DAL**), a company listed in the STAR Segment of the Italian Stock Exchange managed by Borsa Italiana S.p.A. ("**Datalogic**") and global leader in the automatic data capture and industrial automation markets and producer of bar code readers, data collection mobile computers, sensors, vision systems and laser marking systems, approved today the Half-Year Report at 30th June 2014.

The results for the first half, which closed with a growth of +30.2% of the EBITDA at 34.2 million Euro and a growth of +48.97% of the net profit at 15.2 million Euro, confirm the positive trend, particularly in the ADC segment, and testify the Group's capacity to increase its operating margin despite lower growth in sales revenues and increasing investment in Research & Development.

The **Chairman and CEO of the Datalogic Group, Romano Volta**, commented: "The positive results achieved in the first half of the year in all indicators confirm the Group's capacity to anticipate the market's needs and its success in making internal processes more efficient. A clear example of this is the products launched in 2013, particularly in the retail segment, which continue to do well on all core markets, especially in Europe. The Group also performed very well in high-growth markets such as China and Latin America, thanks to ongoing investment in both production – e.g. the recent opening in Brazil – and marketing. For the Industrial Automation division, there was a slight recovery from the previous quarter, although the trend in sales remains unsatisfactory, particularly in North America. We are convinced that a review of the market strategy, with particular focus in North America, will allow to take the numerous business opportunities that our product range can offer. Note, finally, the growth in absolute terms and as a percentage of revenues in investment in Research & Development, a key factor in the long-term growth of the business".

Consolidated sales revenues for the first half of 2014 came in at 224.0 million Euro, +2.4% compared to 218.8 million Euro in the same period of the preceding year. At constant Euro/Dollar exchange rate the increase versus the previous year would have been 4.5%. The booking during the quarter – the orders already received - was equal to 116.3 million Euro.

Gross operating margin came in at 109.1 million Euro, +5.5% compared to 103.4 million Euro in the same period of the preceding year, up 1.4 points as a percentage of total revenues, from 47.3% to 48.7%.

Group EBITDA increased by 30.2% from 34.2 million Euro compared to 26.2 million Euro in the first half of 2013, with an EBITDA margin from 12% to 15.2%. General & Administrative expenses fell by 12.5% to 20 million Euro on the back of cost-cutting measures.

Investment in Research & Development continued to rise, both in absolute terms, from 17.4 million Euro in the first half of 2013 to 19.8 million Euro, and as a percentage of revenues, from 8.0% to 8.9%. This confirms the importance of these costs for the development and the growth of the activities.

EBITANR[1] came in at 28.6 million Euro up by 34.7% compared to 21.2 million Euro in the first half of 2013.

After non-recurring costs of 2.4 million Euro (1.0 million Euro of non-recurring revenues in the first half of 2013) mainly due to reorganization costs of Industrial Automation division, EBIT shows a growth of 21% from 19.4 million Euro to 23.5 million Euro. After financial charges of 4.8 million Euro compared to 4.2 million Euro in the first half of 2013 and foreign exchange revenues for 0.2 million Euro compared to foreign exchange costs for 1.1 million Euro in the first half of 2013, Group net profit came at 15.2 million Euro compared to 10.2 million Euro realized in the same period of the preceding year.

The net financial position on 30th June 2014 was negative at 86.0 million Euro, significantly improved compared to 97.0 million Euro at 31st December 2013 and 97.4 million Euro on 31st March 2014 thanks to the continuous cash generation. Trade working capital was 54.9 million Euro at 30th June 2014 up from 39.0 million Euro on 31st December 2013.

[1] ***EBITANR*** *– Earnings before interest, taxes, acquisition and non recurring – Risultato operativo ordinario prima dei costi e ricavi non ricorrenti e degli ammortamenti derivanti da acquisizioni*

QUARTERLY TREND

Results for the second quarter of 2014 show a net improvement at operating level, both versus the first quarter of 2014 and the second quarter of the previous year, particularly in terms of an upturn in the margin: the sales revenues totalled 115.8 million Euro (+7% compared to the previous quarter and -0.8% compared to the second quarter of 2013), the EBITDA totalled 18.7 million Euro (+20.8% compared to the first quarter of 2014 and +22.9% compared to the second quarter of 2013) and the EBITANR totalled 15.9 million Euro (+25.8% compared to the first quarter of 2014 and +27.1% compared to the second quarter of 2013).

Comparison between second quarter 2014 and second quarter 2013

€000	2Q2014		2Q2013		Change	Change in %
TOTAL REVENUES	115,782	*100.0%*	116,728	*100.0%*	(946)	*(0.8%)*
EBITDA	18,688	*16.1%*	15,208	*13.0%*	3,480	*22.9%*
ORDINARY OPERATING PROFIT (EBITANR)	15,943	*13.8%*	12,540	*10.7%*	3,403	*27.1%*
OPERATING PROFIT (EBIT)	12,165	*10.5%*	12,135	*10.4%*	30	*0.2%*

Comparison between second quarter 2014 and first quarter 2014

€000	2Q2014		1Q2014		Change	Change in %
TOTAL REVENUES	115,782	*100.0%*	108,246	*100,0%*	7,536	*7.0%*
EBITDA	18,688	*16.1%*	15,465	*14,3%*	3,223	*20.8%*
ORDINARY OPERATING PROFIT (EBITANR)	15,943	*13.8%*	12,678	*11,7%*	3,265	*25.8%*
OPERATING PROFIT (EBIT)	12,165	*10.5%*	11,289	*10,4%*	876	*7.8%*

PERFORMANCE BY DIVISION

The following table shows individual operating divisions' sales (inclusive of intersegment revenues) and EBITANR (earnings before interest, acquisition amortization and non-recurring items) for the first half of 2014 for the individual Operating Divisions.

€000	Revenues			EBITANR		
	1H2014	1H2013	%	1H2014	1H2013	%
Datalogic ADC	149,149	134,151	*11.2%*	27,400	17,053	*60.7%*
Datalogic Industrial Automation	62,654	69,041	*(9.3%)*	750	1,104	*(32.1%)*
Informatics	13,063	15,655	*(16.6%)*	718	1,401	*(48.8%)*
Datalogic S.p.A.	12,498	11,162	*12.0%*	(134)	1,525	*n.m.*
Adjustments	(13,336)	(11,240)	*18.6%*	(113)	158	*n.m*
Total	**224,028**	**218,769**	***2.4%***	**28,621**	**21,241**	***34.7%***

The **ADC Division** (Automatic Data Capture), specialized in the design and production of fixed retail scanners, professional handheld readers and mobile computers, registered revenues of 149.1 million Euro, up +11.2% compared to 134.2 million Euro in the first half 2013. This division has benefited from a positive trend across all the business lines, due to the launch of highly innovative products in the retail segment and throughout all the geographical regions. This has occurred thanks to a closer management of the territory and a new channel programme.

The **Industrial Automation Division** specialized in the design and production of automatic identification systems, safety, detection and marking solutions for the Industrial Automation market, registered revenues of 62.7 million Euro, down by 9.3% compared to 69.0 million Euro in the first half

of 2013. The Division which continues to be affected by delays in postal projects in the United States, whereas we see a significant growth in China and Latin America and a substantial stability in the European and Asian markets (excluding China), – is undergoing a thorough reorganization, both in terms of production and sales, with a view to improving profitability and boosting growth.

Finally **Informatics** registered sales of 12.5 million Euro compared to 11.2 million Euro in the first half of 2013. In the second quarter of the year, a new General Manager was appointed with a 10-year experience in automatic identification sector and software solutions for retail.

PERFORMANCE BY GEOGRAPHICAL AREA

With regard to geographical regions, the European market posted a positive performance in the first half of 2014, with growth of 13.2% to 117.7 million Euro. The weakness on the North American market, which posted a decline in sales of 14.2% to 64.6 million Euro, was due to the Industrial Automation segment. There was a very positive trend in sales in Latin America and in Greater China with good contributions from both divisions.

PERIOD EVENTS

During the first half of the year a placement of n. 6,295,018 ordinary shares, equal to 10.8% of the share capital, through an Accelerated Bookbuilding procedure addressed exclusively to institutional investors, was completed.

Effective 30th June 2014, an agreement has been reached with the Chief Executive Officer of Datalogic's Industrial Automation division, Gian Paolo Fedrigo who decided to leave the Group so as to pursue other opportunities. Valentina Volta, member of the Board of Director of Datalogic S.p.A., has been appointed Chief Executive Officer of the Industrial Automation division.

SUBSEQUENT EVENTS

In July a new manufacturing plant of 2,200 square meters has been inaugurated in Brazil. Datalogic's investment amounted to 2 million USD.

OUTLOOK FOR CURRENT YEAR AND SUBSEQUENT EVENTS

The first-half results confirm and even strengthen the positive trend that began in the second half of 2013, and validate the strategic decisions taken by the Company. Note in particular the growth registered by the ADC division, which was mainly due to the success, especially in the US, of the new products launched on the market in 2013.

Given the positive bookings trend in the second quarter, the Company expected that the key markets will gradually improve in 2014, which should benefit the two main operating divisions, ADC and Industrial Automation. The divisions should be able to build on past and current major investments to improve product ranges and increase their market share in fast-growing countries.

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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. The attached balance sheet and income statement are reclassified statements, and as such have not been subject to audit.

Lastly, please note that the half-year interim report 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 - 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.

Reclassified income statement at 30th June 2014 – Euro/1.000

Datalogic Group	30/06/2014		30/06/2013		var.	var. %
Total Revenues	**224.028**	***100,0%***	**218.769**	***100,0%***	**5.259**	***2,4%***
Cost of goods sold	(114.950)	*-51,3%*	(115.337)	*-52,7%*	387	*-0,3%*
Gross Operating Margin	**109.078**	***48,7%***	**103.432**	***47,3%***	**5.646**	***5,5%***
Other revenues	760	*0,3%*	617	*0,3%*	143	*23,2%*
Research & Development	(19.848)	*-8,9%*	(17.397)	*-8,0%*	(2.451)	*14,1%*
Distribution costs	(40.350)	*-18,0%*	(41.763)	*-19,1%*	1.413	*-3,4%*
Administrative expenses	(19.961)	*-8,9%*	(22.801)	*-10,4%*	2.840	*-12,5%*
Other operating expenses	(1.058)	*-0,5%*	(847)	*-0,4%*	(211)	*24,9%*
Total operating expenses and others	**(81.217)**	***-36,3%***	**(82.808)**	***-37,9%***	**1.591**	***-1,9%***
Ordinary Operating Profit before non-recurring costs/revenues and amort. of intang. ass. from acquisition (EBITANR)[2]	**28.621**	***12,8%***	**21.241**	***9,7%***	**7.380**	***34,7%***
Non-recurring costs/revenues	(2.392)	*-1,1%*	1.059	*0,5%*	(3.451)	*n.a.*
Amort. intangible assets from acquisition	(2.775)	*-1,2%*	(2.913)	*-1,3%*	138	*-4,7%*
Operating Profit (EBIT)	**23.454**	***10,5%***	**19.387**	***8,9%***	**4.067**	***21,0%***
Financial (costs)/revenues	(4.835)	*-2,2%*	(4.157)	*-1,9%*	(678)	*16,3%*
Result from equity investments	(58)	*0,0%*	102	*0,0%*	(160)	*n.a.*
Foreign exchange (costs)/revenues	203	*0,1%*	(1.108)	*-0,5%*	1.311	*n.a.*
Profit/(Loss) before taxes (EBT)	**18.764**	***8,4%***	**14.224**	***6,5%***	**4.540**	***31,9%***
(Taxes)	(3.520)	*-1,6%*	(3.987)	*-1,8%*	467	*-11,7%*
Net Income/(Loss)	**15.244**	***6,8%***	**10.237**	***4,7%***	**5.007**	***48,9%***
Depreciation	(3.471)	*-1,5%*	(3.886)	*-1,8%*	415	*-10,7%*
Amortization	(2.061)	*-0,9%*	(1.105)	*-0,5%*	(956)	*86,5%*
EBITDA[3]	**34.153**	***15,2%***	**26.232**	***12,0%***	**7.921**	***30,2%***

Note: In order to ensure better representation of the Group's ordinary profitability, we have preferred to show an operating result before the impact of non-recurring costs/income and acquisition-related amortization, which we have called "EBITANR - Earnings before interest, taxes, acquisition and non-recurring". To allow for comparison with the financial statements, we have provided an additional intermediate profit margin (the "operating result"), which includes non-recurring costs/income and

amortisation due to acquisitions, and matches the figure reported in the financial statements.

[2] ***EBITANR*** – Earnings before interest, taxes, acquisition and non recurring.

[3] ***EBITDA*** - Earnings before interest, taxes, depreciation and amortization.

Reclassified Balance Sheet at 30th June 2014 – Euro/1.000

Datalogic Group	30/06/2014	31/12/2013	30/06/2013
Intangible fixed assets	55.028	59.058	58.826
Goodwill	146.468	145.092	152.821
Tangible fixed assets	51.710	51.328	50.429
Non-consolidated investments	5.383	5.452	3.887
Other fixed assets	39.551	39.441	42.517
Total Fixed Assets	**298.140**	**300.371**	**308.480**
Net trade account receivables	72.814	69.953	72.059
ST account payables	(78.353)	(84.712)	(73.526)
Inventory	60.445	53.803	54.041
Trade Working Capital	**54.906**	**39.044**	**52.574**
Other current receivables	34.982	26.483	27.766
Other ST payables and provision for risk & future charges	(60.073)	(48.838)	(62.415)
Net Working Capital	**29.815**	**16.689**	**17.925**
Other LT payables	(19.754)	(20.359)	(23.537)
Employees' deferred compensation / TFR	(7.374)	(7.049)	(7.348)
LT provision for risk & future charges	(9.706)	(7.398)	(5.178)
Net Invested Capital	**291.121**	**282.254**	**290.342**
Equity	***(205.074)***	***(185.247)***	***(176.903)***
Net Financial Position	**(86.047)**	**(97.007)**	**(113.439)**

Net Financial Position at 30th June 2014 – Euro/1.000

Datalogic Group	30/06/2014	31/12/2013	30/06/2013
A. Cash and bank deposits	86.558	128.497	144.262
B. Other liquidity	161	42	1.998
b1. Restricted cash	*161*	*42*	*1.998*
C. Securities held for trading	358	358	359
c1. Short Term	*0*	*0*	*0*
c2. Long Term	*358*	*358*	*359*
D. Cash and Cash equivalents (A) + (B) + (C)	**87.077**	**128.897**	**146.619**
E. Current financial receivables	1.392	3.297	1.135
F. Other current financial assets	0	0	32
f1. Hedging instruments	*0*	*0*	*32*
G. Current bank overdrafts	185	49	130
H. Current portion of non-current debt	64.962	46.360	53.765
I. Other current financial liabilities	240	248	404
i1. Hedging instruments	*0*	*14*	*144*
i2. Leasing payables	*240*	*234*	*260*
J. Current financial debt (G) + (H) + (I)	**65.387**	**46.657**	**54.299**
K. Current financial debt, net (J) – (D) – (E) – (F)	**(23.082)**	**(85.537)**	**(93.487)**
L. Non-current bank borrowing	118.117	181.327	205.557
M. Other non-current financial assets	10.032	0	0
N. Other non-current liabilities	1.044	1.217	1.369
n1. Hedging instruments	*334*	*371*	*386*
n2. Leasing payables	*710*	*846*	*983*
O. Non – current financial debt (L) – (M) + (N)	**109.129**	**182.544**	**206.926**
P. Net financial debt (K) + (O)	**86.047**	**97.007**	**113.439**