HALF-YEAR REPORT AT 30TH JUNE 2018 APPROVEI BY THE BOARD OF DIRECTORS

1H 2018 REVENUES UP 2.6% AT €307 MILLION (+7.9% AT CONSTANT EXCHANGE RATI

EBITDA AT €51 MILLION, 16.6% ON REVENUES

NET PROFIT AT €29 MILLION, 9.4% ON REVENUES

NET FINANCIAL POSITION POSITIVE AT €13 MILLION

• Revenues in the quarter reached €164.1 million, up 4% compared to €157.8 million in the s quarter of 2017 (+8.1% at constant exchange rates)

• EBITDA at €28.9 million compared to €31.1 million in the second quarter of 2017 (EBITDA m at 17.6% compared to 19.7% in the second quarter of 2017)

• Net profit at €17.8 milion in line with €17.4 million in the second quarter of 2017

• Net Financial Position positive at €13.3 million compared to €30.1 million as at 31 December and €5.5 million as at 30 June 2017

Bologna, 9th August 2018 - The Board of Directors of Datalogic S.p.A. (Borsa Italiana S.p.A.: DA company listed in the STAR Segment of the Italian Stock Exchange managed by Borsa Italiana S ("Datalogic") and global leader in the automatic data capture and process automation markets, app today the Half-Year Report at 30th June 2018.

Valentina Volta, the Chief Executive Officer of the Datalogic Group, commented as follows: *"Tha the growth recorded in the second quarter, for the first time in our history, the Group exceeded the thre of €300 million in revenues for the first half of the year. The T&L and Manufacturing Industries recor double-digit growth in the second quarter and in the first six months. In particular, I am extremely sa with the growth of Manufacturing in North America, where in the second quarter, we recorded a gro over 25%, at constant exchange rates, and with the awarding of important tenders in T&L, in Europe a as in the United States with companies that are the global leaders in shipping. In North America, in ad to the exceptional performance of Manufacturing and T&L, we also grew by 20%, at constant exc rates, in Retail, mainly thanks to a number of large-scale retailers choosing our new fixed retail sca and mobile computers with the Android operating system. From a geographical point of view, I wo remiss not to mention the extraordinary results in China, with a 34% growth in the half-year, at co exchange rates, and a turnover for the half-year equal to that for the whole of 2016. On the costs sia six-month period saw an improvement of more than one percentage point in gross operating margin, t to efficiencies in the cost of materials. Operating efficiencies have partly financed the expected double growth in R&D investments and the hiring of sales personnel in the US and Chinese markets. R&D exp accounted for 10% of revenues in the first half of the year, a figure never achieved before and tha allowed us to maintain a strong supply line of new bar code readers and mobile computers on which to in the second half of the year, and to grow in the Channel, which has always been our indispensable The growth in bookings along with the high technological content of our products, the passio*

commitment of our people and a growing demand make me confident about the continued growth Group in the second half of the year".

Consolidated net revenues amounted to €307 million and, despite the unfavourable trend of the Euro/l exchange rate, increased by 2.6% compared to €299.3 million as at 30 June 2017 (+7.9%, at co exchange rates).

The **gross operating margin**, amounting to €149.4 million, increased by 5.1% compared to €142.3 m in the same period of the previous year and with respect to revenues increased by 1.2 percentage p rising from 47.5% in 2017 to 48.7% in 2018. The improvement is mainly due to the improvement in the mix and efficiencies in the cost of materials.

Operating costs, amounting to €105.9 million, increased by 8.3% compared to €97.8 million in the period of 2017, and increased by 1.8 percentage points with respect to impact on turnover, up from 32. 34.5%. R&D expenses increased by 15.7% to €30.5 million, accounting for 9.9% of revenues compa 8.8% in the same period of 2017; in particular, in the core business represented by the Datalogic Div R&D expenses rose from 9.1% to 10.4% with respect to revenues. Distribution expenses increased by to €53.5 million, accounting for 17.4% of revenues compared to 16.4% in the same period of 2017. G and administrative expenses amounted to €21.8 million, down 1.9% compared to €22.2 million, fall 7.1% from 7.4% with respect to revenues in the first half of 2017.

EBITDA, equal to €50.8 million, decreased by 1.9% (-3.2%, at constant exchange rates) compared to million, while with respect to revenues (EBITDA margin) fell from 17.3% in 2017 to 16.6% in 2018, n due to greater investments in R&D and to the strengthening of commercial organisations, partially off the improvement in the gross operating margin, and by a seasonal effect deriving from comparison w exceptionally positive trend recorded in the second quarter of 2017 due to a number of delays in the hir personnel in the R&D and Sales divisions.

The **Operating Profit (EBIT)** of €40.3 million decreased by 2.2% compared to €41.2 million, while respect to revenues fell from 13.8% in 2017 to 13.1% in 2018.

Non-recurring charges of €1 million (€0.8 million in the first half of 2017) mainly relate to the restruc of a number of corporate functions.

Financial income was negative by €3.1 million, compared to a negative result of €3.9 million in the period of 2017. The improvement is mainly due to benefits deriving from the renegotiation of the co outstanding loans.

The **Group net profit**, amounting to €29 million, decreased by 1.1% compared to the €29.3 million recorded in 1H2017. The percentage on revenues was 9.4%.

The **Net Financial Position**, as at 30 June 2018 was positive by €13.3 million, an improvement o million compared to 30 June 2017 (positive by €5.5 million) and down by €16.9 million with respect December 2017 (a positive €30.1 million), due to the payment of dividends and the purchase of tre shares. Net of the purchase of treasury shares and the distribution of dividends, cash generation operating activities for the period amounted to €22.7 million, an increase of 17.2% compared to million in the first half of 2017.

The **Trade working capital** as at 30 June 2018 amounted to €72 million, an increase of €10.6 m compared to 31 December 2017 and of €1.8 million compared to 30 June 2017, with a percenta revenues of 11.7% in line with 1H 2017 (11.8%).

PERFORMANCE BY DIVISION

	Revenues			EBITDA		
€000	30.06.2018	30.06.2017	% Chg.	30.06.2018	30.06.2017	% Ch
Datalogic	284,304	279,178	1.8%	48,692	51,324	(5.1
Solution Net Systems	14,220	10,574	34.5%	1,932	831	132.
Informatics	9,744	11,239	(13.3%)	261	(328)	n.a
Adjustments	(1,274)	(1,683)	24.3%	(47)	(2)	n.s
Total	306,994	299,308	2.6%	50,838	51,825	(1.9

In the first half of the year, the **Datalogic Division** reported a turnover of €284.3 million, an increase of compared to the same period of 2017 (+6.6% at constant exchange rates), with a positive trend in EME APAC, especially in China and Korea where a growth of 27.3% (+34.3% at constant exchange rates recorded. In North America, growth, at constant exchange rates, amounted to 2.7%.

EBITDA related to the Division amounted to €48.7 million, a fall of 5.1% with a 17.1% impact on tur (18.4% as at 30 June 2017). This decrease is due to greater investments in R&D and to the increa distribution expenses for the launch of the commercial development plan, in line with the Group's str and to a seasonal effect resulting from comparison with an exceptionally positive trend recorded second quarter of 2017, due to a number of delays in hiring personnel for the R&D and Sales divisions.

	30.06.2018	%	30.06.2017	%	Change	%	Change % const exchar ra
Retail	141,569	49.8%	138,095	49.5%	3,474	2.5%	8.
Manufacturing	90,012	31.7%	77,379	27.7%	12,633	16.3%	19.
Transportation & Logistic	31,120	10.9%	25,714	9.2%	5,406	21.0%	27.
Healthcare	8,874	3.1%	16,296	5.8%	(7,422)	(45.5%)	(41.
Channel (Unallocated) (*)	12,729	4.5%	21,694	7.8%	(8,965)	(41.3%)	(40.
Total revenues	284,304	100.0%	279,178	100.0%	5,126	1.8%	6.

(*)The Channel sector (Unallocated) includes the revenues which are not directly attributable to sectors identified.

The **Retail** sector increased by 2.5% compared to the previous year (+8.6% at constant exchange mainly in EMEA (+3.8%) and North America (+7.8% and +20.2% at constant exchange rates).

The **Manufacturing** sector continued to expand strongly, growing by 16.3% compared to last year (+

at constant exchange rates), mainly driven by growth in China and Korea (+48.5%) and in the E (+10.4%). In North America, after a stable first quarter, the first half closed with a 12.5% growth at co exchange rates.

The **Transportation & Logistics** sector recorded an increase of 21.0% compared to the same period of (+27.3% at constant exchange rates) with double-digit growth in EMEA, North America, China and Ko

The **Healthcare** sector recorded a decrease of 45.5% (-41.9% at constant exchange rates) compared first half of 2017, which recorded exceptionally positive results due to the acquisition of important ord some of the major American hospital chains.

Sales through the distribution channel, especially to small and medium customers not directly attributa any of the 4 main sectors, recorded a 41.3% decrease due to a typical seasonal trend relating to distributor stock reduction and the effect of the postponement of the launch of new products dedicated distribution channel.

The **Solution Net Systems Division** recorded revenues of €14.2 million, an increase of 34.5% on th half of 2017 (+49.3% at constant exchange rates) due to the acquisition of further important orders, b the postal and retail sectors. EBITDA related to the Division amounted to €1.9 million, with a 13.6% i on turnover, compared to 7.9% in the first half of 2017.

The **Informatics Division** recorded a first half turnover of €9.7 million, a fall of 13.3% (-3% at co exchange rates) compared to the same period of 2017. EBITDA related to the Division amounted t million (negative by 0.3 million in the same period of 2017.

PERFORMANCE BY GEOGRAPHIC AREA

The following table shows the breakdown by geographical area of Group revenues achieved in the firs of 2018 compared to the same period of 2017:

	30.06.2018	%	30.06.2017	%	Change	%	Chang cons excha r
Italy	28,929	9.4%	27,643	9.2%	1,286	4.7%	
EMEA (Ex. Italy)	135,550	44.2%	131,013	43.8%	4,537	3.5%	
Total EMEA	164,479	53.6%	158,656	53.0%	5,823	3.7%	4
North America	91,768	29.9%	95,028	31.7%	(3,260)	(3.4%)	7
Latin America	6,562	2.1%	7,344	2.5%	(782)	(10.6%)	(
APAC (incl. Cina)	44,185	14.4%	38,280	12.8%	5,905	15.4%	22
Total revenues	306,994	100.0%	299,308	100.0%	7,686	2.6%	7

During the first half of 2018, EMEA recorded a growth of 3.7% (+4.8% at constant exchange rates APAC a double-digit growth of 15.4% (+22.9% at constant exchange rates), driven by China and (+27.3% and +34.3% respectively, at constant exchange rates). A negative trend was recorded in America with a decrease of 3.4% mainly attributable to the negative exchange rate effect (+7.7% at co exchange rates).

QUARTER PERFORMANCE

	Q2 2018	% on Revenues	Q2 2017	% on Revenues	Change	Change in %	Chan con exch
Total revenues	164,052	100.0%	157,784	100.0%	6,268	4.0%	
EBITDA	28,886	17.6%	31,061	19.7%	(2,175)	-7.0%	
EBIT	23,758	14.5%	25,934	16.4%	(2,176)	-8.4%	-1
Group net profit/(loss)	17,780	10.8%	17,391	11.0%	389	2.2%	

Total revenues for the second quarter of 2018 amounted to €164.1 million, an increase of 4% compa the second quarter of 2017 (+8.1% at constant exchange rates). The Datalogic Division recorded a tur of €151.7 million in the second quarter, an increase of 2.8% compared to the same period of 2017 (+6. constant exchange rates), with a positive trend in EMEA and APAC, especially in China and Korea growth of 37% was recorded, while the negative trend in North America of 3.6% was exclu attributable to the negative exchange rate effect (+4.5% at constant exchange rates).

On the other hand, operating margins were affected by greater investments in R&D and the strengthen the commercial organisations required to continue the growth of the Group, as well as by a seasonal deriving from comparison with an exceptionally positive trend recorded in the second quarter of 2017, a number of delays in hiring personnel in the R&D and Sales divisions.

SIGNIFICANT EVENTS DURING THE PERIOD

On 3 April, Datalogic S.p.A., implementing the shareholders' resolution of 4 May 2017 authorisir purchase and disposal of treasury shares, signed an agreement with a leading intermediary for the trad treasury shares on the market. This agreement was concluded in advance on 10 May. In particular, period between 3 April 2018 and 10 May 2018, the Company repurchased 397,773 treasury shares ou maximum of 500,000.

On 11 May, Datalogic S.p.A., implementing the shareholders' resolution of 4 May 2017 authorisir purchase and disposal of treasury shares, granted a mandate to launch a programme to support the liq of Datalogic shares in order to facilitate regular trading conduct and avoid price movements not in line market performance. The liquidity support activities will last one year, starting from 16 May 20 accordance with market practice No 1, as permitted by Consob with Resolution No 16839 of 19 March

On 23 May 2018, the Board of Directors of Datalogic S.p.A., confirming the governance structure prev communicated to the market, appointed Mrs. Valentina Volta as CEO of Datalogic Group, vested w executive powers, with the exception of the "M&A" and "Real Estate" areas, which remain the exc responsibility of the Chairman, Mr. Romano Volta. It should also be noted that the powers pertaining "Sales & Marketing - Markets" area are granted exclusively to Mrs. Volta and that all other powers th not granted exclusively to the CEO ("Sales & Marketing - Markets") or exclusively to the Cha ("M&A" and "Real Estate") are shared between the two divisions, with separate powers.

EVENTS OCCURRING AFTER YEAR END

No significant events are to be reported.

BUSINESS OUTLOOK

Despite the negative impact of the Euro/Dollar exchange rate on sales, the results for the first half of th show continued growth in revenues in line with company forecasts.

The Group continues to pursue its strategy focused on the continuous growth of investments in R& improvement of service levels offered to customers, on the further strengthening of comm organisations in all the main development areas, with a special focus on North America, and the optimi of production costs combined with a thorough control of operating costs and overheads.

In the absence of significant changes in economic and sector trends, the Group expects to be able to p the objective of a mid-to-high single digit increase in revenues in 2018, maintaining the EBITDA mar line with that of the previous year, and continuing to keep its financial strength.

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Please note that the half-year report at 30th June 2018 of Datalogic S.p.A. will be available to anyon requests it at the company headquarters, at the offices of Borsa Italiana S.p.A. (www.borsaitaliana.it), “eMarket STORAGE” instrument, managed by Spafid Connect S.p.A. and may also available o company’s website www.datalogic.com (Investor Relations section), in accordance with the lav applicable regulations.

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The manager responsible for preparing the company’s financial reports – Alessandro D’Aniello – dec pursuant to paragraph 2 of Art. 154-bis of the “Testo Unico della Finanza”, that the accounting inform contained in this press release corresponds to the document results, books and accounting records.

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It should also be noted that this press release contains forward-looking statements concerning the G intentions, beliefs or current expectations in relation to financial results and other aspects of the G activities and strategies. The reader of this press release should not place undue reliance on forward-looking statements, as the actual results could differ significantly from those contained i statements, as a result of a number of factors, most of which are outside of the Group's control.

Reclassified income statement at 30 June 2018 – Euro/1.000

	Six month					
	30.06.2018	% on Revenues	30.06.2017	% on Revenues	Change	Change %
Total Revenues	**306.994**	**100,0%**	**299.308**	**100,0%**	**7.686**	**2,6%**
Cost of goods sold	(157.545)	*-51,3%*	(157.048)	*-52,5%*	*(497)*	*0,3%*
Gross Operating Margin	**149.449**	***48,7%***	**142.260**	***47,5%***	***7.189***	***5,1%***
Other revenues	814	0,3%	535	0,2%	279	52,1%
Research & Development	(30.463)	*-9,9%*	(26.321)	*-8,8%*	*(4.142)*	*15,7%*
Distribution costs	(53.525)	*-17,4%*	(49.080)	*-16,4%*	*(4.445)*	*9,1%*
Administrative expenses	(21.767)	*-7,1%*	(22.196)	*-7,4%*	*429*	*-1,9%*
Other operating expenses	(943)	*-0,3%*	(717)	*-0,2%*	*(226)*	*31,5%*
Total operating expenses and others	**(105.884)**	***-34,5%***	**(97.779)**	***-32,7%***	**(8.105)**	***8,3%***
Non-recurring costs/revenues	(1.041)	*-0,3%*	(781)	*-0,3%*	*(260)*	*33,3%*
Amort. intangible assets from acquisition	(2.246)	*-0,7%*	(2.511)	*-0,8%*	*265*	*-10,6%*
Operating Profit (EBIT)	**40.278**	***13,1%***	**41.189**	***13,8%***	**(911)**	***-2,2%***
Financial (costs)/revenues	(815)	*-0,3%*	(2.459)	*-0,8%*	*1.644*	*-66,9%*
Result from equity investments	0	*0,0%*	(140)	*0,0%*	*140*	*-100,0%*
Foreign exchange (costs)/revenues	(2.281)	*-0,7%*	(1.406)	*-0,5%*	*(875)*	*62,2%*
Profit/(Loss) before taxes (EBT)	**37.182**	***12,1%***	**37.184**	***12,4%***	***(2)***	***0,0%***
(Taxes)	(8.219)	*-2,7%*	(7.887)	*-2,6%*	*(332)*	*4,2%*
Net Income/(Loss)	**28.963**	***9,4%***	**29.297**	***9,8%***	***(334)***	***-1,1%***
Non-recurring costs/revenues	(1.041)	*-0,3%*	(781)	*-0,3%*	*(260)*	*33,3%*
Depreciation	(5.099)	*-1,7%*	(5.183)	*-1,7%*	*84*	*-1,6%*
Amortization	(4.420)	*-1,4%*	(4.672)	*-1,6%*	*252*	*-5,4%*
EBITDA	**50.838**	***16,6%***	**51.825**	***17,3%***	**(987)**	***-1,9%***

Reclassified Balance Sheet at 30 June 2018 [1] – Euro/1.000

	30.06.2018	31.12.2017	30.06.2017
Intangible fixed assets	39.876	41.980	45.606
Goodwill	178.091	174.343	174.730
Tangible fixed assets	70.097	69.733	69.051
Equity investments in associates	11.884	11.757	9.047
Other fixed assets	51.353	50.058	55.531
Total Fixed Assets	**351.301**	**347.871**	**353.965**
Net trade account receivables	95.874	85.832	88.866
ST account payables	(126.121)	(110.288)	(107.137)
Inventory	102.292	85.938	88.510
Trade Working Capital	**72.045**	**61.482**	**70.239**
Other current receivables	35.397	31.121	35.065
Assets Held for Sale	0	1.021	0
Other ST payables and provision for risk & future	(82.867)	(71.621)	(84.906)
Net Working Capital	**24.575**	**22.003**	**20.398**
Other LT payables	(26.805)	(26.747)	(30.042)
Employees' deferred compensation / TFR	(6.565)	(6.633)	(6.780)
LT provision for risk & future charges	(7.564)	(13.602)	(12.774)
Net Invested Capital	**334.942**	**322.892**	**324.767**
Equity	**(348.205)**	**(353.029)**	**(330.224)**
Net Financial Position	**13.263**	**30.137**	**5.457**

Net Financial Position at 30 June 2018 – Euro/1.000

	30.06.2018	31.12.2017	30.06.2017
A. Cash and bank deposits	194.487	256.201	258.022
B. Other liquidity	12	11	12
b1. Restricted cash	*12*	*11*	*12*
C. Securities held for trading	0	0	0
c1. Short Term	*0*	*0*	*0*
c2. Long Term	*0*	*0*	*0*
D. Cash and Cash equivalents (A) + (B) + (C)	**194.499**	**256.212**	**258.034**
E. Current financial receivables	0	0	0
F. Other current financial assets	51.199	31.444	30.955
f1. Hedging instruments	*0*	*0*	*0*
G. Current bank overdrafts	243	92	101
H. Current portion of non-current debt	47.259	48.108	51.103
I. Other current financial liabilities	3.836	2.913	2.779
i1. Hedging instruments	*0*	*0*	*11*
i2. Leasing payables	*0*	*0*	*97*
i3. Current financial liabilities	*3.836*	*2.913*	*2.671*
J. Current financial debt, net (G) + (H) + (I)	**51.338**	**51.113**	**53.983**
K. Current financial debt, net (J) - (D) - (E) - (F)	**(194.360)**	**(236.543)**	**(235.006)**
L. Non-current bank borrowing	181.097	205.656	229.549
M. Other financial assets	0	0	0
N. Other non-current liabilities	0	750	0
n1. Hedging instruments		*0*	*0*
n2. Leasing payables	*0*	*0*	*0*
n3. Non- current financial payables	*0*	*750*	*0*
O. Non - current financial debt (L) - (M) + (N)	**181.097**	**206.406**	**229.549**
P. Net financial debt (K) + (O)	**(13.263)**	**(30.137)**	**(5.457)**

[1] *The reclassified Balance Sheet shows measures used by the Management to monitor and asse financial performances of the Group. Given that the composition of these measures is not regulated reference accounting standards, even if they are directly reconcilable to the IFRS statements, they a subject to any audit procedure by the Independent Auditors.*