THE BOARD OF DIRECTORS APPROVED THE QUARTERLY REPORT AT 30 SEPTEMBER 2018

REVENUES UP 3.4% AT €466.1 MILLION

(+6.9% AT CONSTANT EXCHANGE RATES)

EBITDA AT €77.5 MILLION, 16.6% ON REVENUES

NET PROFIT AT €43.6 MILLION, 9.3% ON REVENUES

NET FINANCIAL POSITION POSITIVE AT €10.9 MILLION

- **Revenues in the quarter at €159.1 million, up 5.1% compared to €151.4 million in the thi quarter of 2017**
- **EBITDA at €26.7 million compared to €26.1 million in the third quarter of 2017 (EBITD margin at 16.8% compared to 17.2% in the third quarter of 2017)**
- **Net profit at €14.6 million compared to €15.8 million in the third quarter of 2017**
- **Net Financial Position positive at €10.9 million compared to €30.1 million as at 31 Decemb 2017 and negative €15.2 million as at 30 September 2017**

Bologna, 13th November 2018 – 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 Italia S.p.A. ("Datalogic") and global leader in the automatic data capture and process automation marke approved today the Quarterly Financial Report at 30th September 2018.

Valentina Volta, the Chief Executive Officer of the Datalogic Group, commented: "We are satisfi with the results obtained for the quarter which confirm the progressive growth of sales during the year, spite of the detrimental effect of exchange rates. In particular, I want to highlight the excelle performance of North America, which grew by 46% over the quarter and was driven by Retail (+72 yoy) and T&L (+117% yoy) as well as the very positive performance of Manufacturing and T&L in the main geographical areas. Investments in R&D have continued, which have made possible, amo other things, to obtain Google certification for the use of the Android operating system by a new range terminals soon to be launched on the market. Profitability has remained essentially in line with last yea level, even after taking into consideration the significant investments in R&D and in the sales structu In the absence of significant changes in sector trends, I am confident that the Group will be able to clo the year with further growth in revenues compared to the trend of previous quarters."

Consolidated net revenues amounted to €466.1 million and, despite the unfavourable trend of t Euro/Dollar exchange rate, increased by 3.4% compared to €450.7 million as at 30 September 20 (+6.9%, at constant exchange rates).

The **gross operating margin**, amounting to €226.7 million, increased by 6.7% compared to €212 million in the same period of the previous year and with respect to revenues increased by 1.5 percenta points, rising from 47.1% in the first nine months of 2017 to 48.6% in 2018. The improvement is mair due to the improvement in the sales mix and efficiencies in the cost of goods sold.

Operating costs, amounting to €160.3 million, increased by 10.2% compared to €145.5 million in t same period of 2017, and increased by 2.1 percentage points with respect to revenues, up from 32.3% 34.4%. R&D expenses increased by 17.7% to €46.9 million, accounting for 10.1% of revenues compar to 8.9% in the same period of 2017. Distribution expenses increased by 11.9% to €81.9 millic accounting for 17.6% of revenues compared to 16.2% in the same period of 2017. These expenses we affected by the strengthening of the R&D and distribution organizational structures. General a administrative expenses amounted to €32.5 million, down 1.3% compared to €33 million, falling to 7.0 from 7.3% with respect to revenues in the first nine months of 2017.

EBITDA, equal to €77.5 million, essentially in line compared to €77.9 million of the same period 2017 (-1.5%, at constant exchange rates), while with respect to revenues (EBITDA margin) fell fro 17.3% in 2017 to 16.6% in 2018, mainly due to greater investments in R&D, described above, and to t strengthening of commercial organisations, partially offset by the improvement in the gross operati margin, and by a cost control of the general and administrative expenses.

EBIT, equal to €61.1 million, decreased by 2.2% against €62.5 million, while its percentage of revenu dropped from 13.9% in the first nine months of 2017 to 13.1% for the same period in 2018. The resu was affected by non-recurring charges, equal to €1.9 million (€0.9 million in the first nine months 2017), related primarily to restructuring transactions of some corporate departments and t reorganisation of the industrial and distribution footprint.

Financial management was negative for €5 million, compared to a negative result of €5.7 million in t same period of 2017. The improvement is mainly attributable to benefits from renegotiating the cost outstanding loans and by a reduction in banking charges, partially offset by the increase in exchan differences recorded on currency exposures.

The **Group net profit**, amounting to €43.6 million, decreased by 3.3% compared to the €45 milli profit recorded in the same period of the previous year. The percentage on revenues was 9.3%.

The **Net Financial Position**, as at 30 September 2018 was positive by €10.9 million, an improvement €26 million compared to 30 September 2017 (negative by €15.2 million) and down by €19.3 million wi respect to 31 December 2017 (positive by €30.1 million). Al netto degli acquisti di azioni proprie e de distribuzione dei dividendi, la generazione di cassa del periodo derivante dalle attività di business positiva per 20,5 milioni di Euro, in crescita rispetto ai primi nove mesi del 2017 in cui, escludendo

distribuzione dei dividendi e l'acquisizione di Soredi Touch Systems GMBH, la generazione di cas sarebbe stata positiva per 6,6 milioni.

The **Trade working capital** as at 30 September 2018 amounted to €83.5 million, an increase of €: million compared to 31 December 2017 and down by €6.3 million compared to 30 September 2017, wi a percentage on revenues of 13.4% decreased compared to September 2017 (14.8%).

9M PERFORMANCE BY DIVISION

	Revenues			EBITDA		
€000	30.09.2018	30.09.2017	% Chg.	30.09.2018	30.09.2017	% Chg
Datalogic	431,082	417,745	3.2%	73,528	75,159	(2.2%)
Solution Net Systems	22,423	19,307	16.1%	3,618	2,840	27.4%
Informatics	14,601	16,366	(10.8%)	464	(115)	n.s.
Adjustments	(2,018)	(2,707)		(65)	21	
Total	466,088	450,711	3.4%	77,545	77,905	(0.5%)

In the first nine months of the year, the **Datalogic Division** reported a turnover of €431.1 million, increase of 3.2% compared to the same period of 2017 (+6.3% at constant exchange rates), with significantly positive trend in North America where a growth of 8.7% (+15.5% at constant exchan rates) was recorded and in APAC, especially in China and Korea, which reported a growth of 15.5 (+20.1% at constant exchange rates).

EBITDA related to the division amounted to €73.5 million, down 2.2%, corresponding to 17.1% of sal (18% as at 30 September 2017). This decrease is attributable to greater investments in R&D and t increase in commercial expenses.

The following table provides a breakdown of the revenues of the Datalogic Division, by business sector

	30.09.2018	%	30.09.2017	%	Change	%	Change in % at constant exchange rates
Retail	214,176	49.7%	205,972	49.3%	8,204	4.0%	8.0%
Manufacturing	130,789	30.3%	115,103	27.6%	15,686	13.6%	15.9%
Transportation & Logistic	50,601	11.7%	40,774	9.8%	9,827	24.1%	27.9%
Healthcare	13,647	3.2%	21,331	5.1%	(7,684)	(36.0%)	(33.3%)
Channel (Unallocated) (*)	21,869	5.1%	34,565	8.3%	(12,696)	(36.7%)	(36.4%)
Total revenues	431,082	100%	417,745	100%	13,337	3.2%	6.3%

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

(**) Data for 2017 have been restated.

The **Retail** sector reported a 4% increase compared to last year (+8% at constant exchange rate), mair in North America (+26.8% and +35.1% at constant exchange rate).

The **Manufacturing** sector confirmed its expansion trend, up by 13.6% compared to the previous ye (+15.9% at constant exchange rate); growth was recorded in all the main geographical areas and particular in China and Korea (+38.4%) as well as in EMEA (+8.1%).

The **Transportation & Logistics** sector reported a 24.1% increase compared to the same period of 20 (+27.9% at constant exchange rate), with strong growth in particular in North America (+52%), Chi and Korea (+10.7%) and EMEA (+10.1%).

The **Healthcare** sector reported a 36% decrease (-33.3% at constant exchange rate), compared to the fi nine months of 2017, which had posted exceptionally positive results due to the acquisition of importa orders in some of the leading US hospital chains.

The sales through distribution channel, especially to small and medium-sized customers, not direct attributable to any of the four main sectors, reported a 36.7% decrease due to a physiological seasor trend of stock reduction in the main distributors in the first part of the year and to the timing of the laun of new products dedicated to the distribution channel.

The **Solution Net Systems Division** recorded revenues of €22.4 million, an increase of 16.1% compar to the first nine months of 2017 (+24.4% at constant exchange rates) mainly due to the acquisition further important orders, both in the postal and retail sectors. EBITDA related to the Division amount to €3.6 million, with a 16.1% impact on revenues, compared to 14.7% in the same period of 2017.

In the first nine months of 2018, the **Informatics Division** recorded a turnover of €14.6 million, dov 10.8% (-4.3% at constant exchange rate) compared to the same period in 2017. EBITDA for the divisi amounted to €0.5 million (negative by €0.1 million in the same period of 2017).

9M PERFORMANCE BY GEOGRAPHIC AREA

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

	30.09.2018	%	30.09.2017	%	Change	%	Change i % a constar exchang rate
Italy	40,041	8.6%	41,589	9.2%	(1,548)	(3.7%)	
EMEA (Ex. Italy)	197,987	42.5%	196,138	43.5%	1,849	0.9%	
Total EMEA (*)	238,028	51.1%	237,727	52.7%	301	0.1%	0.8
North America	152,618	32.7%	141,178	31.3%	11,440	8.1%	15.2
Latin America	11,138	2.4%	12,699	2.8%	(1,561)	(12.3%)	(3.5
APAC (*) (incl. China)	64,304	13.8%	59,107	13.1%	5,197	8.8%	13.8
Total revenues	466,088	100.0%	450,711	100.0%	15,377	3.4%	6.9

(*) EMEA: Europa, Middle East e Africa; APAC: Asia & Pacific
(**) As at 30 September 2018, sales in Mexico were included in the North America region, data as 30 September 2017 were reclassified accordingly.

During the first nine months of 2018, strong growth was recorded mainly for North America for 8.1 (+15.2% at constant exchange rate) and APAC for 8.8% (+13.8% at constant exchange rate), driven China and Korea (+15.5% and +20.1% at constant exchange rate).

QUARTER PERFORMANCE

	Q3 2018	% on Revenues	Q3 2017	% on Revenues	Change	Change in %	Change in % at constant exchange rates
Total revenues	159,094	100.0%	151,403	100.0%	7,691	5.1%	4.9%
EBITDA	26,707	16.8%	26,080	17.2%	627	2.4%	2.0%
EBIT	20,798	13.1%	21,277	14.1%	(479)	(2.3%)	7.3%
Group net profit/(loss)	14,615	9.2%	15,774	10.4%	(1,159)	(7.3%)	

Total revenues in the third quarter of 2018 amounted to €159.1 million, up 5.1% compared to the thi quarter of 2017 (+4.9% at constant exchange rate). In the third quarter, the Datalogic Division reporte turnover of €146.8 million, up by 5.9% compared to the same period of 2017 (+5.8% at consta exchange rate), with a particularly positive growth of 45.7% in North America.

EBITDA for the third quarter showed an increase of 2.4% (+2% at constant exchange rate). As

percentage of revenues (EBITDA margin), it stood at 16.8% (17.2% in the third quarter of 2017) and w affected by greater investments in R&D of 10.4% (9.0% in the third quarter of 2017) and t strengthening of sales organisations, partially offset by the improvement in gross profit and by t containment of overheads and administrative expenses.

SIGNIFICANT EVENTS FOR THE QUARTER AND SUBSEQUENT TO THE END OF TH QUARTER

No significant events are to be reported.

BUSINESS OUTLOOK

Despite the negative impact on sales due to the Euro/Dollar exchange rate, especially in the first half the year, the results for the first nine months of the year reported a continued growth in revenues, in li with the business forecasts of a gradual and steady quarterly improvement of growth rates compared the same period last year.

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

Of particular significance in the last few months was the completion of the technological switch to t Android operating system of the entire mobility products line and the achievement of "Andro Enterprise Recommended" Google product certification for Memor 10, the first of a new family of PD products with unique characteristics in the market. The launch of Memor 10 will take place in the ne future and will be an important component of the strong pipeline expected for the next few months.

Even though the activities to complete the switch to the Android technology have taken longer th anticipated, with the consequent delay in the launch of some important new products, on the basis of t expectations of further growth in revenues for the last quarter of the year and in the absence of significa changes in economic and sector trends, the Group expects to end the year with revenues growing furth than the trend in the first nine months, while maintaining the EBITDA margin essentially in line with la year, and continuing to preserve its financial solidity.

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Please note that the Quarterly Report at 30th September 2018 of Datalogic S.p.A. will be available anyone who requests it at the company headquarters, at the offices of Borsa Italiana S.p. (www.borsaitaliana.it), on the "eMarket STORAGE" instrument, managed by Spafid Connect S.p.A. a may also available on the company's website www.datalogic.com (Investor Relations section), accordance with the law and applicable regulations.

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

records.

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

Reclassified income statement at 30 September 2018 – Euro/1.000

	30.09.2018		30.09.2017		Change	Change %
Total Revenues	466.088	100,0%	450.711	100,0%	15.377	3,4%
Cost of goods sold	(239.373)	-51,4%	(238.201)	-52,9%	(1.172)	0,5%
Gross Operating Margin	226.715	48,6%	212.510	47,1%	14.205	6,7%
Other revenues	2.799	0,6%	2.005	0,4%	794	39,6%
Research & Development	(46.948)	-10,1%	(39.889)	-8,9%	(7.059)	17,7%
Distribution costs	(81.920)	-17,6%	(73.225)	-16,2%	(8.695)	11,9%
Administrative expenses	(32.527)	-7,0%	(32.966)	-7,3%	439	-1,3%
Other operating expenses	(1.744)	-0,4%	(1.450)	-0,3%	(294)	20,3%
Total operating expenses and others	(160.340)	-34,4%	(145.525)	-32,3%	(14.815)	10,2%
Non-recurring costs/revenues	(1.883)	-0,4%	(858)	-0,2%	(1.025)	119,5%
Amort. intangible assets from acquisition	(3.416)	-0,7%	(3.661)	-0,8%	245	-6,7%
Operating Profit (EBIT)	61.076	13,1%	62.466	13,9%	(1.390)	-2,2%
Financial (costs)/revenues	(1.802)	-0,4%	(3.441)	-0,8%	1.639	-47,6%
Result from equity investments	0	0,0%	(1)	0,0%	1	-100,0%
Foreign exchange (costs)/revenues	(3.209)	-0,7%	(2.259)	-0,5%	(950)	42,1%
Profit/(Loss) before taxes (EBT)	56.065	12,0%	56.765	12,6%	(700)	-1,2%
(Taxes)	(12.487)	-2,7%	(11.694)	-2,6%	(793)	6,8%
Net Income/(Loss)	43.578	9,3%	45.071	10,0%	(1.493)	-3,3%
Non-recurring costs/revenues	(1.883)	-0,4%	(858)	-0,2%	(1.025)	119,5%
Depreciation	(7.725)	-1,7%	(7.649)	-1,7%	(76)	1,0%
Amortization	(6.861)	-1,5%	(6.932)	-1,5%	71	-1,0%
EBITDA	77.545	16,6%	77.905	17,3%	(360)	-0,5%

Reclassified Balance Sheet at 30 September 2018 () – Euro/1.000

	30.09.2018	31.12.2017	30.09.2017
Intangible fixed assets	41.100	41.980	43.464
Goodwill	179.284	174.343	176.937
Tangible fixed assets	72.114	69.733	68.108
Equity investments in associates	11.297	11.757	12.013
Other fixed assets	52.638	50.058	54.892
Total Fixed Assets	**356.433**	**347.871**	**355.414**
Net trade account receivables	89.955	85.832	93.141
ST account payables	(115.566)	(110.288)	(90.846)
Inventory	109.096	85.938	87.521
Trade Working Capital	**83.485**	**61.482**	**89.816**
Other current receivables	42.131	31.121	37.570
Assets Held for Sale	0	1.021	0
Other ST payables and provision for risk & future charges	(85.033)	(71.621)	(76.299)
Net Working Capital	**40.583**	**22.003**	**51.087**
Other LT payables	(29.117)	(26.747)	(30.387)
Employees' deferred compensation / TFR	(6.736)	(6.633)	(6.745)
LT provision for risk & future charges	(7.618)	(13.602)	(13.674)
Net Invested Capital	**353.545**	**322.892**	**355.695**
Equity	**(364.404)**	**(353.029)**	**(340.519)**
Net Financial Position	**10.859**	**30.137**	**(15.176)**

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

Net Financial Position at 30 September 2018 – Euro/1.000

	30.09.2018	31.12.2017	30.09.2017
A. Cash and bank deposits	194.102	256.201	238.716
B. Other liquidity	12	11	12
b1. Restricted cash	*12*	*11*	*12*
C. Securities held for trading	0	0	0
D. Cash and Cash equivalents (A) + (B) + (C)	**194.114**	**256.212**	**238.728**
E. Current financial receivables	0	0	0
F. Other current financial assets	51.396	31.444	31.171
f1. Hedging instruments	*0*	*0*	*0*
G. Current bank overdrafts	55	92	151
H. Current portion of non-current debt	47.736	48.108	51.463
I. Other current financial liabilities	5.779	2.913	2.956
i1. Hedging instruments	*0*	*0*	*5*
i2. Leasing payables	*0*	*0*	*22*
i3. Current financial liabilities	*5.779*	*2.913*	*2.929*
J. Current financial debt, net (G) + (H) + (I)	**53.570**	**51.113**	**54.570**
K. Current financial debt, net (J) - (D) - (E) - (F)	**(191.940)**	**(236.543)**	**(184.158)**
L. Non-current bank borrowing	181.081	205.656	229.755
M. Other financial assets	0	0	0
N. Other non-current liabilities	0	750	750
n1. Hedging instruments		*0*	*0*
n2. Leasing payables	*0*	*0*	*0*
n3. Non- current financial payables	*0*	*750*	*750*
O. Non - current financial debt (L) - (M) + (N)	**181.081**	**206.406**	**199.334**
P. Net financial debt (K) + (O)	**(10.859)**	**(30.137)**	**15.176**