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# **Consolidated Half-Year Financial Report**

**30 June 2018**



## **DATALOGIC GROUP**

### **Consolidated Half-Year Financial Report at 30 June 2018**

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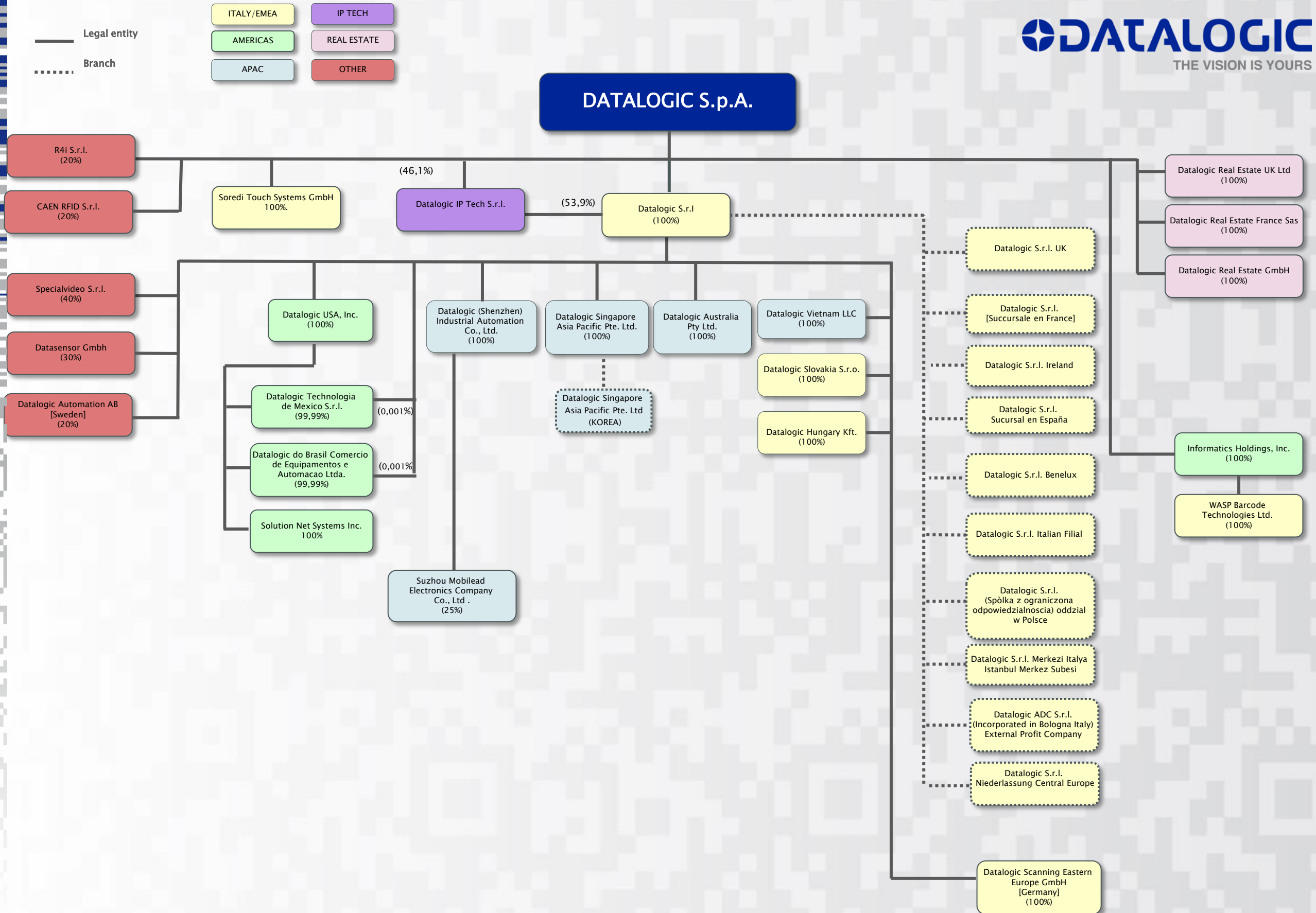
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*Declaration pursuant to Art. 154-bis, pars. 3 and 4, Legislative Decree 58/1998*

# DATALOGIC S.p.A.



## COMPOSITION OF CORPORATE BODIES

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### **Board of Directors** (1)

**Volta Romano**

Chairman (2)

**Volta Valentina**

Director & Chief Executive Officer (2)

**Angelo Manaresi**

Independent Director

**Angelo Busani**

Independent Director

**Chiara Giovannucci Orlandi**

Independent Director

**Todescato Pietro**

Director

**Volta Filippo Maria**

Director

**Angelo Busani**

Independent Director

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### **Statutory Auditors** (3)

**Fiorenza Salvatore Marco Andrea**

Chairman

**Santagostino Roberto**

Statutory Auditor

**Lancellotti Elena**

Statutory Auditor

**Prandi Paolo**

Alternate Statutory Auditor

**Fuzzi Mario**

Alternate Statutory Auditor

**Patrizia Cornale**

Alternate Statutory Auditor

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### **Auditing Company**

EY S.p.A.

(1) The Board of Directors will remain in office until the general meeting that approves the accounts for the financial year ending 31 December 2020.

(2) Legal representative with respect to third parties.

(3) The Statutory Auditors in office until the approval of the accounts for the financial year ending 31 December 2018. The Shareholders' Meeting on May 23<sup>rd</sup> 2018 appointed Patrizia Cornale as Alternate Statutory Auditor, for the same duration of the Statutory Auditors.

## MANAGEMENT REPORT

### INTRODUCTION

This Half-Year Report as at 30 June 2018 was drawn up pursuant to Art. 154 of T.U.F. [Consolidated Law on Finance] and includes the Management Report, the Condensed Half-Year Consolidated Financial Statements and the Certification as per Art. 154-bis of the T.U.F.

The condensed half-year consolidated financial statements were prepared pursuant to the (IAS/IFRS) consolidated accounting standards adopted by the European Union.

### GROUP PROFILE

Datalogic is the world leader in the markets of automatic data capture and process automation. The Group is specialized in the design and production of bar code readers, mobile computers, detection, measurement and security sensors, vision and laser marking systems and RFID. Its pioneering solutions contribute to increase efficiency and quality of processes along the entire value chain, in the Retail, Manufacturing, Transportation & Logistics and Healthcare sectors.

### HIGHLIGHTS OF THE PERIOD

The following table summarises the Datalogic Group's key operating and financial results as at 30 June 2018 in comparison with the same period a year earlier:

	Half-year ended						
	30.06.2018	% of Revenues	30.06.2017	% of Revenues	change	% change	% ch. at constant exch. rate
<b>Total Revenues</b>	<b>306,994</b>	100.0%	<b>299,308</b>	100.0%	<b>7,686</b>	2.6%	7.9%
<b>EBITDA</b>	<b>50,838</b>	16.6%	<b>51,825</b>	17.3%	<b>(987)</b>	-1.9%	-3.2%
<b>Operating result (EBIT)</b>	<b>40,278</b>	13.1%	<b>41,189</b>	13.8%	<b>(911)</b>	-2.2%	-5.7%
<b>Group net profit/loss</b>	<b>28,963</b>	9.4%	<b>29,297</b>	9.8%	<b>(334)</b>	-1.1%	
<b>Net Financial Position (NFP)</b>	<b>13,263</b>		<b>5,457</b>		<b>7,806</b>		

Sales revenue for the first half, though hampered by an unfavourable Euro/Dollar exchange rate, grew 2.6% (+7.9% at constant exchange rates). Instead, the financial ratios reflect higher investments in R&D and the strengthening of the sales organisations necessary to continue the Group's growth, as well as a seasonality effect resulting from the comparison with the exceptionally positive performance achieved in the second quarter of 2017.

The Net Financial Position is positive by €13.3 million, with an improvement of €7.8 million compared to 30 June 2017.

## **PERFORMANCE INDICATORS**

To allow for a better valuation of the Group's performance, management adopted certain alternative performance indicators that are not identified as accounting measures within IFRS (NON-GAAP measures). The measurement criteria applied by the Group might not be consistent with the ones adopted by other groups and the indicators might not be comparable with the one determined by the latter. These performance indicators, determined according to provisions set out by Guidelines on alternative performance indicators, issued by ESMA/2015/1415 and adopted by CONSOB with communication no. 92543 of 3 December 2015, refer only to the performance of the accounting period related to this Half-Year Report and the compared periods.

The performance indicators must be considered as supplementary and do not supersede information given pursuant to IFRS standards. The description of the main indicators adopted is given hereunder.

- **EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation):** this indicator is defined as Profit/Loss for the period before depreciation and amortisation of tangible and intangible assets, non-recurring costs/revenues, financial income and expenses and income taxes;
- **EBIT (Earnings Before Interests and Taxes) or Operating result:** operating result, drawn from the Income Statement.
- **Net Trade Working Capital:** this indicator is calculated as the sum of Inventories and Trade Receivables, less Trade Payables.
- **Net Working Capital:** this indicator is calculated as the sum of Net Trade Working Capital and Other Assets, as well as of Current Liabilities, including short-term Provisions for risks and charges.
- **Net Invested Capital:** this indicator is the total of Current and Non-current Assets, excluding financial assets, less Current and Non-current Liabilities, excluding financial liabilities.
- **NFP (Net Financial Position) or Net Financial Debt:** this indicator is calculated based on provisions set out by Consob Communication no. 15519 of 28 July 2006.

## RECLASSIFIED GROUP ECONOMIC RESULTS FOR THE HALF-YEAR

The following table shows the main income statement items of the current period, compared with the same period in the previous year:

	Half-year ended					
	30.06.2018		30.06.2017		change	% change
<b>Total Revenues</b>	<b>306,994</b>	<b>100.0%</b>	<b>299,308</b>	<b>100.0%</b>	<b>7,686</b>	<b>2.6%</b>
Cost of goods sold	(157,545)	-51.3%	(157,048)	-52.5%	(497)	0.3%
<b>Gross profit</b>	<b>149,449</b>	<b>48.7%</b>	<b>142,260</b>	<b>47.5%</b>	<b>7,189</b>	<b>5.1%</b>
Other revenues	814	0.3%	535	0.2%	279	52.1%
Research and development expenses	(30,463)	-9.9%	(26,321)	-8.8%	(4,142)	15.7%
Distribution expenses	(53,525)	-17.4%	(49,080)	-16.4%	(4,445)	9.1%
General and administrative expenses	(21,767)	-7.1%	(22,196)	-7.4%	429	-1.9%
Other operating costs	(943)	-0.3%	(717)	-0.2%	(226)	31.5%
<b>Total operating costs</b>	<b>(105,884)</b>	<b>-34.5%</b>	<b>(97,779)</b>	<b>-32.7%</b>	<b>(8,105)</b>	<b>8.3%</b>
Non-recurring costs/revenues and write-downs	(1,041)	-0.3%	(781)	-0.3%	(260)	33.3%
Depreciation & amortisation due to acquisitions	(2,246)	-0.7%	(2,511)	-0.8%	265	-10.6%
<b>Operating result (EBIT)</b>	<b>40,278</b>	<b>13.1%</b>	<b>41,189</b>	<b>13.8%</b>	<b>(911)</b>	<b>-2.2%</b>
Net financial income (expenses)	(815)	-0.3%	(2,459)	-0.8%	1,644	-66.9%
Profits/(losses) from associates	0	0.0%	(140)	0.0%	140	-100.0%
Foreign exchange gains/(losses)	(2,281)	-0.7%	(1,406)	-0.5%	(875)	62.2%
<b>Pre-tax profit/(loss) (EBT)</b>	<b>37,182</b>	<b>12.1%</b>	<b>37,184</b>	<b>12.4%</b>	<b>(2)</b>	<b>0.0%</b>
Taxes	(8,219)	-2.7%	(7,887)	-2.6%	(332)	4.2%
<b>GROUP NET PROFIT/(LOSS)</b>	<b>28,963</b>	<b>9.4%</b>	<b>29,297</b>	<b>9.8%</b>	<b>(334)</b>	<b>-1.1%</b>
Non-recurring costs/revenues and write-downs	(1,041)	-0.3%	(781)	-0.3%	(260)	33.3%
Amortisation, depreciation and write-downs of tangible assets	(5,099)	-1.7%	(5,183)	-1.7%	84	-1.6%
Amortisation, depreciation and write-downs of intangible assets	(4,420)	-1.4%	(4,672)	-1.6%	252	-5.4%
<b>EBITDA</b>	<b>50,838</b>	<b>16.6%</b>	<b>51,825</b>	<b>17.3%</b>	<b>(987)</b>	<b>-1.9%</b>

**Consolidated net revenues** amounted to €307 million, and, despite a negative trend in the Euro/Dollar exchange rate, increased 2.6% compared to €299.3 million reported as at 30 June 2017 (+7.9% at constant exchange rate).

**Gross profit**, equal to €149.4 million, increased by 5.1% against €142.3 million reported in the same period of the previous year, while as a percentage of revenues it increased by 1.2 percentage points, from 47.5% in 2017 to 48.7% in 2018. The improvement is attributable primarily to the improved mix and efficiency related to cost of materials.

**Operating costs**, equal to €105.9 million, increased by 8.3% from €97.8 million in the same period of 2017, and increased by 1.8 percentage points in proportion to revenues, from 32.7% to 34.5%. The R&D expenses grew 15.7% to €30.5 million, which corresponds to 9.9% of revenue compared to 8.8% in the same period of 2017; specifically, in the core business of the Datalogic Division, R&D expenses in proportion to revenue grew from 9.1% to 10.4%. Distribution expenses increased by 9.1% to €53.5 million, corresponding to 17.4%

of revenues compared to 16.4% recorded in the same period of 2017. General and administrative expenses amounted to €21.8 million, down 1.9% compared to €22.2 million in the comparison period, while its proportion of revenues fell to 7.1% from 7.4% in the first half of 2017.

**EBITDA** stood at €50.8 million, down 1.9% (-3.2% at constant exchange rate) compared to €51.8 million, while, as a percentage of revenues (EBITDA margin), it decreased from 17.3% in 2017 to 16.6% in 2018, mainly due to higher investments in R&D and the strengthening of sales organisations, partially offset by the improvement in gross profit, and due to a seasonal effect from the comparison with an exceptionally positive performance recorded in the second quarter of 2017 related to some delays in hiring personnel in R&D and sales departments.

**EBIT**, equal to €40.3 million, decreased by 2.2% against €41.2 million, while its percentage of revenues dropped from 13.8% in 2017 to 13.1% in 2018.

Non-recurring charges, equal to €1 million (€0.8 million in the first half 2017), related primarily to restructuring transactions of some corporate departments.

**Financial management** was negative for €3.1 million, compared to a negative result of €3.9 million in the same period of 2017. The improvement is mainly attributable to benefits from renegotiating the cost of outstanding loans.

	Half-year ended		
	30.06.2018	30.06.2017	Change
Financial income/(expenses)	86	(1,280)	1,366
Exchange rate differences	(2,281)	(1,406)	(875)
Bank expenses	(751)	(1,260)	509
Other	(150)	81	(231)
<b>Total net financial income (expenses)</b>	<b>(3,096)</b>	<b>(3,865)</b>	<b>769</b>

The **Group net profit**, amounting to €29 million, decreased by 1.1% compared to the profit recorded in the same period of the previous year (€29.3 million). This figure corresponds to 9.4% of revenues.



## **Half-year financial results by division**

Operating segments are identified based on the management reporting used by senior management to allocate resources and evaluate results.

For 2018, the operating segments were included in the following divisions:

- **Datalogic**, which represents the Group's core business and designs and produces bar code scanners, mobile computers, detection, measurement and security sensors, vision and laser marking and RFID systems intended to contribute to increasing the efficiency and quality of processes in the areas of large-scale distribution, manufacturing, transport & logistics and health, along the entire value chain;
- **Solution Net Systems**, specialised in supplying and installing integrated solutions for automated distribution for the postal segment and distribution centres in the Retail sector;
- **Informatics** sells and distributes products and solutions for the management of inventories and mobile assets tailored to small and medium-sized companies.

The **financial information** relating to operating segments as at 30 June 2018 and 30 June 2017 are as follows (€/000):

	Half-year ended									
	Informatics		Solution Net Systems		Datalogic Business		Adjustments		Total Group	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017	30.06.2018	30.06.2017	30.06.2018	30.06.2017	30.06.2018	30.06.2017
External revenue	9,741	11,233	14,220	10,562	283,033	277,458	0	55	306,994	299,308
Inter-segment revenue	3	6	0	12	1,271	1,720	(1,274)	(1,738)	0	0
<b>Total Sales</b>	<b>9,744</b>	<b>11,239</b>	<b>14,220</b>	<b>10,574</b>	<b>284,304</b>	<b>279,178</b>	<b>(1,274)</b>	<b>(1,683)</b>	<b>306,994</b>	<b>299,308</b>
<b>Operating result (EBIT)</b>	<b>25</b>	<b>(530)</b>	<b>1,902</b>	<b>794</b>	<b>38,398</b>	<b>40,601</b>	<b>(47)</b>	<b>324</b>	<b>40,278</b>	<b>41,189</b>
% of revenues	0.3%	(4.7)%	13.4%	7.5%	13.5%	14.5%	3.7%	(19.3)%	13.1%	13.8%
<b>Non-recurring costs/revenues and write-downs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,041)</b>	<b>(781)</b>	<b>0</b>	<b>0</b>	<b>(1,041)</b>	<b>(781)</b>
<b>Amortisation, depreciation and write-downs</b>	<b>(236)</b>	<b>(202)</b>	<b>(30)</b>	<b>(37)</b>	<b>(9,253)</b>	<b>(9,942)</b>	<b>0</b>	<b>326</b>	<b>(9,519)</b>	<b>(9,855)</b>
<b>EBITDA</b>	<b>261</b>	<b>(328)</b>	<b>1,932</b>	<b>831</b>	<b>48,692</b>	<b>51,324</b>	<b>(47)</b>	<b>(2)</b>	<b>50,838</b>	<b>51,825</b>
% of revenues	2.7%	(2.9)%	13.6%	7.9%	17.1%	18.4%	3.7%	0.1%	16.6%	17.3%
<b>Financial income (expenses)</b>	<b>(110)</b>	<b>(32)</b>	<b>(34)</b>	<b>(88)</b>	<b>(2,973)</b>	<b>(3,745)</b>	<b>21</b>	<b>(140)</b>	<b>(3,096)</b>	<b>(4,005)</b>
<b>Fiscal income (expenses)</b>	<b>22</b>	<b>179</b>	<b>(526)</b>	<b>(121)</b>	<b>(7,703)</b>	<b>(7,959)</b>	<b>(12)</b>	<b>14</b>	<b>(8,219)</b>	<b>(7,887)</b>
<b>R&amp;D expenses</b>	<b>(723)</b>	<b>(702)</b>	<b>(246)</b>	<b>(259)</b>	<b>(29,495)</b>	<b>(25,360)</b>	<b>1</b>	<b>0</b>	<b>(30,463)</b>	<b>(26,321)</b>
% of revenues	(7.4)%	(6.2)%	(1.7)%	(2.4)%	(10.4)%	(9.1)%	(0.1)%	0.0%	(9.9)%	(8.8)%

### **Datalogic Division**

In the first half, the **Datalogic Division** reported a turnover of €284.3 million, up 1.8% compared to the same period of 2017 (+6.6% at constant exchange rate), with positive performance in EMEA and APAC, especially China and Korea, where growth of 27.3% was recorded (+34.3% at constant exchange rate). In North America, growth, at a constant exchange rate, was 2.7%.

EBITDA related to the division amounted to €48.7 million, down 5.1%, corresponding to 17.1% of sales (18.4% as at 30 June 2017). This decrease is attributable to higher investments in R&D and increased distribution expenses for the start-up of the commercial development plan, in line with the Group's strategy, as well as a seasonality effect resulting from the comparison with an exceptionally positive performance achieved in the second quarter of 2017, due to some delays in hiring R&D and sales personnel.

Below is the breakdown of the Datalogic Division's revenues, divided by business sector:

	Half-year ended						
	30.06.2018	%	30.06.2017 (**)	%	Change	%	% ch. at constant exch. rate
Retail	141,569	49.8%	138,095	49.5%	3,474	2.5%	8.6%
Manufacturing	90,012	31.7%	77,379	27.7%	12,633	16.3%	19.7%
Transportation & Logistics	31,120	10.9%	25,714	9.2%	5,406	21.0%	27.3%
Healthcare	8,874	3.1%	16,296	5.8%	(7,422)	(45.5%)	(41.9%)
Channel (unallocated) (*)	12,729	4.5%	21,694	7.8%	(8,965)	(41.3%)	(40.7%)
<b>Total Revenues</b>	<b>284,304</b>	<b>100.0%</b>	<b>279,178</b>	<b>100.0%</b>	<b>5,126</b>	<b>1.8%</b>	<b>6.6%</b>

(\*) The Channel sector (unallocated) includes revenues not directly attributable to the 4 areas identified.

(\*\*) Note that data for 2017 have been restated.

The **Retail** sector reported a 2.5% increase compared to last year (+8.6% at constant exchange rate), mainly in EMEA (+3.8%) and North America (+7.8%, +20.2% at constant exchange rate).

The **Manufacturing** sector is experiencing considerable expansion, up 16.3% compared to the previous year (+19.7% at constant exchange rate), mainly driven by the growth in China and Korea (+48.5%) and EMEA (+10.4%). In North America, after a flat first quarter, the half-year closed with growth of 12.5% at a constant exchange rate.

The **Transportation & Logistics** sector reported a 21.0% increase compared to the same period of 2017 (+27.3% at constant exchange rate), with double-digit growth in EMEA, North America, China, and Korea.

The **Healthcare** sector reported a 45.5% decrease (-41.9% at constant exchange rate), compared to the first half of 2017, which had posted exceptionally positive results due to the acquisition of important orders in some of the leading US hospital chains.

The sales through distribution channel, especially to small and medium-sized customers, not directly attributable to any of the four main sectors, reported a 41.3% decrease due to a physiological seasonal trend of stock reduction in the main distributors as well as the delay in launching new products dedicated to the distribution channel.

### Solution Net Systems Division

The **Solution Net Systems Division** reported revenues of €14.2 million, up 34.5% compared to the first half of 2017 (+49.3% at constant exchange rate), due to the acquisition of additional large orders, both in the postal and retail sectors.

The EBITDA for the division amounted to €1.9 million, with a percentage of sales of 13.6% compared to 7.9% in the first half of 2017.

### Informatics Division

In the first half, the **Informatics Division** recorded turnover of €9.7 million, down 13.3% (-3% at constant exchange rate) compared to the same period in 2017.

EBITDA for the division amounted to €0.3 million (negative by 0.3 million in the same period of 2017).

### Half-year revenues by geographic area

The following table shows the breakdown by **geographic area** of Group revenues achieved in the first half of 2018, compared with the same period of 2017:

	Half-year ended						
	30.06.2018	%	30.06.2017 (**)	%	Change	%	% ch. at constant exch. rate
<i>Italy</i>	28,929	9.4%	27,643	9.2%	1,286	4.7%	
<i>EMEA (except Italy)</i>	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%	4.8%
North America	91,768	29.9%	95,028	31.7%	(3,260)	(3.4%)	7.7%
Latin America	6,562	2.1%	7,344	2.5%	(782)	(10.6%)	0.9%
APAC (*) (incl. China)	44,185	14.4%	38,280	12.8%	5,905	15.4%	22.9%
<b>Total Revenues</b>	<b>306,994</b>	<b>100.0%</b>	<b>299,308</b>	<b>100.0%</b>	<b>7,686</b>	<b>2.6%</b>	<b>7.9%</b>

(\*) EMEA: Europe, Middle East and Africa; APAC: Asia & Pacific

(\*\*) As at 30 June 2018, sales in Mexico were included in the North America region, data as at 30 June 2017 were reclassified accordingly.

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

## RECLASSIFIED GROUP ECONOMIC RESULTS FOR THE SECOND QUARTER

The following two tables compare the main operating results achieved in the second quarter of 2018 with the same period in 2017:

	2Q 2018	% of Revenues	2Q 2017	% of Revenues	change	% change	% ch. at constant exch. rate
<b>Total Revenues</b>	<b>164,052</b>	100.0%	<b>157,784</b>	100.0%	<b>6,268</b>	4.0%	8.1%
<b>EBITDA</b>	<b>28,886</b>	17.6%	<b>31,061</b>	19.7%	<b>(2,175)</b>	-7.0%	-8.2%
<b>Operating result (EBIT)</b>	<b>23,758</b>	14.5%	<b>25,934</b>	16.4%	<b>(2,176)</b>	-8.4%	-10.6%
<b>Group net profit/loss</b>	<b>17,780</b>	10.8%	<b>17,391</b>	11.0%	<b>389</b>	2.2%	

Total revenues in the second quarter of 2018 amounted to €164.1 million, up 4% compared to the second quarter of 2017 (+8.1% at constant exchange rate).

Instead, operating margins reflect higher investments in R&D and the strengthening of the sales organisations necessary to continue the Group's growth, as well as a seasonality effect resulting from the comparison with the exceptionally positive performance achieved in the second quarter of 2017, which was due to some delays in hiring R&D and sales personnel.

### 2Q financial results by division

	Revenues			EBITDA		
	2Q 2018	2Q 2017	% change	2Q 2018	2Q 2017	% change
Datalogic	151,737	147,654	2.8%	27,889	30,252	(7.8%)
Solution Net Systems	8,127	5,611	44.8%	975	740	31.8%
Informatics	4,971	5,273	(5.7%)	122	119	2.5%
Adjustments	(783)	(754)	3.8%	(100)	(50)	100.0%
<b>Total</b>	<b>164,052</b>	<b>157,784</b>	<b>4.0%</b>	<b>28,886</b>	<b>31,061</b>	<b>-7.0%</b>

### Datalogic Division

In the second quarter, the **Datalogic Division** reported a turnover of €151.7 million, up 2.8% compared to the same period of 2017 (+6.4% at constant exchange rate), with positive performance in EMEA and APAC, especially China and Korea, where growth of 37% was recorded. At the same time, North America posted a negative trend of 3.6%, due exclusively to the negative exchange rate effect (+4.5% at constant exchange rate).

EBITDA related to the division amounted to €27.9 million, down 7.8%, corresponding to 18.4% of sales (20.5% as at 30 June 2017).

Below is the breakdown of the Datalogic Division's revenues, divided by business sector:

	2Q 2018	%	2Q 2017 (**)	%	Change	%	% ch. at constant exch. rate
Retail	73,090	48.2%	72,824	49.3%	266	0.4%	5.0%
Manufacturing	48,440	31.9%	40,835	27.7%	7,605	18.6%	21.0%
Transportation & Logistics	18,324	12.1%	15,159	10.3%	3,165	20.9%	25.7%
Healthcare	4,319	2.8%	9,215	6.2%	(4,896)	(53.1%)	(51.0%)
Channel (unallocated) (*)	7,564	5.0%	9,621	6.5%	(2,057)	(21.4%)	(20.1%)
<b>Total Revenues</b>	<b>151,737</b>	<b>100.0%</b>	<b>147,654</b>	<b>100.0%</b>	<b>4,083</b>	<b>2.8%</b>	<b>6.4%</b>

(\*) The Channel sector (unallocated) includes revenues not directly attributable to the 4 areas identified.

(\*\*) Note that data for 2017 have been restated.

The **Retail** sector reported a 0.4% increase compared to last year (+5.0% at constant exchange rate), as a result of significant growth in North America (+16.9%), partially offset by a slight decrease in EMEA from the seasonality effect of important projects underway, whose benefits are expected in subsequent quarters.

The **Manufacturing** sector is experiencing significant expansion, with growth of 18.6% compared to the same period of 2017 (+21% at constant exchange rate), posting positive trends in all areas and double-digit growth in APAC, especially China and Korea (+52.6%) as well as North America.

The **Transportation & Logistics** sector reported a 20.9% increase compared to the same period of 2017 (+25.7% at constant exchange rate), with double-digit growth in EMEA, North America, China, and Korea.

The **Healthcare** sector reported a 53.1% decrease (-51.0% at constant exchange rate), compared to the second quarter of 2017, due solely to the exceptionally positive results recorded in North America during the first half of last year, following the acquisition of large orders in American hospital chains.

The sales through distribution channel, especially to small and medium-sized customers, not directly attributable to any of the four main sectors, reported a 21.4% decrease.

### **Solution Net Systems Division**

The **Solution Net Systems Division** reported revenues of €8.1 million, up 44.9% compared to the first quarter of 2017 (+57.1% at constant exchange rate).

The EBITDA related to the division amounted to €1 million, corresponding to 12% of sales compared to 13.2% in the second quarter of 2017.

**Informatics Division**

In the second quarter, the **Informatics Division** recorded a turnover of €5 million, down 5.7% (+2.2% at constant exchange rate) compared to the second quarter of 2017.

EBITDA related to the division amounted to €0.1 million, in line with the same period of 2017.

**2Q revenues by geographic area**

	2Q 2018	%	2Q 2017	%	Change	%	% ch. at constant exch. rate
<i>Italy</i>	14,551	8.9%	15,372	9.7%	(821)	(5.3%)	
<i>EMEA (except Italy)</i>	68,146	41.5%	64,656	41.0%	3,490	5.4%	
Total EMEA (*)	82,697	50.4%	80,028	50.7%	2,669	3.3%	4.1%
North America	52,126	31.8%	51,440	32.6%	686	1.3%	10.0%
Latin America	3,664	2.2%	4,729	3.0%	(1,065)	(22.5%)	(13.7%)
APAC (*) (incl. China)	25,565	15.6%	21,587	13.7%	3,978	18.4%	23.0%
<b>Total Revenues</b>	<b>164,052</b>	<b>100.0%</b>	<b>157,784</b>	<b>100.0%</b>	<b>6,268</b>	<b>4.0%</b>	<b>8.1%</b>

(\*) EMEA: Europe, Middle East and Africa; APAC: Asia & Pacific

(\*\*) As at 30 June 2018, sales in Mexico were included in the North America region, comparison data was reclassified accordingly.

During the second quarter of 2018, EMEA posted 3.3% growth (+4.1% at constant exchange rate) while APAC recorded double-digit growth, equal to 18.4% (+23% at constant exchange rate), driven by China and Korea (+37% and +40.9% at constant exchange rate). North America also posted positive performance, though it was penalised by the exchange rate effect, with growth in revenues of 1.3% (+10% at constant exchange rate).

## ANALYSIS OF FINANCIAL AND CAPITAL DATA

The following table shows the main financial and equity items as at 30 June 2018, for the Datalogic Group, compared with 31 December 2017 and 30 June 2017.

	30.06.2018	31.12.2017	30.06.2017
Intangible assets	39,876	41,980	45,606
Goodwill	178,091	174,343	174,730
Tangible assets	70,097	69,733	69,051
Equity investments in associates	11,884	11,757	9,047
Other non-current assets	51,353	50,058	55,531
<b>Non-current capital</b>	<b>351,301</b>	<b>347,871</b>	<b>353,965</b>
Trade receivables	95,874	85,832	88,866
Trade Payables	(126,121)	(110,288)	(107,137)
Inventories	102,292	85,938	88,510
<b>Net Trade Working Capital</b>	<b>72,045</b>	<b>61,482</b>	<b>70,239</b>
Other current assets	35,397	31,121	35,065
Held-for-sale assets	0	1,021	0
Other current liabilities and provisions for short-term	(82,867)	(71,621)	(84,906)
<b>Net Working Capital</b>	<b>24,575</b>	<b>22,003</b>	<b>20,398</b>
Other M/L-term liabilities	(26,805)	(26,747)	(30,042)
Employee severance indemnity	(6,565)	(6,633)	(6,780)
Provisions for risks	(7,564)	(13,602)	(12,774)
<b>Net Invested Capital</b>	<b>334,942</b>	<b>322,892</b>	<b>324,767</b>
<b>Shareholders' equity</b>	<b>(348,205)</b>	<b>(353,029)</b>	<b>(330,224)</b>
<b>Net Financial Position (NFP)</b>	<b>13,263</b>	<b>30,137</b>	<b>5,457</b>

As at 30 June 2018, **Net Trade Working Capital** amounted to €72 million, up by €10.6 million compared to 31 December 2017 and €1.8 million compared to 30 June 2017, corresponding to 11.7% of revenues, in line with June 2017 (11.8%).

The **information from the statement of financial position for the operating sectors** as at 30 June 2018, compared with the information as at 31 December 2017 is as follows (€/000):

	Informatics		Solution Net Systems		Datalogic		Adjustments		Total Group	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017	30.06.2018	31.12.2017	30.06.2018	31.12.2017	30.06.2018	31.12.2017
<b>Total Assets</b>	21,136	20,549	16,949	16,464	826,839	839,406	(34,362)	(36,980)	830,562	839,439
<b>Non-current assets</b>	14,310	14,094	137	134	271,210	269,408	2,407	2,420	288,064	286,056
Tangible	2,376	2,322	136	133	67,586	67,277	(1)	1	70,097	69,733
Intangible	11,934	11,772	1	1	203,624	202,131	2,408	2,419	217,967	216,323
Equity investments in associates	0	0	0	0	36,135	35,975	(33,934)	(33,791)	2,201	2,184
<b>Total Liabilities</b>	6,682	6,431	8,522	9,626	469,632	475,641	(2,479)	(5,288)	482,357	486,410



As at 30 June 2018, the Net Financial Debt/(Net Financial Position) is broken down as follows:

	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>30.06.2017</b>
A. Cash and bank deposits	194,487	256,201	258,022
B. Other cash and cash equivalents	12	11	12
<i>b1. restricted cash deposit</i>	12	11	12
C. Securities held for trading	0	0	0
<i>c1. Short-term</i>	0	0	0
<i>c2. Long-term</i>	0	0	0
<b>D. Cash and equivalents (A) + (B) + (C)</b>	<b>194,499</b>	<b>256,212</b>	<b>258,034</b>
E. Current financial receivables	0	0	0
F. Other current financial receivables	51,199	31,444	30,955
<i>f1. hedging transactions</i>	0	0	0
G. Bank overdrafts	243	92	101
H. Current portion of non-current debt	47,259	48,108	51,103
I. Other current financial payables	3,836	2,913	2,779
<i>i1. hedging transactions</i>	0	0	11
<i>i2. lease payables</i>	0	0	97
<i>i3. current financial payables</i>	3,836	2,913	2,671
<b>J. Current financial debt/(current financial position) (G) + (H) + (I)</b>	<b>51,338</b>	<b>51,113</b>	<b>53,983</b>
<b>K. Current net financial debt/(current net financial position) (J) - (D) - (E) - (F)</b>	<b>(194,360)</b>	<b>(236,543)</b>	<b>(235,006)</b>
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
<i>n1. hedging transactions</i>	0	0	0
<i>n2. lease payables</i>	0	0	0
<i>n3. non-current financial payables</i>	0	750	0
<b>O. Non-current financial debt (L) - (M) + (N)</b>	<b>181,097</b>	<b>206,406</b>	<b>229,549</b>
<b>P. Net financial debt/(net financial position) (K) + (O)</b>	<b>(13,263)</b>	<b>(30,137)</b>	<b>(5,457)</b>

The Net Financial Position, as at 30 June 2018, was positive by €13.3 million, up €7.8 million compared to 30 June 2017 (positive by €5.5 million) and down €16.9 million compared to 31 December 2017 (positive by €30.1 million).

Cash flows, which brought about the change in the Group's consolidated net financial position as at 30 June 2018, are summarised as follows.

	<b>30.06.2018</b>
<b>Net Financial Position/(Net Financial Debt) at beginning of period</b>	<b>30,137</b>
EBITDA	50,838
Change in the net working capital in the trading segment	(10,563)
Net investments	(7,239)
Change in taxes	(7,325)
Cash flows related to the financial management	(3,096)
Dividend distribution	(28,914)
Purchase of treasury shares	(10,702)
Other changes	127
<b>(Increase)/Decrease of Net Financial Debt</b>	<b>(16,874)</b>
<b>Net Financial Position/(Net Financial Debt) at end of period</b>	<b>13,263</b>

Treasury shares were purchased in implementation of the resolution of the Shareholders' Meeting of 4 May 2017, as described in detail in the subsequent paragraph "Significant events during the half-year". Net of the

treasury share purchases and dividend distribution, cash generation for the half-year deriving from business activities was €22.7 million, up 17.2% compared to €19.4 million in the first half of 2017.

## **SIGNIFICANT EVENTS DURING THE HALF-YEAR**

On 3 April, in implementation of the Shareholders' Meeting resolution of 4 May 2017 authorising the purchase and sale of treasury shares, Datalogic S.p.A. signed a buy-back agreement with a broker for the repurchase of treasury shares on the market. This agreement was concluded in advance, on 10 May. In particular, in the period between 3 April 2018 and 10 May 2018, the Company repurchased 397,773 treasury shares out of the maximum envisaged of 500,000 shares.

On 11 May, in implementation of the Shareholders' Meeting resolution of 4 May 2017 authorising the purchase and sale of treasury shares, Datalogic S.p.A. assigned a mandate to launch a liquidity support programme for Datalogic shares in order to facilitate stability in trading transactions and avoid swings in prices that were not consistent with market trends.

The liquidity support activities will continue for one year, beginning 16 May 2018, pursuant to market practice no.1 permitted by Consob with Resolution no. 16839 of 19 March 2009.

On 23 May 2018, the Board of Directors of Datalogic S.p.A., confirming the governance system previously communicated to the market, appointed Ms. Valentina Volta as Managing Director of Datalogic Group, vested with all executive powers, with the exception of the two "M&A" and "Real Estate" areas, which will continue to report exclusively to the Chairman, Mr. Romano Volta. Moreover, note that the powers relating to the "Markets - Sales & Marketing" area are attributed exclusively to Ms. Volta, and that all other powers that are not attributed exclusively to the Managing Director ("Markets - Sales & Marketing") or exclusively to the Chairman ("M&A" and "Real Estate") are shared between the two functions, with separate powers.

## **BUSINESS OUTLOOK**

Despite the negative impact on sales due to the Euro/Dollar exchange rate, the results for the first half of the year reported a steady growth in revenues, in line with business forecasts.

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

In the absence of significant changes in economic and sector trends, the Group expects to achieve mid-to-high single-digit growth in revenues in 2018, while maintaining the EBITDA margin essentially in line with last year, while preserving its financial solidity.

**SECONDARY LOCATIONS**

The Parent Company has no secondary locations.

The Chairman of the Board of Directors  
(Mr. Romano Volta)

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<b>ASSETS (€/000)</b>	<b>Note</b>	<b>30.06.2018</b>	<b>31.12.2017</b>
<b>A) Non-current assets (1+2+3+4+5+6+7)</b>		<b>351.301</b>	<b>347.871</b>
<b>1) Tangible assets</b>		<b>70.097</b>	<b>69.733</b>
land	1	7.771	7.719
buildings	1	28.993	29.369
other assets	1	29.963	30.495
assets in progress and payments on account	1	3.370	2.150
<i>of which from related parties</i>			258
<b>2) Intangible assets</b>		<b>217.967</b>	<b>216.323</b>
goodwill	2	178.091	174.343
development costs	2	6.021	3.863
other	2	33.203	34.352
assets in progress and payments on account	2	652	3.765
<b>3) Equity investments in associates</b>	3	<b>2.201</b>	<b>2.184</b>
<b>4) Financial assets</b>		<b>9.683</b>	<b>9.573</b>
equity investments	5	9.683	9.573
securities	5	0	0
other	5		
<b>5) Loans</b>	5	<b>0</b>	<b>0</b>
<b>6) Trade and other receivables</b>	7	<b>2.180</b>	<b>2.194</b>
<b>7) Deferred tax assets</b>	13	<b>49.173</b>	<b>47.864</b>
<b>B) Current assets (8+9+10+11+12+13+14)</b>		<b>479.261</b>	<b>490.547</b>
<b>8) Inventories</b>		<b>102.292</b>	<b>85.938</b>
raw and ancillary materials and consumables	8	45.054	33.101
work in progress and semi-finished products	8	25.374	25.417
finished products and goods	8	31.864	27.420
<b>9) Trade and other receivables</b>	7	<b>118.544</b>	<b>105.523</b>
<b>trade receivables</b>	7	<b>95.874</b>	<b>85.832</b>
trade receivables from third parties	7	94.983	85.039
<i>trade receivables from associates</i>	7	891	784
<i>trade receivables from related parties</i>	7	0	9
<b>other receivables - accrued income and prepaid expenses</b>	7	<b>22.670</b>	<b>19.691</b>
<i>of which from associated parties</i>		2.459	587
<i>of which from related parties</i>		76	76
<b>10) Tax receivables</b>	9	<b>12.727</b>	<b>11.430</b>
<i>of which to the parent company</i>		6.771	6.771
<b>11) Financial assets</b>	5	<b>51.199</b>	<b>31.444</b>
securities		0	0
other		51.199	31.444
<b>12) Loans</b>		<b>0</b>	<b>0</b>
<b>13) Financial assets - derivative instruments</b>	6	<b>0</b>	<b>0</b>
<b>14) Cash and cash equivalents</b>	10	<b>194.499</b>	<b>256.212</b>
<b>C) Held-for-sale assets</b>			<b>1.021</b>
<b>Total assets (A+B+C)</b>		<b>830.562</b>	<b>839.439</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

LIABILITIES (€/000)	Note	30.06.2018	31.12.2017
<b>A) Total shareholders' equity (1+2+3+4+5)</b>	11	<b>348.205</b>	<b>353.029</b>
1) Share capital	11	137.589	148.291
2) Reserves	11	20.556	14.815
3) Profits (losses) of previous years	11	161.097	129.843
4) Group profit (loss) for the period/year	11	28.963	60.080
5) Minority interests	11	0	0
<b>B) Non-current liabilities (6+7+8+9+10+11+12)</b>		<b>222.031</b>	<b>253.388</b>
6) Financial payables	12	181.097	206.406
7) Financial liabilities - derivative instruments	6	0	0
8) Tax payables	9	43	43
9) Deferred tax liabilities	13	23.301	23.138
10) Post-employment benefits	14	6.565	6.633
11) Provisions for risks and charges	15	7.564	13.602
12) Other liabilities	16	3.461	3.566
<b>C) Current liabilities (13+14+15+16+17)</b>		<b>260.326</b>	<b>233.022</b>
13) Trade and other payables	16	176.969	160.561
trade payables	16	126.121	110.288
trade payables to third parties	16	125.873	109.688
trade payables to parent company	16	0	0
trade payables to associates	16	138	347
trade payables to related parties	16	110	253
other payables - accrued liabilities and deferred income	16	50.848	50.273
14) Tax payables	9	17.528	14.191
of which to the parent company		8.014	4.865
15) Provisions for risks and charges	15	14.491	7.157
16) Financial liabilities - derivative instruments	6	0	0
17) Financial payables	12	51.338	51.113
<b>Total liabilities (A+B+C)</b>		<b>830.562</b>	<b>839.439</b>

## CONSOLIDATED INCOME STATEMENT

(€/000)	Note	30.06.2018	30.06.2017
<b>1) Total revenues</b>	17	<b>306.994</b>	<b>299.308</b>
Revenues from sale of products		289.460	282.873
Revenues from services		17.534	16.435
<i>of which from related parties and associates</i>		2.292	3.067
<b>2) Cost of goods sold</b>	18	<b>157.545</b>	<b>157.364</b>
of which non-recurring	18		316
<i>of which from related parties and associates</i>		493	445
<b>Gross profit (1-2)</b>		<b>149.449</b>	<b>141.944</b>
<b>3) Other operating revenues</b>	19	<b>814</b>	<b>535</b>
<b>4) R&amp;D expenses</b>	18	<b>30.511</b>	<b>26.503</b>
of which non-recurring	18	0	128
of which amortisation, depreciation and write-downs pertaining		48	54
<i>of which from related parties and associates</i>	18	457	43
<b>5) Distribution expenses</b>	18	<b>53.525</b>	<b>49.080</b>
of which non-recurring	18	0	0
<i>of which from related parties and associates</i>		64	0
<b>6) General and administrative expenses</b>	18	<b>25.006</b>	<b>24.990</b>
of which non-recurring	18	1.041	337
of which amortisation, depreciation and write-downs pertaining	18	2.198	2.457
<i>of which from the parent company</i>			0
<i>of which from related parties and associates</i>		110	133
<b>7) Other operating expenses</b>	18	<b>943</b>	<b>717</b>
<b>Total operating costs</b>		<b>109.985</b>	<b>101.290</b>
<b>Operating result</b>		<b>40.278</b>	<b>41.189</b>
<b>8) Financial income</b>	20	<b>19.861</b>	<b>15.156</b>
<b>9) Financial expenses</b>	20	<b>22.957</b>	<b>19.021</b>
<b>Net financial income (expenses) (8-9)</b>		<b>(3.096)</b>	<b>(3.865)</b>
<b>10) Profits from associates</b>	3	<b>0</b>	<b>(140)</b>
<b>Profit (loss) before taxes from the operating assets</b>		<b>37.182</b>	<b>37.184</b>
Income taxes	21	8.219	7.887
<b>Profit/(loss) for the period</b>		<b>28.963</b>	<b>29.297</b>
Basic earnings/(loss) per share (€)	22	0,50	0,50
Diluted earnings/(loss) per share (€)	22	0,49	0,00

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€/000)	Note	30.06.2018	30.06.2017
<b>Net profit/(loss) for the period</b>		<b>28.963</b>	<b>29.297</b>
<b>Other components of the statement of comprehensive income:</b>			
<i>Other components of the statement of comprehensive income which will be restated under profit/(loss) for the period:</i>			
Profit/(loss) on cash flow hedges <i>of which tax effect</i>	11	162	(1.109)
Profit/(loss) due to translation of the accounts of foreign companies	11	3.487	(10.218)
Profit/(loss) on exchange rate adjustments for financial assets available for sale <i>of which tax effect</i>	11	106	1.407
Reserve for exchange rate adjustment <i>of which tax effect</i>	11	1.986	(8.104)
<b>Total other components of the statement of comprehensive income which will be restated under profit/(loss) for the period</b>		<b>5.741</b>	<b>(18.024)</b>
<b>Total net profit/(loss) for the period</b>		<b>34.704</b>	<b>11.273</b>
Attributable to:			
Parent company shareholders		34.704	11.273
Minority interests		0	0

## CONSOLIDATED STATEMENT OF CASH FLOW

(€/000)	Note	30.06.2018	30.06.2017
<b>Pre-tax profit</b>		<b>37.182</b>	<b>37.184</b>
Depreciation of tangible assets and write-downs	1, 2	5.147	5.183
Amortisation of intangible assets and write-downs	1, 2	4.419	4.672
Capital losses from sale of assets	18	16	60
Capital gains from sale of assets	19	(83)	(3)
Change in provisions for risks and charges	15	1.296	443
Effect of change in provisions for risks and charges		(291)	836
Change in employee benefits reserve	14	(68)	133
Bad debt provisions	18	54	(30)
Net financial expenses including exchange rate differences	20	1.091	2.763
Net financial income including exchange rate differences	20	(276)	(304)
Exchange rate differences	20	2.281	1.406
Adjustments to value of financial assets	3	0	140
<b>Cash flow generated (absorbed) from operations before changes in working capital</b>		<b>50.768</b>	<b>52.483</b>
Change in trade receivables (including provision)	7	(10.096)	(11.573)
Change in final inventories	8	(16.354)	(6.166)
Change in current assets	7	(2.979)	(1.225)
Change in other medium-/long-term assets	7	14	154
Change in trade payables	16	15.833	766
Change in other current liabilities	16	575	29
Other medium/long-term liabilities	16	(105)	(251)
Commercial exchange rate differences	20	(3.454)	2.491
Exchange rate effect of working capital		125	(759)
<b>Cash flow generated (absorbed) from operations after changes in working capital</b>		<b>34.327</b>	<b>35.949</b>
Change in taxes		(7.325)	(3.550)
Exchange rate effect of tax		788	(2.444)
Interest paid and banking expenses	20	(814)	(2.459)
<b>Cash flow generated (absorbed) from operations (A)</b>		<b>26.976</b>	<b>27.496</b>
Increase in intangible assets excluding exchange rate effect	2	(1.594)	(1.611)
Decrease in intangible assets excluding exchange rate effect	2	0	169
Increase in tangible assets excluding exchange rate effect	1	(5.942)	(4.641)
Decrease in tangible assets excluding exchange rate effect	1	364	908
Change in unconsolidated equity investments	5	878	(1.149)
<b>Cash flow generated (absorbed) from investments (B)</b>		<b>(6.294)</b>	<b>(6.324)</b>
Change in LT/ST financial receivables	5	(18.806)	87
Change in short-term and medium-/long-term financial payables	12, 6	(25.235)	108.052
Financial exchange rate differences	20	1.172	(3.897)
Purchase/sale of treasury shares	11	(10.702)	
Change in reserves Exchange rate effect of financial assets/liabilities, equity and tangible and intangible assets	11, 1, 2	(62)	3.232
Dividend payment	11	(28.914)	(17.443)
<b>Cash flow generated (absorbed) by financial activity (C)</b>		<b>(82.547)</b>	<b>90.031</b>
<b>Net increase (decrease) in available cash (A+B+C)</b>	10	<b>(61.865)</b>	<b>111.203</b>
<b>Net cash and cash equivalents at beginning of period</b>	10	<b>256.109</b>	<b>146.718</b>
<b>Net cash and cash equivalents at end of period</b>	10	<b>194.244</b>	<b>257.921</b>



**CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY (Note 11)**

Description	Share capital and capital reserves	Reserves of Statement of Comprehensive Income							Retained earnings						
	Total share capital and capital reserves	Cash-flow hedge reserve	Translation reserve	Reserve for exchange rate adjustment	Actuarial gains/(losses) reserve	Held-for-sale financial assets reserve	Total Reserves of Statement of Comprehensive Income	Earnings carried forward	Stock grant reserve	Capital contribution reserve	Legal reserve	IAS reserve	Total	Profit for the period	Total Group shareholders' equity
<b>01.01.2017</b>	146.291	(28)	25.436	17.290	(371)	490	42.817	85.721	0	958	6.078	8.683	101.440	45.846	336.394
Allocation of earnings	0						0	45.846					45.846	(45.846)	0
Dividends							0	(17.443)					(17.443)		(17.443)
Translation reserve	0						0						0		0
Change in IAS reserve	0						0						0		0
Sale/purchase of treasury shares	0						0						0		0
Other changes							0	65				(65)	0		0
Profit/(loss) as at 30.06.2017	0						0						0	29.297	29.297
Total other components of the statement of comprehensive income		(1.109)	(10.218)	(8.104)		1.407	(18.024)						0		(18.024)
<b>30.06.2017</b>	146.291	(1.137)	15.218	9.186	(371)	1.897	24.793	114.189	0	958	6.078	8.618	129.843	29.297	330.224

Description	Share capital and capital reserves	Reserves of Statement of Comprehensive Income							Retained earnings						
	Total share capital and capital reserves	Cash-flow hedge reserve	Translation reserve	Reserve for exchange rate adjustment	Actuarial gains/(losses) reserve	Held-for-sale financial assets reserve	Total Reserves of Statement of Comprehensive Income	Earnings carried forward	Stock grant reserve	Capital contribution reserve	Legal reserve	IAS reserve	Total	Profit for the period	Total Group shareholders' equity
<b>01.01.2018</b>	148.291	(948)	5.939	4.500	(371)	5.695	14.815	114.189	0	958	6.078	8.618	129.843	60.080	353.029
Allocation of earnings	0						0	60.080					60.080	(60.080)	0
Dividends							0	(28.914)					(28.914)		(28.914)
Translation reserve	0						0						0		0
Change in IAS reserve	0						0						0		0
Sale/purchase of treasury shares	(10.702)						0						0		(10.702)
Other changes							0	88					88		88
Profit/(loss) as at 30.06.2018	0						0						0	28.963	28.963
Total other components of the statement of comprehensive income		162	3.487	1.986		106	5.741	0					0		5.741
<b>30.06.2018</b>	137.589	(786)	9.426	6.486	(371)	5.801	20.556	145.355	88	958	6.078	8.618	161.097	28.963	348.205

## **EXPLANATORY NOTES TO THE ABBREVIATED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS**

### **GENERAL INFORMATION**

Datalogic is the world leader in the markets of automatic data capture and process automation. The company is specialised in the design and production of bar code readers, mobile computers, detection, measurement and security sensors, vision and laser marking systems and RFID.

Its pioneering solutions contribute to increase efficiency and quality of processes in the areas of large-scale distribution, manufacturing, transport & logistics and health, along the entire value chain.

Datalogic S.p.A. (hereinafter “Datalogic”, the “Parent Company” or the “Company”) is a joint-stock company listed on the STAR segment of Borsa Italiana, with its registered office in Italy. The address of the registered office is Via Candini, 2 - Lippo di Calderara (BO).

The Company is a subsidiary of Hydra S.p.A., which is also based in Bologna and is controlled by the Volta family.

These Abbreviated Half-Year Consolidated Financial Statements as at 30 June 2018 include the figures of the Parent Company and its subsidiaries (defined hereinafter as the “Group”) and its minority interests in associates.

The publication of the Abbreviated Half-Year Consolidated Financial Statements as at 30 June 2018 of the Datalogic Group was authorised by resolution of the Board of Directors dated 9 August 2018.

### **PRESENTATION AND CONTENT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

These Abbreviated Half-Year Consolidated Financial Statements were drawn up pursuant to Art. 154-ter of Legislative Decree 58 (TUF) of 24 February 1998, as subsequently amended and supplemented, as well as to Consob Issuer Regulation. This criteria for drafting these Abbreviated Half-Year Consolidated Financial Statements complies with IAS 34 “Interim Financial Statements” providing the condensed notes required by this international accounting standard, supplemented to provide additional information, as necessary. These Abbreviated Half-Year Consolidated Financial Statements must therefore be read together with the Consolidated Financial Statements and the Explanatory Notes as at 31 December 2017, which have been prepared in accordance with IFRS accounting standards endorsed by the European Union, approved at the Shareholders’ Meeting held on 23 May 2018 and available in the section Investor Relations at [www.Datalogic.com](http://www.Datalogic.com).

The financial statements are drawn up in thousands of euro, which is the Group’s “functional” and “presentation” currency.

## ***Financial statements***

The financial statements adopted are compliant with those required by IAS 1 and which were used in the Consolidated Financial Statements as at 31 December 2017, in particular:

- non-current assets, as well as current and non-current liabilities, are disclosed separately in the Statement of Financial Position. Current assets, which include cash and cash equivalents, are those set to be realised, sold or used during the Group's normal operational cycle; current liabilities are those whose extinction is envisaged during the Group's normal operating cycle or in the 12 months after the reporting date;
- with regard to the Income Statement, cost and revenue items are disclosed based on grouping by function, as this classification was deemed more meaningful for comprehension of the Group's business result;
- the Statement of Comprehensive Income presents the components that determine gain/(loss) for the period and the costs and revenues reported directly under shareholders' equity;
- the Cash Flow Statement is presented using the indirect method.

Furthermore, as required by Consob resolution no. 15519 of 27 July 2006, in regard to the consolidated income statement, costs and revenues from non-recurring operations have been specifically identified and the related effects on the major interim levels have been indicated separately. Non-recurring events and transactions are mainly identified according to the nature of the transactions. In particular, items which, given their nature, do not occur on an ongoing basis during normal operations are included among non-recurring costs/revenues (these include, for example: income/expenses from business combinations and income/expenses from corporate reorganisation processes).

## ***Accounting standards applied***

The accounting standards adopted by the Group in preparing the Abbreviated Half-Year Consolidated Financial Statements as at 30 June 2018 are the same as those used in preparing the Consolidated Financial Statements as at 31 December 2017, to which reference should be made, with the exception of the adoption of new or revised standards from the International Accounting Standards Board (IASB) and interpretations by the International Financial Reporting Interpretations Committee (IFRIC), endorsed by the European Union and applied effective 1 January 2018, as described below. The adoption of new standards, amendments, and interpretations has had no effect on the Group's performance or financial position.

## ***Material discretionary assessments and accounting estimates***

The drafting the Abbreviated Half-Year Consolidated Financial Statements required estimates and assumptions to be made, both in determining certain assets and liabilities as well as measuring contingent assets and liabilities, based on the best available information.

The principal assumptions used are described below, which could be subject to variations if the current circumstances and assumptions should alter due to changes in the market or events beyond the Group's control. Upon their occurrence, these changes are reflected in the assumptions.

**Impairment of non financial assets (Goodwill, Tangible and Intangible Assets)**

An impairment occurs when the book value of an asset or CGU exceeds its recoverable value, which is the higher of its fair value, less sales costs, and its value in use. The recoverable value is highly dependent on the discounting rate used in the discounted cash flow model, as well as on cash flows expected in the future and the growth rate used for extrapolation.

**Taxes**

The tax charges for interim periods are calculated by using the rate that would be applicable to the forecasted total annual profit, that is, the best estimate of the expected average annual tax rate applied to the pre-tax profit for the interim period.

**Fair value of financial instruments**

When the fair value of a financial asset or liability, which is recognised in the statement of financial position, cannot be measured based on deep market quotations, fair value is determined by using various measurement techniques. Inputs included in this model are recognised by observable markets, whenever possible, but when it is not possible, a certain level of estimates is required to determine fair values.

**Development costs**

The Group capitalised costs related to projects for the development of products. The initial cost capitalisation is based on the confirmation by management of the technical and economical feasibility of the project. In order to determine the values to be capitalised, directors will evaluate the expected future cash flows related to the project, as well as the discount rates to be applied and the timing of the expected benefits to arise.

**Other (Provisions for risks and charges, doubtful accounts, inventories write-down, revenue, discounts and returns)**

Provisions for risks and charges are based on measurements and estimates relating to the historic data and hypotheses, which are, from time to time, deemed reasonable and realistic according to the related circumstances.

The recognition process for Group revenues includes estimates related to both the amount of revenues, based on the criterion of completion percentage, and the determination of discounts and returns granted to customers, but still unclaimed. Measurement processes and procedures, as well as the determination of these estimates, are based on assumptions that, by their nature, involve the evaluation of directors.

Estimates and assumptions have been maintained consistent with those used to draw up the annual financial statements. For a more detailed description of the major assessment processes used by the Group, please refer to the section Use of Estimates in the Consolidated Financial Statements as at 31 December 2017.

***New accounting criteria, interpretations and modifications adopted by the Group***

The accounting standards adopted for preparation of the Abbreviated Half-Year Consolidated Financial Statements are consistent with those used to prepare the Consolidated Financial Statements as at 31 December 2017, with the exception noted below, which had no significant impact on the Group's Consolidated Financial Statements or on the Group's Abbreviated Half-Year Consolidated Financial Statements.

***IFRS 9 Financial Instruments***

In July 2015, IASB issued the final version of IFRS 9 Financial Instruments, which supersedes IAS 39 “Financial Instruments: Measurement and recognition” and all previous versions of IFRS 9. IFRS 9 includes all the three aspects related to the accounting of financial instruments: classification and measurement, impairment, and hedge accounting. The Group adopted the new standard effective 1 January 2018 and did not restate comparative information. During 2017, the Group completed the analysis of the principal changes introduced in IFRS 9. As previously noted in the Annual Financial Report as at 31 December 2017, the Group did not record any material impact in its statement of financial position and in shareholders’ equity.

***Measurement and Recognition***

There were no material impacts on the Group’s financial statements following the application of the measurement and recognition requirements envisaged by IFRS 9, with the exception of that which is discussed in Note 5. Loans, as well as trade receivables, are held to be collected at the contractual maturity, and cash flows are expected to be generated only from the collection of the related principal and interest. Thus, the Group will continue to measure these at amortised cost, in compliance with IFRS 9.

***Impairment***

IFRS 9 requires that expected credit losses be recognised for all bonds, loans and trade receivables of the Group, on an annual base, and according to the residual life. The Group, which applied the simplified approach, did not register any effects on its shareholders’ equity, given that its trade receivables are largely from counterparties with high credit standing.

***IFRS 15 Revenue from Contracts with Customers***

The IFRS 15 standard was issued in May 2014 and amended in April 2016, and provides a new five-step model that applies to all contracts with customers. According to IFRS 15, revenue should be recognised for an amount corresponding to the right of payment the entity believes to have against the sale of goods or services to customers. The new standard will supersede all other requirements contained in IFRS standards in relation to revenue recognition. The standard is effective for all financial years beginning on or after 1 January 2018, with full retroactive or modified application.

***Sale of goods***

There were no material impacts on the Group’s financial statements following the application of the measurement and recognition requirements envisaged by IFRS 15 in relation to the accounting treatment of revenues from contracts with customers that envisage the sale of goods as the sole contractual obligation.

***Rendering of services***

Installation, maintenance, repair and technical support services are rendered by the Group. These services are rendered both separately, based on contracts signed with customers, and jointly with the sale of the goods to customers. In compliance with IFRS 15, the Group performed assessments on the allocation of revenues based on the prices related to each individual service. No significant impacts emerged.

***Presentation and required disclosures***

Provisions set out by IFRS 15 concerning presentation and required disclosures are more detailed than those envisaged in previous standards. The Group applied the provisions set forth in the new standard by supplementing the disclosure information provided within the consolidated financial statements.

The Group has not yet adopted any new standard, interpretation or amendment that has been published, but is not yet effective.

### ***Standards issued which are not yet in force***

The information provided in the Annual Financial Report as at 31 December 2017 is updated below with respect to those standards issued but not yet in force at the date these Abbreviated Half-Year Consolidated Financial Statements were drafted, which may have an impact on the Group's Consolidated Financial Statements.

#### ***IFRS 16 Leases***

IFRS 16 was published in January 2016 and supersedes IAS 17, IFRIC 4, SIC-15, and SIC-27. IFRS 16 defines principles for recognition, measurement, presentation and disclosure of leases. The standard requires lessees to recognise all leases in the financial statements according to one single accounting model, similar to the one used to recognise financial leases, pursuant to IAS 17. The standard envisages two exceptions in recognition obligations of lessees, for lease contracts with underlying assets of a low value (e.g. personal computers) and short-term lease contracts (e.g. leases with a lease term of 12 months or less).

At the inception of the lease, the lessee shall recognise a liability for the lease payments and an asset representing the right of use of the underlying asset for the duration of the contract. Lessees shall provide for a separate recognition of income payables on the lease and accumulated amortisation/depreciation of the right-of-use asset. The lease liability is subsequently remeasured to reflect changes upon occurrence of special events (e.g. changed terms of the lease contract, changes in future lease payments due to changes in an index or a rate used to calculate those payments). The lessee will generally recognise the amount of the lease liability remeasurement as an adjustment to the right-of-use asset. IFRS 16 is effective for annual periods beginning on or after 1 January 2019, with full retroactive or modified application. Early application is permitted, but not before the entity has adopted IFRS 15. The Group is planning to apply the new standard on the mandatory effective date.

For this purpose, the Group began assessing the impacts that will lead to a valuation of the effects of the application of the new standard on Net Invested Capital and the Net Financial Position at the end of the year.

## GROUP STRUCTURE

The Abbreviated Half-Year Consolidated Financial Statements include interim reports of the Parent Company and the companies that are directly and/or indirectly controlled by the Parent Company or on which the latter has a significant influence.

Interim reports of subsidiaries were duly adjusted, as necessary, to render them consistent with the accounting criteria of the Parent Company.

The companies included in the scope of consolidation as at 30 June 2018, as disclosed hereunder, were all consolidated on a line-by-line basis.

Company	Registered office	Share capital		Total shareholders' equity (€/000)	Profit/loss for the period (€/000)	% Ownership
Datalogic S.p.A.	Bologna – Italy	Euro	30,392,175	278,554	23,289	
Datalogic Real Estate France Sas	Paris – France	Euro	2,227,500	3,605	45	100%
Datalogic Real Estate GmbH	Erkenbrechtsweiler-Germany	Euro	1,025,000	1,382	(3)	100%
Datalogic Real Estate UK Ltd	Redbourn - England	GBP	3,500,000	4,409	17	100%
Datalogic IP Tech S.r.l.	Bologna – Italy	Euro	65,677	13,254	2,332	100%
Informatics Holdings, Inc.	Plano, Texas - USA	USD	1,568	14,303	(84)	100%
Wasp Barcode Technologies Ltd	Redbourn - England	GBP	-	152	21	100%
Datalogic Automation Asia Ltd. (*)	Hong Kong - China	HKD	7,000,000	(75)	0	100%
Datalogic (Shenzhen) Industrial Automation Co. Ltd.	Shenzhen - China	CNY	2,136,696	1,777	428	100%
Datalogic Hungary Kft	Fonyod - Hungary	HUF	3,000,000	3,047	701	100%
Solution Net Systems, Inc.	Quakertown, PA - USA	USD		8,427	1,341	100%
Datalogic S.r.l.	Bologna – Italy	Euro	10,000,000	153,662	15,742	100%
Datalogic ADC HK Ltd. (*)	Hong Kong - China	HKD	100,000	76	0	100%
Datalogic Slovakia S.r.o.	Trnava - Slovakia	Euro	66,388	7,197	7,123	100%
Datalogic USA Inc.	Eugene, OR - USA	USD	100	76,431	1,092	100%
Datalogic do Brazil Comercio de Equipamentos e Automacao Ltda.	Sao Paulo - Brazil	R\$	206,926	(3,248)	(582)	100%
Datalogic Tecnologia de Mexico S.r.l.	Colonia Cuauhtemoc - Mexico	USD	-	(102)	(31)	100%
Datalogic Scanning Eastern Europe GmbH	Darmstadt - Germany	Euro	25,000	3,765	33	100%
Datalogic Australia Pty Ltd	Mount Waverley (Melbourne) - Australia	\$AUD	3,188,120	834	279	100%
Datalogic Vietnam LLC	Vietnam	USD	3,000,000	78,941	588	100%
Datalogic Singapore Asia Pacific Pte Ltd.	Singapore	SGD	3	1,975	288	100%
SOREDI Touch Systems GmbH	Olching (Munich) - Germany	Euro	25,000	1,972	13	100%

(\*) The companies were put into liquidation during 2017

The following companies were consolidated at cost as at 30 June 2018:

Company	Registered office		Share capital	Total shareholders' equity (€/000)	Profit/loss for the period (€/000)	% Ownership
Specialvideo S.r.l. (*)	Imola - Italy	Euro	10,000	481	101	40%
Datasensor GmbH (*)	Otterfing - Germany	Euro	150,000	1	(6)	30%
Suzhou Mobilead Electronic Technology Co, Ltd (*)	China	CNY	13,262,410	n.a.	n.a.	25%
CAEN RFID S.r.l. (*)	Viareggio (LU) - Italy	Euro	150,000	1,160	39	20%
R4I S.r.l. (***)	Benevento	Euro	131,250	444	(4)	20%
Datalogic Automation AB (**)	Malmö, Sweden	KRS	100,000	762	244	20%

(\*) data as at 31 December 2016

(\*\*) data as at 30 June 2017

(\*\*\*) data as at 31 December 2017

### **Change in scope of consolidation**

During the first half of 2018, no changes occurred in the consolidation area.

### **TRANSLATION CRITERIA OF ITEMS IN FOREIGN CURRENCY**

The exchange rates used to determine the countervalue in Euro of financial statements expressed in foreign currency of subsidiaries (currency for 1 Euro) are shown hereunder:

Currency (ISO Code)	Quantity of currency/1 euro			
	June 2018	June 2018	December 2017	June 2017
	Final exchange rate	Average exchange rate	Final exchange rate	Average exchange rate
US Dollar (USD)	1.1658	1.2104	1.1993	1.0830
British Pound Sterling (GBP)	0.8861	0.8798	0.8872	0.8606
Swedish Krona (SEK)	10.4530	10.1508	9.8438	9.5968
Singapore Dollar (SGD)	1.5896	1.6054	1.6024	1.5208
Japanese Yen (JPY)	129.0400	131.6057	135.0100	121.7804
Australian Dollar (AUD)	1.5787	1.5688	1.5346	1.4364
Hong Kong Dollar (HKD)	9.1468	9.4863	9.3720	8.4199
Chinese Renminbi (CNY)	7.7170	7.7086	7.8044	7.4448
Real (BRL)	4.4876	4.1415	3.9729	3.4431
Mexican Pesos (MXN)	22.8817	23.0850	23.6612	21.0441
Hungarian Forint (HUF)	329.7700	314.1128	310.3300	309.4213

### **SEGMENT DISCLOSURE**



Operating segments are identified based on the management reporting used by senior management to allocate resources and evaluate results.

For 2018, the operating segments were included in the following divisions:

- **Datalogic**, which represents the Group's core business and designs and produces bar code scanners, mobile computers, detection, measurement and security sensors, as well as vision, laser marking and RFID systems, intended to contribute to increasing the efficiency and quality of processes in the Retail, Manufacturing, Transportation & Logistics and Healthcare sectors;
- **Solution Net Systems**, specialised in supplying and installing integrated solutions for automated distribution for the postal segment and distribution centres in the Retail sector;
- **Informatics** sells and distributes products and solutions for the management of inventories and mobile assets tailored to small and medium-sized companies.

Sales transactions amongst the operating segments indicated hereunder are executed at arm's length conditions, based on the Group transfer pricing policies.

The **financial information relating to operating segments** as at 30 June 2018 and 30 June 2017 are as follows:

	Half-year ended									
	Informatics		Solution Net Systems		Datalogic		Adjustments		Total Group	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017	30.06.2018	30.06.2017	30.06.2018	30.06.2017	30.06.2018	30.06.2017
External revenue	9,741	11,233	14,220	10,562	283,033	277,458	0	55	306,994	299,308
Inter-segment revenue	3	6	0	12	1,271	1,720	(1,274)	(1,738)	0	0
<b>Total Sales</b>	<b>9,744</b>	<b>11,239</b>	<b>14,220</b>	<b>10,574</b>	<b>284,304</b>	<b>279,178</b>	<b>(1,274)</b>	<b>(1,683)</b>	<b>306,994</b>	<b>299,308</b>
<b>Operating result (EBIT)</b>	<b>25</b>	<b>(530)</b>	<b>1,902</b>	<b>794</b>	<b>38,398</b>	<b>40,601</b>	<b>(47)</b>	<b>324</b>	<b>40,278</b>	<b>41,189</b>
% of revenues	0.3%	(4.7)%	13.4%	7.5%	13.5%	14.5%	3.7%	(19.3)%	13.1%	13.8%
<b>Non-recurring costs/revenues and write-downs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,041)</b>	<b>(781)</b>	<b>0</b>	<b>0</b>	<b>(1,041)</b>	<b>(781)</b>
<b>Amortisation, depreciation and write-downs</b>	<b>(236)</b>	<b>(202)</b>	<b>(30)</b>	<b>(37)</b>	<b>(9,253)</b>	<b>(9,942)</b>	<b>0</b>	<b>326</b>	<b>(9,519)</b>	<b>(9,855)</b>
<b>EBITDA</b>	<b>261</b>	<b>(328)</b>	<b>1,932</b>	<b>831</b>	<b>48,692</b>	<b>51,324</b>	<b>(47)</b>	<b>(2)</b>	<b>50,838</b>	<b>51,825</b>
% of revenues	2.7%	(2.9)%	13.6%	7.9%	17.1%	18.4%	3.7%	0.1%	16.6%	17.3%
<b>Financial income (expenses)</b>	<b>(110)</b>	<b>(32)</b>	<b>(34)</b>	<b>(88)</b>	<b>(2,973)</b>	<b>(3,745)</b>	<b>21</b>	<b>(140)</b>	<b>(3,096)</b>	<b>(4,005)</b>
<b>Fiscal income (expenses)</b>	<b>22</b>	<b>179</b>	<b>(526)</b>	<b>(121)</b>	<b>(7,703)</b>	<b>(7,959)</b>	<b>(12)</b>	<b>14</b>	<b>(8,219)</b>	<b>(7,887)</b>
<b>R&amp;D expenses</b>	<b>(723)</b>	<b>(702)</b>	<b>(246)</b>	<b>(259)</b>	<b>(29,495)</b>	<b>(25,360)</b>	<b>1</b>	<b>0</b>	<b>(30,463)</b>	<b>(26,321)</b>
% of revenues	(7.4)%	(6.2)%	(1.7)%	(2.4)%	(10.4)%	(9.1)%	(0.1)%	0.0%	(9.9)%	(8.8)%

The information from the statement of financial position for the operating sectors as at 30 June 2018, compared with the information as at 31 December 2017 is as follows:

	Informatics		Solution Net Systems		Datalogic		Adjustments		Total Group	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017	30.06.2018	31.12.2017	30.06.2018	31.12.2017	30.06.2018	31.12.2017
Total Assets	21,136	20,549	16,949	16,464	826,839	839,406	(34,362)	(36,980)	830,562	839,439
Non-current assets	14,310	14,094	137	134	271,210	269,408	2,407	2,420	288,064	286,056
Tangible	2,376	2,322	136	133	67,586	67,277	(1)	1	70,097	69,733
Intangible	11,934	11,772	1	1	203,624	202,131	2,408	2,419	217,967	216,323
Equity investments in associates	0	0	0	0	36,135	35,975	(33,934)	(33,791)	2,201	2,184
Total Liabilities	6,682	6,431	8,522	9,626	469,632	475,641	(2,479)	(5,288)	482,357	486,410

## INFORMATION ON THE STATEMENT OF FINANCIAL POSITION

### ASSETS

#### Note 1. Tangible assets

The item as at 30 June 2018 and 31 December 2017 is broken down as follows:

	30.06.2018	31.12.2017	Change
Land	7,771	7,719	52
Buildings	28,993	29,369	(376)
Other assets	29,963	30,495	(532)
Assets in progress and payments on account	3,370	2,150	1,220
<b>Total</b>	<b>70,097</b>	<b>69,733</b>	<b>364</b>

Details of movements as at 30 June 2018 are as follows:

	Land	Buildings	Other assets	Assets in progress and payments on account	Total
Historical cost	7,719	34,632	134,960	2,150	179,461
Accumulated depreciation	0	(5,263)	(104,465)	0	(109,728)
<b>Net initial value as at 01.01.2018</b>	<b>7,719</b>	<b>29,369</b>	<b>30,495</b>	<b>2,150</b>	<b>69,733</b>
<i>Increases - 30.06.2018</i>					
Investments	5		4,130	1,807	5,942
Acquisitions					0
<b>Total</b>	<b>5</b>	<b>0</b>	<b>4,130</b>	<b>1,807</b>	<b>5,942</b>
<i>Decreases - 30.06.2018</i>					
Disposals, historical cost			(445)	(12)	(457)
Write-down			(94)		(94)
Disposals, accum. depreciation			160		160
Write-down			70		70
Depreciation		(279)	(4,844)		(5,123)
<b>Total</b>	<b>0</b>	<b>(279)</b>	<b>(5,153)</b>	<b>(12)</b>	<b>(5,444)</b>
<i>Reclass. and other movements - 30.06.2018</i>					
Incoming transfers at historical cost			577	(577)	0
(outgoing transfers, accum. depreciation)					0
Exchange rate diff. in historical cost	47	(66)	500	2	483
Exchange rate diff. in accum. depreciation		(31)	(586)		(617)
<b>Total</b>	<b>47</b>	<b>(97)</b>	<b>491</b>	<b>(575)</b>	<b>(134)</b>
Historical cost	7,771	34,566	139,628	3,370	185,335
Accumulated depreciation	0	(5,573)	(109,665)	0	(115,238)
<b>Net value as at 30.06.2018</b>	<b>7,771</b>	<b>28,993</b>	<b>29,963</b>	<b>3,370</b>	<b>70,097</b>

The "Other assets" item as at 30 June 2018 mainly includes the following categories: Industrial equipment and moulds (€10,434 thousand), Plant and machinery (€7,627 thousand), Office furniture and machines (€8,702 thousand), General plants related to buildings (€1,768 thousand), Maintenance on third-party assets (€805 thousand), Commercial equipment and demo room (€480 thousand) and Motor vehicles (€64 thousand).

The increase for this item (€4,130 thousand) is mainly due to the following:

- investments related to purchases of office furniture and machines (€2,116 thousand);
- investments for the building of industrial equipment and moulds (€876 thousand).

The decrease in the "Other assets" item relates mainly to the depreciation expense for the period (€4,844 thousand).

The balance of the item "Assets in progress and payments on account", equal to €3,370 thousand, is broken down into:

- €1,436 thousand for moulds under construction;
- €1,031 thousand for investments related to building or expanding Group facilities;
- €500 thousand for self-manufactured equipment and production lines;
- €332 thousand for assets in progress.

## **Note 2. Intangible assets**

The item as at 30 June 2018 and 31 December 2017 is broken down as follows:

	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>Change</b>
Goodwill	178,091	174,343	3,748
Development costs	6,021	3,863	2,158
Other	33,203	34,352	(1,149)
Assets under development and payments on account	652	3,765	(3,113)
<b>Total</b>	<b>217,967</b>	<b>216,323</b>	<b>1,644</b>

Details of movements as at 30 June 2018 are as follows:

	Goodwill	Development costs	Other	Assets under development and payments on account	Total
Historical cost	174,343	19,020	134,925	3,765	332,053
Accumulated amortisation	0	(15,157)	(100,573)	0	(115,730)
<b>Net initial value as at 01.01.2018</b>	<b>174,343</b>	<b>3,863</b>	<b>34,352</b>	<b>3,765</b>	<b>216,323</b>
<i>Increases - 30.06.2018</i>					
Investments		0	1,089	520	1,609
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1,089</b>	<b>520</b>	<b>1,609</b>
<i>Decreases - 30.06.2018</i>					
Disposals, historical cost			(9)	0	(9)
Soredi	(950)				(950)
Disposals, accum. amortisation			9		9
Amortisation		(1,010)	(3,409)		(4,419)
<b>Total</b>	<b>(950)</b>	<b>(1,010)</b>	<b>(3,409)</b>	<b>0</b>	<b>(5,369)</b>
<i>Reclass. and other movements - 30.06.2018</i>					
Incoming transfers		3,319	481	167	3,967
(Outgoing transfers)		(182)		(3,800)	(3,982)
Exchange rate diff. in historical cost	4,698	211	2,540		7,449
Exchange rate diff. in accum. amortisation		(180)	(1,850)		(2,030)
<b>Total</b>	<b>4,698</b>	<b>3,168</b>	<b>1,171</b>	<b>(3,633)</b>	<b>5,404</b>
Historical cost	178,091	22,368	139,026	652	341,087
Accumulated amortisation	0	(16,347)	(105,823)	0	(122,170)
<b>Net value as at 30.06.2018</b>	<b>178,091</b>	<b>6,021</b>	<b>33,203</b>	<b>652</b>	<b>217,967</b>

Goodwill, totalling €178,091 thousand, consisted of the following items:

	30.06.2018	31.12.2017	Change
CGU Datalogic	164,998	161,538	3,460
CGU Informatics	13,093	12,805	288
<b>Total</b>	<b>178,091</b>	<b>174,343</b>	<b>3,748</b>

The change in goodwill by comparison with 31 December 2017 is attributable to:

- translation differences, as most of the goodwill is expressed in US dollars (€4,698 thousand),
- review of the acquisition price for the company Soredi Touch Systems GmbH, which involved a reduction of €950 thousand compared to the price provisionally defined.

Final details of the accounting treatment of the acquisition are presented in the following table:

	Amounts as per the Company's accounts (€/000)	Adjustments	Recognised fair value (€/000)
Tangible and intangible assets	185		185
Inventories	1,547		1,547
Trade receivables	820		820
Other receivables	75		75
Cash and cash equivalents	134		134
Trade payables	(736)		(736)
Other payables	(104)		(104)
Provisions for risks and charges	(294)		(294)
<b>Net assets at acquisition date</b>	<b>1,627</b>	<b>0</b>	<b>1,627</b>
% pertaining to Group	100%	100%	100%
<b>Group net assets</b>	<b>1,627</b>	<b>0</b>	<b>1,627</b>
<b>Initial acquisition cost</b>			<b>9,568</b>
<b>Price adjustment</b>			<b>(950)</b>
<b>Final acquisition cost</b>			<b>8,618</b>
<b>Goodwill at acquisition date</b>			<b>6,991</b>

Goodwill has been allocated to the CGUs (Cash Generating Units) corresponding to the individual companies and/or sub-groups to which they pertain. The estimated recoverable value of each CGU, associated with each goodwill item measured, consists of its corresponding value in use.

Value in use is calculated by discounting the future cash flows generated by the CGU – during production and at the time of its retirement – to present value using a certain discount rate, based on the Discounted Cash Flow method.

As at 30 June 2018, the assumptions used for the business plan, on which the impairment test as at 31 December 2017 was based, were still valid and no impairment indicators were reported.

“**Development costs**”, which amount to €6,021 thousand, consist of specific development projects capitalised when they meet IAS 38 requirements and in compliance with Group policies, which call for the capitalisation only of projects relating to the development of products featuring significant innovation. The change in “Development costs” compared to 31 December 2017 is primarily attributable to:

- positive change, equal to €3,137 thousand, for the recognition of two projects concluded during 2017 and previously recorded under assets in progress.
- negative change, equal to €1,010 thousand, for amortisation for the period.

The “**Other**” item, amounting to €33,203 thousand, consists primarily of intangible assets acquired through business combinations carried out by the Group, which are specifically identified and valued in the context of purchase accounting. Details are shown in the following table:

	30.06.2018	31.12.2017	Useful life
<b>Acquisition of the PSC group (on 30 November 2006)</b>	<b>13,015</b>	<b>13,495</b>	
<i>PATENTS</i>	13,015	13,495	20
<b>Acquisition of Evolution Robotics Retail Inc. (on 1 July 2010)</b>	<b>1,201</b>	<b>1,460</b>	
<i>PATENTS</i>	200	243	10
<i>TRADE SECRETS</i>	1,001	1,217	10
<b>Acquisition of Accu-Sort Inc. (on 20 January 2012)</b>	<b>8,872</b>	<b>9,756</b>	
<i>PATENTS</i>	5,247	5,770	10
<i>TRADE SECRETS</i>	3,625	3,986	10
<b>Licence agreement</b>	<b>3,586</b>	<b>3,729</b>	5-15
<b>Other</b>	<b>6,529</b>	<b>5,912</b>	
<b>TOTAL OTHER INTANGIBLE ASSETS</b>	<b>33,203</b>	<b>34,352</b>	

The "Others" item mainly consists of software licences.

The "Assets under development and payments on account" item, equal to €652 thousand, is attributable, in the amount of €369 thousand, to the capitalisation of costs relating to the R&D projects with the features required by IAS 38 and currently still underway, as well as, in the amount of €283 thousand, to software implementations that are not yet completed.

**Note 3. Equity investments in associates**

Equity investments owned by the Group as at 30 June 2018 were as follows:

	31.12.2017	Increases	Decreases	Exch. Diff.	Transfers	Share of profit	30.06.2018
<b>Associates</b>							
CAEN RFID Srl	550						550
Suzhou Mobilead Electronic Technology Co., Ltd.	1,408			17			1,425
R4I	150						150
Datalogic Automation AB	2						2
Specialvideo Srl	29						29
Datasensor GMBH	45						45
<b>TOTAL</b>	<b>2,184</b>	<b>0</b>	<b>0</b>	<b>17</b>	<b>0</b>	<b>0</b>	<b>2,201</b>

Compared to 31 December 2017, the change in the “Equity investments in associates” item is attributable to translation differences related to the equity investments in the company Suzhou Mobilead Electronic Technology Co., Ltd., as it is expressed in Chinese Renminbi (CNY).

**Note 4. Financial instruments by category**

The financial statement items coming within the scope of “financial instruments” as defined by IAS/IFRS standards are as follows:

	Loans and receivables	Financial assets at fair value charged to the income statement	Available for sale	Total
<b>Non-current financial assets</b>	<b>2,180</b>	<b>0</b>	<b>9,683</b>	<b>11,863</b>
Financial assets - Equity investments (5)			9,683	9,683
Other receivables (7)	2,180			2,180
<b>Current financial assets</b>	<b>309,617</b>	<b>51,199</b>	<b>0</b>	<b>360,816</b>
Third party trade receivables (7)	94,983			94,983
Other receivables from third parties (7)	20,135			20,135
Financial assets - Other (5)		51,199		51,199
Cash and cash equivalents (10)	194,499			194,499
<b>TOTAL</b>	<b>311,797</b>	<b>51,199</b>	<b>9,683</b>	<b>372,679</b>



	<b>Derivatives</b>	<b>Other financial liabilities</b>	<b>Total</b>
<b>Non-current financial liabilities</b>	<b>0</b>	<b>184,558</b>	<b>184,558</b>
Financial payables (12)		181,097	181,097
Other payables (16)		3,461	3,461
<b>Current financial liabilities</b>	<b>0</b>	<b>228,059</b>	<b>228,059</b>
Trade payables to third parties (16)		125,873	125,873
Other payables (16)		50,848	50,848
Short-term financial payables (12)		51,338	51,338
<b>TOTAL</b>	<b>0</b>	<b>412,617</b>	<b>412,617</b>

Most financial assets and liabilities are short-term financial assets and liabilities for which, given their nature, the book value is considered as a reasonable approximation of fair value.

In the other residual positions, fair value is determined based on methods that can be classified under the various hierarchy levels of fair value, as set forth by IFRS 13.

The Group has adopted internal valuation models that are generally used in finance and based on prices supplied by market operators, or prices taken from active markets.

## Fair value – hierarchy

All the financial instruments measured at fair value are classified in the three categories defined below:

**Level 1:** market prices;

**Level 2:** valuation techniques (based on observable market data);

**Level 3:** valuation techniques (not based on observable market data).

30.06.2018	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets - Equity investments (5)	9,606		77	9,683
Financial assets - Other short-term (5)	29,605	21,594		51,199
<b>Total assets measured at fair value</b>	<b>39,211</b>	<b>21,594</b>	<b>77</b>	<b>60,882</b>

## Note 5. Financial assets and loans

The financial assets include the following items:

	30.06.2018	31.12.2017	Change
Other equity investments	9,683	9,573	110
Other financial assets	51,199	31,444	19,755
<b>Total financial assets</b>	<b>60,882</b>	<b>41,017</b>	<b>19,865</b>

The "Other financial assets" item consists of investments of corporate liquidity in:

- two insurance policies, subscribed in May and July 2014;
- two mutual investment funds, subscribed in August 2015 and April 2018;
- an asset management contract signed in April 2018.

Based on the provisions of IFRS 9, these investments were classified as short-term as at 30 June 2018, and the figure as at 31 December 2017 was reclassified accordingly.

Equity investments held by the Group in other companies as at 30 June 2018 were as follows:

	31.12.2017	Increases	Decreases	Fair value adj.	Exch. rate adj.	Reclassifications	30.06.2018
Listed equity investments	9,496			(315)	425		9,606
Unlisted equity investments	77						77
<b>Total equity investments</b>	<b>9,573</b>	<b>0</b>	<b>0</b>	<b>(315)</b>	<b>425</b>	<b>0</b>	<b>9,683</b>

The amount of the “Listed equity investments” item is represented by the 1.2% investment in the share capital of the Japanese company Idec Corporation listed on the Tokyo Stock Exchange.

### **Note 6. Financial derivatives**

#### **Derivatives on interest rates and currencies**

As at 30 June 2018, the Group had no active interest rate swap contracts or forward contracts for exchange rate risk.

### **Note 7. Trade and other receivables**

#### **Trade and other receivables**

	30.06.2018	31.12.2017	Change
Third-party trade receivables	90,882	79,542	11,340
Contract-related activities - invoices to be issued	4,994	6,674	(1,680)
Less: provision for doubtful receivables	893	1,177	(284)
<b>Net third-party trade receivables</b>	<b>94,983</b>	<b>85,039</b>	<b>9,944</b>
<b>Receivables from associates</b>	<b>891</b>	<b>784</b>	<b>107</b>
Laservall Asia	0	3	(3)
Datasensor GMBH	112	83	29
Datalogic Automation AB	779	698	81
<b>Related-party receivables</b>	<b>0</b>	<b>9</b>	<b>(9)</b>
<b>Total trade receivables</b>	<b>95,874</b>	<b>85,832</b>	<b>10,042</b>
Other receivables - current accrued income and prepaid expenses	22,670	19,691	2,979
Other receivables - non-current accrued income and prepaid expenses	2,180	2,194	(14)
<b>Total other receivables - accrued income and prepaid expenses</b>	<b>24,850</b>	<b>21,885</b>	<b>2,965</b>
Less: non-current portion	2,180	2,194	(14)
<b>Trade and other receivables - current portion</b>	<b>118,544</b>	<b>105,523</b>	<b>13,021</b>

**Trade receivables**

Trade receivables amounted to €95,874 thousand as at 30 June 2018, representing an increase of 11.7%. The figures as at 31 December 2017 were adjusted following the reclassification of contract-related advance payments from customers from trade receivables to trade payables (€2,637 thousand).

As at 30 June 2018, trade receivables transferred to factoring companies amounted to €26,831 thousand (compared to €33,377 thousand at the end of 2017).

Trade receivables from affiliates arise from commercial transactions carried out at arm's length conditions.

Customer trade receivables are posted net of bad debt provisions totalling €893 thousand (€1,177 thousand as at 31 December 2017).

**Other receivables - accrued income and prepaid expenses**

The detail of the "Other receivables - accrued income and prepaid expenses" item is shown below:

	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>Change</b>
Other short-term receivables	3,866	1,755	2,111
Other long-term receivables	2,180	2,194	(14)
VAT receivables	15,902	14,870	1,032
Accrued income and prepaid expenses	2,902	3,066	(164)
<b>Total</b>	<b>24,850</b>	<b>21,885</b>	<b>2,965</b>

The increase in the item "Other short-term receivables" is primarily related to the advance payment made to the associate Suzhou Mobilead Electronic Technology Co., Ltd. for carrying out an R&D project.

The "Accrued income and prepaid expenses" item is mainly composed of prepaid expenses related to insurance and hardware and software fees.

**Note 8. Inventories**

	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>Change</b>
Raw and ancillary materials and consumables	45,054	33,101	11,953
Work in progress and semi-finished products	25,374	25,417	(43)
Finished products and goods	31,864	27,420	4,444
<b>Total</b>	<b>102,292</b>	<b>85,938</b>	<b>16,354</b>

Inventories are shown net of an obsolescence provision that, as at 30 June 2018, amounted to €10,301 thousand (€9,605 thousand as at 31 December 2017). Changes as at 30 June of each year are shown below:

	<b>2018</b>	<b>2017</b>
<b>1 January</b>	<b>9,605</b>	<b>9,308</b>
Exchange rate differences	210	(396)
Allocations	1,831	1,857
Releases for scrap and other utilisations	(1,345)	(1,065)
<b>30 June</b>	<b>10,301</b>	<b>9,704</b>

### **Note 9. Tax payables and receivables**

Tax payables amounted to €12,727 thousand as at 30 June 2018, up €1,297 thousand compared to the end of 2017 (€11,430 thousand as at 31 December 2017). This item includes the IRES tax credit of €6,771 thousand (unchanged from 31 December 2017) with the parent company Hydra, generated as part of the tax consolidation.

Tax payables amounted to €17,528 thousand as at 30 June 2018, up €3,337 thousand (€14,191 thousand as at 31 December 2017). The amount payable to the parent company Hydra for IRES tax, due under tax consolidation, is classified in this item and amounted to €8,014 thousand (€4,865 thousand as at 31 December 2017).

### **Note 10. Cash and cash equivalents**

Cash and cash equivalents are broken down as follows:

	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>Change</b>
Cash and cash equivalents shown on financial statements	194,499	256,212	(61,713)
Restricted cash deposit	(12)	(11)	(1)
Current account overdrafts	(243)	(92)	(151)
<b>Cash and cash equivalents for statement</b>	<b>194,244</b>	<b>256,109</b>	<b>(61,865)</b>

According to the requirements of Consob Communication no. 15519 of 28 July 2006, the Group's financial position is reported in the following table:

	<b>30.06.2018</b>	<b>31.12.2017</b>
A. Cash and bank deposits	194,487	256,201
B. Other cash and cash equivalents	12	11
<i>b1. restricted cash deposit</i>	12	11
C. Securities held for trading	0	0
<i>c1. Short-term</i>	0	0
<i>c2. Long-term</i>		
<b>D. Cash and equivalents (A) + (B) + (C)</b>	<b>194,499</b>	<b>256,212</b>
E. Current financial receivables	0	0
F. Other current financial receivables	51,199	31,444
<i>f1. hedging transactions</i>	0	0
G. Bank overdrafts	243	92
H. Current portion of non-current debt	47,259	48,108
I. Other current financial payables	3,836	2,913
<i>i1. hedging transactions</i>	0	0
<i>i2. lease payables</i>	0	0
<i>i3. current financial payables</i>	3,836	2,913
<b>J. Current financial debt / (current financial position) (G) + (H) +(I)</b>	<b>51,338</b>	<b>51,113</b>
<b>K. Current net financial debt/(current net financial position) (J) - (D) - (E) - (F)</b>	<b>(194,360)</b>	<b>(236,543)</b>
L. Non-current bank borrowing	181,097	205,656
M. Other financial assets	0	0
N. Other non-current liabilities	0	750
<i>n1. hedging transactions</i>		0
<i>n2. lease payables</i>	0	0
<i>n3. non-current financial payables</i>	0	750
<b>O. Non-current financial debt (L) - (M) + (N)</b>	<b>181,097</b>	<b>206,406</b>
<b>P. Net financial debt/(net financial position) (K) + (O)</b>	<b>(13,263)</b>	<b>(30,137)</b>

Net Financial Position as at 30 June 2018 was positive by €13,263 thousand, a decrease of €16,874 thousand compared to 31 December 2017 (positive by €30,137 thousand).

It should be also noted that, during the period, dividends for €28,914 thousand were paid and treasury shares were purchased for €10,702 thousand.

Investments for the period, net of disposals, amounted to €7,239 thousand.

## INFORMATION ON THE STATEMENT OF FINANCIAL POSITION SHAREHOLDERS' EQUITY AND LIABILITIES

### Note 11. Shareholders' Equity

The detail of equity accounts is shown below, while changes in equity are reported in the specific statement:

	30.06.2018	31.12.2017
Share capital	30,392	30,392
Extraordinary share-cancellation reserve	2,813	2,813
Treasury shares held in portfolio	13,417	6,120
Treasury share reserve	(4,583)	2,026
Share premium reserve	95,550	106,940
<b>Share capital and capital reserves</b>	<b>137,589</b>	<b>148,291</b>
Cash-flow hedge reserve	(786)	(948)
Translation reserve	9,426	5,939
Reserve for exchange rate adjustment	6,486	4,500
Actuarial gains/(losses) reserve	(371)	(371)
Held-for-sale financial assets reserve	5,801	5,695
<b>Other reserves</b>	<b>20,556</b>	<b>14,815</b>
<b>Retained earnings</b>	<b>161,097</b>	<b>129,843</b>
Earnings carried forward	145,355	114,189
Capital contribution reserve	958	958
Stock grant reserve	88	0
Legal reserve	6,078	6,078
IAS reserve	8,618	8,618
Profit for the period	28,963	60,080
<b>Total Group shareholders' equity</b>	<b>348,205</b>	<b>353,029</b>

**Share capital**

Movements in share capital as at 30 June 2018 are reported below (€/000):

	Number of shares	Share capital	Extraordinary share-cancellation reserve	Treasury shares held in portfolio	Treasury share reserve	Share premium reserve	Total
<b>01.01.2018</b>	<b>58,229,477</b>	<b>30,392</b>	<b>2,813</b>	<b>6,120</b>	<b>2,026</b>	<b>106,940</b>	<b>148,291</b>
Purchase of treasury shares	(474,230)			(12,914)	12,914	(12,913)	(12,913)
Sale of treasury shares	72,039			1,523	(1,523)	1,523	1,523
Capital gains/(losses) from the sale of treasury shares				703			703
Costs for the purchase/sale of treasury shares				(15)			(15)
<b>30.06.2018</b>	<b>57,827,286</b>	<b>30,392</b>	<b>2,813</b>	<b>(4,583)</b>	<b>13,417</b>	<b>95,550</b>	<b>137,589</b>

*Extraordinary share-cancellation reserve*

The Extraordinary Shareholders' Meeting of Datalogic S.p.A., held on 20 February 2008, approved a reduction of share capital through the cancellation of 5,409,981 treasury shares (equal to 8.472% of the share capital), owned by the Company.

When these shares were cancelled, as resolved by the Extraordinary Shareholders' Meeting, an extraordinary share-cancellation reserve was set aside for €2,813 thousand, included in share capital.

*Ordinary shares*

As at 30 June 2018, the total number of ordinary shares was 58,446,491, including 619,205 held as treasury shares; thus the total shares in circulation at that date was 57,827,286. The shares have a nominal unit value of €0.52 and are fully paid up.

*Treasury shares*

The "Treasury shares" item, negative for €4,583 thousand, includes capital gains/(losses) resulting from the sale of treasury shares, net of purchases and related charges (€8,834 thousand). In 2018, the Group purchased 474,230 treasury shares and sold 72,039, with a capital gain of €703 thousand.

For these purchases, in accordance with Art. 2357 of the Italian Civil Code, capital reserves (i.e., the treasury share reserve) in the amount of €13,417 thousand have been restricted.

**Other Reserves***Cash-flow hedge reserve*

Pursuant to provisions set forth by IAS 39, the change in fair value of derivative contracts, designated as effective hedging instruments, is recognised in financial statements as a balancing entry directly to Shareholders' Equity, in the cash-flow hedge reserve. These contracts were entered to hedge exposure to



the risk of interest rate fluctuations on loans. The reserve, negative by €786 thousand, includes the fair value of the hedging instrument related to refinancing.

#### *Translation reserve*

In compliance with IAS 21, translation differences arising from translation of the foreign currency financial statements of consolidated companies into the Group accounting currency are classified as a separate equity component.

#### *Stock grant reserve*

On 23 April 2018, the Board of Directors of Datalogic S.p.A., after hearing the opinions of the Audit and Risk Management Committee and the Remuneration and Appointments Committee, resolved on the framework of the new “2018-2021 Remuneration Plan” for a select group of managers, other than Directors and executives with key strategic responsibilities. This plan assigns the right to receive ordinary shares of the Company free of charge, conditioned on obtaining performance objectives and after a vesting period. This reserve was established following the accounting recognition of the plan according to IFRS 2.

#### *Actuarial gains/(losses) reserve*

Pursuant to IAS 19, this reserve includes actuarial gains and losses, which are now recognised under other components in the Statement of Comprehensive Income and excluded from the Income Statement.

#### **Retained earnings**

##### *IAS reserve*

This reserve was created upon first-time adoption of international accounting standards as at 1 January 2004 (Consolidated Financial Statements as at 31 December 2003) pursuant to IFRS 1.

##### *Profits/losses of previous years*

This item includes equity changes occurring in consolidated companies after acquisition date.

#### **Dividends**

On 23 May 2018, the Ordinary Shareholders' Meeting of Datalogic S.p.A. approved the distribution of an ordinary dividend of €0.50 per share, inclusive of legal withholdings (€0.30 in 2017). The overall dividends began to be paid starting from 30 May 2018 and had been paid in full by 30 June.

The reconciliation between the Parent Company's Shareholders' Equity and net profit and the corresponding consolidated amounts is as shown below:

	30 June 2018		31 December 2017	
	Total equity	Period results	Total equity	Period results
<b>Parent Company shareholders' equity and profit</b>	<b>278,554</b>	<b>23,289</b>	<b>291,639</b>	<b>25,592</b>
Difference between consolidated companies' shareholders' equity and their carrying value in the Parent Company's financial statements; effect of equity-based valuation	125,637	30,225	119,689	62,913
Reversal of dividends		(28,861)		(30,428)
Amortisation of "business combination" intangible assets	(5,827)		(5,827)	
Effect of acquisition under common control	(31,733)		(31,733)	
Elimination of capital gain on sale of business branch	(17,067)		(17,067)	183
Effect of eliminating intercompany transactions	(9,592)	4,680	(12,276)	1,769
Reversal of write-downs and capital gains on equity investments	5,517		5,517	
Other	(1,371)	(21)	(1,349)	(137)
Deferred taxes	4,087	(349)	4,436	188
<b>Group shareholders' equity</b>	<b>348,205</b>	<b>28,963</b>	<b>353,029</b>	<b>60,080</b>

### **Note 12. Financial payables**

The breakdown of the item, divided by short/long-term classification, is shown in the following table:

	30.06.2018	31.12.2017	Change
Long-term financial payables	181,097	206,406	(25,309)
Short-term financial payables	51,338	51,113	225
<b>Total financial payables</b>	<b>232,435</b>	<b>257,519</b>	<b>(25,084)</b>

The breakdown of this item is detailed below:

	30.06.2018	31.12.2017	Change
Bank loans	228,356	253,764	(25,408)
Other	800	2,000	(1,200)
Payables to factoring companies	3,036	1,663	1,373
Bank overdrafts (ordinary current accounts)	243	92	151
<b>Total financial payables</b>	<b>232,435</b>	<b>257,519</b>	<b>(25,084)</b>

Following is the breakdown of changes in bank loans as at 30 June 2018 and 30 June 2017:

	<b>2018</b>	<b>2017</b>
<b>1 January</b>	<b>253,764</b>	<b>169,501</b>
Increases	0	249,108
Repayments	0	(125,580)
Recalculation of amortised cost	(1,622)	
Decreases for loan repayments	(23,786)	(12,377)
<b>30 June</b>	<b>228,356</b>	<b>280,652</b>

On 27 April 2018, the loan that had been signed on 13 April 2017 was renegotiated, reducing the interest rate. Therefore, the amortised cost of the loan was recalculated, resulting in the recognition of €1.6 million in income in the income statement.

The “Other” item includes the financial debt related to the acquisition of the company Soredi Touch Systems GmbH.

### **Covenants**

The companies have been asked to respect certain financial covenants for the following loans, on a semi-annual or annual basis, as summarised in the table below:

<b>Bank</b>		<b>Company</b>	<b>Currency</b>	<b>Outstanding debt</b>	<b>Covenant</b>	<b>Frequency</b>	<b>Reference statements</b>
Club Deal	1	Datalogic SpA	Eur	208,333,333	NFP/EBITDA	semi-annual	Datalogic Group
I.E.B.	2	Datalogic SpA	Eur	21,000,000	NFP/EBITDA	semi-annual	Datalogic Group

NFP: Net financial position

As at 30 June 2018, all covenants were in compliance.

### **Note 13. Net deferred taxes**

Deferred tax assets and liabilities result both from positive items already recognised in the income statement and subject to deferred taxation under current tax regulations and temporary differences between consolidated assets and liabilities and their relevant taxable value.

Deferred tax assets are accounted for based on assumptions of the future recoverability of the temporary differences that originated them, or based on economic and fiscal strategic plans.

Temporary differences that generate deferred tax assets are mainly tax losses and taxes paid abroad, provisions for risk and charges and adjustments on exchange rates. Deferred tax liabilities are mainly due to temporary differences for adjustments to exchange rates and statutory and fiscal differences of amortisation/depreciation plans related to tangible and intangible assets.

For a better disclosure of deferred tax assets and liabilities, albeit not required by IAS 12, the total of net deferred taxes is reported compared with the previous year.

The total of net deferred taxes is broken down as follows:

	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>change</b>
Deferred tax assets	49,173	47,864	1,309
Deferred tax liabilities	(23,301)	(23,138)	(163)
<b>Net deferred taxes</b>	<b>25,872</b>	<b>24,726</b>	<b>1,146</b>

The breakdown of deferred taxes by company is shown below:

	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>change</b>
Datalogic S.p.A.	(3,338)	(1,437)	(1,901)
Datalogic RE France SaS	52	52	0
Datalogic RE UK Ltd	100	100	0
Datalogic IP Tech S.r.l.	714	1,331	(617)
Datalogic USA Inc.	19,929	17,721	2,208
Datalogic S.r.l.	379	(647)	1,026
Datalogic Slovakia S.r.o.	4,401	4,895	(494)
Datalogic ADC do Brazil Ltd.	358	129	229
Datalogic Scanning Eastern Europe GmbH	76	90	(14)
Datalogic Vietnam LLC	609	259	350
Datalogic Australia Pty Ltd	155	160	(5)
Datalogic ADC Singapore	2	2	0
Informatics Holdings, Inc.	744	419	325
Solution Net Systems, Inc.	130	89	41
<b>Total net long-term deferred taxes</b>	<b>24,311</b>	<b>23,163</b>	<b>1,148</b>
<b>Deferred taxes recognised due to the consolidation entries</b>	<b>1,561</b>	<b>1,563</b>	<b>(2)</b>
<b>Total net long-term deferred taxes</b>	<b>25,872</b>	<b>24,726</b>	<b>1,146</b>

The change in net deferred tax assets and liabilities is mainly attributable to the exchange rate adjustment on balances in foreign currencies in the statement of financial position.

#### **Note 14. Post-employment benefits**

The breakdown of changes in the “Post-employment benefits” item as at 30 June 2018 and 30 June 2017 is shown below:

	<b>2018</b>	<b>2017</b>
<b>1 January</b>	<b>6,633</b>	<b>6,647</b>
Amount allocated in the period	1,058	953
Uses	(833)	(301)
Other movements	(24)	(4)
Social security receivables for the employee severance indemnity reserve	(269)	(515)
<b>30 June</b>	<b>6,565</b>	<b>6,780</b>

### **Note 15. Provisions for risks and charges**

The breakdown of the “Provisions for risks and charges” item is as follows:

	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>Change</b>
Short-term provisions for risks and charges	14,491	7,157	7,334
Long-term provisions for risks and charges	7,564	13,602	(6,038)
<b>Total</b>	<b>22,055</b>	<b>20,759</b>	<b>1,296</b>

The detailed breakdown of and changes in this item are presented below:

	<b>31.12.2017</b>	<b>Increases</b>	<b>(Uses) and (Releases)</b>	<b>Transfers</b>	<b>Exchange rate diff.</b>	<b>30.06.2018</b>
Product warranty provision	11,618	524	(330)		203	12,015
Provision for management incentive scheme	6,264	1,457	(404)		61	7,378
“Stock rotation” provision	1,664	91	(387)		17	1,385
Other	1,213	228	(169)	0	5	1,277
<b>Total provisions for risks and charges</b>	<b>20,759</b>	<b>2,300</b>	<b>(1,290)</b>	<b>0</b>	<b>286</b>	<b>22,055</b>

The “**Product warranty provision**” covers the estimated cost of repairing products sold up to 30 June 2018 and covered by periodical warranty; it amounts to €12,015 thousand (of which €7,197 thousand long-term) and is considered sufficient in relation to the specific risk it covers.

The “**Provision for management incentive scheme**” is attributable to the long-term incentive plan for directors and top managers.

The “**Other**” item mainly comprises:

- €340 thousand for agent termination indemnities;
- €592 thousand for transactions in progress with employees;
- €162 thousand for contingent tax liabilities.

**Note 16. Trade and other payables**

The table hereunder shows the details of trade and other payables:

	30.06.2018	31.12.2017	Change
Trade payables due within 12 months	123,074	107,051	16,023
Contract-related liabilities - customer advances	2,799	2,637	162
<b>Third-party trade payables</b>	<b>125,873</b>	<b>109,688</b>	<b>16,185</b>
<b>Payables to associates</b>	<b>138</b>	<b>347</b>	<b>(218)</b>
<i>Laservall Asia</i>		7	(7)
<i>Hydra</i>			0
<i>R4I</i>		61	(61)
<i>Caen</i>	128	277	(149)
<i>Specialvideo</i>	2		
<i>Suzhou Mobilead</i>	7		
<i>Datalogic Automation AB</i>	1	2	(1)
<b>Payables to the parent company</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Hydra</i>	0		0
<b>Payables to related parties</b>	<b>110</b>	<b>253</b>	<b>(143)</b>
<b>Total trade payables</b>	<b>126,121</b>	<b>110,288</b>	<b>15,824</b>
Other payables - current accrued liabilities and deferred income	50,848	50,273	575
Other payables - non-current accrued liabilities and deferred income	3,461	3,566	(105)
<b>Total other payables - accrued liabilities and deferred income</b>	<b>54,309</b>	<b>53,839</b>	<b>470</b>
Less: non-current portion	3,461	3,566	(105)
<b>Current portion</b>	<b>176,969</b>	<b>160,561</b>	<b>16,399</b>

**Other payables – accrued liabilities and deferred income**

The detailed breakdown of this item is as follows:

	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>Change</b>
Other long-term payables	3,461	3,566	(105)
Other short-term payables:	24,965	25,849	(884)
Payables to employees	17,570	17,220	350
Payables to pension and social security agencies	5,378	6,021	(643)
Other payables	2,017	2,608	(591)
VAT liabilities	2,893	2,982	(89)
Accrued liabilities and deferred income	22,990	21,442	1,548
<b>Total</b>	<b>54,309</b>	<b>53,839</b>	<b>470</b>

Amounts payable to employees represent the amount due for salaries and vacations accrued by employees as at the reporting date.

The item “Accrued liabilities and deferred income” is mainly composed of deferred income related to multi-annual maintenance contracts.

## INFORMATION ON THE INCOME STATEMENT

### Note 17. Revenues

	Half-year ended		Change
	30.06.2018	30.06.2017	
Revenues from sale of products	289,460	282,873	6,587
Revenues from services	17,534	16,435	1,099
<b>Total Revenues</b>	<b>306,994</b>	<b>299,308</b>	<b>7,686</b>

In the first half of 2018, consolidated net revenue amounted to €306,994 thousand, up by 2.6% compared to €299,308 thousand reported in the same period of 2017 (+7.9% at constant exchange rate).

The following table shows the breakdown of revenues per geographic areas:

	Half-year ended		30.06.2017(**)	%	Change	%
	30.06.2018	%				
<i>Italy</i>	28,929	9.4%	27,643	9.2%	1,286	4.7%
<i>EMEA (except Italy)</i>	135,550	44.2%	131,013	43.8%	4,537	3.5%
<i>Total EMEA (*)</i>	164,479	53.6%	158,656	53.0%	5,823	3.7%
North America	91,768	29.9%	95,028	31.7%	(3,260)	(3.4%)
Latin America	6,562	2.1%	7,344	2.5%	(782)	(10.6%)
APAC (*) (incl. China)	44,185	14.4%	38,280	12.8%	5,905	15.4%
<b>Total Revenues</b>	<b>306,994</b>	<b>100.0%</b>	<b>299,308</b>	<b>100.0%</b>	<b>7,686</b>	<b>2.6%</b>

(\*) EMEA: Europe, Middle East and Africa; APAC: Asia & Pacific

(\*\*) As at 30 June 2018, sales in Mexico were included in the North America region, data as at 30 June 2017 were reclassified accordingly.

The Group's revenues can be broken down as follows:

	Half-year ended 30.06.2018				
	Datalogic	Solution Net Systems	Informatics	Adjustments	Total
<b>Revenues by geographic area</b>					
Italy	28,929				28,929
Europe	135,550				135,550
North America	69,078	14,220	9,744	(1,274)	91,768
Latin America	6,562				6,562
APAC	44,185				44,185
<b>Total</b>	<b>284,304</b>	<b>14,220</b>	<b>9,744</b>	<b>(1,274)</b>	<b>306,994</b>
<b>Revenues by reference sector</b>					
Retail	141,569				141,569
Manufacturing	90,012				90,012
Transportation & Logistics	31,120				31,120
Healthcare	8,874				8,874
Group Channel	12,729				12,729
Solution Net Systems		14,220			14,220
Informatics			9,744		9,744
Adjustments				(1,274)	(1,274)
<b>Total</b>	<b>284,304</b>	<b>14,220</b>	<b>9,744</b>	<b>(1,274)</b>	<b>306,994</b>



Half-year ended 30.06.2018					
	Datalogic	Solution Net Systems	Informatics	Adjustments	Total
<b>Revenues broken down by recognition method</b>					
Revenues from the sale of goods and services - at a specific point in time	274,773	1,120	9,744	(1,274)	284,363
Revenues from the sale of goods and services - over time	9,531	13,100			22,631
<b>Total</b>	<b>284,304</b>	<b>14,220</b>	<b>9,744</b>	<b>(1,274)</b>	<b>306,994</b>
<b>Revenues broken down by type</b>					
Sale of goods	268,917	13,592	8,225	(1,274)	289,460
Sale of services	15,387	628	1,519		17,534
<b>Total</b>	<b>284,304</b>	<b>14,220</b>	<b>9,744</b>	<b>(1,274)</b>	<b>306,994</b>

### Note 18. Cost of goods sold and operating costs

	Half-year ended		Change
	30.06.2018	30.06.2017	
<b>TOTAL COST OF GOODS SOLD (1)</b>	<b>157,545</b>	<b>157,364</b>	<b>181</b>
<i>of which non-recurring</i>	0	316	(316)
<b>TOTAL OPERATING COSTS (2)</b>	<b>109,985</b>	<b>101,290</b>	<b>8,695</b>
Research and Development expenses	30,511	26,503	4,008
<i>of which non-recurring</i>	0	128	(128)
<i>of which amortisation, depreciation pertaining to acquisitions</i>	48	54	(6)
Distribution expenses	53,525	49,080	4,445
<i>of which non-recurring</i>	0	0	0
General and administrative expenses	25,006	24,990	16
<i>of which non-recurring</i>	1,041	337	704
<i>of which amortisation, depreciation pertaining to acquisitions</i>	2,198	2,457	(259)
Other operating costs	943	717	226
<i>of which non-recurring</i>	0	0	0
<b>TOTAL (1+2)</b>	<b>267,530</b>	<b>258,654</b>	<b>8,876</b>
<b>of which non-recurring costs</b>	<b>1,041</b>	<b>781</b>	<b>260</b>
<b>of which amortisation, depreciation pertaining to acquisitions</b>	<b>2,246</b>	<b>2,511</b>	<b>(265)</b>

Non-recurring costs, equal to €1,041 thousand (€781 thousand in the first half of 2017) are related primarily to restructuring of some corporate functions.

Amortisation/depreciation from acquisitions (equal to €2,246 thousand), mainly included under "General and administrative expenses" (€2,198 thousand), are comprised of:

	Half-year ended		Change
	30.06.2018	30.06.2017	
Acquisition of the PSC group (on 30 November 2006)	836	934	(98)
Acquisition of Evolution Robotics Retail Inc. (on 1 July 2010)	289	324	(35)
Acquisition of Accu-Sort Inc. (on 20 January 2012)	1,121	1,253	(132)
<b>TOTAL</b>	<b>2,246</b>	<b>2,511</b>	<b>(265)</b>

**Total cost of goods sold (1)**

This item amounts to €157,545 thousand and, in absolute terms, is in line with the same period of 2017, while dropping 1.2 percentage points expressed against revenues, primarily due to the improvement in mix and efficiencies in cost of materials.

**Total operating costs (2)**

Operating costs, less non-recurring items and amortisation/depreciation pertaining to acquisitions, increased by 8.5% from €98,314 thousand to €106,698 thousand, up by 2 percentage points as a ratio of sales, from 32.8% to 34.8%.

In particular:

- **“R&D expenses”** amounting to €30,511 thousand and, less non-recurring costs and amortisation/depreciation from acquisitions, increased by €4,142 thousand compared to the previous year (+15.7%). This increase is primarily attributable to the increase in payroll & employee benefits, project consultancy services, consumables and self-made equipment.
- **“Distribution expenses”** amounted to €53,525 thousand and, net of non-recurring costs, increased by €4,445 thousand compared to the same period of the previous year. This increase is due mainly to an increase in payroll & employee benefits, travel and accommodation expenses, meetings and exhibitions, and other sales costs.
- **“General and administrative expenses”** amounted to €25,006 thousand. This item, net of non-recurring costs and amortisation/depreciation resulting from acquisitions, decreased by €429 thousand compared to the same period of the previous year; with constant exchange rates, there is an increase principally attributable to the higher costs for consulting, training, and EDP expenses.

The breakdown of **“Other operating costs”** is as follows:

	Half-year ended		Change
	30.06.2018	30.06.2017	
Non-income taxes	815	494	321
Allocation to the risk reserve	0	0	0
Provisions for doubtful accounts	54	(30)	84
Capital losses on assets	16	60	(44)
Contingent and unsubstantiated liabilities	3	8	(5)
Cost charge-backs	33	28	5
Other	22	157	(135)
<b>Total</b>	<b>943</b>	<b>717</b>	<b>226</b>

## Breakdown of costs by type

The following table provides the details of total costs (cost of goods sold and total operating costs) by type, for the main items:

	Half-year ended		Change
	30.06.2018	30.06.2017	
Purchases	130,830	120,318	10,511
Change in inventories	(17,895)	(4,947)	(12,947)
Payroll & employee benefits	87,730	82,568	5,162
Amortisation, depreciation and write-downs	9,566	9,855	(289)
Goods receipt & shipment	10,405	8,412	1,993
Travel & accommodation	5,500	4,328	1,172
Technical, legal and tax advisory services	5,349	4,207	1,142
Repairs and allocation to the warranty provision	3,769	3,885	(116)
Marketing expenses	3,756	3,773	(17)
Building expenses	3,328	3,119	209
Subcontracted work	2,980	1,374	1,606
EDP expenses	2,379	2,084	295
Material collected from the warehouse	2,230	2,262	(32)
Consumables and R&D materials	1,908	1,573	335
Royalties	1,663	2,118	(455)
Telephone expenses	1,194	1,519	(325)
Utilities	1,024	1,052	(28)
Meeting expenses	1,000	696	304
Directors' remuneration	922	1,070	(148)
Sundry service costs	912	907	5
Commissions	906	854	52
Quality certification expenses	826	1,096	(270)
Expenses for plant and machinery and other assets	719	684	35
Accounts certification expenses	630	614	16
Vehicle expenses	626	584	42
Entertainment expenses	492	319	173
Insurance	465	442	23
Training courses for employees	422	231	191
Stationery and printing	110	121	(11)
Other	3,784	3,537	248
<b>Total cost of goods sold and operating costs</b>	<b>267,530</b>	<b>258,654</b>	<b>8,876</b>

The decrease in the “Amortisation, depreciation and write-downs” item is due primarily to the exchange rate effect (increase of €341 thousand at constant exchange rate).

The increase in the item “Technical, legal and tax advisory services” of €1,142 thousand is mainly due to R&D consulting.

Costs related to “Subcontracted work” amounted to €2,980 thousand (up €1,606 thousand compared to the same period of 2017) and refer primarily to orders in the Solution Net Systems division.

Expenses reported in the “Travel & accommodation” item and in the “Meetings” item increased due to the organisation of some sales events which involved a higher number of customers compared to the previous year.

The detailed breakdown of payroll & employee benefits is as follows:

	Half-year ended		Change
	30.06.2018	30.06.2017	
Wages & salaries	66,294	62,689	3,605
Social security charges	12,510	11,794	716
Employee severance indemnities	1,045	941	104
Retirement and similar benefits	728	680	48
Medium- to long-term managerial incentive plan	1,053	1,599	(546)
Vehicle expenses for employees	1,638	1,528	110
Other costs	3,337	2,310	1,027
Early retirement incentives	1,125	1,027	98
<b>Total</b>	<b>87,730</b>	<b>82,568</b>	<b>5,162</b>

The “Wages and salaries” item, equal to €66,294 thousand, includes sales commissions and incentives of €8,272 thousand (€7,819 thousand as at 30 June 2017). This item reported an increase of €3,605 thousand (up €7,384 thousand at constant exchange rates) compared to the same period of the previous year due to the strengthening of the R&D structure and sales organisations, consistent with the Group’s strategy.

The “Early retirement incentives” item includes costs, totalling €818 thousand, stated under “Non-recurring costs and revenues” and mainly result from the re-organisation of some corporate departments.

### **Note 19. Other operating revenues**

The detailed breakdown of this item is as follows:

	Half-year ended		Change
	30.06.2018	30.06.2017	
Miscellaneous income and revenues	636	471	165
Rents	36	63	(27)
Capital gains on asset disposals	83	3	80
Contingent assets	15	(24)	39
Other	44	22	22
<b>Total</b>	<b>814</b>	<b>535</b>	<b>279</b>

The “Miscellaneous income and revenues” mainly includes revenues for internal building works, in the amount of €325 thousand as at 30 June 2018 (€261 thousand as at 30 June 2017).

**Note 20. Net financial income (expenses)**

	Half-year ended		Change
	30.06.2018	30.06.2017	
Financial income/(expenses)	86	(1,280)	1,366
Exchange rate differences	(2,281)	(1,406)	(875)
Bank expenses	(751)	(1,260)	509
Other	(150)	81	(231)
<b>Total net financial income (expenses)</b>	<b>(3,096)</b>	<b>(3,865)</b>	<b>769</b>

Net financial income (expenses) presents a negative balance of €3,096 thousand, compared to a negative balance of €3,865 thousand for the same period of 2017, benefiting from one-off income of €1,622 thousand related to the recognition in the income statement of the recalculation of the amortised cost of the outstanding loan following its renegotiation that entailed a reduced interest rate.

The item "Exchange rate differences", negative for €2,281 thousand, is mostly due to the depreciation of the Dollar on Group net balances.

Bank expenses were down €509 thousand compared to the same period in the prior year, as a result of the fact that in 2017, following the early repayment of the long-term loan, the residual portion of up-front fees were reversed to the income statement (€419 thousand).

**Note 21. Taxes**

	Half-year ended		Change
	30.06.2018	30.06.2017	
Pre-tax profit	37,182	37,184	(2)
Total	8,219	7,887	332
<b>Average rate</b>	<b>22.1%</b>	<b>21.2%</b>	<b>0.9%</b>

The average rate is equivalent to 22.1% (21.2% as at 30 June 2017). Taxes were calculated by using the best estimate of the annual tax rate expected at the reporting date.

**Note 22. Earnings/loss per share****Earnings/loss per share**

As required by IAS 33, information on data used to calculate the earning/loss per share, both basic and diluted, is provided below. Basic EPS is calculated by dividing the profit and/or loss for the period, attributable to the shareholders of the Parent Company, by the weighted average number of ordinary shares outstanding during the reference period. For purposes of calculating diluted EPS, the weighted average number of outstanding shares is determined assuming translation of all potential shares with a dilutive effect (stock grant attributions), and the Group's net profit is adjusted for the post-tax effects of translation.

	Half-year ended	
	30.06.2018	30.06.2017
Group earnings/(loss) for the period	28,963,000	29,297,000
Average number of shares	58,036,619	58,144,262
<b>Basic earnings/(loss) per share</b>	<b>0.50</b>	<b>0.50</b>
Diluted Group earnings/(loss) for the period	28,414,833	
Average number of shares	58,036,619	58,144,262
Dilutive effect	(2,146)	0
<b>Diluted earnings/(loss) per share</b>	<b>0.49</b>	<b>0.50</b>

## **TRANSACTIONS WITH SUBSIDIARIES THAT ARE NOT FULLY CONSOLIDATED, ASSOCIATES AND RELATED PARTIES**

For the definition of “Related parties”, see both IAS 24, approved by EC Regulation 1725/2003, and the Procedure for Transactions with Related Parties approved by the Board of Directors on 4 November 2010 (most recently amended on 24 July 2015), available on the Company’s website [www.datalogic.com](http://www.datalogic.com).

The parent company of the Datalogic Group is Hydra S.p.A.

Infragroup transactions are executed as part of the ordinary operations and at arm's length conditions. Furthermore, there are other relationships with related parties, always carried out as part of ordinary operations and at arm’s length conditions, of an irrelevant amount and in accordance with the “**OPC Procedure**”, chiefly with Hydra S.p.A. or entities under joint control (with Datalogic S.p.A.), or with individuals that carry out the coordination and management of Datalogic S.p.A. (including entities controlled by the same and close relatives).

Related-party transactions refer chiefly to commercial and real estate transactions (instrumental and non-instrumental premises for the Group under lease or leased) and advisory activities as well as to companies joining the scope of tax consolidation. None of these assumes particular economic or strategic importance for the Group since receivables, payables, revenues and costs to the related parties are not a significant proportion of the total amount of the financial statements.

Pursuant to Art. 5, par. 8, of the Consob Regulations, it should be noted that, over the period 01/01/2018 - 30/06/2018, the Company's Board of Directors did not approve any relevant transaction, as set out by Art. 3, par. 1, lett. b) of the Consob Regulations, or any transaction with minority related parties that had a significant impact on the Group’s equity position or profit/(loss).

	Parent company	Company controlled by Chairman of BoD	Companies not consolidated on a line-by-line basis	TOTAL 30.06.2018
Equity investments	0	0	2,201	2,201
Non-current assets	0	0	679	679
Held-for-sale assets	0	0	0	0
Trade receivables - accrued income and prepaid expenses	0	76	3,350	3,426
Receivables pursuant to tax consolidation	6,771	0	0	6,771
Financial receivables	0	0	0	0
Liabilities pursuant to tax consolidation	8,014	0	0	8,014
Trade payables	0	110	138	248
Financial payables	0	0	0	0
Sales/service expenses/allocations	0	578	546	1,124
Commercial revenues	0	0	2,292	2,292
Financial income	0	0	0	0
Profits/(losses) from associates	0	0	0	0

## NUMBER OF EMPLOYEES

	Half-year ended		Change
	30.06.2018	30.06.2017	
Datalogic	2,902	2,683	219
Solution Net Systems	40	37	3
Informatics	83	90	(7)
<b>Total</b>	<b>3,025</b>	<b>2,810</b>	<b>215</b>

## SUBSEQUENT EVENTS

There were no events that occurred after the half-year was closed that require reporting.

The Chairman of the Board of Directors  
(Mr. Romano Volta)

**Attestazione del bilancio semestrale abbreviato ai sensi dell'art. 81-ter del Regolamento Consob n. 11971 del 14 maggio 1999 e successive modifiche e integrazioni**

1. I sottoscritti, Valentina Volta, in qualità di Amministratore Delegato e Alessandro D'Aniello, in qualità di Dirigente Preposto alla redazione dei documenti contabili societari della Datalogic S.p.A. attestano, tenuto anche conto di quanto previsto dall'art. 154-bis, commi 3 e 4, del decreto legislativo 24 febbraio 1998, n. 58:
  - l'adeguatezza in relazione alle caratteristiche dell'impresa e
  - l'effettiva applicazione

delle procedure amministrative e contabili per la formazione del bilancio semestrale abbreviato, nel corso del primo semestre 2018.

2. La valutazione dell'adeguatezza delle procedure amministrative e contabili per la formazione del bilancio semestrale abbreviato al 30 giugno 2018 è basata su di un procedimento definito da Datalogic S.p.A. in coerenza con il modello *Internal Control – Integrated Framework* emesso dal *Committee of Sponsoring Organizations of the Treadway Commission* che rappresenta un framework di riferimento generalmente accettato a livello internazionale.

3. Si attesta, inoltre, che:

3.1 il bilancio semestrale abbreviato:

- a) è redatto in conformità ai principi contabili internazionali applicabili riconosciuti nella Comunità europea ai sensi del regolamento (CE) n. 1606/2002 del Parlamento europeo e del Consiglio, del 19 luglio 2002;
- b) corrisponde alle risultanze dei libri e delle scritture contabili;
- c) è idoneo a fornire una rappresentazione veritiera e corretta della situazione patrimoniale, economica e finanziaria dell'emittente e dell'insieme delle imprese incluse nel consolidamento.

- 3.2 La relazione intermedia sulla gestione comprende un'analisi attendibile dei riferimenti agli eventi importanti che si sono verificati nei primi sei mesi dell'esercizio e alla loro incidenza sul bilancio semestrale abbreviato, unitamente a una descrizione dei principali rischi e incertezze per i sei mesi restanti dell'esercizio. La relazione intermedia sulla gestione comprende, altresì, un'analisi attendibile delle informazioni sulle operazioni rilevanti con parti correlate.

Lippo di Calderara di Reno, 9 agosto 2018

L' Amministratore Delegato

Valentina Volta

Il Dirigente Preposto alla redazione

dei documenti contabili societari

Alessandro D'Aniello

