PRESS RELEASE

DATALOGIC (Star: DAL)

THE BOARD OF DIRECTORS APPROVES THE HALF-YEAR FINANCIAL REPORT AS AT 30 JUNE 2020[1]

- **Revenues at €230.4 million compared with €291.4 million in the first half of 2019**
- **Adjusted EBITDA at €18.4 million compared with €45.8 million; Adjusted EBITDA margin at 8.0%**
- **Net result at break-even**
- **Net Financial Debt equal to €15.4 million enhancing by €2.4 million compared to June 30, 2019**
- **Disposal of the 85% of the non-core division Solution Net Systems Inc.**

Bologna, 6 August 2020 - The Board of Directors of Datalogic S.p.A. (Borsa Italiana S.p.A.: DAL), a company listed in the STAR segment of the Italian stock exchange organised and managed by Borsa Italiana S.p.A. ("Datalogic") and a global leader in the automatic data capture and process automation markets, yesterday approved its Consolidated Half-Year Financial Report as at 30 June 2020.

The half-year results were achieved in an unprecedented economic context caused by the spread of the COVID-19 pandemic, which severely influenced global macroeconomic trend, generating a contraction in demand and a progressive slowdown of the market as a result of the restrictive measures adopted by the various government authorities. In this context, the Group was able to contain the impact of an expected and sharp reduction in volumes as a result of an effective cost reduction plan launched in the second quarter of the year, which made it possible to achieve double-digit margins and a positive net result in the second quarter.

The Chief Executive Officer of Datalogic Group, Valentina Volta, commented, "*The spread of the COVID-19 pandemic in Europe and the Americas during the second quarter had a considerable impact on the results for the first half. Despite the double-digit reduction in turnover in the primary markets in which we operate, the Group nevertheless managed to close the half-year at break-even and with a double-digit EBITDA margin in the second quarter due to a crucial plan to reduce operating costs. In an unprecedented and highly uncertain context, we continued to invest in research and development in order to remain competitive and continue to pursue the goal of growth in our core segments, once the emergency is over. We also took the opportunity to sell the Solution Net Systems Division - which operates in a non-strategic business for us - to an American private equity fund. The growth of the Asia-Pacific region in the half-year, entirely driven by China, and the percentage of turnover from new products on total turnover equal to 22.2% achieved*

[1] The comparative economic data as at 30 June 2019 were restated as envisaged by the IFRS 5 accounting standard following the classification of the results of the investee Solution Net Systems Inc. operating segment of the Group under assets available for sale.

in the first half are indicators that make us confident regarding the Group's ability to maintain its competitive position in a post-COVID scenario. Despite a reversal of the trend in booking in Europe recorded at the beginning of the third quarter and the positive trend in Asia, the sharp decline of the order portfolio compared to last year in Europe and America at the start of the third quarter and the worsening of the market environment in the United States does not yet allow us to forecast a recovery of our top line in the short term. Faced with this uncertainty, the Group will continue to maintain strong control over costs and implement measures to contain them."

	Half-year ended						
	30.06.2020	*% of revenues*	**30.06.2019 Restated**	*% of revenues*	**Change**	% change	**% ch. Net FX**
Revenues	**230,414**	*100.0%*	**291,419**	*100.0%*	**(61,005)**	-20.9%	-21.4%
Adjusted EBITDA	**18,365**	*8.0%*	**45,819**	*15.7%*	**(27,454)**	-59.9%	-58.0%
EBIT	**334**	*0.1%*	**32,108**	*11.0%*	**(31,774)**	-99.0%	-96.1%
Profit/(loss) for the period	**(13)**	*0.0%*	**25,251**	*8.7%*	**(25,264)**	n.a.	n.a.
Net Financial Position (NFP)	**(15,383)**		**(17,803)**		**2,420**		

Consolidated revenues, amounting to €230.4 million, decreased by 20.9% compared to €291.4 million achieved in the same period of the previous year.

Gross profit was €105.9 million or 46.0% of turnover (49.9% in the first half of 2019), decreasing by 27.2% against €145.5 million reported in the same period of the previous year, primarily due to the contraction in volumes and the price and mix effect.

Operating and other costs, equal to €99.5 million, decreased by 9.7% from €110.2 million in the same period of 2019 due to a careful cost reduction plan implemented by management as a response to the contraction in the market. The actions taken were aimed at making the cost structure more variable, to minimise production inefficiencies related to the discontinuity of business activity and low volumes, also adopting social safety nets and flexibility tools. Operating costs as well as discretionary investments were deferred, while those for research and development and in strategic activities were strengthened pursuing the Group's strategy focused on innovation.

Research and development expenses decreased by 6.4% to €29.2 million, reaching 12.7% of revenues compared to 10.7% in the first half of 2019, balancing efficiencies while strengthening investments pursuing strategic goals. During the half year, albeit in the difficult market context, the total research and development spending, gross of capital expenditure, increased from €32.1 million to €34.2 million, reaching 14.8% on revenues compared to 11.0% in the same period of 2019, increasing by 3.8 percentage points. Thanks to its equity and financial fortress, the Group was able to maintain, even in a short-term recessionary scenario, the strategic investments in the development of new products and solutions aimed at strengthening and innovating its offer.

Distribution costs amount to €51.1 million and were down by 14.6% compared to the previous period (€59.9 million in the first half of 2019), 22.2% of revenues, as a result of the efficiencies achieved in APAC and EMEAI on sales and distribution as well as in marketing costs.

The **Adjusted EBITDA,** €18.4 million (€45.8 million in the first half of 2019), reflects a decrease of 7.7% in terms of percentage of revenues, dropping to 8.0% from 15.7% recorded in the first half of 2019. The trend in margins recorded in the period reflects the contraction in volumes and the price effects due to the scenario that arose following the spread of the COVID-19 pandemic and the less favourable sales mix, partially offset by the efficiencies achieved on fixed costs.

EBIT stood at €0.3 million compared to €32.1 million in the same period of the prior year as a result of the trends described above.

Net financial income (expenses), negative for €5.2 million, worsening by €3.7 million compared to the first half of 2019, attributable to the unfavourable trend in exchange rates, negative for €3.2 million (negative for €0.7 million as at 30 June 2019) and the negative fair value recorded on cash equivalents investments (€-0.7 million in the first half of 2020 compared to €0.9 million in the first half of 2019), caused by the performance of financial markets in the first quarter, which however showed signs of recovery in the latter part of the first half.

The **net result of assets held for sale**, represented by the investee Solution Net Systems Inc., was positive for €0.4 million compared to €1.4 million in the first half of 2019.

The **net result** for the first half at break-even, with a net loss of €13 thousand (profit of €25.3 million as at 30 June 2019).

The **Net Trade Working Capital** as at 30 June 2020 amounting at €66.1 million, substantially unchanged in terms of percentage of turnover (€12.6% compared to 12.3% as at 31 December 2019) improving by 1.3 percentage points compared to 13.3% in the first half of 2019. Working capital decreased by €9.0 million compared to 31 December 2019 following the reduction in trade receivables of €21.3 million linked to sales performance and the lower commercial exposure to suppliers due to the reduction in costs and volumes. The contribution of inventories to working capital remained unchanged, although increasing as a percentage of turnover compared to previous period, aimed at ensuring continuity in the supply chain (primarily in APAC) in an uncertain scenario in terms of the evolution of the Covid-19 pandemic and related restrictive measures in the second half of the year.

Net Invested Capital, equal to €394.1 million (€390.8 million as at 31 December 2019), increased by €3.3 million. The change is mainly due to the decrease in net working capital by €5.2 million, which benefits from the decrease in other net assets and liabilities, mainly related to VAT and payables to employees as well as the increase in fixed assets for €7.1 million for ongoing investments in research and development and in production facilities.

The **Net Financial Position** as at 30 June 2020 was negative by €15.4 million, improving by €2.4 million compared to 30 June 2019 (when it was negative for €17.8 million). Excluding the recognition of cash and cash equivalents of the investee Solution Net Systems Inc. among the assets available for sale, the improvement in the net financial position would have been €5.1 million.

Free Cash Flow. Despite the decline in volumes and in part of the margins, in an unprecedented macroeconomic context, positive operating cash flow was generated in the amount of €1.3 million in the first half of 2020, an improvement compared to €0.4 million for the same period in 2019, despite greater investments in research and development, offset by the reduction in operating costs. The changes in net financial debt due to financial cash flows, negative for €3.1 million, deteriorated compared to the first half of 2019 due to less favourable exchange rates and the fair value of cash equivalents investments, but were offset the lower cash absorption of other operating assets and liabilities. Dividend distribution and the purchase of treasury shares absorbed cash for €23.8 million in 2020 (€31.3 million in the same half of 2019).

PERFORMANCE BY GEOGRAPHIC AREA

The following table shows the breakdown by **geographic area** of Group revenues achieved in the first half of 2020, compared with the same period of the prior year:

	Half-year ended						
	30.06.2020	**%**	**30.06.2019 Restated**	**%**	**Change**	**%**	**% ch. Net FX**
Italy	*18,743*	*8.1%*	*24,430*	*8.4%*	*(5,687)*	*-23.3%*	*-23.3%*
EMEAI (excluding Italy)	*100,081*	*43.4%*	*135,073*	*46.4%*	*(34,992)*	*-25.9%*	*-26.1%*
Total EMEAI	118,824	51.6%	159,503	54.7%	(40,679)	-25.5%	-25.7%
Americas	76,360	33.1%	98,478	33.8%	(22,118)	-22.5%	-23.4%
APAC	35,230	15.3%	33,438	11.5%	1,792	5.4%	5.3%
Total revenues	**230,414**	**100.0%**	**291,419**	**100.0%**	**(61,005)**	**-20.9%**	**-21.4%**

Revenue performance for the semester reflected, in the first months of the year, the expected weakness in the markets due to the postponement of some investment decisions following the reduced business activities in the markets caused by the pandemic, as well as to the completion of important roll-out of fixed retail scanners contracts in the Retail segment, begun in 2018, and the completion of long-term projects in the Transportation & Logistics segment. Subsequently, the restrictive measures resulting from COVID, first adopted in APAC and then in Europe and North America, which had resulted in an initial phase of contraction in demand towards the end of the first quarter, intensified in the second half of the semester with the lockdown measures adopted by governments in Europe and America. Instead, Asian markets recorded a substantial recovery during the first half of the year, reaching double-digit growth in the second quarter.

PERFORMANCE BY DIVISION

	Half-year ended						
	30.06.2020	**%**	**30.06.2019 Restated**	**%**	**Change**	**%**	**% ch. Net FX**
Datalogic	223,184	96.9%	282,581	97.0%	(59,398)	-21.0%	-21.4%
Informatics	7,864	3.4%	9,300	3.2%	(1,436)	-15.4%	-17.4%
Inter-segment adjustments	(634)	-0.3%	(462)	-0.2%	(171)	37.1%	
Total revenues	**230,414**	**100.0%**	**291,419**	**100.0%**	**(61,005)**	**-20.9%**	**-21.4%**

DATALOGIC DIVISION

In the first half of 2020, the **Datalogic** Division recorded sales revenues of €223.2 million, down 21.0% compared to the same period in 2019, of which €107.9 million recorded in the second half (-26.5% YoY). In the second quarter, the geographic area that was most affected by the market contraction was EMEAI, where the division achieved 44.1% of turnover compared to 51.6% in the same period of 2019, declining by 37.3%. The contribution from the Americas to the Group's turnover was stable at 35.4%, where the decrease (-27.2%) was more contained than in Europe also due to the timing difference in implementing the restrictive measures linked to COVID. There are very positive signs of recovery in APAC, with a double-digit increase in turnover in the quarter (+19.1%).

Adjusted EBITDA for the division is €18.4 million, decreasing, compared to the same period of 2019, 8.2% on revenues (16.0% as at 30 June 2019). Net of the exchange rate effect, the division's Adjusted EBITDA margin was 8.7%.

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

	Half-year ended						
	30.06.2020	**%**	**30.06.2019 Restated**	**%**	**Change**	**%**	**% ch. Net FX**
Retail	90,858	40.7%	105,350	37.3%	(14,491)	-13.8%	-14.5%
Manufacturing	53,388	23.9%	58,678	20.8%	(5,290)	-9.0%	-9.4%
Transportation & Logistics	20,731	9.3%	32,548	11.5%	(11,816)	-36.3%	-36.8%
Healthcare	8,294	3.7%	9,276	3.3%	(982)	-10.6%	-11.8%
Channel	49,912	22.4%	76,730	27.2%	(26,818)	-35.0%	-34.8%
Total revenues	**223,184**	**100%**	**282,581**	**100.0%**	**(59,398)**	**-21.0%**	**-21.4%**

- **Retail**
  The Retail sector recorded an overall decrease of 13.8% compared to the same period of last year, with a more pronounced slowdown in EMEAI (-18.9%), penalised by the conclusion of roll-outs in the fixed retail scanner segment in the main retail chains, which began in 2018 and gradually concluded during 2019. Performance in the Better performance in Americas decreasing to -4.5% despite the economic scenario.

- **Manufacturing**
  The Manufacturing sector suffered a 9.0% decline compared to the same period of the prior year, the result of the continued economic slowdown in the automotive sector, especially in North America and EMEAI, while APAC returned to growth, recording an increase of 31.1%, also due to the recovery of the consumer electronics segment.

- **Transportation & Logistics**
  The Transportation & Logistics sector recorded a decrease of 36.3% compared to the same period of 2019, with an negative performance in North America, which reflects the unfavourable comparison with the first half of 2019 following the conclusion of long-term projects.

- **Healthcare**
  The Healthcare sector showed signs of growth in North America (+6.7%), not fully offset by the slowdown in APAC and EMEAI, which suffered from the postponement of certain projects.

- **Channel**
  Sales through the distribution channel to small and mid-size customers recorded a decrease of 35.0% (-34.8% at constant exchange rates), compared to the same period of 2019, with a more pronounced decline in EMEAI and the United States during the lockdown.

INFORMATICS DIVISION

The **Informatics Division** reported a turnover of €7.9 million in the first half of 2020 (€9.3 million in the same period of 2019). Adjusted EBITDA for the division was negative for €0.1 million, decreasing by €0.6 million compared to the same period of 2019 as a result of the contraction in volumes in the US market, especially in the small and medium-sized business segment during the lockdown.

QUARTERLY PERFORMANCE

	2Q 2020	% of revenues	2Q 2019 Restated	% of revenues	Chg.	% change	% ch. Net FX
Revenues	**111,226**	*100.0%*	**151,634**	*100.0%*	**(40,408)**	-26.6%	-26.8%
Adjusted EBITDA	**11,144**	*10.0%*	**25,163**	*16.6%*	**(14,019)**	-55.7%	-54.4%
EBIT	**1,628**	*1.5%*	**18,256**	*12.0%*	**(16,628)**	-91.1%	-89.1%
Profit/(loss) for the period	**4,252**	*3.8%*	**12,684**	*8.4%*	**(8,432)**	-66.5%	-66.5%

In the second quarter of 2020, when measures to contain the pandemic, in particular in Europe and North America, caused a severe contraction in demand for several weeks, revenues decreased by 26.6% to €111.2 million.

The Adjusted EBITDA of €11.1 million (10.0% of revenues) decreased compared to the same period of the prior year, when it reached 16.6% of turnover, but recorded an improvement over the first quarter of the year of +4.1%, as a result of the cost reduction plan implemented by management to address the negative economic situation caused by COVID. The net profit for the quarter of €4.3 million fully absorbed the loss recorded in the first three months of the year, although it reflects a decrease compared to the second quarter of 2019, when the percentage of revenues stood at 8.4% compared to 3.8%.

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SIGNIFICANT EVENTS DURING THE PERIOD

COVID-19 UPDATE

As previously described, 2020 has been characterised by the spread of the COVID-19 pandemic, which heavily influenced global macroeconomic performance, generating a contraction in demand and a progressive slowdown of the market, also as a result of the restrictive measures adopted by the various government authorities.

The health emergency has not yet been resolved on a global level, currently the epidemic is reaching a peak in various parts of the world, such as the United States, South America and India. Consequently, there remains a context of high uncertainty with reference to the future potential developments of the pandemic, any second wave of contagion in autumn, and the related effects on the economic environment.

Since the beginning of the health emergency, the Group has implemented the necessary measures to minimise the risk of contagion in order to protect its resources, such as remote working, applying social distancing measures, adopting personal protective equipment and sanitation procedures for facilities, while ensuring business continuity and observing the extraordinary legal measures imposed in the various jurisdictions.

The effects of the pandemic on the Group's performance became evident already in the first quarter and worsened in the second half of the semester following the activation of the lockdown in Europe and subsequently in the United States, which represent the Group’s primary markets. In response to this situation, the Group adopted, as early as March, an action plan aimed at mitigating, to the extent possible, the impact of the crisis and the consequent contraction of sales on results and equity and financial structure, including the use of social safety nets and other forms of support for workers in the countries in which it operates.

As the emergency management continued, the measures initially implemented were adapted into a careful cost reduction plan which began to produce the first effects towards the end of the first half, limiting the impact of production inefficiencies linked to the discontinuity of business activity and low volumes; operating costs were reduced and discretionary investments were deferred, without compromising those in research and development and strategic activities.

This plan may be updated in the medium term as the emergency situation evolves and the markets respond, in order to maintain profitability and cash flow.

In consideration of this uncertain scenario, in preparing this Half-Year Financial Report, the Directors have updated the estimates for the measurement of assets and liabilities in the financial statements, so that they reflect the possible impacts from the COVID-19 pandemic. Given the current context of uncertainty, the results achieved may differ from those reported.

With reference to potential liquidity risks, the Directors note that the Group continues to show a solid equity and financial structure, thanks to the current liquidity reserves and available unused credit lines.

OTHER EVENTS DURING THE PERIOD

In the first part of 2020, a reorganisation of the commercial structure was launched in order to ensure a better coverage of the different types of end-user and partner customers, alongside the geographical country based.

In March 2020, the Group signed an agreement for additional credit lines amounting to €100 million, not used at the date of this report, aimed at supporting growth and investments.

On 27 May 2020, the Group completed the USD 2.5 million investment in AWM Smart Shelf Inc., a California-based company specialising in artificial intelligence and computer vision, which operates in the Retail sector (both food and non-food), with self-checkout solutions (AWM Frictionless™), Automated Inventory Intelligence (Aii®), collection of demographic data and monitoring of consumer behaviour, as well as the Retail Analytics Engine (RAE) software for analysis and in-store reporting.

On 4 June 2020, the Shareholders' Meeting approved the distribution of an ordinary unit dividend, gross of legal withholdings, of 30 cents per share, for an overall amount of €17.0 million.

SUBSEQUENT EVENTS

On 24 July 2020, a majority stake equivalent to 85% of the share capital of the investee Solution Net Systems Inc. was sold to Architect Equity, an American investment fund. The investee, a non-core division of the Group, is specialised in supplying and installing integrated solutions for automated distribution for the postal segment and distribution centres in the Retail sector. The base value of the transaction was approximately USD 4 million, subject to price adjustment. Simultaneously with the sale, an exclusive commercial agreement was signed with the company for the supply of Datalogic products for the three-year period 2020-2023. In the first six months of 2020, Solution Net Systems reported turnover of €10.6 million compared with €14.5 million in the first half of 2019 and profit for the period of €0.5 million compared to €1.4 million in the same period of the prior year. The Net Financial Position was positive for €2.6 million as at 30 June.

BUSINESS OUTLOOK

Currently the elements on which 2020 forecasts were based remain uncertain. The evolution of the pandemic, the measures from the authorities for recovery and support to economy, as well as the market reaction in a recessionary environment, result in negative growth forecasts for the third quarter of 2020, in line with the performance achieved in the second quarter.

While the progressive easing of restrictive measures in Asia produced encouraging signs of recovery with double-digit growth, particularly in the second quarter of the year, several critical contexts remain, although with a different degree of severity, in Europe, but especially on the American continent, which represent the Group's primary markets.

In an unprecedented context, Datalogic, supported by its equity and financial stability, has demonstrated its ability to react quickly to the changed scenario, not only undertaking initiatives to protect the business and profit, but continuing to invest for growth, focusing on innovation in its offer of products and services, aligned with emerging trends in the market.

The sale of the Solution Net Systems Division, which operates in a non-core segment for Datalogic of System Integrators, together with investments in products and markets considered strategic and the reduction of discretionary operating costs, should allow the Group to maintain its market position at the end of the COVID-19 emergency. Based on this, although it is inevitable that the continuation of the economic situation, the high degree of uncertainty on the pandemic's evolution and its possible resurgence in the second half of the year will have a negative effect on the results for 2020 and dampen the recovery expected in the early months of 2021, Datalogic hopes that with the easing of the current emergency situation, the solid fundamentals and the focus on innovation, the Group will be able to return to growth in the medium and long term.

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Recall that the Half-Year Financial Report as at 30 June 2020 of Datalogic S.p.A. will be available to anyone who requests it from the company headquarters, Borsa Italiana S.p.A. (www.borsaitaliana.it), and the "eMarket STORAGE" authorised storage mechanism, managed by Spafid Connect S.p.A., and may be viewed on the company's website, www.datalogic.com (Investor Relations section), in accordance with the terms set out by law.

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The manager responsible for preparing the company's financial reports - Laura Bernardelli - declares, pursuant to paragraph 2 of Article 154-*bis* of the Consolidated Finance Act, that the accounting information contained in the press release corresponds to the document results, books and accounting records.

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Moreover, note that this press release contains forward-looking statements regarding the Group's intentions, beliefs or current expectations in relation to the financial results and other aspects of the Group's operations and strategies. Readers of this press release should not place undue reliance on these forward-looking statements, as final results may differ significantly from those contained in the forecasts above owing to a number of factors, most of which are beyond the Group's control.

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Datalogic Group

Datalogic is a global leader in the automatic data capture and process automation markets, specializing in the design and production of bar code readers, mobile computers, sensors for detection, measurement and safety, RFID vision, and laser marking systems. Datalogic solutions help increase the efficiency and quality of processes in the retail, manufacturing, transportation and logistics, and healthcare industries along the entire value chain.

The world's leading players in these industries use Datalogic products, certain of the attention to the customer and of the quality of the products that the Group has been offering for 47 years.

Today Datalogic Group, headquartered in Bologna (Italy), employs approximately 3,074 staff worldwide, distributed in 30 countries, with manufacturing and repair facilities in the U.S.A, Brazil, Italy, Slovakia, Hungary, Vietnam. In 2019, Datalogic had a turnover of 612.5 million Euros and invested over 62 million Euros in research and development, with an asset of more than 1,200 patents in multiple jurisdictions.

Datalogic S.p.A. is listed in the STAR segment of the Italian Stock Exchange since 2001 as DAL.MI. Find more information about Datalogic at www.datalogic.com.

Datalogic and the Datalogic logo are registered trademarks of Datalogic S.p.A. in many countries, including the U.S.A. and the E.U.

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RECLASSIFIED INCOME STATEMENT AS AT 30 JUNE 2020 (1)

	Half-year ended					
	30.06.2020		30.06.2019 Restated		Change	% ch.
Revenues	**230,414**	**100.0%**	**291,419**	**100.0%**	**(61,005)**	**-20.9%**
Cost of goods sold	(124,535)	-54.0%	(145,928)	-50.1%	21,393	-14.7%
Gross profit	**105,879**	**46.0%**	**145,491**	**49.9%**	**(39,612)**	**-27.2%**
Research and development expenses	(29,162)	-12.7%	(31,146)	-10.7%	1,984	-6.4%
Distribution expenses	(51,136)	-22.2%	(59,862)	-20.5%	8,726	-14.6%
General and administrative expenses	(20,818)	-9.0%	(22,180)	-7.6%	1,362	-6.1%
Other income (expenses)	1,633	0.7%	2,971	1.0%	(1,338)	-45.0%
Total operating and other costs	**(99,483)**	**-43.2%**	**(110,217)**	**-37.8%**	**10,734**	**-9.7%**
Non-recurring costs/revenues and write-downs	(3,595)	-1.6%	(759)	-0.3%	(2,836)	373.6%
Depreciation & amortisation due to acquisitions	(2,467)	-1.1%	(2,407)	-0.8%	(60)	2.5%
EBIT	**334**	**0.1%**	**32,108**	**11.0%**	**(31,774)**	**-99.0%**
Net financial income (expenses)	(1,980)	-0.9%	(712)	-0.2%	(1,268)	178.1%
Foreign exchange gains/(losses)	(3,178)	-1.4%	(703)	-0.2%	(2,475)	352.1%
Profit/(loss) before taxes (EBT)	**(4,824)**	**-2.1%**	**30,693**	**10.5%**	**(35,517)**	**n.a.**
Taxes	4,345	1.9%	(6,815)	-2.3%	11,160	n.a.
Profit/(loss) for the period from continuing operations	**(479)**	-0.2%	**23,878**	8.2%	(24,357)	n.a.
Profit/(loss) for the period from assets held for sale	**466**	**0.2%**	**1,373**	**0.5%**	**(907)**	**-66.1%**
Profit/(loss) for the period	**(13)**	**0.0%**	**25,251**	**8.7%**	**(25,264)**	**n.a.**
Non-recurring costs/revenues and write-downs	(3,595)	-1.6%	(759)	-0.3%	(2,836)	373.6%
Depreciation of tangible assets	(8,898)	-3.9%	(8,006)	-2.7%	(892)	11.1%
Amortisation of intangible assets	(5,538)	-2.4%	(4,946)	-1.7%	(592)	12.0%
Adjusted EBITDA	**18,365**	**8.0%**	**45,819**	**15.7%**	**(27,454)**	**-59.9%**

(1) Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation): a performance indicator not defined under IFRS but used by management to monitor and assess the company's operating performance, as it is not influenced by volatility due to the different criteria for determining taxable income, the amount and characteristics of the capital employed, as well as by the related depreciation and amortisation policies. This indicator is defined by Datalogic as Profit/loss for the period before depreciation/amortisation of tangible and intangible assets, non-recurring costs, financial income and expenses and income taxes.

RECLASSIFIED BALANCE SHEET AS AT 30 JUNE 2020 (2)

	30.06.2020	31.12.2019	Change	% ch.
Intangible assets	54,823	50,471	4,352	8.6%
Goodwill	186,688	186,126	562	0.3%
Tangible assets	100,043	99,355	688	0.7%
Financial assets and Investments in associates	8,100	10,241	(2,141)	-20.9%
Other fixed assets	48,585	44,906	3,679	8.2%
Total Fixed Assets	**398,239**	**391,099**	**7,140**	**1.8%**
Trade receivables	56,855	78,203	(21,348)	-27.3%
Trade payables	(94,050)	(106,029)	11,979	-11.3%
Inventories	103,339	102,921	418	0.4%
Net Trade Working Capital	**66,144**	**75,095**	**(8,951)**	**-11.9%**
Other current assets	47,454	49,345	(1,891)	-3.8%
Net assets available for sale	577		577	n.a.
Other current liabilities and current provisions for risks	(73,111)	(78,218)	5,107	-6.5%
Net Working Capital	**41,064**	**46,222**	**(5,158)**	**-11.2%**
Other non-current liabilities	(33,786)	(34,571)	785	-2.3%
Post-employment benefits	(6,852)	(7,026)	174	-2.5%
Non-current provisions for risks	(4,592)	(4,916)	324	-6.6%
Net Invested Capital	**394,073**	**390,808**	**3,265**	**0.8%**
Shareholders' equity	**(378,690)**	**(404,171)**	**25,481**	**-6.3%**
Net Financial Position (NFP)	**(15,383)**	**13,363**	**(28,746)**	**-215.1%**

(2) The reclassified balance sheet shows aggregations used by management to assess the Group's financial performance. These measures are generally adopted in the practice of financial reporting, immediately referable to the accounting data of the primary financial statements, however they are not identified as accounting measures under IFRS.

NET FINANCIAL POSITION AS AT 30 JUNE 2020 [3]

	30.06.2020	31.12.2019
A. Cash and bank deposits	110,413	151,829
B. Other cash equivalents	12	12
b1. restricted cash	*12*	*12*
C. Securities held for trading	0	0
D. Cash and cash equivalents (A) + (B) + (C)	**110,425**	**151,841**
E. Current financial receivables	**21,718**	**31,200**
e1. other current financial receivables	*19,485*	*31,200*
e2. financial receivables	*2,233*	
F. Bank overdrafts	56	221
G. Current portion of non-current debt	46,658	47,421
H. Other current financial payables	6,405	6,457
h2. lease payables	*5,548*	*4,589*
h3. current financial payables	*857*	*1,868*
I. Current financial debt (F) + (G) +(H)	**53,119**	**54,099**
J. Current net financial debt/(net financial position) (I)-(E)-(D)	**(79,024)**	**(128,942)**
K. Non-current bank borrowings	89,252	110,106
L. Bonds	0	0
M. Other non-current liabilities	5,155	5,472
m2. lease payables	*5,155*	*5,472*
N. Non-current financial debt (K) + (L) + (M)	**94,407**	**115,578**
O. Net financial debt/(net financial position) (J) + (N)	**15,383**	**(13,364)**

(3) NFP (Net Financial Position) or Net Financial Debt: this indicator is calculated in accordance with Consob Communication no. 15519 of 28 July 2006, also including "Other financial assets" represented by temporary investments of liquidity and financial liabilities for operating leases following the application of the new IFRS 16 accounting standard.

RECONCILIATION OF ALTERNATIVE PERFORMANCE INDICATORS (NON-GAAP MEASURES)

The table below shows the reconciliation between EBITDA and Adjusted EBITDA as at 30 June 2020 compared with 30 June 2019.

	30.06.2020		30.06.2019 Restated		Change
Adjusted EBITDA	**18,365**	**7.97%**	**45,819**	**15.72%**	**(27,454)**
Cost of goods sold	1,637	0.71%	316	0.11%	1,321
Research and development expenses	102	0.04%	-	0.00%	102
Distribution expenses	465	0.20%	123	0.04%	342
General and administrative expenses	1,096	0.48%	320	0.11%	777
Other (income) expenses	295	0.13%	-	0.00%	295
Total	**3,595**	**1.56%**	**759**	**0.26%**	**2,836**
EBITDA	**14,770**	**6.41%**	**45,060**	**15.46%**	**(30,290)**

Non-recurring costs and revenues refer to income and charges recognised and incurred mainly as a result of corporate and functional reorganisations that began in 2019, in addition to costs relating to the COVID-19 emergency management. The latter mainly concern higher procurement and distribution costs in the lockdown phase, as well as the costs of sanitising and purchasing workplace safety equipment, penalties for cancelling trade fairs and events as well as internal staff costs for managing the emergency. The details of non-recurring revenues and costs are shown below.

	30.06.2020	30.06.2019 Restated	Change
COVID-19	1,943	-	1,943
Reorganisation	1,192	505	687
Other	461	254	207
Total	**3,595**	**759**	**2,836**

RESTATEMENT OF SEGMENT DISCLOSURE

As required by the international accounting standards regarding segment disclosure, in the event of business sector reorganisations, the comparative periods are restated to allow for a standardised comparison. The “restated” results of the first half of 2019 following the reorganisation of the commercial function launched in 2020 are provided below, in which some procedures for allocating revenues to geographic areas and business sectors aimed at ensuring coverage for the various types of end-user and partner customers alongside the geographic country were partially redefined.

REVENUES BY GEOGRAPHIC AREA

	30.06.2019 Reported (*)	Restatement	30.06.2019 Restated
Italy	*25,572*	*(1,142)*	*24,430*
EMEAI (excluding Italy)	*134,288*	*785*	*135,073*
Total EMEAI	159,860	(357)	159,503
Americas	98,438	41	98,479
APAC	33,121	317	33,438
Total revenues	**291,419**		**291,419**

(*) The 2019 comparison data were restated following the classification of the investee Solution Net Systems under assets held for sale.

REVENUES BY BUSINESS SECTORS

	30.06.2019 Reported	Restatement	30.06.2019 Restated
Retail	129,500	24,150	105,350
Manufacturing	79,006	20,328	58,678
Transportation & Logistics	34,367	1,819	32,548
Healthcare	10,029	753	9,276
Channel	29,679	(47,051)	76,730
Total revenues	**282,581**		**282,581**

As part of the reorganisation of the commercial function, the criteria for allocating revenues were partially modified, allocating sales to end users of ‘partner’ customers, previously classified in the industries, to the ‘Channel’ sector based on a criterion of preponderance of turnover as communicated by the distribution network. This category includes revenues not directly attributable to the other identified segments.

The new approach allows an even more accurate measurement of the performance of the individual sectors, to which only revenues relating to direct sales made to end users are attributed, based on the segment to which they belong. The rationale for the change in approach is guided by the desire to make the measurement of market trends in the individual sectors increasingly accurate and precise, in order to strengthen the effectiveness and timeliness of strategic go-to-market decisions.