



# **Quarterly Financial Report**

**at 30<sup>th</sup> September 2015**



## **GRUPPO DATALOGIC**

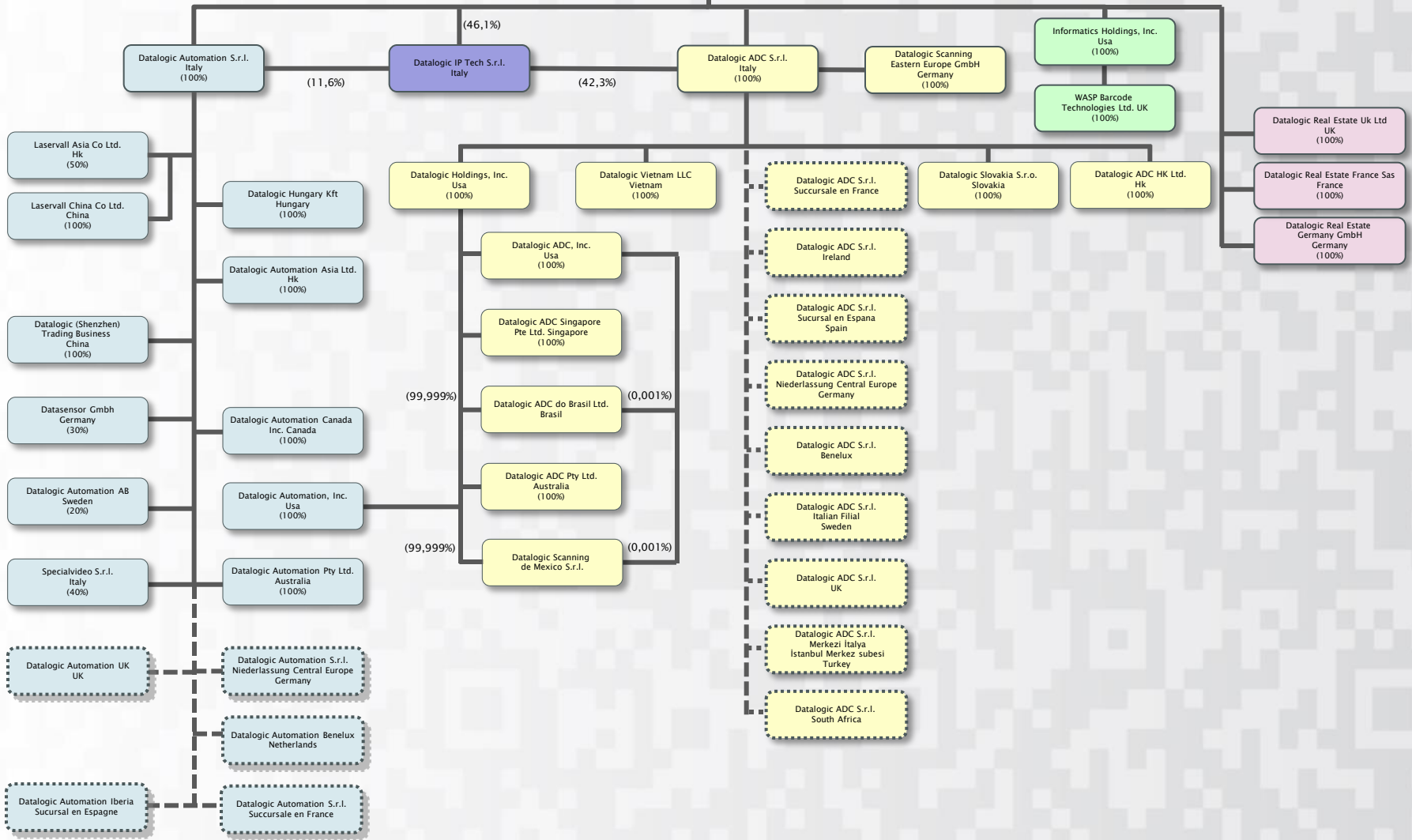
### **Quarterly Financial Report at 30th September 2015**

<i>GROUP STRUCTURE</i>	<i>pag. 1</i>
<i>COMPOSITION OF CORPORATE BODIES</i>	<i>pag. 2</i>
<i>MANAGEMENT REPORT</i>	<i>pag. 3</i>
<i>CONSOLIDATED FINANCIAL STATEMENTS</i>	
<i>Statement of financial position - assets</i>	<i>pag. 12</i>
<i>Statement of financial position - liabilities</i>	<i>pag. 13</i>
<i>Statement of income</i>	<i>pag. 14</i>
<i>Statement of comprehensive income</i>	<i>pag. 15</i>
<i>Statement of cash flow</i>	<i>pag. 16</i>
<i>Statement of shareholders' equity</i>	<i>pag. 17</i>
<i>EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS</i>	
<i>Presentation and content</i>	<i>pag. 18</i>
<i>Information on the statement of financial position</i>	<i>pag. 21</i>
<i>Information on the statement of income</i>	<i>pag. 38</i>

#### *ANNEX*

- 1. Restated consolidated statement of income at 30 September 2014*
- 2. Declaration pursuant to Art. 154-bis, pars. 3 and 4, Legislative Decree 58/1998*

**DATALOGIC S.p.A.**  
Italy



———— Legal entity

..... Branch

## COMPOSITION OF CORPORATE BODIES

---

### **Board of Directors** <sup>(1)</sup>

**Volta Romano**

Chairman & Chief Executive Officer <sup>(2)</sup>

**Aversa Carlo Achille**

Director

**Caruso Pier Paolo**

Director

**Di Stefano Luigi**

Independent Director

**Mazzalveri Gaia**

Independent Director

**Todescato Pietro**

Director

**Volta Filippo Maria**

Director

**Volta Valentina**

Director

---

### **Statutory Auditors** <sup>(3)</sup>

**Cervellera Enrico**

Chairman

**Ravaccia Mario Stefano Luigi**

Statutory Auditor

**Muserra Francesca**

Statutory Auditor

**Fuzzi Mario**

Alternate Statutory Auditor

**Biordi Stefano**

Alternate Statutory Auditor

**Bonfranceschi Paola**

Alternate Statutory Auditor

---

### **Auditing Company**

Reconta Ernst & Young 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 2017.

(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 2015.

## MANAGEMENT REPORT

### REPORT ON OPERATIONS

To our Shareholders,

The report for the year ended 30 September 2015, which we submit to you for review, has been prepared in compliance with the instructions in the Borsa Italiana Regulations.

Specifically, consolidated financial statements apply the approach set forth by international accounting standards (IASs/IFRSs) adopted by the European Union.

### COMMENTS ON OPERATING AND FINANCIAL RESULTS

The following table summarises the Datalogic Group's key operating and financial results as at 30 September 2015 in comparison with the same period a year earlier (figures in Euro thousands):

	Nine months ended			
	30.09.2015	30.09.2014	change	% change
<b>Total revenues</b>	<b>391,295</b>	<b>340,064</b>	<b>51,231</b>	<b>15.1%</b>
<b>EBITDA (*)</b>	<b>53,078</b>	<b>52,007</b>	<b>1,071</b>	<b>2.1%</b>
<i>% of total revenues</i>	13.6%	15.3%		
<b>Group net profit/loss</b>	<b>30,423</b>	<b>25,680</b>	<b>4,743</b>	<b>18.5%</b>
<i>% of total revenues</i>	7.8%	7.6%		
<b>Net financial position (NFP) (**)</b>	<b>(54,799)</b>	<b>(81,661)</b>	<b>26,862</b>	<b>-32.9%</b>

(\*) **EBITDA** is a performance indicator not defined under IFRS. However, the management uses it to monitor and assess the company's operating performance, as it is not influenced by volatility due to the various valuation criteria used to determine taxable income, by the total amount and nature of the capital involved or by the related depreciation and amortisation policies. Datalogic defines it as **Profit/loss for the period before depreciation and amortisation of tangible and intangible assets, non-recurring costs, financial income and expenses and income taxes.**

(\*\*) For the criteria defining the **Net Financial Position** please see page 9.

As at 30 September 2015, the **Datalogic Group had revenues of € 391,295 thousand (€ 340,064 thousand in the same period of the previous year)**, of which € 372,356 thousand derived from product sales and € 18,939 thousand from services.

Revenues grew by 15.1% compared with the same period of the previous year. At constant euro/dollar exchange rates, they would have increased by 5.2%. The booking (already acquired orders) over the nine-month period, achieved € 405.2 million, up by 16.3% compared to the same period of 2014.

**Group EBITDA amounted to € 53,078 thousand** and grew by +2.1% compared with the same period of the previous year (+4.1% at constant exchange rates). The impact on revenues (EBITDA margin) stood at 13.6%, compared to 15.3% in the first nine months of 2014. The decrease in margins is mainly attributable to the exchange rate effect, net of which EBITDA margin would have been 15.1%. Moreover, the recovery of

the Industrial Automation Division, the confirmation of high margins of the ADC division, as well as the results of operating cost-saving measures are worth noting.

**Group net profit, which as at 30 September 2015 was € 30,423 thousand**, is 18.5% higher than the profit obtained in the same period of the previous year, equal to € 25,680 thousand. The results of the nine-month period confirm the positive trend reported in previous quarters.

## ANALYSIS OF RECLASSIFIED INCOME STATEMENT DATA

The following table shows the main income statement items for the Datalogic Group compared with the same period in the previous year:

(in €/000)	Nine months ended				change	% change
	30.09.2015		30.09.2014 Reclassified			
<b>Total revenues</b>	<b>391,295</b>	<b>100.0%</b>	<b>340,064</b>	<b>100.0%</b>	<b>51,231</b>	<b>15.1%</b>
Cost of sales	(208,546)	-53.3%	(172,334)	-50.7%	(36,212)	21.0%
<b>Gross profit</b>	<b>182,749</b>	<b>46.7%</b>	<b>167,730</b>	<b>49.3%</b>	<b>15,019</b>	<b>9.0%</b>
Other revenues	1,483	0.4%	1,004	0.3%	479	47.7%
Research and development expenses	(34,764)	-8.9%	(29,812)	-8.8%	(4,952)	16.6%
Distribution expenses	(74,758)	-19.1%	(63,561)	-18.7%	(11,197)	17.6%
General and administrative expenses	(29,056)	-7.4%	(29,914)	-8.8%	858	-2.9%
Other operating costs	(1,842)	-0.5%	(1,828)	-0.5%	(14)	0.8%
<b>Total operating costs and other costs</b>	<b>(140,420)</b>	<b>-35.9%</b>	<b>(125,115)</b>	<b>-36.8%</b>	<b>(15,305)</b>	<b>12.2%</b>
<b>Ordinary operating result before non-recurring costs and revenues and administrative costs arising from acquisitions (EBITANR)</b>	<b>43,812</b>	<b>11.2%</b>	<b>43,619</b>	<b>12.8%</b>	<b>193</b>	<b>0.4%</b>
Non-recurring costs and revenues	(1,428)	-0.4%	(2,370)	-0.7%	942	-39.7%
Depreciation and amortisation due to acquisitions (*)	(4,295)	-1.1%	(4,097)	-1.2%	(198)	4.8%
<b>Operating result (EBIT)</b>	<b>38,089</b>	<b>9.7%</b>	<b>37,152</b>	<b>10.9%</b>	<b>937</b>	<b>2.5%</b>
Net financial income (expenses)	(3,950)	-1.0%	(6,446)	-1.9%	2,496	-38.7%
Profits/(losses) from associates	40	0.0%	(41)	0.0%	81	n.a.
Foreign exchange gains/(losses)	2,387	0.6%	910	0.3%	1,477	162.3%
<b>Pre-tax profit/(loss)</b>	<b>36,566</b>	<b>9.3%</b>	<b>31,575</b>	<b>9.3%</b>	<b>4,991</b>	<b>15.8%</b>
Taxes	(6,143)	-1.6%	(5,895)	-1.7%	(248)	4.2%
<b>GROUP NET PROFIT/(LOSS)</b>	<b>30,423</b>	<b>7.8%</b>	<b>25,680</b>	<b>7.6%</b>	<b>4,743</b>	<b>18.5%</b>
Depreciation and write-downs of Tangible assets	(5,773)	-1.5%	(5,268)	-1.5%	(505)	9.6%
Amortisation and write-downs of Intangible assets	(3,493)	-0.9%	(3,120)	-0.9%	(373)	12.0%
<b>EBITDA</b>	<b>53,078</b>	<b>13.6%</b>	<b>52,007</b>	<b>15.3%</b>	<b>1,071</b>	<b>2.1%</b>

(\*) This item includes costs for amortisation arising from acquisitions. To provide a better representation of the Group's ordinary profitability, we chose – in all tables in this section concerning information on operating performance – to show an operating result before the impact of non-recurring costs/revenues and of depreciation and amortisation due to acquisitions, which we have called EBITANR - Earnings before interests, tax, acquisitions and not recurring), hereinafter referred to as "Ordinary operating result". To permit comparability with the financial statements, we have in any case included a further intermediate profit margin ("Operating result") that includes non-recurring costs/revenues and depreciation and amortisation due to acquisitions and which matches figures reported in year-end financial statements.

It is noted that figures as at 30 September 2014 were reclassified under various items to render them consistent with figures related to 2015. For the details, reference is made to the Annex to the Financial Statements.

Gross profit, equal to € 182,749, increased by € 15.0 million (around +9%), compared to the same period of the previous year (around +3.6% at constant exchange rates), while its impact on total revenues decreased by 2.6 percentage points.

Operating costs, equal to € 140,420 thousand, increased by 12.2% (at constant exchange rates the increase would have been equal to 3.6%), compared to € 125,115 thousand recorded over the first nine months of 2014, and highlight an impact over turnover equal to 35.9%, 0.9% lower compared to the same period in 2014 (36.8%). This trend reflects the cost-saving measures adopted in relation to administrative costs, aimed at addressing higher resources to R&D activities, the true lever for a sustainable growth. Investment costs increased from € 29,812 thousand to € 34,764 thousand (+16.6% compared to 30 September 2014). Distribution costs amounted to € 74,758 thousand, and their impact on turnover increased from 18.7% to 19.1%, mainly due to the strengthening of the distribution network.

As at 30 September 2015, item non-recurring costs and (revenues), primarily due to internal reorganisation activities, showed a balance of € 1,428 thousand.

The breakdown of this item, as included in the financial statements, is as follows:

ITEM	AMOUNT	TYPE OF COST
1) "Cost of goods sold"	239	early retirement incentives
2) "R&D expenses"	92	early retirement incentives
3) "Distribution expenses"	454	early retirement incentives
4) "General and administrative expenses"	643	early retirement incentives
<b>TOTAL NON-RECURRING COSTS</b>	<b>1,428</b>	

As at 30 September 2015, depreciation and amortisation due to acquisitions (totalling € 4,295 thousand) broke down as follows:

	nine months ended		Change
	30.09.2015	30.09.2014	
Acquisition of the PSC group (on 30 November 2006)	1,877	1,543	334
Acquisition of Laservall SPA (on 27 August 2004)	0	220	(220)
Acquisition of Informatics Inc. (on 28 February 2005)	120	443	(323)
Acquisition of Evolution Robotics Retail Inc. (on 1 July 2010)	471	388	83
Acquisition of Accu-Sort Inc. (on 20 January 2012)	1,827	1,503	324
<b>TOTAL</b>	<b>4,295</b>	<b>4,097</b>	<b>198</b>

The "**Operating Result**" increased by 2.5% and amounted to € 38,089 thousand, compared to € 37,152 thousand (+9.4% at constant exchange rates).

The next two tables compare the main operating results achieved in the third quarter of 2015 with the same period in 2014 and the second quarter of 2015.

	QIII 2015		QIII 2014		change	% change
<b>TOTAL REVENUES</b>	133,810	100.0%	116,036	100.0%	17,774	15.3%
<b>EBITDA</b>	18,752	14.0%	17,854	15.4%	898	5.0%
<b>ORDINARY OPERATING RESULT (EBITANR) (*)</b>	15,478	11.6%	14,998	12.9%	480	3.2%
<b>OPERATING RESULT (EBIT)</b>	13,404	10.0%	13,698	11.8%	(294)	-2.1%

	QIII 2015		QII 2015		change	% change
<b>TOTAL REVENUES</b>	133,810	100.0%	135,169	100.0%	(1,359)	-1.0%
<b>EBITDA</b>	18,752	14.0%	18,636	13.8%	116	0.6%
<b>ORDINARY OPERATING RESULT (EBITANR) (*)</b>	15,478	11.6%	15,592	11.5%	(114)	-0.7%
<b>OPERATING RESULT (EBIT)</b>	13,404	10.0%	13,900	10.3%	(496)	-3.6%

(\*) see definition on page 4

Total revenues in the third quarter of 2015 amounted to € 133.8 million, up by 15.3% compared to the third quarter of 2014 (at constant exchange rates revenues would stand at €122.7 million, +5.8%) and down by 1% compared to the second quarter of 2015, due to a seasonal effect.

EBITDA reported an improvement in the quarter and stood at € 18.8 million, up by 5.0% compared to the third quarter of 2014, while the increase in non-recurring costs had an impact on the Operating Result.

The impact of turnover related to new products over the quarter, was equal to 27.7%, while maintaining the positive trend recorded in the second quarter (equal to 26.4%) and confirming a successful technological innovation.

The booking (already acquired orders) for the quarter is still remarkable and equal to € 133.6 million, up by 14.9% compared to the third quarter of 2014.



The **Automatic Data Capture (ADC) Division**, specialised in the manufacture of fixed bar code readers for the retail market, manual readers and mobile computer for warehouse management, recorded a turnover of € 267.7 million, an 18.2% increase compared to the first nine months of 2014. This improvement is remarkable also at constant exchange rates (+8.3%), thanks to the achievement of important projects of bench scanners and hand-held readers in the Retail segment both in Europe and in North America. In particular, North America registered a revenues increase of 12.5% at constant exchange rate in the third quarter 2015 compared to the third quarter 2014.

EBITDA increased by 15.4%, totalling € 53.4 million, with margins that remained substantially unchanged at 20%.

The **Industrial Automation Division**, specialised in the production of automatic identification systems, security, detection and marking for the Industrial Automation market, reported a turnover of € 103.4 million, an increase of 8.7% compared to the first nine months of 2014 (1.2% at constant exchange rates). Revenues of the Division increased by 13%, totalling € 94 million (+6.1% at constant exchange rates), excluding results of the Systems Business Unit, thanks to the introduction of new products and solutions dedicated to the T&L segment. In particular, the third quarter recorded a 9.2% increase in turnover, at constant exchange rates, compared to 2014, with a 20.8% increase in North America, at constant exchange rates. EBITDA is equal to 9.0% of turnover, excluding results related to the Systems BU. Operating margins of the Division were affected by higher costs in Research and Development, which increased from 11.4% to 12% of turnover; in the Distribution Network, primarily in the United States, costs increased from 26.7% to 29.1% of turnover.

Lastly, **Informatics** reported a turnover of €22.1 million compared with €19.7 million in the first nine months of 2014, +11.7% (-8.1% at constant exchange rates).

## ANALYSIS OF FINANCIAL AND CAPITAL DATA

The following table shows the main financial and equity items as at 30 September 2015, for the Datalogic Group, compared with 31 December 2014 and 30 September 2014.

<b>(in €/000)</b>	<b>30.09.2015</b>	<b>31.12.2014</b>	<b>30.09.2014</b>
Net intangible assets	55,837	57,027	56,939
Goodwill	177,945	164,412	158,744
Net tangible assets	63,047	57,157	53,235
Unconsolidated equity investments	5,196	5,289	4,935
Other non-current assets	47,734	42,348	41,884
<b>Non-current capital</b>	<b>349,759</b>	<b>326,233</b>	<b>315,737</b>
Net trade receivables from customers	67,536	70,184	70,009
Trade payables	(77,830)	(92,167)	(73,067)
Inventories	69,058	62,416	64,560
<b>Net working capital, trading</b>	<b>58,764</b>	<b>40,433</b>	<b>61,502</b>
Other current assets	36,768	31,408	33,601
Other current liabilities and provisions for short term risks	(63,513)	(57,937)	(57,792)
<b>Net working capital</b>	<b>32,019</b>	<b>13,904</b>	<b>37,311</b>
Other M/L term liabilities	(26,209)	(24,766)	(23,156)
Employee severance indemnity	(6,818)	(7,201)	(7,402)
Provisions for risks	(14,016)	(11,161)	(11,696)
<b>Net invested capital</b>	<b>334,735</b>	<b>297,009</b>	<b>310,794</b>
<b>Total Shareholders' Equity</b>	<b>(279,936)</b>	<b>(241,291)</b>	<b>(229,133)</b>
<b>Net financial position</b>	<b>(54,799)</b>	<b>(55,718)</b>	<b>(81,661)</b>

Net working capital as at 30 September 2015 amounted to € 32,019 thousand (€ 37,311 thousand as at 30 September 2014 and € 13,904 thousand as at 31 December 2014). The increase of € 18,115 thousand compared to 31 December 2014, is mainly attributable to both reduced trade payables, which decreased from € 92,167 thousand at year-end to € 77,830 thousand as at 30 September of this year, and increased inventories, amounting to € 6,642 thousand.

As at 30 September 2015, the net financial position was negative for € 54,799 thousand, broken down as follows:

	<b>30.09.2015</b>	<b>31.12.2014</b>	<b>30.09.2014</b>
A. Cash and bank deposits	93,121	85,993	79,086
B. Other cash and cash equivalents	41	160	161
<i>b1. restricted cash deposit</i>	41	160	161
C. Securities held for trading	361	361	358
<i>c1. Short-term</i>	0	0	0
<i>c2. Long-term</i>	361	361	358
<b>D. Cash and equivalents (A) + (B) + (C)</b>	<b>93,523</b>	<b>86,514</b>	<b>79,605</b>
E. Current financial receivables	1,100	3,234	1,402
F. Other current financial receivables	0	0	0
<i>f1. hedging transactions</i>	0	0	0
G. Bank overdrafts	46	141	163
H. Current portion of non-current debt	25,967	74,699	63,113
I. Other current financial payables	5,136	1,135	549
<i>i1. hedging transactions</i>	41	0	0
<i>i2. payables for leasing</i>	256	247	244
<i>i3. current financial payables</i>	4,839	888	305
<b>J. Current financial debt (G) + (H) + (I)</b>	<b>31,149</b>	<b>75,975</b>	<b>63,825</b>
<b>K. Current financial debt, net (J) - (D) - (E) - (F)</b>	<b>(63,474)</b>	<b>(13,773)</b>	<b>(17,182)</b>
L. Non-current bank borrowing	149,594	88,950	118,047
M. Other non-current financial assets	31,780	20,290	20,155
N. Other non-current liabilities	459	831	951
<i>n1. hedging transactions</i>	107	262	311
<i>n2. payables for leasing</i>	352	569	640
<b>O. Non-current financial debt (L) - (M) + (N)</b>	<b>118,273</b>	<b>69,491</b>	<b>98,843</b>
<b>P. Net financial debt (K) + (O)</b>	<b>54,799</b>	<b>55,718</b>	<b>81,661</b>

Net financial debt as at 30 September 2015 amounted to € 54,799 thousand, an improvement of € 919 thousand compared to 31 December 2014 (€ 55,718 thousand) despite of payment of dividends of € 10,471 thousand, leave incentives totalling € 2,223 thousand and investments of € 13,140 thousand.

For further details please refer to note 10 of the explanatory notes of the Consolidated Financial Statements.

The reconciliation between the Parent Company's shareholders' equity and net profit and the corresponding consolidated amounts is as follows:

	30 September 2015		31 December 2014	
	Total equity	Period results	Total equity	Period results
<b>Parent Company shareholders' equity and profit</b>	<b>243,937</b>	<b>25,510</b>	<b>223,915</b>	<b>23,647</b>
Difference between consolidated companies' net equity and their carrying value in the Parent Company's financial statements; effect of equity-based valuation	96,544	39,478	79,786	60,159
Reversal of dividends	0	(32,883)	0	(51,890)
Amortisation of intangible assets "business combination"	(5,827)	0	(5,827)	0
Effect of acquisition under common control	(31,733)	0	(31,733)	0
Elimination of capital gain on sale of business branch	(18,665)	0	(18,665)	0
Effect of eliminating intercompany transactions	(12,425)	(1,864)	(14,115)	(1,499)
Reversal of write-downs and capital gains on equity investments	6,121	0	6,121	0
Sale of know-how	(7)	0	(7)	0
Goodwill impairment	(1,395)	0	(1,395)	0
Other	(1,001)	(193)	(801)	155
Deferred taxes	4,387	375	4,012	285
<b>Group shareholders' equity</b>	<b>279,936</b>	<b>30,423</b>	<b>241,291</b>	<b>30,857</b>

## FINANCIAL INCOME (EXPENSES)

	Nine months ended		
	30.09.2015	30.09.2014	Change
Financial income/(expenses)	(1,812)	(4,667)	2,855
Foreign exchange differences	2,387	910	1,477
Bank expenses	(2,578)	(2,050)	(528)
Other	440	271	169
<b>Total net financial income (expenses)</b>	<b>(1,563)</b>	<b>(5,536)</b>	<b>3,973</b>

Financial income was negative by € 1,563 thousand, compared to a negative result of € 5,536 thousand related to the same period of the previous year, mainly to:

- better results in the financial management attributable to the significant decrease in "Interest expenses on bank current accounts/loans" due to the entering of a new loan agreement with a pool of banks for the amount of €140 million and the redemption, at the same time, of previous loans amounting to €126 million. This transaction allowed for an increase in the average life of the financial debt and the reduction in the related charges.
- a more favourable performance of exchange rate differences, which had a positive increase of €1,477 thousand.

The "Bank expenses" item mainly includes:

- the portion pertaining to the upfront fees period, paid upon opening of long-term loans, in the amount of € 1,374 thousand, of which € 1,250 thousand are connected with the early redemption of some long-term loans (€ 806 thousand as at 30 September 2014);
- factoring costs, amounting to € 608 thousand (€ 672 thousand in 2014), related to commissions without recourse.

The "Other" item includes dividends received by the Mandarin fund and the company Idec Corporation and Specialvideo, totalling € 149 thousand.

Profits generated by companies carried at equity were recognised in the amount of €40 thousand (compared with losses of €41 thousand as at 30 September 2014).

### **EVENTS OCCURRED OVER THE QUARTER**

On 7 August, following the resignation of Bill Parnell, Pietro Todescato was appointed new CEO of Datalogic ADC.

### **OUTLOOK FOR CURRENT YEAR AND SUBSEQUENT EVENTS**

The results of the first nine months confirm the positive trend of the Group in all reference markets. This growth proves the success on the market that our products and technological solutions are enjoying, thanks to an intensive R&D activity and a careful consideration of the Company's customer needs.

While taking also account of the positive trend in booking related to the first nine months, a continuous gradual improvement in all markets in which the Group operates is expected. In particular, the Industrial Automation division will benefit of the turnover resulting from projects in the Transportation, Logistics and Postal segments. The ADC Division will continue to convert already acquired orders, especially in the Retail segment.

Significant investments will still be made in R&D, already 9% on turnover. Innovation confirmed to be a key pillar for Datalogic's future, rewarded by the growth in turnover resulting from new products.

### **SECONDARY LOCATIONS**

The Parent Company has no secondary locations.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS (Euro/000)	Note	30.09.2015	31.12.2014
<b>A) Non current assets (1+2+3+4+5+6+7)</b>		<b>381.900</b>	<b>346.884</b>
<b>1) Tangible assets</b>		<b>63.047</b>	<b>57.157</b>
land	1	5.738	5.365
buildings	1	25.323	24.698
other assets	1	22.685	22.673
assets in progress and payments on account	1	9.301	4.421
<b>2) Intangible assets</b>		<b>233.782</b>	<b>221.439</b>
goodwill	2	177.945	164.412
development costs	2	5.728	6.809
other	2	47.523	49.031
assets in progress and payments on account	2	2.586	1.187
<b>3) Equity investments in associates</b>	3	<b>1.848</b>	<b>1.808</b>
<b>4) Financial assets</b>		<b>34.365</b>	<b>24.132</b>
equity investments	4	3.348	3.481
securities	4	361	361
other	4	30.656	20.290
<b>5) Loans</b>	4	<b>1.124</b>	
<b>6) Trade and other receivables</b>	7	<b>1.843</b>	<b>1.721</b>
<b>7) Deferred tax assets</b>	13	<b>45.891</b>	<b>40.627</b>
<b>B) Current assets (8+9+10+11+12+13+14)</b>		<b>267.624</b>	<b>253.395</b>
<b>8) Inventories</b>		<b>69.058</b>	<b>62.416</b>
raw and ancillary materials and consumables	8	19.825	12.367
work in progress and semi-finished products	8	23.434	21.896
finished products and goods	8	25.799	28.153
<b>9) Trade and other receivables</b>	7	<b>82.567</b>	<b>84.783</b>
<b>trade receivables</b>	7	<b>67.536</b>	<b>70.184</b>
trade receivables from third parties	7	66.527	68.894
<i>trade receivables from associates</i>	7	1.009	1.281
<i>trade receivables from related parties</i>	7	0	9
<b>other receivables - accrued income and prepaid expenses</b>	7	<b>15.031</b>	<b>14.599</b>
<i>of which from related parties</i>		75	75
<b>10) Tax receivables</b>	9	<b>21.737</b>	<b>16.809</b>
<i>of which from the parent company</i>		10.365	8.719
<b>11) Financial assets</b>	4	<b>1.100</b>	<b>3.234</b>
securities		0	0
other		1.100	3.234
<b>12) Loans</b>	4	<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>93.162</b>	<b>86.153</b>
<b>Total assets (A+B)</b>		<b>649.524</b>	<b>600.279</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

LIABILITIES (Euro/000)	Note	30.09.2015	31.12.2014
<b>A) Total shareholders' equity (1+2+3+4+5)</b>	11	<b>279.936</b>	<b>241.291</b>
1) Share capital	11	146.659	147.490
2) Reserves	11	27.418	7.894
3) Profits (losses) of previous years	11	75.436	55.050
4) Group profit (loss) for the period/year	11	30.423	30.857
5) Minority interests	11	0	0
<b>B) Non current liabilities (6+7+8+9+10+11+12)</b>		<b>197.096</b>	<b>132.909</b>
6) Financial payables	12	149.946	89.519
7) Financial liabilities - Derivative instruments	6	107	262
8) Tax payables	9	51	37
9) Deferred tax liabilities	13	23.046	21.648
10) Post-employment benefits	14	6.818	7.201
11) Provisions for risks and charges	15	14.016	11.161
12) Other liabilities	16	3.112	3.081
<b>C) Current liabilities (13+14+15+16+17)</b>		<b>172.492</b>	<b>226.079</b>
13) Trade and other payables	16	117.473	130.879
<b>trade payables</b>	16	<b>77.830</b>	<b>92.167</b>
trade payables to third parties	16	77.495	91.611
<i>trade payables to parent company</i>	16		207
<i>trade payables to associates</i>	16	66	76
<i>trade receivables to related parties</i>	16	269	273
<b>other payables – accrued liabilities and deferred income</b>	16	<b>39.643</b>	<b>38.712</b>
14) Tax payables	9	15.764	10.785
<i>of which to the parent company</i>		4.417	23
15) Provisions for risks and charges	15	8.106	8.440
16) Financial liabilities - Derivative instruments	6	41	0
17) Financial payables	12	31.108	75.975
<b>Total liabilities (A+B+C)</b>		<b>649.524</b>	<b>600.279</b>

## CONSOLIDATED STATEMENT OF INCOME

(Euro /000)	Note	30.09.2015	30.09.2014
<b>1) Total revenues</b>	17	<b>391.295</b>	<b>340.064</b>
Revenues from sale of products		372.356	323.268
Revenues from services		18.939	16.796
<i>of which with related parties</i>		3.988	4.551
<b>2) Cost of goods sold</b>	18	<b>208.785</b>	<b>172.897</b>
of which non-recurring	18	239	563
<i>of which with related parties</i>		242	193
<b>Gross profit (1-2)</b>		<b>182.510</b>	<b>167.167</b>
<b>3) Other operating revenues</b>	19	<b>1.483</b>	<b>1.004</b>
<i>of which with related parties</i>			
<b>4) R&amp;D expenses</b>	18	<b>34.935</b>	<b>29.876</b>
of which non-recurring	18	92	
of which amortisation, depreciation and write-downs pertaining to acquisitions		79	64
<i>of which with related parties</i>	18	4	8
<b>5) Distribution expenses</b>	18	<b>75.212</b>	<b>64.189</b>
of which non-recurring	18	454	628
<i>of which with related parties</i>		54	44
<b>6) General and administrative expenses</b>	18	<b>33.915</b>	<b>35.126</b>
of which non-recurring	18	643	1.179
of which amortisation, depreciation and write-downs pertaining to acquisitions	18	4.216	4.033
<i>of which with related parties</i>		661	645
<b>7) Other operating expenses</b>	18	<b>1.842</b>	<b>1.828</b>
<i>of which with related parties</i>	18	4	
<b>Total operating costs</b>		<b>145.904</b>	<b>131.019</b>
<b>Operating result</b>		<b>38.089</b>	<b>37.152</b>
<b>8) Financial income</b>	20	<b>27.281</b>	<b>16.365</b>
<i>of which with related parties</i>			11
<b>9) Financial expenses</b>	20	<b>28.844</b>	<b>21.901</b>
<b>Net financial income (expenses) (8-9)</b>		<b>(1.563)</b>	<b>(5.536)</b>
<b>10) Profits from associates</b>	3	<b>40</b>	<b>(41)</b>
<b>Profit (loss) before taxes from the operating assets</b>		<b>36.566</b>	<b>31.575</b>
Income tax	21	6.143	5.895
<b>Profit/(loss) for the period</b>		<b>30.423</b>	<b>25.680</b>
Basic earnings/(loss) per share (€)	22	0,5228	0,4431
Diluted earnings/(loss) per share (€)	22	0,5228	0,4431



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Euro /000)	Note	30.09.2015	30.09.2014
<b>Net profit/(loss) for the period</b>		<b>30.423</b>	<b>25.680</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 year:</i>			
Profit/(loss) on cash flow hedges	11	83	54
Profit/(loss) due to translation of the accounts of foreign companies	11	15.473	10.323
Profit (loss) on exchange rate adjustments for financial assets available for sale	11	(266)	
Reserve for exchange rate adjustment	11	4.234	5.871
<b>Total other components of the statement of comprehensive income which will be restated under profit/(loss) for the year</b>		<b>19.524</b>	<b>16.248</b>
<b>Total net profit/(loss) for the period</b>		<b>49.947</b>	<b>41.928</b>
Attributable to:			
Parent company shareholders		49.947	41.928
Minority interests		0	0

## CONSOLIDATED STATEMENT OF CASH FLOW

(Euro /000)	30.09.2015	30.09.2014
<b>Pre-tax profit</b>	<b>36.566</b>	<b>31.575</b>
Depreciation and amortisation of tangible and intangible assets and write-downs	13.561	12.485
Change in employee benefits reserve	(383)	353
Provision to the write-down reserve	90	835
Net financial expenses/(income) including exchange rate differences	1.563	5.536
Adjustments to value of financial assets	(40)	41
<b>Cash flow from operations before changes in working capital</b>	<b>51.357</b>	<b>50.825</b>
Change in trade receivables (net of provision)	2.558	(891)
Change in final inventories	(6.642)	(10.757)
Change in current assets	(432)	(2.147)
Change in other medium-/long-term assets	(122)	78
Change in trade payables	(14.337)	(11.645)
Change in other current liabilities	928	5.849
Other medium/long-term assets	31	377
Change in provisions for risks and charges	2.521	3.933
Commercial foreign exchange gains/(losses)	(2.365)	(1.521)
Foreign exchange effect of working capital	(335)	(4)
<b>Cash flow from operations after changes in working capital</b>	<b>33.162</b>	<b>34.097</b>
Change in tax	(9.944)	(7.497)
Foreign exchange effect of tax	1.329	1.421
Interest paid and banking expenses	(3.950)	(6.446)
<b>Cash flow generated from operations (A)</b>	<b>20.597</b>	<b>21.575</b>
(Increase)/decrease in intangible assets excluding exchange rate effect	(2.497)	(5.795)
(Increase)/decrease in tangible assets excluding exchange rate effect	(10.643)	(634)
Change in unconsolidated equity investments	133	476
<b>Changes generated by investment activity (B)</b>	<b>(13.007)</b>	<b>(5.953)</b>
Change in LT/ST financial receivables	(9.237)	(18.379)
Change in short-term and medium-/long-term financial debt	15.541	(46.492)
Financial foreign exchange gains/(losses)	4.752	2.431
Purchase/sale of treasury shares	(831)	11.311
Change in reserves and exchange rate effect of financial assets/liabilities, equity and tangible and intangible assets	(121)	(4.667)
Dividend payment	(10.471)	(9.351)
<b>Cash flow generated (absorbed) by financial assets (C)</b>	<b>(367)</b>	<b>(65.147)</b>
<b>Net increase (decrease) in available cash (A+B+C)</b>	<b>7.223</b>	<b>(49.525)</b>
<b>Net cash and cash equivalents at start of period (Note 10)</b>	<b>85.852</b>	<b>128.448</b>
<b>Net cash and cash equivalents at end of period (Note 10)</b>	<b>93.075</b>	<b>78.923</b>

**STATEMENT OF CONSOLIDATED SHAREHOLDERS' EQUITY**

Description	Share capital and capital reserves	Reserves of Statement of Comprehensive Income						Profit of previous years						
	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	Capital contribution reserve	Legal reserve	IAS reserve	Total	Profit for the year	Total Group shareholders' equity
<b>01.01.2014</b>	<b>137.000</b>	<b>(280)</b>	<b>(12.729)</b>	<b>(2.767)</b>	<b>(378)</b>	<b>0</b>	<b>(16.154)</b>	<b>23.466</b>	<b>958</b>	<b>4.388</b>	<b>8.683</b>	<b>37.495</b>	<b>26.906</b>	<b>185.247</b>
Allocation of earnings	0						0	26.559		347		26.906	(26.906)	0
Dividends			0				0	(9.351)				(9.351)		(9.351)
Translation reserve	0						0					0		0
Change in IAS reserve	0						0					0		0
Sale/purchase of treasury shares	11.311						0					0		11.311
Other changes							0				(2)	(2)		(2)
Profit/(loss) as at 30.09.2014	0						0					0	25.680	25.680
Total other components of the statement of comprehensive income		54	10.323	5.871			16.248					0		16.248
<b>30.09.2014</b>	<b>148.311</b>	<b>(226)</b>	<b>(2.406)</b>	<b>3.104</b>	<b>(378)</b>	<b>0</b>	<b>94</b>	<b>40.674</b>	<b>958</b>	<b>4.735</b>	<b>8.681</b>	<b>55.048</b>	<b>25.680</b>	<b>229.133</b>

Description	Share capital and capital reserves	Reserves of Statement of Comprehensive Income						Profit of previous years						
	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	Capital contribution reserve	Legal reserve	IAS reserve	Total	Profit for the year	Total Group shareholders' equity
<b>01.01.2015</b>	<b>147.490</b>	<b>(190)</b>	<b>2.702</b>	<b>5.542</b>	<b>(378)</b>	<b>218</b>	<b>7.894</b>	<b>40.674</b>	<b>958</b>	<b>4.735</b>	<b>8.683</b>	<b>55.050</b>	<b>30.857</b>	<b>241.291</b>
Allocation of earnings	0						0	29.675		1.182		30.857	(30.857)	0
Dividends			0				0	(10.471)				(10.471)		(10.471)
Translation reserve	0						0					0		0
Change in IAS reserve	0						0					0		0
Sale/purchase of treasury shares	(831)						0					0		(831)
Other changes							0					0		0
Profit/(loss) as at 30.09.2015	0						0					0	30.423	30.423
Total other components of the statement of comprehensive income		83	15.473	4.234		(266)	19.524					0		19.524
<b>30.09.2015</b>	<b>146.659</b>	<b>(107)</b>	<b>18.175</b>	<b>9.776</b>	<b>(378)</b>	<b>(48)</b>	<b>27.418</b>	<b>59.878</b>	<b>958</b>	<b>5.917</b>	<b>8.683</b>	<b>75.436</b>	<b>30.423</b>	<b>279.936</b>

## **EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

### **INTRODUCTION**

The Datalogic Group produces and sells handheld readers, fixed scanners for the industrial market, mobile computers, fixed scanners for the retail market and sensors. The Group is also active in self scanning solutions and products for industrial marking.

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.

This Quarterly Financial Report as at 30 September 2015 includes the figures of the Parent Company and its subsidiaries (defined hereinafter as the "Group"), as well as its minority interests in associated companies. The disclosure of the Datalogic Group's Quarterly Financial Report, ended 30 September 2015, was approved by the Board of Directors on 5 November 2015.

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

This Quarterly Financial Report at 30 September 2015 was prepared pursuant to Article 154 ter of the Italian Legislative Decree no. 58/1998, and to the Consob provisions in this field.

The International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) issued by the International Financial Reporting Interpretations Committee (IFRIC), endorsed by the European Commission and in force when this Report was approved, were applied for the evaluation and measurement of the accounting balances.

The criteria and accounting standards are consistent with those used for the financial statements as at 31 December 2014 to which reference is made for further details.

## GROUP STRUCTURE

The consolidated financial statements include the statements of the Parent Company and of the companies in which the former directly or indirectly holds the majority of voting rights.

The companies consolidated on a line-by-line basis for the period ended 30 September 2015 are as follows:

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	243,937	25,510	
Datalogic Real Estate France Sa	Paris – France	Euro 2,227,500	3,521	(9)	100%
Datalogic Real Estate Germany GmbH	Erkenbrechtsweiler-Germany	Euro 1,025,000	1,545	(87)	100%
Datalogic Real Estate UK Ltd	Redbourn- UK	GBP 3,500,000	5,109	11	100%
Datalogic IP Tech S.r.l.	Bologna – Italy	Euro 65,677	(6,961)	(5,266)	100%
Informatics Inc.	Plano Texas - Usa	\$USA 9,996,000	17,244	(8)	100%
Datalogic Automation S.r.l.	Monte San Pietro (BO) - Italy	Euro 10,000,000	13,616	7,521	100%
Datalogic Automation Inc.	Telford, USA	\$USA 6,009,352	36,180	(8,938)	100%
Datalogic Automation PTY Ltd	Mount Waverley (Melbourne)-Australia	\$AUD 3,188,118	(168)	49	100%
Datalogic Automation Asia Limited	Hong-Kong -China	HKD 7,000,000	(446)	(14)	100%
Datalogic (Shenzhen) Trading Business China	Shenzhen - China	CNY 2,136,696	917	128	100%
Datalogic Hungary kft	Fonyod-Hungary	HUF 3,000,000	893	124	100%
Datalogic ADC S.r.l.	Bologna – Italy	Euro 10,000	158,086	8,258	100%
Datalogic Mobile Asia	Hong-Kong -China	HKD 100,000	74	(18)	100%
Datalogic Slovakia S.r.o.	Trnava-Slovakia	Euro 66,388	15,069	14,996	100%
Datalogic Holdings Inc.	Eugene OR-Usa	\$USA 100	88,959	(1,752)	100%
Datalogic ADC Inc.	Eugene OR-Usa	\$USA 11	92,214	3,196	100%
Datalogic ADC do Brazil	Sao Paulo - Brazil	R\$ 159,525	(604)	(1,024)	100%
Datalogic ADC Mexico	Colonia Cuauhtemoc-Mexico	\$USA -	(1)	(1)	100%
Datalogic Scanning Eastern Europe GmbH	Darmstadt-Germany	Euro 25,000	4,056	579	100%
Datalogic ADC PTY	Sidney-Australia	\$ AUD 2	933	1	100%
Datalogic Vietnam LLC	Vietnam	USD 3,000,000	51,757	18,880	100%
Datalogic ADC Singapore	Singapore	SGD 100,000	773	312	100%

The following companies were consolidated at equity as at 30 September 2015:

Company	Registered office	Share capital	Total shareholders' equity (€/000)	Profit/loss for the period (€/000)	% Ownership
Laservall Asia Co. Ltd	Hong-Kong – China	HKD 460,000	3,544	80	50%

***Change in scope of consolidation***

With deed signed on 13 January 2015, the company Datalogic ADC Ltd was merged into the parent company Datalogic ADC S.r.l.. This transaction caused no changes in the scope of consolidation.

It is noted that on 19 August 2015, a Branch of ADC S.r.l. was registered in South Africa.

## INFORMATION ON THE STATEMENT OF FINANCIAL POSITION

### ASSETS

#### Note 1. Tangible assets

Details of movements as at 30 September 2015 and 31 December 2014 are as follows:

	30.09.2015	31.12.2014	Change
Land	5,738	5,365	373
Buildings	25,323	24,698	625
Other assets	22,685	22,673	12
Assets in progress and payments on account	9,301	4,421	4,880
<b>Total</b>	<b>63,047</b>	<b>57,157</b>	<b>5,890</b>

The "Other assets" item as at 30 September 2015 mainly includes the following categories: Plant and machinery (€ 4,064 thousand), Industrial equipment (€ 8,745 thousand), Office furniture and machines (€ 6,353 thousand), General plant (€ 1,759 thousand), Motor vehicles (€ 263 thousand), and Maintenance on third-party assets (€ 1,275 thousand).

The main increases for the period related to the purchase of office and electronic machines (€ 1,384 thousand) and the purchase of moulds (€ 916 thousand).

The balance of item "Assets in progress and payments on account", equal to € 9,301 thousand, is composed

- in the amount of € 5,418 thousand, of investments related to the building of the new factory in Hungary (up by € 2,512 thousand in the first nine months of 2015),
- in the amount of € 1,081 thousand, of investments for the building of a new production line in Vietnam,
- in the amount of € 947 thousand, of improvements on properties owned by the Group.

The remaining portion is related to down payments for equipment, instruments and moulds for normal investment activities.

#### Note 2. Intangible assets

Details of movements as at 30 September 2015 and 31 December 2014 are as follows:

	30.09.2015	31.12.2014	Change
Goodwill	177,945	164,412	13,533
Development costs	5,728	6,809	(1,081)
Others	47,523	49,031	(1,508)
Assets in progress and payments on account	2,586	1,187	1,399
<b>Total</b>	<b>233,782</b>	<b>221,439</b>	<b>12,343</b>

Goodwill, totalling € 177,945 thousand, consisted of the following items:

	<b>30.09.2015</b>	<b>31.12.2014</b>	<b>Change</b>
CGU ADC	102,999	95,445	7,554
CGU IA	61,433	56,284	5,149
CGU Informatics	13,513	12,683	830
<b>Total</b>	<b>177,945</b>	<b>164,412</b>	<b>13,533</b>

The change in “Goodwill”, compared to 31 December 2014, is mainly attributable to translation differences.

Goodwill has been allocated to the CGUs (cash generating units) corresponding to the individual companies and/or sub-groups to which they pertain.

As highlighted in the paragraph included in the section on accounting standards and policies used in the financial statements for the year ended 31 December 2014, to which reference should be made, in compliance with IFRS 3, goodwill has not been amortised since 1 January 2004 and is tested for impairment each year unless loss indicators suggest the need for more frequent impairment testing. 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.

There were no write-downs as at 30 September 2015.

“**Development costs**”, which amount to € 5,728 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 development of products featuring significant innovation.

The “**Others**” item, which amounts to € 47,523 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:

	<b>30.09.2015</b>	<b>31.12.2014</b>	<b>Useful life</b>
--	-------------------	-------------------	--------------------



<b>Acquisition of the PSC group (on 30 November 2006)</b>	<b>18,681</b>	<b>18,959</b>	
PATENTS	18,510	18,329	20
TRADEMARK	87	320	10
CLIENT PORTFOLIO	84	310	10
<b>Acquisition of Informatics Inc. (on 28 February 2005)</b>	<b>0</b>	<b>110</b>	
COMMERCIAL STRUCTURE	0	110	10
<b>Acquisition of Evolution Robotics Retail Inc. (on 1 July 2010)</b>	<b>2,970</b>	<b>3,173</b>	
PATENTS	495	529	10
TRADE SECRETS	2,475	2,644	10
<b>Acquisition of Accu-Sort Inc. (on 20 January 2012)</b>	<b>15,920</b>	<b>16,288</b>	
PATENTS	9,459	9,656	10
TRADE SECRETS	6,461	6,632	10
<b>Licence agreement</b>	<b>5,980</b>	<b>6,492</b>	5-15
<b>Other</b>	<b>3,973</b>	<b>4,009</b>	
<b>TOTAL OTHER INTANGIBLE ASSETS</b>	<b>47,523</b>	<b>49,031</b>	

The “Other” item mainly consists of software licences.

The “Assets in progress and payments on account” item, equal to € 2,586 thousand, is attributable, in the amount of € 1,581 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 € 485, to software implementations that are not yet completed.

### **Note 3. Equity investments in associates**

Equity investments owned by the Group as at 30 September 2015 were as follows:

	31.12.2014	Increases	Decreases	Foreign exchange gains/(losses)	Share of profit	30.09.2015
<b>Associates</b>						
Laservall Asia Co. Ltd	1,732				40	1,772
Datalogic Automation AB	2					2
Specialvideo Srl	29					29
Datasensor GMBH	45					45
<b>Total associates</b>	<b>1,808</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40</b>	<b>1,848</b>
<b>TOTAL</b>	<b>1,808</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40</b>	<b>1,848</b>

The change in the “associates” item is due to the Group result realised by the associate Laservall Asia Co.

**Note 4. Available-for-sale financial assets and Loans**

Available-for-sale financial assets include the following items:

	30.09.2015	31.12.2014	Change
Other equity investments	3,348	3,481	(133)
Long-term government bonds	361	361	0
Other long-term financial assets	30,656	20,290	10,366
<b>Total other long-term financial assets</b>	<b>34,365</b>	<b>24,132</b>	<b>10,233</b>
<b>Long-term loans</b>	<b>1,124</b>	<b>0</b>	<b>1,124</b>
<b>Other short-term financial assets</b>	<b>1,100</b>	<b>3,234</b>	<b>(2,134)</b>
<b>Total financial assets</b>	<b>36,589</b>	<b>27,366</b>	<b>9,223</b>

As at 30 September 2015, equity investments held in other companies were as follows:

	31.12.2014	Increases	Decreases	Adj. to fair value	Adjustment on exchange rates	30.09.2015
Listed equity investments	3,394			(366)	237	3,265
Unlisted equity investments	87	16	(20)	0		83
<b>Total equity investments</b>	<b>3,481</b>	<b>18</b>	<b>(20)</b>	<b>0</b>	<b>0</b>	<b>3,348</b>

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

The amount of the "Unlisted equity investments" item is mainly represented by the Parent Company's investment in the Mandarin Fund, a Private Equity fund that mainly invests in Italian and Chinese small and medium-sized companies, whose primary investors and sponsors are Intesa San Paolo and two leading Chinese banks. The increase for the period is due to the purchase of 127 quotas and the repayment of 142 (at par) quotas of the aforementioned fund.

It should be noted that the Parent Company holds a minority interest in the Alien Technology Corporation which was written down completely as at 31 December 2010.

The "Other short-term financial assets" item comprises receivables from factoring companies regarding trade receivables disposed without recourse, for which, as at 30 September 2015, the amount of the sale has not yet been entirely collected.

**Note 5. Financial instruments by category**

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

30.09.2015	Loans and receivables	Financial assets at fair value charged to the income statement	Available for sale	Total
<b>Non-current financial assets</b>	<b>2,967</b>	<b>30,656</b>	<b>3,709</b>	<b>37,332</b>
Financial assets - Equity investments (5)			3,348	3,348
Financial assets - Securities			361	361
Financial assets - Loans	1,124			1,124
Financial assets - Other		30,656		30,656
Other receivables (7)	1,843			1,843
<b>Current financial assets</b>	<b>175,745</b>	<b>0</b>	<b>0</b>	<b>175,745</b>
Trade receivables from third parties (7)	66,527			66,527
Other receivables from third parties (7)	14,956			14,956
Financial assets - Other (5)	1,100			1,100
Financial assets - Securities (5)	0			0
Cash and cash equivalents (10)	93,162			93,162
<b>TOTAL</b>	<b>178,712</b>	<b>30,656</b>	<b>3,709</b>	<b>213,077</b>

30.09.2015	Derivatives	Other financial liabilities	Total
<b>Non-current financial liabilities</b>	<b>107</b>	<b>153,058</b>	<b>153,165</b>
Financial payables (12)		149,946	149,946
Financial liabilities - Derivative instruments (6)	107		107
Other payables (16)		3,112	3,112
<b>Current financial liabilities</b>	<b>41</b>	<b>148,246</b>	<b>148,287</b>
Trade payables to third parties (16)		77,495	77,495
Other payables (16)		39,643	39,643
Financial liabilities - Derivative instruments (6)	41		41
Short-term financial payables (12)		31,108	31,108
<b>TOTAL</b>	<b>148</b>	<b>301,304</b>	<b>301,452</b>

**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),

30.09.2015	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets - Equity Investments (5)	3,265		83	3,348
Financial assets - LT securities (5)	361			361
Financial assets - Other LTs (5)			30,656	30,656
Financial assets - Other (5)			1,100	1,100
Financial assets - Loans	0		1,124	1,124
Financial assets - ST Derivative instruments (6)				0
<b>Total Assets measured at fair value</b>	<b>3,626</b>	<b>0</b>	<b>32,963</b>	<b>36,589</b>
<b>Liabilities measured at fair value</b>				
Financial liabilities - LT derivative instruments (6)		107		107
Financial liabilities - ST derivative instruments (6)		41		41
<b>Total Liabilities measured at fair value</b>	<b>0</b>	<b>148</b>	<b>0</b>	<b>148</b>

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

	30.09.2015		31.12.2014	
	Assets	Liabilities	Assets	Liabilities
<b>Financial instruments measured at fair value and recognised in the statement of comprehensive income</b>				
Interest rate derivatives - LT cash flow hedges	0	107	0	262
Interest rate derivatives - ST cash flow hedges	0	41	0	0
<b>Total</b>	<b>0</b>	<b>148</b>	<b>0</b>	<b>262</b>

#### **Interest rate derivatives**

The Group has entered into interest rate derivative contracts to manage the risk stemming from changes in interest rates on bank borrowings, converting them from variable to fixed-rate via interest rate swaps having the same amortisation plan as the hedged underlying asset. As envisaged by IAS 39, the fair value of these contracts, totalling € 148 thousand, is recognised in a specific equity reserve net of the tax effect, because they hedge future cash flows and meet all IAS 39 requirements for the application of hedge accounting.

As at 30 September 2015, the notional principal of interest swaps totalled € 10,313 thousand (€ 14,625 thousand as at 31 December 2014).

#### **Currency derivatives**

As at 30 September 2015 the Group had no active contracts for exchange rate risk.

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

	30.09.2015	31.12.2014	Change
Third-party trade receivables	68,059	70,529	(2,470)
Less provision for doubtful receivables	1,532	1,635	(103)
<b>Net third-party trade receivables</b>	<b>66,527</b>	<b>68,894</b>	<b>(2,367)</b>
<b>Receivables from associates</b>	<b>1,009</b>	<b>1,290</b>	<b>(281)</b>
Laservall Asia	328	487	(159)
Aczon	0	9	(9)
Datasensor GMBH	106	141	(35)
Specialvideo	0	24	(24)
Datalogic Automation AB	575	629	(54)
<b>Total Trade receivables</b>	<b>67,536</b>	<b>70,184</b>	<b>(2,648)</b>
Other receivables - current accrued income and prepaid expenses	15,031	14,599	432
Other receivables - non-current accrued income and prepaid expenses	1,843	1,721	122
<b>Total other receivables - accrued income and prepaid expenses</b>	<b>16,874</b>	<b>16,320</b>	<b>554</b>
Less non-current portion	1,843	1,721	122
<b>Trade and other receivables - current portion</b>	<b>82,567</b>	<b>84,783</b>	<b>(2,216)</b>

**Trade receivables**

“Trade receivables falling due within 12 months” as at 30 September 2015 were equal to € 67,536 thousand, down by 4% by comparison with 31 December 2014 (6.8% at constant exchange rates).

As at 30 September 2015, trade receivables sold to a factoring company amounted to € 20,954 thousand.

Receivables from associates arise from commercial transactions carried out at arm’s length conditions.

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

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

	30.09.2015	31.12.2014	Change
Other short-term receivables	2,387	1,943	444
Other long-term receivables	1,843	1,721	122
VAT receivables	9,649	9,727	(78)
Accrued income and prepaid expenses	2,995	2,929	66
<b>Total</b>	<b>16,874</b>	<b>16,320</b>	<b>554</b>

**Note 8. Inventories**

	30.09.2015	31.12.2014	Change
Raw and ancillary materials and consumables	19,825	12,367	7,458
Work in progress and semi-finished products	23,434	21,896	1,538
Finished products and goods	25,799	28,153	(2,354)
<b>Total</b>	<b>69,058</b>	<b>62,416</b>	<b>6,642</b>

The increase in Inventories, net of the exchange rate effect, would result equal to € 3,681 thousand.

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

As at 30 September 2015, the "Tax receivables" item amounted to € 21,737 thousand, up by € 4,928 thousand (€ 16,809 thousand as at 31 December 2014). This item includes the amount receivable from the Parent Company Hydra relating to the IRES (corporate tax) credit arising from participation in tax consolidation, equal to € 10,365 thousand, up by € 1,646 thousand (€ 8,719 thousand as at 31 December 2014).

As at 30 September 2015, the "Tax payables" item amounted to € 15,764 thousand, up by € 4,979 thousand (€ 10,785 thousand as at 31 December 2014). This item includes the amount payable to the Parent Company Hydra relating to the IRES (corporate tax) liability arising from participation in tax consolidation, equal to € 4,417 thousand as at 30 September 2015 (€ 23 thousand as at 31 December 2014).

**Note 10. Cash and cash equivalents**

Cash and cash equivalents are broken down as follows for the purposes of the cash flow statement:

	30.09.2015	31.12.2014	Change
Cash and cash equivalents shown on financial statements	93,162	86,153	7,009
Restricted cash	(41)	(160)	119
Current account overdrafts	(46)	(141)	95
<b>Cash and cash equivalents for statement</b>	<b>93,075</b>	<b>85,852</b>	<b>7,223</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>30.09.2015</b>	<b>31.12.2014</b>
A. Cash and bank deposits	93,121	85,993
B. Other cash and cash equivalents	41	160
<i>b1. restricted cash deposit</i>	41	160
C. Securities held for trading	361	361
<i>c1. Short-term</i>	0	0
<i>c2. Long-term</i>	361	361
<b>D. Cash and equivalents (A) + (B) + (C)</b>	<b>93,523</b>	<b>86,514</b>
E. Current financial receivables	1,100	3,234
F. Other current financial receivables	0	0
<i>f1. hedging transactions</i>	0	0
G. Bank overdrafts	46	141
H. Current portion of non-current debt	25,967	74,699
I. Other current financial payables	5,136	1,135
<i>i1. hedging transactions</i>	41	0
<i>i2. payables for leasing</i>	256	247
<i>i3. current financial payables</i>	4,839	888
<b>J. Current financial debt (G) + (H) + (I)</b>	<b>31,149</b>	<b>75,975</b>
<b>K. Current financial debt, net (J) - (D) - (E) - (F)</b>	<b>(63,474)</b>	<b>(13,773)</b>
L. Non-current bank borrowing	149,594	88,950
M. Other non-current financial assets	31,780	20,290
N. Other non-current liabilities	459	831
<i>n1. hedging transactions</i>	107	262
<i>n2. payables for leasing</i>	352	569
<b>O. Non-current financial debt (L) - (M) + (N)</b>	<b>118,273</b>	<b>69,491</b>
<b>P. Net financial debt (K) + (O)</b>	<b>54,799</b>	<b>55,718</b>

Net financial debt as at 30 September 2015 amounted to € 54,799 thousand, an improvement of € 919 thousand compared to 31 December 2014 (€ 55,718 thousand).

Note that the following transactions were carried out in the period:

- purchase of treasury shares (no. 82,517), which generated a negative cash flow amounting to € 831 thousand,
- payments related to leave incentives totalling € 2,223 thousand (€ 1,575 thousand related to costs allocated in 2014),
- payment of dividends of € 10,471 thousand.

Investments were also made, amounting to € 13,140 thousand. This amount includes € 5,997 thousand related to new investments and restructuring of buildings, as well as the building of new production lines. The related cash outflows for the period amounted to € 4,061 thousand.

## INFORMATION ON 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:

	30.09.2015	31.12.2014
Share capital	30,392	30,392
Extraordinary share-cancellation reserve	2,813	2,813
Treasury shares held in portfolio	4,488	5,319
Treasury share reserve	2,453	1,624
Share premium reserve	106,513	107,342
<b>Share capital and capital reserves</b>	<b>146,659</b>	<b>147,490</b>
Cash-flow hedge reserve	(107)	(190)
Translation reserve	18,175	2,702
Reserve for exchange rate adjustment	9,776	5,542
Actuarial gains/(losses) reserve	(378)	(378)
Held-for-sale financial assets reserve	(48)	218
<b>Other reserves</b>	<b>27,418</b>	<b>7,894</b>
<b>Retained earnings</b>	<b>75,436</b>	<b>55,050</b>
Earnings carried forward	59,878	40,674
Capital contribution reserve	958	958
Legal reserve	5,917	4,735
IAS reserve	8,683	8,683
Profit for the year	30,423	30,857
<b>Total Group shareholders' equity</b>	<b>279,936</b>	<b>241,291</b>

### Share capital

Movements in share capital as at 30 September 2015 are reported below (in Euro '000):

	Number of shares	Share capital	Extraordinary share-cancellation reserve	Treasury shares held in portfolio	Treasury share reserve	Share premium reserve	Total
<b>01.01.2015</b>	<b>58,254,398</b>	<b>30,392</b>	<b>2,813</b>	<b>5,319</b>	<b>1,624</b>	<b>107,342</b>	<b>147,490</b>
Purchase of treasury shares	(82,517)			(829)	829	(829)	(829)
Costs for the purchase/sale of treasury shares				(2)			(2)
<b>30.09.2015</b>	<b>58,171,881</b>	<b>30,392</b>	<b>2,813</b>	<b>4,488</b>	<b>2,453</b>	<b>106,513</b>	<b>146,659</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, a share-cancellation reserve was set aside for the amount of €2,813 thousand, through the use of the share premium reserve. Therefore, this reserve remained classified under item "Share Capital".

### *Ordinary shares*

As at 30 September 2015, the total number of ordinary shares was 58,446,491, including 274,610 held as treasury shares, making the number of shares in circulation at that date 58,171,881.

### *Treasury shares*

The item "Treasury shares", amounting to €4,488 thousand, includes capital gains/(losses) resulting from the sale of treasury shares, net of purchases and related charges (€6,941 thousand). In the nine months of 2015, the Group purchased 82,517 treasury shares for a total amount of € 829 thousand, accounted for excluding purchase costs (€ 2 thousand).

For these purchases, in accordance with Article 2357 of the Italian Civil Code, the Treasury share reserve, in the amount of €829 thousand, was made unavailable by using the Share premium reserve.

## **Other Reserves**

### *Cash-flow hedge reserve*

Following adoption of IAS 39, changes in the fair value of derivative contracts designated as effective hedging instruments are recognised in accounts directly with shareholders' equity, in the cash-flow hedge reserve. These contracts have been concluded to hedge exposure to the risk of interest rate fluctuations on variable-rate loans (negative by € 148 thousand) and amounts are shown net of the tax effect (€ 41 thousand).

### *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.

### *Reserve for exchange rate adjustment*

In application to IAS 21.15, this reserve comprises profit/losses generated by monetary elements which are an integral part of the net investment of foreign managements. In particular, it relates to the effect of exchange rates measurement at year-end for receivables for loans in foreign currency supplied to the subsidiaries. For these loans no regulation and/or a defined reimbursement plan are provided nor is it deemed probable that they will be reimbursed in the foreseeable future.

*Held-for-sale financial assets reserve*

This reserve mainly includes the adjustment to fair value of the other equity investments.

*Actuarial gains and losses reserve*

Pursuant to IAS 19R, this reserve includes actuarial gains and losses, which are now recognised under other components in the comprehensive income statement and permanently 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 for the year ended 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 28 April 2015, the Ordinary Shareholders' Meeting of Datalogic S.p.A. decided to distribute an ordinary dividend of €0.18 per share (€0.16 in 2014). The overall dividends began to be paid starting from 13 May 2015 and had been paid in full by 30 September.

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

	30 September 2015		31 December 2014	
	Total equity	Period results	Total equity	Period results
<b>Parent Company shareholders' equity and profit</b>	<b>243,937</b>	<b>25,510</b>	<b>223,915</b>	<b>23,647</b>
Difference between consolidated companies' net equity and their carrying value in the Parent Company's financial statements; effect of equity-based valuation	96,544	39,478	79,786	60,159
Reversal of dividends	0	(32,883)	0	(51,890)
Amortisation of intangible assets "business combination"	(5,827)	0	(5,827)	0
Effect of acquisition under common control	(31,733)	0	(31,733)	0
Elimination of capital gain on sale of business branch	(18,665)	0	(18,665)	0
Effect of eliminating intercompany transactions	(12,425)	(1,864)	(14,115)	(1,499)
Reversal of write-downs and capital gains on equity investments	6,121	0	6,121	0
Sale of know-how	(7)	0	(7)	0
Goodwill impairment	(1,395)	0	(1,395)	0
Other	(1,001)	(193)	(801)	155
Deferred taxes	4,387	375	4,012	285
<b>Group shareholders' equity</b>	<b>279,936</b>	<b>30,423</b>	<b>241,291</b>	<b>30,857</b>

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

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

	30.09.2015	31.12.2014	Change
Long-term financial payables	149,946	89,519	60,427
Short-term financial payables	31,108	75,975	(44,867)
<b>Total financial payables</b>	<b>181,054</b>	<b>165,494</b>	<b>15,560</b>

The breakdown of this item is as detailed below:

	30.09.2015	31.12.2014	Change
Bank loans	175,561	163,649	11,912
Other	160	0	160
Payables to factoring companies	4,679	888	3,791
Payables for leasing	608	816	(208)
Bank overdrafts (ordinary current accounts)	46	141	(95)
<b>Total financial payables</b>	<b>181,054</b>	<b>165,494</b>	<b>15,560</b>

The breakdown of changes in the “Bank loans” item as at 30 September 2015 and 30 September 2014 is shown below:

	<b>2015</b>	<b>2014</b>
<b>1 January</b>	<b>163,649</b>	<b>227,674</b>
Foreign exchange differences	930	1,492
Increases	139,277	20,306
Repayments	(125,263)	(44,414)
Decreases for loan repayments	(3,032)	(23,898)
<b>30 September</b>	<b>175,561</b>	<b>181,160</b>

On 24 February 2015, Datalogic S.p.A. signed a loan agreement with a pool of banks for the amount of €140 million and redeemed at the same time, previous loans amounting to €126 million.

This transaction allowed for an increase in the average life of the financial debt and the reduction in the related charges.

The fair value of the loans (current and non-current) coincides substantially with their book value.

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

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

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

	<b>30.09.2015</b>	<b>31.12.2014</b>	<b>change</b>
Deferred tax assets	45,891	40,627	5,264
Deferred tax liabilities	(23,046)	(21,648)	(23,741)
<b>Net deferred taxes</b>	<b>22,845</b>	<b>18,979</b>	<b>3,866</b>

The breakdown per company of deferred taxes is shown below:

	<b>30.09.2015</b>	<b>31.12.2014</b>	<b>change</b>
Datalogic Automation Inc.	13,483	7,527	5,956
Datalogic ADC Inc	296	1,593	(1,297)
Datalogic Holding Inc	5,752	4,292	1,460
Informatics Inc.	213	149	64
Datalogic S.p.A.	(6,655)	(3,698)	(2,957)
Datalogic IP Tech S.r.l.	5,592	7,013	(1,421)
Datalogic Automation S.r.l.	946	641	305
Datalogic ADC S.r.l.	156	(1,155)	1,311
Datalogic Slovakia Sro	783	752	31
Datalogic Scanning GmbH	0	(442)	442
Datalogic Scanning E.E.	(447)	0	(447)
Datalogic RE Germany GmbH	(75)	(75)	0
Datalogic RE France SaS	52	52	0
Datalogic RE Uk Ltd	121	114	7
Datalogic ADC VN	553	547	6
Datalogic ADC PTY	78	83	(5)
Datalogic ADC HK Ltd	(3)	(2)	(1)
Datalogic ADC Singapore	8	8	0
<b>Total net long-term deferred taxes</b>	<b>20,854</b>	<b>17,399</b>	<b>3,455</b>
<b>Deferred taxes recognised due to the consolidation entries</b>	<b>1,991</b>	<b>1,580</b>	<b>411</b>
<b>Total net long-term deferred taxes</b>	<b>22,845</b>	<b>18,979</b>	<b>3,866</b>

The negative change of net deferred taxes of Datalogic S.p.A. is attributable, in the amount of €2,290 thousand, to taxes related to exchange rates measurement at year-end for receivables for loans in US dollars, directly recognised to Shareholders' Equity.

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

The breakdown of changes in the "Post-employment benefits" item as at 30 September 2015 and 30 September 2014 is shown below:

	<b>2015</b>	<b>2014</b>
<b>1 January</b>	<b>7,201</b>	<b>7,049</b>
Amount allocated in the period	1,173	1,480
Uses	(1,176)	(537)
Other movements	0	14
Social security receivables for the employee severance indemnity reserve	(380)	(604)
<b>30 September</b>	<b>6,818</b>	<b>7,402</b>

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

The breakdown of the "provisions for risks and charges" item was as follows:

	30.09.2015	31.12.2014	Change
Short-term provisions for risks and charges	8,106	8,440	(334)
Long-term provisions for risks and charges	14,016	11,161	2,855
<b>Total</b>	<b>22,122</b>	<b>19,601</b>	<b>2,521</b>

Below we show the detailed breakdown of and changes in this item:

	31.12.2014	Increases	(Uses) and (Releases)	Transfers	Exchange rate differences	30.09.2015
Product warranty provision	9,130	205	(471)		523	9,387
Provision for management incentive scheme	4,906	2,651				7,557
"Stock rotation" provision	2,557	171	(202)		132	2,658
Other	3,008	52	(373)	(325)	158	2,520
<b>Total Provisions for risks and charges</b>	<b>19,601</b>	<b>3,079</b>	<b>(1,046)</b>	<b>(325)</b>	<b>813</b>	<b>22,122</b>

The "**Product warranty provision**" covers the estimated cost of repairing products sold as up to 30 September 2015 and covered by periodical warranty; it amounts to € 9,387 thousand (of which € 6,086 thousand long-term) and is considered sufficient in relation to the specific risk it covers.

The increase in the "**Provision for management incentive scheme**" is attributable to the estimate on the portion pertaining to the provision for a long-term plan for directors and managers for the 2013-2015 period.

The "**Stock rotation provision**", equal to € 2,658 thousand, is related to the ADC Group and Informatics.

The "**Other**" item mainly comprises:

- € 1,878 thousand for a possible tax liability related to a company outside the Group;
- € 308 thousand for agent termination indemnities;
- € 162 thousand for a pending tax dispute related to some Italian companies.

**Note 16. Trade and other payables**

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

	<b>30.09.2015</b>	<b>31.12.2014</b>	<b>Change</b>
Trade payables due within 12 months	77,495	91,611	(14,116)
<b>Third-party trade payables</b>	<b>77,495</b>	<b>91,611</b>	<b>(14,116)</b>
<b>Payables to associates</b>	<b>66</b>	<b>76</b>	<b>(10)</b>
<i>Laservall Asia</i>	66	72	(6)
<i>Datalogic Automation AB</i>	0	4	(4)
<b>Payables to the parent company</b>	<b>0</b>	<b>207</b>	<b>(207)</b>
<i>Hydra</i>	0	207	(207)
<b>Payables to subsidiaries</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Payables to related parties</b>	<b>269</b>	<b>273</b>	<b>(4)</b>
<b>Total Trade payables</b>	<b>77,830</b>	<b>92,167</b>	<b>(14,337)</b>
Other payables - current accrued liabilities and deferred income	39,643	38,712	931
Other payables - non-current accrued liabilities and deferred income	3,112	3,081	31
<b>Total other payables - accrued liabilities and deferred income</b>	<b>42,755</b>	<b>41,793</b>	<b>962</b>
Less non-current portion	3,112	3,081	31
<b>Current portion</b>	<b>117,473</b>	<b>130,879</b>	<b>(13,406)</b>

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

The detailed breakdown of this item is as follows:

	<b>30.09.2015</b>	<b>31.12.2014</b>	<b>Change</b>
Other long-term payables	3,112	3,081	31
Other short-term payables:	19,436	20,621	(1,185)
<i>Payables to employees</i>	14,927	14,440	487
<i>Payables to pension and social security agencies</i>	3,173	4,400	(1,227)
<i>Directors' remuneration payable</i>	273	430	(157)
<i>Other payables</i>	1,063	1,351	(288)
VAT liabilities	1,531	1,413	118
Accrued liabilities and deferred income	18,676	16,678	1,998
<b>Total</b>	<b>42,755</b>	<b>41,793</b>	<b>962</b>

Payables to employees are the amounts due for wages and salaries and holidays, accrued with respect to staff at balance-sheet date. It is worth noting that this item includes €49 thousand for early retirement incentives related to the reorganisation occurred in 2014 (€1,369 thousand as at 31 December 2014) and €795 thousand related to costs for 2015.

## INFORMATION ON THE INCOME STATEMENT

### Note 17. Revenues

	Nine months ended		Change
	30.09.2015	30.09.2014	
Revenues from sale of products	372,356	323,268	49,088
Revenues from services	18,939	16,796	2,143
<b>Total</b>	<b>391,295</b>	<b>340,064</b>	<b>51,231</b>

Revenues earned from sales of goods and services increased by 15.1% compared to the same period of the previous year (5.2% at constant exchange rates).

The following table shows the breakdown in percentage of revenues per geographical areas:

	Nine months ended		30.09.2014	% of total revenues	Change
	30.09.2015	% of total revenues			
Revenues in Italy	34,734	8.9%	33,401	9.8%	4.0%
Revenues in Europe	162,673	41.6%	145,713	42.9%	11.6%
Revenues in North America	117,077	29.9%	98,390	28.9%	19.0%
Revenues in Asia & Pacific	52,775	13.5%	39,921	11.7%	32.2%
Revenues in Rest of the World	24,036	6.1%	22,639	6.7%	6.2%
<b>Total revenues</b>	<b>391,295</b>	<b>100%</b>	<b>340,064</b>	<b>100%</b>	<b>15.1%</b>

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

Pursuant to the introduction of IAS principles, the following table reports non-recurring costs and amortisation arising from acquisitions as extraordinary items no longer listed separately but included in ordinary operations.

	Nine months ended		Change
	30.09.2015	30.09.2014	
<b>TOTAL COST OF GOODS SOLD (1)</b>	<b>208,785</b>	<b>172,897</b>	<b>35,888</b>
<i>of which non-recurring</i>	239	563	(324)
<b>TOTAL OPERATING COSTS (2)</b>	<b>145,904</b>	<b>131,019</b>	<b>14,885</b>
Research and Development expenses	34,935	29,876	5,059
<i>of which non-recurring</i>	92	0	92
<i>of which amortisation, depreciation pertaining to acquisitions</i>	79	64	15
Distribution expenses	75,212	64,189	11,023
<i>of which non-recurring</i>	454	628	(174)
General and administrative expenses	33,915	35,126	(1,211)
<i>of which non-recurring</i>	643	1,179	(536)
<i>of which amortisation, depreciation pertaining to acquisitions</i>	4,216	4,033	183
Other operating costs	1,842	1,828	14
<i>of which non-recurring</i>	0	0	0
<b>TOTAL (1+2)</b>	<b>354,689</b>	<b>303,916</b>	<b>50,773</b>
<b>of which non-recurring costs</b>	<b>1,428</b>	<b>2,370</b>	<b>(942)</b>
<b>of which amortisation, depreciation pertaining to acquisitions</b>	<b>4,295</b>	<b>4,097</b>	<b>198</b>



In the first nine months of 2015, the non-recurring costs item amounted to € 1,428 thousand.

The breakdown of this item, as included in the financial statements, is as follows:

<b>ITEM</b>	<b>AMOUNT</b>	<b>TYPE OF COST</b>
1) "Cost of goods sold"	239	early retirement incentives
2) "R&D expenses"	92	early retirement incentives
3) "Distribution expenses"	454	early retirement incentives
4) "General and administrative expenses"	643	early retirement incentives
<b>TOTAL NON-RECURRING COSTS</b>	<b>1,428</b>	

The amortisation from acquisitions (equal to € 4,295 thousand) mainly included under "General and administrative expenses" are comprised of:

	<b>Nine months ended</b>		<b>Change</b>
	<b>30.09.2015</b>	<b>30.09.2014</b>	
Acquisition of the PSC group (on 30 November 2006)	1,877	1,543	334
Acquisition of Laservall SPA (on 27 August 2004)	0	220	(220)
Acquisition of Informatics Inc. (on 28 February 2005)	120	443	(323)
Acquisition of Evolution Robotics Retail Inc. (on 1 July 2010)	471	388	83
Acquisition of Accu-Sort Inc. (on 20 January 2012)	1,827	1,503	324
<b>TOTAL</b>	<b>4,295</b>	<b>4,097</b>	<b>198</b>

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

This item increased by 20.76% compared to the same period in 2014. At constant euro/dollar exchange rates and less extraordinary costs, they would have increased by 8%, more consistently with the increase in revenues at constant exchange rates.

### **Total operating costs (2)**

The operating costs, excluding non-recurring costs and the amortisation inherent in the acquisitions, increased by 12.2% from € 125,115 thousand to €140,420 thousand. At constant exchange rates and less extraordinary costs, a remarkably lower increase is noted (+2.9%), mainly attributable to distribution and R&D expenses.

In particular:

- **"R&D expenses"** amounted to € 34,935 thousand and increased by € 4,952 thousand, net of non-recurring costs, compared to the same period of the previous year (+€ 1,779 thousand, at constant exchange rates, equal to 6%). This increase is primarily attributable to the increase in payroll & employee benefits, amounting to € 1,699 thousand, as well as increased expenses for technical advisory services.
- **"Distribution expenses"** amounted to € 75,212 thousand and, net of extraordinary costs, decreased by € 11,197 thousand with respect to the comparison period. Based on the analysis at constant exchange rates, and net of non-recurring costs, a net increase of € 4,689 thousand (+7.38%) is reported, determined by an increase in payroll & employee benefits of € 2,993

thousand, an increase in sales costs (+€ 691 thousand) as well as an increase in costs for meetings (+€ 500 thousand).

- **“General and administrative expenses”** amounted to € 33,915 thousand. Net of non-recurring costs, this item decreased by € 2,791 thousand compared with the same period of the previous year (equal to -9.33%). At constant exchange rates, and net of non-recurring costs, a decrease is reported, primarily attributable to payroll & employee benefits (decrease of € 1,434 thousand) and operating costs (decrease of around € 1,488 thousand), especially attributable to consultancy expenses.

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

	<b>Nine months ended</b>		<b>Change</b>
	<b>30.09.2015</b>	<b>30.09.2014</b>	
Capital losses on assets	5	68	(63)
Contingent liabilities	131	22	109
Provisions for doubtful accounts	90	835	(745)
Non-income taxes	1,207	771	436
Cost charge backs	390	163	227
Other	19	(31)	50
<b>Total</b>	<b>1,842</b>	<b>1,828</b>	<b>14</b>

#### **Breakdown of costs by type**

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

	Nine months ended		Change
	30.09.2015	30.09.2014	
Purchases	150,713	133,285	17,429
Inventory change	(1,754)	(13,898)	12,143
Payroll & employee benefits	116,271	102,333	13,938
Amortisation, depreciation and write-downs	13,561	12,485	1,076
Goods receipt & shipment	13,019	11,271	1,748
Marketing expenses	6,951	5,861	1,090
Travel & accommodation	6,698	5,556	1,142
Technical, legal and tax advisory services	6,522	5,823	699
Building expenses	4,875	4,347	528
Repairs	3,969	3,653	316
Material collected from the warehouse	3,690	3,720	(30)
EDP expenses	2,595	2,558	37
Vehicle expenses	2,453	2,664	(211)
Subcontracted work	2,321	1,978	343
Royalties	1,884	1,694	190
Telephone expenses	1,842	1,634	208
Consumables	1,611	1,759	(148)
Utilities	1,490	1,371	119
Meeting expenses	1,297	523	774
Sundry service costs	1,274	1,393	(119)
Commissions	1,272	1,126	146
Directors' remuneration	1,099	1,360	(261)
Quality certification expenses	868	892	(24)
Accounts certification expenses	856	881	(25)
Insurance	786	774	12
Entertainment expenses	627	682	(55)
Expenses for plant and machinery and other assets	718	551	167
Training courses for employees	299	277	22
R&D materials	280	484	(204)
Stationery and printings	273	325	(52)
Other	6,329	6,554	(225)
<b>Total cost of goods sold and operating costs</b>	<b>354,689</b>	<b>303,916</b>	<b>50,773</b>

The increase in item "Travel & accommodation" is primarily related to a higher attendance to exhibitions. At constant exchange rate, the increase is remarkably lower (+€ 414 thousand).

The increase in item "Meeting expenses" (+€ 633 thousand, at constant exchange rate), is primarily attributable to important meetings of the sales force.

The "Marketing expenses" item, equal to € 6,951 thousand, increased by € 1,090 thousand compared to the same period of 2014 (+€ 335 thousand at constant exchange rates), partly due to increased expenses for exhibitions and advertising, partially offset by the decrease in Marketing co-participation expenses with trade partners.

The increase in item "Technical, legal and tax advisory services" (+€ 326 thousand at constant exchange rates), is mainly related to technical advisory services connected with R&D projects.

The increase in item "Repairs" is primarily due to the exchange rate effect; at constant exchange rates, there would be a decrease of around € 200 thousand.

The increase in item "Building expenses" is primarily due to the exchange rate effect.

The increase in item "Subcontracted work" is primarily due to the exchange rate effect.  
The "Other" item mainly consists of several costs all of which are lower than €150 thousand.

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

	Nine months ended		Change
	30.09.2015	30.09.2014	
Wages and salaries	90,542	76,911	13,631
Social security charges	15,922	15,060	862
Employee severance indemnities	1,165	1,202	(37)
Retirement and similar benefits	929	903	26
Medium- to long-term managerial incentive plan	2,651	2,704	(53)
Other costs	3,620	2,652	968
Early retirement incentives	1,442	2,901	(1,459)
<b>Total</b>	<b>116,271</b>	<b>102,333</b>	<b>13,938</b>

The "Wages and salaries" item, equal to € 90,542 thousand, includes *Sales commissions and incentives* of € 10,356 thousand (€ 8,417 thousand as at 30 September 2014 and € 9,495 thousand at constant exchange rates). The increase, at constant exchange rates, in item "Wages and salaries" (equal to € 4,933 thousand) is primarily related to increased in-house R&D activities and the hiring of personnel in the commercial sector.

The "Early retirement incentives" item includes costs, totalling € 1,428 thousand, stated under item "Non-recurring costs and revenues" and result from the re-organisation activities internal to the Group.

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

The detailed breakdown of this item is as follows:

	Nine months ended		Change
	30.09.2015	30.09.2014	
Miscellaneous income and revenues	713	387	326
Rents	62	55	7
Capital gains on asset disposals	42	93	(51)
Contingent assets	222	30	192
Grants to Research and Development expenses	295	389	(94)
Other	149	50	99
<b>Total</b>	<b>1,483</b>	<b>1,004</b>	<b>479</b>

The item Miscellaneous income and revenues mainly includes revenues for self-manufactured equipment and reimbursements from employees for the use of vehicles.

The increase in item "Contingent assets" is primarily attributable to some insurance repayments.

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

	Nine months ended		Change
	30.09.2015	30.09.2014	
Financial income/(expenses)	(1,812)	(4,667)	2,855
Foreign exchange differences	2,387	910	1,477
Bank expenses	(2,578)	(2,050)	(528)
Other	440	271	169
<b>Total net financial income (expenses)</b>	<b>(1,563)</b>	<b>(5,536)</b>	<b>3,973</b>

Financial income was negative by € 1,563 thousand, compared to a negative result of € 5,536 thousand related to the same period of the previous year, mainly to:

- better results in the financial management attributable to the significant decrease in "Interest expenses on bank current accounts/loans" due to the entering of a new loan agreement with a pool of banks for the amount of €140 million and the redemption, at the same time, of previous loans amounting to €126 million. This transaction allowed for an increase in the average life of the financial debt and the reduction in the related charges.
- a more favourable performance of exchange rate differences, which had a positive increase of €1,477 thousand.

The "Bank expenses" item mainly includes:

- the portion pertaining to the upfront fees period, paid upon opening of long-term loans, in the amount of € 1,374 thousand, of which € 1,250 thousand are connected with the early redemption of some long-term loans (€ 806 thousand as at 30 September 2014);
- factoring costs, amounting to € 608 thousand (€ 672 thousand in 2014), related to commissions without recourse.

The "Other" item includes dividends received by the Mandarin fund and the company Idec Corporation and Specialvideo, totalling € 149 thousand.

Profits generated by companies carried at equity were recognised in the amount of €40 thousand (compared with losses of €41 thousand as at 30 September 2014).

**Note 21. Taxes**

	Nine months ended		Change
	30.09.2015	30.09.2014	
Income tax	10,150	5,513	4,637
Deferred taxes	(4,007)	382	(4,389)
<b>Total</b>	<b>6,143</b>	<b>5,895</b>	<b>248</b>

The average tax rate comes to 16.8% (18.67% as at 30 September 2014).

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

	Nine months ended	
	30.09.2015	30.09.2014
Group profit/(loss) for the period	30,423,000	25,680,000
Average number of shares	58,191,835	57,952,681
<b>Basic earnings/(loss) per share</b>	<b>0.5228</b>	<b>0.4431</b>

Basic EPS as at 30 September 2015 was calculated by dividing Group net profit of € 30,423 thousand (Group net profit of € 25,680 thousand as at 30 September 2014) by the weighted average number of ordinary shares outstanding as at 30 September 2015, equal to 58,191,835 shares (57,952,681 as at 30 September 2014).

## **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 internal Regulation approved by the Board of Directors on 4 November 2010 (finally amended on 24 July 2015), and that is available on the internet site [www.datalogic.com](http://www.datalogic.com).

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

Intragroup 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 the ordinary operations and at arm's length conditions, chiefly with parties that control the Parent Company, or with individuals that carry out the coordination and management of Datalogic S.p.A.

Related-party transactions refer chiefly to commercial and securities transactions (instrumental and non-instrumental premises for the Group under lease or leased to the parent company) 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 Article 5, par. 8, of the Consob Regulation, it should be noted that, over the period 01/01/2015 - 30/09/2015, the Company's Board of Directors did not approve any relevant transaction, as set out by Article 3, par. 1, lett. b) of the Consob Regulation, or any transaction with related parties that had a significant impact on the Group's equity position or profit/(loss).

	Hydra	Hydra Immobiliare	Non-consolidated Automation Group companies	Studio Associato Caruso	Natural person	Laservall Asia	TOTAL 30.09.2015
RELATED PARTIES	(Parent Company)	(company controlled by Chairman of BoD)	(Associates)	(company controlled by a member of the BoD)	(Close relative of a Director)	(Associate)	
<b>Equity investments</b>	-	-	76	-	-	1,772	1,848
IA Group			76			1,772	1,848
<b>Trade receivables - accrued income and prepaid expenses</b>	-	75	681	-		328	1,084
IA Group		75	618			328	1,021
ADC Group			63				63
<b>Receivables pursuant to tax consolidation</b>	10,365	-	-	-	-	-	10,365
DI IP Tech Srl	8,655						8,655
DI Automation Srl	970						970
DI Spa	740						740
<b>Liabilities pursuant to tax consolidation</b>	4,417	-	-	-		-	4,417
DI ADC	1,274						1,274
DI Automation Srl	3,143						3,143
<b>Trade payables</b>	-	116	-	153	-	66	335
DI Spa				93			93
DI IP Tech Srl				15			15
ADC Srl		7		23			30
Automation Group		109	-	22		66	197
<b>Sales / service expenses</b>	-	481	20	221	3	240	965
DI Spa		52		139			191
DI IP Tech Srl				15			15
ADC Group		57	12	34	3		106
Automation Group		372	8	33		240	653
<b>Commercial revenues</b>	-	-	2,413	-	-	1,575	3,988
ADC Group			162				162
Automation Group			2251			1575	3826
<b>Financial revenues</b>	-	-	-	-	-	-	-
<b>Profits from associates</b>	-	-	-	-		40	40
Automation Group						40	40

**NUMBER OF EMPLOYEES**

	Nine months ended		Change
	30.09.2015	30.09.2014	
Industrial Automation Group	798	786	12
Automatic Data Capture Group	1,463	1,444	19
Corporate Group	134	114	20
Informatics	99	100	(1)
<b>Total</b>	<b>2,494</b>	<b>2,444</b>	<b>50</b>

The Chairman of the Board of Directors  
*Mr. Romano Volta*



**Annex 1**  
**RESTATED CONSOLIDATED INCOME STATEMENT - 2014**

(Euro /000)	Note	30.09.2014	Reclassifications	30.09.2014 Reclassified
<b>1) Total revenues</b>	17	<b>340.064</b>		<b>340.064</b>
Revenues from sale of products		323.268		323.268
Revenues from services		16.796		16.796
of which non-recurring				
of which with related parties		4.551		4.551
<b>2) Cost of goods sold</b>	18	<b>175.211</b>	<b>(2.314)</b>	<b>172.897</b>
of which non-recurring	18	595	(32)	563
of which with related parties		193		193
<b>Gross profit (1-2)</b>		<b>164.853</b>	<b>2.314</b>	<b>167.167</b>
<b>3) Other operating revenues</b>	19	<b>1.004</b>		<b>1.004</b>
of which non-recurring	19			0
of which with related parties				0
<b>4) R&amp;D expenses</b>	18	<b>29.876</b>		<b>29.876</b>
of which non-recurring	18			0
of which amortisation, depreciation and write-downs pertaining to acquisitions		64		64
of which with related parties	18	8		8
<b>5) Distribution expenses</b>	18	<b>61.063</b>	<b>3.126</b>	<b>64.189</b>
of which non-recurring	18	596	32	628
of which with related parties		44		44
<b>6) General and administrative expenses</b>	18	<b>35.938</b>	<b>(812)</b>	<b>35.126</b>
of which non-recurring	18	1.179		1.179
of which amortisation, depreciation and write-downs	18	4.033		4.033
of which with related parties		645		645
<b>7) Other operating expenses</b>	18	<b>1.828</b>		<b>1.828</b>
of which non-recurring	18	0		0
<b>Total operating costs</b>		<b>128.705</b>	<b>2.314</b>	<b>131.019</b>
<b>Operating result</b>		<b>37.152</b>	<b>0</b>	<b>37.152</b>
<b>8) Financial income</b>	20	<b>16.365</b>		<b>16.365</b>
of which with related parties		11		11
<b>9) Financial expenses</b>	20	<b>21.901</b>		<b>21.901</b>
<b>Net financial income (expenses) (8-9)</b>		<b>(5.536)</b>	<b>0</b>	<b>(5.536)</b>
<b>10) Profits from associates</b>	3	<b>(41)</b>		<b>(41)</b>
Profit (loss) before taxes from the operating assets		<b>31.575</b>	<b>0</b>	<b>31.575</b>
<b>Income tax</b>	21	5.895		5.895
Profit/(loss) for the period		<b>25.680</b>	<b>0</b>	<b>25.680</b>
Basic earnings/(loss) per share (€)	22	0,4431		0,4431
Diluted earnings/(loss) per share (€)	22	0,4431		0,4431

Note: 2014 figures have been reclassified to render them consistent with 2015 figures, in light of some reorganisation made.

**DICHIARAZIONE AI SENSI DELL'ART. 154 BIS, COMMA 2, D.LGS. N. 58/1998****Resoconto Intermedio di gestione al 30 settembre 2015**

Il sottoscritto Dott. Sergio Borgheresi, quale Dirigente Preposto alla redazione dei documenti contabili societari di Datalogic S.p.A.

attesta

in conformità a quanto previsto dal secondo comma dell'art. 154 bis, comma secondo, del decreto legislativo 24 febbraio 1998, n. 58 che il resoconto intermedio di gestione al 30 settembre 2015 corrisponde alle risultanze documentali, ai libri e alle scritture contabili.

Datalogic S.p.A.

(Sergio Borgheresi)

