



1Q2016
Conference Call

May 13th, 2016



Agenda

- 1Q 2016
- Outlook



1Q 2016

1Q2016 Key Factors

FOCUS ON CLIENT

- The new approach to customers is paying off: **growth above market and major peers**
 - **Continuous focus on innovation** and introduction of new products
 - **27.6% of revenues** comes from new products* (25% in 2015)
-

MARKET

- **Reaffirmed leadership in Europe** and improving penetration in US
 - Some impact from economic uncertainties in fast growing markets
-

ORGANISATION

- **Centralization of Procurement**
 - Rationalisation of footprint: **new Hungarian plant for IA opened in April**
 - **Change of the GO TO MARKET model in China:** “ONE Datalogic” is up and running
-

* new products refer to products announced in the last 24 months

1Q 2016 Highlights

Revenues

- **+10.7% YoY to 135.4 mln Euro** (+9.6% at constant exchange rate) mainly thanks to Europe and North America, the primary markets for the Group
- **Booking at 140 mln Euro**

EBITDA

- **+19.9% YoY to 18.8 mln Euro** (+21.8% at constant exchange rate)
- EBITDA margin at 13.9% (14.3% at constant exchange rate)
- Investment in R&D grew by 4.4% YoY with an incidence of 9% on revenues

Net Profit

- Financial costs almost halved due to refinancing
- Around 1 mln Euro loss on exchange rate vs a 4 mln Euro gain in 1Q 2015
- Net profit is in line with last year result

€000	1Q2016	1Q2015	YoY%	4Q2015	QoQ %
Revenues	135,353	122,316	10.7%	143,773	(5.9%)
Gross Operating Profit	62,127	57,887	7.3%	65,869	(5.7%)
EBITDA	18,820	15,689	19.9%	20,670	(9.0%)
<i>EBITDA Margin</i>	13.9%	12.8%		14.4%	
EBIT	14,210	10,785	31.8%	14,856	(4.3%)
Net Profit	10,073	9,893	1.8%	10,125	(0.5%)

1Q 2016 New Products

Identification

AV7000

High Performance Linear Camera

- New generation CMOS sensor with 40% greater sensitivity
- Pulsed Lighting System (PLS), patented technology
- The only camera in the Auto-ID industry able to collect high quality “single shot” complete images on large conveyors avoiding “puzzle effect”



Machine Vision

11.8 IMPACT SW Release

New Camera calibration modes

- Pin Point Pattern Find tool improvements
- IMPACT SDK
- Extended camera support



Machine Vision

MX-E Series

- New line of Vision Processors powered by IMPACT Software.
- Ethernet (GigE Vision) connectivity and multi-camera support



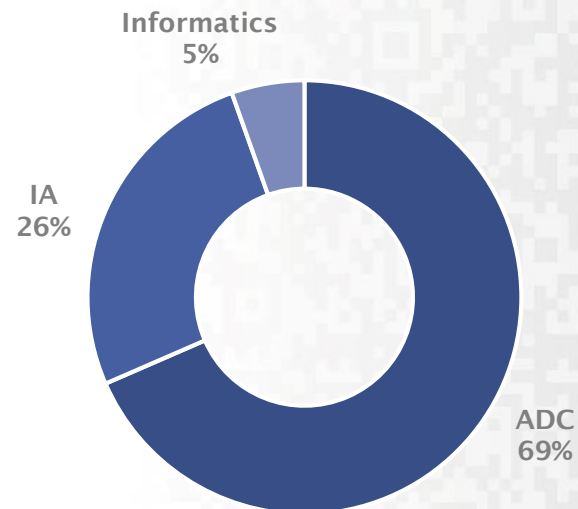
1Q 2016 Profit and Loss

€000	1Q2016		1Q2015		Var %
Revenues	135,353	100.0%	122,316	100.0%	10.7%
COGS	(73,226)	(54.1%)	(64,430)	(52.7%)	13.7%
Gross Operating Profit	62,127	45.9%	57,886	47.3%	7.3%
Other Revenues	372	0.3%	691	0.6%	
R&D	(12,100)	(8.9%)	(11,594)	(9.5%)	4.4%
Distribution Costs	(25,162)	(18.6%)	(24,008)	(19.6%)	4.8%
Administrative Expensives	(9,466)	(7.0%)	(9,776)	(8.0%)	(3.2%)
Other operating expenses	(327)	(0.2%)	(458)	(0.4%)	
Total Operating expenses and others	(47,055)	(34.8%)	(45,836)	(37.5%)	2.7%
Non recurring costs/rev	-	-	(462)	(0.4%)	
Amort. Intang. Assets from acquis.	(1,234)	(0.9%)	(1,495)	(1.2%)	(17.5%)
Operating Profit (EBIT)	14,210	10.5%	10,785	8.8%	31.8%
Financial (costs)/rev.	(1,032)	(0.8%)	(2,421)	(2.0%)	(57.4%)
Foreign exchange (costs)/rev	(919)	(0.7%)	3,944	3.2%	
EBT	12,259	9.1%	12,308	10.1%	(0.4%)
Taxes	(2,186)	(1.6%)	(2,415)	(2.0%)	
Net Income	10,073	7.4%	9,893	8.1%	1.8%
Depreciation	(2,145)	(1.6%)	(1,808)	(1.5%)	18.6%
Ammortization	(1,231)	(0.9%)	(1,140)	(0.9%)	8.0%
EBITDA	18,820	13.9%	15,690	12.8%	19.9%
<i>Exchange Rate</i>	<i>1.102</i>		<i>1.1261</i>		

Revenues Trend by Division

- **ADC Division** is the driver in Europe and in North America (+10.9%, +9.9% at constant exchange rate)
- POS check out fixed scanners with the new imaging technology and hand held scanners are driving growth in Retail
- **The Industrial Automation division** is improving +11.8% (+10.9% at constant exchange rates) and net of the BU Systems, the division's revenues increased by 6.5% (+5.9% at constant exchange rates)
- **BU Systems:** revenues +65.2% thanks to new orders from major clients like Royal Mail and others in the postal and retail markets (print and apply solutions)

REVENUES BY DIVISION (%)

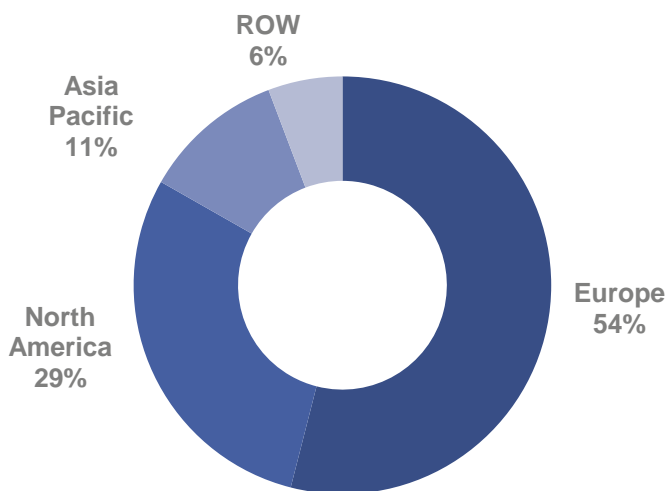


REVENUES BY DIVISION

€mIn	1Q 2016	1Q 2015	Var %
ADC	93.2	84.0	10.9%
IA	35.5	31.7	11.8%
- IA ex BU Systems	30.7	28.9	6.5%
Informatics	7.4	7.0	4.7%
Corporate and Adj.	(0.7)	(0.5)	n.m.
Total Revenues	135.4	122.3	10.7%

Revenues Trend by Country

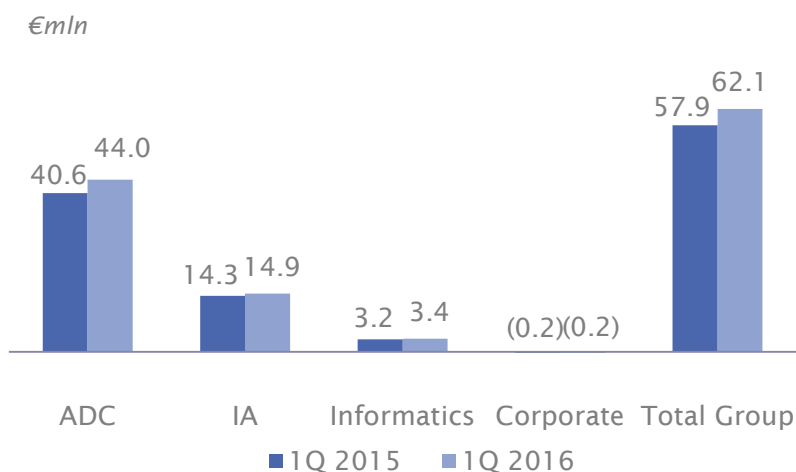
REVENUES BY GEOGRAPHIC AREA			
€mln	1Q 2016	1Q 2015	Var %
Europe	73.1	63.9	14.4%
North America	39.6	33.6	17.7%
Asia Pacific	14.9	15.6	(4.5%)
ROW	7.8	9.2	(15.4%)
Total Revenues	135.4	122.3	10.7%



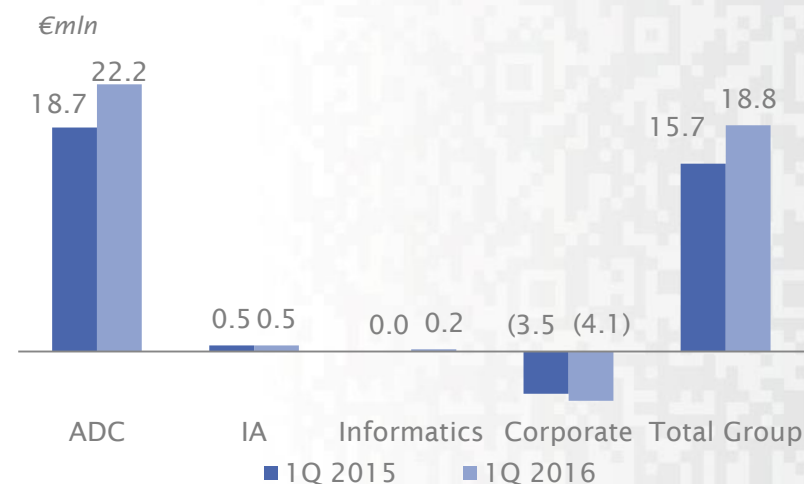
- **Europe** continues to generate robust growth both in ADC (+13.2%) and IA (+19.3%), confirming the leadership of the Group
- **North America:** strong growth of ADC (+ 24.3%, + 21.7% at constant exchange rate) driven by retailers while in IA good improvements of the BU Systems
- **Asia Pacific** experienced a delay in products delivery in Q1 expected to be recovered in Q2 as confirmed by current booking
- **ROW** affected by the economic downturn in Latin America

1Q2016 Segment Reporting: GOP and EBITDA

GOP BY DIVISION



EBITDA* BY DIVISION



Gross Operating Profit	1Q 2016	1Q 2015
ADC	47.2%	48.4%
Industrial Automation	42.1%	45.0%
- IA ex BU Systems	45.8%	51.6%
Informatics	46.3%	45.3%
Total Group	45.9%	47.3%

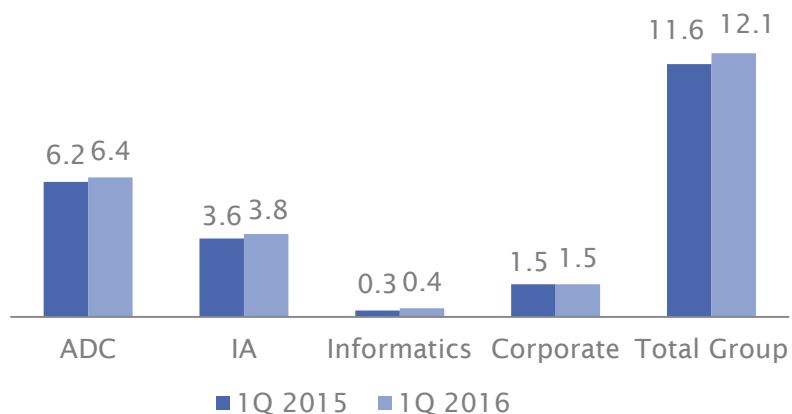
EBITDA* Margin	1Q 2016	1Q 2015
ADC	23.8%	22.1%
Industrial Automation	1.3%	1.6%
- IA ex BU Systems	2.3%	8.1%
Informatics	4.0%	0.5%
Total Group	13.9%	12.8%

(*) With the purpose to better report the operating sectors economic performances, it was deemed appropriate to highlight the Divisional EBITDA as monitoring KPI.

1Q2016 Segment Reporting: R&D and TWC

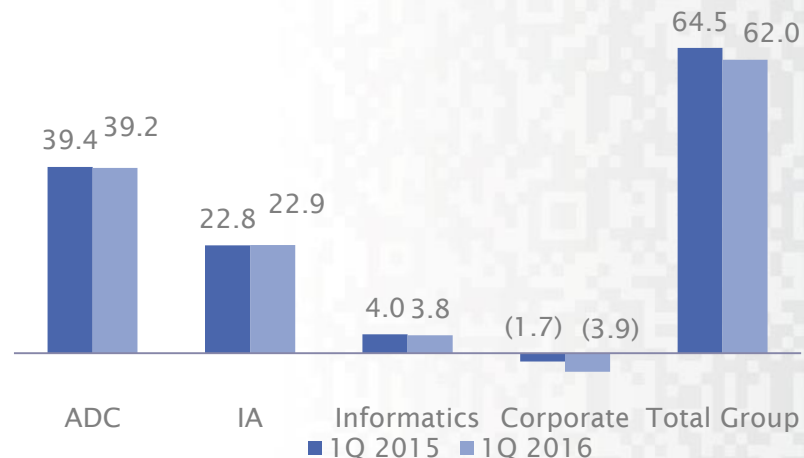
R&D BY DIVISION

€mln



TWC BY DIVISION

€mln

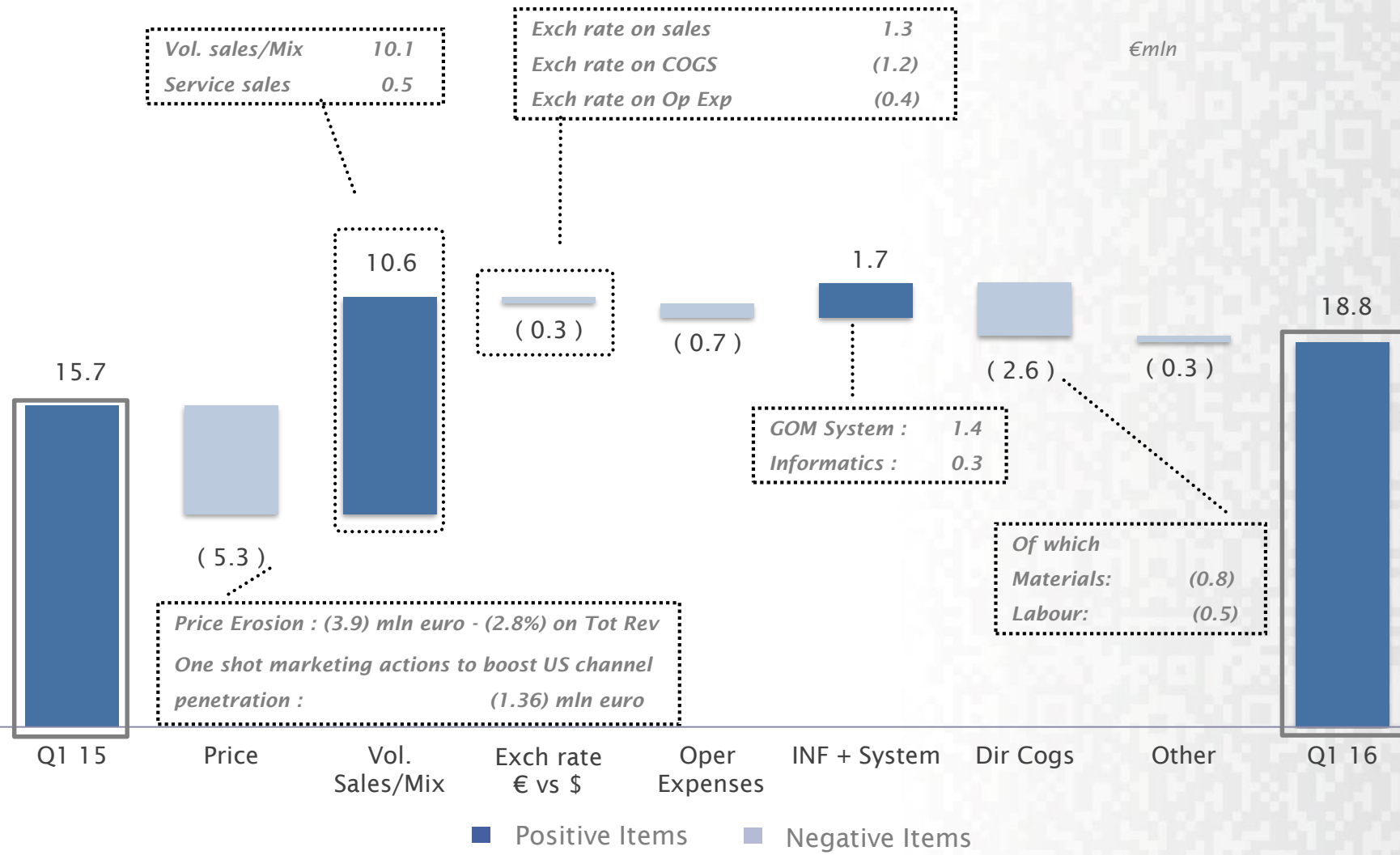


R&D/Revenues	1Q 2016	1Q 2015
ADC	6.9%	7.4%
Industrial Automation	10.8%	11.3%
Informatics	5.4%	3.8%
Total Group	8.9%	9.5%

TWC/Annualized Revenues	1Q 2016	1Q 2015
ADC	10.5%	11.7%
Industrial Automation	16.1%	18.0%
Informatics	12.9%	14.1%
Total Group	11.5%	13.2%

EBITDA: Actual vs Last Year

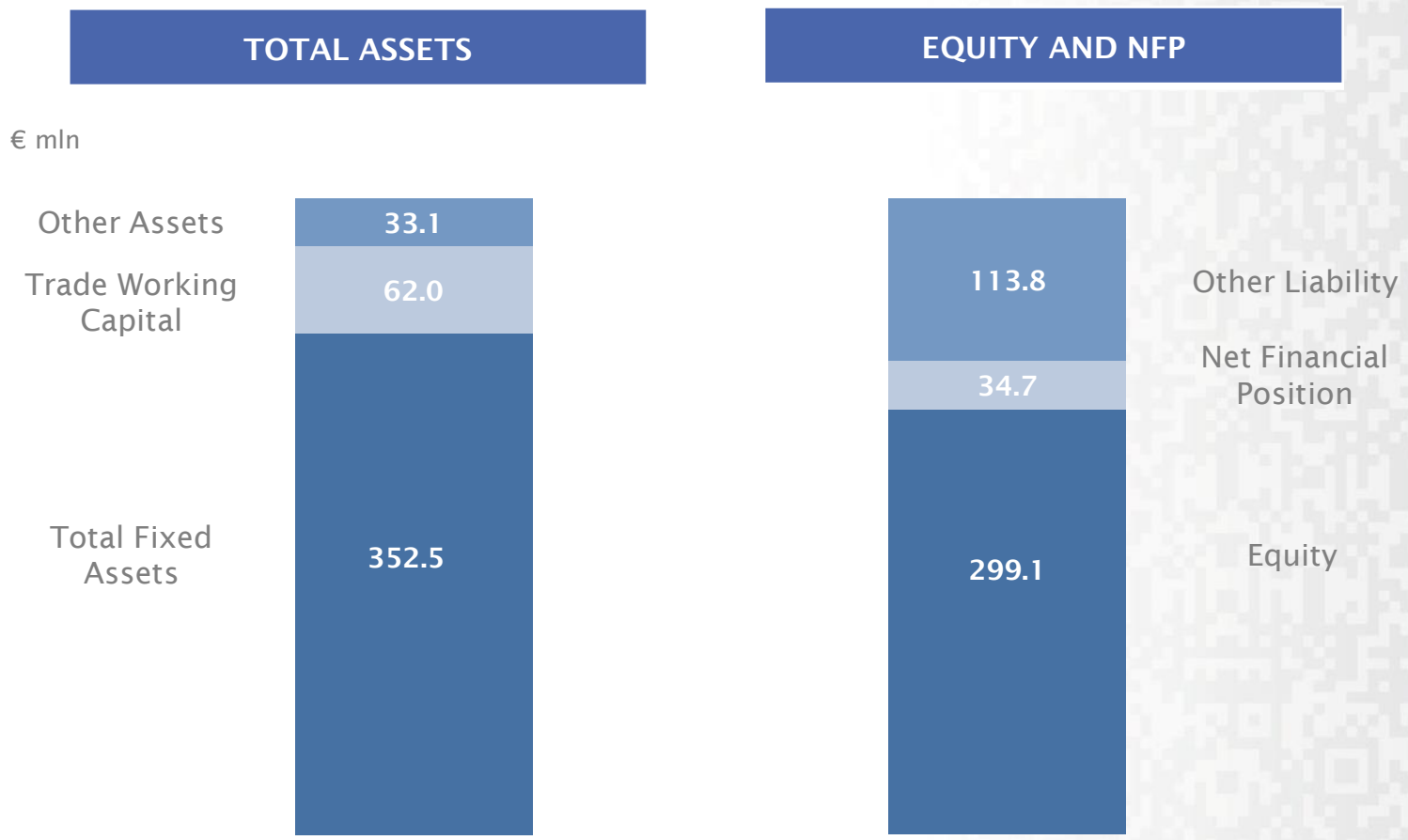
€mln



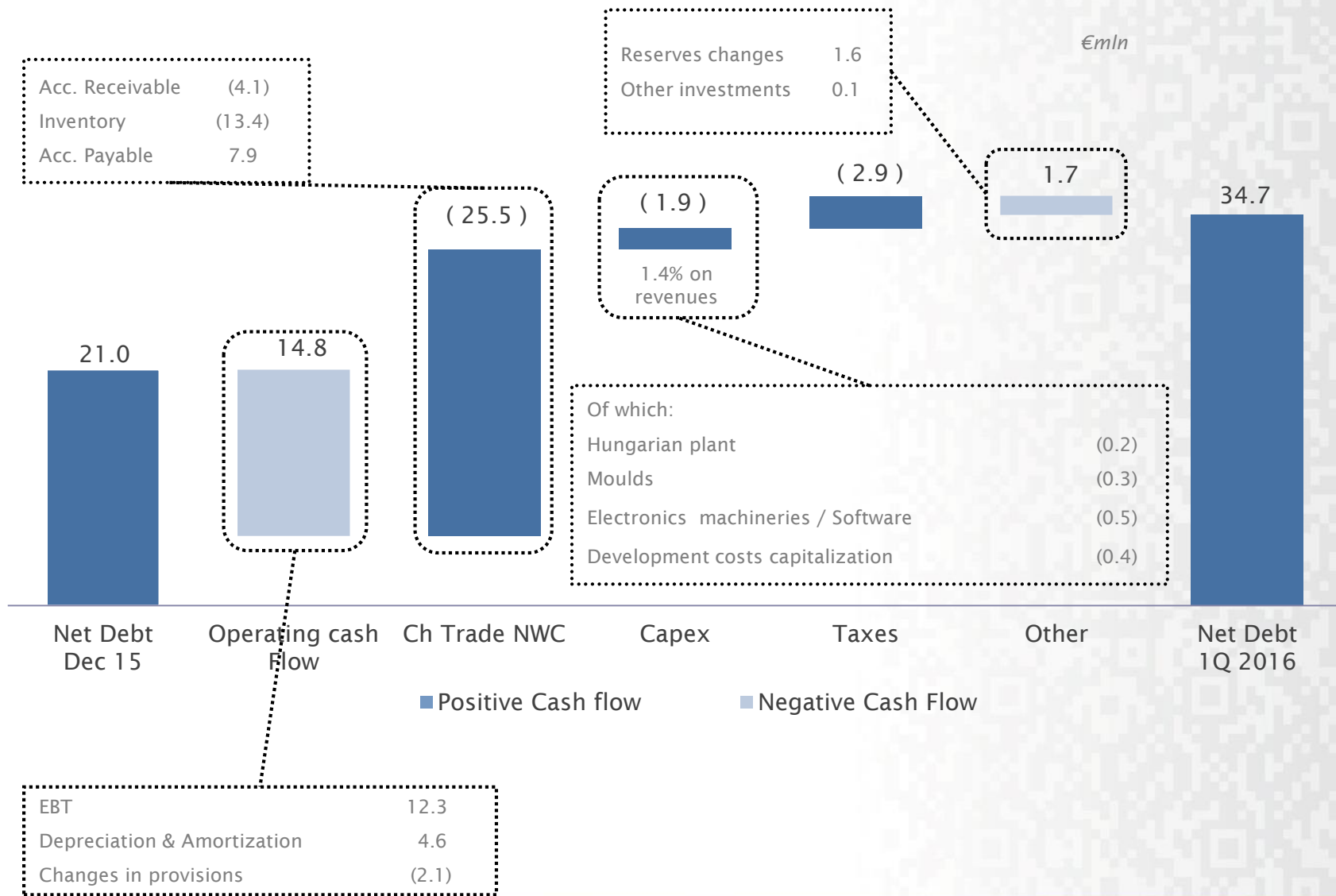
Note:

The Exchange rate variance is the result of the difference between Mar '16 YTD Actual (1,1020) and Mar '15 YTD Actual (1,1261) €/USD exchange rates.

Consolidated Balance Sheet at 31.03.2016



Net Debt Analysis: Dec '15 – March 16



Outlook

2016 Outlook

- **Double Digit Growth in Europe and North America** improving Market Share
- **Expected benefit from the “ONE “ Datalogic approach in China**
- **Expected recovery of Operations Efficiency going forward** thus reducing weight of COGS on revenues thanks to:
 - the new Procurement Centre in China
 - to plants rationalisation (new Hungarian plant for IA)
 - insourcing of components in the second half of 2016
- Continuous focus on R&D and launch of new products
- **Maintain strong performance on cash**

Contact

IR CONTACTS

IR Manager

Vincenza Colucci
CDR Communication Srl
Tel. +39 335 6909547
E-mail vincenza.colucci@cdr-communication.it
E-mail ir@datalogic.com

IR Assistant

Daniela Giglioli
Tel. +39 051 3147109
Fax +39 051 3147205
E-mail daniela.giglioli@datalogic.com

Via Candini, 2
40012 Lippo di Calderara di Reno
Bologna - Italy

NEXT EVENTS

August 4th, 2016
6M results

November 11th, 2016
9M results

DATALOGIC ON LINE

www.datalogic.com

This presentation contains statements that are neither reported financial results nor other historical information. These statements are forward-looking statements. These forward-looking statements rely on a number of assumptions and are subject to a number of risks and uncertainties, many of which are outside the control of Datalogic S.p.A., that could cause actual results to differ materially from those expressed in or implied by such statements, such as future market conditions, currency fluctuations, the behavior of other market participants and the actions of governmental and state regulators

© 2016 Datalogic S.p.A. - All rights reserved. · Protected to the fullest extent under U.S. and international laws. · Copying, or altering of this document is prohibited without express written consent from Datalogic S.p.A. 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. All other brand and product names may be trademarks of their respective owners.



Datalogic S.p.A.
Via Candini, 2
40012 Lippo di Calderara di Reno
Bologna - Italy
Tel. +39 051 3147011
Fax +39 051 3147205
E-mail corporate@datalogic.com