



Quarterly Financial Report

at 30th September 2017



DATALOGIC GROUP

Quarterly Financial Report at 30th September 2017

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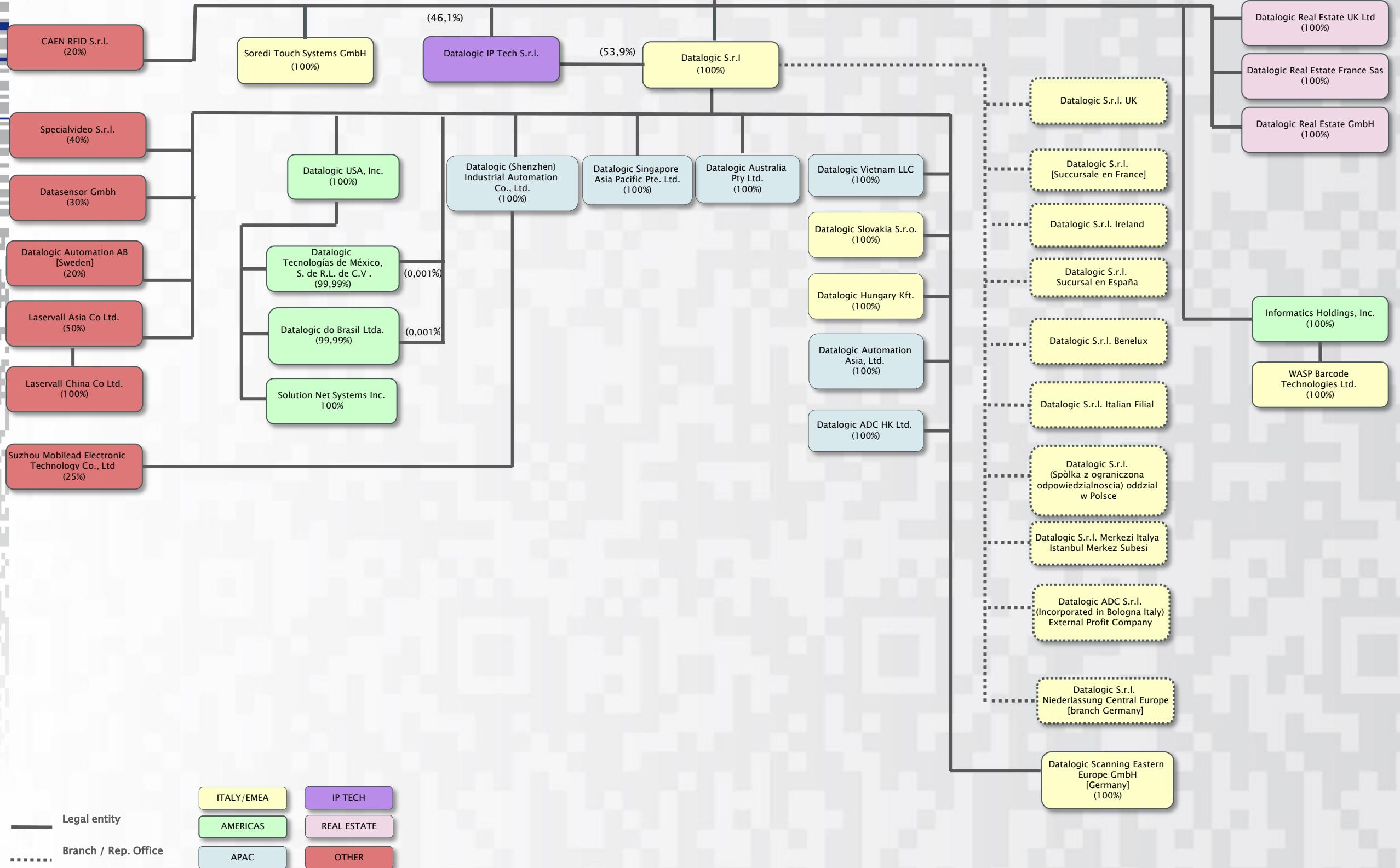
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ANNEX

1. 2016 Restated consolidated statement of income

2. Declaration pursuant to Art. 154-bis, pars. 2, Legislative Decree 58/1998

DATALOGIC S.p.A.



— Legal entity
 Branch / Rep. Office

ITALY/EMEA	IP TECH
AMERICAS	REAL ESTATE
APAC	OTHER

COMPOSITION OF CORPORATE BODIES

Board of Directors (1)

Volta Romano

Chairman (2)

Volta Valentina

Director & Chief Executive Officer (2)

Aversa Carlo Achille

Director

Caruso Pier Paolo

Director

Di Stefano Luigi

Independent Director

Mazzalveri Gaia

Independent Director

Todescato Pietro

Director

Volta Filippo Maria

Director

Statutory Auditors (3)

Fiorenza Salvatore Marco Andrea

Chairman

Santagostino Roberto

Statutory Auditor

Lancellotti Elena

Statutory Auditor

Prandi Paolo

Alternate Statutory Auditor

Fuzzi Mario

Alternate Statutory Auditor

Magnani Sonia

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 2018.

MANAGEMENT REPORT

INTRODUCTION

This Interim Report on Operations as at 30 September 2017 was drawn up pursuant to Art. 154 of T.U.F. [Consolidated Law on Finance] and was prepared in compliance with the international accounting standards (IAS/IFRS) endorsed by the European Union.

GROUP PROFILE

The Datalogic Group is the world leader in the manufacture of fixed bar code readers, mobile computers, RFID-Radiofrequency Identification technology, detection, measurement and security sensors, vision and laser marking systems. Solutions offered by Datalogic increase efficiency and quality of processes, along the entire value chain, in the Retail, Transportation & Logistics, Manufacturing and Healthcare sectors.

HIGHLIGHTS OF THE PERIOD

The following table summarises the Datalogic Group's key operating and financial results as at 30 September 2017 in comparison with the same period a year earlier (figures in Euro thousands):

	nine months ended			
	30.09.2017	30.09.2016	change	% change
Total revenues	450,711	421,753	28,958	6.9%
EBITDA (*)	77,905	66,639	11,266	16.9%
<i>% of total revenues</i>	<i>17.3%</i>	<i>15.8%</i>		
Operating result (EBIT)	62,466	52,750	9,716	18.4%
<i>% of total revenues</i>	<i>13.9%</i>	<i>12.5%</i>		
Group net profit/loss	45,071	40,882	4,189	10.2%
<i>% of total revenues</i>	<i>10.0%</i>	<i>9.7%</i>		
Net financial position (NFP)	(15,176)	(37,577)	22,401	-59.6%

The results of the nine months highlight a strong growth in all the economic indicators, thus confirming the positive trend reported over the first half. Thanks to higher revenues from sales and improved efficiency on operating costs, EBITDA increased by 16.9% to around €77.9 million, EBIT increased by over 18.4%, to €62.5 million and net profit by 10.2%, to €45.1 million.

The Net Financial Position, negative by €15.2 million, highlighted an improvement of €22.4 million compared to 30 September 2016.

ALTERNATIVE PERFORMANCE INDICATORS

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

The alternative performance indicators must be considered as supplementary and do not supersede information given pursuant to IFRS standards. The main alternative performance measures are described hereunder. The measures described relate to overall results achieved:

- **EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation):** this indicator is defined as Profit/Loss for the period before depreciation and amortisation of tangible and intangible assets, non-recurring costs/revenues, financial income and expenses and income taxes;
- **EBITANR (Earnings Before Interests, Taxes, Acquisition and Not Recurring) or Ordinary operating result:** this indicator is calculated as operating result before the impact of non-recurring costs/revenues and amortisation/depreciation related to acquisitions;
- **EBIT (Earnings Before Interests and Taxes) or Operating result:** operating result, as inferable from the Income Statement;
- **Net working capital in the trading segment:** this indicator is calculated as the sum of Inventories and Trade Receivables, less Trade Payables;
- **Net working capital:** this indicator is calculated as the sum of Net working capital in the trading segment and Other Assets, as well as of Current Liabilities, including short-term Provisions for risks and charges;
- **Net invested capital:** this indicator is the total of current and non-current Assets, excluding financial assets, less current and non-current Liabilities, excluding financial liabilities;
- **Net financial debt/(net financial position):** this indicator is calculated based on provisions set out by Consob Communication no. 15519 of 28 July 2006, also including other non-current Financial Assets represented by temporary liquidity investments.

ANALYSIS OF RECLASSIFIED INCOME STATEMENT DATA

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

(in €/000)	nine months ended				change	% change
	30.09.2017		30.09.2016			
Total revenues	450,711	100.0%	421,753	100.0%	28,958	6.9%
Cost of goods sold	(238,201)	-52.9%	(227,381)	-53.9%	(10,820)	4.8%
Gross profit	212,510	47.1%	194,372	46.1%	18,138	9.3%
Other revenues	2,005	0.4%	2,321	0.6%	(316)	-13.6%
Research and development expenses	(39,889)	-8.9%	(36,636)	-8.7%	(3,253)	8.9%
Distribution expenses	(73,225)	-16.2%	(72,259)	-17.1%	(966)	1.3%
General and administrative expenses	(32,966)	-7.3%	(30,394)	-7.2%	(2,572)	8.5%
Other operating costs	(1,450)	-0.3%	(1,147)	-0.3%	(303)	26.4%
Total Operating costs and other costs	(147,530)	-32.7%	(140,436)	-33.3%	(7,094)	5.1%
Ordinary operating result before non-recurring costs and revenues and administrative costs arising from acquisitions (EBITANR) (*)	66,985	14.9%	56,257	13.3%	10,728	19.1%
Non-recurring costs and revenues	(858)	-0.2%	149	0.0%	(1,007)	n.a.
Depreciation & amortisation due to acquisitions	(3,661)	-0.8%	(3,656)	-0.9%	(5)	0.1%
Operating result (EBIT)	62,466	13.9%	52,750	12.5%	9,716	18.4%
Net financial income (expenses)	(3,441)	-0.8%	(2,603)	-0.6%	(838)	32.2%
Profits/(losses) from associates	(1)	0.0%	(466)	-0.1%	465	-99.8%
Foreign exchange gains/(losses)	(2,259)	-0.5%	(548)	-0.1%	(1,711)	312.2%
Pre-tax profit/(loss)	56,765	12.6%	49,133	11.6%	7,632	15.5%
Taxes	(11,694)	-2.6%	(8,251)	-2.0%	(3,443)	41.7%
GROUP NET PROFIT/(LOSS)	45,071	10.0%	40,882	9.7%	4,189	10.2%
Depreciation and write-downs of tangible assets	(7,649)	-1.7%	(6,629)	-1.6%	(1,020)	15.4%
Amortisation and write-downs of intangible assets	(3,271)	-0.7%	(3,753)	-0.9%	482	-12.8%
EBITDA	77,905	17.3%	66,639	15.8%	11,266	16.9%

It should be noted that, since 2017, some costs have been reclassified under various items. Comparative data as at 30 September 2016 have therefore been disclosed accordingly. For details please refer to the Annex 1 to the Interim report on operations.

The Group results as at 30 September 2017 included data related to the third quarter of the company Soredi Touch Systems GmbH acquired on 6 July 2017, as better described in the Explanatory Notes in section Change in the scope of consolidation and Business combination.

Consolidated net revenues amounted to €450,711 thousand, an increase of 6.9% compared to €421,753 thousand as at 30 September 2016 (+6.8% at constant Euro/Dollar change), despite a negative trend of Euro/Dollar exchange in the third quarter, which fully compensated the benefits recorded in the first half of the year. On a consolidation like-for-like basis, consolidated net revenues related to the first nine months of the year stood at €448,775 thousand, up 6.4% compared to the same period of the previous year (up 6.3% at constant Euro/Dollar exchange rate).

The following table shows the breakdown by **geographical area** of Group revenues achieved in the first nine months of 2017 compared with the same period of 2016:

	nine months ended				Change	
	30.09.2017	%	30.09.2016	%		%
<i>Italy</i>	41.589	9,2%	39.926	9,5%	1.663	4,2%
<i>EMEA (except Italy)</i>	196.137	43,5%	181.509	43,0%	14.628	8,1%
Total EMEA (*)	237,726	52.7%	221,435	52.5%	16,291	7.4%
North America	133,772	29.7%	131,754	31.2%	2,018	1.5%
Latin America	20,106	4.5%	20,517	4.9%	(411)	(2.0%)
Asia & Pacific (including China)	59,107	13.1%	48,047	11.4%	11,060	23.0%
Total revenues	450,711	100.0%	421,753	100.0%	28,958	6.9%

(*) EMEA: Europe, Middle East and Africa.

Since 2017, data related to geographical areas will be disclosed to reflect the actual involvement of each area within the new commercial organisation of the Group. Comparative data as at 30 September 2016 will be disclosed accordingly.

In the first nine months of 2017, a consolidation in EMEA was reported, with 7.4% growth (€237.7 million), as well as a significant growth in APAC, driven by China. North America performed moderately well, with 1.5% growth, above all thanks to the performance of Solution Net Systems in the third quarter and the T&L sector. Latin America continued to improve, with a double-digit growth (+16.1%) in the third quarter, albeit over the nine months, this result was still affected by the negative performance reported in the first quarter of the year.

The booking over the nine-month period, achieved €464.8 million, up by 9.2% compared to the same period of 2016.

The impact of new products on sales for the period amounted to 12.9% (25.6% in the same period of 2016), as the benefits of the sale of new products announced at the end of the quarter had not been included yet.

Gross profit, equal to €212,510 thousand, increased by 9.3% against €194,372 thousand reported in the same period of the previous year (+9.5% at constant Euro/Dollar exchange rate), while its impact on revenues increased by one percentage point, from 46.1% in the first nine months of 2016 to 47.1% in the first nine months of 2017 (47.3% in the analysis at constant Euro/Dollar exchange rate), due mainly to sales volumes, the improvement of sales mix and efficiencies of the main components of cost of goods sold.

Operating costs, amounting to €147,530 thousand, increased by 5.1% (+4.9% at constant Euro/Dollar exchange rate), compared to €140,436 thousand of the same period in 2016, albeit improving in their impact on turnover, from 33.3% to 32.7%. This trend reflects an increase in costs for Research and Development by 8.9%, achieving €39,889 thousand, with 8.9% impact on revenues over 8.7% reported in the first nine months of 2016.

EBITDA reported a significant growth of 16.9%, from €66,639 thousand of the previous year to €77,905 thousand (+17.7% at constant Euro/Dollar exchange rate), while the impact on revenues (EBITDA margin) rose to 17.3% (17.4% at constant Euro/Dollar exchange rate), compared to 15.8%, thanks to improved gross profit, a reduction in general and administrative expenses and a different seasonal effect of distribution expenses.

The **Operating Result (EBIT)** increased by 18.4%, from €52,750 thousand in the previous year to €62,466 thousand (+19.5% at constant Euro/Dollar exchange rate).

Group net profit amounted to €45,071 thousand, 10.2% (+11.7% at constant Euro/Dollar exchange rate) higher than the profit obtained in the same period of the previous year, equal to €40,882 thousand.

PROFIT/(LOSS) OF THE THIRD QUARTER

The following table compares the main operating results achieved in the third quarter of 2017 with the same period of 2016.

	3Q 2017	%	3Q 2016	%	change	%
Total revenues	151,403	100.0%	139,911	100.0%	11,492	8.2%
EBITDA	26,080	17.2%	21,682	15.5%	4,398	20.3%
Operating result (EBIT)	21,277	14.1%	17,437	12.5%	3,840	22.0%
Group net profit/loss	15,774	10.4%	14,706	10.5%	1,068	7.3%

In the third quarter of 2017, total revenues amounted to €151.4 million, an increase of 8.2% compared to the third quarter of 2016 (+10.7% at constant Euro/Dollar exchange rate). On a consolidation like-for-like basis, consolidated net revenues would stand at €149.5 million in the third quarter, up 6.8% compared to the same period of the previous year (+9.3% at constant Euro/Dollar exchange rate).

The following table shows the breakdown by **geographical area** of Group revenues achieved in the third quarter of 2017 compared with the same period of 2016:

	Change					
	3Q 2017	%	3Q 2016	%		%
<i>Italy</i>	13,906	9,2%	12,955	9,3%	951	7,3%
<i>EMEA (except Italy)</i>	65,164	43,0%	60,302	43,1%	4,862	8,1%
Total EMEA (*)	79,070	52,2%	73,257	52,4%	5,813	7,9%
North America	43,354	28,6%	44,587	31,9%	(1,233)	(2,8%)
Latin America	8,152	5,4%	7,020	5,0%	1,132	16,1%
Asia & Pacific (including China)	20,827	13,8%	15,047	10,8%	5,780	38,4%
Total revenues	151,403	100.0%	139,911	100.0%	11,492	8.2%

(*) EMEA: Europe, Middle East and Africa.

Revenues recorded in the third quarter continued to highlight a positive trend despite the typical seasonality effect of the period, the negative performance of the Euro/Dollar exchange and the postponement of some important launches of new products to the fourth quarter. The recorded growth is mainly related to Manufacturing and T&L sectors, thanks to significant orders made by some important customers and China's excellent performance. Revenues grew in EMEA, which benefited also of our recent acquisition of Soredi Touch System, in Asia & Pacific driven by China and also in Latin America. The positive feedback from customers on the new products launched over the quarter, including the new Android terminal with Joya Touch A6 wireless charging, the new Magellan bench scanners and the new Quickscan Lite manual reader, intended for the Retail sector, as well as the new Powerscan 9100 industrial reader, equipped with the innovative "scan engine", developed in house, suggests a positive performance in the last quarter of the year as well.

The booking of the quarter amounted to €142 million, up 2.9% compared to the third quarter of 2016, as it was still not benefiting from the sale of the new products announced at the end of the quarter.

The impact on turnover of new products in the third quarter of 2017 amounted to 8.4% (20.4% in the same period of 2016).

EBITDA amounted to €26,080 thousand, an increase of 20.3% (+19.1% at constant Euro/Dollar exchange rate), compared to the third quarter of 2016, with an impact on revenues from 15.5%, recorded in the third quarter of 2016, to 17.2%, recorded in the third quarter of 2017 (16.7% at constant Euro/Dollar exchange rate), primarily thanks to improved Gross profit.

COMMENTS ON FINANCIAL RESULTS OF DIVISIONS

The operating sectors, as periodically remeasured by the top management, are defined in the following divisions:

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

Revenues in the nine months and in the third quarter and EBITDA related to nine months are broken down hereunder by Divisions.

REVENUES IN THE 9 MONTHS

	nine months ended				Change	
	30.09.2017	%	30.09.2016 (*)	%		%
Datalogic	417,745	92.7%	390,962	92.7%	26,783	6.9%
Solution Net Systems (*)	19,307	4.3%	13,781	3.3%	5,526	40.1%
Informatics	16,366	3.6%	18,559	4.4%	(2,193)	(11.8%)
Adjustments	(2,707)	(0.6%)	(1,549)	(0.4%)	(1,158)	74.8%
Total revenues	450,711	100.0%	421,753	100.0%	28,958	6.9%

(*) Data for 2016 have been restated on the basis of the new operational structure

REVENUES IN THIRD QUARTER

	Third Quarter				Change	
	2017	%	2016 (*)	%		%
Datalogic	138,567	91.5%	130,787	93.5%	7,780	5.9%
Solution Net Systems (*)	8,732	5.8%	3,829	2.7%	4,903	128.1%
Informatics	5,127	3.4%	5,807	4.2%	(680)	(11.7%)
Adjustments	(1,023)	(0.7%)	(512)	(0.4%)	(511)	99.8%
Total revenues in third quarter	151,403	100.0%	139,911	100.0%	11,493	8.2%

(*) Data for 2016 have been restated on the basis of the new operational structure

EBITDA IN THE 9 MONTHS

	nine months ended				Change	
	30.09.2017	%	30.09.2016 (*)	%		%
Datalogic	75,159	18.0%	68,893	17.6%	6,266	9.1%
Solution Net Systems (*)	2,840	14.7%	(1,247)	(9.0%)	4,087	n.a.
Informatics	(115)	(0.7%)	(938)	(5.1%)	823	n.a.
Adjustments	21	(0.8%)	(69)	4.5%	90	n.a.
Total EBITDA	77,905	17.3%	66,639	15.8%	11,266	16.9%

(*) Data for 2016 have been restated on the basis of the new operational structure

In the third quarter of the year, the **Datalogic Division** recorded a turnover of €138.6 million, up 5.9% (+8.1% at constant Euro/Dollar exchange rate) compared to the third quarter of 2016, with a very positive trend in EMEA and in APAC, especially in China, where a growth of over 80% was recorded, and benefited from the contribution of Soredi Touch Systems, equal to around €2 million. In North America, the T&L Division reported a double-digit growth, while the Retail sector was affected by the postponement in the launching of new products and some important projects.

In the first nine months of 2017, this Division reported a turnover of €417.7 million, up 6.9% (+6.7% at constant Euro/Dollar exchange rate), compared to the same period of 2016. EBITDA related to the Division amounted to €75.2 million, up 9.1%, with an impact on sales of 18%.

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

	nine months ended				Change	
	30.09.2017	%	30.09.2016	%		%
Retail	204,790	49.0%	207,413	53.1%	(2,623)	-1.3%
Manufacturing	110,409	26.4%	100,190	25.6%	10,219	10.2%
Transportation & Logistics	43,876	10.5%	40,168	10.3%	3,708	9.2%
Healthcare	20,789	5.0%	14,584	3.7%	6,205	42.5%
Channel (unallocated) (*)	37,881	9.1%	28,606	7.3%	9,275	32.4%
Total revenues	417,745	100.0%	390,961	100.0%	26,784	6.9%

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

The **Retail** sector reported a slight decrease (-1.3%) compared to last year, mainly due to a slowdown in sales in North America, due to the postponement of some projects with key customers. EMEA and China confirmed the growth trend.

An expansion is confirmed in the **Manufacturing** sector, with 10.2% growth compared to the first nine months of last year. The increase was driven by China, where sales grew by about 70% compared to the previous year.

After a non-positive performance for the first months of the year, the **Transportation & Logistics** sector recorded a double-digit growth in the following quarters, mainly driven by North America and China. In the nine months of the year, growth was equal to 9.2% compared to 2016.

The **Healthcare** sector continues to have the strongest growth in percentage terms, or 42.5% over last year. This is mainly due to North America, where revenue has more than doubled.

Very positive performance should be also highlighted in sales through distribution channel, especially to small and medium-sized customers (SMEs), not directly attributable to any of the four main sectors, and that reported 32.4% growth compared to 2016.

The **Solution Net Systems Division** recorded an excellent performance in the quarter, with a turnover of €8.7 million, more than doubled compared to €3.8 million recorded in the third quarter of 2016 (+128.1%, +138.1% at constant Euro/Dollar exchange rates), thanks to important orders in addition to the order in place made by the Royal Mail.

In the first nine months of 2017, the Division recorded a turnover of €19.3 million, highlighting 40.1% growth compared to the same period of 2016 (+41% at constant Euro/Dollar exchange rate). EBITDA related to the Division amounted to €2.8 million (negative by 1.2 million in the same period of 2016), with an impact on sales of 14.7%.

In the second quarter, the **Informatics Division** recorded a turnover of €5.1 million, down 11.7% (-7.5% at constant Euro/Dollar exchange rate) compared to the third quarter of 2016.

In the first nine months of 2017, this Division reported a turnover of €16.4 million, down 11.8% (-12.2% at constant Euro/Dollar exchange rate), compared to the same period of 2016. EBITDA of the Division is negative by €0.1 million and it is improving compared to the same period of 2016 (negative by €0.9 million).

ANALYSIS OF FINANCIAL AND CAPITAL DATA

The following table shows the main financial and equity items as at 30 September 2017, for the Datalogic Group, compared with 31 December 2016 and 30 September 2016.

	30.09.2017	31.12.2016	30.09.2016
Net intangible assets	43,464	51,997	50,777
Goodwill	176,937	188,934	178,597
Net tangible assets	68,108	72,082	67,488
Unconsolidated equity investments	12,013	6,928	6,088
Other non-current assets	54,892	51,807	51,766
Non-current capital	355,414	371,748	354,716
Net trade receivables from customers	93,141	75,477	72,626
Amounts due to suppliers	(90,846)	(104,585)	(86,714)
Inventories	87,521	82,344	90,399
Net working capital, trading	89,816	53,236	76,311
Other current assets	37,570	34,184	36,147
Other current liabilities and provisions for short term risks	(76,299)	(77,625)	(68,763)
Net working capital	51,087	9,795	43,695
Other M/L term liabilities	(30,387)	(30,836)	(26,055)
Employee severance indemnity	(6,745)	(6,647)	(6,661)
Provisions for risks	(13,674)	(11,169)	(10,469)
Net invested capital	355,695	332,891	355,226
Total Shareholders' Equity	(340,519)	(336,394)	(317,649)
Net financial position	(15,176)	3,503	(37,577)

As at 30 September 2017, the net working capital in the trading segment amounted to €89.8 thousand, (€88.6 million on a like-for-like basis), an increase of €36.6 million compared to 31 December 2016, and of €13.5 million compared to the same period in the previous year.

The increase in this item, compared to 31 December 2016, is primarily attributable to the increase in customer trade receivables. Trade payables and inventories show improvement over the same period of the prior year, while the difference with respect to 31 December 2016 is instead purely due to seasonal effects.

As at 30 September 2017, the net financial debt/(net financial position) is broken down as follows:

	30.09.2017	31.12.2016	30.09.2016
A. Cash and bank deposits	238,716	146,930	76,499
B. Other cash and cash equivalents	12	47	46
<i>b1. restricted cash deposit</i>	12	47	46
C. Securities held for trading	0	0	0
<i>c1. Short-term</i>	0	0	0
<i>c2. Long-term</i>		0	0
D. Cash and equivalents (A) + (B) + (C)	238,728	146,977	76,545
E. Current financial receivables	0	0	0
F. Other current financial receivables	0	0	0
<i>f1. hedging transactions</i>	0	0	0
G. Bank overdrafts	151	212	193
H. Current portion of non-current debt	51,463	30,180	24,196
I. Other current financial payables	2,956	5,878	2,992
<i>i1. hedging transactions</i>	5	37	0
<i>i2. payables for leasing</i>	22	248	269
<i>i3. current financial payables</i>	2,929	5,593	2,723
J. Current financial debt (G) + (H) + (I)	54,570	36,270	27,381
K. Current financial debt, net/(current net financial position) (J) - (D) - (E) - (F)	(184,158)	(110,707)	(49,164)
L. Non-current bank borrowing	229,755	139,321	118,349
M. Other non-current financial assets	31,171	32,117	31,716
N. Other non-current liabilities	750	0	108
<i>n1. hedging transactions</i>		0	56
<i>n2. lease payables</i>	0	0	52
<i>n3. non-current financial payables</i>	750	0	0
O. Non-current financial debt (L) - (M) + (N)	199,334	107,204	86,741
P. Net financial debt/(net financial position) (K) + (O)	15,176	(3,503)	37,577

The Net Financial Position, as at 30 September 2017, was negative by €15.2 million, down by €18.7 million compared to 31 December 2016 (positive by €3.5 million) and up by 22.4 million, compared to 30 September 2016.

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

	30 September 2017		31 December 2016	
	Total equity	Period results	Total equity	Period results
Parent Company shareholders' equity and profit	287,881	21,246	291,677	52,334
Difference between consolidated companies' shareholders' equity and their carrying value in the Parent Company's financial statements; effect of equity-based valuation	114,623	50,728	111,061	51,183
Reversal of dividends		(27,657)		(53,387)
Amortisation of intangible assets "business combination"	(5,827)		(5,827)	
Effect of acquisition under common control	(31,733)		(31,733)	
Elimination of capital gain on sale of business branch	(18,479)	186	(18,665)	
Effect of eliminating intercompany transactions	(13,410)	679	(17,700)	(4,231)
Reversal of write-downs and capital gains on equity investments	5,517		5,517	(604)
Sale of know-how	(7)		(7)	
Goodwill impairment	(1,395)		(1,395)	
Other	(1,226)	(27)	(1,193)	(61)
Deferred taxes	4,575	(84)	4,659	612
Group shareholders' equity	340,519	45,071	336,394	45,846

FINANCIAL INCOME (EXPENSES)

	Nine months ended		
	30.09.2017	30.09.2016	Change
Financial income/(expenses)	(2,208)	(1,296)	(912)
Foreign exchange differences	(2,259)	(548)	(1,711)
Bank expenses	(1,600)	(1,340)	(260)
Other	367	33	334
Total Net financial income (expenses)	(5,700)	(3,151)	(2,549)

The financial management was negative by €5.7 million, compared to the negative result of €3.2 million reported in the same period of the previous year, mainly by effect of the performance of exchange differences (losses amounting to €2.3 million compared to losses equal to €0.5 million in the first nine months of 2016), connected with the effects, on net Group balances, of the depreciation of the US Dollar and the increase in financial expenses due to the higher gross indebtedness.

RELATED-PARTY TRANSACTIONS

Transactions with related parties, as disclosed in the financial statements, and described in detail in the related Notes to the Income Statements items, to which reference is made, cannot be quantified as atypical or unusual, given that they can be included in the normal business of the Group companies, and are governed at arm's length.

As regards the Procedure for Transactions with Related Parties, reference is made to the documents published on the website www.datalogic.com, in the Investor Relations section.

EVENTS OCCURRED IN THE NINE-MONTH PERIOD

On 13 April 2017, Datalogic S.p.A. signed an agreement for a new credit line worth €250 million and maturing in 2023. The loan granted was partly intended for an early redemption, compared to the original maturity, of the existing credit line (€126 million), and partly to support the ordinary activities and development of the Group.

On 4 May 2017, the Extraordinary Shareholders' Meeting approved the amendments, amongst other, to Articles 6 and 9 of the Corporate By-Laws, mainly aimed at introducing the concept of “enhanced voting rights” for long-term shareholders of the Company, pursuant to Art. 127 quinquies of the Legislative Decree 58/1998 (“T.U.F.”), introduced by Art. 20, par. 1 bis, of the Law Decree no. 91/2014, converted into Law no. 116/2014 (“Competitiveness Decree”).

On 6 June 2017, a binding agreement was entered, finalised on 6 July, for the acquisition of 100% share capital of the German company Soredi Touch Systems GmbH, leader in technologies for terminals, especially forklifts terminals. This transaction envisaged a total maximum financial commitment for Datalogic, within 2021, of €10 million, of which €8 million cash and €2 million treasury shares.

OUTLOOK FOR CURRENT YEAR

As already reported in the first two quarters, the third quarter confirmed the growth trend of revenues with respect to the previous year. Consistently with its customer-oriented business model, the Group is planning to continue its investments in R&D and in commercial structures. The positive feedback from customers in relation to new products launched in the quarter, including the new Android terminal with Joya Touch A6 wireless charging, the new Magellan bench scanners and the new Quicksan Lite manual reader, intended for the Retail sector, as well as the new Powerscan 9100 industrial reader, equipped with the innovative “scan engine”, developed in house, suggests a positive performance for the rest of the year as well.

As for the last months of the year, in a substantially stable macroeconomic scenario, the Group expects to confirm the growth trend of revenues recorded in the first nine months of the year, and to continue the streamlining of production processes for the purposes of consolidating the improvement of profitability over the previous year.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS (Euro/000)	Note	30.09.2017	31.12.2016
A) Non-current assets (1+2+3+4+5+6+7)		386.585	403.865
1) Tangible assets		68.108	72.082
land	1	7.763	8.218
buildings	1	29.529	31.014
other assets	1	28.901	30.175
assets in progress and payments on account	1	1.915	2.675
<i>of which from related parties</i>		182	
2) Intangible assets		220.401	240.931
goodwill	2	176.937	188.934
development costs	2	2.906	4.302
other	2	35.499	43.534
assets in progress and payments on account	2	5.059	4.161
3) Equity investments in associates	3	3.629	2.214
4) Financial assets		39.555	35.721
equity investments	5	8.384	4.714
securities	5	0	0
other	5	31.171	31.007
5) Loans	5		1.110
6) Trade and other receivables	7	2.257	2.394
7) Deferred tax assets	13	52.635	49.413
B) Current assets (8+9+10+11+12+13+14)		456.960	338.982
8) Inventories		87.521	82.344
raw and ancillary materials and consumables	8	35.844	29.954
work in progress and semi-finished products	8	28.648	25.883
finished products and goods	8	23.029	26.507
9) Trade and other receivables	7	113.004	91.526
trade receivables	7	93.141	75.477
trade receivables from third parties	7	92.347	74.490
<i>trade receivables from associates</i>	7	794	979
<i>trade receivables from related parties</i>	7	0	8
other receivables - accrued income and prepaid expenses	7	19.863	16.049
<i>of which from related parties</i>		874	75
10) Tax receivables	9	17.707	18.135
<i>of which to the parent company</i>		5.782	8.010
11) Financial assets	5	0	0
12) Loans		0	0
13) Financial assets - Derivative instruments	6	0	0
14) Cash and cash equivalents	10	238.728	146.977
Total assets (A+B)		843.545	742.847

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

LIABILITIES (Euro/000)	Note	30.09.2017	31.12.2016
A) Total shareholders' equity (1+2+3+4+5)	11	340.519	336.394
1) Share capital	11	148.291	146.291
2) Reserves	11	17.314	42.817
3) Profits (losses) of previous years	11	129.843	101.440
4) Group profit (loss) for the period/year	11	45.071	45.846
5) Minority interests	11	0	0
B) Non-current liabilities (6+7+8+9+10+11+12)		281.311	187.973
6) Financial payables	12	230.505	139.321
7) Financial liabilities - Derivative instruments	6		
8) Tax payables	9	43	44
9) Deferred tax liabilities	13	26.684	26.498
10) Post-employment benefits	14	6.745	6.647
11) Provisions for risks and charges	15	13.674	11.169
12) Other liabilities	16	3.660	4.294
C) Current liabilities (13+14+15+16+17)		221.715	218.480
13) Trade and other payables	16	139.632	151.494
trade payables	16	90.846	104.585
trade payables to third parties	16	90.744	104.058
trade payables to parent company	16	0	106
trade payables to associates	16	72	24
trade payables to related parties	16	30	397
other payables - accrued liabilities and deferred income	16	48.786	46.909
14) Tax payables	9	18.619	21.032
of which to the parent company		8.698	15.114
15) Provisions for risks and charges	15	8.894	9.684
16) Financial liabilities - Derivative instruments	6	5	37
17) Financial payables	12	54.565	36.233
Total liabilities (A+B+C)		843.545	742.847

CONSOLIDATED STATEMENT OF INCOME

(Euro/000)	Note	30.09.2017	30.09.2016
1) Total revenues	17	450.711	421.753
<i>of which from related parties and associates</i>		4.258	4.218
2) Cost of goods sold	18	238.517	227.467
<i>of which non-recurring</i>	18	316	86
<i>of which from related parties and associates</i>		657	243
Gross profit (1-2)		212.194	194.286
3) Other operating revenues	19	2.005	2.321
4) R&D expenses	18	40.121	36.715
<i>of which non-recurring</i>	18	153	0
<i>of which amortisation, depreciation and write-downs pertaining to acquisitions</i>		79	79
<i>of which from related parties and associates</i>	18	45	8
5) Distribution expenses	18	73.225	72.423
<i>of which non-recurring</i>	18	0	164
<i>of which from related parties and associates</i>		8	72
6) General and administrative expenses	18	36.937	33.971
<i>of which non-recurring</i>	18	389	0
<i>of which amortisation, depreciation and write-downs pertaining to acquisitions</i>	18	3.582	3.577
<i>of which from related parties and associates</i>		208	1052
7) Other operating expenses	18	1.450	748
<i>of which non-recurring</i>		0	(399)
Total operating costs		151.733	143.857
Operating result		62.466	52.750
8) Financial income	20	23.916	12.769
9) Financial expenses	20	29.616	15.920
Net financial income (expenses) (8-9)		(5.700)	(3.151)
10) Profits from associates	3	(1)	(466)
Profit/(loss) before taxes from the operating assets		56.765	49.133
Income tax	21	11.694	8.251
Profit/(loss) for the period		45.071	40.882
Basic earnings/(loss) per share (€)	22	0,7755	0,7026
Diluted earnings/(loss) per share (€)	22	0,7755	0,7026

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Euro/000)	Note	30.09.2017	30.09.2016
Net profit/(loss) for the period		45.071	40.882
Other components of the statement of comprehensive income:			
<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	(1.011)	49
Profit/(loss) due to translation of the accounts of foreign companies	11	(17.552)	(4.062)
Profit/(loss) on exchange rate adjustments for financial assets available for sale	11	4.215	(587)
Reserve for exchange rate adjustment	11	(11.155)	(1.982)
Total other components of the statement of comprehensive income which will be restated under profit/(loss) for the year		(25.503)	(6.582)
<i>Other components of the statement of comprehensive income which will not be restated under profit/(loss) for the year:</i>			
Actuarial (loss)/gain on defined-benefit plans <i>of which tax effect</i>			
Total other components of the statement of comprehensive income which will not be restated under profit/(loss) for the year		0	0
Total profit/(loss) of Comprehensive Income Statement		(25.503)	(6.582)
Total net profit/(loss) for the period		19.568	34.300
Attributable to:			
Parent company shareholders		19.568	34.300
Minority interests		0	0

CONSOLIDATED STATEMENT OF CASH FLOW

(Euro/000)	Note	30.09.2017	30.09.2016
Pre-tax profit		56.765	49.133
Depreciation of tangible assets and write-downs	1, 2	7.649	6.629
Amortisation of intangible assets and write-downs	1, 2	6.932	7.409
Capital losses from sale of assets	18	76	5
Capital gains from sale of assets	19	(4)	(132)
Change in provisions for risks and charges (*)	15	1.421	(3.811)
Effect of change in provisions for risks and charges		1.197	188
Change in employee benefits reserve	14	98	(153)
Bad debt provisions	18	76	78
Net financial expenses including exchange rate differences	20	4.077	3.039
Net financial income including exchange rate differences	20	(636)	(436)
Foreign exchange differences	20	2.259	548
Adjustments to value of financial assets	3	1	466
Cash flow generated (absorbed) from operations before changes in working capital		79.911	62.963
Change in trade receivables (including provision) (*)	7	(16.920)	(3.939)
Change in final inventories (*)	8	(3.630)	(20.922)
Change in current assets (*)	7	(3.762)	(1.730)
Change in other medium-/long-term assets	7	137	(103)
Change in trade payables (*)	16	(14.475)	(14.997)
Change in other current liabilities (*)	16	1.786	1.628
Other medium/long-term liabilities	16	(634)	383
Commercial foreign exchange differences	20	3.257	(308)
Foreign exchange effect of working capital		(1.708)	378
Cash flow generated (absorbed) from operations after changes in working capital		43.962	23.353
Change in tax		(16.710)	(12.298)
Foreign exchange effect of tax		(3.298)	(528)
Interest paid and banking expenses	20	(3.440)	(2.603)
Cash flow generated (absorbed) from operations (A)		20.514	7.924
Increase in intangible assets excluding exchange rate effect	2	(2.568)	(2.738)
Decrease in intangible assets excluding exchange rate effect	2	212	132
Increase in tangible assets excluding exchange rate effect	1	(6.658)	(6.582)
Decrease in tangible assets excluding exchange rate effect	1	930	130
Change in unconsolidated equity investments	5	0	53
Acquisition of an equity investment		(5.866)	
Cash flow generated (absorbed) from investments (B)		(13.950)	(9.005)
Change in LT/ST financial receivables	5	(129)	563
Change in short-term and medium-/long-term financial debt (*)	12, 6	107.545	(33.523)
Financial foreign exchange differences	20	(5.517)	(240)
Purchase/sale of treasury shares (*)	11	0	(368)
Change in reserves Exchange rate effect of financial assets/liabilities, equity and tangible and intangible assets (*)	11, 1, 2	827	(384)
Dividend payment	11	(17.443)	(14.543)
Cash flow generated (absorbed) by financial activity (C)		85.283	(48.495)
Net increase (decrease) in available cash (A+B+C) (*)	10	91.847	(49.576)
Net cash and cash equivalents at beginning of period (Note 10)	10	146.718	126.121
Net cash and cash equivalents at end of period (Note 10)	10	238.565	76.545

CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY (Note 11)

Description	Share capital and capital reserves		Reserves of Statement of Comprehensive Income					Retained earnings						
	Total share capital and capital reserves	Cash-flow hedge reserve	Translation reserve	Reserve for exchange rate adjustment	Actuarial gains/(losses) reserve	Held-for-sale financial assets reserve	Total Reserves of Statement of Comprehensive Income	Earnings carried forward	Capital contribution reserve	Legal reserve	IAS reserve	Total	Profit for the year	Total Group shareholders' equity
01.01.2016	146.659	(92)	22.168	13.404	(371)	509	35.618	59.878	958	5.917	8.683	75.436	40.547	298.260
Allocation of earnings	0						0	40.386		161		40.547	(40.547)	0
Dividends			0				0	(14.543)				(14.543)		(14.543)
Translation reserve	0						0					0		0
Change in IAS reserve	0						0					0		0
Sale/purchase of treasury shares	(368)						0					0		(368)
Other changes							0					0		0
Profit/(loss) as at 30.09.2016	0						0					0	40.882	40.882
Total other components of the statement of comprehensive income		49	(4.062)	(1.982)		(587)	(6.582)					0		(6.582)
30.09.2016	146.291	(43)	18.106	11.422	(371)	(78)	29.036	85.721	958	6.078	8.683	101.440	40.882	317.649

Description	Share capital and capital reserves		Reserves of Statement of Comprehensive Income					Retained earnings						
	Total share capital and capital reserves	Cash-flow hedge reserve	Translation reserve	Reserve for exchange rate adjustment	Actuarial gains/(losses) reserve	Held-for-sale financial assets reserve	Total Reserves of Statement of Comprehensive Income	Earnings carried forward	Capital contribution reserve	Legal reserve	IAS reserve	Total	Profit for the year	Total Group shareholders' equity
01.01.2017	146.291	(28)	25.436	17.290	(371)	490	42.817	85.721	958	6.078	8.683	101.440	45.846	336.394
Allocation of earnings	0						0	45.846				45.846	(45.846)	0
Dividends							0	(17.443)				(17.443)		(17.443)
Translation reserve	0						0					0		0
Change in IAS reserve	0						0					0		0
Sale/purchase of treasury shares	2.000						0					0		2.000
Other changes							0	65		(65)		0		0
Profit/(loss) as at 30.09.2017	0						0					0	45.071	45.071
Total other components of the statement of comprehensive income		(1.011)	(17.552)	(11.155)		4.215	(25.503)					0		(25.503)
30.09.2017	148.291	(1.039)	7.884	6.135	(371)	4.705	17.314	114.189	958	6.078	8.618	129.843	45.071	340.519

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

GENERAL INFORMATION

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

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

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

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

This Interim report on operations as at 30 September 2017 includes the figures of the Parent Company and its subsidiaries (defined hereinafter as the “Group”), as well as its minority interests in associates.

The publication of the Interim report on operations ended 30 September 2017 of the Datalogic Group was authorised by resolution of the Board of Directors dated 13 November 2017.

PRESENTATION AND CONTENT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Interim report on operations as at 30 September 2017 was prepared pursuant to Art. 154 ter of 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. This Report must therefore be read together with the Consolidated Financial Statements and the Notes as at 31 December 2016, which have been prepared in accordance with the IFRS endorsed by the European Union, approved at the Shareholders’ Meeting held on 4 May 2017 and available in the section Investor Relations www.datalogic.com.

GROUP STRUCTURE

The consolidated financial statements include interim reports of the Parent Company and the companies that are directly and/or indirectly controlled by the Parent Company or on which the latter has a significant influence.

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

The companies included in the scope of consolidation as at 30 September 2017, as disclosed hereunder, were all consolidated on a line-by-line basis.

Company	Registered office	Share capital	Total shareholders' equity (€/000)	Profit/loss for the period (€/000)	% Ownership
Datalogic S.p.A.	Bologna – Italy	Euro 30,392,175	287,881	21,246	
Datalogic Real Estate France Sas	Paris – France	Euro 2,227,500	3,521	17	100%
Datalogic Real Estate Germany GmbH	Erkenbrechtsweiler-Germany	Euro 1,025,000	1,393	(2)	100%
Datalogic Real Estate UK Ltd	Redbourn - England	GBP 3,500,000	4,395	96	100%
Datalogic IP Tech S.r.l.	Bologna – Italy	Euro 65,677	10,632	8,231	100%
Informatics Holdings Inc.	Plano Texas - Usa	\$USA 9,996,000	14,402	(345)	100%
Wasp Barcode Technologies Ltd	Redbourn - England	GBP -	150	51	100%
Datalogic Automation Asia Ltd.	Hong-Kong - China	HKD 7,000,000	(232)	183	100%
Datalogic (Shenzhen) Industrial Automation Co. Ltd.	Shenzhen - China	CNY 2,136,696	3,000	1,792	100%
Datalogic Hungary Kft	Fonyod-Hungary	HUF 3,000,000	2,600	702	100%
Solution Net Systems, Inc.	Quakertown, PA - USA	USD	6,959	1,662	100%
Datalogic S.r.l.	Bologna – Italy	Euro 10,000	154,272	14,679	100%
Datalogic ADC HK Ltd.	Hong-Kong - China	HKD 100,000	84	(13)	100%
Datalogic Slovakia S.r.o.	Trnava-Slovakia	Euro 66,388	7,616	7,543	100%
Datalogic USA Inc.	Eugene OR-Usa	\$USA 100	74,887	4,505	100%
Datalogic do Brazil Ltda.	Sao Paulo - Brazil	R\$ 159,525	(3,133)	(1,361)	100%
Datalogic Tecnologias de Mexico S.de r.l.de c.v.	Colonia Cuauhtemoc-Mexico	\$USA -	36	14	100%
Datalogic Scanning Eastern Europe GmbH	Darmstadt-Germany	Euro 25,000	4,612	46	100%
Datalogic Australia Pty Ltd	Mount Waverley (Melbourne)-Australia	\$AUD 3,188,120	596	270	100%
Datalogic Vietnam LLC	Vietnam	USD 3,000,000	74,889	17,033	100%
Datalogic Singapore Asia Pacific Pte Ltd.	Singapore	SGD 100,000	1,812	583	100%
SORED I Touch Systems GmbH	Olching (Munich)-Germany	Euro 25,000	1,699	76	100%

The following companies were consolidated at equity as at 30 September 2017:

Company	Registered office		Share capital	Total shareholders' equity (€/000)	Profit/loss for the period (€/000)	% Ownership
Laservall Asia Co. Ltd	Hong-Kong - China	HKD	2,860,000	3,174	(2)	50%
Suzhou Mobilead Electronic Technology Co, Ltd (*)	China	CNY	13,262,410	n.a.	n.a.	25%
CAEN RFID S.r.l. (*)	Viareggio LU - Italy	Euro	150,000	n.a.	n.a.	20%

(*) Financial position not available as at 30 September 2017

The following companies were consolidated at cost as at 30 September 2017:

Company	Registered office		Share capital	Total shareholders' equity (€/000)	Profit/loss for the period (€/000)	% Ownership
Datasensor GmbH	Otterfing – Germany	Euro	150,000	0	(3)	30%
Datalogic Automation AB	Malmö, Sweden	KRS	100,000	486	155	20%
Specialvideo S.r.l.	Imola - Italy	Euro	10,000	380	152	40%

Data are as at 31 December 2016

Change in scope of consolidation

It is noted that on 6 July 2017, Datalogic S.p.A. finalized the closing for the acquisition of 100% share capital of the German company Soredi Touch Systems GmbH, leader in technologies for terminals, especially forklifts terminals, with registered office in Olching (Munich). As at 30 September 2017, this company was consolidated on a line-by-line basis and the net result considered was related to the 1 July 2017 - 30 September 2016 period (amounting to €76 thousand).

BUSINESS COMBINATION

Financing the acquisition

The maximum total investment of Datalogic for the acquisition of Soredi Touch Systems GmbH, amounted to €10 million including the acquired net financial position and the best estimate of earn-outs depending on the achievement of sales and profitability targets to be paid over the next few years. For this transaction, Datalogic wholly acquired the company SOREDI Touch Systems GmbH, as well as the "SOREDI" trademark, recognised under item Intangible assets for €0.4 million.

At closing, Datalogic S.p.A. paid €6 million cash and €2 million treasury shares (equal to 85,215 shares). Datalogic will make the residual payment, equal to €2 million, within 2021.

Accounting effects of the acquisition

Since the acquisition is a business combination, the Group has recognised it using the purchase method, pursuant to the revised IFRS 3.

The acquisition took place for a total consideration of €10 million, with ancillary costs, although directly attributable to the combination, not considered as part of the acquisition cost but fully recognised in the income statement, pursuant to the revised IFRS 3.

The preliminary goodwill emerging from this transaction amounted to €7.9 million. It is worth noting that the initial recognition of the business combination, recorded in the third quarter, was temporarily determined as the fair value of assets, liabilities or potential liabilities was still being measured. Moreover, the cost of business combinations was determined in a non-final way. As envisaged by IFRS 3, any possible adjustments shall be recognised within 12 months from the acquisition date.

INFORMATION ON THE STATEMENT OF FINANCIAL POSITION

ASSETS

Note 1. Tangible assets

Details of movements as at 30 September 2017 and 31 December 2016 are as follows:

	30.09.2017	31.12.2016	Change
Land	7,763	8,218	(455)
Buildings	29,529	31,014	(1,485)
Other assets	28,901	30,175	(1,274)
Assets in progress and payments on account	1,915	2,675	(760)
Total	68,108	72,082	(3,974)

The decrease in the items “Land” and “Buildings” relates mainly to the sale of the building belonging to Datalogic Real Estate Germany GmbH (€127 thousand and €734 thousand), which generated a loss of €43 thousand recognised in the income statement in the item “Other operating expenses”.

The “Other assets” item as at 30 September 2017 mainly includes the following categories: Industrial equipment and moulds (€9,659 thousand), Plant and machinery (€8,636 thousand), Office furniture and machines (€7,056 thousand), Maintenance on third-party assets (€1,143 thousand), General plants related to buildings (€1,860 thousand), Motor vehicles (€100 thousand) and Commercial equipment and demo room (€363 thousand).

The contribution to “Other assets”, resulting from the first consolidation of the company Soredi Touch Systems GmbH, amounted to €163 thousand under item “Industrial equipment and moulds” and €25 thousand under item “Motor vehicles”.

The increase in this item (€6,276 thousand, including €332 thousand for the acquisition of Soredi Touch Systems GmbH) is mainly due to:

- investments related to purchases of office furniture and machines (€2,361 thousand),
- investments for the building of plants and machinery (€1,504 thousand),
- investments for the building of industrial equipment and moulds (€1,652 thousand).

The decrease in the item “Other assets” relates mainly to the depreciation expense for the period (€7,227 thousand), the impairment of improvements to third-party assets and equipment no longer used and the scrapping of assets that are entirely depreciated and no longer used.

The balance of “Assets in progress and payments on account”, equal to €1,915 thousand, consists of €448 thousand for investments related to the enlargement of the plant in Hungary and, for the remaining portion, to down payments for equipment, instruments and moulds for normal production activities.

Note 2. Intangible assets

Details of movements as at 30 September 2017 and 31 December 2016 are as follows:

	30.09.2017	31.12.2016	Change
Goodwill	176,937	188,934	(11,997)
Development costs	2,906	4,302	(1,396)
Other	35,499	43,534	(8,035)
Assets in progress and payments on account	5,059	4,161	898
Total	220,401	240,931	(20,530)

“Goodwill”, totalling €176,937 thousand, consisted of the following items:

	30.09.2017	31.12.2016	Change
CGU Datalogic	163,977	174,750	(10,773)
CGU Informatics	12,960	14,184	(1,224)
Total	176,937	188,934	(11,997)

The change in “Goodwill” by comparison with 31 December 2016 is attributable to:

- negative change, equal to €19,942 thousand, and related to translation differences, as most of the goodwill is expressed in US Dollars,
- positive change, equal to €7,945 thousand, for the preliminary allocation to goodwill of the portion of price related to the company Soredi Touch Systems GmbH and not directly attributable to the fair value of assets and liabilities, but to expectations to obtain a positive contribution in terms of cash flow for an indefinite period. The initial recognition of this business combination was temporarily determined pursuant to IFRS 3 that envisages a period of 12 months during which the measured preliminary amounts can be adjusted.

Goodwill has been allocated to the CGUs (Cash Generating Units) corresponding to the individual companies and/or sub-groups to which they pertain. It should be noted that the format of the CGU related to Goodwill was reviewed according to the new organisational structure that the Group adopted as from 1 January 2017. In particular, according to the corporate reorganisation, assets of ADC (Automatic Data Capture) and IA (Industrial Automation) Divisions were transferred to one single business organisation, on which the corporate business plans are based (Datalogic CGU). The redetermination of CGUs led to no reallocation of Goodwill.

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.

“**Development costs**”, which amount to €2,906 thousand, consist of specific development projects capitalised when they meet IAS 38 requirements and in compliance with Group policies, which call for the capitalisation only of projects relating to the development of products featuring significant innovation.

The change in “Development costs” by comparison with 31 December 2016 is attributable to:

- negative change, equal to €1,617 thousand, for amortisation/depreciation for the period,
- negative change, equal to €325 thousand, for translation differences,
- positive change, equal to €546 thousand, for the recognition of a project concluded in September 2017 and previously recorded under assets in progress.

The “**Other**” item, amounting to €35,499 thousand, consists primarily of intangible assets acquired through business combinations carried out by the Group, which are specifically identified and valued in the context of purchase accounting. Details are shown in the following table:

	30.09.2017	31.12.2016	Useful life
Acquisition of the PSC Group (on 30 November 2006)	14,137	17,273	
<i>PATENTS</i>	14,137	17,273	20
Acquisition of Evolution Robotics Retail Inc. (on 1 July 2010)	1,631	2,326	
<i>PATENTS</i>	271	388	10
<i>TRADE SECRETS</i>	1,360	1,938	10
Acquisition of Accu-Sort Inc. (on 20 January 2012)	10,486	13,675	
<i>PATENTS</i>	6,202	8,088	10
<i>TRADE SECRETS</i>	4,284	5,587	10
Licence agreement	3,912	4,796	5-15
Other	5,333	5,464	
TOTAL OTHER INTANGIBLE ASSETS	35,499	43,534	

The “Other” item mainly consists of software licenses and includes the Soredi trademark (€396 thousand, net of amortisation).

The “Assets in progress and payments on account” item, equal to €5,059 thousand, is attributable, in the amount of €4,260 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 €799 thousand, to software implementations that are not yet completed.

Note 3. Equity investments in associates

Equity investments owned by the Group as at 30 September 2017 were as follows:

	31.12.2016	Increases	Decreases	Exchange rate diff.	on transfers	Share of profit	30.09.2017
Associates							
Laservall Asia CO. Ltd	1,588					(1)	1,587
CAEN RFID Srl	550						550
Suzhou Mobilead Electronic Technology Co., Ltd.				(104)	1,520		1,416
Datalogic Automation AB	2						2
Specialvideo Srl	29						29
Datasensor GMBH	45						45
Total associates	2,214	0	0	(104)	1,520	(1)	3,629
TOTAL	2,214	0	0	(104)	1,520	(1)	3,629

The change in the item “associates” is due to the following:

- The profit attributable to the Group achieved by the associated company Laservall Asia Co.
- The acquisition, concluded in the first quarter, of 25% of Suzhou Mobilead Electronic Technology Co., Ltd. This resulted in the transfer to the item in question of the payment made, on 9 November 2016, for the future share capital increase and recorded in “Equity investments in other companies”, and of the amount recorded, on 31 December 2016, in the item “Loans”.

Note 4. Financial instruments by category

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

	Loans and receivables	Financial assets at fair value charged to the income statement	Available for sale	Total
30.09.2017				
Non-current financial assets	2,257	31,171	8,384	41,812
Financial assets - Equity investments (5)			8,384	8,384
Financial assets - Securities				0
Financial assets - Loans				0
Financial assets - Other		31,171		31,171
Other receivables (7)	2,257			2,257
Current financial assets	350,064	0	0	350,064
Trade receivables from third parties (7)	92,347			92,347
Other receivables from third parties (7)	18,989			18,989
Financial assets - Other (5)	0			0
Financial assets - Securities (5)	0			0
Cash and cash equivalents (10)	238,728			238,728
TOTAL	352,321	31,171	8,384	391,876

	Derivatives	Other financial liabilities	Total
30.09.2017			
Non-current financial liabilities	0	234,165	234,165
Financial payables (12)		230,505	230,505
Financial liabilities - Derivative instruments (6)			0
Other payables (16)		3,660	3,660
Current financial liabilities	5	194,095	194,100
Trade payables to third parties (16)		90,744	90,744
Other payables (16)		48,786	48,786
Financial liabilities - Derivative instruments (6)	5		5
Short-term financial payables (12)		54,565	54,565
TOTAL	5	428,260	428,265

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

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

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

Fair value – hierarchy

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

Level 1: market prices,

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

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

30.09.2017	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets - Equity investments (5)	8,307		77	8,384
Financial assets - LT securities (5)	0			0
Financial assets - Other LTs (5)	9,882	21,289		31,171
Financial assets - Other (5)				0
Financial assets - Loans				0
Financial assets - ST Derivative instruments (6)				0
Total Assets measured at fair value	18,189	21,289	77	39,555
Liabilities measured at fair value				
Financial liabilities - LT derivative instruments (6)				0
Financial liabilities - ST derivative instruments (6)		5		5
Total Liabilities measured at fair value	0	5	0	5

As at 30 September 2017, no reclassification occurred in the hierarchy levels of fair value.

Note 5. Available-for-sale financial assets and Loans

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

	30.09.2017	31.12.2016	Change
Other equity investments	8,384	4,714	3,670
Other long-term financial assets	31,171	31,007	164
Total Other long-term financial assets	39,555	35,721	3,834
Long-term loans	0	1,110	(1,110)
Total Financial assets	39,555	36,831	2,724

The "Other LT financial assets" item consists of an investment of corporate liquidity in two insurance policies subscribed in May and July 2014, and a mutual investment fund subscribed in August 2015.

As at 30 September 2017, equity investments held by the Group in other companies were as follows:

	31.12.2016	Increases	Decreases	Adj. to fair value	Adjustment on exchange rates	Reclassifications	30.09.2017
Listed equity investments	4,227			4,714	(634)		8,307
Unlisted equity investments	487					(410)	77
Total Shareholdings	4,714	0	0	4,714	(634)	(410)	8,384

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

The change in the item “Unlisted equity investments” reflects the reclassification to “Equity investments in associates” of the payment made, on 9 November 2016, for the future increase in share capital of the company Suzhou Mobilead Electronic Technology Co., Ltd following the acquisition of the shares of the company.

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

Note 6. Financial derivatives

	30.09.2017		31.12.2016	
	Assets	Liabilities	Assets	Liabilities
Financial instruments measured at fair value and recognised in the statement of comprehensive income				
Interest rate derivatives - LT cash flow hedges	0	0	0	0
Interest rate derivatives - ST cash flow hedges	0	5	0	37
Total	0	5	0	37

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 €5 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 2017, the notional principal of interest swaps totalled €1,500 thousand (€3,000 thousand as at 31 December 2016).

Currency derivatives

As at 30 September 2017, the Group had no active forward contracts for exchange rate risk.

As regards Financial risk management, reference is made to the annual financial report as at 31 December 2016.

Note 7. Trade and other receivablesTrade and other receivables

	30.09.2017	31.12.2016	Change
Third-party trade receivables	93,665	75,914	17,751
Less provision for doubtful receivables	1,318	1,424	(106)
Net third-party trade receivables	92,347	74,490	17,857
Receivables from associates	794	979	(185)
Datasensor GMBH	76	54	22
Specialvideo		2	(2)
Datalogic Automation AB	718	923	(205)
Related-party receivables	0	8	(8)
Total Trade receivables	93,141	75,477	17,664
Other receivables - current accrued income and prepaid expenses	19,863	16,049	3,814
Other receivables - non-current accrued income and prepaid expenses	2,257	2,394	(137)
Total Other receivables - accrued income and prepaid expenses	22,120	18,443	3,677
Less non-current portion	2,257	2,394	(137)
Trade and other receivables - current portion	113,004	91,526	21,478

Trade receivables

“Trade receivables falling due within 12 months”, totalling €93,141 thousand as at 30 September 2017, included €740 thousand resulting from the first consolidation of the company Soredi Touch Systems GmbH.

The increase amounted to €17,664 thousand (+23.4%) compared to 31 December 2016. As at 30 September 2017, factored trade accounts receivables amounted to €22,406 thousand (compared to €29,193 thousand at the end of 2016).

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

Customer trade receivables are posted net of bad debt provisions totalling €1,318 thousand (€1,424 thousand as at 31 December 2016).

Other receivables - accrued income and prepaid expenses

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

	30.09.2017	31.12.2016	Change
Other short-term receivables	2,244	1,778	466
Other long-term receivables	2,257	2,394	(137)
VAT receivables	14,174	11,615	2,559
Accrued income and prepaid expenses	3,445	2,656	789
Total	22,120	18,443	3,677

The change in the “Other short-term receivables” item amounted to €159 thousand and is attributable to the inclusion of the company Soredi Touch Systems GmbH in the scope of consolidation.

The “Accrued income and prepaid expenses” item is mainly composed of prepaid expenses related to insurance and Hardware and Software instalments.

Note 8. Inventories

	30.09.2017	31.12.2016	Change
Raw and ancillary materials and consumables	35,844	29,954	5,890
Work in progress and semi-finished products	28,648	25,883	2,765
Finished products and goods	23,029	26,507	(3,478)
Total	87,521	82,344	5,177

The contribution to “Raw and ancillary materials and consumables”, resulting from the first consolidation of the company Soredi Touch Systems GmbH, amounted to €1,352 thousand, while the contribution to “Finished products and goods” amounted to €199 thousand.

Note 9. Tax payables and receivables

As at 30 September 2017, “Tax receivables” amounted to €17,707 thousand, down by €428 thousand (€18,135 thousand as at 31 December 2016). The receivables for IRES tax from the parent company Hydra, equal to €5,782 thousand (€8,010 thousand as at 31 December 2016) are classified under this item. This amount is due under tax consolidation.

As at 30 September 2017, “Tax payables” amounted to €18,619 thousand, down by €2,413 thousand (€21,032 thousand as at 31 December 2016). The amount payable to the parent company Hydra for IRES tax, due under tax consolidation, is classified in this item and amounted to €8,698 thousand (€15,114 thousand as at 31 December 2016).

Note 10. Cash and cash equivalents

Cash and cash equivalents are broken down as follows:

	30.09.2017	31.12.2016	Change
Cash and cash equivalents shown on financial statements	238,728	146,977	91,751
Restricted cash	(12)	(47)	35
Current account overdrafts	(151)	(212)	61
Cash and cash equivalents for statement	238,565	146,718	91,847

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

	30.09.2017	31.12.2016
A. Cash and bank deposits	238,716	146,930
B. Other cash and cash equivalents	12	47
<i>b1. restricted cash deposit</i>	12	47
C. Securities held for trading	0	0
<i>c1. Short-term</i>	0	0
<i>c2. Long-term</i>	0	0
D. Cash and equivalents (A) + (B) + (C)	238,728	146,977
E. Current financial receivables	0	0
F. Other current financial receivables	0	0
<i>f1. hedging transactions</i>	0	0
G. Bank overdrafts	151	212
H. Current portion of non-current debt	51,463	30,180
I. Other current financial payables	2,956	5,878
<i>i1. hedging transactions</i>	5	37
<i>i2. payables for leasing</i>	22	248
<i>i3. current financial payables</i>	2,929	5,593
J. Current financial debt (G) + (H) + (I)	54,570	36,270
K. Current financial debt, net/(current net financial position) (J) - (D) - (E) - (F)	(184,158)	(110,707)
L. Non-current bank borrowing	229,755	139,321
M. Other non-current financial assets	31,171	32,117
N. Other non-current liabilities	750	0
<i>n1. hedging transactions</i>	0	0
<i>n2. lease payables</i>	0	0
<i>n3. non-current financial payables</i>	750	0
O. Non-current financial debt (L) - (M) + (N)	199,334	107,204
P. Net financial debt/(net financial position) (K) + (O)	15,176	(3,503)

Net financial debt as at 30 September 2017 was negative by €15,176 thousand, a decrease of €18,679 thousand compared to 31 December 2016 (positive by €3,503 thousand).

The change, compared to 31 December 2016, was mainly due to the payment of dividends, amounting to €17.4 million, to the acquisition of the company Soredi Touch Systems GmbH, occurred on 6 July 2017, which involved a disbursement of around €8 million and to ordinary investments, net of disinvestments, amounting to €8 million.

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:

	30.09.2017	31.12.2016
Share capital	30,392	30,392
Extraordinary share-cancellation reserve	2,813	2,813
Treasury shares held in portfolio	6,120	4,120
Treasury share reserve	2,026	2,821
Share premium reserve	106,940	106,145
Share capital and capital reserves	148,291	146,291
Cash-flow hedge reserve	(1,039)	(28)
Translation reserve	7,884	25,436
Reserve for exchange rate adjustment	6,135	17,290
Actuarial gains/(losses) reserve	(371)	(371)
Held-for-sale financial assets reserve	4,705	490
Other reserves	17,314	42,817
Retained earnings	129,843	101,440
Earnings carried forward	114,189	85,721
Capital contribution reserve	958	958
Legal reserve	6,078	6,078
IAS reserve	8,618	8,683
Profit for the year	45,071	45,846
Total Group shareholders' equity	340,519	336,394

Share capital

Movements in share capital as at 30 September 2017 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
01.01.2017	58,144,262	30,392	2,813	4,120	2,821	106,145	146,291
Purchase of treasury shares				0	0	0	0
Sale of treasury shares	85,215			795	(795)	795	795
Capital gains/(capital losses) from the sale of treasury shares				1,205			1,205
Costs for the purchase/sale of treasury shares				0		0	0
30.09.2017	58,229,477	30,392	2,813	6,120	2,026	106,940	148,291

Extraordinary share-cancellation reserve

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

When these shares were cancelled, as resolved by the Extraordinary Shareholders' Meeting, an extraordinary share-cancellation reserve was set aside for 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 2017, the total number of ordinary shares was 58,446,491, including 217,014 held as treasury shares, making the number of shares in circulation at that date 58,229,477. The shares have a nominal unit value of €0.52 and are fully paid up.

Treasury shares

The item "Treasury shares", amounting to €6,120 thousand, includes capital gains/(losses) resulting from the sale of treasury shares, net of purchases and related charges (€8,146 thousand). During 2017, the Group sold 85,215 thousand treasury shares, with a value of €2 million for the acquisition of the company SOREDI Touch Systems GmbH, with a capital gain of €1,205 thousand.

Other Reserves

Cash-flow hedge reserve

Pursuant to provisions set forth by IAS 39, the change in fair value of derivative contracts, designated as effective hedging instruments, is recognised in accounts directly with shareholders' equity, in the cash-flow hedge reserve. These contracts were entered to hedge exposure to the risk of interest rate fluctuations on variable-rate loans. The reserve, negative by €1,039 thousand, is disclosed net of the tax effect and includes, in the amount of €1,135 thousand, the fair value of the hedging instruments related to the refinancing transaction as well as, in the amount of €4 thousand, the fair value of the derivative instrument disclosed under derivative financial instruments.

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 profits/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 US dollars granted to some Group companies by the Parent Company Datalogic S.p.A. and Datalogic USA Inc. For these loans no regulation and/or defined reimbursement plan are provided, nor is it deemed probable that they will be reimbursed in the foreseeable future.

Actuarial gains/(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 4 May 2017, the Ordinary Shareholders' Meeting of Datalogic S.p.A. decided to distribute an ordinary dividend of €0.30 per share (€0.25 in 2016). The overall dividends began to be paid starting from 10 May 2017 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 2017		31 December 2016	
	Total equity	Period results	Total equity	Period results
Parent Company shareholders' equity and profit	287,881	21,246	291,677	52,334
Difference between consolidated companies' shareholders' equity and their carrying value in the Parent Company's financial statements; effect of equity-based valuation	114,623	50,728	111,061	51,183
Reversal of dividends		(27,657)		(53,387)
Amortisation of intangible assets "business combination"	(5,827)		(5,827)	
Effect of acquisition under common control	(31,733)		(31,733)	
Elimination of capital gain on sale of business branch	(18,479)	186	(18,665)	
Effect of eliminating intercompany transactions	(13,410)	679	(17,700)	(4,231)
Reversal of write-downs and capital gains on equity investments	5,517		5,517	(604)
Sale of know-how	(7)		(7)	
Goodwill impairment	(1,395)		(1,395)	
Other	(1,226)	(27)	(1,193)	(61)
Deferred taxes	4,575	(84)	4,659	612
Group shareholders' equity	340,519	45,071	336,394	45,846

Note 12. Financial payables

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

	30.09.2017	31.12.2016	Change
Long-term financial payables	230,505	139,321	91,184
Short-term financial payables	54,565	36,233	18,332
Total Financial payables	285,070	175,554	109,516

The breakdown of this item is as detailed below:

	30.09.2017	31.12.2016	Change
Bank loans	281,218	169,501	111,717
Other	2,000	0	2,000
Payables to factoring companies	1,679	5,593	(3,914)
Payables for leasing	22	248	(226)
Bank overdrafts (ordinary current accounts)	151	212	(61)
Total Financial payables	285,070	175,554	109,516

The breakdown of changes in the “Bank loans” item as at 30 September 2017 and 30 September 2016 is shown below:

	2017	2016
1 January	169,501	172,612
Increases	249,182	0
Repayments	(125,771)	(20,000)
Decreases for loan repayments	(11,694)	(10,067)
30 September	281,218	142,545

On 13 April, Datalogic S.p.A. signed an agreement for a new credit line worth €250 million and maturing in 2023. The loan granted to Datalogic was partly intended for an early redemption, compared to the original maturity, of the existing credit line (€126 million), and partly to support the ordinary activities and development of the Group.

The transaction was concluded at a fixed rate, so as to allow Datalogic S.p.A. to take advantage of the favourable interest rates currently available on the market and to lock in the cost of the Datalogic Group funding over the coming years.

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

The “Others” item includes the financial debt related to the acquisition of the company SOREDI Touch Systems GmbH, which will be paid by 2021.

Note 13. Net deferred taxes

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

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

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

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

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

	30.09.2017	31.12.2016	change
Deferred tax assets	52,635	49,413	3,222
Deferred tax liabilities	(26,684)	(26,498)	(186)
Net deferred taxes	25,951	22,915	3,036

The breakdown per company of deferred taxes is shown below:

	30.09.2017	31.12.2016	change
Datalogic S.p.A.	786	(8,151)	8,937
Datalogic RE Germany GmbH	0	(75)	75
Datalogic RE France SaS	52	52	0
Datalogic RE UK Ltd	101	104	(3)
Datalogic IP Tech S.r.l.	1,549	2,832	(1,283)
Datalogic USA Inc.	18,973	23,789	(4,816)
Datalogic S.r.l.	(761)	(19)	(742)
Datalogic Slovakia S.r.o.	3,095	1,373	1,722
Datalogic ADC do Brazil Ltd.	(33)	347	(380)
Datalogic Scanning Eastern Europe GmbH	(433)	(442)	9
Datalogic Vietnam LLC	262	578	(316)
Datalogic Australia Pty Ltd	156	161	(5)
Datalogic ADC HK Ltd.	0	(3)	3
Datalogic ADC Singapore	(7)	(8)	1
Informatics Holdings Inc.	693	579	114
Solution Net Systems, Inc.	190	199	(9)
Total Net long-term deferred taxes	24,623	21,316	3,307
Deferred taxes recognised due to the consolidation entries	1,328	1,599	(271)
Total Net long-term deferred taxes	25,951	22,915	3,036

The change in net deferred tax assets and liabilities is mainly attributable to:

- the Parent Company Datalogic S.p.A., due to the effect on taxes of the exchange rate adjustment on equity balances in foreign currency;
- the subsidiary Datalogic USA Inc., mainly due to translation differences, as they are expressed in US Dollars.

Note 14. Post-employment benefits

The breakdown of changes in the “Post-employment benefits” item as at 30 September 2017 and 30 September 2016 is shown below:

	2017	2016
1 January	6,647	6,814
Amount allocated in the period	1,407	1,322
Uses	(576)	(726)
Other movements	(9)	(157)
Social security receivables for the employee severance indemnity reserve	(724)	(592)
30 September	6,745	6,661

Note 15. Provisions for risks and charges

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

	30.09.2017	31.12.2016	Change
Short-term provisions for risks and charges	8,894	9,684	(790)
Long-term provisions for risks and charges	13,674	11,169	2,505
Total	22,568	20,853	1,715

The contribution to “Short-term provisions for risks and charges”, resulting from the first consolidation of the company Soredi Touch Systems GmbH, amounted to €299 thousand.

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

	31.12.2016	Increases	(Uses) and (Releases)	Acquisition	on transfers	Exchan ge rate diff.	30.09.2017
Product warranty provision	11,486	2,067	(480)	104		(841)	12,336
Provision for management incentive scheme	3,322	2,411				(159)	5,574
“Stock rotation” provision	3,325	66	(350)			(172)	2,869
Other	2,720	1,080	(2,070)	195	(93)	(43)	1,789
Total Provisions for risks and charges	20,853	5,624	(2,900)	299	(93)	(1,215)	22,568

The “**Product warranty provision**” covers the estimated cost of repairing products sold up to 30 September 2017 and covered by periodical warranty. It amounts to €12,336 thousand (of which €7,684 thousand long-term) and is considered sufficient in relation to the specific risk it covers.

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

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

- €354 thousand for transactions in progress with employees;
- €344 thousand, allocated to cover the corporate restructuring expenses of the plant in Donnas, approved by the management and notified to the parties involved;
- €360 thousand for agent termination indemnities.

Note 16. Trade and other payables

This table shows the details of trade and other payables:

	30.09.2017	31.12.2016	Change
Trade payables due within 12 months	90,744	104,058	(13,314)
Third-party trade payables	90,744	104,058	(13,314)
Payables to associates	72	24	48
<i>Laservall Asia</i>	43	14	29
<i>Mobilhead</i>	4	0	4
<i>Caen</i>	21	0	21
<i>Datalogic Automation AB</i>	4	10	(6)
Payables to the parent company	0	106	(106)
<i>Hydra</i>		106	(106)
Payables to related parties	30	397	(367)
Total Trade payables	90,846	104,585	(13,739)
Other payables - current accrued liabilities and deferred income	48,786	46,909	1,877
Other payables - non-current accrued liabilities and deferred income	3,660	4,294	(634)
Total Other payables - accrued liabilities and deferred income	52,446	51,203	1,243
Less non-current portion	3,660	4,294	(634)
Current portion	139,632	151,494	(11,862)

The decrease in "Trade payables", amounting to €13,739 thousand compared to 31 December 2016, is due to a mere seasonal effect.

The contribution to "Trade payables", resulting from the first consolidation of the company Soredi Touch Systems GmbH, amounted to €645 thousand.

Other payables – accrued liabilities and deferred income

The detailed breakdown of this item is as follows:

	30.09.2017	31.12.2016	Change
Other long-term payables	3,660	4,294	(634)
Other short-term payables:	25,014	23,115	1,899
Payables to employees	17,553	15,061	2,492
Payables to pension and social security agencies	4,791	5,005	(214)
Other payables	2,670	3,049	(379)
VAT liabilities	2,796	2,869	(73)
Accrued liabilities and deferred income	20,976	20,925	51
Total	52,446	51,203	1,243

The contribution to "Other payables", resulting from the first consolidation of the company Soredi Touch Systems GmbH, amounted to €48 thousand.

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

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

The decrease in the item “Other payables” is attributable, in the amount of €505 thousand, to the payment of debt relating to land purchased in December 2016.

INFORMATION ON THE STATEMENT OF INCOME

Note 17. Revenues

As at 30 September 2017, the Datalogic Group recorded revenues in the amount of €450,711 thousand, up 6.9% compared to €421,753 thousand in the first nine months of 2016 (+6.8% at constant Euro/Dollar exchange rate).

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

	Nine months ended				Change	
	30.09.2017	%	30.09.2016	%		%
Italy	41,589	9.2%	39,926	9.5%	1,663	4.2%
EMEA (except Italy)	196,137	43.5%	181,509	43.0%	14,628	8.1%
<i>Total EMEA</i>	<i>237,726</i>	<i>52.7%</i>	<i>221,435</i>	<i>52.5%</i>	<i>16,291</i>	<i>7.4%</i>
North America	133,772	29.7%	131,754	31.2%	2,018	1.5%
Latin America	20,106	4.5%	20,517	4.9%	(411)	(2.0%)
Asia & Pacific	59,107	13.1%	48,047	11.4%	11,060	23.0%
Total revenues	450,711	100.0%	421,753	100.0%	28,958	6.9%

(*) EMEA: Europe, Middle East and Africa.

As from this Report, data related to geographical areas will be disclosed to reflect the actual involvement of each area within the new commercial organisation of the Group. Comparative data as at 30 September 2016 will be disclosed accordingly.

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
	30.09.2017	30.09.2016	
TOTAL COST OF GOODS SOLD (1)	238,517	227,467	11,050
<i>of which non-recurring</i>	316	86	230
TOTAL OPERATING COSTS (2)	151,733	143,857	7,876
Research and Development expenses	40,121	36,715	3,406
<i>of which non-recurring</i>	153	0	153
<i>of which amortisation, depreciation pertaining to acquisitions</i>	79	79	0
Distribution expenses	73,225	72,423	802
<i>of which non-recurring</i>	0	164	(164)
General and administrative expenses	36,937	33,971	2,966
<i>of which non-recurring</i>	389	0	389
<i>of which amortisation, depreciation pertaining to acquisitions</i>	3,582	3,577	5
Other operating costs	1,450	748	702
<i>of which non-recurring</i>	0	(399)	399
TOTAL (1+2)	390,250	371,324	18,926
of which non-recurring costs	858	(149)	1,007
of which amortisation, depreciation pertaining to acquisitions	3,661	3,656	5

It should be noted that, since 2017, some costs have been reclassified under various items. Comparative data as at 30 September 2016 have therefore been disclosed accordingly. For details please refer to the Annex 1 to the Interim report on operations.

The non-recurring costs/(revenues) item, as at 30 September 2017, shows a positive amount of €858 thousand. The breakdown of this item is as follows:

ITEM	AMOUNT	TYPE OF COST
1) "Cost of goods sold"	316	Restructuring Plan
2) "R&D expenses"	28	Restructuring Plan
2) "R&D expenses"	125	Reorganisation Plan
3) "General and administrative expenses"	218	Reorganisation Plan
3) "General and administrative expenses"	171	Acquisition Projects
TOTAL NON-RECURRING COSTS/(REVENUES)	858	

The costs relating to the Reorganisation Plan (equal to €343 thousand) refer to the new model for the Datalogic Group's reorganisation, which was begun in 2016, and relate mainly to consultancy. Moreover, during the last quarter, a Restructuring Plan was started in the plant in Donnas, which required allocations for €344 thousand. Costs related to Acquisition Plans amounted to €171 thousand.

Amortisation from acquisitions (equal to €3,661 thousand), mainly included under "General and administrative expenses" (€3,582 thousand), are comprised of:

	Nine months ended		Change
	30.09.2017	30.09.2016	
Acquisition of the PSC Group (on 30 November 2006)	1,362	1,361	1
Acquisition of Evolution Robotics Retail Inc. (on 1 July 2010)	471	471	0
Acquisition of Accu-Sort Inc. (on 20 January 2012)	1,828	1,824	4
TOTAL	3,661	3,656	5

Total Cost of goods sold (1)

This item increased by 4.9% compared to the same period in 2017 (4.3% on a like-for-like consolidation basis). At constant Euro/Dollar exchange rate and net of non-recurring costs, it increased by 4.5%.

Total operating costs (2)

The operating costs, excluding non-recurring costs and the amortisation inherent in the acquisitions, increased by 5.1% from €140,436 thousand to €147,530 thousand (€146,895 thousand on a like-for-like consolidation basis). At constant exchange rates, the increase was slightly lower (4.9%). As a whole, a reduced impact of operating costs on revenues was reported, from 33.3% to 32.7%.

In particular:

- "R&D expenses" amounted to €40,121 thousand and increased by €3,253 thousand, compared to the same period of the previous year, less non-recurring costs and amortisation resulting from acquisitions (+€3,193 thousand at constant exchange rates). This increase is primarily attributable to the increase in payroll & employee benefits, project consultancy services and quality certification expenses.

- “**Distribution expenses**” amounted to €73,225 thousand and, net of non-recurring costs, increased by €966 thousand with respect to the comparison period. Nevertheless, they decreased by almost one percentage point, as impact on revenues. Based on the analysis at constant exchange rates, and net of non-recurring costs, these increased by €826 thousand, due mainly to an increase in payroll & employee benefits, partially offset by a decrease in marketing, shipment and consultancy costs.

- “**General and administrative expenses**” amounted to €36,937 thousand. This item, net of non-recurring costs and amortisation resulting from acquisitions, increased by €2,572 thousand compared to the same period of the previous year (up €2,521 thousand at constant exchange rates) but remained in line as regards percentage impact on revenues. This increase is especially due to the increase in payroll & employee benefits, directors’ fees, EDP and telephone expenses, and rentals.

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

	Nine months ended		
	30.09.2017	30.09.2016	Change
Non-income taxes	940	1,002	(62)
Allocation to the risk reserve	234	(381)	615
<i>of which non-recurring</i>	<i>0</i>	<i>(399)</i>	<i>399</i>
Provisions for doubtful accounts	76	78	(2)
Capital losses on assets	76	5	71
Contingent liabilities	12	25	(13)
Other	112	19	93
Total	1,450	748	702

The "Allocations to the risk reserve" item in 2016 was positive as it included €399 thousand referred to the release to the income statement of the surplus of the provision allocated in 2014 for a probable tax liability related to one of the Group’s foreign companies.

Breakdown of costs by type

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

	Nine months ended		
	30.09.2017	30.09.2016	Change
Purchases	181,004	182,600	(1,596)
Change in inventories	(6,673)	(20,278)	13,605
Payroll & employee benefits	122,586	117,750	4,836
Amortisation, depreciation and write-downs	14,581	14,038	543
Goods receipt & shipment	12,838	14,572	(1,734)
Technical, legal and tax advisory services	6,802	6,666	136
Travel & accommodation	6,492	6,667	(175)
Repairs and allocation to the warranty provision	6,191	5,497	694
Marketing expenses	5,677	6,524	(848)
Building expenses	4,917	4,575	342
Material collected from the warehouse	3,332	3,678	(346)
EDP expenses	3,040	2,680	360
Royalties	3,020	3,199	(179)
Subcontracted work	2,981	1,941	1,040
Consumables and R&D materials	2,261	2,500	(239)
Telephone expenses	2,167	1,881	286
Quality certification expenses	1,759	1,129	630
Sundry service costs	1,657	1,264	393
Directors' remuneration	1,566	996	570
Utilities	1,527	1,506	21
Commissions	1,315	1,217	98
Expenses for plant and machinery and other assets	1,045	760	285
Meeting expenses	939	1,005	(66)
Accounts certification expenses	937	869	68
Vehicle expenses	874	806	68
Insurance	727	698	29
Entertainment expenses	478	711	(233)
Training courses for employees	404	369	35
Stationery and printings	192	212	(20)
Other	5,615	5,292	323
Total Cost of goods sold and operating costs	390,250	371,324	18,926

It should be noted that some items disclosed in the 2016 comparison period have been restated for homogeneity and comparison purposes.

Expenses reported in item "Goods receipt & shipment", equal to €12,838 thousand, decreased by €1,734 thousand, particularly goods receipt expenses, due to the effect of increased efficiency in the management of logistical flows.

The item "Marketing expenses", equal to €5,677 thousand, decreased by €848 thousand compared to the same period of 2016, mainly due to the decrease in advertising costs and in Marketing, by reason of a postponement of some activities.

Costs related to "Subcontracted work" amounted to €2,981 thousand (up €1,040 thousand compared to the same period of 2016) and refer primarily to orders in the Solution Net System division.

“Quality certification expenses” amounted to €1,759 thousand and were €630 thousand higher than the same period of 2016. This increase is attributable to higher expenses borne for the implementation of the new organisational model and to the inclusion of the company Soredi Touch Systems GmbH in the scope of consolidation, as well as.

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

	Nine months ended		Change
	30.09.2017	30.09.2016	
Wages & salaries	93,088	92,266	822
Social security charges	17,502	16,076	1,426
Employee severance indemnities	1,394	1,234	160
Retirement and similar benefits	1,000	975	25
Medium- to long-term managerial incentive plan	2,409	(381)	2,790
Vehicle expenses for employees	2,283	2,364	(81)
Other costs	3,818	3,645	173
Early retirement incentives	1,092	1,571	(479)
Total	122,586	117,750	4,836

The “Wages and salaries” item, equal to €93,088 thousand, includes *Sales commissions* and *incentives* totalling €12,191 thousand (€11,797 thousand as at 30 September 2016).

This item reported an increase of €822 thousand (up €634 thousand at constant exchange rates) compared to the same period of the previous year.

The “Early retirement incentives” item includes costs, totalling €344 thousand, stated under the “Non-recurring costs and revenues” item, resulting from the re-organisation activities of the plant in Donnas (€250 thousand as at 30 September 2016).

Note 19. Other operating revenues

The detailed breakdown of this item is as follows:

	Nine months ended		Change
	30.09.2017	30.09.2016	
Grants to Research and Development expenses	1,138	1,240	(102)
Miscellaneous income and revenues	782	955	(173)
Rents	99	63	36
Capital gains on asset disposals	4	132	(128)
Contingent assets	(18)	(69)	51
Total	2,005	2,321	(316)

The “Grants to Research and Development expenses” item amounted to €1,138 thousand (€1,240 thousand as at 30 September 2016) and is related to the tax credit of companies that perform R&D activities, as envisaged by Art. 3 of the Law Decree no. 145 of 23 December 2013, converted into Law no. 9 of 21 February 2014, as amended by par. 35 of Art. 1 of Law no. 190 of 23 December 2014 (Stability Law 2015), Tax credit for R&D activities.

The item “Miscellaneous income and revenues” mainly includes revenues for internal building works and reimbursements from employees for the use of vehicles for the pertaining portion.

As at 30 September 2016, the item “Capital gains on asset disposals” primarily included the profit from the disposal of certain patents.

Note 20. Net financial income (expenses)

	Nine months ended		Change
	30.09.2017	30.09.2016	
Financial income/(expenses)	(2,208)	(1,296)	(912)
Foreign exchange differences	(2,259)	(548)	(1,711)
Bank expenses	(1,600)	(1,340)	(260)
Other	367	33	334
Total Net financial income (expenses)	(5,700)	(3,151)	(2,549)

Financial income was negative by €5,700 thousand, compared to a negative result of €3,151 thousand related to the same period of the previous year, mainly due to the trend of foreign exchange differences and the increase in financial expenses.

The performance of “Foreign exchange differences” item is mainly connected with the effects, on net Group balances, of the depreciation of the US Dollar against the Euro in the first nine months of 2017.

The “Financial income/(expenses)” item decreased by €912 thousand, mainly by reason of the increased gross indebtedness, due to the entering of a new loan agreement with a pool of banks for the amount of €250 million on 13 April 2017 and the redemption, at the same time, of pre-existing loan amounting to €126 million. This transaction permitted to increase the average life of the financial debt and therefore reduce the exposure to variable interest rates as the new contract is at fixed rate.

The “Bank expenses” item reported an overall increase of €260 thousand, mainly due to the release of a portion pertaining to the upfront fees (€437 thousand) related to the early redemption of the above-mentioned long-term loan.

Losses generated by companies carried at equity were recognised in the amount of €1 thousand (compared with losses of €466 thousand as at 30 September 2016).

Note 21. Taxes

	Nine months ended		Change
	30.09.2017	30.09.2016	
Pre-tax profit	56,765	49,133	7,632
Income tax	13,303	9,965	3,338
Deferred taxes	(1,609)	(1,714)	105
Total	11,694	8,251	3,443
Tax Rate	20.6%	16.8%	3.8%

The average tax rate comes to 20.6% (16.8% as at 30 September 2016). Taxes were calculated by using the best estimate of the annual tax rate expected at the reporting date.

Law no. 190/2014, par. 37-45, as amended by Art. 5 of Law Decree no. 3/2015, introduced the so-called "Patent box optional regime" in the Italian legislation. This envisages the reduced tax regime on income resulting from the use of some types of intangible assets and earned by the owners of the company's income who also carry out certain R&D activities.

Based on this measure, some Italian companies within the Group adhered to this optional regime and, over this three-month period, they reported the benefit, in terms of reduced taxation on 2016, in the Income Statement.

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

	Nine months ended	
	30.09.2017	30.09.2016
Group earnings/(loss) for the period	45,071,000	40,882,000
Average number of shares	58,115,857	58,184,156
Earnings/(loss) per share	0.7755	0.7026
Average number of shares	58,115,857	58,184,156
Diluted effect	0	0
Diluted earnings/(loss) per share	0.7755	0.7026

EPS as at 30 September 2017 was calculated by dividing Group net profit of €45,071 thousand (Group net profit of €40,882 thousand as at 30 September 2016) by the average number of ordinary shares outstanding as at 30 September 2017, equal to 58,115,857 shares (58,184,156 as at 30 September 2016).

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

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

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, with an irrelevant amount and by the effects of the “**OPC Procedure**”, chiefly with Hydra S.p.A. or entities under joint control (with Datalogic S.p.A.), or with individuals that carry out the coordination and management of Datalogic S.p.A. (including entities controlled by the same and close relatives).

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

Pursuant to Art. 5, par. 8, of the Consob Regulations, it should be noted that, over the period 01/01/2017 - 30/09/2017, the Company’s Board of Directors did not approve any relevant transaction, as set out by Art. 3, par. 1, lett. b) of the Consob Regulations, or any transaction with minority related parties that had a significant impact on the Group’s equity position or profit/(loss).

RELATED PARTIES	Hydra (parent company)	Hydra Immobiliare and Aczon	Associates	Natural person	TOTAL 30/09/2017
	parent company	company controlled by Chairman of BoD	Not consolidated on a line-by-line basis	member of BoD	
Equity investments	-	-	3,629	-	3,629
Non-current assets	-	-	182	-	182
Trade receivables - accrued income and prepaid expenses	-	75	1,593	-	1,668
Receivables pursuant to tax consolidation	5,782	-	-	-	5,782
Liabilities pursuant to tax consolidation	8,698	-	-	-	8,698
Trade payables	-	-	73	4	77
Financial payables	-	-	-	-	-
Sales/service expenses	-	539	363	16	918
Commercial revenues	-	-	4,258	-	4,258
Financial income	-	-	-	-	-
Profits/(losses) from associates	-	-	(1)	-	(1)

NUMBER OF EMPLOYEES

Nine months ended

Datalogic Group

	30.09.2017	30.09.2016	Change
Datalogic	2,716	2,583	133
Solution Net Systems	40	0	40
Informatics	82	100	(18)
Total	2,838	2,683	155

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

Annex 1
RESTATED CONSOLIDATED INCOME STATEMENT - 2016

(Euro/000)	Note	30.09.2016	Reclassifications	30.09.2016 Restated
1) Total revenues	17	421.753		421.753
<i>of which from related parties</i>		4.218		4.218
2) Cost of goods sold	18	227.355	112	227.467
<i>of which non-recurring</i>	18	86		86
<i>of which from related parties</i>		243		243
Gross profit (1-2)		194.398	(112)	194.286
3) Other operating revenues	19	2.321		2.321
4) R&D expenses	18	36.715		36.715
<i>of which non-recurring</i>	18	0		0
<i>of which amortisation, depreciation and write-downs pertaining to acquisitions</i>		79		79
<i>of which from related parties</i>	18	8		8
5) Distribution expenses	18	75.056	(2.633)	72.423
<i>of which non-recurring</i>	18	164		164
<i>of which from related parties</i>		72		72
6) General and administrative expenses	18	31.450	2.521	33.971
<i>of which amortisation, depreciation and write-downs pertaining to acquisitions</i>	18	3.577		3.577
<i>of which from related parties</i>		1.052		1.052
7) Other operating expenses	18	748		748
<i>of which non-recurring</i>	18	(399)		(399)
Total operating costs		143.969	(112)	143.857
Operating result		52.750	0	52.750
8) Financial income	20	12.769		12.769
9) Financial expenses	20	15.920		15.920
Net financial income (expenses) (8-9)		(3.151)	0	(3.151)
10) Profits from associates	3	(466)		(466)
Profit (loss) before taxes from the operating assets		49.133	0	49.133
Income tax	21	8.251		8.251
Profit/(loss) for the period		40.882	0	40.882
Basic earnings/(loss) per share (€)	22	0,7026		0,7026
Diluted earnings/(loss) per share (€)	22	0,7026		0,7026

Note: It should be noted that, since 2017, some costs have been reclassified under various items.

DICHIARAZIONE AI SENSI DELL'ART. 154 BIS, COMMA 2, D.LGS. N. 58/1998

Resoconto Intermedio di gestione al 30 settembre 2017

Il sottoscritto Dott. Alessandro D'Aniello, 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 2017 corrisponde alle risultanze documentali, ai libri e alle scritture contabili.

Datalogic S.p.A.

Il Dirigente Preposto alla redazione
dei documenti contabili
Alessandro D'Aniello

