

[www.datalogic.com](http://www.datalogic.com)

2009 highlights  
thinking ahead

 **DATALOGIC**<sup>TM</sup>



## Our applications, around the world, at all times.....

Shopping, traveling, undergoing medical tests and therapy, posting a letter or a parcel: there are so many common situations in which automatic data capture guarantees speed and efficiency, data reading reliability and operational precision, thus guaranteeing full customer satisfaction and improving the overall efficiency of the supply chain.

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# datalogic, the future is here

Day in, day out, our lives become increasingly involved with technology. Even in the simplest of routines, such as shopping at the supermarket, going to the chemist or when our luggage crosses the main airports around the world. More and more often, all these daily actions are backed by a cutting edge technology marked DATALOGIC, a pioneer in barcode reading and for years a worldwide leader in the automatic data capture industry. For over 35 years, Datalogic has been offering innovative solutions for so many industrial applications, especially

related to manufacturing, transportation & logistics and retail. Datalogic currently holds a leading role on reference markets thanks to competitive products, cutting edge technology and its development policy focused on research. Innovation is the Group's vocation. Internationality is its resource. Datalogic has managed to win the global market thanks to its ability in meeting local requirements. The company originated in Italy but has become a citizen of the world. Despite the harsh crisis of 2009, Datalogic managed to stay on route. Determination and reaction rapidity to

the economic earthquake were key elements in finding the right solution and in recovering. Datalogic struck in advance and continued with confidence. Some figures of innovation in 2009: more than 30 new products, 70 patents, a new factory and a new research center in Vietnam, which was a crucial aspect of the worldwide expansion project, following Europe and America. The Group received both national and international recognitions and awards.

Datalogic proves yet again that it is a business capable of amazing endeavors.

Datalogic is an industrial Group split-up into three divisions, each focused specifically on markets and products, namely: Datalogic Scanning, Datalogic Mobile and Datalogic Automation.

The three divisions are backed by the Business Development unit (which includes the company Informatics in US), which develops new business platforms and assesses opportunities of external growth.

The Group leader of the individual divisions is Datalogic S.p.A. with corporate headquarters in Bologna, quoted on the STAR segment (Star: DAL.MI) of the Italian Stock Exchange since 2001.

## DATALOGIC IN MAURO SACCHETTO'S OPINION

It's rather difficult to recollect Datalogic's past year without implicating the effects of a financial crisis that overturned worldwide markets. 2009 put us up against a new scenario that was rather difficult to interpret using tools of the past. Some didn't make it, yet others managed to draw new opportunities from a generally negative economic context. Datalogic suffered from the difficulties with a contraction in revenues of around 24% in the first quarter of 2009 but our prompt reaction managed to re-establish positive profit margins, already in the second quarter of 2009. The main ingredient of our anti-crisis recipe, which allowed us to attack rather than to surrender, was rapidity and focalization on business. We realized straight away that a change was in progress. A new dimension of the demand traced different coordinates and it was with these that we measured ourselves without uncertainties.

Of fundamental importance was that of maximizing the structure's flexibility, and this is how we managed to sail in both shallow and deep waters, skillfully facing whatever difficulty appeared before us and drawing new opportunities from it.

The group was very shortly restructured and reorganized in order to adapt to the new scenarios through a number of actions that led to cuts in structural costs and that enabled us to reach a profitability of 10% as of the fourth quarter of 2009.

Again in this year of crisis, Datalogic continued to place its trust in its innovation skills, investing over 25 million Euro in Research & Development activities to strengthen its standing on the market with new products, cutting edge solutions and technologies and to be up-and-ready when the markets take-off again. Likewise, we have reinforced and intensified our in-house and out-of-house communication system to enhance the sense of "belonging to a team" and to synchronize the activities with the business targets at all levels and in all the branches distributed over 30 countries worldwide that make up the world of Datalogic. The game is lost without teamwork. We focused on speed and involvement to keep the level of concentration high on where to go and how to get there. Our restructuring plan also led to the reorganization of the Datalogic Automation Division, which incorporated all the companies of the compartment, laying down the

conditions to establish the operational resources required to activate scale economies, simultaneously reinforcing focus on Customers and Markets.

The results of these and of other actions resulted positively already in 2009, as proven by the growing profitability over the last 3 quarters of the year. Let's not forget other important investments implemented either, such as the opening of the new factory in Vietnam, which was a key element in strengthening new promising markets in Asia and also the important recognitions received, such as the prestigious Business Innovation Award of the Italian Industrialists Association (Confindustria) in the Large Enterprise category, thanks to which we were also awarded the Prize of Prizes handed-over by the President of the Italian Republic.

These achievements highlight our three major engines: innovation, human resources and our international way of thinking.

We are a multinational enterprise that is naturally farsighted.

We are ready. The future awaits us. Together.

By Mauro Sacchetto  
Chief Executive Officer of Datalogic Group

8% of sales dedicated to investments in Research and Development worth over 25 million Euro

a large portfolio of 885 patents worldwide of which

70

in 2009

1

new factory in Saigon, Vietnam, specializing in the design, production and distribution of products for the Asian area

+30

new products in 2009

8

Research & Development centers

worldwide

worldwide direct presence in 30 countries across the world that sell to +100 countries

+1,000

partners around the world

**DATALOGIC**

# 2009. the future seen with the facts of the past

## JANUARY

Datalogic Automation confirms its leadership on the international market of Baggage Handling Systems for airports in Europe: two major Spanish airports, Alicante and Malaga, chose Datalogic fixed position barcode readers for their Baggage Handling System.

## FEBRUARY

Datalogic Scanning completed the installation of its products for one of the biggest postal office document handling projects in the world. More than 20,000 Datalogic Gryphon 2D readers are now working in thousands of German post offices.

## MARCH

Datalogic Scanning wins the Dollar General deal, with the biggest single purchase order in the company's history. This chain with store locations across the United States will be installing over 12 thousand bundles of fixed retail and handheld barcode scanners throughout the year.

## JUNE



On June 8<sup>th</sup>, the Chairman of Datalogic S.p.A., Mr. Romano Volta, received the "Prize of Prizes" in the Large Enterprise category, of the "Business Innovation Award" from the President of the Italian Republic, the Honorable Giorgio Napolitano, as the enterprise that has skillfully expanded in Italy and worldwide through investments in innovation.

## APRIL

On April 21<sup>st</sup>, Mauro Sacchetto became the CEO of Datalogic S.p.A. Mauro Sacchetto has acquired extensive and qualified international expertise in major multinational enterprises operating in the fields of Telecommunications, Electronics, Microelectronics and ICT, where he managed enterprises working in Europe and the United States of America (Bull Compuprint, Intel, Monsanto and Pirelli).

Datalogic S.p.A. is certified as an excellent organization "in its ability to attract and retain valuable people" for the first edition of the "Top Employers Italy 2009" report issued by the Dutch company CRF and is acknowledged as a Top Performer, obtaining full marks in the assessment of its "bet on innovation".



Datalogic Scanning is selected by Lottomatica Servizi, part of Lottomatica Group, a worldwide leading lottery operator, for the installation of a new technological solution that automates utility bill payments in Italian agencies. More than 5,000 Datalogic QuickScan Laser readers are supplied in the first phase of the project.

Datalogic Mobile launches the New Value Channel Program: a winning business model, enhanced benefits and a whole array of focused services to plan the journey to success with the Partner Community.

Datalogic Automation presents the evolution of the DataVS2 vision sensors. The new AOR (Advanced Object Recognition) version is now available together with the OBJ (Object Recognition) model. The numerous new functions offered by the Advanced model extend the application possibilities of DataVS2, thus expanding the offer of Datalogic Automation in terms of machine vision.

## MAY

Easy, fast and precise, the new ON LINE ORDER SYSTEM is an innovative approach to purchase order management, where Datalogic Mobile meets and even anticipates Partners' needs in terms of self management and interactive services, available 24/7.

Datalogic Scanning introduces the Gryphon™ I GM4100 linear imager, the second generation of its high performance cordless linear imaging reader, setting the rules of cordless scanning yet again.

Datalogic Automation introduces the new S2Z series, photoelectric sensor basic line in a MAXI format, suitable for harsh environmental applications.

First Bar Code Scan 35<sup>th</sup> anniversary: it was June 26<sup>th</sup> back in 1974 when the code of a packet of Wrigley Juicy Fruit was read by the first-ever checkout barcode scanner, Datalogic's Magellan, Model A, at a Marsh supermarket in Troy, Ohio, emitting the very first typical sound known worldwide as the "beep". It is indeed this first "beep" that now enables Datalogic to confirm that it was a pioneer of the automatic data capture market and now to be known as the leader of this market.

Datalogic Mobile presents the Datalogic Skorpio™ and Skorpio-GUN™ Mobile Computers with important new features, to further expand their success, by meeting the requirements of the market even more effectively, especially in the Retail sector.

# 2009. the future seen with the facts of the past

## JULY

Following Europe and the United States of America, Datalogic continues to expand in Asia. On July 10<sup>th</sup>, the Datalogic Group, through its subsidiary Datalogic Scanning, inaugurated the new facilities in Vietnam, situated in the High Tech Park of Saigon (SHTP), specializing in the design, production and distribution of products for the Asian market.



The United States Postal Service® selected Datalogic Automation as its supplier of latest generation scanners for the sorting centers of the whole federal territory. Datalogic's Matrix 400™ imager will be used in material handling systems that process letter trays and flat tubs.

Joya, the Datalogic Mobile pod that ushered in the next generation of shopping in Italy and Europe celebrates its first year, crowned with impressive figures and great success, among which the agreement with Unicoop Firenze for 20 new "Salvatempo" checkouts for a contractual value of 1.8 million Euro.

The organizational structure of Datalogic Automation Division is simplified and rationalized, which in July incorporated all the companies of the compartment, giving rise to just one single business that will operate on the market of automatic identification (fixed position scanners and RFID systems), detection (sensors) and of marking (laser marking systems) for the industrial automation sector.

## AUGUST

The profitability recovery trend is regained!

Datalogic Scanning launches Magellan™ 8500Xt, the newest generation of the worldwide best seller in the bi-optic scanner/scale marketplace, which introduces the first factory certified Magellan Scale Technology.

Datalogic Automation presents the new DS4800 models and accessories: model with integrated oscillating mirror and GFC-40 105° Deflection Mirror. With these new accessories Datalogic Automation extends its product portfolio for Shop Floor and Automatic Warehousing applications.

## OCTOBER

Datalogic Scanning is chosen by seven top French Retailers to supply 30,000 barcode readers to enable them to conform to new standards approved in France concerning cashier safety in supermarkets and hypermarkets. The work order is worth approximately 5 million Euro. Datalogic's Imager Gryphon™ I GM4100 cordless readers have been chosen because they are able to easily read items also on the bottom shelf of the shopping carts. They are consequently the best solution to comply with these new legal restrictions.

## SEPTEMBER

Datalogic Memor™, the new pocket sized mobile computer from Datalogic Mobile, introduces its new "full optional" solution to the retail market.

Datalogic Scanning introduces the Magellan™ 1100i, an innovative 2D imager for presentation and hands free operations.

## NOVEMBER

Romano Volta, Chairman of Datalogic S.p.A., received the "Business Innovation Prize" during the "VII Giornata della Ricerca" (7<sup>th</sup> edition of the Meeting dedicated to Research) organized by the Italian Industrialists Association. The award was assigned to Datalogic, in the Large Enterprise category, for the 2009 edition of the "Business Innovation Prize" "for having improved its competitive standing on a strongly innovative market through change management and on-going innovation in all areas of the organization".



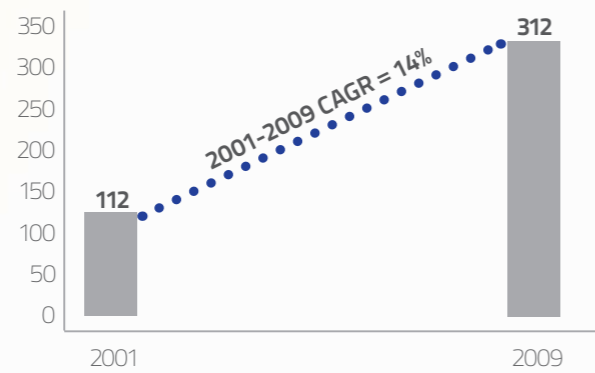
## DECEMBER

The profitability recovery trend is confirmed: EBITDA by two digits in the fourth quarter of 2009!

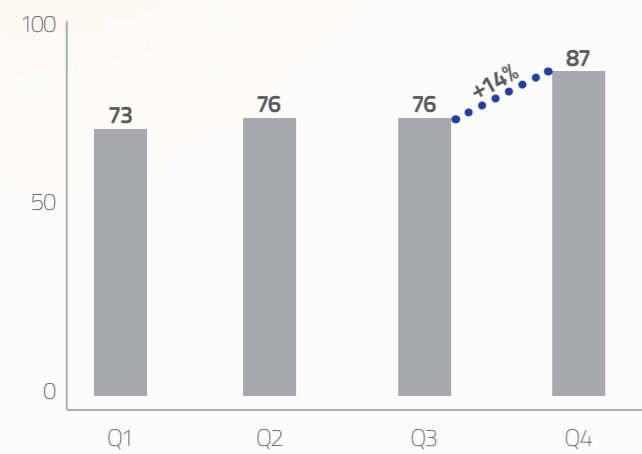
All the employees of Datalogic Italy met in Bologna for the big event to celebrate "Shaping Our Future Together". An important occasion to get together and share the activities of the companies of the Group as well as the results expected and the plans for the future. The meeting was organized following the mutual desire to leave a difficult year behind us and to face 2010 full of energy and faith, together.

# 2009. figures

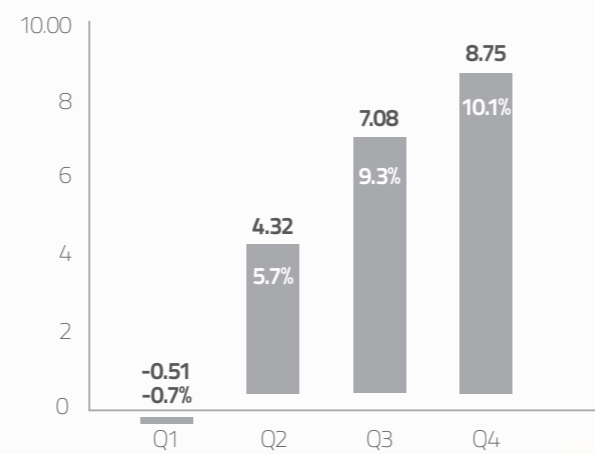
TOTAL REVENUES  
(MILLION EURO)



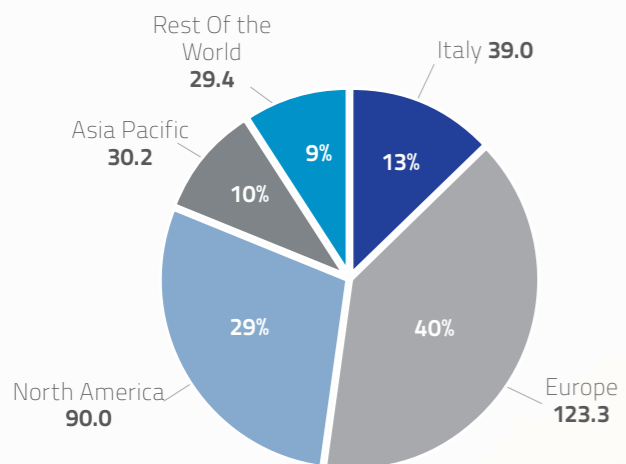
2009 REVENUES PER QUARTER



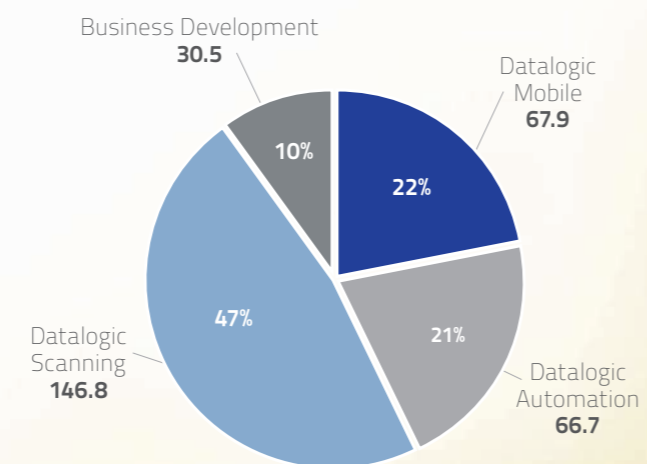
2009 EBITDA PER QUARTER



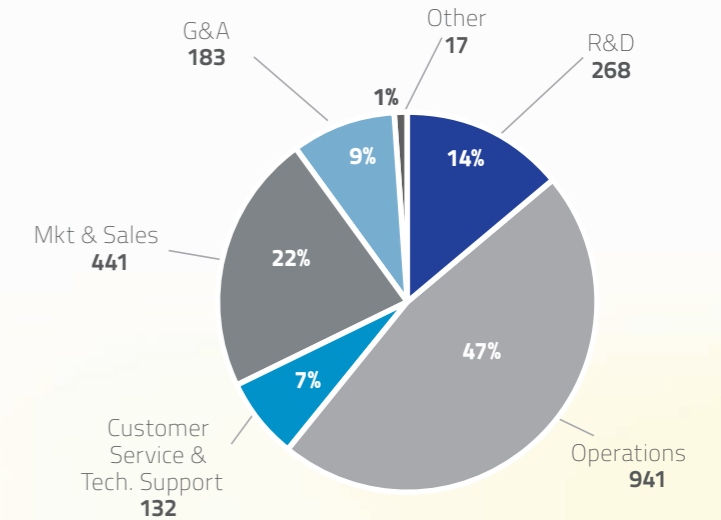
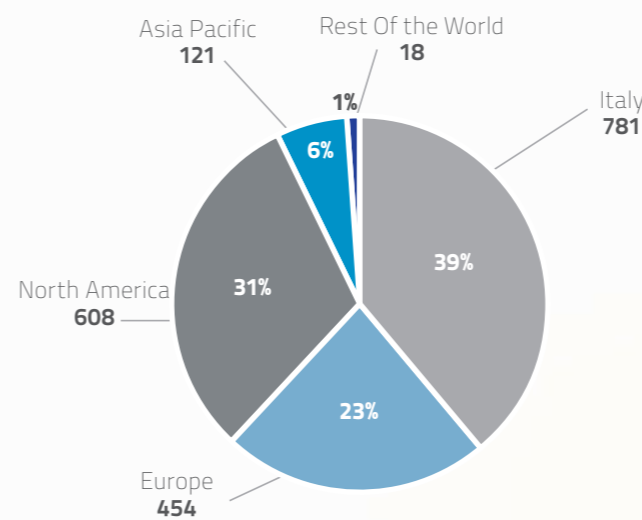
REVENUES PER GEOGRAPHIC AREA



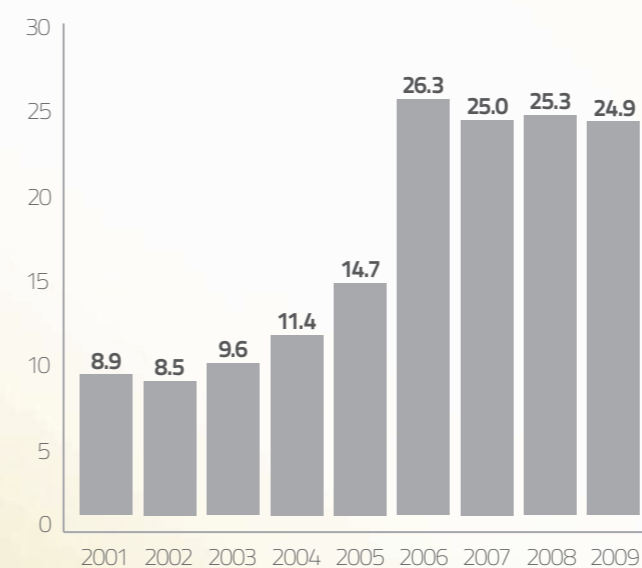
REVENUES PER BUSINESS DIVISION



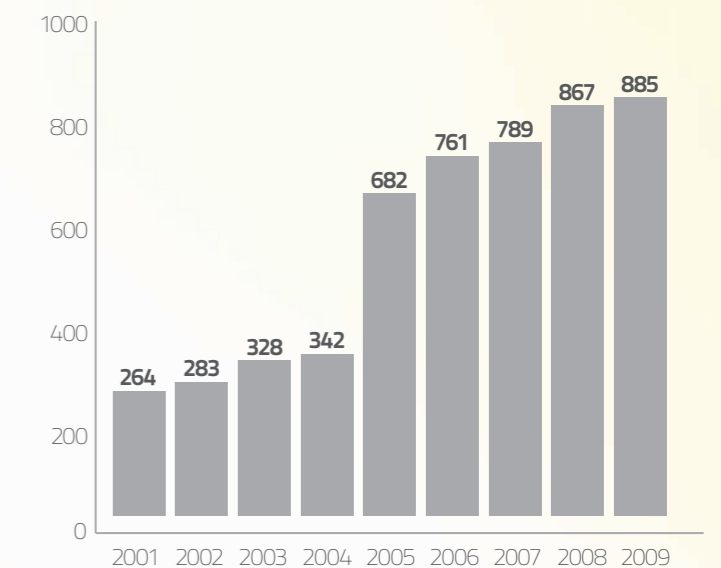
EMPLOYEES PER GEOGRAPHIC AREA    EMPLOYEES PER FUNCTIONAL AREA



R&D COSTS



PATENTS



# 2009. figures

## CONSOLIDATED PROFIT AND LOSS (MILLION EURO)

Consolidated Profit and Loss (million Euro)	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Total revenues</b>	111.7	118.0	131.5	146.3	205.9	381.6	404.0	379.8	312.0
<b>EBITDA</b>	16.1	17.0	21.3	25.2	31.5	38.2	50.1	47.8	19.6
<b>EBITANR <sup>(1)</sup></b>	8.6	7.9	11.0	19.6	24.8	26.0	37.8	35.3	6.2
<b>EBT</b>	2.6	6.7	10.3	18.7	22.7	9.0	26.6	25.9	-12.8
<b>Net profit</b>	0.8	5.4	7.2	11.2	13.0	4.1	18.1	17.8	-12.2
<b>Number of employees</b>	698	735	775	875	1,808	1,897	1,906	2,202	1,982
<b>EBITDA %</b>	14.4	14.4	16.2	17.2	15.3	10.0	12.4	12.6	6.3
<b>EBITANR %</b>	7.7	6.7	8.4	13.4	12.0	6.8	9.4	9.3	2.0
<b>R&amp;D %</b>	8.0	7.2	7.3	7.8	7.1	6.9	6.2	6.7	8.0
<b>Dividend per share (Euro)</b>	0.05	0.15	0.18	1.22 <sup>(2)</sup>	0.22	0.06 <sup>(3)</sup>	0.07	0.035	-
<b>Dividend paid (million Euro)</b>		0.58	1.70	2.11	15.04	3.5	3.8	4.1	-

(1) EBITANR = Ordinary operating profit before non recurring costs/revenues and amortization of intangible assets from acquisition.

(2) Euro 1 extraordinary dividend (October 2005).

(3) In May 2006, execution of share capital split with a ratio of 4:1.

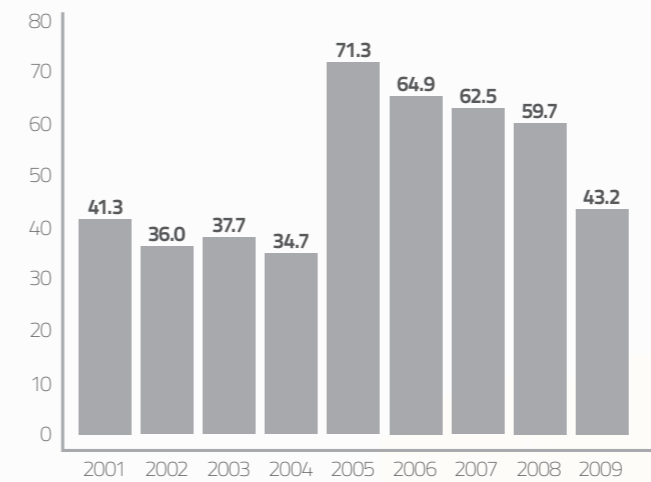
Annual results from 2001 to 2003 are prepared in accordance with Italian Accounting Standards; annual results from 2004 are prepared in accordance with IAS/IFRS.

## CONSOLIDATED BALANCE SHEET (MILLION EURO)

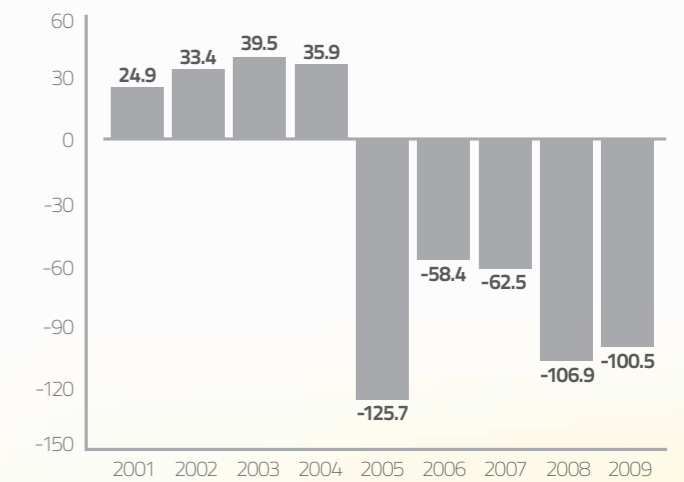
Consolidated Balance Sheet (million Euro)	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Fixed assets</b>	37.3	38.1	34.7	71.5	254.0	227.3	207.0	216.5	203.4
<b>Current assets</b>	62.4	65.6	72.4	75.1	145.9	142.9	152.8	152.4	122.0
<b>Current liabilities</b>	-21.1	-29.6	-34.7	-40.4	-74.7	-78.0	-90.3	-92.7	-78.8
<b>Net working capital</b>	41.3	36.0	37.7	34.7	71.3	64.9	62.5	59.7	43.2
<b>Invested capital</b>	73.7	68.9	66.5	80.3	255.6	245.0	236.0	242.8	217.2
<b>Net equity</b>	98.6	102.3	106.0	116.2	129.8	186.6	173.5	135.8	116.7
<b>Net financial position</b>	24.9	33.4	39.5	35.9	-125.7	-58.4	-62.5	-106.9	-100.5
<b>Capex</b>	10.0	6.8	5.1	18.1	6.8	7.9	12.6	9.4	7.3
<b>NWC (Net Working Capital)%</b>	37.0%	30.5%	28.7%	23.7%	34.6%	17.0%	15.5%	15.7%	13.9%
<b>ROCE %</b>	12.7%	11.1%	16.2%	26.7%	14.8%	10.4%	15.7%	14.8%	2.7%
<b>ROE %</b>	1.2%	5.4%	6.9%	10.1%	10.6%	2.6%	10.0%	11.5%	-9.6%

Annual results from 2001 to 2003 are prepared in accordance with Italian Accounting Standards; annual results from 2004 are prepared in accordance with IAS/IFRS.

## NET WORKING CAPITAL



## NET FINANCIAL POSITION



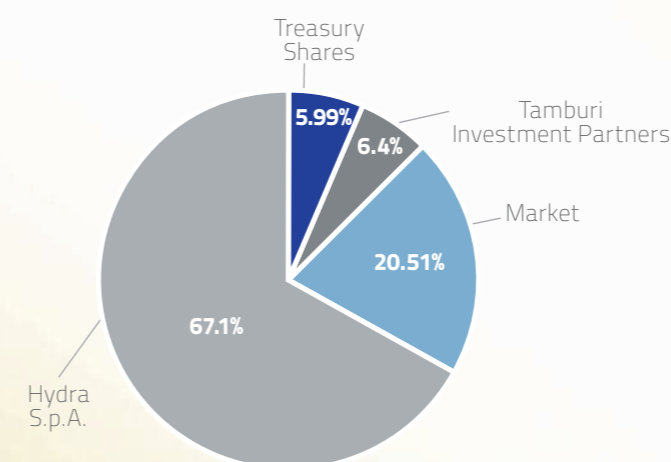
In 2005, the acquisitions of Laservall, Informatics and PSC had an impact of Euro 178 million.

In January 2006, conclusion of capital increase for a total value of Euro 76.6 million.

During 2008 Datasensor S.p.A. was acquired for 45 million Euro.

During 2009, non-recurrent costs were born for a value of 12.9 million Euro.

## SHAREHOLDER STRUCTURE



### 2009 STOCK MARKET DATA

Segment	STAR MTA
Bloomberg code	DAL IM
Reuters code	DAL.MI
MKT Cap	237.9 million Euro on 30 <sup>th</sup> December 2009
Free Float	20.51%
Number of shares outstanding	58,446,491 (inc. n. 3,500,944 treasury shares)
2009 max.	€ 5.090 (6 <sup>th</sup> January 2009)
2009 min.	€ 3.702 (25 <sup>th</sup> March 2009)