



9M 2013
Conference Call

November 7th, 2013

Agenda

- 9M 2013
- Outlook



9M 2013

Highlights 3Q 2013

- **Strong recovery in terms of marginality** on a yearly basis: EBITDA +41.1% and EBIT more than doubled YOY
- **Ebitda Margin** improved from **10.9%** in 3Q 2012 to **15.2%** in 3Q2013
- **Revenues up 1.2% YOY** but down 4% QOQ due to seasonal effect
- **Major improvement of Industrial Automation** both in terms of revenues and marginality also thanks to the launch of new products

€000	3Q2013	2Q2013	Var QoQ%	3Q2012	Var YoY %
Revenues	112,004	116,728	- 4.0%	110,676	+ 1.2%
Gross Operating Margin (GOM)	53,129	55,101	-3.6%	49,296	+7.8%
EBITDA	16,987	15,208	+11.7%	12,037	+41.1%
EBITANR	14,671	12,540	+17.0%	9,817	+49.4%
Operating Profit (EBIT)	13,225	12,135	+9.0%	6,083	+117.4%
Net profit	7,415	4,121	+79.9%	2,021	+266.9%

Products launched in 3Q: ADC



- **QuickScan Lite QW2100 imager:**
 - Entry level product created specifically for reading long and truncated bar codes which is common in some areas of the world
 - It is perfect for use in retail, light manufacturing, document/bill processing and banking/finance environments.

- **Memor, Lynx, Elf and Skorpio X3 for voice- picking applications:**
 - Now certified with Wavelink Speakeasy™
 - Combine voice technology with bar code scanning to deliver an intuitive solution for faster pick-rate, fewer errors, and a safer working environment



Products launched in 3Q : Industrial Automation



Dimensioner DM3610

- Ultra-high performance in-motion dimensioner for applications in Transportation & Logistics industries.
- The DM3610 offers the highest performance, best design, and simplest installation features available on the market



S8 Clear detection laser:

- Solution for detection of shiny objects on reflective backgrounds

Two new smart cameras for the Pharmaceutical and Food & Beverage industries.



New cost effective A30 VGA Smart Camera Series

New high performance T4x VGA/2Mpix Smart Camera Series



Highlights 9M 2013

- **Revenues trend** (-4,8% YoY) **is improving** even if still reflecting retail market slowdown
- **The differentiated trend of ADC revenues** in Europe and US vs. emerging markets continues:
 - in Europe and US: -16/20%
 - in Asia Pacific and Rest of the World: +18/29%
- **IA:** recovery in US +11% thanks to new orders in T&L sector and the launch of new products
- **Permanent focus on R&D up 6.6% to 25.4 M Euro** with an increased weight on revenues **from 6.9% to 7.7%**

€000	9M2013	9M2012	Var YoY %
Revenues	330,773	347,536	(4.8%)
Gross Operating Margin (GOM)	156,561	162,437	(3.6%)
EBITDA	43,219	52,686	(18.0%)
EBITANR	35,912	45,446	(21.0%)
Operating Profit (EBIT)	32,612	37,411	(12.8%)
Net Profit	17,652	28,585	(38.2%)

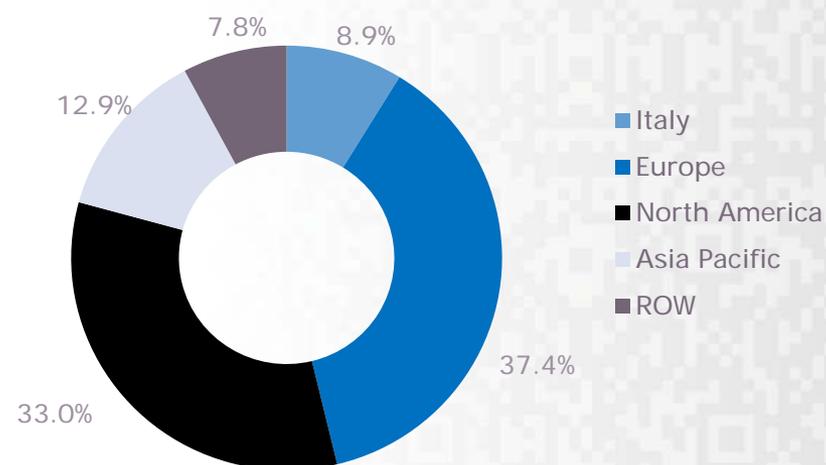
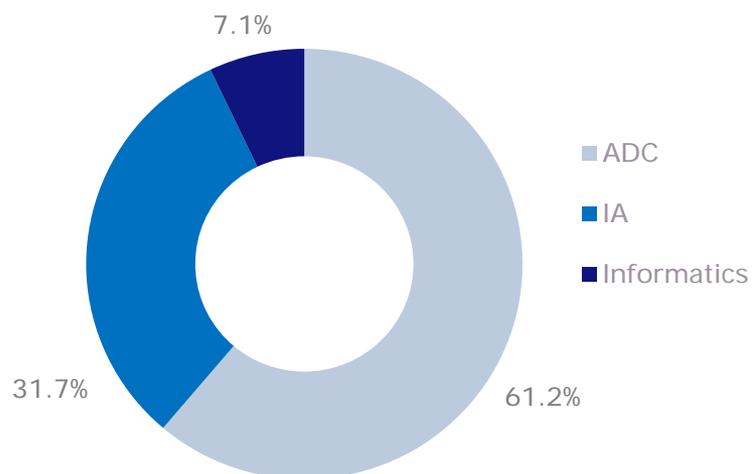
9M 2013 Profit and Loss

000€	9M2013		9M2012		Var %
Revenues	330,773	100.0%	347,536	100.0%	(4.8)%
COGS	(174,212)	(52.7)%	(185,099)	(53.3)%	(5.9)%
Gross Operating Margin	156,561	47.3%	162,437	46.7%	(3.6)%
Other revenues	845	0.3%	6,299	1.8%	(86.6)%
R&D	(25,392)	(7.7)%	(23,824)	(6.9)%	6.6%
Distribution Costs	(62,071)	(18.8)%	(63,608)	(18.3)%	(2.4)%
Administrative expenses	(32,563)	(9.8)%	(34,046)	(9.8)%	(4.4)%
Other operating expenses	(1,468)	(0.4)%	(1,812)	(0.5)%	(19.0)%
Total operating expenses and others	(121,494)	(36.7)%	(123,290)	(35.5)%	(1.5)%
EBITANR	35,912	10.9%	45,446	13.1%	(21.0)%
Non recurring costs/rev	1,059	0.3%	(3,805)	(1.1)%	n.a.
Amort. Intang. Assets from acquis.	(4,359)	(1.3)%	(4,230)	(1.2)%	3.0%
Operating Profit (EBIT)	32,612	9.9%	37,411	10.8%	(12.8)%
Financial (costs)/rev.	(5,129)	(1.6)%	(5,563)	(1.6)%	(7.8)%
Results from equity investments	250	0.1%	180	0.1%	38.9%
Foreign exchange (costs)/rev.	(1,938)	(0.6)%	83	0.0%	n.a.
EBT	25,795	7.8%	32,111	9.2%	(19.7)%
Taxes	(8,143)	(2.5)%	(3,526)	(1.0)%	130.9%
Net Income	17,652	5.3%	28,585	8.2%	(38.2)%
Depreciation	(5,631)	(1.7)%	(5,758)	(1.7)%	(2.2)%
Amortization	(1,676)	(0.5)%	(1,482)	(0.4)%	13.1%
EBITDA	43,219	13.1%	52,686	15.2%	(18.0)%
<i>Exchange rate</i>	1.3171		1.2808		

Revenues Trend

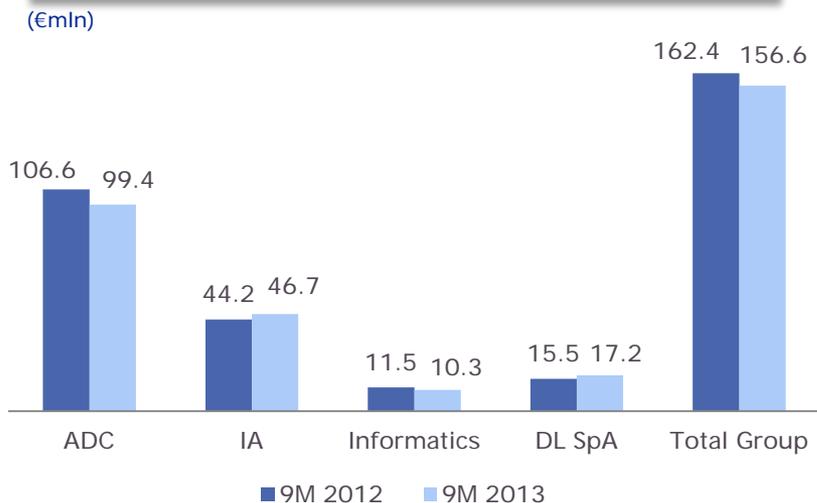
REVENUES BY DIVISION			
€000	9M2012	9M2013	Var %
Datalogic ADC	222,165	202,575	(8.8%)
Datalogic Automation	99,012	104,942	6.0%
Informatics	26,738	23,412	(12.4%)
Datalogic S.p.A.	15,550	17,206	10.6%
Adjustments	(15,929)	(17,362)	9.0%
Total revenues	347,536	330,773	(4.8%)

REVENUES BY AREA			
€000	9M2012	9M2013	Var %
Italy	28,908	29,037	0.4%
Europe	139,209	123,861	(11.0%)
North America	119,170	109,163	(8.4%)
Asia Pacific	39,448	42,784	8.5%
ROW	20,801	25,928	24.6%
Total revenues	347,536	330,773	(4.8%)

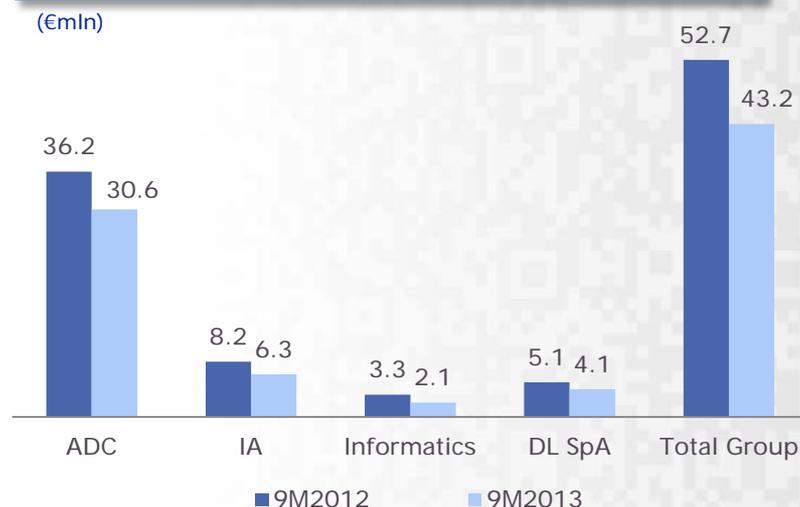


9M Segment Reporting: GOP and Ebitda

GROSS OPERATING MARGIN



EBITDA MARGIN



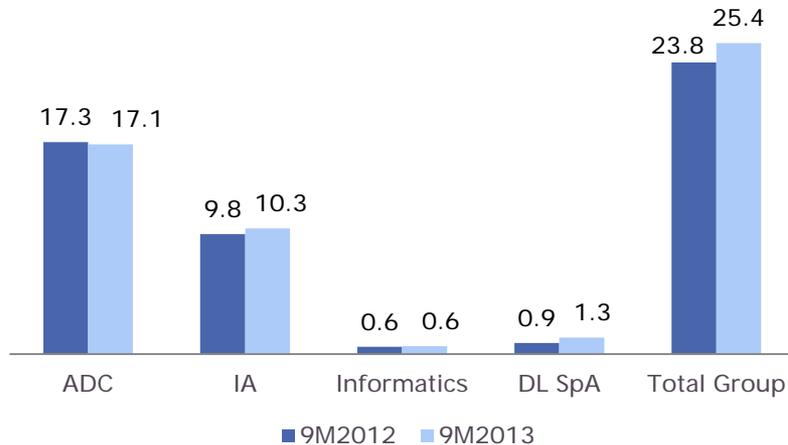
GOP Margin	9M2012	9M2013
ADC	48.0%	49.1%
Industrial Automation	44.6%	44.5%
Informatics	43.0%	43.9%
Total Group	46.7%	47.3%

EBITDA Margin	9M2012	9M2013
ADC	16.3%	15.1%
Industrial Automation	8.2%	6.0%
Informatics	12.2%	9.0%
Total Group	15.2%	13.1%

9M Segment Reporting: R&D and TWC

R&D COSTS

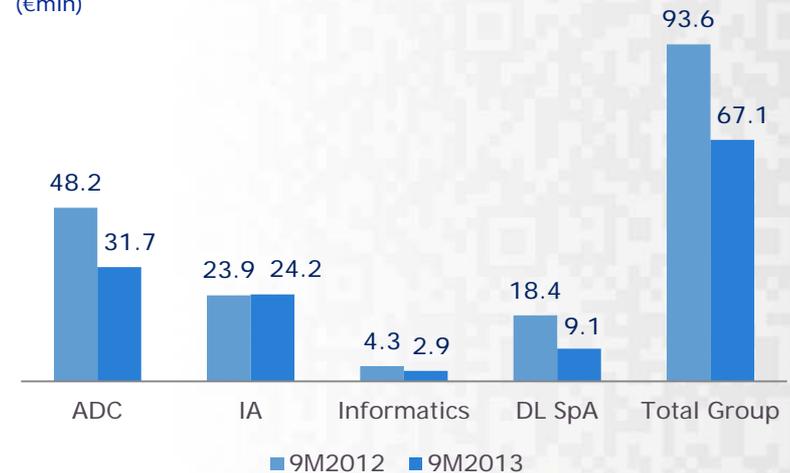
(€mln)



R&D/Revenues	9M2012	9M2013
ADC	7.8%	8.5%
Industrial Automation	9.9%	9.8%
Informatics	2.2%	2.7%
Total Group	6.9%	7.7%

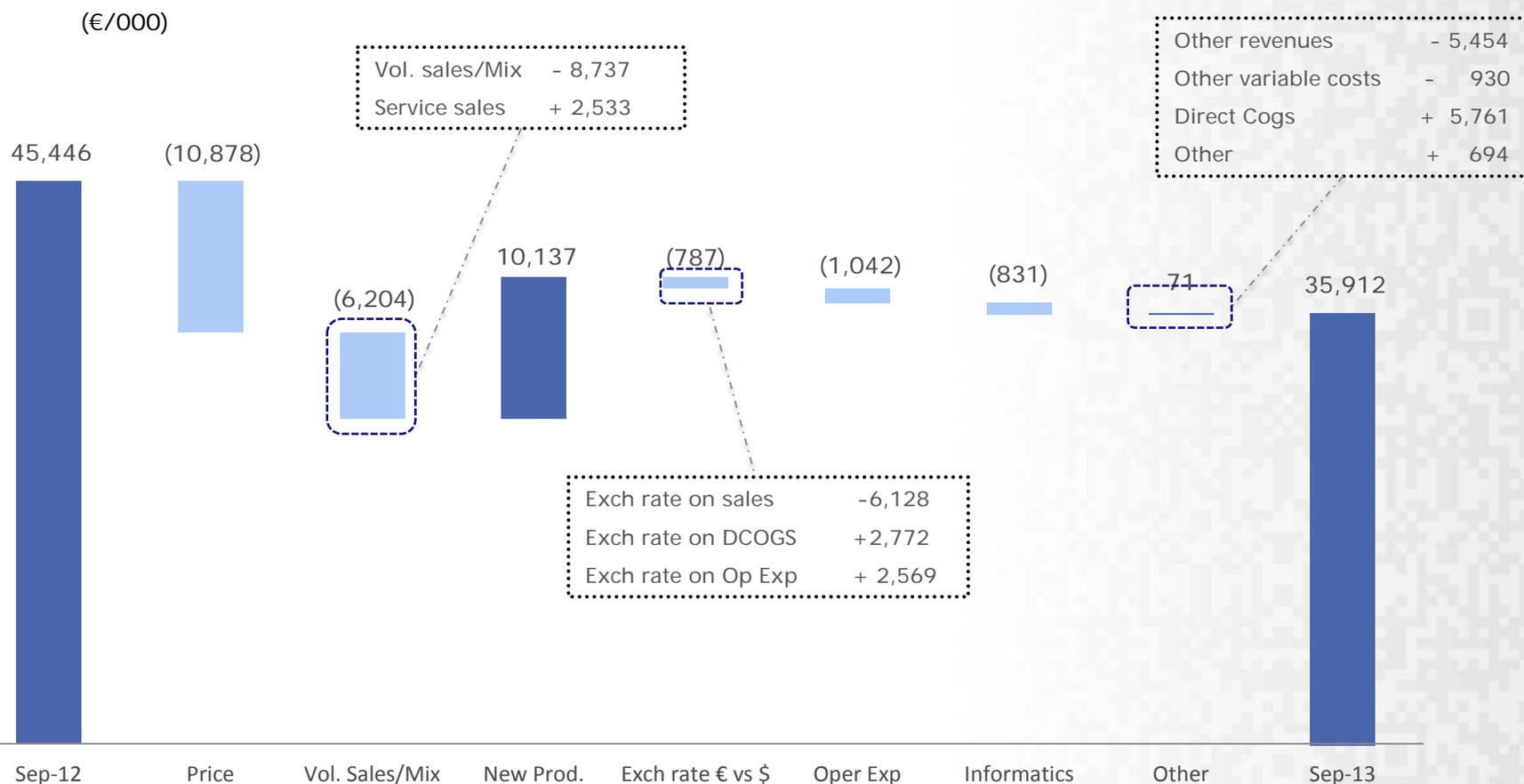
TWC

(€mln)



TWC/Annualized Revenues	9M2012	9M2013
ADC	16.3%	11.7%
Industrial Automation	18.1%	17.3%
Informatics	12.0%	9.3%
Total Group	20.2%	15.2%

EBITANR: Actual vs Last Year



(*) Ordinary Operating Profit before non recurring costs/revenues and amortization of intangible assets from acquisition (EBITANR)

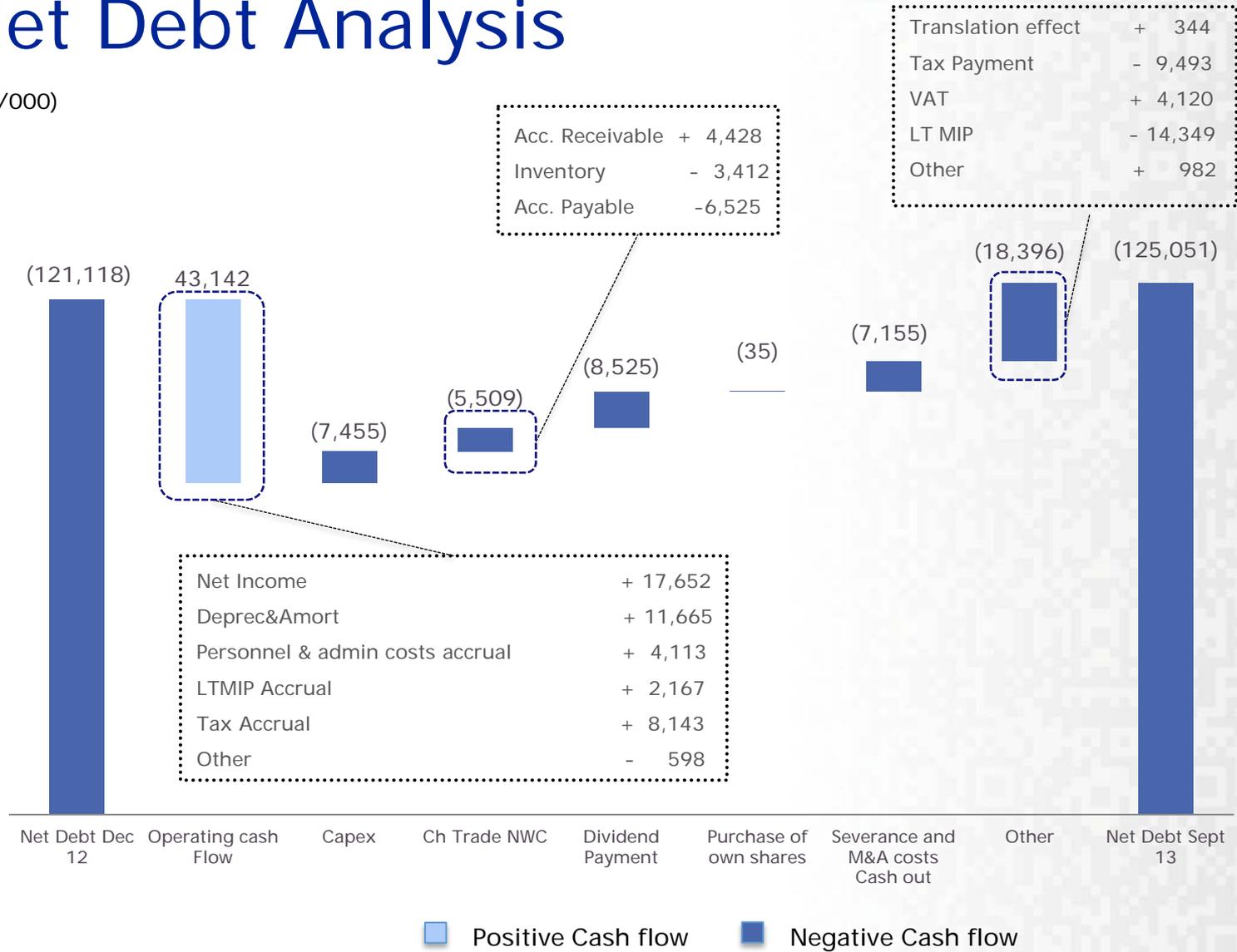
Note: The Exchange rate variance has been calculated on Sales/COGS/Operating expenses originally denominated in USD (\$). The variance was the result of the difference between Sept 2013 (1.3171) JSept 2012 (1.2808) €/USD exchange rate.

Consolidated Balance Sheet

€000	At 31/12/2012	At 30/09/2013
Intangible fixed assets	60,262	56,270
Goodwill	151,134	148,095
Tangible fixed assets	51,621	49,861
Non Consolidated investments	3,936	3,387
Other fixed assets	46,602	39,781
Total Fixed Assets	313,555	297,394
Net trade account receivables	82,552	77,671
ST account payables	(71,102)	(63,173)
Inventory	49,153	52,565
Trade Working Capital	60,603	67,063
Other current receivables	25,577	26,649
Other ST payables and provision for risk & future charges	(71,566)	(53,792)
Net Working Capital	14,614	39,920
Other LT payables	(22,513)	(20,552)
Employees' severance Indemnity	(7,367)	(7,490)
LT provision for risk & future charges	(3,768)	(5,968)
Net Invested Capital	294,521	303,304
Equity	173,403	178,253
Net Financial Position	(121,118)	(125,051)
<i>Exchange rate</i>	<i>1.3194</i>	<i>1.3505</i>

Net Debt Analysis

(€/000)



Outlook

Outlook for 2013

- **Expectation of recovery** in the last quarter of the year **confirmed** on the base of progressive improvement quarter by quarter
- **ADC** in mature markets (US and Europe) still **reflecting weak retailers demand**
- **Major focus on emerging markets** with large growth potential
- **Huge investment in R&D** and launch of the new **Business Development Unit** to strengthen the process

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