Consolidated Half-Year Financial Report

30 June 2011

DATALOGIC GROUP

Consolidated Half-Year Financial Report at 30 June 2011

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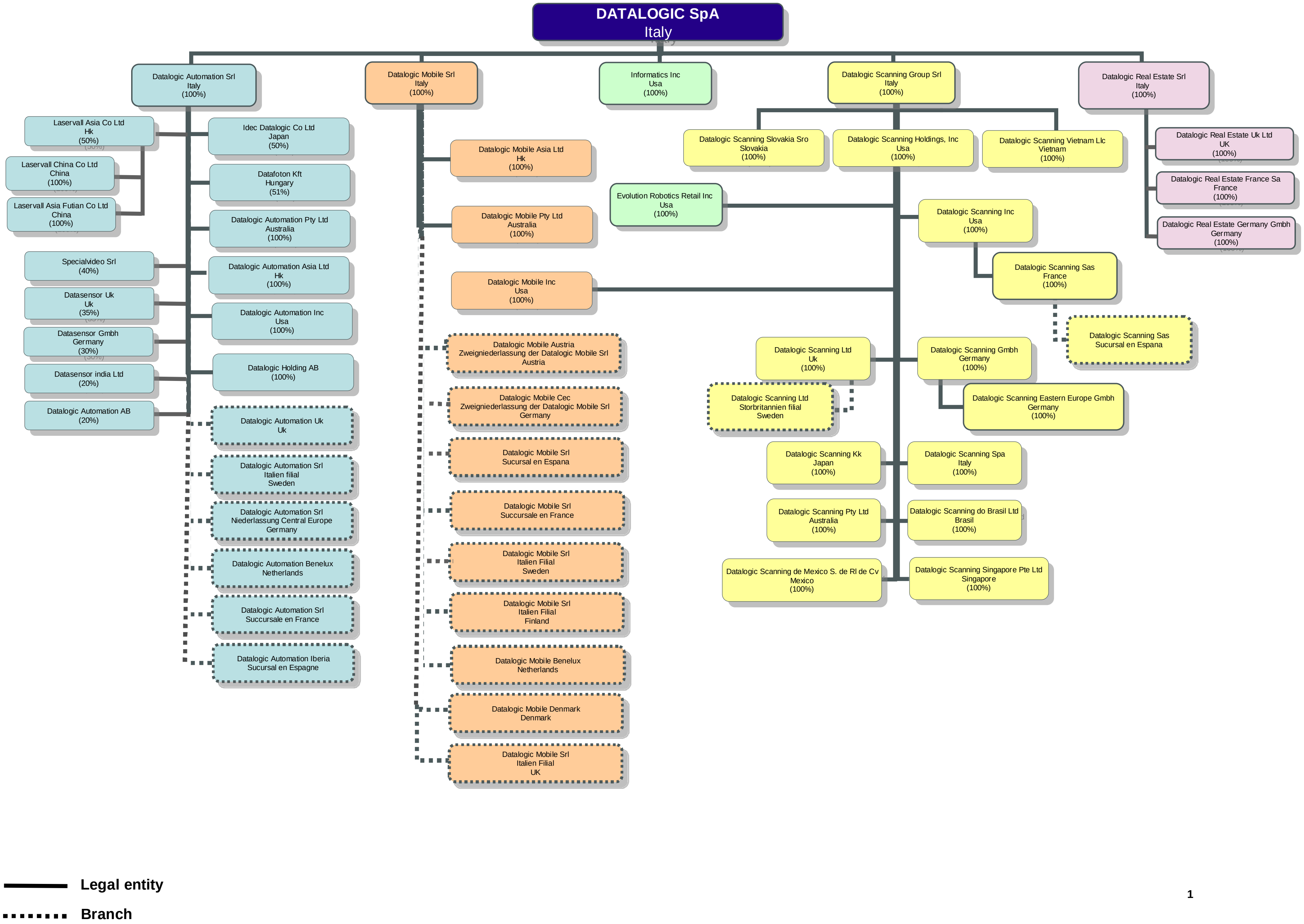
ANNEXES

1. Declaration pursuant to Art. 154-bis, pars. 3 and 4, Legislative Decree 58/1998


DATALOGIC SpA
Italy
Datalogic Automation Srl
Italy
(100%)
Datalogic Mobile Srl
Italy
(100%)
Informatics Inc
Usa
(100%)
Datalogic Scanning Group Srl
Italy
(100%)
Datalogic Real Estate Srl
Italy
(100%)
Laservall Asia Co Ltd
Hk
(50%)
Laservall China Co Ltd
China
(100%)
Laservall Asia Futian Co Ltd
China
(100%)
Specialvideo Srl
(40%)
Datasensor Uk
Uk
(35%)
Datasensor Gmbh
Germany
(30%)
Datasensor india Ltd
(20%)
Datalogic Automation AB
(20%)
Idec Datalogic Co Ltd
Japan
(50%)
Datafoton Kft
Hungary
(51%)
Datalogic Automation Pty Ltd
Australia
(100%)
Datalogic Automation Asia Ltd
Hk
(100%)
Datalogic Automation Inc
Usa
(100%)
Datalogic Holding AB
(100%)
Datalogic Automation Uk
Uk
Datalogic Automation Srl
Italien filial
Sweden
Datalogic Automation Srl
Niederlassung Central Europe
Germany
Datalogic Automation Benelux
Netherlands
Datalogic Automation Srl
Succursale en France
Datalogic Automation Iberia
Sucursal en Espagne
Datalogic Mobile Asia Ltd
Hk
(100%)
Datalogic Mobile Pty Ltd
Australia
(100%)
Datalogic Mobile Inc
Usa
(100%)
Datalogic Mobile Austria
Zweigniederlassung der Datalogic Mobile Srl
Austria
Datalogic Mobile Cec
Zweigniederlassung der Datalogic Mobile Srl
Germany
Datalogic Mobile Srl
Sucursal en Espana
Datalogic Mobile Srl
Succursale en France
Datalogic Mobile Srl
Italien Filial
Sweden
Datalogic Mobile Srl
Italien Filial
Finland
Datalogic Mobile Benelux
Netherlands
Datalogic Mobile Denmark
Denmark
Datalogic Mobile Srl
Italien Filial
UK
Evolution Robotics Retail Inc
Usa
(100%)
Datalogic Scanning Slovakia Sro
Slovakia
(100%)
Datalogic Scanning Holdings, Inc
Usa
(100%)
Datalogic Scanning Vietnam Llc
Vietnam
(100%)
Datalogic Scanning Inc
Usa
(100%)
Datalogic Scanning Sas
France
(100%)
Datalogic Scanning Sas
Sucursal en Espana
Datalogic Scanning Ltd
Uk
(100%)
Datalogic Scanning Gmbh
Germany
(100%)
Datalogic Scanning Ltd
Storbritannien filial
Sweden
Datalogic Scanning Eastern Europe Gmbh
Germany
(100%)
Datalogic Scanning Kk
Japan
(100%)
Datalogic Scanning Spa
Italy
(100%)
Datalogic Scanning Pty Ltd
Australia
(100%)
Datalogic Scanning do Brasil Ltd
Brasil
(100%)
Datalogic Scanning de Mexico S. de Rl de Cv
Mexico
(100%)
Datalogic Scanning Singapore Pte Ltd
Singapore
(100%)
Datalogic Real Estate Uk Ltd
UK
(100%)
Datalogic Real Estate France Sa
France
(100%)
Datalogic Real Estate Germany Gmbh
Germany
(100%)
Legal entity
Branch

Board of Directors (1)

Romano Volta
Chairman (2)

Mauro Sacchetto
Chief Executive Officer (3)

Pier Paolo Caruso
Director

Gianluca Cristofori
Independent Director

Luigi Di Stefano
Independent Director

Angelo Manaresi
Independent Director

Elserino Piol
Director

Giovanni Tamburi
Director

Gabriele Volta
Director

Valentina Volta
Director

Statutory Auditors (4)

Stefano Romani
Chairman

Mario Stefano Luigi Ravaccia
Statutory Auditor

Massimo Saracino
Statutory Auditor

Stefano Biordi
Alternate Statutory Auditor

Patrizia Passerini
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 2011.
(2) Legal representative with respect to third parties.
(3) Legal representative with respect to third parties.
(4) The Statutory Auditors in office until the approval of the accounts for the financial year ending 31 December 2012.

REPORT ON OPERATIONS

To our Shareholders,

The report for the period ended 30 June 2011, which we submit to you for review, has been prepared in compliance with the instructions in the Borsa Italiana S.p.A. Regulations.

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

COMMENTS ON OPERATING AND FINANCIAL RESULTS

The following table summarises the Datalogic Group's key operating and financial results at 30 June 2011 in comparison with the same period a year earlier (figures in €'000):

	30.06.2011	30.06.2010	*Change*	*% change*
Total revenue	**210,247**	**190,832**	***19,415***	***10.2%***
EBITDA (*)	**31,764**	**25,923**	***5,841***	***22.5%***
% of total revenue	*15.1%*	*13.6%*		
Group net profit/loss	**7,818**	**11,255**	***(3,437)***	***-30.5%***
% of total revenue	3.7%	5.9%		
Net financial position (NFP) (**)	**(71,860)**	**(92,103)**	***20,243***	***-22.0%***

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

(**) For the criteria defining the net financial position please see page 8.

At 30 June 2011 **the Datalogic Group reported revenue of €210,247 thousand (€190,832 thousand in the previous year)**, of which €200,985 thousand from the sale of products and €9,262 thousand from services.

Revenues grew by 10.2% compared with the same period of the previous year. At constant euro/dollar exchange rates, the increase would have been slightly higher (13%).

Group EBITDA was €31,764 thousand, corresponding to 15.1% of total revenue, an increase of €5,841 thousand compared with the same period of the previous year (€25,923 thousand at 30 June 2010).

Group net profit, which amounted to €7,818 thousand at 30 June 2011, was down compared with the €11,255 thousand posted in the same period of the previous year due to extraordinary costs for restructuring, amounting to €7,414 thousand, provisioned in the month of June. These costs, as detailed further on in this document, result from a process to optimise the distribution model and reconfigure the supply chain for the Group's Scanning and Mobile divisions.

ANALYSIS OF RECLASSIFIED CONSOLIDATED STATEMENT OF INCOME

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

(€'000)	30.06.2011		30.06.2010		*Change*	*% change*
Total revenue	**210,247**	***100.0%***	**190,832**	***100.0%***	***19,415***	***10.2%***
Cost of sales	(111,432)	*-53.0%*	(103,298)	*-54.1%*	*(8,134)*	*7.9%*
Gross profit	**98,815**	***47.0%***	**87,534**	***45.9%***	***11,281***	***12.9%***
Other revenue	1,780	*0.8%*	606	*0.3%*	*1,174*	*193.7%*
Research and development expenses	(13,389)	*-6.4%*	(12,659)	*-6.6%*	*(730)*	*5.8%*
Distribution expenses	(39,372)	*-18.7%*	(36,821)	*-19.3%*	*(2,551)*	*6.9%*
General & administrative expenses	(20,441)	*-9.7%*	(17,587)	*-9.2%*	*(2,854)*	*16.2%*
Other operating costs	(879)	*-0.4%*	(928)	*-0.5%*	*49*	*-5.3%*
Total operating cost and other costs	**(74,081)**	***-35.2%***	**(67,995)**	***-35.6%***	***(6,086)***	***9.0%***
Ordinary operating result before non-recurring costs and revenue and administrative costs arising from acquisitions (EBITANR) (*)	**26,514**	***12.6%***	**20,145**	***10.6%***	***6,369***	***31.6%***
Non-recurring costs and revenues	(7,414)	*-3.5%*	338	*0.2%*	*(7,752)*	*n.a.*
Depreciation & amortization due to acquisitions (**)	(2,176)	*-1.0%*	(1,999)	*-1.0%*	*(177)*	*8.9%*
Operating result (EBIT)	**16,924**	***8.0%***	**18,484**	***9.7%***	***(1,560)***	***-8.4%***
Net financial income (expenses)	(2,905)	*-1.4%*	(3,037)	*-1.6%*	*132*	*-4.3%*
Subsidiaries' earnings/(losses)	219	*0.1%*	86	*0.0%*	*133*	*154.7%*
Foreign exchange earnings/(losses)	(2,349)	*-1.1%*	2,290	*1.2%*	*(4,639)*	*n.a.*
Pre-tax profit/(loss)	**11,889**	***5.7%***	**17,823**	***9.3%***	***(5,934)***	***-33.3%***
Taxes	(4,071)	*-1.9%*	(6,568)	*-3.4%*	*2,497*	*-38.0%*
GROUP NET PROFIT/LOSS	**7,818**	***3.7%***	**11,255**	***5.9%***	***(3,437)***	***-30.5%***
Depreciation and write-downs of property, plant and equipment	(3,661)	*-1.7%*	(3,926)	*-2.1%*	*265*	*-6.7%*
Amortisation and write-downs of intangible assets	(1,589)	*-0.8%*	(1,852)	*-1.0%*	*263*	*-14.2%*
EBITDA (***)	**31,764**	***15.1%***	**25,923**	***13.6%***	***5,841***	***22.5%***

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

(**) This item includes extraordinary costs for amortisation arising from acquisitions.

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

Gross profit improved compared with the same period of the previous year (from 45.9% of sales to 47%).
In absolute terms, operating costs were higher than in the same period of 2010, but consistent in percentage terms. Most of the increase (in absolute terms) in operating costs is attributable to variable costs (variable fees to directors and managers, sales commissions, delivery and transport expenses, marketing expenses), which, because they relate directly to turnover volumes, were affected by the substantial increase in sales.

At 30 June 2011, non-recurring costs/income (€7,414 thousand) broke down as follows:

ITEM		AMOUNT	COST TYPE
2)" Cost of goods sold"		4,508	early retirement incentives
2)" Cost of goods sold"		110	wages and salaries (bonus)
2)" Cost of goods sold"		141	amortisation
2)" Cost of goods sold"		30	others
	Total	**4,789**	
4) R&D expenses		380	early retirement incentives
	Total	**380**	
5) Distribution expenses		1,955	early retirement incentives
	Total	**1,955**	
6) General & administrative expenses		190	early retirement incentives
6) General & administrative expenses		100	consulting services
	Total	**290**	
	TOTAL NON-RECURRING COSTS	**7,414**	

All non-recurring costs relate to the integration and restructuring project involving the Mobile and Scanning divisions.
In addition to the non-recurring costs listed above, the Group incurred, for the same project, further costs totalling €1,062 thousand, primarily for consulting services.
At 30 June 2011 the total cost of the project was €8,476 thousand.

At 30 June 2011, depreciation and amortisation due to acquisitions (in the amount of €2,176 thousand) breaks down as follows:

€648 thousand pertaining to Datalogic Automation Srl;
€285 thousand pertaining to Informatics Inc.;
€869 thousand pertaining to Datalogic Scanning Inc.;
€249 thousand pertaining to Evolution Robotics Retail Inc., and;
€125 thousand pertaining to Mobile Inc.

The "Ordinary operating result" (EBITANR) was €26,514 thousand, corresponding to 12.6% of revenues, and higher (by €6,369 thousand in absolute terms) than the figure registered for the same period of the previous year (€20,145 thousand).

The table below compares the main operating results in the second quarter of 2011 with the same period of 2010 and the first quarter of 2011.

	Q2 2011		Q2 2010		Change	% change
TOTAL REVENUE	105,291	*100.0%*	101,312	*100.0%*	3,979	*3.9%*
EBITDA	16,868	*16.0%*	15,338	*15.1%*	1,530	*10.0%*
EBITANR (*)	14,301	*13.6%*	12,448	*12.3%*	1,853	*14.9%*
EBIT	5,818	*5.5%*	11,760	*11.6%*	(5,942)	*-50.5%*

	Q2 2011		Q1 2011		Change	% change
TOTAL REVENUE	105,291	*100.0%*	104,956	*100.0%*	335	*0.3%*
EBITDA	16,868	*16.0%*	14,896	*14.2%*	1,972	*13.2%*
EBITANR (*)	14,301	*13.6%*	12,213	*11.6%*	2,088	*17.1%*
EBIT	5,818	*5.5%*	11,106	*10.6%*	(5,288)	*-47.6%*

(*) see definition on page 4

PERFORMANCE BY BUSINESS SEGMENT

Operating segments are identified based on the internal statements used by senior management to allocate resources and evaluate results.

The Group does business in the following operating segments:
Mobile – includes the Mobile Computers (MC) product lines and the self-scanning solution.
Automation – includes product lines related to: fixed scanners for the industrial market (USS), industrial marking products, radio frequency scanners (RFID) and photoelectrical sensors and devices.
Scanning – includes product lines related to: hand-held readers (HHR) and checkout scanners for the retail market.
Business Development – includes distribution of products for automatic identification. As well as Informatics Inc., this segment includes Evolution Robotics Retail Inc., acquired on 1 July 2010.
Other – includes the Group's corporate and real estate activities.

Intersegment sales transactions are executed at arm's length conditions, based on the Group transfer pricing policies.

The **financial information relating to operating segments** at 30 June 2011 and 30 June 2010 are as follows (€'000):

	Mobile		Automation		Scanning		Business Development		Other		Adjustments		Total group	
	2011	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
External sales	41,800	41,871	48,598	43,165	101,665	89,246	18,203	16,561			(19)	(11)	210,247	190,832
Intersegment sales	23	55	174	186	63	70			7,557	6,906	(7,817)	(7,217)	0	0
Total revenues	**41,823**	**41,926**	**48,772**	**43,351**	**101,728**	**89,316**	**18,203**	**16,561**	**7,557**	**6,906**	**(7,836)**	**(7,228)**	**210,247**	**190,832**
Ordinary operating income (EBITANR)	**3,919**	**4,312**	**5,809**	**3,279**	**16,044**	**9,310**	**1,405**	**2,172**	**(650)**	**1,783**	**(13)**	**(711)**	**26,514**	**20,145**
% of revenues	9.4%	10.3%	11.9%	7.6%	15.8%	10.4%	7.7%	13.1%	-8.6%	25.8%	0.2%	9.8%	12.6%	10.6%
Operating result (EBIT)	**(1,704)**	**4,266**	**5,161**	**2,804**	**13,259**	**8,471**	**871**	**1,871**	**(650)**	**1,783**	**(13)**	**(711)**	**16,924**	**18,484**
% of revenues	-4.1%	10.2%	10.6%	6.5%	13.0%	9.5%	4.8%	11.3%	-8.6%	25.8%	0.2%	9.8%	8.0%	9.7%
Financial income/(expenses)	**192**	**(552)**	**(731)**	**(179)**	**(2,127)**	**(1,092)**	**(62)**	**(86)**	**6,012**	**9,701**	**(8,319)**	**(8,453)**	**(5,035)**	**(661)**
Fiscal income/(expenses)	**52**	**(1,488)**	**(1,635)**	**(1,707)**	**(2,714)**	**(1,722)**	**(306)**	**(621)**	**570**	**(1,192)**	**(38)**	**162**	**(4,071)**	**(6,568)**
Amortisation and depreciation	**(1,333)**	**(1,297)**	**(2,048)**	**(2,293)**	**(2,800)**	**(2,992)**	**(687)**	**(423)**	**(698)**	**(772)**	**0**	**0**	**(7,566)**	**(7,777)**
EBITDA	**4,987**	**5,477**	**7,209**	**4,925**	**17,975**	**11,383**	**1,558**	**2,294**	**48**	**2,555**	**(13)**	**(711)**	**31,764**	**25,923**
% of revenues	11.9%	13.1%	14.8%	11.4%	17.7%	12.7%	8.6%	13.9%	0.6%	37.0%	0.2%	9.8%	15.1%	13.6%
R&D expenses	**(2,675)**	**(2,993)**	**(3,304)**	**(3,289)**	**(6,212)**	**(5,991)**	**(996)**	**(299)**	**(230)**	**(118)**	**28**	**31**	**(13,389)**	**(12,659)**
% of revenues	-6.4%	-7.1%	-6.8%	-7.6%	-6.1%	-6.7%	-5.5%	-1.8%	-3.0%	-1.7%	-0.4%	-0.4%	-6.4%	-6.6%

Reconciliation between **EBITDA**, **EBITANR** and **profit/(loss) before tax** is as follows:

	30/06/2011	**30/06/2010**
EBITDA	**31,764**	**25,923**
Depreciation and write-downs of property, plant and equipment	(3,661)	(3,926)
Amortisation and write-downs of intangible assets	(1,589)	(1,852)
EBTANR	**26,514**	**20,145**
Non-recurring costs and revenues	(7,414)	338
Depreciation & amortisation due to acquisitions (*)	(2,176)	(1,999)
EBIT (gross earnings)	**16,924**	**18,484**
Finance income	7,793	10,194
Finance charges	(13,047)	(10,941)
Profits from associated companies	219	86
Pre-tax profit/(loss)	**11,889**	**17,823**

The operating information relating to the operating segments in the first half of 2011 are compared with the data at 31 December 2010 and are as follows (€'000):

	Mobile		Automation		Scanning		Business Development		Other		Adjustments		Total group	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Total assets	74,943	68,985	74,116	78,609	239,251	240,825	40,228	41,858	390,529	371,924	(342,184)	(343,933)	476,883	458,268
Non-current assets	8,642	9,582	17,362	18,437	99,775	107,947	30,332	33,430	26,426	27,007	761	725	183,298	197,128
Equity investments in associates	0		2,380	2,223									2,380	2,223
Total liabilities	53,759	43,524	66,080	73,280	150,787	150,589	10,657	9,279	226,689	203,045	(161,744)	(161,613)	346,228	318,104

ANALYSIS OF FINANCIAL AND CAPITAL DATA

At 30 June 2011, the net financial position was a negative €71,860 thousand, as follows:

	30.06.2011	31.12.2010	30.06.2010
A. Cash and bank deposits	110,195	101,791	88,204
B. Other liquidities	726	751	725
b1. restricted cash deposit	726	751	725
C. Securities held for trading	10,014	360	360
c1. Short-term	9,655	1	1
c2. Long-term	359	359	359
D. Cash and equivalents (A) + (B) + (C)	**120,935**	**102,902**	**89,289**
E. Current financial receivables	0	120	120
F. Other current financial receivables	0	256	136
f1. hedging transactions	0	256	136
G. Bank overdrafts	135	26	81
H. Current portion of non-current debt	69,207	47,768	86,992
I. Other current financial payables	77	69	452
I1. hedging transactions	77	69	452
J. Current financial debt (G) + (H) +(I)	**69,419**	**47,863**	**87,525**
K. Current financial debt, net (J) - (D) - (E) - (F)	**(51,516)**	**(55,415)**	**(2,020)**
L. Non-current bank borrowing	122,495	130,187	91,747
M. Other non-current financial receivables		0	209
N. Other non-current liabilities	881	1,725	2,585
n2. Hedging instruments	881	1,725	2,585
O. Non-current financial debt (L) + (M) + (N)	**123,376**	**131,912**	**94,123**
P. Net financial debt (K) + (O)	**71,860**	**76,497**	**92,103**

Note that medium-/long-term loans, classified under current liabilities at 30 June 2010 (€25,000 thousand), owing to non-compliance with the related covenants, were reclassified according to their effective maturities, both at 31 December 2010 and 30 June 2011.

Net debt at 30 June 2011 was €71,860 thousand, an improvement of €4,637 thousand compared with 31 December 2010, when it totalled €76,497 thousand.

Note that the following non-recurring transactions were carried out in the period:

- the purchase of treasury shares for €2,824 thousand;
- payment of dividends for €8,129 thousand.

Investments were also made in the amount of €3,993 thousand.

Net working capital at 30 June 2011 was €26,564 thousand, down €683 thousand compared with 31 December 2010 (€27,247 thousand).

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

	30.06.11		31.12.10	
	Total equity	**Period results**	**Total equity**	**Period results**
Datalogic SpA shareholders' equity and profit	**161,175**	**5,956**	**165,979**	**9,451**
Difference between consolidated companies' net equity and their carrying value in Datalogic SpA's statement; effect of equity-based valuation	8,748	10,895	12,784	24,115
Reversal of dividends	0	(8,356)	0	(14,673)
Amortisation of intangible assets "business combination"	(5,827)	0	(5,827)	0
Effect of acquisition under common control	(31,733)	0	(31,733)	0
Elimination of capital gain on sale of business branch	(3,302)		(3,302)	0
Effect of eliminating intercompany transactions	(3,732)	(612)	(3,120)	228
Reversal of write-downs and capital gains on equity investments	3,565	0	3,565	(630)
Sale of Know-how	(7)	0	(7)	0
Goodwill impairment	(1,246)	(149)	(1,097)	(298)
Other	(603)	42	(652)	112
Taxes	3,617	42	3,574	(277)
Group portion of shareholders' equity	**130,655**	**7,818**	**140,164**	**18,028**

FINANCE INCOME AND EXPENSES

Finance income was negative to the tune of €5,254 thousand and breaks down as follows:

	30.06.2011	30.06.2010	*Change*
Financial income/(expenses)	(2,039)	(2,328)	*289*
Forex losses	(2,349)	2,290	*(4,639)*
Bank expenses	(629)	(469)	*(160)*
Other	(237)	(240)	*3*
Total net financial expenses	**(5,254)**	**(747)**	***(4,507)***

Profits generated by companies carried at equity were recognised in the amount of €219 thousand (compared with a loss of €86 thousand at 30 June 2010).

OUTLOOK FOR CURRENT YEAR AND SUBSEQUENT EVENTS

In May the Group finalised and communicated a restructuring plan aimed at rationalising and integrating the entities of the Datalogic Group's Mobile and Scanning Divisions, making production processes more efficient by relocating them and improving customer service levels. The plan aims to give Datalogic a competitive advantage over its main competitors in the reference sector thereby assisting its growth in the near future.
On 14 June an agreement was reached with the trade unions to lessen, as much as possible, the social and economic impacts on workers affected by the closure of the production facility in Quinto di Treviso; further transformation and rationalisation processes affected the production facilities in Eugene (USA) and Trnava (Slovakia). Production will be gradually wound up until the complete closure of the sites in Treviso and Eugene, scheduled for the end of the year.
To cover the reorganisation costs required to implement the aforementioned plan, the Group has recognised in the balance sheet at 30 June 2011 charges totalling €8,476 thousand, of which €7,414 thousand is classified as non-recurring costs.

In June, the Datalogic Group's 2011-2013 Business Plan was approved and presented to the market. This plan outlines the guidelines for the Group's future development and indicates more challenging targets than the previous plan (2010-2012).

SECONDARY LOCATIONS

The Parent Company has no secondary locations.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS (Euro/000)	Note	30.06.2011	31.12.2010
A) NON-CURRENT ASSETS (1+2+3+4+5+6+7)		**211.102**	**223.861**
1) Tangible assets		**48.548**	**50.042**
Land	1	4.958	5.050
Buildings	1	23.308	23.688
Other assets	1	18.544	19.787
Assets in progress and payments on account	1	1.738	1.517
2) Intangible assets		**134.750**	**147.086**
Goodwill	2	99.076	106.088
Development costs	2	71	119
Other	2	34.951	40.754
Assets in progress and payments on account	2	652	125
3) Investments in associates	3	**2.380**	**2.223**
4) Financial assets available for sale (AFS)		**1.634**	**1.422**
Investments in non-controlling interests	5	1.275	1.063
Securities	5	359	359
5) Loans		**0**	**0**
6) Trade and other receivables	7	**1.198**	**1.291**
7) Deferred tax assets	13	**22.592**	**21.797**
B) CURRENT ASSETS (8+9+10+11+12+13+14)		**265.781**	**234.407**
8) Inventories		**54.520**	**45.308**
raw and ancillary materials and consumables	8	26.022	22.663
work in progress and semi-finished products	8	9.421	7.683
finished products and goods	8	19.077	14.962
9) Trade and other receivables	7	**85.655**	**80.475**
Trade receivables	7	**74.069**	**69.353**
within 12 months	7	71.545	66.581
of which to associates	7	2.513	2.761
of which to the parent company	7		11
of which to related parties	7	11	
Other receivables - accrued income and prepayments	7	**11.586**	**11.122**
10) Tax receivables	9	**5.030**	**5.705**
of which to the parent company		478	1.416
11) Financial assets available for sale (ST)	5	**9.655**	**1**
Securities		9.655	1
12) Loans			**120**
of which to associates			120
13) Financial assets - Derivatives	6		**256**
14) Cash and cash equivalents	10	**110.921**	**102.542**
TOTAL ASSETS (A+B)		**476.883**	**458.268**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

LIABILITIES (Euro/000)	Note	30.06.2011	31.12.2010
A) TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF PARENT (1+2+3+4+5)		**130.655**	**140.164**
1) Share capital	11	**119.875**	**122.699**
2) Reserves	11	**(15.711)**	**(9.331)**
3) Retained earnings	11	**18.673**	**8.768**
4) Group profit (loss) for the period/year	11	**7.818**	**18.028**
5) Total shareholders' equity attributable to non-controlling interests	11		
B) NON-CURRENT LIABILITIES (6+7+8+9+10+11+12)		**158.168**	**166.000**
6) Financial debt	12	**122.495**	**130.187**
7) Financial liabilities - Derivatives	6	**881**	**1.725**
8) Tax liabilities		**33**	**164**
9) Deferred tax liabilities	13	**14.157**	**15.536**
10) Employees termination indemnities	14	**7.004**	**7.121**
11) Provisions for risks and charges	15	**12.228**	**9.823**
12) Other liabilities	16	**1.370**	**1.444**
C) CURRENT LIABILITIES (13+14+15+16+17)		**188.060**	**152.104**
13) Trade and other payables	16	**98.009**	**90.598**
Trade payables	16	**64.511**	**56.688**
within 12 months	16	64.249	56.297
of which to associates	16	63	125
of which to related parties	16	199	265
Other payables – accrued liabilities and deferred income	16	**33.498**	**33.910**
14) Tax liabilities		**10.176**	**10.028**
of which to the parent company		5.222	4.231
15) Provisions for risks and charges	15	**10.456**	**3.615**
16) Financial liabilities - Derivatives	6	**77**	**69**
17) Financial debt	12	**69.342**	**47.794**
TOTAL LIABILITIES (A+B+C)		**476.883**	**458.268**

CONSOLIDATED STATEMENT OF INCOME

(Euro/000)	Note	30.06.2011	30.06.2010
1) TOTAL REVENUES	17	**210.247**	**190.832**
Revenues from sale of products		200.985	183.393
Revenues for services		9.262	7.439
2) Cost of goods sold	18	**116.221**	**103.218**
of which non-recurring	18	4.789	(80)
GROSS PROFIT (1-2)		**94.026**	**87.614**
3) Other operating revenues	19	**1.780**	**606**
of which non-recurring	19		
4) R&D expenses	18	**13.769**	**12.659**
of which non-recurring	18	380	
5) Distribution expenses	18	**41.327**	**36.821**
of which non-recurring	18	1.955	
6) General and administrative expenses	18	**22.907**	**19.586**
of which non-recurring	18	290	
of which amortisation pertaining to acquisitions	18	2.176	1.999
7) Other operating expenses	18	**879**	**670**
of which non-recurring	18		(258)
Total operating costs		78.882	69.736
OPERATING RESULT		**16.924**	**18.484**
8) Financial income	20	**7.793**	**10.194**
9) Financial expenses	20	**13.047**	**10.941**
Financial management result (8-9)		(5.254)	(747)
10) Share of profits of associates	3	**219**	**86**
INCOME/(LOSS) BEFORE INCOME TAXES		**11.889**	**17.823**
Income taxes	21	4.071	6.568
Ne income/(loss) for the period		**7.818**	**11.255**
Basic earnings/(loss) per share (€)	22	0,1441	0,2050
Diluted earnings/(loss) per share (€)	22	0,1441	0,2050

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Euro/000)	Note	30.06.2011	30.06.2010
NET INCOME/(LOSS) FOR THE PERIOD		**7.818**	**11.255**
Other components of the comprehensive statement of income:			
Profit/(loss) on cash flow hedges	11	421	(252)
Profit/(loss) due to translation of the accounts of foreign companies	11	(6.801)	14.861
Profit/(loss) on exchange rate adjustments for financial assets available for sale	11	0	62
Total other profit/(loss) net of the tax effect		(6.380)	14.671
COMPREHENSIVE NET PROFIT/(LOSS) FOR THE PERIOD		**1.438**	**25.926**
Attributable to:			
Owners of the parent		1.438	25.926
Non-controlling interests shareholders		0	0

CONSOLIDATED STATEMENT OF CASH FLOW

(Euro/000)	30.06.2011	30.06.2010
Net income/(loss) for the period	**11.889**	**17.823**
Amortisation and depreciation of tangible and intangible assets and write-downs	7.566	7.777
Change in employee benefits reserve	(117)	(638)
Provision for doubtful accounts	183	308
Net financial expenses/(income) including exchange rate differences	5.254	747
Adjustments to value of financial assets	(219)	(86)
Cash flow from operations before changes in working capital	**24.556**	**25.931**
Change in trade receivables (net of provisions)	(4.899)	(12.544)
Change in inventories	(9.212)	(8.184)
Change in other current assets	(464)	(1.487)
Other medium-/long-term assets	93	(644)
Change in trade payables	7.823	8.152
Change in other current liabilities	(412)	7.797
Other medium-/long-term liabilities	(74)	261
Change in provisions for risks and charges	9.246	1.090
Commercial foreign exchange gains/(losses)	71	(855)
Foreign exchange effect of working capital	(748)	2.209
Cash flow from operations after changes in working capital	**25.980**	**21.726**
Change in tax	(5.553)	(1.974)
Foreign exchange effect of tax	(302)	272
Interest paid and banking expenses	(2.905)	(3.037)
Cash flow provided by operating activities (A)	**17.220**	**16.987**
(Increase)/decrease in intangible assets excluding exchange rate effect	(843)	(3.322)
(Increase)/decrease in tangible assets excluding exchange rate effect	(3.150)	(576)
Change in unconsolidated equity interests	(150)	(274)
Net cash used in investing activities (B)	**(4.143)**	**(4.172)**
Change in LT/ST financial receivables	(9.253)	(343)
Change in short-term and medium-/long-term financial debt	27.911	9.158
Financial foreign exchange gains/(losses)	(2.420)	3.145
Purchase of treasury shares	(2.824)	(569)
Change in reserves and exchange rate effect of financial assets/liabilities, equity and tangible and intangible assets (*)	4.933	(6.996)
Dividend payment	(8.129)	
Net cash provided (used in) financing activities (C)	**10.218**	**4.395**
Net increase (decrease) in cash and cash equivalent (A+B+C)	**23.295**	**17.210**
Net cash and cash equivalents at start of period (Note 10)	**83.234**	**70.913**
Cash and cash equivalents at end of period (Note 10)	**106.529**	**88.123**

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

Description	Share capital and capital reserves			Other reserves				Profits from previous years				
	Total share capital and capital reserves	Cash flow hedge reserve	Conversion reserve	Held-for-sale financial assets reserve	Total other reserves	Retained earning	Capital grant reservce	legal reserve	IFRS reserve	Total	Net income for the period	Total Group shareholders' equit
01.01.2010	**124.791**	**(1.936)**	**(14.853)**	**(107)**	**(16.896)**	**8.875**	**958**	**2.430**	**8.701**	**20.964**	**(12.164)**	**116.695**
Allocation of prior year result	**0**				**0**	(12.919)		755		**(12.164)**	**12.164**	**0**
Dividends			0		**0**					**0**		**0**
Conversion reserve	**0**				**0**					**0**		**0**
Change in IFRS reserve	**0**				**0**				(13)	**(13)**		**(13)**
Sale/purchase of treasury shares	**(569)**				**0**					**0**		**(569)**
Other changes					**0**	16				**16**		**16**
Net income at 30.06.2010	**0**				**0**					**0**	**11.255**	**11.255**
Total other components of the statement of comprehensive income		(252)	14.861	62	**14.671**							**14.671**
30.06.2010	**124.222**	**(2.188)**	**8**	**(45)**	**(2.225)**	**(4.028)**	**958**	**3.185**	**8.688**	**8.803**	**11.255**	**142.055**

Description	Share capital and capital reserves			Other reserves				Profits from previous years				
	Total share capital and capital reserves	Cash flow hedge reserve	Conversion reserve	Held-for-sale financial assets reserve	Total other reserves	Retained earning	Capital grant reservce	legal reserve	IFRS reserve	Total	Net income for the period	Total Group shareholders' equit
01.01.2011	**122.699**	**(1.102)**	**(8.229)**	**0**	**(9.331)**	**(4.050)**	**958**	**3.185**	**8.675**	**8.768**	**18.028**	**140.164**
Allocation of prior year result	**0**				**0**	17.555		473		**18.028**	**(18.028)**	**0**
Dividends			0		**0**	(8.129)				**(8.129)**		**(8.129)**
Conversion reserve	**0**				**0**					**0**		**0**
Change in IFRS reserve	**0**				**0**					**0**		**0**
Sale/purchase of treasury shares	**(2.824)**				**0**					**0**		**(2.824)**
Other changes					**0**				6	**6**		**6**
Net income at 30.06.2011	**0**				**0**					**0**	**7.818**	**7.818**
Total other components of the statement of comprehensive income		421	(6.801)	0	**(6.380)**							**(6.380)**
30.06.2011	**119.875**	**(681)**	**(15.030)**	**0**	**(15.711)**	**5.376**	**958**	**3.658**	**8.681**	**18.673**	**7.818**	**130.655**

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

INTRODUCTION

The Datalogic Group deals with the production and marketing of handheld readers, fixed scanners for the industrial market, mobile computers, fixed scanners for the retail market and sensors. The Group also deals with radiofrequency readers (RFID), self-scanning solutions and products for industrial marking.
Datalogic S.p.A. (hereinafter “Datalogic”, the “Parent Company” or the “Company”) is a joint-stock company listed on the STAR segment of Borsa Italiana, with its registered office in Italy. The address of the registered office is Via Candini, 2 - Lippo di Calderara (BO).
The Company is a subsidiary of Hydra SpA, which is also based in Bologna and is controlled by the Volta family.
This Consolidated Half-Year Financial Report at 30 June 2011 includes the figures of the Parent Company and its subsidiaries (defined hereinafter as the “Group”) and its minority interests in associated companies.
These consolidated financial statements for the half year to 30 June 2011 were prepared by the Board of Directors on 29 July 2011.

PRESENTATION AND CONTENT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements at 30 June 2011 have been prepared in an abridged form in compliance with IAS 34 "Interim Financial Reporting", providing the summary notes set forth by the international accounting principles, integrated where possible to provide a higher level of disclosure where necessary. As such, this Half-Year Financial Report should be considered together with the consolidated financial statements and related notes presented at 31 December 2010 and prepared in accordance with International Financial Reporting Standards (IFRSs) adopted by the European Union.

Accounts

The accounts used are consistent with those envisaged by IAS 1 and used in the consolidated financial statements for the year to 31 December 2010; specifically:

- in the consolidated statement of financial position, assets and liabilities are classified according to whether they are current or non-current;
- in the consolidated statement of income, operating costs are classified by function, as this presentation was deemed more suitable for representing the Group's specific businesses, complying with the internal reporting method;
- the statement of comprehensive income includes, in addition to profit for the period, as in the consolidated income statement, other changes in Shareholders' Equity excluding those with Shareholders;
- The consolidated statement of cash flow shows the cash flows resulting from operating activities using the "indirect method”, as allowed by IAS 7.

In addition, as required by Consob decision no. 15519 of 27 July 2006, in the consolidated income statement, the gains and charges from non-recurring operations have been specifically identified and the related effects on the main intermediate levels of the result have been shown separately. Non-recurring events and transactions are chiefly identified based on the type of operation. In particular, items are included in non-recurring charges/gains which, due to their nature, are not continuously checked in the course of normal operating activities (e.g. gains/charges from business combinations and charges/gains from corporate reorganisation processes).

Principles for preparation of the financial statements

When preparing the interim financial statements management must make estimates and assumptions affecting the value of the revenues, costs, assets and liabilities on the balance sheet and which relate to information on potential assets and liabilities at the reporting date. The estimates are used to recognise provisions for doubtful accounts, obsolescent inventories, depreciation and amortisation and, as from the current period, the risks posed by the corporate reorganisation.
If in the future these estimates and assumptions, which are based on management's best evaluations, were to differ from actual circumstances, they would be amended as appropriate in the period in which the circumstances themselves change. For a more in-depth description of the most appropriate evaluation processes for the Group, see the section entitled Use of Estimates in the Consolidated Financial Statements at 31 December 2010.
It should also be noted that these evaluation processes, in particular the most complex ones, such as the determination of impairment of non-current assets, are generally only carried out in full at the time of drafting the annual report, when all the information that may be required is available, except in cases in which there are impairment indicators requiring immediate evaluation of any impairment.
The actuarial valuations necessary to determine the reserves for employee benefits are also normally processed at the time of drafting the annual report.
Income taxes were recognised based on the best estimate of the average weighted tax rate expected for the entire year.

The accounting policies adopted in this condensed consolidated half-year financial report comply with the policies used for the consolidated financial statements at 31 December 2010, except for the adoption on 1 January 2011 of the new principles and interpretations listed below:

- ***IAS 24 - Related Party Disclosures (Amendment)***

The IASB issued an amendment to IAS 24 which clarifies the definition of related parties. The new definition emphasises the balance in identifying related subjects and defines more clearly the circumstances under which persons and executives with strategic responsibilities must be considered to be related parties. The amendment also introduces an exemption from the general disclosure requirements regarding related parties for transactions between a government-controlled reporting entity and that government or other entities controlled by that government. Adoption of the amendment has had no impact on the Group's financial position or results.

- **IAS 32 – Financial Instruments: Presentation (Amendment)**

This standard includes an amendment to the definition of financial liabilities for the classification of rights issues in foreign currencies (and some options and warrants) as capital instruments if these instruments are allocated pro rata to all holders of the same class of a (non-derivative) instrument representing the entity's capital, or for the purchase of a fixed number of instruments representing the capital of the entity for a fixed amount in any currency. The amendment has had no impact on the Group’s financial position or results.

- **IFRIC 14 – Prepayments of a minimum funding requirement (Amendment)**

The amendment removes an unintentional consequence found when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover these requirements. The amendment permits such an entity to treat the benefit of such an early payment as an asset. The Group is not subject to minimum funding requirements in Europe, therefore this amendment has had no impact on the Group's financial position or results.

- **Improvements to IFRS (issued in May 2010)**

In May 2010 the IASB issued a third series of improvements to the standards, primarily to eliminate existing inconsistencies and to clarify their terminology. There are specific transitional rules for every standard. Adoption of the following improvements has resulted in changes to accounting policies but has had no effect on the Group's balance sheet or results:

- **IFRS 3 Business Combinations:** The options available for measuring non-controlling interests have been amended. It is possible to measure at fair value or alternatively in relation to the proportionate share of the identifiable net assets of the purchased company only the components of the non-controlling interests which represent an effective equity stake which guarantees the holders a **proportional share of the company's net assets in the event of liquidation**. All the other components must be assessed at fair value on the purchase date.
- **IFRS 7 Financial instruments: Disclosures:** the amendment is aimed at simplifying and improving information by, respectively, reducing the volume of information relating to guarantees held and requesting more qualitative information to better contextualise the quantitative part.
- **IAS 1 Presentation of Financial Statements:** the amendment explains that an analysis of each of the other components of the statement of comprehensive income can be included, as an alternative, in the statement of changes in shareholders' equity or in the notes to the financial statements.
- **IAS 34 Interim Financial Reporting:** the amendment requires additional information to be given on fair value, changes in the classification of financial assets and changes in potential assets and liabilities in interim financial reporting.

The following amendments to the standards have had no impact on the Group's accounting policies, financial position or results:

- **IFRS 3 Business Combinations** – the amendment explains that amounts potentially generated by business combinations prior to adoption of IFRS 3 (as amended in 2008) are recognised in accordance with IFRS 3 (2005)
- **IFRS 3 Business Combinations** – share-based payments (voluntarily substituted or not substituted) and their accounting treatment in the context of a business combination
- **IAS 27 Consolidated and Separate Financial Statements** – application of the transitional rules for IAS 27 (reviewed in 2008) to the consequently amended standards
- **IFRIC 13 Customer Loyalty Programmes** – in determining the fair value of awards, an entity must consider discounts and incentives that would otherwise be offered to customers not participating in the loyalty programme.

The Group has not chosen early adoption of any other standards, interpretations or improvements issued but not yet in force.

In addition, since the Group will recognise restructuring provisions from 30 June 2011 onwards, the criterion adopted is shown below:

Restructuring provision

The Group recognises restructuring provisions in the event that there is an implicit restructuring obligation and there exists a formal programme for restructuring which has raised a valid expectation in those affected that the company will carry out the restructuring, or if it has already begun the restructuring, or if it has already announced the main features of the restructuring plan to those affected by it.

SCOPE OF CONSOLIDATION

The Consolidated Half-Year Financial Report includes the statements of the direct parent company and of the companies in which the former directly or indirectly holds the majority of voting rights.

The companies consolidated on a line-by-line basis for the period ended 30 June 2011 are as follows:

Company	Registered office	Share capital		Total shareholders' equity (€'000)	Profit/loss for the period (€'000)	% ownership
Datalogic SPA holding	Bologna – Italy	Euro	30,392,175	161,175	5,956	
Datalogic Real Estate Srl	Bologna – Italy	Euro	20,000	2,583	(73)	100%
Datalogic Real Estate France Sa	Paris – France	Euro	2,227,500	3,541	26	100%
Datalogic Real Estate Germany GmbH	Erkenbrechtsweiler – Germany	Euro	1,025,000	1,971	(40)	100%
Datalogic Real Estate UK Ltd	Redbourn – England	GBP	3,500,000	3,979	63	100%
Informatics Inc.	Plano Texas – USA	US$	9,996,000	13,101	937	100%
Evolution Robotics Retail Inc.	Pasadena – USA	US$	1	16,469	(434)	100%
Datalogic Automation Srl	Monte San Pietro (BO) – Italy	Euro	10,000,000	5,809	2,098	100%
Datalogic Sweden AB	Malmö – Sweden	KRS	200,000	275	(9)	100%
Datalogic Automation INC	Hebron, KY – USA	US$	463,812	2,897	297	100%
Datalogic Automation PTY LTD	Mount Waverley (Melbourne) – Australia	$AUD	2,300,000	(637)	127	100%
Datalogic Automation Asia Limited	Hong Kong - China	HKD	7,000,000	(227)	130	100%
Datafoton kft	Fonyod – Hungary	HUF	3,000,000	167	50	51%
Datalogic Mobile Srl	Bologna – Italy	Euro	10,000,000	17,760	(851)	100%
Datalogic Mobile Asia	Hong Kong - China	HKD	100,000	76	1	100%
Datalogic Mobile INC	Eugene, OR – USA	US$	1	5,983	80	100%
Datalogic Mobile PTY	Mount Waverley (Melbourne) – Australia	$AUD	-	(849)	(73)	100%
Datalogic Scanning Group Srl	Bologna – Italy	Euro	10,000,000	97,391	1,557	100%
Datalogic Scanning Slovakia	Tvrn – Slovakia	Euro	66,390	11,979	5,193	100%
Datalogic Scanning Holdings Inc.	Eugene, OR – USA	US$	100	71,169	(718)	100%
Datalogic Scanning Inc.	Eugene, OR – USA	US$	10	37,401	1,149	100%
Datalogic Scanning do Brasil	Sao Paulo, SP - Brazil	R$	159,525	(90)	(24)	100%
Datalogic Scanning Mexico	Colonia Cuauhtemoc – Mexico	US$	-	(876)	(124)	100%
Datalogic Scanning UK Ltd	Watford – England	GBP	191,510	(728)	285	100%
Datalogic Scanning Sarl	Paris – France	Euro	653,015	1,242	452	100%
Datalogic Scanning GMBH	Darmstadt – Germany	Euro	306,775	3,425	779	100%
Datalogic Scanning Eastern Europe Gmbh	Darmstadt – Germany	Euro	30,000	302	50	100%
Datalogic Scanning SpA	Milan – Italy	Euro	110,000	1,302	78	100%
Datalogic Scanning PTY	Sydney – Australia	$AUD	2	981	(109)	100%
Datalogic Scanning Japan	Tokyo – Japan	JPY	151,437,000	(467)	53	100%
Datalogic Scanning Vietnam LLC	Vietnam	VND	27,714,555,000	1,243	967	100%
Datalogic Scanning Singapore	Singapore	SGD	100,000	87	9	100%

The following companies were consolidated at equity at 30 June 2011:

Company	Registered office	Share capital	Total shareholders' equity (€'000)	Profit/loss for the period (€'000)	% ownership
Idec DatalogicCo. Ltd	Osaka – Japan	Yen 300,000,000	1,856	88	50%
Laservall Asia Co. Ltd	Hong Kong – China	HKD 460,000	2,648	350	50%

SEGMENT INFORMATION

Operating segments are identified based on the internal statements used by senior management to allocate resources and evaluate results.

The Group does business in the following operating segments:

Mobile – includes the Mobile Computers (MC) product lines and the self-scanning solutions.
Automation – includes product lines related to: fixed scanners for the industrial market (USS), industrial marking products, radio frequency scanners (RFID) and photoelectrical sensors and devices.
Scanning – includes product lines related to: hand-held readers (HHR) and checkout scanners for the retail market.
Business Development – includes distribution of products for automatic identification. As well as Informatics Inc., this segment includes Evolution Robotics Retail Inc., acquired on 1 July 2010.
Other – includes the Group's corporate and real estate activities.

Intersegment sales transactions are executed at arm's length conditions, based on the Group transfer pricing policies.

The **financial information relating to operating segments** at 30 June 2011 and 30 June 2010 are as follows (€'000):

	Mobile		Automation		Scanning		Business Development		Other		Adjustments		Total group	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
External sales	41,800	41,871	48,598	43,165	101,665	89,246	18,203	16,561			(19)	(11)	210,247	190,832
Intersegment sales	23	55	174	186	63	70			7,557	6,906	(7,817)	(7,217)	0	0
Total revenues	**41,823**	**41,926**	**48,772**	**43,351**	**101,728**	**89,316**	**18,203**	**16,561**	**7,557**	**6,906**	**(7,836)**	**(7,228)**	**210,247**	**190,832**
Ordinary operating income (EBITANR)	**3,919**	**4,312**	**5,809**	**3,279**	**16,044**	**9,310**	**1,405**	**2,172**	**(650)**	**1,783**	**(13)**	**(711)**	**26,514**	**20,145**
% of revenues	9.4%	10.3%	11.9%	7.6%	15.8%	10.4%	7.7%	13.1%	-8.6%	25.8%	0.2%	9.8%	12.6%	10.6%
Operating result (EBIT)	**(1,704)**	**4,266**	**5,161**	**2,804**	**13,259**	**8,471**	**871**	**1,871**	**(650)**	**1,783**	**(13)**	**(711)**	**16,924**	**18,484**
% of revenues	-4.1%	10.2%	10.6%	6.5%	13.0%	9.5%	4.8%	11.3%	-8.6%	25.8%	0.2%	9.8%	8.0%	9.7%
Financial income/(expenses)	**192**	**(552)**	**(731)**	**(179)**	**(2,127)**	**(1,092)**	**(62)**	**(86)**	**6,012**	**9,701**	**(8,319)**	**(8,453)**	**(5,035)**	**(661)**
Fiscal income/(expenses)	**52**	**(1,488)**	**(1,635)**	**(1,707)**	**(2,714)**	**(1,722)**	**(306)**	**(621)**	**570**	**(1,192)**	**(38)**	**162**	**(4,071)**	**(6,568)**
Amortisation and depreciation	**(1,333)**	**(1,297)**	**(2,048)**	**(2,293)**	**(2,800)**	**(2,992)**	**(687)**	**(423)**	**(698)**	**(772)**	**0**	**0**	**(7,566)**	**(7,777)**
EBITDA	**4,987**	**5,477**	**7,209**	**4,925**	**17,975**	**11,383**	**1,558**	**2,294**	**48**	**2,555**	**(13)**	**(711)**	**31,764**	**25,923**
% of revenues	11.9%	13.1%	14.8%	11.4%	17.7%	12.7%	8.6%	13.9%	0.6%	37.0%	0.2%	9.8%	15.1%	13.6%
R&D expenses	**(2,675)**	**(2,993)**	**(3,304)**	**(3,289)**	**(6,212)**	**(5,991)**	**(996)**	**(299)**	**(230)**	**(118)**	**28**	**31**	**(13,389)**	**(12,659)**
% of revenues	-6.4%	-7.1%	-6.8%	-7.6%	-6.1%	-6.7%	-5.5%	-1.8%	-3.0%	-1.7%	-0.4%	-0.4%	-6.4%	-6.6%

Reconciliation between **EBITDA**, **EBITANR** and **profit/(loss) before tax** is as follows:

	30/06/2011	30/06/2010
EBITDA	**31,764**	**25,923**
Depreciation and write-downs of property, plant and equipment	(3,661)	(3,926)
Amortisation and write-downs of intangible assets	(1,589)	(1,852)
EBITANR	**26,514**	**20,145**
Non-recurring costs and revenues	(7,414)	338
Depreciation & amortisation due to acquisitions (*)	(2,176)	(1,999)
EBIT (gross earnings)	**16,924**	**18,484**
Finance income	7,793	10,194
Finance charges	(13,047)	(10,941)
Profits from associated companies	219	86
Pre-tax profit/(loss)	**11,889**	**17,823**

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

The **balance sheet information relating to operating sectors** at 30 June 2011 and 31 December 2010 are as follows (€'000):

	Mobile		Automation		Scanning		Business Development		Other		Adjustments		Total group	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Total assets	74,943	68,985	74,116	78,609	239,251	240,825	40,228	41,858	390,529	371,924	(342,184)	(343,933)	476,883	458,268
Non-current assets	8,642	9,582	17,362	18,437	99,775	107,947	30,332	33,430	26,426	27,007	761	725	183,298	197,128
Equity investments in associates	0		2,380	2,223									2,380	2,223
Total liabilities	53,759	43,524	66,080	73,280	150,787	150,589	10,657	9,279	226,689	203,045	(161,744)	(161,613)	346,228	318,104

INFORMATION ON THE STATEMENT OF FINANCIAL POSITION

Note 1. Tangible assets

The breakdown of the item at 30 June 2011 and 31 December 2010 is as follows:

	30.06.2011	31.12.2010	Change
Land	4,958	5,050	(92)
Buildings	23,308	23,688	(380)
Other assets	18,544	19,787	(1,243)
Assets in progress and payments on account	1,738	1,517	221
Total	**48,548**	**50,042**	**(1,494)**

Changes at 30 June 2011 are as follows:

	Land	Buildings	Other assets	Assets in progress and payments on account	Total
Historical cost	5,050	26,090	94,453	1,517	127,110
Accumulated amortisation	0	(2,402)	(74,666)	0	(77,068)
Net initial value at 01.01.11	**5,050**	**23,688**	**19,787**	**1,517**	**50,042**
Increases 30.06.11					
Investments		139	2,789	428	3,356
Total	**0**	**139**	**2,789**	**428**	**3,356**
Decreases 30.06.11					
Disposals historical cost			(1,667)	(83)	(1,750)
Disposals accum. depreciation			1,572		1,572
Amortisation		(209)	(3,592)		(3,801)
Total	**0**	**(209)**	**(3,687)**	**(83)**	**(3,979)**
Reclass. & other changes 30.06.11					
Incoming transfers					0
(Outgoing transfers)			(8)	(20)	(28)
Forex historical cost	(92)	(348)	(1,225)	(104)	(1,769)
Forex accum. amortisation		38	888		926
Total	**(92)**	**(310)**	**(345)**	**(124)**	**(871)**
Historical cost	4,958	25,881	94,342	1,738	126,919
Accumulated amortisation	0	(2,573)	(75,798)	0	(78,371)
Net closing value at 30.06.11	**4,958**	**23,308**	**18,544**	**1,738**	**48,548**

The “Other assets” item at 30 June 2011 mainly includes the following categories: Plant and machinery (€6,227 thousand), Trade and industrial equipment (€4,855 thousand), Office furniture and machines (€4,811 thousand), General plant (€1,769 thousand), Motor vehicles (€220 thousand), and Maintenance on third-party assets (€398 thousand).
During the half the Group made investments totalling €3,356 thousand; of these, the most significant in the "Other assets" item is mainly connected to completion of the new production lines, which have been operational since June, at the facility in Vietnam.

The useful lives of some assets included in the "Other assets" category, mainly relating to the production site in Treviso, which the Group leased, have been reviewed in accordance with the reorganisation plan which will result in the closure of this site. The revised useful lives have been recognised in accordance with the provisions of IAS 8.
The impact on the income statement at 30 June 2011 amounts to €141 thousand and will be used up during 2011.

The balance of “Assets in progress and payments on account” mainly comprises down payments for equipment, instruments and moulds for normal production activities.

Note 2. Intangible assets

The breakdown of the item at 30 June 2011 and 31 December 2010 are as follows:

	30.06.2011	31.12.2010	Change
Goodwill	99,076	106,088	(7,012)
Development costs	71	119	(48)
Other	34,951	40,754	(5,803)
Assets in progress and payments on account	652	125	527
Total	**134,750**	**147,086**	**(12,336)**

Changes at 30 June 2011 are as follows:

	Goodwill	Development costs	Other	Assets in progress and payments on account	Total
Historical cost	106,088	6,912	85,855	125	198,980
Accumulated amortisation		(6,793)	(45,101)		(51,894)
Net initial value at 01.01.11	**106,088**	**119**	**40,754**	**125**	**147,086**
Increases 30.06.11					
Investments			316	527	843
Total	**0**	**0**	**316**	**527**	**843**
Decreases 30.06.11					
Disposals historical cost			(390)		(390)
Disposals accum. depreciation			390		390
Amortisation		(48)	(3,568)		(3,616)
Write-downs	(149)				(149)
Total	**(149)**	**(48)**	**(3,568)**	**0**	**(3,765)**
Reclass. & other changes 30.06.11					
Incoming transfers					0
(Outgoing transfers)					0
Forex historical cost	(6,863)	(17)	(3,951)		(10,831)
Forex accum. amortisation		17	1,400		1,417
Total	**(6,863)**	**0**	**(2,551)**	**0**	**(9,414)**
Historical cost	107,013	6,895	81,830	652	196,390
Accumulated amortisation	(7,937)	(6,824)	(46,879)	0	(61,640)
Net closing value at 30.06.11	**99,076**	**71**	**34,951**	**652**	**134,750**

Goodwill, totalling €99,076 thousand, consisted of the following items:

	30.06.2011	31.12.2010	Change
Former PSC Group – Acquisition executed on 30 November 2005	64,976	70,123	(5,147)
Informatics Inc. - Acquisition executed on 28 February 2005	11,096	11,777	(681)
Laservall SpA - Acquisition executed on 27 August 2004	5,119	5,119	0
Idware Srl – Incorporated in 1998	3,380	3,380	0
Infra – Goodwill recognised following the acquisition of Datasensor	1,682	1,682	0
Gruppo Minec - Acquisition executed on 15 July 2002	147	296	(149)
Evolution Robotics Retail Inc. - Acquisition executed on 1 July 2010	12,676	13,711	(1,035)
Total	**99,076**	**106,088**	**(7,012)**

Goodwill has been allocated to the CGUs (cash generating units) corresponding to the individual companies and/or sub-groups to which they pertain. Specifically, goodwill related to the PSC Group acquisition was allocated to two different cash generating units for the purposes of impairment: Datalogic Scanning Inc., for about $78.5 million, and Datalogic Mobile Inc., for about $12.5 million.
As highlighted in the paragraph included in the section on accounting standards and policies used in the financial statements for the year ended 31 December 2010, to which reference should be made, in compliance with IAS 38 goodwill has not been amortised since 1 January 2004 but is tested for impairment each year unless loss indicators suggest the need for more frequent impairment testing. The 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 DCF (discounted cash flow) method.
At 30 June 2011, no write-downs were made, except for the goodwill of the Minec Group, written down by €149 thousand.

"**Development costs**", which amount to €71 thousand, consist of specific development projects capitalised when they meet IAS 38 requirements and in compliance with Group policies, which call for the capitalisation only of projects relating to development of products featuring significant innovation.

The "**Other intangible assets**" item, which amounts to €34,951 thousand, mainly consists of intangible assets acquired as part of the business combinations completed by the Group and specifically identified and valued in purchase accounting of the deals. Details are shown in the following table:

	30.06.2011	31.12.2010	USEFUL LIFE (YEARS)
Acquisition of the PSC Group (executed on 30 November 2006)	**22,713**	**25,572**	
PATENTS	20,296	22,710	20
TRADEMARK	1,210	1,454	10
CLIENT PORTFOLIO	1,207	1,408	10
Acquisition of Laservall SPA (executed on 27 August 2004)	**1,325**	**1,972**	
UNPATENTED TECHNOLOGY	0	426	7
COMMERCIAL STRUCTURE	1,325	1,546	10
Acquisition of Informatics Inc. (executed on 28 February 2005)	**2,029**	**2,494**	
COMMERCIAL STRUCTURE	2,029	2,494	10
Acquisition of Evolution Robotics Retail Inc. (executed on 1 July 2010)	**4,362**	**4,980**	
PATENTS	727	830	10
TRADE SECRETS	3,635	4,150	10
Licence agreement	**629**	**1,349**	5
Other	**3,893**	**4,387**	
TOTAL OTHER INTANGIBLE ASSETS	**34,951**	**40,754**	

The “**Others**” item mainly consists of software licenses.

The increase in the item “**Assets in progress and down payments**”, is attributable for €505 thousand to the capitalisation of costs relating to a project possessing the features required by IAS 38 and Group policies, and still being completed.

Note 3. Equity investments in associates

Equity investments owned by the Group as at 30 June 2011 were as follows:

	31.12.2010	Increases	Decreases	Forex differences	Share of profit	30.06.2011
Associate companies						
Idec Datalogic Co.Ltd	946			*(62)*	44	928
Laservall Asia Co. Ltd	1,149				175	1,324
Datalogic Automation AB	2					2
Datasensor UK	42					42
Special Video	29					29
Datasensor Gmbh	45					45
DL PRIVATE India	10					10
Total associates	**2,223**	**0**	**0**	**(62)**	**219**	**2,380**
TOTAL	**2,223**	**0**	**0**	**(62)**	**219**	**2,380**

The change in “Associates” is due to the Group’s share of the results achieved by the associates Idec Datalogic Co. Ltd. and Laservall Asia Co. and to exchange rate adjustments.

Note 4. Financial instruments by category

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

30.06.2011	Loans and receivables	Held for trading	Availability for sale	Total
Non-current financial assets	**1,198**	**359**	**1,275**	**2,832**
Financial assets – equity investments (5)			1,275	1,275
Financial assets - securities		359		359
Other receivables (7)	1,198			1,198
Current financial assets	**194,052**	**9,655**	**0**	**203,707**
Trade receivables from third parties (7)	71,545			71,545
Other receivables from third parties (7)	11,586			11,586
Financial assets – securities (5)		9,655		9,655
Cash & cash equivalents (10)	110,921			110,921
TOTAL	**195,250**	**10,014**	**1,275**	**206,539**

30.06.2011	Derivatives used for hedging transactions	Other financial liabilities	Total
Non-current financial liabilities	**881**	**123,865**	**124,746**
Financial payables (12)		122,495	122,495
Financial liabilities - derivative instruments (6)	881		881
Other payables (16)		1,370	1,370
Current financial liabilities	**77**	**167,089**	**167,166**
Trade payables – Third Parties (16)		64,249	64,249
Other payables (16)		33,498	33,498
Financial liabilities - derivative instruments (6)	77		77
Short-term financial payables (12)		69,342	69,342
TOTAL	**958**	**290,954**	**291,912**

Fair value – hierarchy

All the financial instruments posted at fair value are classified in three categories defined as follows:

Level 1: market prices

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

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

At 30 June 2011, the Group held the following financial instruments valued at fair value:

	Level 1	Level 2	Level 3	Total
Assets valued at fair value				
Financial assets – Equity investments (5)		0	1,275	1,275
Financial assets – Long-term securities (5)	359	0		359
Financial assets – Short-term securities (5)	9,655	0		9,655
Total assets valued at fair value	***10,014***	***0***	***1,275***	***11,289***
Liabilities valued at fair value				
Financial liabilities – Long-term derivative instruments (6)		881		881
Financial liabilities – Short-term derivative instruments (6)	0	77	0	77
Total liabilities valued at fair value	***0***	***958***	***0***	***958***

There were no transfers between the hierarchical fair-value levels compared with 31 December 2010 and the same period of the previous year. There were no changes in the ultimate uses of the financial assets which had a different classification from the assets themselves.
The Group does not have any instruments used as guarantees for credit to mitigate the credit risk. The book value of the financial assets therefore represents the potential credit risk.

Note 5. Financial assets

Financial assets includes the following items:

	30.06.2011	31.12.2010	Change
Securities	**10,014**	**360**	9,654
Long-term government bonds	359	359	0
Short-term government bonds	9,655	1	9,654
Other equity investments	**1,275**	**1,063**	**212**
Total	**11,289**	**1,423**	**9,866**

The increase in the item “Financial assets – Short-term securities” for €9,654 relates to the acquisition by the Parent Company of Treasury Credit Certificates (CCTs) as a temporary liquidity investment.

Positions are summarised in the table below:

Long-term investment securities – Listed

Type of security	Par value	Unit purchase price	Total purchase price	Market price as at 30.06.11	Total market value as at 30.06.11	Carrying amount at 30.06.11
Government bonds	10,000,000	0,9607	9,612,000	0,9612	9,612,000	9,654,000

The difference between the market value as at 30 June 2011 (€9,612 thousand) and the carrying amount of €9,654 thousand is represented by accrued interest of €42 thousand.

At 30 June 2011 the Group owned the following equity interests in other companies:

	31.12.2010	Increases	Forex differences	Write-downs	30.06.2011
Nomisma SpA Italia	7				7
Conai	0				0
Caaf Ind. Emilia Romagna - Italy	4				4
Crit Srl	51				51
Consorzio T3 Lab	8				8
Mandarin Capital Management SA	993	212			1,205
Total equity investments	**1,063**	**212**	**0**	**0**	**1,275**

The largest proportion of equity investments is represented by the Parent Company's investment in the Mandarin Fund, a private equity fund that mainly invests in Italian and Chinese small and medium-sized companies, whose primary investors and sponsors are Intesa San Paolo and two leading Chinese banks. The increase for the period is due to the purchase of a further 1,537 shares in the above-mentioned fund.
Note that the Parent Company holds a non-controlling interest in Alien Technology Corporation, which was fully written down at 31 December 2010.

Note 6. Derivative financial instruments

	30.06.2011		31.12.2010	
	Assets	Liabilities	Assets	Liabilities
Interest rate derivatives - cash flow hedges		933		1,725
Currency derivatives - cash flow hedges		25		0
Currency derivatives – fair value hedges		0	256	69
Total	**0**	**958**	**256**	**1,794**
Less non-current portion:				
Interest rate derivatives - cash flow hedges		881	0	1,725
Currency derivatives - cash flow hedges				
Currency derivatives – fair value hedges				0
Current portion	**0**	**77**	**256**	**69**

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 €933 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.
At 30 June 2011, the notional capital of the interest rate swaps was €42,879 thousand (€47,885 thousand at 31 December 2010) and USD 9,912 thousand (USD 11,225 thousand at 31 December 2010).

Currency derivatives

The existing forward contracts hedge foreign exchange risks on the US dollar for an aggregate notional amount of USD 6,900 thousand (USD 6,650 thousand at 31 December 2010) and on the Euro for a total notional amount of €5,500 thousand (€4,200 thousand at 31 December 2010), and have the same amount and maturity as the underlying hedged amount.
The hedged positions comprise highly likely cash flows stemming from purchase orders and budget; since the envisaged requirements for application of hedge accounting are satisfied, the change in fair value of hedging instruments has been recognised in equity for the effective portion of the hedge (negative for €17 thousand) and expensed for the ineffective part (negative for €8 thousand).
The hedging transactions classified as fair value hedges at 31 December 2010 were completed during the first half of 2011.

Note 7. Trade and other receivables

Trade and other receivables

	30.06.2011	31.12.2010	Change
Third-party trade receivables	73,987	69,005	4,982
Less: doubtful debt provision	2,442	2,424	18
Net third-party trade receivables	**71,545**	**66,581**	**4,964**
Receivables from associates	**2,513**	**2,761**	**(248)**
Idec Datalogic CO Ltd	315	413	(98)
Laservall Asia	1,084	986	98
Datasensor UK	266	265	1
Datasensor Gmbh	437	486	(49)
Special Video	3	10	(7)
DS India	79	47	32
Datalogic Automation AB	329	554	(225)
Receivables from the Parent Company	**0**	**11**	**(11)**
Hydra		11	(11)
Related-party receivables	**11**	**0**	**11**
Total trade receivables	**74,069**	**69,353**	**4,716**
Other receivables – accrued income and prepaid expenses	11,586	11,122	464
Other receivables – non-current accrued income and prepaid expenses	1,198	1,291	(93)
Total other receivables - accrued income and prepayments	**12,784**	**12,413**	**371**
Less: non-current portion	1,198	1,291	(93)
Trade and other receivables - current portion	**85,655**	**80,475**	**5,180**

Trade receivables

“Trade receivables falling due within 12 months” at 30 June 2011 are equal to €74,069 thousand, up by 6.7% versus the comparable figure at 31 December 2010.

Receivables from affiliates arise from commercial transactions executed at arm’s length conditions.

Other receivables – accrued income and prepaid expenses

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

	30.06.2011	31.12.2010	Change
Other current receivables	5,258	5,601	(343)
Other long-term receivables	1,198	1,291	(93)
VAT Tax Credit	4,074	3,473	601
Accruals and deferrals	2,254	2,048	206
Total	**12,784**	**12,413**	**371**

Note 8. Inventories

	30.06.2011	31.12.2010	Change
Raw and ancillary materials and consumables	26,022	22,663	3,359
Work in progress and semi-finished products	9,421	7,683	1,738
Finished products and goods	19,077	14,962	4,115
Total	**54,520**	**45,308**	**9,212**

Inventories are shown net of an obsolescence provision that amounted to €7,380 thousand at 30 June 2011 (€7,788 thousand at 31 December 2010 and €9,391 thousand at 30 June 2010).

Changes in such provision are shown below:

	2011	2010
1 January	**7,788**	**9,411**
Exchange-rate change	(278)	840
Allocations	1,407	1,842
Release for scrap and other utilisations	(1,537)	(2,702)
30 June	**7,380**	**9,391**

Note 9. Tax receivables/tax payables

The item "Tax receivables" includes the amount receivable from the ultimate Parent Company Hydra relating to the IRES (corporate tax) credit arising from participation in tax consolidation, of €478 thousand (€1,416 thousand at 31 December 2010).

The item "Tax payables" includes the amount payable to Parent Company Hydra relating to the IRES (corporate tax) payable arising from participation in tax consolidation, of €5,222 thousand (€4,231 thousand at 31 December 2010).

Note 10. Cash and cash equivalents

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

	30.06.2011	31.12.2010	Change
Cash and cash equivalents shown on financial statements	110,921	102,542	8,379
Restricted cash	(726)	(751)	25
Bank overdrafts (ordinary current accounts)	(135)	(26)	(109)
EU financing	(531)	(531)	0
Loans maturing within three months	(3,000)	(18,000)	15,000
Cash and cash equivalents for statement	**106,529**	**83,234**	**23,295**

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

	30.06.2011	31.12.2010
A. Cash and bank deposits	110,195	101,791
B. Other liquidities	726	751
b1. restricted cash deposit	*726*	*751*
C. Securities held for trading	10,014	360
c1. Short-term	*9,655*	*1*
c2. Long-term	*359*	*359*
D. Cash and equivalents (A) + (B) + (C)	**120,935**	**102,902**
E. Current financial receivables	0	120
F. Other current financial receivables	0	256
f1. hedging transactions	*0*	*256*
G. Bank overdrafts	135	26
H. Current portion of non-current debt	69,207	47,768
I. Other current financial payables	77	69
I1. hedging transactions	*77*	*69*
J. Current financial debt (G) + (H) +(I)	**69,419**	**47,863**
K. Current financial debt, net (J) - (D) - (E) - (F)	**(51,516)**	**(55,415)**
L. Non-current bank borrowing	122,495	130,187
M. Other non-current liabilities	881	1,725
m1. Hedging instruments	*881*	*1,725*
O. Non-current financial debt (L) + (M) + (N)	**123,376**	**131,912**
P. Net financial debt (K) + (O)	**71,860**	**76,497**

Net debt at 30 June 2011 was €71,860 thousand, an improvement of €4,637 thousand compared with 31 December 2010, when it totalled €76,497 thousand.

Note that the following non-recurring transactions were carried out in the period:

- the purchase of treasury shares for €2,824 thousand;
- payment of dividends for €8,129 thousand.

Investments were also made in the amount of €3,993 thousand.
Net working capital at 30 June 2011 was €26,564 thousand, down €683 thousand compared with 31 December 2010 (€27,247 thousand).

INFORMATION ON 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:

	30.06.2011	31.12.2010
Share capital	30,392	30,392
Share premium reserve	84,323	87,139
Extraordinary share-cancellation reserve	2,813	2,813
Treasury shares held	(22,297)	(19,473)
Treasury share reserve	24,644	21,828
Share capital and capital reserves	**119,875**	**122,699**
Cash-flow hedge reserve	(681)	(1,102)
Translation reserve	(15,030)	(8,229)
Other reserves	**(15,711)**	**(9,331)**
Retained earnings	**18,673**	**8,768**
Earnings carried forward	5,376	(4,050)
Capital grant reserve	958	958
Legal reserve	3,658	3,185
IFRS reserve	8,681	8,675
Net profit (loss) for the period	**7,818**	**18,028**
Total Group shareholders' equity	**130,655**	**140,164**

Share capital and capital reserves

Movements in share capital to 30 June 2011 are reported below (in €'000):

	Number of shares	Share capital	Extraordinary share-cancellation reserve	Share premium reserve	Treasury shares	Treasury share reserve	Total share capital and capital reserves
01.01.2011	**54,446,556**	**30,392**	**2,813**	**87,139**	**(19,473)**	**21,828**	**122,699**
Purchase of treasury shares	(473,188)			(2,816)	(2,816)	2,816	(2,816)
Sale of treasury shares							0
Costs for the purchase of treasury shares					(8)		(8)
30.06.2011	**53,973,368**	**30,392**	**2,813**	**84,323**	**(22,297)**	**24,644**	**119,875**

Ordinary shares

At 30 June 2011 the total number of ordinary shares was 58,446,491, including 4,473,123 held as treasury shares, making the number of shares in circulation at that date 53,973,368. The shares have a nominal unit value of €0.52 and are fully paid up.

Treasury shares

The "Treasury shares" account, negative by €22,297 thousand, includes purchases and sales of treasury shares in the amount of €24,644 thousand, which have been recognised net of gains and charges realised following the sale of treasury shares and related tax effects (€2,347 thousand). In the first half of 2011, the Group acquired 473,188 treasury shares.
For these purchases, in accordance with Article 2453 of the Italian civil code, capital reserves (through the treasure share reserve) in the amount of €24,644 thousand have been made unavailable.

Other reserves

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.

Cash-flow hedge reserve

Following adoption of IAS 39, changes in the fair value of derivative contracts designated as effective hedging instruments are recognised in accounts directly with shareholders' equity, in the cash-flow hedge reserve. These contracts have been executed to hedge exposure to the risk of fluctuation of interest rates on floating rate loans (negative for €933 thousand) and to hedge currency exposure (negative for €17 thousand). Amounts are reported net of the tax effect (€269 thousand).

Cumulative retained earnings

This item includes equity changes occurring in consolidated companies after acquisition date.

Dividends

On 28 April 2011 the Annual General Meeting of Datalogic S.p.A. approved distribution of the ordinary dividend of €0.15 per share (no dividends were distributed in 2010). The total dividend of €8,129 thousand was paid out as from 5 May 2011 and was entirely paid at 30 June.

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

	30.06.11		31.12.10	
	Total equity	Period results	Total equity	Period results
Datalogic SpA shareholders' equity and profit	**161,175**	**5,956**	**165,979**	**9,451**
Difference between consolidated companies' net equity and their carrying value in Datalogic SpA's statement; effect of equity-based valuation	8,748	10,895	12,784	24,115
Reversal of dividends	0	(8,356)	0	(14,673)
Amortisation of intangible assets "business combination"	(5,827)	0	(5,827)	0
Effect of acquisition under common control	(31,733)	0	(31,733)	0
Elimination of capital gain on sale of business branch	(3,302)		(3,302)	0
Effect of eliminating intercompany transactions	(3,732)	(612)	(3,120)	228
Reversal of write-downs and capital gains on equity investments	3,565	0	3,565	(630)
Sale of Know-how	(7)	0	(7)	0
Goodwill impairment	(1,246)	(149)	(1,097)	(298)
Other	(603)	42	(652)	112
Deferred tax	3,617	42	3,574	(277)
Group portion of shareholders' equity	**130,655**	**7,818**	**140,164**	**18,028**

Note 12. Short- and long-term borrowings and financial liabilities

The breakdown of this item is as detailed below:

	30.06.2011	31.12.2010	Change
Bank loans	191,171	177,424	13,747
EU financing	531	531	0
Bank overdrafts (ordinary current accounts)	135	26	109
Total financial payables	**191,837**	**177,981**	**13,856**

The breakdown of changes in the "Bank loans" item at 30 June 2011 and 31 December 2010 is shown below:

	2011	2010
1 January	**177,424**	**169,887**
Foreign exchange differences	(2,896)	2,835
Increases	47,952	10,000
Repayments	(18,000)	0
Decreases for loan repayments	(13,309)	(981)
30 June	**191,171**	**181,741**

The “**Increases**” item mainly relates to the following arrangements for the Parent Company:

- a stand-by line for €20,000 thousand
- two hot money contracts for €13,000 million
- a medium-/long-term loan of €15,000 thousand

Bank loans have maturities until 2020 and approximate annual average interest rates of 2%. The fair value of the loans (current and non-current) coincides substantially with their book value calculated at amortized cost.

Covenants

As regards the following loans, the companies have been asked to respect, on a semi-annual or annual basis, some financial covenants summarised in the following table:

Company	Currency	Outstanding debt	Covenant			Frequency	On the financial statements of
Datalogic SpA	€	6,000,000	DFL	PN	DFL / PN	annual	Datalogic SpA
Datalogic SpA	€	4,000,000	DFL	PN	DFL / PN	annual	Datalogic SpA
Datalogic SpA	€	15,000,000	PFN / PN	PFN /EBITDA		annual	Datalogic Group
Datalogic SpA	€	30,000,000	EBITDA/PFN	PFN /EBITDA		semi-annual	Datalogic Group
Datalogic SpA	$	49,400,000	PFN / PN	PFN /EBITDA		semi-annual	Datalogic Group
Datalogic SpA	€	20,000,000	PFN / PN	PFN /EBITDA		annual	Datalogic Group
Datalogic SpA	€	15,000,000	PFN / PN	PFN /EBITDA		semi-annual	Datalogic Group
Datalogic Automation Srl	€	25,000,000	PFN / PN	PFN /EBITDA		semi-annual	Datalogic Group
Datalogic Automation Srl	€	2,500,000	DFL	PN	DFL / PN	annual	Datalogic SpA
Datalogic Automation Srl	€	2,500,000	DFL	PN	DFL / PN	annual	Datalogic SpA

Key:

PN = Shareholders' Equity

PFN = Net financial position

DFL = Financial gross payables

Cash Flow = Profit/(loss)+depreciation and amortisation

As at 30 June 2011 all covenants were respected.

Note 13. Deferred tax assets and liabilities

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

The breakdown of deferred taxes (net balance of deferred tax assets and liabilities) is illustrated as follows:

	30.06.2011	31.12.2010	Change
Datalogic Automation INC	202	374	(172)
Datalogic Automation srl (*)	1,901	1,829	72
Datalogic Mobile Asia	(2)	(2)	0
Datalogic Mobile Inc	405	392	13
Datalogic Mobile PTY	106	77	29
Datalogic Mobile srl (*)	1,405	(263)	1,668
Datalogic RE	(9)	11	(20)
Datalogic RE France Sa	52	52	0
Datalogic RE Germany GmbH	(75)	(75)	0
Datalogic RE UK Ltd	97	101	(4)
Datalogic Scanning GMBH	(441)	(385)	(56)
Datalogic Scanning Group	143	73	70
Datalogic Scanning Holding Inc and Datalogic Scanning Inc	2,816	2,546	270
Datalogic Scanning Iberia	1	0	1
Datalogic Scanning PTY	77	114	(37)
Datalogic Scanning SAS	31	30	1
Datalogic Scanning Slovakia	594	632	(38)
Datalogic Scanning SPA	150	144	6
Datalogic Scanning UK LTD	13	13	0
Datalogic SpA	(299)	112	(411)
Evolution Robotics Retail Inc.	761	604	157
Informatics	(491)	(727)	236
Total long-term net deferred taxes	**7,437**	**5,652**	**1,785**
Deferred taxes recognised due to effect of consolidation adjustments	**998**	**609**	**389**
Total long-term net deferred taxes	**8,435**	**6,261**	**2,174**

(*) they include the balances of the branches.

The most significant change is attributable to the company Mobile srl following the recognition of deferred taxes relating to provisions for restructuring costs.

Note 14. Employees termination indemnities

The changes at 30 June 2011 and 2010 are as follows:

	2011	2010
1 January	7,121	7,739
Amount allocated in the period	863	888
Uses	(503)	(1,277)
Social security receivables for the employee severance indemnity reserve	(477)	(249)
30 June	**7,004**	**7,101**

Note 15. Provisions for risks and charges

The breakdown of the "Provisions for risks and charges" item is as follows:

	30.06.2011	31.12.2010	Change
Short-term provisions	10,456	3,615	6,841
Long-term provisions	12,228	9,823	2,405
Total	**22,684**	**13,438**	**9,246**

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

	31.12.2010	Increases	(Uses) and (Issues)	Forex differences	30.06.2011
Product warranty provision	4,965	492	(194)	(120)	5,143
Company restructuring provision	71	7,089		(26)	7,134
Provision for management incentive scheme	6,788	2,248	0	(215)	8,821
Other	1,614	281	(251)	(58)	1,586
Total provisions for risks and charges	**13,438**	**10,110**	**(445)**	**(419)**	**22,684**

The “**Product warranty provision**” covers the estimated cost of repairing products sold as up to 30 June 2011 and covered by periodical warranty; it amounts to €5,143 thousand (of which €2,817 thousand long-term) and is considered sufficient in relation to the specific risk it covers

The “**Company restructuring provision”** totalling €7,134 thousand was created to cover the estimated cost of corporate restructuring through implementation of a programme to reorganise the supply chain of the Mobile and Scanning divisions which has been approved by top management and announced to the entities in question; this programme will result in the closure of the production facilities in Quinto di Treviso (Italy) and Eugene (USA) and the reorganisation of the production unit in Trnava (Slovakia).
With regard to the Italian companies affected by the restructuring plan, on 14 June an agreement was reached with the trade unions.

The increase in the **“Management incentive plan allocation”** is due to the provision for a long-term plan for directors and managers for the period 2010-2012.

The “**Others**” item consists mainly of:

- €1,106 thousand for a “stock rotation” provision for the Scanning Group, Mobile Inc and Informatics;
- €67 thousand attributable to the Scanning Group and apportioned for the adaptation to the “Directive 2002/95/EC on the restriction on the use of certain hazardous substances in electric and electronic equipment” incorporated in Italy by Legislative Decree No. 151 of 25 July 2005;
- €38 thousand for an ongoing dispute regarding the ten-year ILOR exemption, set forth by DPR 218/78 (Unified law on actions in Southern Italy), in relation to the former Datasud, for the year 2006;
- €241 thousand for agent termination indemnities.

Note 16. Trade and other payables

This table shows the details of trade and other payables:

	30.06.2011	31.12.2010	Change
Trade payables due within 12 months	64,249	56,297	7,952
Third-party trade payables	**64,249**	**56,297**	**7,952**
Payables to associates	**63**	**125**	**(62)**
Idec Datalogic CO Ltd	3	31	(28)
Laservall Asia	48	66	(18)
Special Video	5	15	(10)
Datasensor Gmbh	1	1	0
Datalogic Automation AB	6	12	(6)
Payables to the Parent Company	**0**	**1**	**(1)**
Hydra		1	(1)
Payables to related parties	**199**	**265**	**(66)**
Total trade payables	**64,511**	**56,688**	**7,823**
Other payables – current accrued liabilities and deferred income	33,498	33,910	(412)
Other payables – non-current accrued liabilities and deferred income	1,370	1,444	(74)
Total other payables – accrued liabilities and deferred income	**34,868**	**35,354**	**(486)**
Less: non-current portion	1,370	1,444	(74)
Current portion	**98,009**	**90,598**	**7,411**

Other payables – accrued liabilities and deferred income

The detailed breakdown of this item is as follows:

	30.06.2011	31.12.2010	Change
Other current payables	16,829	19,584	(2,755)
Other long-term payables	1,370	1,444	(74)
VAT liabilities	3,632	2,100	1,532
Accruals and deferrals	13,037	12,226	811
Total	**34,868**	**35,354**	**(486)**

The breakdown of the “Other current payables” item is as follows:

	30.06.2011	31.12.2010	Change
Payables to pension and social security agencies	2,552	3,377	(825)
Payables to employees	11,027	12,930	(1,903)
Directors’ remuneration payable	2,358	2,529	(171)
Other payables	892	748	144
Total	**16,829**	**19,584**	**(2,755)**

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

INFORMATION ON THE STATEMENT OF INCOME

Note 17 - Revenues

	30.06.2011	30.06.2010	Change
Revenues from sale of products	200,985	183,393	17,592
Revenues for services	9,262	7,439	1,823
Total	**210,247**	**190,832**	**19,415**

Revenue from sales and services increased by 10.2% year-on-year (13% at constant exchange rates).

Below is the geographical breakdown of revenue in percentage terms:

	30.06.2011	30.06.2010	Change
Revenue in Italy	11%	11%	0%
Revenue – EU	40%	40%	0%
Revenue – Rest of World	49%	49%	0%

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.

	30.06.2011	30.06.2010	Change
TOTAL COST OF GOODS SOLD (1)	**116,221**	**103,218**	**13,003**
of which non-recurring	*4,789*	*(80)*	*4,869*
TOTAL OPERATING COSTS (2)	**78,882**	**69,736**	**9,146**
Research and development costs	13,769	12,659	1,110
of which non-recurring	*380*		*380*
Distribution expenses	41,327	36,821	4,506
of which non-recurring	*1,955*		*1,955*
General & administrative expenses	22,907	19,586	3,321
of which non-recurring	*290*		*290*
of which amortisation pertaining to acquisitions	*2,176*	*1,999*	*177*
Other operating costs	879	670	209
of which non-recurring		(258)	*258*
TOTAL (1+2)	**195,103**	**172,954**	**22,149**
of which non-recurring	**7,414**	**(338)**	**7,752**
of which amortisation pertaining to acquisitions	**2,176**	**1,999**	**177**

Below is the breakdown of non-recurring costs and revenue:

ITEM		AMOUNT	COST TYPE
2)" Cost of goods sold"		4,508	early retirement incentives
2)" Cost of goods sold"		110	wages and salaries (bonus)
2)" Cost of goods sold"		141	amortisation
2)" Cost of goods sold"		30	others
	Total	**4,789**	
4) R&D expenses		380	early retirement incentives
	Total	**380**	
5) Distribution expenses		1,955	early retirement incentives
	Total	**1,955**	
6) General & administrative expenses		190	early retirement incentives
6) General & administrative expenses		100	consulting services
	Total	**290**	
	TOTAL NON-RECURRING COSTS	**7,414**	

All non-recurring costs relate to the integration and restructuring project involving the Mobile and Scanning divisions.
In addition to the non-recurring costs listed above, the Group incurred, for the same project, further costs of €1,062 thousand, primarily for consulting services.
At 30 June 2011 the total cost of the project was €8,476 thousand.

Amortisation due to acquisitions (€2,176 thousand), included under “General & administrative expenses", is made up as follows:

1. €869 thousand pertaining to Datalogic Scanning Inc.;
2. €648 thousand pertaining to Datalogic Automation Srl;
3. €285 thousand pertaining to Informatics Inc.;
4. €250 thousand pertaining to Evolution Robotics Retail Inc., and;
5. €124 thousand pertaining to Datalogic Mobile Inc.

Total cost of goods sold (1)

This item increased by 12.60% compared with the same period of 2010. At constant exchange rates and net of extraordinary costs the increase was 10.15%, substantially lower than the increase in revenues at average constant exchange rates.

Total operating costs (2)

Operating costs, net of non-recurrent items and amortisation and depreciation of acquisitions, rose by 8.95% from €67,995 thousand to €74,081 thousand. At constant exchange rates and stripping out extraordinary costs, the increase would have been €7,558 thousand (11.12%).

More specifically,

- “R&D expenses” rose, net of non-recurring costs, by €730 thousand (€1,078 thousand at constant exchange rates) versus the same period the previous year. At constant exchange rates, the increase was 8.52%; this rise is mainly attributable to the increase in payroll costs of

€706 thousand (of which €477 thousand related to Evolution Robotics Inc. acquired in July 2010) and in various consulting costs (€277 thousand). Costs relating to amortisation and depreciation fell by €148 thousand.

- “Distribution expenses”, net of non-recurring costs, totalled €39,372 thousand, an increase of €2,551 thousand versus the first half of 2010 (€3,322 thousand at constant exchange rates), as a result of:
  – higher payroll costs, at average constant exchange rates, of €1,821 thousand, mainly attributable to the inclusion In the consolidation area of Evolution Robotics Inc. (€696 thousand), early retirement incentives, not linked to the restructuring project, (€230 thousand) and to sales commissions (€455 thousand);
  – an increase in costs related directly to the increase in sales volumes, including transport costs and commissions, proportional to the increase in revenues;

- "General & administrative expenses” amounted to €22,907 thousand. This item, net of extraordinary items and at constant exchange rates, posted an increase of €3,176 thousand versus the same period of the previous year (18%). More specifically, at average constant exchange rates, costs for directors’ remuneration (including provisions made for the multi-year incentive plan) and for consultancy which the Group required for the integration and restructuring project affecting the Mobile and Scanning divisions.

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

	30.06.2011	30.06.2010	Change
Capital losses on assets	28	93	(65)
Contingent liabilities	42	42	0
Provisions for doubtful accounts	183	308	(125)
Restructuring provision allocation		(258)	258
Non-income taxes	380	368	12
Cost charge backs	246	98	148
Other	0	19	(19)
Total	**879**	**670**	**209**

Breakdown of costs by type

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

	30.06.2011	30.06.2010	Change
Purchases	90,890	75,275	15,615
Inventory change	(10,783)	(4,310)	(6,473)
Payroll & employee benefits	63,754	55,925	7,829
Amortisation, depreciation and write-downs	7,566	7,777	(211)
Goods receipt & shipment	6,904	5,884	1,020
Technical, legal, and tax advisory services	4,158	2,824	1,334
Directors' remuneration	3,928	1,924	2,004
Subcontracted work	3,840	3,895	(55)
Marketing expenses	3,163	2,948	215
Travel & accommodation	2,792	2,503	289
Building expenses	2,711	2,630	81
Repairs	2,076	2,167	(91)
Vehicle expenses	2,036	1,667	369
Material collected from the warehouse	1,022	1,690	(668)
Utilities	974	920	54
EDP expenses	876	596	280
Telephone expenses	832	1,045	(213)
Accounts certification expenses	684	690	(6)
Commissions	659	448	211
Consumables	590	615	(25)
Entertainment expenses	527	451	76
Royalties	459	362	97
Patents and branding	434	518	(84)
Insurance	368	408	(40)
Meetings expenses	317	254	63
Gifts of our products to third parties	253	313	(60)
Quality certification expenses	246	264	(18)
Plant and machinery leasing and maintenance	238	307	(69)
Employee training	195	190	5
Other	3,394	2,774	620
Total cost of goods sold and other operating costs (1+2)	**195,103**	**172,954**	**22,149**

Most of the increase (in absolute terms) is attributable to variable costs, which, because they relate directly to turnover volumes, were affected by the substantial increase in sales.

Marketing costs totalled €3,163 thousand. The main items are: €1,455 thousand for advertising and sponsorship expenses; €881 thousand for the company's share of the marketing expenses incurred by commercial partners; and €652 thousand for trade-event costs.

Goods receipt and shipment costs increased by 17.34% or €1,020 thousand.

The "Other" item is made up of a number of expenses, all amounting to less than €200 thousand.

The detailed breakdown of payroll and employee benefits costs is as follows:

	30.06.2011	30.06.2010	Change
Wages and salaries	43,004	42,458	546
Social security charges	8,866	8,797	69
Staff leaving indemnities	863	888	(25)
Retirement and similar benefits	427	390	37
Medium- to long-term managerial incentive plan	1,127	1,861	(734)
Other costs	9,467	1,531	7,936
- *of which leaving incentives*	*7,295*	*(69)*	*7,364*
Total	**63,754**	**55,925**	**7,829**

"Wages and salaries" for €43,004 thousand include Sales commissions and incentives for €6,045 thousand (€5,788 thousand at 30 June 2010); it also includes €1,089 (of which €150 for sales commissions) relating to the company Evolution Robotics Inc which was purchased in July 2010.

The increase in "Other costs" is attributable to early retirement incentives, of which:

- €7,033 thousand classified among non-recurring costs and revenues in that they are related to the corporate reorganisation plan,
- €262 thousand classified among non-recurring costs and revenues in that they are related to normal operations of company management,

Note 19 - Other operating revenues

The detailed breakdown of this item is as follows:

	30.06.2011	30.06.2010	Change
Miscellaneous income and revenue	485	384	101
Rents and lease amounts	97	93	4
Capital gains on asset disposals	78	12	66
Incidental income and cost cancellation	149	26	123
Grants to research and development expenses	932	46	886
Other	39	45	(6)
Total	**1,780**	**606**	**1,174**

The increase in the item "Grants to research and development expenses" was recognised in accordance with the provisions of the Decree of the Ministry of the Economy and Finance of 4 March 2011, published in the *Gazzetta Ufficiale* (Official Gazette) no. 89 of 18 April 2011, which introduced the possibility, for companies which started research and development activities before 29 November 2008 and which were not granted a loan after submitting Form FRS (between 6 May 2009 and 5 June 2009) due to the designated fund being used up by the "click day" procedure, to benefit from a tax credit of up to 47.53% of the amount requested.

Note 20. Net financial income (expenses)

	30.06.2011	30.06.2010	Change
Interest expenses on bank current accounts/loans	2,956	2,667	289
Foreign exchange losses	9,171	7,544	1,627
Bank expenses	629	469	160
Other	291	261	30
Total financial expenses	*13,047*	*10,941*	*2,106*
Interest income on bank current accounts/loans	917	339	578
Foreign exchange gains	6,822	9,834	(3,012)
Other	54	21	33
Total financial income	*7,793*	*10,194*	*(2,401)*
Net financial income (expenses)	**(5,254)**	**(747)**	**(4,507)**

Total financial expenses

The item “Foreign exchange losses” amounted to €9,171 thousand and refers mainly to the Parent Company (€5,431 thousand), the Scanning Group (€2,315 thousand), the Mobile Group (€765 thousand) and the Automation Group (€695 thousand).

This item includes €430 thousand arising from exchange rate risk hedge transactions.

Total financial income

The item “Foreign exchange gains” totalled €6,822 thousand and refers mainly to the Parent Company (€3,577 thousand), the Scanning Group (€1,719 thousand), the Mobile Group (€1,089 thousand) and the Automation Group (€389 thousand).
This item includes €170 thousand arising from exchange rate risk hedge transactions.

Note 21 - Taxes

	30.06.2011	30.06.2010	Change
Income tax	6,483	6,168	315
Substitute tax		229	(229)
Deferred tax	(2,412)	171	(2,583)
Total	**4,071**	**6,568**	**(2,497)**

The average tax rate was 34.24% (36.85% at 30 June 2010), consistent with the average tax rate expected for the 2011 financial year.

Note 22. Earnings/loss per share

Basic Earnings/loss per share

	30.06.2011	30.06.2010
Group profit/(loss) for period	7,818,000	11,255,000
Average number of shares	54,242,779	54,903,134
Basic earnings/(loss) per share	**0.1441**	**0.2050**

Basic earnings per share at 30 June 2011 is calculated by dividing the Group net profit of €7,818 thousand (€11,255 thousand as at 30 June 2010) by the weighted average number of ordinary shares outstanding at 30 June 2011 (54,242,779 shares, compared with 54,903,134 at 30 June 2010).
As regards the calculation of diluted earnings per share, the Group has not issued rights which could potentially have dilutive effects. Therefore, diluted earnings per share correspond to basic earnings per share.

TRANSACTIONS WITH SUBSIDIARIES NOT CONSOLIDATED LINE-BY-LINE, WITH ASSOCIATES, AND WITH RELATED PARTIES

For the definition of “Related Parties”, see both IAS 24, approved by European Commission Regulation No. 1725/2003, and the internal policy approved by the board of directors on 4 November 2010.
The Parent Company of the Datalogic Group is Hydra S.p.A.
Infragroup transactions are executed as part of the ordinary operations and at arm's length conditions. Furthermore, there are other relationships with related parties, chiefly with parties that control the Parent Company, or with individuals that carry out the coordination and management of Datalogic S.p.A.
Related-party transactions refer chiefly to commercial and securities transactions (instrumental and non-instrumental premises for the Group under lease or leased to the Parent Company) as well as to companies joining the scope of tax consolidation. None of these assumes particular economic or strategic importance for the Group since receivables, payables, revenue and cost to the related parties are not a significant proportion of the total amount of the financial statements.

RELATED PARTIES	Idec Dl Co. Ltd.	Hydra (Parent Company)	Hydra Immobiliare	Non consolidated Automation Group companies	Studio Associato Caruso	Tamburi Investment Partners SpA	Laservall Asia	TOTAL 30.06.11
	associate	parent company	company headed by Chairman of BoD	associates, associated companies	controlled by a company director	controlled by a company director	associate	
Equity investments	**928**	**-**	**-**	**128**	**-**	**-**	**1,324**	**2,380**
Automation Group	928			128			1,324	2,380
Trade receivables	**315**	**-**	**11**	**1,114**	**-**	**-**	**1,084**	**2,524**
Automation Group	315			1,114			1,084	2,513
Real Estate			11					11
Receivables pursuant to tax consolidation	**-**	**478**	**-**	**-**	**-**	**-**	**-**	**478**
Dl Automation Srl		304						304
Dl SpA		174						174
Liabilities pursuant to tax consolidation	**-**	**5,222**	**-**	**-**	**-**	**-**	**-**	**5,222**
Dl Mobile Srl		3,197						3,197
Datalogic Real Estate Srl		26						26
Dl Scanning SpA		166						166
Dl Scanning Group Srl		1,833						1,833
Trade payables	**3**	**-**	**104**	**12**	**69**	**26**	**48**	**262**
Dl SpA					46	26		72
Datalogic Real Estate Srl					2			2
Automation Group	3		104	12	16		48	183
Dl Mobile Srl					5			5
Distribution / service expenses	**27**	**-**	**230**	**56**	**155**	**55**	**89**	**612**
Dl SpA					93	55		148
Datalogic Real Estate Srl					4			4
Automation Group	27		230	56	33		89	435
Dl Scanning Group Srl					5			5
Dl Scanning SpA					9			9
Dl Mobile Srl					11			11
Commercial revenue	**913**	**-**	**-**	**2,244**	**-**	**-**	**2,726**	**5,883**
Automation Group	913			2,244			2,726	5,883
Profits from associated companies	**44**	**-**	**-**	**-**	**-**	**-**	**175**	**219**
Automation Group	44						175	219

NUMBER OF EMPLOYEES

	30.06.2011	30.06.2010	Change
Automation Group	602	595	7
Mobile Group	331	331	0
Datalogic SpA	49	45	4
Scanning Group	1,070	921	149
Business Development	135	100	35
Real Estate Group	6	7	(1)
Total	**2,193**	**1,999**	**194**

Chairman of the Board of Directors

Romano Volta

DATALOGIC™

Attestazione del bilancio semestrale abbreviato ai sensi dell'art. 81-ter del Regolamento Consob n. 11971 del 14 maggio 1999 e successive modifiche e integrazioni

1. I sottoscritti, Mauro Sacchetto, in qualità di Amministratore Delegato e Marco Rondelli, in qualità di Dirigente Preposto alla redazione dei documenti contabili societari della Datalogic S.p.A. attestano, tenuto anche conto di quanto previsto dall'art. 154-bis, commi 3 e 4, del decreto legislativo 24 febbraio 1998, n. 58:

   - l'adeguatezza in relazione alle caratteristiche dell'impresa e
   - l'effettiva applicazione

   delle procedure amministrative e contabili per la formazione del bilancio semestrale abbreviato, nel corso del periodo gennaio – giugno 2011.

2. La valutazione dell'adeguatezza delle procedure amministrative e contabili per la formazione del bilancio semestrale abbreviato al 30 giugno 2011 è basata su di un procedimento definito da Datalogic S.p.A. in coerenza con il modello *Internal Control – Integrated Framework* emesso dal *Committee of Sponsoring Organizations of the Treadway Commission* che rappresenta un framework di riferimento generalmente accettato a livello internazionale.

3. Si attesta, inoltre, che:

3.1 il bilancio semestrale abbreviato:

   a) è redatto in conformità ai principi contabili internazionali applicabili riconosciuti nella Comunità europea ai sensi del regolamento (CE) n. 1606/2002 del Parlamento europeo e del Consiglio, del 19 luglio 2002;

   b) corrisponde alle risultanze dei libri e delle scritture contabili;

   c) è idoneo a fornire una rappresentazione veritiera e corretta della situazione patrimoniale, economica e finanziaria dell'emittente e dell'insieme delle imprese incluse nel consolidamento.

3.2 La relazione intermedia sulla gestione comprende un'analisi attendibile dei riferimenti agli eventi importanti che si sono verificati nei primi sei mesi dell'esercizio e alla loro incidenza sul bilancio semestrale abbreviato, unitamente a una descrizione dei principali rischi e incertezze per i sei mesi restanti dell'esercizio. La relazione intermedia sulla gestione comprende, altresì, un'analisi attendibile delle informazioni sulle operazioni rilevanti con parti correlate.

Lippo di Calderara di Reno, 29 Luglio 2011

L'Amministratore Delegato
Mauro Sacchetto

Il Dirigente Preposto alla redazione dei documenti contabili societari
Marco Rondelli

Datalogic S.p.A.
Gruppo Hydra S.p.A. – art. 2497 Cod. Civ.
Via Candini, 2
40012 Lippo di Calderara di Reno
Bologna - Italy
Tel. +39 051 3147011 - Fax +39 051 3147205
www.datalogic.com

R.E.A. Bologna 391717
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