

DATALOGIC: APPROVAL OF FINANCIAL STATEMENTS FOR YEAR ENDING ON DECEMBER 31ST 2004

Consolidated revenues of 148.2 million (+12.7%), EBITDA of 27.7 million (+30%), and net profit of 11.3 million (7.2 million as of 31st December 2003).

Net financial position positive by 45.2 million (growing by 5,7 million vs. 39.5 million at FY2003).

Dividend proposed of 1.22 per share, of which 1.00 extraordinary (2003 dividend = 0.18 cents), assuring a total dividend yield of 6.7%, calculated on the weighted average of the last 6 months.

Bologna, 1st March 2005 - Datalogic a company listed in the TechStar segment (high-growth companies with innovative business models or high-tech products/processes) of the Milan Bourse and active in the design, production and distribution of barcode reader systems and RFID (radio frequency identification) systems - has approved its financial statements for the year ending on December 31st 2004. These show the best business and financial results since the company's foundation.

Also due to the brilliant results achieved by the company in 2004 the Board of Directors will propose to the AGM of shareholders the distribution of a per-share dividend of 1.22 (of which: 0.22 cents ordinary with coupon detachment on May 2nd 2005 and payment on May 5th 2005 and 1.00 extraordinary with coupon detachment on October 17th and payment on October 20th 2005). The dividend for the previous year was 0.18 cents per share. The total dividend amount assures a 6.7% dividend yield.

The Annual General Meeting of Shareholders will convene for April 28th 2005.

"We take great satisfaction today in announcing major remuneration for our shareholders," stated Roberto Tunioli, Datalogic's CEO, "which is the result of a profitable growth path that for years has been the common denominator of all our business strategies as well as an imperative for the company's entire management team."

During 2004 consolidated net profit rose from 7.2 to 11.3 million (mn), increasing by 57.2% YoY, whilst revenues grew by 12.7%, rising to 148.2 mn (vs. 131.5 mn as at December 31st 2003).

Contributors to these sparkling results include good performance by all the main product lines and the acquisition of Laservall SpA, an Italian company specialised in the laser marking sector, consolidated on a 100% line-by-line basis as from the third quarter.

Net of Laservall - the acquisition of which enables Datalogic to integrate its business in a sector adjacent to its traditional sector which features excellent growth prospects already in the short term - the Datalogic group would in any case have achieved revenue growth of some 6% and growth in net profit of 47.5%.

EBITDA in 2004 totalled 27.7 mn, growing YoY both in outright terms (with a 30% increase vs. 21.3

mn in 2003) and as a percentage of sales, with EBITDA margin growing by over two percent from 16.2% to 18.7%.

In terms of geographical area, Europe (including Italy) grew by over 13% YoY, whilst the rest of the world featured growth of some 30%, despite the fact that, during 2004, the company absorbed the impact of USD devaluation, amounting to some 3 mn in terms of revenues and 1.2 mn at net-profit level.

As at December 31st 2004 the net financial position showed net cash of 45.2 mn, with improvement over the previous year-end (39.5 mn) notwithstanding payment of dividends totalling 2.1 mn, the acquisition of a minority stake in Alien Technology (1 mn), and acquisition of Laservall (for which 7.2 mn was already paid in 2004).

In 2004 the parent company achieved revenues of 143.3 mn (95.8 mn in 2003, +49.5%) whilst net profit rose to 10.7 mn (vs. 4.9 mn in the previous year).

Once again during 2004 the company continued to pay close attention to the design and development of new products and to enhancing the efficiency of the main manufacturing and business processes.

In fact, in the year that has just ended investments in R&D activities totalled 10.9 mn (7.4% of revenues); production was started in the new factory site in Quinto di Treviso; and a project was launched to review distribution logistics.