Milan, 21 March 2025

Italian Equity Research – FY24 Results

DATALOGIC

OUTPERFORM

Sector: Industrials

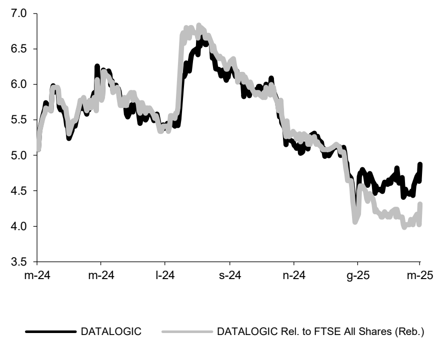
Price: Eu4.88 - **Target: Eu8.00**

Positive Industrial Automation Booking Supports Outlook

Enrico Coco +39-02-77115.230
enrico.coco@intermonte.it

Stock Rating			
Rating:			Unchanged
Target Price (Eu):			Unchanged
	2025E	**2026E**	**2027E**
Chg in Adj EPS	+7.4%	-3.3%	-1.7%

DATALOGIC - 12M Performance



Stock Data			
Reuters code:			DAL.MI
Bloomberg code:			DAL IM
Performance	**1M**	**3M**	**12M**
Absolute	5.7%	-2.7%	-5.4%
Relative	3.4%	-18.0%	-19.2%
12M (H/L)			6.68/4.28
3M Average Volume (th):			78.35

Shareholder Data	
No. of Ord shares (mn):	58
Total no. of shares (mn):	58
Mkt Cap Ord (Eu mn):	285
Total Mkt Cap (Eu mn):	285
Mkt Float - Ord (Eu mn):	101
Mkt Float (in %):	35.4%
Main Shareholder:	
Hydra	64.7%

Balance Sheet Data	
Book Value (Eu mn):	442
BVPS (Eu):	7.56
P/BV:	0.6
Net Financial Position (Eu mn):	6
Enterprise Value (Eu mn):	286

- **FY24 results in line, with a strong 4Q.** Datalogic reported FY24 sales down 4.8% YoY to Eu494mn and EBITDA of Eu45mn, down 3% YoY (9.0% margin vs. 8.9% in FY23 reclassified ex Informatics), both in line with our estimates. FY24 net profit was Eu14mn, up 45% YoY, with the FY24 DPS proposed at Eu0.12. Net financial position at YE24 was close to breakeven (Eu10mn net debt vs. Eu35mn in FY23). 4Q24 performance was strong, with sales up 10% YoY after +6% in 3Q24 and -15% in 1H24, gross operating margin at 44.5% and EBITDA margin at 13.0% vs. 7.6% in 9M24. Data Capture (60% of sales) was up 4.1% in FY24, +27% in 4Q24 after +17% in 3Q24 (2H up double-digit in all geographical areas) and -10% in 1H24. Industrial Automation sales were down 19% in FY24 with 4Q24 at -15%, reflecting weak automotive in Europe and setbacks on investments by industrial logistic players.
- **Industrial automation booking positive YtD. FY25 sales seen up mid-single digit with double digit EBITDA margin at reach.** During the call, management said booking in Industrial Automation is currently positive for Datalogic (despite persisting weakness in the automotive market and cautious messages from peers). The company therefore expects to close 2025 with positive top line growth in Industrial Automation, with 2H stronger than 1H. As for Data Capture, recovery is exceeding expectations, with a very strong 2H24. The product offering and technological positioning in the mobile business appear solid. When asked about group sales growth in 2025, the CEO said the base case at the moment is mid-single-digit top line growth, with gross operating profit improving 100bp, which should translate into a return to double-digit EBITDA margins. All in all, indications provided during the call are consistent with our estimate for sales of Eu524mn (+6.1% YoY) and EBITDA of Eu55mn (10.6% margin).
- **Fine-tuning estimates**: we are making minor changes to our model, with FY25-27 sales and EBITDA unchanged, EBIT -4% due to higher D&A, EPS +7% in FY25E and -3% in FY26-27. We project a cash positive Datalogic in FY25E. The company has flexibility for M&A.
- **OUTPERFORM; target Eu8.0.** Our unchanged target price of Eu8.0 per share implies a target avg. FY2025/2026E EV/EBITDA of 8.0x. On our estimates, at the current share price of Eu4.9 per share, the stock is trading at slightly above 5x EV/EBITDA 2025, which in our view does not reflect the fundamental value of the company, which has no debt and flexibility for M&A. The recovery in Data Capture suggests a solid technological positioning, with low market share in mobile providing potential upside. Comments provided by management on Industrial Automation, which reported a double-digit sales decline in each quarter of FY24 and has an easy comparison in FY25, are also supportive.

Key Figures & Ratios	2023A	2024A	2025E	2026E	2027E
Sales (Eu mn)	519	494	524	558	597
EBITDA Adj (Eu mn)	46	44	55	60	69
Net Profit Adj (Eu mn)	12	20	19	20	25
EPS New Adj (Eu)	0.209	0.350	0.322	0.338	0.433
EPS Old Adj (Eu)	0.254	0.150	0.299	0.351	0.440
DPS (Eu)	0.120	0.120	0.135	0.150	0.170
EV/EBITDA Adj	10.0	8.0	5.2	4.5	3.7
EV/EBIT Adj	nm	nm	16.9	13.0	9.0
P/E Adj	23.3	13.9	15.1	14.4	11.3
Div. Yield	2.5%	2.5%	2.8%	3.1%	3.5%
Net Debt/EBITDA Adj	0.8	0.2	-0.1	-0.3	-0.5

Intermonte

DISCLAIMER (for more details go to DISCLAIMER)

IMPORTANT DISCLOSURES

The reproduction of the information, recommendations and research produced by Intermonte SIM contained herein and of any its parts is strictly prohibited. None of the contents of this document may be shared with third parties without authorisation from Intermonte.
This report is directed exclusively at market professional and other institutional investors (Institutions) and is not for distribution to person other than “Institution” (“Non-Institution”), who should not rely on this material. Moreover, any investment or service to which this report may relate will not be made available to Non-Institution.
The information and data in this report have been obtained from sources which we believe to be reliable, although the accuracy of these cannot be guaranteed by Intermonte. In the event that there be any doubt as to their reliability, this will be clearly indicated. The main purpose of the report is to offer up-to-date and accurate information in accordance with regulations in force covering “recommendations” and is not intended nor should it be construed as a solicitation to buy or sell securities.
This disclaimer is constantly updated on Intermonte’s website www.intermonte.it under LEGAL NOTICES. Valuations and recommendations can be found in the text of the most recent research and/or reports on the companies in question. For a list of all recommendations made by Intermonte on any financial instrument or issuer in the last twelve months consult the web page CUSTOMER AREA.
Intermonte distributes research and engages in other approved activities with respect to Major U.S. Institutional Investors (“Majors”) and other Qualified Institutional Buyers (“QIBs”), in the United States, via Plural Securities LLC under SEC 15a-6 guidelines. Intermonte is not registered as a broker dealer in the United States under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and is not a member of the Securities Investor Protection Corporation (“SIPC”). Plural Securities LLC is registered as a broker-dealer under the Exchange Act and is a member of SIPC.

ANALYST CERTIFICATION

For each company mentioned in this report the respective research analyst hereby certifies that all of the views expressed in this research report accurately reflect the analyst’s personal views about any or all of the subject issuer (s) or securities. The analyst (s) also certify that no part of their compensation was, is or will be directly or indirectly related to the specific recommendation or view in this report.
The analyst (s) responsible for preparing this research report receive(s) compensation that is based upon various factors, including Intermonte’s total profits, a portion of which is generated by Intermonte’s corporate finance activities, although this is minimal in comparison to that generated by brokerage activities.
Intermonte’s internal procedures and codes of conduct are aimed to ensure the impartiality of its financial analysts. The exchange of information between the Corporate Finance sector and the Research Department is prohibited, as is the exchange of information between the latter and the proprietary equity desk in order to prevent conflicts of interest when recommendations are made.
The analyst responsible for the report is not a) a resident of US; b) an associated person of a U.S. broker-dealer; c) supervised by a supervisory principal of a U.S. broker-dealer. This Research Report is distributed in the U.S. through Plural Securities LLC, 950 3rd Ave, Suite 1702, NY 10022, USA.

GUIDE TO FUNDAMENTAL RESEARCH

The main methods used to evaluate financial instruments and set a target price for 12 months after the investment recommendation are as follows:

- Discounted cash flow (DCF) model or similar methods such as a dividend discount model (DDM)
- Comparison with market peers, using the most appropriate methods for the individual company analysed: among the main ratios used for industrial sectors are price/ earnings (P/E), EV/EBITDA, EV/EBIT, price /sales.
- Return on capital and multiples of adjusted net book value are the main methods used for banking sector stocks, while for insurance sector stocks return on allocated capital and multiples on net book value and embedded portfolio value are used
- For the utilities sector comparisons are made between expected returns and the return on the regulatory asset base (RAB)

Some of the parameters used in evaluations, such as the risk-free rate and risk premium, are the same for all companies covered, and are updated to reflect market conditions. Currently a risk-free rate of 4.0% and a risk premium of 5.5% are being used.
Frequency of research: quarterly.
Reports on all companies listed on the S&PMIB40 Index, most of those on the MIDEX Index and the main small caps (regular coverage) are published at least once per quarter to comment on results and important newsflow.
A draft copy of each report may be sent to the subject company for its information (without target price and/or recommendations), but unless expressly stated in the text of the report, no changes are made before it is published.
Explanation of our ratings system:
BUY: stock expected to outperform the market by over 25% over a 12 month period;
OUTPERFORM: stock expected to outperform the market by between 10% and 25% over a 12 month period;
NEUTRAL: stock performance expected at between +10% and – 10% compared to the market over a 12 month period;
UNDERPERFORM: stock expected to underperform the market by between –10% and -25% over a 12 month period;
SELL: stock expected to underperform the market by over 25% over a 12 month period.
Prices: The prices reported in the research refer to the price at the close of the previous day of trading

CURRENT INVESTMENT RESEARCH RATING DISTRIBUTIONS

Intermonte SIM is authorised by CONSOB to provide investment services and is listed at n° 246 in the register of brokerage firms.
As at 31 December 2024 Intermonte’s Research Department covered 132 companies.
As of today Intermonte’s distribution of stock ratings is as follows:

BUY:	30.60 %
OUTPERFORM:	43.28 %
NEUTRAL:	26.12 %
UNDERPERFORM	00.00 %
SELL:	00.00 %

As at 31 December 2024 the distribution of stock ratings for companies which have received corporate finance services from Intermonte in the last 12 months (71 in total) is as follows:

BUY:	50.70 %
OUTPERFORM:	29.58 %
NEUTRAL:	19.72 %
UNDERPERFORM	00.00 %
SELL:	00.00 %

CONFLICT OF INTEREST

In order to disclose its possible conflicts of interest Intermonte SIM states that:
Intermonte acts as financial advisor to Banco BPM in the context of the offer promoted by UniCredit
Intermonte acts as ECM advisor to Banca Ifis in the offer promoted on illimity Bank
Intermonte acted as financial advisor to Retex S.p.A. – Società Benefit in relation to the voluntary public tender offer launched on Alkemy S.p.A.
Intermonte SIM is acting as counterparty to WIIT Fin S.r.l. in connection with call and put options having WIIT S.p.A. shares and dividends as reference underlying
Intermonte SIM S.p.A. operates or has operated in the last 12 months as the person in charge of carrying out the share buyback plan approved by the shareholders' meeting of ABITARE IN, ANIMA HOLDING, CIVITANAVI SYSTEMS, CYBEROO, EL.EN., ELICA, INTRED, PHARMANUTRA, SERVIZI ITALIA, SESA, TMP GROUP, UNIDATA, WEBUILD
Intermonte SIM S.p.A. provides or has provided corporate brokerage services to ALLCORE, ALMAWAVE, ANTARES VISION, AQUAFIL, AVIO, CASTA DIVA GROUP, CUBE LABS, CY4GATE, CYBEROO, DIGITOUCH, DOMINION HOSTING HOLDING, ELICA, ENERGY, ESPRINET, EVISO, FINE FOODS & PHARMACEUTICALS NTM, FRANCHI UMBERTO MARMI, G.M. LEATHER, GREEN OLEO, GREENTHESIS, HIGH QUALITY FOOD, IGD "EX RAGGRUPPAMENTO", IKONISYS SA, ISCC FINTECH, ITALIAN EXHIBITION GROUP, LEMON SISTEMI, LUVE, MAPS, MARE ENGINEERING GROUP, NEODECORTECH, NOTORIOUS PICTURES, REDFISH LONGTERM CAPITAL, REVO, REWAY GROUP, SERI INDUSTRIAL, SG COMPANY, SPINDOX, STAR7, TALEA GROUP, ULISSE BIOMED, XENIA HOTELLERIE SOLUTION, Zest Group SpA **in the last 12 months**
Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of specialist on financial instruments issued by ALKEMY, BANCA IFIS, BANCA SISTEMA, CIVITANAVI SYSTEMS, COFLE, CYBEROO, DIGITOUCH, EL.EN., EMAK, ENERGY, GREENTHESIS, MISITANO & STRACUZZI SPA, MONDADORI EDIT., OLIDATA, OMER, PHARMANUTRA, QF ALPHA IMM, REPLY, SAES GETTERS, SERVIZI ITALIA, SESA, SG COMPANY, SOMEC, SYS-DAT, TAMBURI, TESMEC, THE ITALIAN SEA GROUP, TINEXTA, TMP GROUP, TXT E-SOLUTIONS, WIIT **with the obligation to disseminate studies**
Intermonte SIM S.p.A. operates or has operated in the last 12 months as Financial Content Provider on the company ALKEMY, ALLCORE, ALMAWAVE, B&C SPEAKERS, BIFIRE, CASTA DIVA GROUP, CLEANBNB, COFLE, CROWDFUNDME, CUBE LABS, CYBEROO, DIGITOUCH, DOMINION HOSTING HOLDING, EDILIZIACROBATICA, ELES, ENERGY, EVISO, FAE TECHNOLOGY, FIERA MILANO, FILA, FOPE, G.M. LEATHER, GREEN OLEO, HIGH QUALITY FOOD, IGD "EX RAGGRUPPAMENTO", IKONISYS SA, INTERCOS, INTRED, ISCC FINTECH, LEMON SISTEMI, MAPS, MARE ENGINEERING GROUP, MASI AGRICOLA, MISITANO & STRACUZZI SPA, NEODECORTECH, NOTORIOUS PICTURES, OLIDATA, OSAI AUTOMATION SYSTEM, RACING FORCE, REDFISH LONGTERM CAPITAL, RETI, SCIUKER FRAMES, SG COMPANY, SIMONE, SOLID WORLD GROUP, SPINDOX, TALEA GROUP, TAMBURI, TINEXTA, TMP GROUP, TPS, ULISSE BIOMED, WIIT, XENIA HOTELLERIE SOLUTION, ZEST GROUP SPA
Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of intermediary appointed in the public purchase and/or exchange offer transaction of GROWENS, PIERREL, SAES GETTERS, TINEXTA
Intermonte SIM S.p.A. operates or has operated in the last 12 months as liquidity provider of BANCA SISTEMA, ZEST GROUP SPA
Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of financial advisor for AQUAFIL, BANCA IFIS, BANCO BPM, MAIRE, RETEX SPA, TINEXTA
Intermonte SIM S.p.A. operates or has operated in the last 12 months as market maker on financial instruments with underlying shares issued by A2A, AMPLIFON, AZIMUT, BANCA IFIS, BANCA MEDIOLANUM, BANCO BPM, BCA MPS, BCA POP SONDRIO, BFF BANK, Bper Banca, BREMBO, BUZZI, CAMPARI, DANIELI & C, DIASORIN, ENEL, ENI, ERG, FERRARI, FINECOBANK, INDUSTRIE DE NORA, INTERPUMP GROUP, INTESA SANPAOLO, INWIT, IREN, ITALGAS, IVECO GROUP, LEONARDO, LOTTOMATICA GROUP, MEDIOBANCA, MFE B, MONCLER, MONDADORI EDIT., NEXI, OVS, PIRELLI & C, POSTE ITALIANE, PRYSMIAN, SAIPEM, SESA, SNAM S.p.A., STELLANTIS, STMICROELECTRONICS, TECHNOGYM, TECHNOPROBE, TELECOM ITALIA, TELECOM ITALIA R, TENARIS, TERNA, UNICREDIT, UNIPOL, WEBUILD
Intermonte Sim S.p.A. has or had in the last 12 months a marketing contract on instruments issued by BARCLAYS, BNP PARIBAS, GOLDMAN SACHS GROUP INC, LEONTEQ, MAREX FINANCIAL, MEDIOBANCA, MORGAN STANLEY, NATIXIS, SOCIETE GENERALE, UNICREDIT, VONTOBEL N, WISDOMTREE IRELAND LIMITED
Intermonte SIM S.p.A. plays or has played in the last 12 months the role of sponsor for UNIDATA S.p.A.
Intermonte SIM SpA holds net long or short positions in excess of 0.5% of the overall share capital in the following issuers:

Emittente	%	Long/Short

INTERMONTE SIM is MIFID compliant - for our Best Execution Policy please check our Website MiFID
Further information is available