

DATALOGIC S.P.A. (STAR: DAL.MI): AGREES TO ACQUIRE THE AMERICAN COMPANY PSC INC. AND CALLS THE SHAREHOLDERS' MEETING TO APPROVE A CAPITAL INCREASE

Bologna, 24th October 2005 - Datalogic signed a binding contract for the acquisition of the entire capital stock of PSC Inc., a global Automated Identification and Data Collection (AIDC) company headquartered in Eugene, Oregon, USA.

The deal was agreed with Littlejohn & Co. LLC, a Connecticut-based, private equity investment company and sole representative of PSC shareholders. The price arranged is approximately 195 Million USD (enterprise value) to be paid in total by December 31, 2005.

PSC is a global provider of breakthrough data-capture products and services and is the number one provider of fixed position bi-optic and single plane bar code scanners used at the retail point of sale. Wired or wireless, PSC® products serve multiple industries including the retail, manufacturing, distribution, transportation and logistics sectors. PSC offers a broad array of products and services including retail automation, automated data collection and mobile & wireless. The company has nearly five million scanners and mobile and wireless computers deployed in over 4,500 companies worldwide, including half of the Fortune 500 companies and 100% of the world's top 15 retailers. PSC serves the market with a commercial structure which includes subsidiaries in 16 countries and selling partners that reach customers in more than 100 countries.

Since Littlejohn's initial investment to recapitalize the company in 2002, PSC has grown its revenues from 169 Million USD in 2002 to approximately 250 Million USD forecasted for 2005 – a compound growth rate of nearly 14%.

Datalogic, as well, has exhibited recent strong growth with revenue growing from 118 Million EURO in 2002 to 148 Million EURO in 2004 – a compound growth rate of approximately 12%. For 2005 YTD, revenue has increased by 29% over 2004, a portion of which is due to other acquisitions.

Datalogic will finance the acquisition with a combination of existing cash balances, additional bank borrowing and the issuance of new equity shares to be completed by year end. For the expected equity transactions, Datalogic has appointed Tamburi & Associati S.p.A. as its financial adviser.

"With this transaction – stated Roberto Tunioli, CEO of Datalogic – Datalogic Group more than doubles its worldwide revenue and reinforces its competitive position in the retail market and in geographic areas, such as the United States, which are of utmost strategic importance."