



Media information

Datacolor in first half 2010/11

**Sales impacted by currency exchange movements – Operating performance strengthened further
– Research and development for new products expanded substantially**

In the first half of 2010/11, Datacolor achieved consolidated net sales of USD 28.4 million (H1 2009/10: USD 30.0 million). EBIT was increased to USD 2.5 million (USD 2.4 million) and net income to USD 2.0 million (USD 1.6 million). The EBIT margin increased to 8.8% (8.1%). At 56.1% (September 30, 2010: 57.3%) Datacolor continues to have a high equity ratio.

Demand was largely stable in the first half of 2010/11 in most of Datacolor's markets compared with the second half of 2009/10. The 5.5% decline in consolidated net sales against the first half of 2009/10 is mainly attributed to currency exchange movements. In the first half of 2010/11, the Industrial Business Unit, including service and support, reported a year-on-year increase in net sales to USD 23.0 million (USD 22.8 million), representing 81% of Datacolor's consolidated net sales. Posting net sales of USD 5.4 million (USD 7.2 million), the Consumer Business Unit was unable to match the sales figure for the corresponding year-back period, which was driven significantly by cyclical pent-up demand of retail distribution. The fast-growing Asia/Pacific region lifted its share of sales to 30% (27%) in the first half of 2010/11, replacing the Americas market region, which recorded 28% (30%) of sales, as Datacolor's second largest geographic region. Europe remains Datacolor's biggest region, generating 42% (43%) of sales. The average headcount increased by 23 to 274 (full-time equivalents) largely due to the expansion of business activities in the Asia-Pacific region, specifically in China.

In order to further speed up the pace of innovation and new product launches, Datacolor again increased investments in research and development in the first half of 2010/11, spending USD 3.3 million respectively 11.5% of net sales on R&D representing an increase of approximately one third compared to the first half of 2009/10. The company is also working intensively on the finishing of a microchip-based mini-sensor, which will soon be presented to selected customers. Moreover, the international marketing and sales organization has grown mainly in the dynamic Asian markets, specifically in China and India, as well as growth markets such as Brazil and Turkey.

Outlook

With its dynamic management team, highly efficient global sales and service organization and innovative, market-ready new products, Datacolor is well positioned to enjoy sustained growth given a continued positive economic trend. Despite having significantly stepped up activities in marketing and sales and R&D as well as higher material and labor costs, primarily in China, management expects results for the second half of 2010/11 to be in line with the first half, assuming that currency exchange movements are largely stable.

Lucerne, May 3, 2011

The full half-year report 2010/11 is available at: <http://www.datacolor.com/content/reports>

For further information

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Agenda

November 4, 2011

Publication of Annual Results

November 29, 2011

Annual Media Conference

January 10, 2012

Annual General Meeting of Shareholders 2012

About Datacolor

Datacolor is a global leader in the manufacture of color management, color communication and color calibration software and hardware systems. It has an international sales, service and support organization as well as a production center in China. Clients include the apparel and textile industry, the automotive and plastics industries, manufacturers of paints and dyes in the specialty chemicals sector, international cosmetics manufacturers, major food and beverages companies, the printing and packaging industry, global furniture manufacturers, and professional and hobby photographers.