

PALFINGER AG

Back to recording growth

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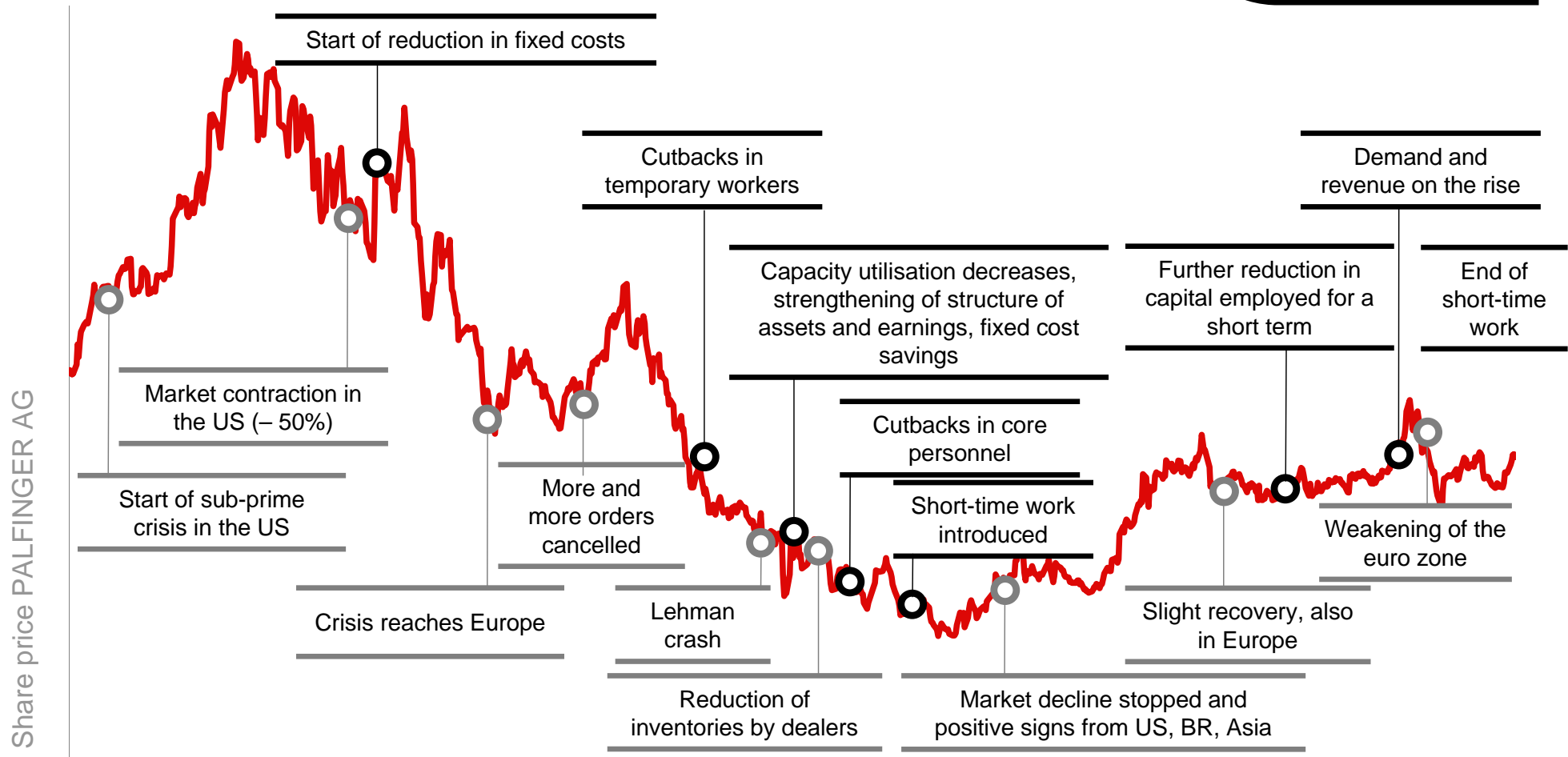
Presentation on the first half 2010

Vienna, 11 August 2010

Herbert Ortner, CEO

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2007–2010 in fast motion: Post-crisis growth



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 2007 | 2008 | 2009 | 2010

EBIT	24	27	22	26	30	30	15	-6	-3	-3	-1	1	3	10
EUR	million	million	million	million	million	million	million	million	million	million	million	million	million	million

- Improvement of market environment since the end of 2009
- Revenue trend positive again
 - EUR 297.4 million as compared to EUR 269.2 million in the first half 2009
- Sustainable structural and cost-related measures support earnings
 - Consistent improvement of margins continued
- EBITDA increased from EUR 5.1 million to EUR 23.9 million
- Consolidated net result for the period positive again
- Acquisition of ETI strengthens market presence in North America
- Entry into the market of ship-mounted cranes:
Acquisition of Ned-Deck Marine

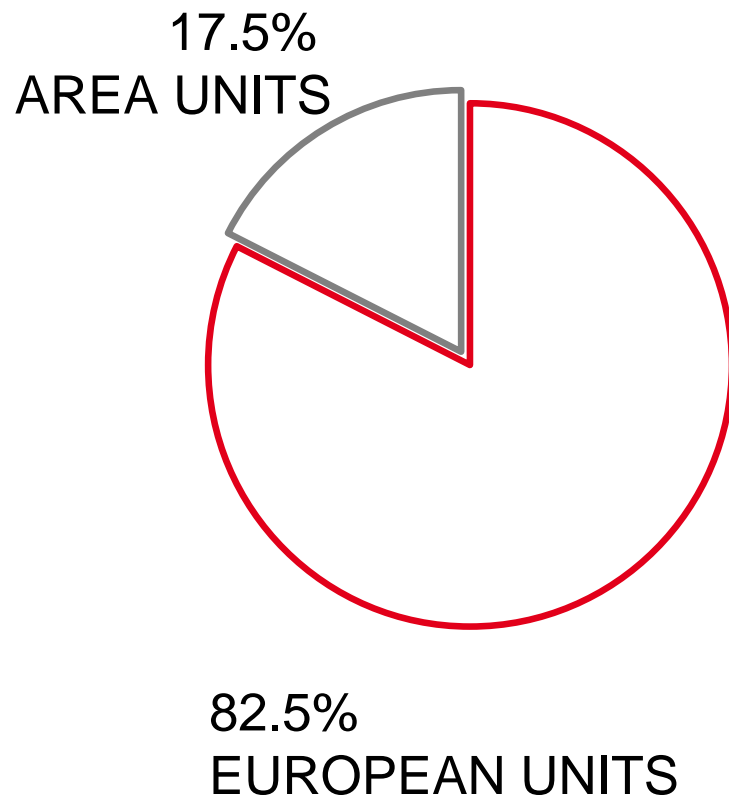
Strategy

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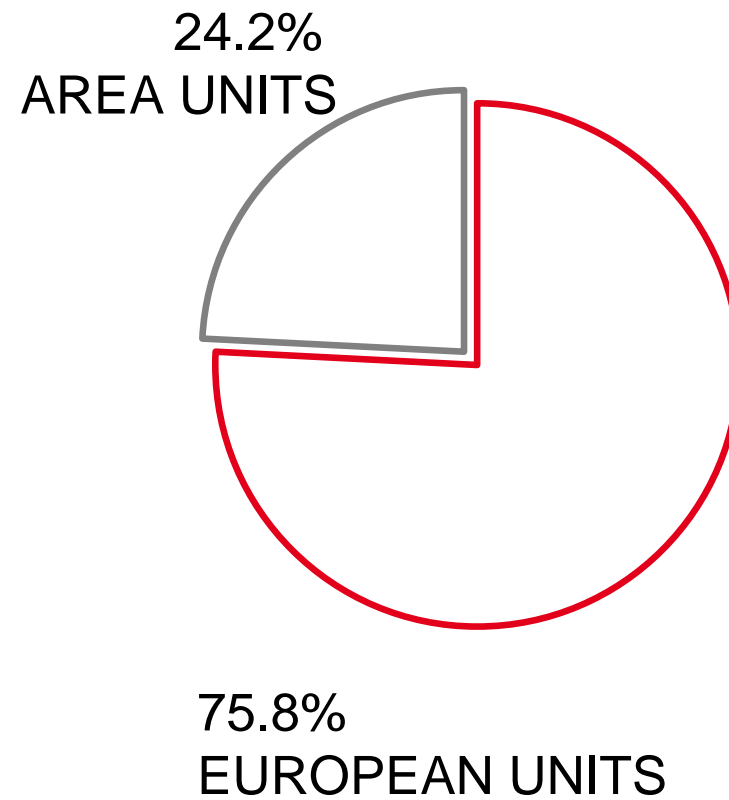
- Leading international manufacturer of hydraulic lifting, loading, and handling systems at each interface of the transport chain
- Innovation and diversification in 11 product groups
 - Number one in knuckle boom cranes, timber and recycling cranes, and container handling systems
 - Number two in tail lifts and transportable forklifts
 - Leading specialist in high-tech railway system solutions
- Internationalisation
 - Global distribution and service network (more than 200 general importers/dealers and 4,500 sales and service centres worldwide)
 - Global procurement, production, and assembly (29 manufacturing and assembly locations)

 Competitive advantage, even in difficult times

Revenue HY1 2009



Revenue HY1 2010



Diversification



Product divisions	Con- struction	Recycling	Transport, commerce	Local authorities	Service	Agriculture & forestry	Marine	Other
Knuckle boom cranes	■	■	■	■	■			■
Timber and recycling cranes		■				■		■
Telescopic cranes (South America)	■		■					■
Truck bodies (North America)	■	■	■	■				
Container handling systems	■	■	■	■		■		■
Railway systems	■			■				■
Tail lifts		■	■	■				■
Transportable forklifts	■	■	■					
Access platforms	■			■	■			■
Marine cranes							■	■

- Strengthening of the Group's earnings and assets
 - Comprehensive programme completed in 2009
- Focus in 2010: Project to reduce current capital employed increases financial flexibility
- Majority stakeholding in ETI (80 percent)
 - Top player in the field of access platforms in North America
 - Revenue 2009: approx. USD 45 million
- Majority stakeholding in Ned-Deck Marine (75 percent)
 - Among the leading companies in the standard segment of rescue boat davits
 - Core markets: Netherlands, Norway, India, US
 - Major target markets: Japan, Korea, China, Vietnam
 - Revenue 2009: approx. EUR 18 million
- Continuation of further internationalisation efforts

Segments

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New PALFINGER organisational structure

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- In line with the growth achieved in recent years and the challenges to be faced in the years to come
- Focus on internationalisation (Europe and areas)
- Increased independence of regions and product units – local products for local customer needs
- Bundling of strategic projects in the VENTURES segment

 Adjustment of segment reporting

New segmentation from 2010 onwards

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EUROPEAN UNITS segment

- Business unit Knuckle Boom Cranes
- Business unit Timber and Recycling Cranes
- Business unit Tail Lifts
- Business unit Access Platforms
- Business unit Hookloaders
- Business unit Transportable Forklifts
- Business unit Railway Systems
- Distribution company in Germany
- PALFINGER France (associated)

AREA UNITS segment

- Area North America
- Area South America
- Area Asia and Pacific
- Area India
- Area CIS
- Distribution company in Russia (associated)

VENTURES segment

Segment financials

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Revenue

	HY1 2010	HY1 2009	%
EUROPEAN UNITS	225.4	222.1	+ 1.5%
AREA UNITS	72.0	47.1	+ 52.8%
VENTURES	–	–	–

Segment result

	HY1 2010	HY1 2009	%
EUROPEAN UNITS	24.5	2.8	–
AREA UNITS	(6.5)	(5.5)	(18.8%)
VENTURES	(3.4)	(1.5)	–

Acc. to IFRS in million EUR Minor rounding differences may occur.

- Slight recovery in important sales markets noticed since the beginning of the year, direct impact on revenue due to very low inventories
 - Increases in Germany, France; Spain, Great Britain, Ireland, Greece, Eastern Europe still weak
- Crane revenues on the rise, declines recorded in access platforms and hookloaders
- Clear improvement of earnings due to measures to cut costs and make the value creation process more flexible

- Rise in revenue of 52.8% reflects increasing importance
- Solid basis for continued growth created in North America
 - Initial consolidation of ETI in April
- South America: Increasing demand in Brazil
- Asia and Pacific: Satisfactory increase, but at a low level
- India: Establishment of an assembly site
- CIS: Continued expansion of distribution and service network
- Regions outside Europe at the development stage, therefore negative result

- Coordination of the CC-Top (current capital) project
- Majority stakeholdings in ETI and NDM completed
- Establishment of an assembly site in India
- Additional projects for the expansion of the AREA UNITS segment underway
- Strengthening of the new area marine cranes planned

Key financial figures

Christoph Kaml, CFO

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Financial highlights

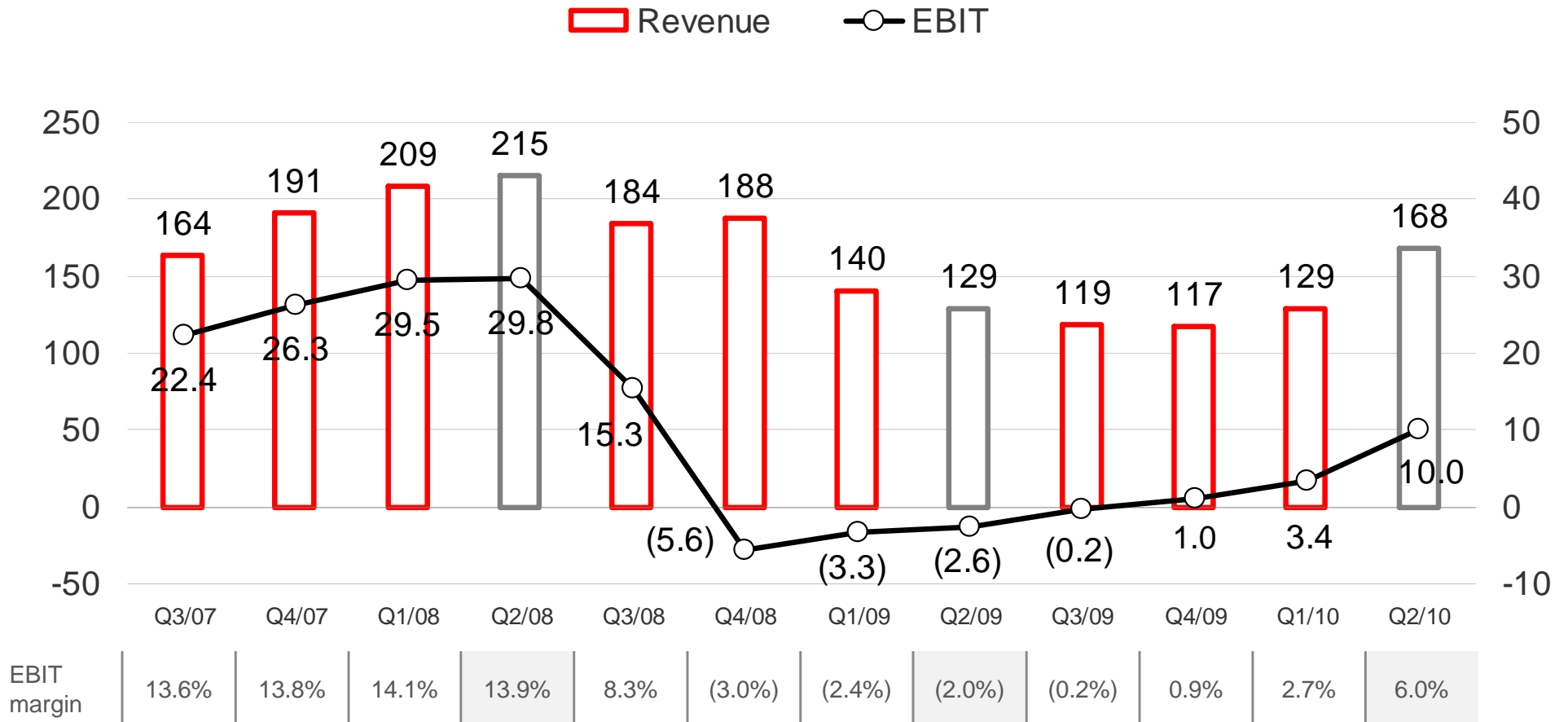
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	HY1 2010	HY1 2009*	HY1 2008
Revenue	297.4	269.2	423.5
EBITDA	23.9	5.1	69.2
EBITDA margin	8.0%	1.9%	16.4%
EBIT	13.5	(5.9)	59.3
EBIT margin	4.5%	(2.2%)	14.0%
Result before income tax	11.9	(8.5)	59.2
Consolidated net result for the period	7.3	(8.0)	42.5

* In the course of the final purchase price allocation for the Omaha Standard Group adjustments with retrospective effect were made.

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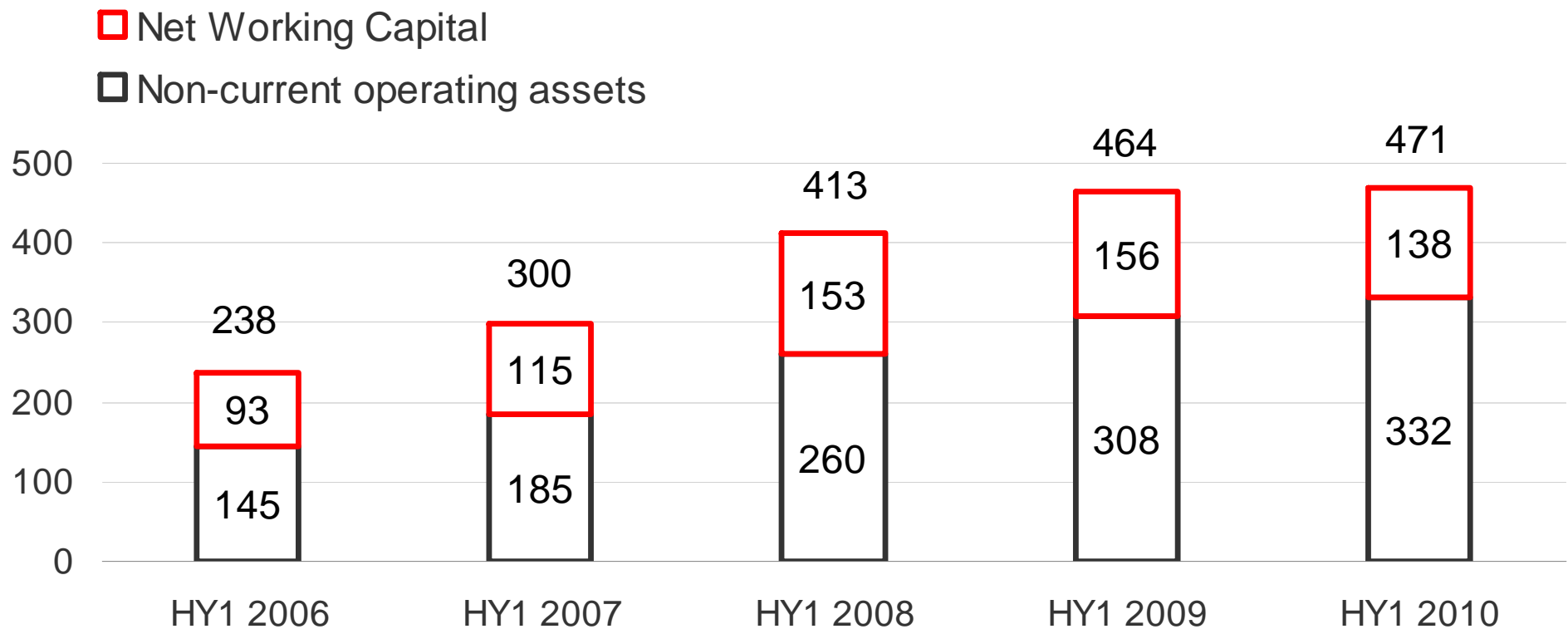
Quarterly figures



PALFINGER to profit over-proportionally from a recovery

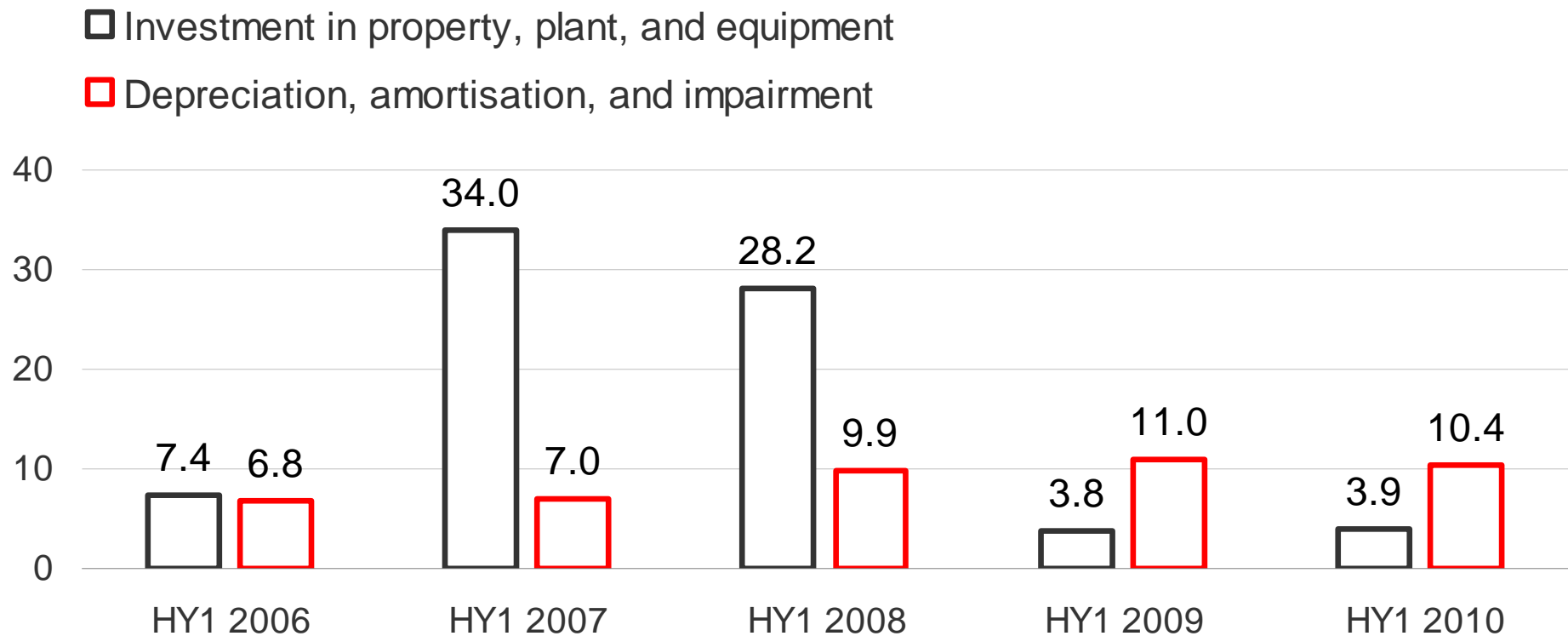
Acc. to IFRS in million EUR Minor rounding differences may occur.

Capital employed



➔ Targeted capital employed management;
increase due to acquisition

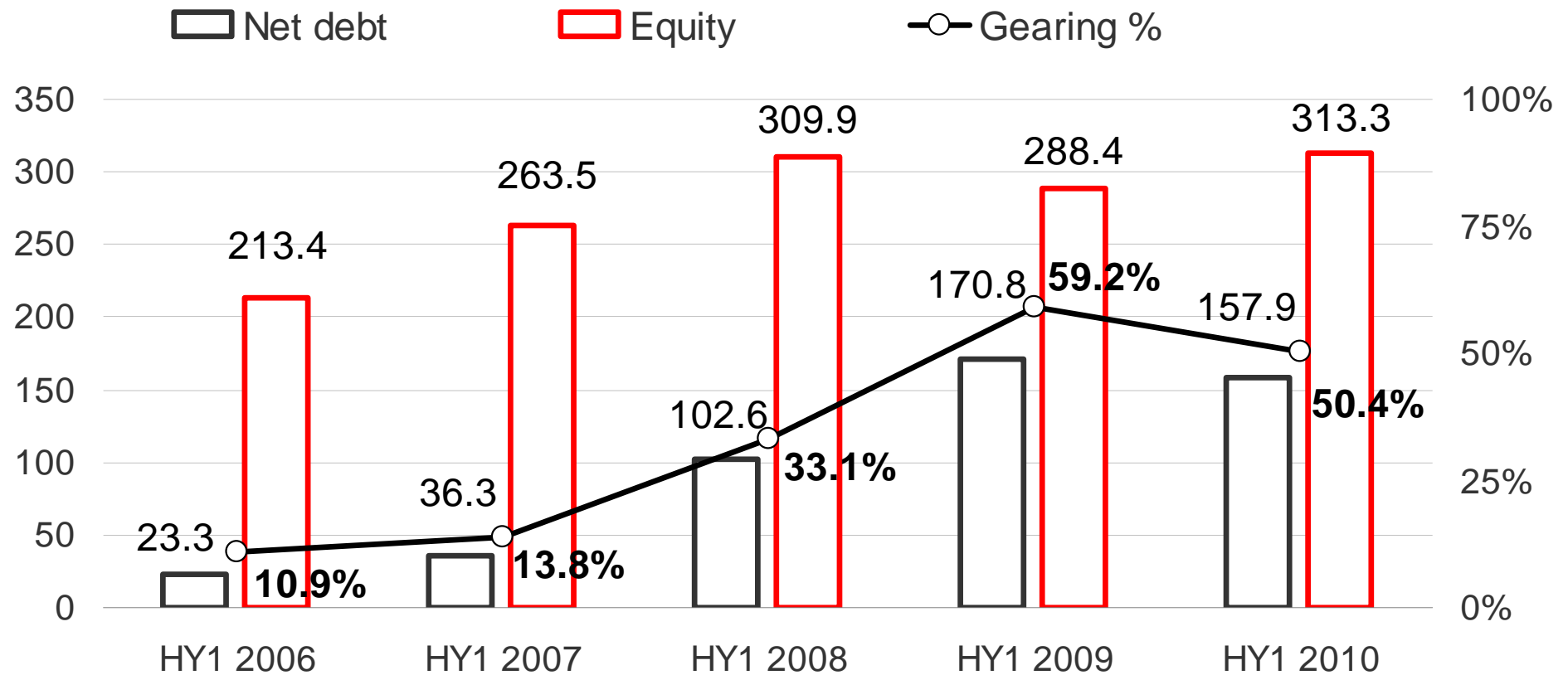
Acc. to IFRS in million EUR Minor rounding differences may occur.



➔ Investment programme 2006–2008 completed

Acc. to IFRS in million EUR Minor rounding differences may occur.

Gearing ratio and equity



Acc. to IFRS in million EUR Minor rounding differences may occur.

Free cash flow

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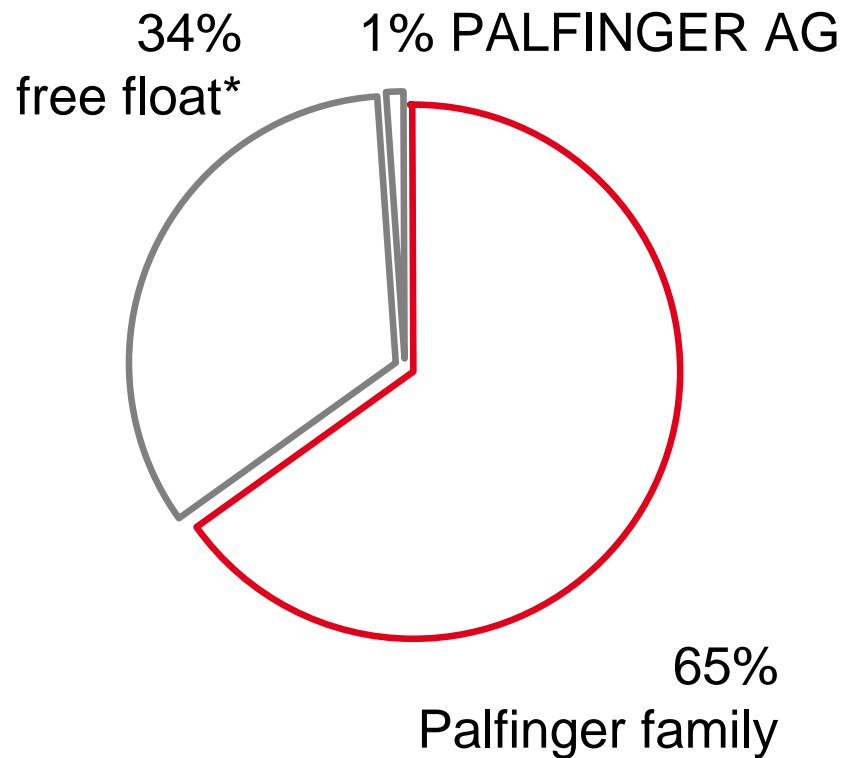
	HY1 2010	HY1 2009	HY1 2008
EBTDA	24.3	2.8	66.6
+ / - Cash flows from working capital	0.7	17.9	(27.0)
+ / - Cash flows from tax payments	(1.6)	(2.2)	(8.1)
Cash flows from operating activities	23.4	18.6	31.5
Cash flows from investing activities	(22.6)	(7.7)	(27.4)
Cash flows after changes in working capital & investments	0.8	10.9	4.1
Cash flows from interest on borrowings adjusted by tax expense	3.5	3.8	2.0
Free cash flow	4.3	14.7	6.1
Cash flows from equity/investor capital	(1.1)	(17.0)	(28.3)
Cash flows from net debt	0.3	6.1	24.2

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Herbert Ortner, CEO

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Shareholder structure



of which > 5% Aviva/Delta Lloyd Asset Management

Shareholder information as of 30 June 2010

ISIN	AT0000758305
Number of shares	35,730,000
Share price as of end of period	EUR 18.08
Market capitalisation	EUR 646.0 million
Earnings per share	EUR 0.21

Outlook

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- Development of demand directly reflected in order intake
- Short-time work will be ended early at the end of August
- Flexibility of value-creation process as a material factor of success
- Investment in market activities and strong network will be continued
- Additional growth pursued in young areas (Russia, India)
- Expansion of marine activities

 Market expansion and growth in revenue aimed for

- Recovery of important markets expected to continue
- Visibility currently slightly raised
- Third quarter always marked by weaker summer months and company holiday
- Macroeconomic development remains uncertain
- Organic growth of 15 percent striven for

 Market volatility expected to continue

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This presentation contains forward-looking statements on the basis of all information available at the date of the preparation of this presentation. Actual outcomes and results may be materially different from those predicted.

Back-up

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Performance of the PALFINGER share since 2009

