

PUBLICATION OF RESULTS FIRST QUARTER OF 2020

Bergheim, April 30, 2020

ANDREAS KLAUSER

CEO

LOWER TURNOVER IN Q1/2020 – PALFINGER WELL POSITIONED TO MASTER THE CRISIS

PALFINGER



Q1/2020: 10.8-percent drop in revenue

as compared with the record-breaking first quarter of 2019 with maximum utilization of capacity



Market downturn already visible in Q1/2020



GPO fully implemented

demonstrating our strengths in the crisis

OUR EMPLOYEES AND INTERNATIONAL SITES ARE A STRONG BACKBONE IN THESE TOUGH TIMES



GROUP 2019



REVENUE

EUR 1.75 billion



EMPLOYEES

11,126



SITES

33 production sites and
some 5,000 service centers
worldwide



REVENUE DISTRIBUTION

61% EMEA
23% NAM
5% LATAM
11% APAC, CIS



PALFINGER OFFERS ITS CUSTOMERS A POWERFUL AND INNOVATIVE PORTFOLIO OF LIFTING SOLUTIONS

PALFINGER

SEA



LOADER
CRANES



TIMBER/RECYCLING



HOOKLIFTS &
SKIPLOADERS



TAIL LIFTS



MARINE
CRANES



OFFSHORE
CRANES



PASSENGER
SYSTEMS



ACCESS
PLATFORMS



TRUCK MOUNTED
FORKLIFTS



RAILWAY
SYSTEMS



WIND CRANES



DAVITS



BRIDGE
MAINTENANCE



TURNKEY
SOLUTIONS



WINCHES



BOATS

LAND

Global market leadership is our aspiration


OUR GOAL DESPITE THE GLOBAL CRISIS: STRENGTHENING OUR LEADERSHIP POSITION

PALFINGER




OPERATIONAL HIGHLIGHTS Q1/2020: PALFINGER'S COVID-19 TASK FORCE DELIVERED A RAPID AND COMPREHENSIVE RESPONSE FROM FEBRUARY 26, 2020 ONWARD


PALFINGER



Liquidity reserves were **significantly expanded** immediately **with additional lines of credit**. **High equity ratio** is benefiting PALFINGER.



All projects were **carefully examined** and an **integral program for liquidity optimization and structural cost reduction** put in place.



Personnel costs were lowered through the **short-time work model for workers and employees in Austria**. To the greatest extent possible, the company is **making use of support programs for sites in other countries as well**.



Set of actions to ensure **employee health & safety**.



Secure stable **supply chain**.

PALFINGER IS WELL POSITIONED IN THE COVID-19 CRISIS

PALFINGER

Investments in the **new global structure** (GPO).

Restructuring completed in **North America** and in **Segment SEA**.

Balance sheet strengthened, **equity capital ratio increased**.

Downtime used to bring plants **into compliance with the latest hygiene standards** and **to protect the health of employees** to the greatest extent possible.

Large orders worth EUR 13.0 million acquired in **India** and **Thailand**.

PALFINGER PRIDES ITSELF ON PROVIDING ITS CUSTOMERS WITH RAPID AND EFFECTIVE SUPPORT, EVEN IN THE CRISIS

PALFINGER

GLOBAL NETWORK

High quality standards through training.



PREVENTATIVE MAINTENANCE

Maintenance and regular servicing promote the long service life of products and ensure maximum safety.

MAXIMUM AVAILABILITY OF SPARE PARTS

High accessibility of spare parts of the highest quality means a long product lifecycle.



INTELLIGENT NETWORKING

A large selection of software and hardware solutions ensures maximum operation time

FELIX STROHBICHLER

CFO

Former Segment SEA

- **Restructuring completed** and full integration into the GPO
- **Clearly positive contribution to segment results.**

Allocation to the segments

Sales & Service
and
Operations

PALFINGER



SEGMENT
SALES & SERVICE

SEGMENT REVENUE DOWN 9.8 PERCENT VERSUS RECORD-BREAKING Q1/2019

PALFINGER

- 1** Substantial downturn in revenue in the **forestry business** in Russia and Europe.
- 2** Drop in earnings is based primarily on the **reduced revenue**.

PROFITABILITY IMPACTED BY DECLINE IN REVENUE

PALFINGER

EUR million	Q1/2019 ¹⁾	Q1/2020	Δ%
External revenue	408.1	368.3	-9.8%
EBITDA	48.4	41.3	-14.5%
EBIT	39.8	32.6	-18.2%
EBIT margin	9.8%	8.9%	—

1) Figures were retroactively adjusted to the new segment reporting structure.

An aerial photograph of a white ship with blue accents on the water. A large, circular, metallic structure is suspended in the air above the ship. A yellow crane arm is visible on the right side of the image.

PALFINGER

A man in a dark blue shirt and orange safety vest is working in a factory. He is holding a black cable and a red tool. A large orange crane arm is visible in the background.

SEGMENT OPERATIONS

LOWER CAPACITY UTILIZATION AND LOWER MARGINS IN MANUFACTURING FOR THIRD PARTIES

EUR million	Q1/2019 ¹⁾	Q1/2020	Δ%
External revenue	32.8	25.0	-23.8%
EBITDA	18.3	15.1	-17.2%
EBIT	9.6	6.5	-31.6%

1) Figures were retroactively adjusted to the new segment reporting structure.



HOLDING UNIT

FOCUS ON FUTURE-PROOF STRUCTURES

- 1** **GPO** fully implemented – showing its strength in the COVID-19 crisis.

- 2** **Go-live of SAP S/4 Hana in sales unit in EMEA** as of April 1, 2020.

HOLDING RESULTS NEGATIVELY IMPACTED BY OPERATIONAL EXCHANGE RATE EFFECTS

PALFINGER

EUR million	Q1/2019	Q1/2020	Δ%
EBITDA	-5.4	-6.1	-13.6%
EBIT	-6.7	-7.8	-15.7%

PALFINGER



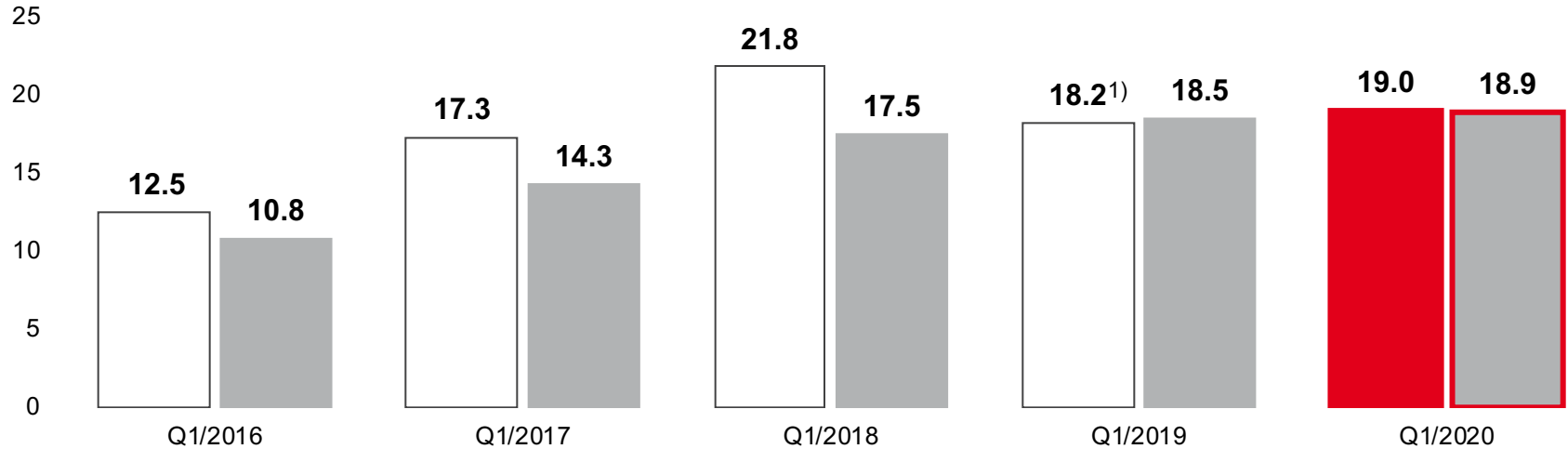
PALFINGER
GROUP





RESULTS FOR Q1/2020 IMPACTED BY DECLINE IN REVENUE

EUR million	Q1/2019	Q1/2020	Δ%
Revenue	440.9	393.2	-10.8%
EBITDA	61.2	50.3	-17.9%
EBITDA margin	13.9%	12.8%	–
EBIT (operating results)	42.7	31.4	-26.5%
EBIT margin	9.7 %	8.0%	–
EBT (result before income tax)	38.4	26.1	-31.9%
Consolidated net result for the period	21.1	15.5	-26.7%

Slight differences due to rounding are possible in accordance with IFRS.

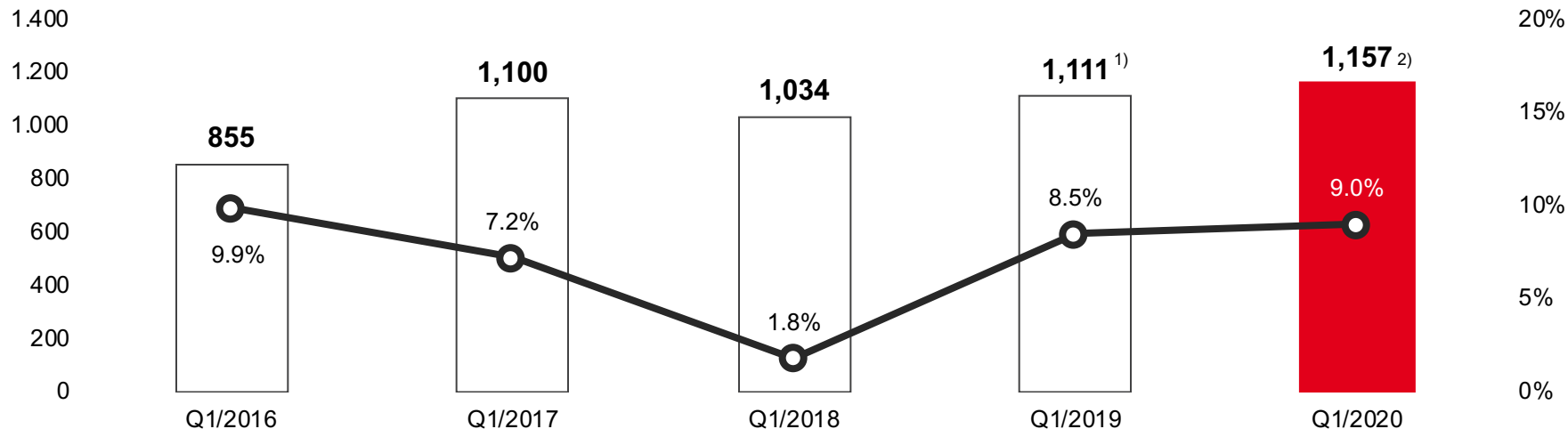
WE HAVE INVESTED HEAVILY IN OUR FUTURE OVER THE PAST SEVERAL YEARS



  Net investments
  Depreciation, amortization, and impairment

1) Including additions from leases (IFRS 16); excluding divestment of 2.5% of Sany Lifting Solutions (EUR 28.6 million)
 Slight differences due to rounding are possible in accordance with IFRS.

ROCE STILL ON A HIGH LEVEL – TARGET OF 10 PERCENT



□ Capital employed³⁾
—○ Return on capital employed⁴⁾

1) Including 2017 restatement.

2) Including additions from leasing (IFRS 16).

3) Rolling average for the last 12 months.

4) ROCE = ratio of NOPLAT to average capital employed (prior-year reporting date to current-year reporting date).

Slight differences due to rounding are possible in accordance with IFRS.

STABLE BALANCE SHEET STRUCTURE WITH A POSITIVE DEVELOPMENT – LIQUIDITY RESERVES SUBSTANTIALLY INCREASED

EUR million	3/31/2019	3/31/2020
Financial liabilities ¹⁾	633.5	602.3
Ø interest on financial liabilities	1.67% ²⁾	1.69%
Ø maturity of financial liabilities	4.66 years	4.30 years
Cash equivalents	28.4	36.8
Net financial debt	577.4	540.2
Equity	573.3	618.6

1) Including EUR 57.1 million lease liabilities in accordance with IFRS 16. (Q1/2019: EUR 63.3 million).

2) Excluding foreign currency hedging costs.

Slight differences due to rounding are possible in accordance with IFRS.




BALANCE SHEET KPIs FURTHER IMPROVED

	3/31/2019	3/31/2020
Equity ratio	35.0%	37.6%
Gearing	100.7%	87.3%
Net debt/EBITDA	2.79	2.54

Slight differences due to rounding are possible in accordance with IFRS.



FREE CASH FLOW AFFECTED BY HIGHER INVENTORY

EUR million	Q1/2019	Q1/2020
EBITDA	56.9	45.0
+/- non-cash income from at-equity companies	-0.2	-2.7
+/- change in working capital	-20.0	-23.1
+/- cash flow from tax payments	-8.1	-6.9
Cash flow from operating activities	28.6	12.3
+/- cash flow from investing activities	8.1	-19.1
Cash flow after changes in working capital and investments	36.7	-6.8
+/- cash flow from interest on borrowings adjusted for tax expense	2.4	2.5
Free cash flow	39.1	-4.3

Slight differences due to rounding are possible in accordance with IFRS.

ANDREAS KLAUSER

CEO

Q1/2020

Stable basis formed by solid balance sheet
and future proofed organization due to GPO

2020

Earnings outlook
reduced due to
COVID-19 crisis

COVID-19 crisis: major **impacts** on **markets**, **supply chains**, and **productions** resulting in a significant drop in **profitability** in the **first half of 2020** and **the year as a whole**.

European plants **gradually ramped up again** beginning in late April.

Securing health & safety of employees has top priority.

Very limited visibility on the **markets**. **Ongoing reassessment of the situation** necessary.

Annual General Meeting rescheduled for **August 5, 2020**.
Company's objective – subject to further developments – is **payment of a dividend**.

OUTLOOK

2020

**THANK YOU FOR YOUR ATTENTION.
STAY HEALTHY!**

INVESTOR RELATIONS AND PRESS CONTACT

PALFINGER

ANDREAS KLAUSER

CEO

+43 662 2281-81006

a.klauser@palfinger.com

FELIX STROHBICHLER

CFO

+43 662 2281-81008

f.strohbichler@palfinger.com

HANNES ROITHER

Company Spokesperson

+43 662 2281-81100

h.roither@palfinger.com

PALFINGER AG

Lamprechtshausener Bundesstraße 8
5101 Bergheim

www.palfinger.ag

This presentation contains forward-looking statements based on all currently available information. Actual developments may differ from the expectations presented here.