

PALFINGER AG

Presentation on the first quarter of 2014

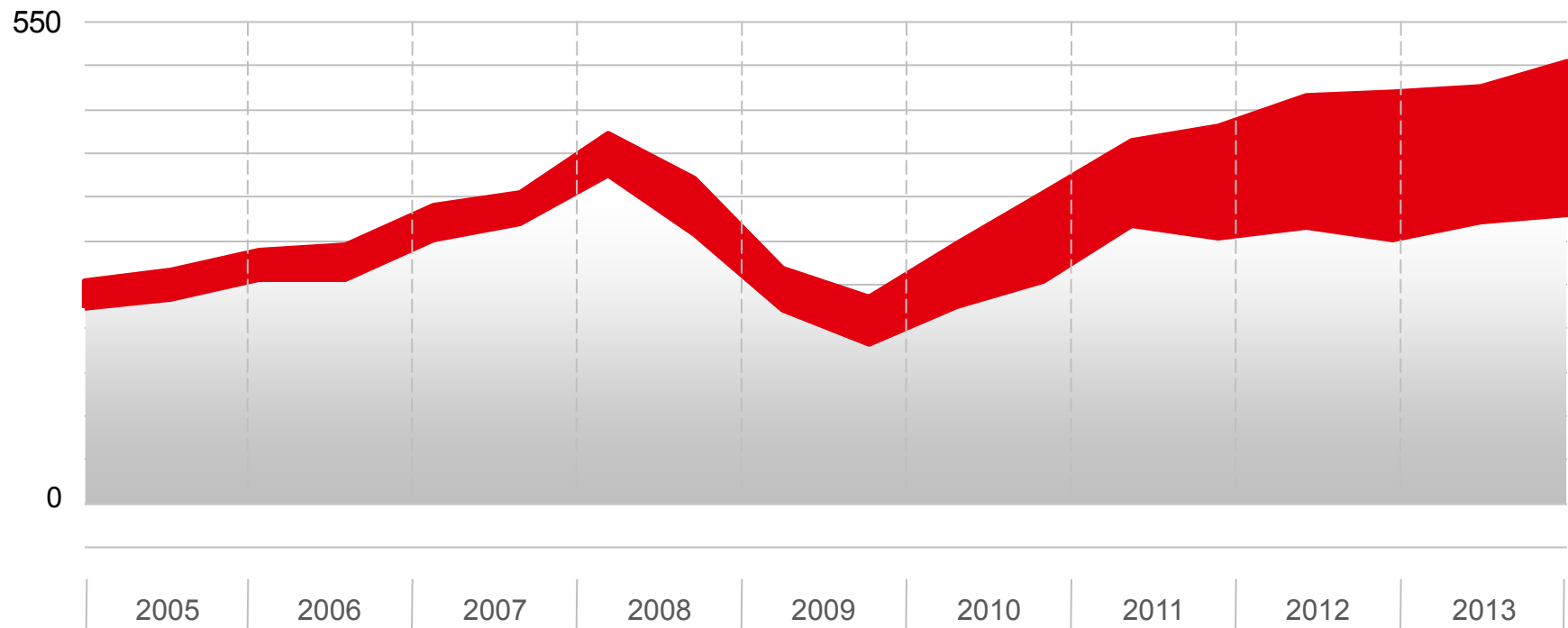
May 2014

ONGOING MARKET VOLATILITY

REVENUE (HALF YEAR)

■ AREA UNITS

■ EUROPEAN UNITS



➔ Flexibility and internationality as bases for success

-
- Continued growth
 - » Considerable increases in Europe
 - » Harsh winter in North America and exchange rate fluctuations slowed down growth in AREA UNITS
 - Revenue increased by 18.5% to EUR 267.6 million
 - EBIT rose by 11.3% to EUR 20.1 million
 - » Significant increase in earnings of 25% in Europe
 - » Losses in the AREA UNITS segment
 - » Satisfactory development in the Marine business area

STRATEGY

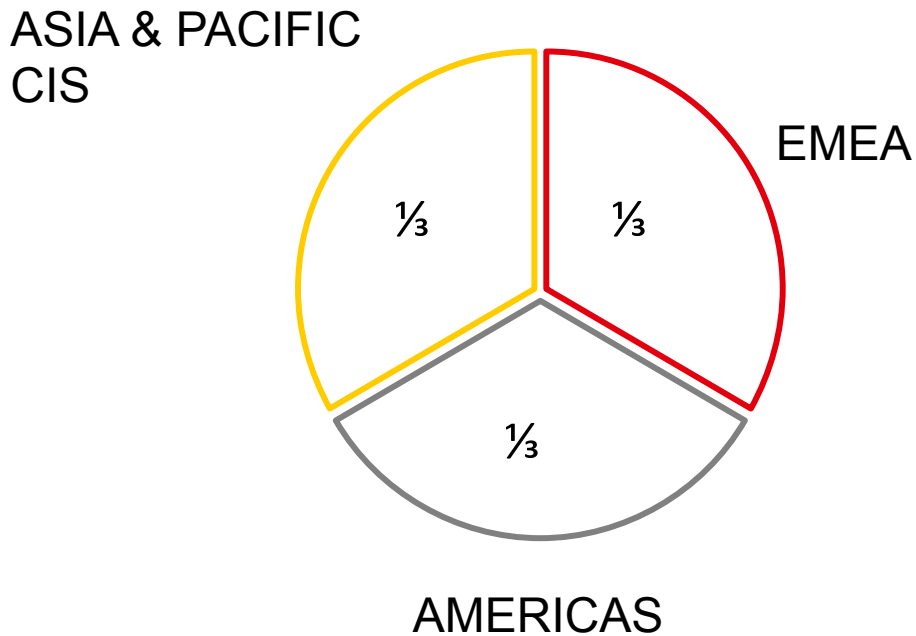
- Leading international manufacturer of innovative lifting solutions
 - » World market leader in loader cranes, marine cranes, wind cranes and container handling systems
 - » Leading specialist in timber and recycling cranes, tail lifts, truck mounted forklifts and high-tech railway systems
- Global sales and services network (more than 200 general importers/dealers and 4,500 sales and services centres worldwide)
- Global procurement, production and assembly (33 manufacturing and assembly locations)
- Strategic pillars: innovation – internationalization – flexibility
- **Maintaining and expanding the Group's competitive advantage**

- Growth, primarily in BRIC countries
 - Development of China into second domestic market
 - Global balance of production and proximity to customers
 - Consolidation of leading position in the marine and offshore areas
 - Maintaining innovation leadership worldwide
 - Meeting customers' expectations through customized solutions
 - Adjustment of production sites and technologies in Europe
 - Pioneer for sustainable development, environmental protection and social responsibility
- Revenue target 2017: approx. EUR 1.8 billion**

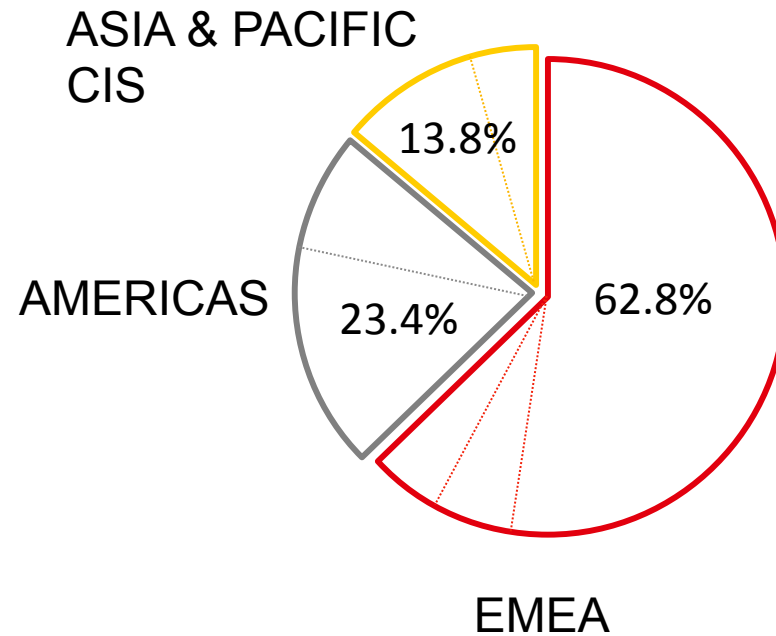
- Closing of the Systems/Megarme transaction in January
- Annual General Meeting resolved to pay a higher dividend
- Resolution on mutual participations of PALFINGER and SANY

→ 2014 – a year of consolidation

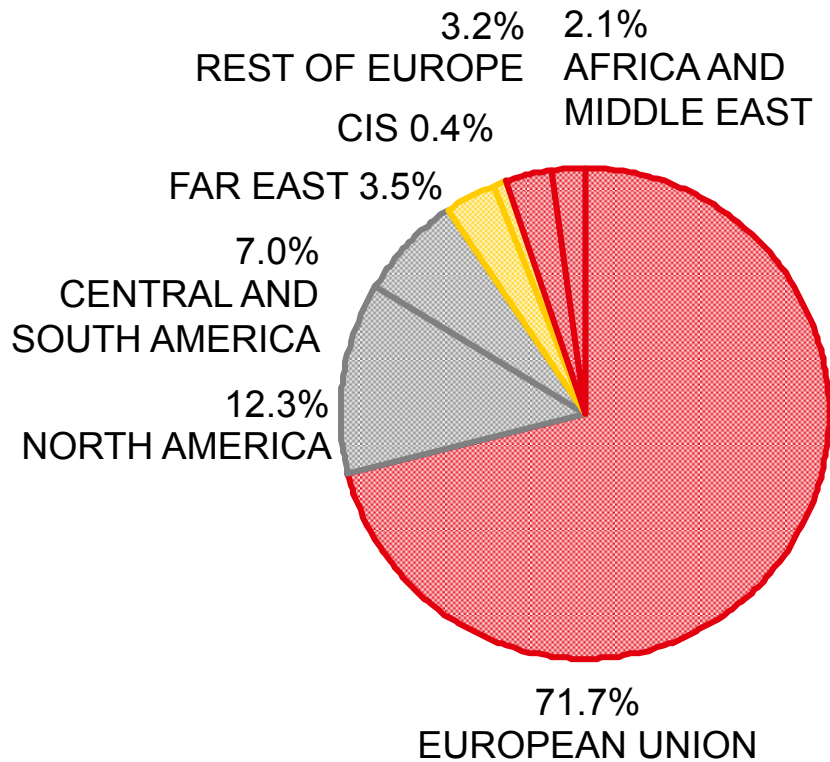
STRATEGIC TARGET



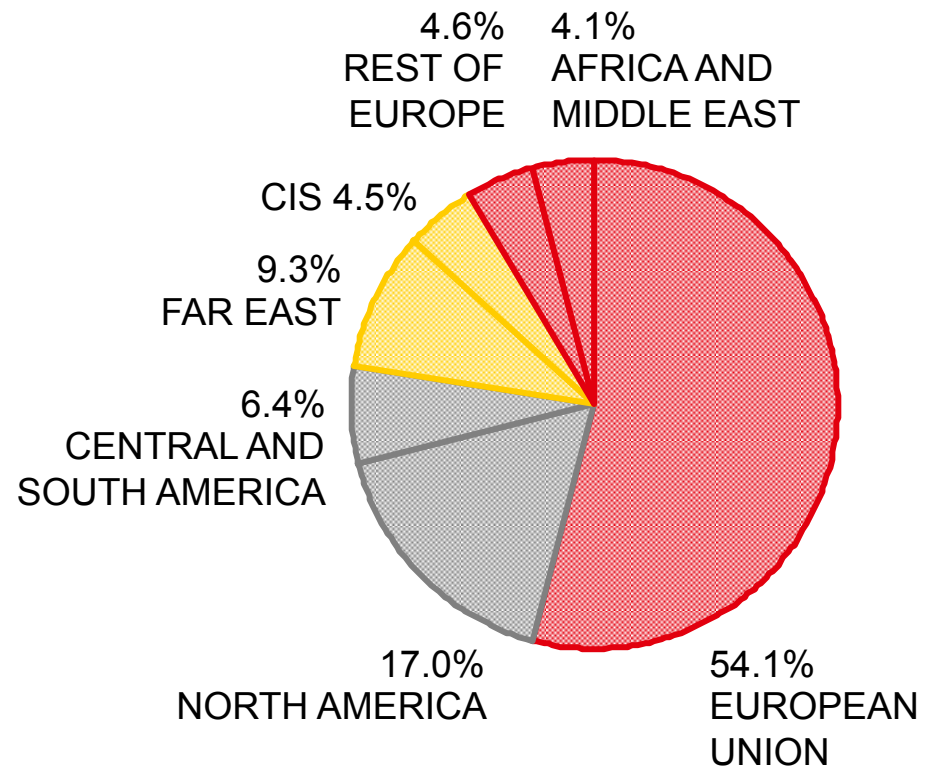
REVENUE Q1 2014



REVENUE 2009



REVENUE Q1 2014



SEGMENTS

SEGMENT REVENUE

	Q1 2013	Q1 2014	%
EUROPEAN UNITS	153.1	191.5	+ 25.0%
AREA UNITS	72.7	76.1	+ 4.8%
VENTURES	–	–	–

SEGMENT EBIT

	Q1 2013	Q1 2014	%
EUROPEAN UNITS	20.7	26.0	+ 25.6%
AREA UNITS	1.9	(1.2)	(164.5%)
VENTURES	(4.2)	(4.7)	(12.8%)

- Increase in revenue of 25.1% to EUR 191.5 million
 - » All business units posted increases
 - » Systems/Megarme generated revenue of EUR 4.3 million
- EBIT rose by 25.6% to EUR 26.0 million
 - » High margin of 13.6% despite investments

- Revenue rose by 4.6% to EUR 76.1 million
 - » Share in revenue came to 28.5%
 - » Good order intake in North America, success for EPSILON
 - » Slow public funding in Brazil
 - » Increases in CIS

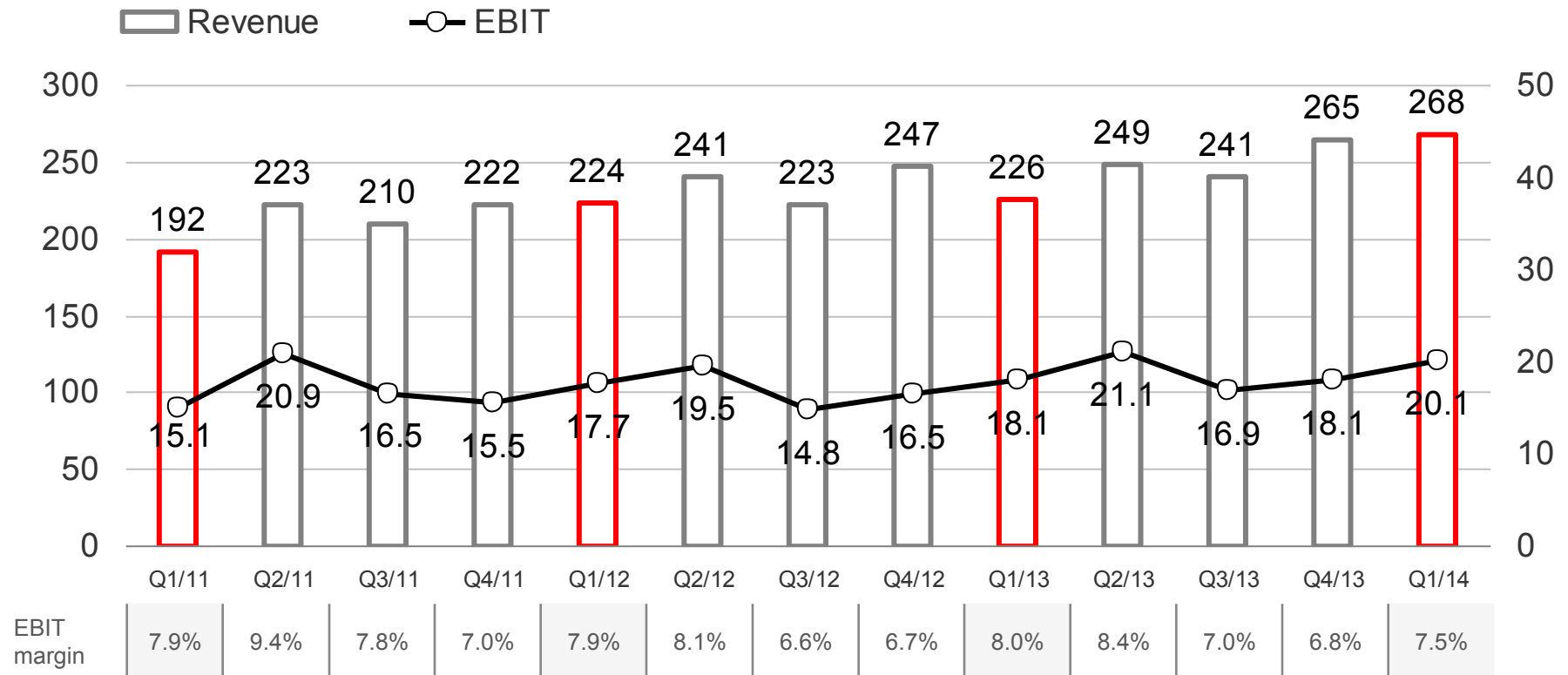
- EBIT negative again for the first time at –EUR 1.2 million
 - » Weather-related declines in North America
 - » Changes in the exchange rates of the real and ruble

KEY FINANCIALS

KEY FIGURES

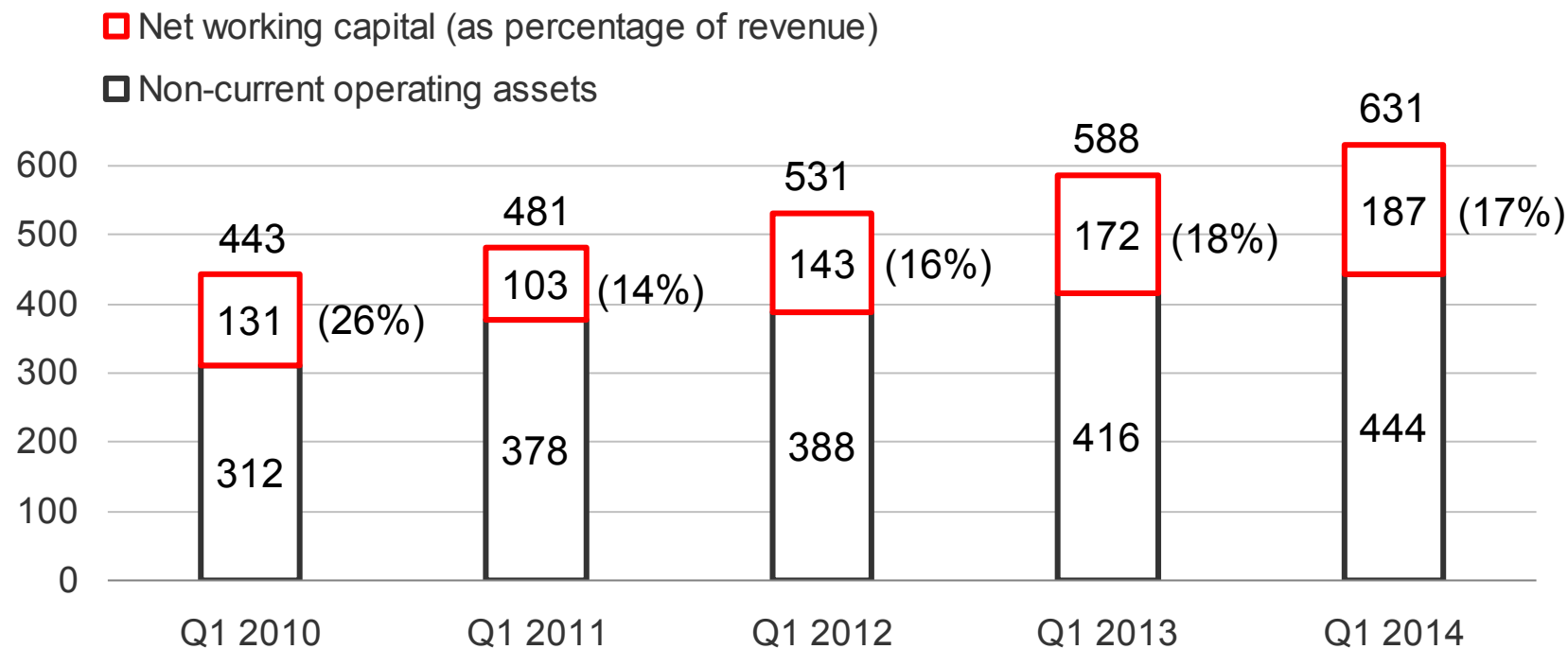
	Q1 2012	Q1 2013	Q1 2014	%
Revenue	223.9	225.8	267.6	+ 18.5%
EBITDA	25.0	25.4	28.6	+ 12.7%
EBITDA margin	11.2%	11.3%	10.7%	–
EBIT	17.7	18.1	20.1	+ 11.3%
EBIT margin	7.9%	8.0%	7.5%	–
Result before income tax	14.7	15.6	17.0	+ 8.8%
Consolidated net result for the period	10.7	11.0	11.9	+ 8.2%

QUARTERLY FIGURES



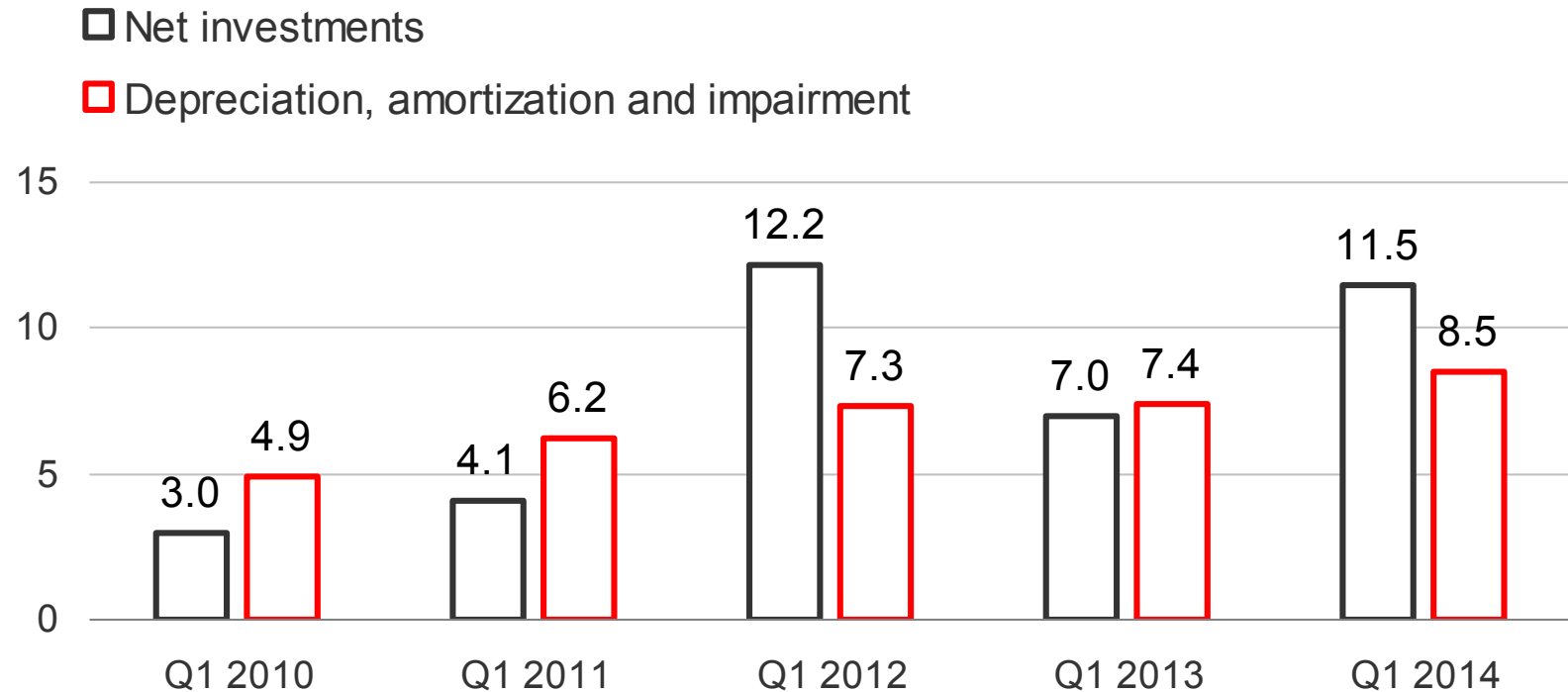
➔ Continued growth

CAPITAL EMPLOYED*



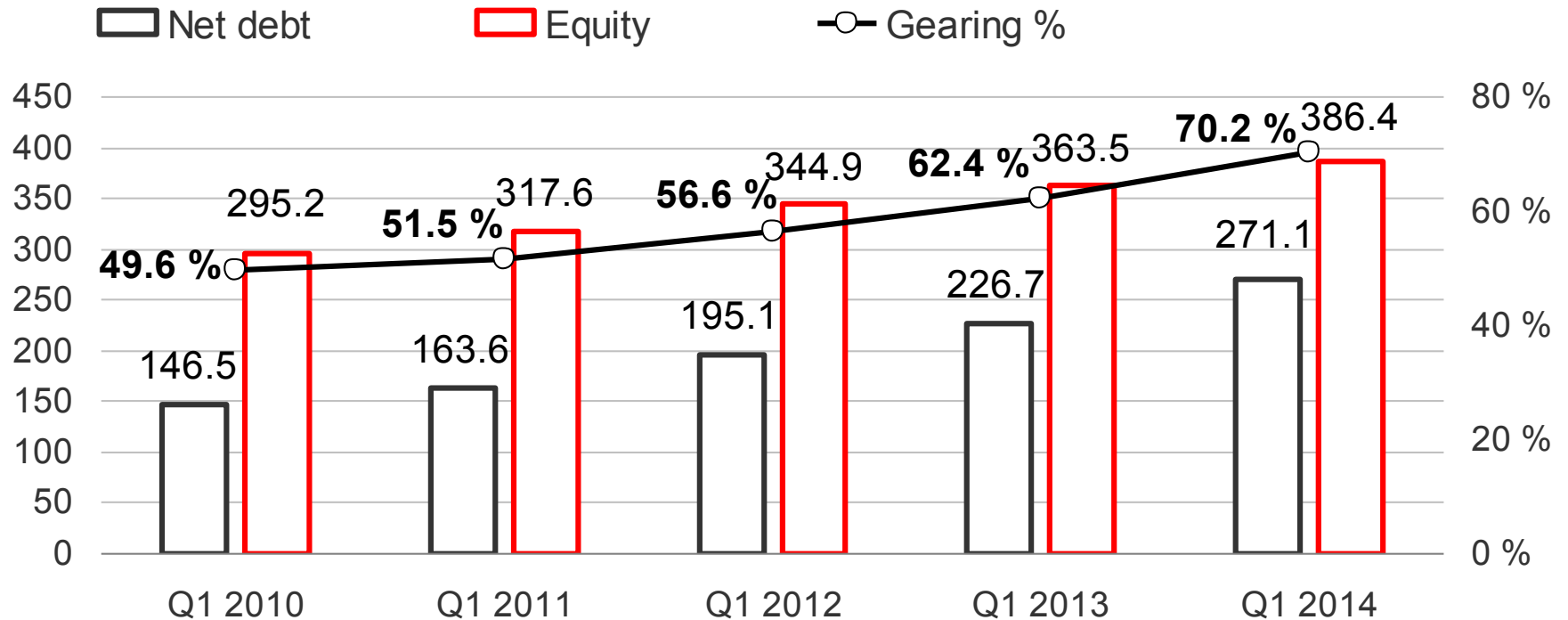
➔ Increase through acquisitions

* Average.



➔ Investments made primarily in Systems/Megarme

GEARING RATIO AND EQUITY



➔ Equity ratio at a high level

FREE CASH FLOWS

	Q1 2012	Q1 2013	Q1 2014
EBTDA	22.0	22,9	25.4
+/- Non-cash result from companies at equity	(1.2)	0.7	1.9
+/- Change in working capital	(12.1)	(4.0)	(21.2)
+/- Cash flows from tax payments	(1.2)	(1.6)	0.0
Cash flows from operating activities	7.5	18.0	6.1
+/- Cash flows from investing activities	(15.1)	(8.9)	(27.5)
Cash flows after changes in working capital & investments	(7.6)	9.1	(21.4)
+/- Cash flows from interest on borrowings adjusted by tax expense	2.1	1.8	2.1
Free cash flows	(5.5)	10.9	(19.3)
Cash flows from equity/investor capital	(22.4)	(18.4)	(19.1)
Cash flows from net debt	30.0	9.2	40.5

OUTLOOK

- Consolidation following rapid expansion in 2013
- Focus on further steps in South America and the Marine business area
- Introduction of additional product groups in BRIC markets, primarily China
- Further increase in flexibility
- Establishment of two plants, one in China and one in CIS
- Closing of the acquisition of PM Group in CIS expected

- Improvement of economic situation in Europe noticeable
 - Further growth, also in the areas
 - Huge potential of Systems/Megarme business area
 - Organic and inorganic growth in revenue expected
-
- **Once again, record revenue is planned**

Herbert Ortner, CEO
Phone +43 662 46 84-2222
h.ortner@palfinger.com

Hannes Roither, Company Spokesperson
Phone +43 662 46 84-2260
h.roither@palfinger.com

PALFINGER AG
Franz-Wolfram-Scherer-Strasse 24
5020 Salzburg
www.palfinger.ag

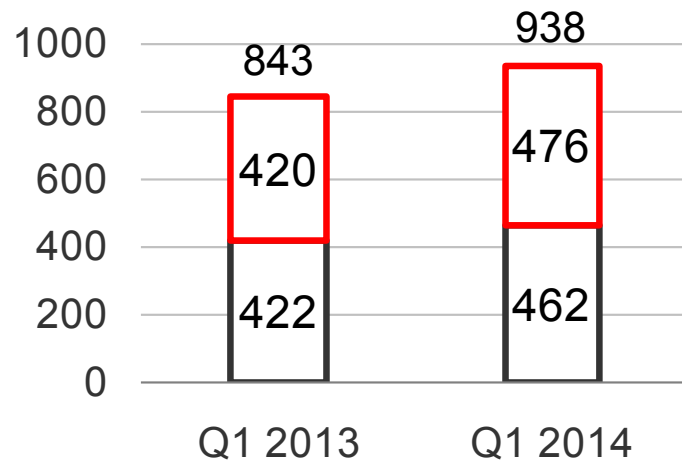
This presentation contains forward-looking statements made on the basis of all information available at the time of preparation of this presentation. Actual outcomes and results may be different from those predicted.

BACK UP

BALANCE SHEET STRUCTURE

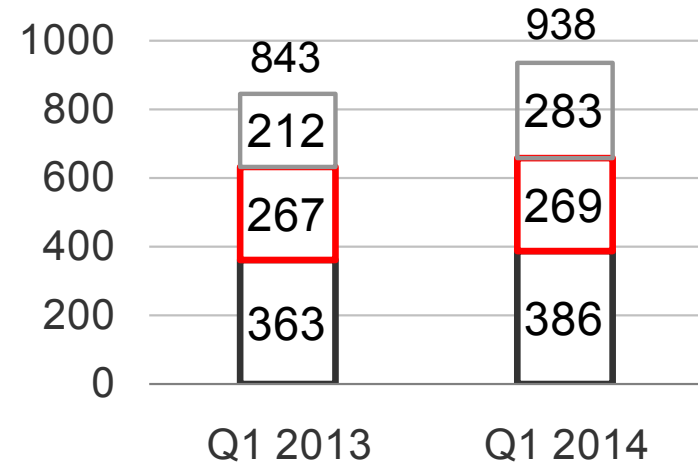
ASSETS

- Current assets
- Non-current assets



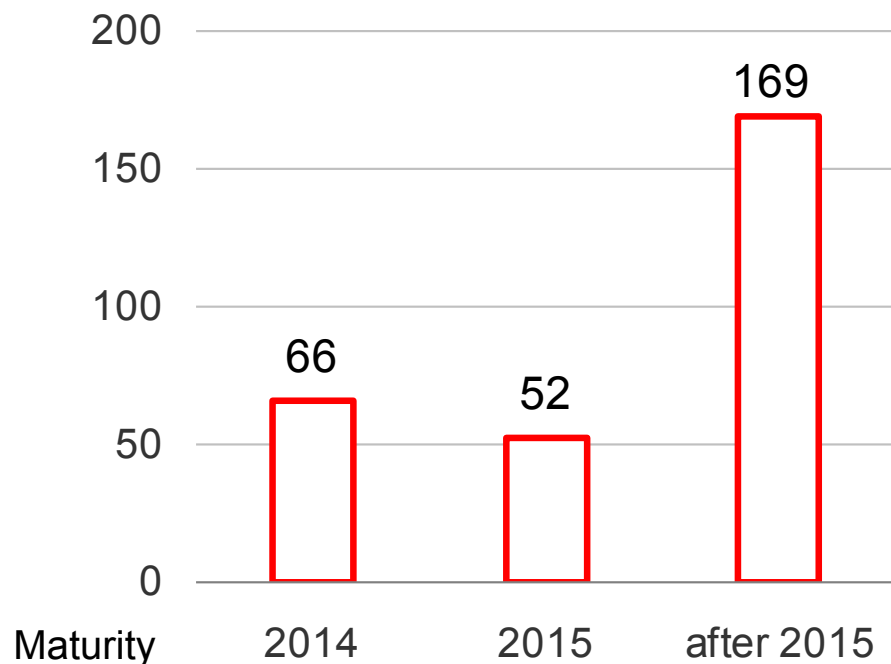
LIABILITIES

- Current liabilities
- Non-current liabilities
- Equity



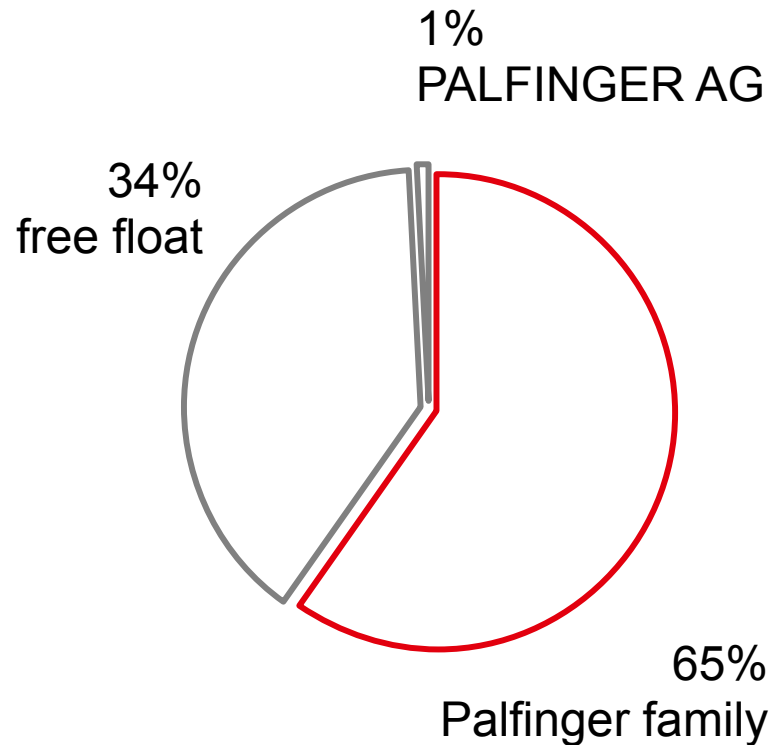
➔ Long-term financial structure

FINANCING STRUCTURE AS AT 31 MARCH 2014



Ø Interest rate	2.87%
Ø Remaining time to maturity	2.5 years
Financial assets	EUR 15.9m
Equity ratio	41.2%

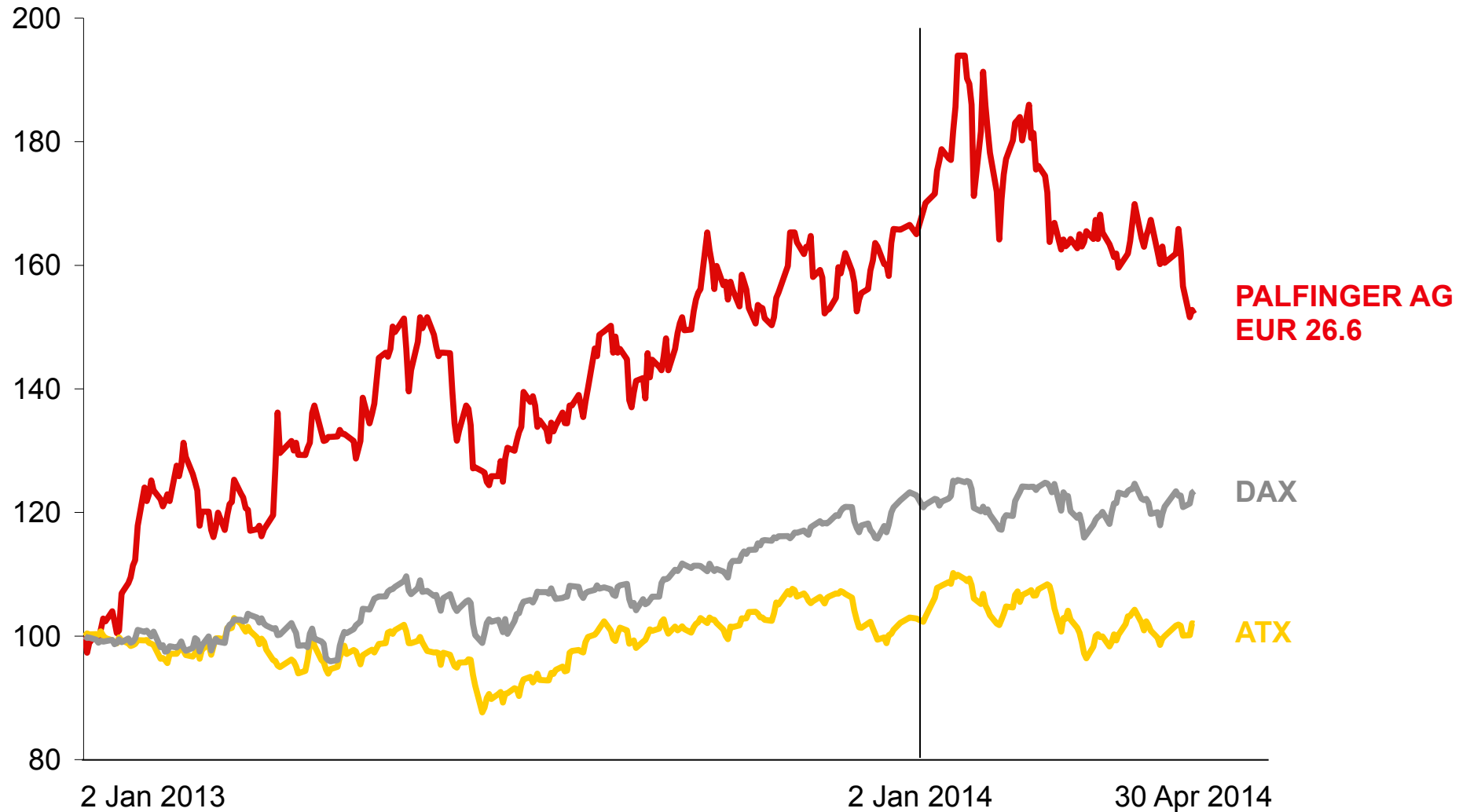
SHAREHOLDER STRUCTURE



SHAREHOLDER INFORMATION AS AT 31 MARCH 2014

ISIN	AT0000758305
Number of shares	35,730,000
thereof own shares	328,090
Share price as at end of period	EUR 28.20
Market capitalization	EUR 1,007.6m
Earnings per share	EUR 0.34

PERFORMANCE OF PALFINGER SHARES SINCE 2013



Berenberg Bank

HSBC

Deutsche Bank

Kepler Cheuvreux

Erste Group

RCB

Goldman Sachs

UBS

Hauck & Aufhäuser

Earnings Estimates – Consensus (in Mio EUR)	2014e	2015e
Umsatz	1,088.9	1,164.8
EBIT	94.8	110.9
Ergebnis je Aktie (in EUR)	1.58	1.90

7 August 2014	Publication of results for the first half of 2014
7 November 2014	Publication of results for the first three quarters of 2014
