

أول الشجرة بذرة

(Arabic saying)

“Mighty oaks from little acorns grow.”

Interim Report for the First Quarter of 2016

PALFINGER

KEY FIGURES OF THE PALFINGER GROUP

| EUR thousand | Q1 2012 ¹⁾ | Q1 2013 ¹⁾ | Q1 2014 ¹⁾ | Q1 2015 ¹⁾ | Q1 2016 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|--------------|
| Income statement | | | | | |
| Revenue | 223,909 | 225,143 | 263,981 | 292,307 | 318,763 |
| EBITDA | 25,031 | 25,419 | 28,929 | 33,225 | 40,996 |
| EBITDA margin | 11.2% | 11.3% | 11.0% | 11.4% | 12.9% |
| EBIT | 17,617 | 17,962 | 20,326 | 23,461 | 30,163 |
| EBIT margin | 7.9% | 8.0% | 7.7% | 8.0% | 9.5% |
| Result before income tax | 14,615 | 15,553 | 17,149 | 20,947 | 27,144 |
| Consolidated net result for the period | 10,608 | 10,956 | 11,907 | 14,448 | 18,640 |
| Balance sheet | | | | | |
| Total assets | 772,618 | 835,098 | 915,280 | 1,241,487 | 1,225,688 |
| Current capital (average) | 255,723 | 267,825 | 285,695 | 320,003 | 327,087 |
| Current capital ratio ¹⁾ | 29.1% | 28.6% | 28.2% | 29.3% | 26.0% |
| Capital employed (average) | 528,838 | 587,550 | 623,380 | 850,502 | 855,473 |
| Equity | 344,009 | 362,288 | 373,472 | 492,050 | 505,575 |
| Equity ratio | 44.5% | 43.4% | 40.8% | 39.6% | 41.2% |
| Net debt | 195,059 | 233,728 | 274,183 | 397,702 | 346,801 |
| Gearing | 56.7% | 64.5% | 73.4% | 80.8% | 68.6% |
| Cash flows and investments | | | | | |
| Cash flows from operating activities | 7,462 | 18,957 | 6,729 | 5,991 | 31,122 |
| Free cash flows | (5,521) | 4,117 | (19,907) | (13,385) | 19,922 |
| Net investments | 12,211 | 12,398 | 11,118 | 13,710 | 12,524 |
| Depreciation, amortization and impairment | 7,414 | 7,457 | 8,604 | 9,763 | 10,833 |
| Payroll | | | | | |
| Average payroll during the reporting period ³⁾ | 6,047 | 6,228 | 7,220 | 8,675 | 8,939 |
| Share | | | | | |
| International Securities Identification Number (ISIN) | | | | | AT0000758305 |
| Number of shares | 35,730,000 | 35,730,000 | 35,730,000 | 37,593,258 | 37,593,258 |
| Market capitalization | 675,654 | 809,642 | 1,007,586 | 924,418 | 949,230 |
| Price as at month end (EUR) | 18.91 | 22.66 | 28.20 | 24.59 | 25.25 |
| Earnings per share in EUR | 0.30 | 0.31 | 0.34 | 0.39 | 0.50 |

1) Figures were adjusted with retrospective effect (see Annual Report 2015, pp. 146-149).

2) Current capital (average) in proportion to revenue of the previous 12 months.

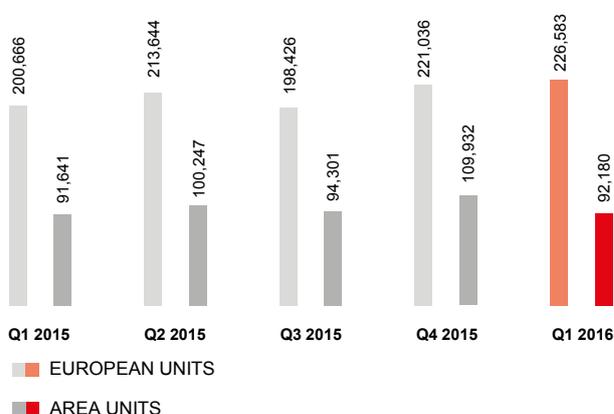
3) Consolidated group companies excluding equity shareholdings as well as excluding temporary workers.

CONSOLIDATED MANAGEMENT REPORT

PERFORMANCE BY SEGMENT

The segment figures reported by the PALFINGER Group are separated into the EUROPEAN UNITS segment, the AREA UNITS segment and the VENTURES unit.

REVENUE DEVELOPMENT BY SEGMENT* (EUR thousand)



* No revenues were generated in the VENTURE unit.

EUROPEAN UNITS SEGMENT

Business performance in the first quarter of 2016

In the first quarter of 2016, the EUROPEAN UNITS segment saw a year-on-year increase in revenue of 12.9 per cent from EUR 200.7 million to EUR 226.6 million. The segment's EBIT for the first three months of 2016 grew by 29.9 per cent to EUR 34.0 million, as compared to EUR 26.2 million for the first quarter of 2015. As a consequence, the segment's EBIT margin rose from 13.1 per cent to 15.0 per cent in the first quarter of 2016.

OPERATIONAL HIGHLIGHTS

In the field of loader cranes, PALFINGER increased sales and revenue considerably in the first quarter of 2016. Growth, which in some cases was substantial, was recorded primarily in Sweden, Finland, Ireland, the Czech Republic, Poland, Germany, France, Belgium and Austria as well as in Australia. In contrast, revenue declined in South Africa, Denmark and Norway. The development of demand in the southern countries of Europe, where markets had been weak since the financial crisis, was highly positive. In Italy and Spain, PALFINGER was able to increase its revenue by nearly 70 per cent. PALFINGER's hooklift business managed to increase its revenue in the first quarter of 2016 as well.

Once again, sales of timber and recycling cranes increased. On an equally positive note, the railway systems business performed extremely well, nearly doubling revenue compared to the same quarter of the previous year and recording a further increase in incoming orders. Access platforms also saw significant growth in revenue and new orders. The constantly good capacity utilization at the production units during the first quarter of 2016 resulted in a high level of profitability. Manufacturing for third parties was expanded.

The marine business, which is operated on a global scale, was affected by the oil and gas industry's low propensity to invest, which had been caused by the oil price development. As a consequence, revenue in the first quarter of 2016 was 13.6 per cent lower than in the same quarter of 2015. Against this backdrop, a large-scale order for offshore equipment in Norway with a volume of EUR 3 million was particularly welcome.

AREA UNITS SEGMENT

Business performance in the first quarter of 2016

In the AREA UNITS segment, revenue in the first quarter of 2016 totalled EUR 92.2 million, a slight increase over the previous year's figure of EUR 91.6 million. The contribution of the AREA UNITS segment to PALFINGER's consolidated revenue decreased from 31.4 per cent in the first quarter of 2015 to 28.9 per cent. The segment's EBIT shrank by 63.3 per cent from EUR 1.4 million to EUR 0.5 million. The EBIT margin came to 0.5 per cent, after 1.5 per cent in the first quarter of 2015.

OPERATIONAL HIGHLIGHTS

In North America, PALFINGER was able to post a year-on-year increase in revenue of 6.4 per cent. Sales of tail lifts, timber and recycling cranes and hooklifts increased compared to the previous year, in part quite substantially. Given that incoming orders for these products and for loader cranes as well as for access platforms are at a high level, the prospects for business performance in 2016 are positive. In North America, however, the 2016 earnings will be lessened by necessary process adjustments.

In South America, PALFINGER's business volume contracted by 38.2 per cent due to the weak economy. Particularly in Brazil, where state funding was, for the most part, no longer available, massive declines in sales and revenue were recorded. Immediate measures to improve flexibility contributed to keeping the negative effect on the results relatively small, even though the national currency had depreciated by around 20 per cent. In Russia/CIS, PALFINGER succeeded in keeping the business volume, expressed in the local currency, at the previous year's level. However, due to the weak ruble, the revenue generated showed a decline of 13.6 per cent when converted into euros, the Group's reporting currency.

The performance of the Asia and Pacific market region was marked by PALFINGER's successful cooperation with SANY. But even though business volume was expanded as compared to the same quarter of the previous year, the outlook for the months to come is subdued as economic growth has been slowing down.

VENTURES UNIT

Business performance in the first quarter of 2016

This unit is currently engaged in an intensive exploration of potential acquisitions or partnerships for the PALFINGER Group. As this involves higher costs, EBIT for the first quarter of 2016 was pushed down to –EUR 4.6 million, as compared to –EUR 3.5 million in the first quarter of 2015.

SEGMENT REPORTING

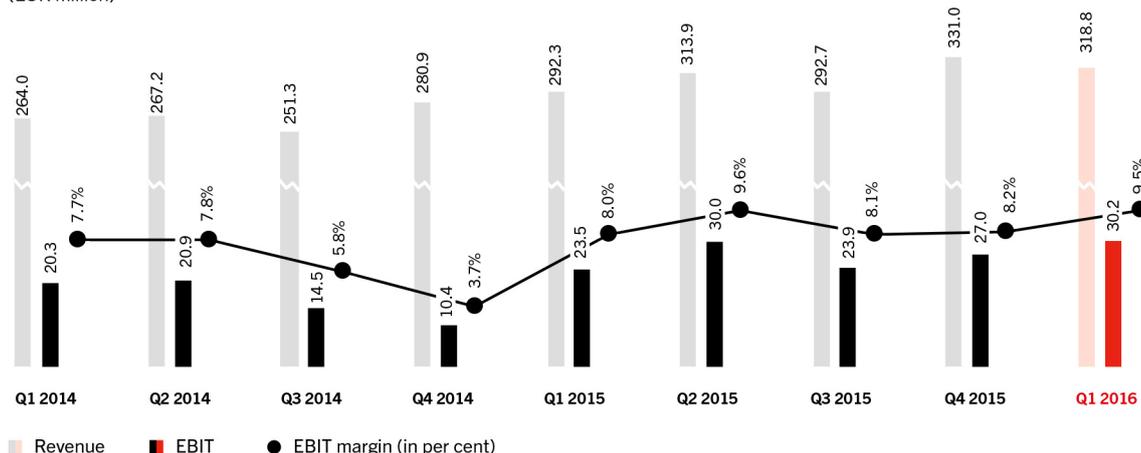
| EUR thousand | External revenue | | Intra-group revenue | | EBIT | |
|------------------------|----------------------------|----------------|----------------------------|--------------|----------------------------|---------------|
| | Jan–Mar 2015 ¹⁾ | Jan–Mar 2016 | Jan–Mar 2015 ¹⁾ | Jan–Mar 2016 | Jan–Mar 2015 ¹⁾ | Jan–Mar 2016 |
| EUROPEAN UNITS | 200,666 | 226,583 | 22,364 | 19,021 | 26,189 | 34,027 |
| AREA UNITS | 91,641 | 92,180 | 4 | 56 | 1,359 | 498 |
| VENTURES | – | – | – | – | (3,541) | (4,650) |
| Segment consolidation | – | – | (22,368) | (19,077) | (545) | 288 |
| PALFINGER Group | 292,307 | 318,763 | 0 | 0 | 23,462 | 30,163 |

¹⁾ Figures were adjusted with retrospective effect (see Annual Report 2015, pp. 146–149).

PERFORMANCE OF THE PALFINGER GROUP

Performance over the individual quarters since the beginning of 2015 shows the continuous growth of the PALFINGER Group.

DEVELOPMENT OF REVENUE AND EBIT (EUR million)

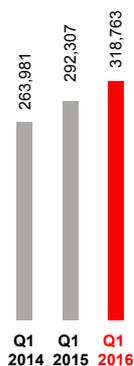


In the first three months of 2016, the performance of the PALFINGER Group was marked by constant growth. Revenue rose by 9.1 per cent or EUR 26.5 million, growing from EUR 292.3 million in the first quarter of 2015 to EUR 318.8 million, which is a new record for a first-quarter result. In the EUROPEAN UNITS segment, revenue increased by 12.9 per cent to EUR 226.6 million, and the AREA UNITS segment saw a slight rise in revenue to EUR 92.2 million. Accounting for 52.6 per cent (of PALFINGER's revenue), the European Union was the most important market region, followed by North America with 21.5 per cent and the Far East with 10.0 per cent. Changes in exchange rates had a negative effect on revenue development, reducing it by 10.2 per cent.

As a consequence of the growth achieved, the cost of sales rose from EUR 220.8 million to EUR 233.4 million. Gross profit increased from 24.5 per cent to 26.8 per cent. This development was primarily due to a 2.1 per cent reduction in materials used in proportion to revenue. Personnel costs in proportion to revenue remained basically stable.

EBIT showed an extraordinarily strong increase of 28.6 per cent from EUR 23.5 million to EUR 30.2 million. This, in turn, generated a marked increase in the EBIT margin, which came to 9.5 per cent, as compared to 8.0 per cent in the first quarter of the previous year. The consolidated net result for the first quarter of 2016 was EUR 18.6 million, 29.0 per cent higher than the previous year's figure of EUR 14.4 million.

The contributions to earnings made by the EUROPEAN UNITS segment grew by 29.9 per cent in the first quarter, coming to EUR 34.0 million, while the AREA UNITS segment recorded a decline in EBIT of 63.3 per cent to EUR 0.5 million.



DEVELOPMENT OF REVENUE
 (EUR thousand)

Total assets were 1.3 per cent lower than in the previous year, amounting to EUR 1,225.7 million as at 31 March 2016 (Q1 2015: EUR 1,241.5 million).

Non-current assets went down by EUR 21.7 million to EUR 696.8 million (Q1 2015: EUR 718.5 million), which was mainly due to exchange rate effects in connection with investments in companies reported at equity. The rise in current assets from EUR 523.0 million to EUR 528.8 million was a consequence of the expansion of the Group's business volume.

Targeted measures to control inventories, accounts receivable and accounts payable resulted in a decrease in average current capital in proportion to revenue from 29.3 per cent in the first quarter of 2015 to 26.0 per cent in the first quarter of 2016.

Equity rose from EUR 492.1 million in the first quarter of 2015 to EUR 505.6 million. This 2.7 per cent increase was primarily caused by the excellent quarterly result, but was lowered by the dividend distribution in the amount of EUR 14.5 million. The equity ratio was 41.2 per cent (Q1 2015: 39.6 per cent).

Non-current liabilities decreased from EUR 434.5 million to EUR 391.3 million, while current liabilities rose from EUR 315.0 million to EUR 328.8 million. 99.0 per cent of PALFINGER's total capital employed has been secured on a long-term basis.

The reduction in current financial liabilities brought down net debt and resulted in a year-on-year improvement of the gearing ratio from 80.8 per cent to 68.6 per cent as at 31 March 2016.

Investments in tangible and intangible assets in the first quarter of 2016 came to EUR 13.4 million (Q1 2015: EUR 12.9 million), EUR 2.7 million of which was accounted for by capitalized development expenditure (Q1 2015: EUR 2.1 million). Investments comprised primarily the enlargement of production capacities and replacement purchases.

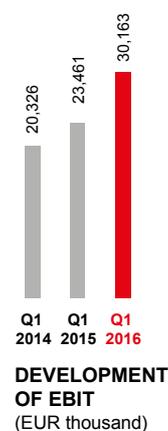
In the first quarter of 2016, cash flows from operating activities amounted to EUR 31.1 million, as compared to EUR 6.0 million in the same quarter of 2015. This development was primarily due to the positive results achieved and the reduction in current capital.

Cash flows from investing activities decreased from –EUR 21.9 million to –EUR 13.4 million.

The described effects arising from the cash flows from operating activities and investing activities resulted in free cash flows of EUR 19.9 million.

Cash flows from financing activities amounted to –EUR 17.3 million.

Earnings per share came to EUR 0.50, as compared to EUR 0.39 in the previous year.



OTHER EVENTS

DISTRIBUTION PARTNER IN SPAIN

At the end of 2015, PALFINGER entered into an agreement on the partial acquisition, and continuation of the business, of PALFINGER's dealer in Spain. In March, notification of the acquisition of a 75 per cent share was filed with the Austrian Competition Authority. PALFINGER Ibérica will employ around 80 staff members at six locations and focus on the sale and servicing of truck mounted loader cranes, timber and recycling cranes, hooklifts, access platforms, and products from the marine division. The remaining 25 per cent will continue to be held by the Mulder family and the managing director. In the past 38 years, the Mulder family played an important role in building up PALFINGER's extraordinarily high market share on the Iberian Peninsula. However, following the financial crisis and the subsequent real estate crisis, the market collapsed completely, and the first hesitant signs of recovery only appeared in 2014.

NEW STRUCTURE FOR PALFINGER MARINE

Since the acquisition of the Dutch company Ned Deck in 2010, PALFINGER's global marine business has grown through additional acquisitions made in Europe, in Asia and on the Arabian Gulf. Today, its customers are in the oil and gas industry, offshore shipping, fisheries and fish farms, merchant shipping, coast guards, servicing and supply services, as well as the wind energy industry. PALFINGER MARINE has locations in the Netherlands, Norway, Poland, USA, Brazil, Korea and Vietnam.

In 2015, uniform standards for all companies and central control of the marine business were introduced, primarily in order to achieve the aspired growth and to allow for cross-selling among various customer groups. In previous months, PALFINGER MARINE was launched as a uniform brand and the individual companies were grouped country-wise with a view to company law. PALFINGER DREGGEN and Norwegian Deck Machinery, for example, became Palfinger Marine Norway AS.

PALFINGER AT BAUMA

In line with its market position, PALFINGER featured prominently at BAUMA, the international fair for construction machines, which took place in Munich in mid-April. One of the products presented was the large crane PK 165.002 TEC 7, which sets new standards in terms of cost effectiveness due to its reduced weight. In addition, two models of the SOLID crane series, as well as crawler mounted platforms that may be equipped with electronic drives for use in enclosed spaces, had their world premieres. The new M-series of PALFINGER Epsilon for construction and recycling applications met with great interest from visitors because of its enhanced ease of operation and safety, and lower costs. The new mobile crane developed by the joint venture PALFINGER Sany was presented to the European market for the first time.

ANNUAL GENERAL MEETING

The Annual General Meeting of PALFINGER AG was held on 9 March 2016. More than 200 shareholders and guests attended the meeting to obtain a first-hand account of the Group's performance in 2015. It was resolved that a dividend of EUR 0.39 per share be distributed. Together with the interim dividend of EUR 0.18, paid out pursuant to sec. 54a of the Companies Act (AktG) on 21 December 2015, this yielded a total dividend of EUR 0.57 per share for 2015.

The following members were either appointed to the Supervisory Board of PALFINGER or their terms of office were renewed: Hannes Palfinger, Heinrich Dieter Kiener, Dawei Duan and Gerhard Rauch. Moreover, the registered office was moved from Salzburg to Bergheim and two articles of the Articles of Association were amended. At the Annual General Meeting, the remuneration of Supervisory Board members was also determined. For further details on the resolutions taken, please refer to the Company's website.

INVESTOR APP

Since the beginning of April, investors and other interested parties have been able to follow the performance of the PALFINGER stock and the PALFINGER Group in real time on their mobile phones. The PALFINGER IR app is available free of charge for the operating systems iOS and Android. Information such as the latest share price, press releases or financial reports may be accessed in 17 different languages.

OUTLOOK

The present level of incoming orders gives reason to expect further positive developments in the second quarter of 2016. In Europe, visibility is still low but has stabilized in recent months. However, estimating the further development of the market regions outside Europe has become somewhat more difficult.

The management continues to expect a growth in revenue of approx. 10 per cent for 2016.

PALFINGER still sees the potential to increase the annual revenue generated by the Group, including the joint venture companies in China and Russia, to approx. EUR 1.8 billion by 2017 and intends to reach this goal through acquisitions and by completing its product portfolio in the market regions outside Europe.

CONSOLIDATED INCOME STATEMENT

| EUR thousand | Jan–Mar 2015 ¹⁾ | Jan–Mar 2016 |
|--|----------------------------|----------------|
| Revenue | 292,307 | 318,763 |
| Cost of sales | (220,816) | (233,362) |
| Gross profit | 71,491 | 85,401 |
| Other operating income | 5,020 | 2,614 |
| Research and development costs | (6,180) | (6,680) |
| Distribution costs | (20,126) | (21,557) |
| Administrative costs | (22,830) | (27,131) |
| Other operating expenses | (3,560) | (3,227) |
| Income from companies reported at equity | (354) | 743 |
| Earnings before interest and taxes – EBIT | 23,461 | 30,163 |
| Interest income | 436 | 405 |
| Interest expenses | (3,522) | (3,173) |
| Exchange rate differences | 572 | (436) |
| Other financial result | 0 | 185 |
| Net financial result | (2,514) | (3,019) |
| Result before income tax | 20,947 | 27,144 |
| Income tax expense | (4,621) | (6,377) |
| Result after income tax | 16,326 | 20,767 |
| attributable to | | |
| shareholders of PALFINGER AG (consolidated net result for the period) | 14,448 | 18,640 |
| non-controlling interests | 1,878 | 2,127 |
| EUR | | |
| Earnings per share (undiluted and diluted) | 0.39 | 0.50 |
| Average number of shares outstanding | 37,301,668 | 37,310,502 |

1) Figures were adjusted with retrospective effect (see Annual Report 2015, pp. 146–149).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| EUR thousand | Jan–Mar 2015 ¹⁾ | Jan–Mar 2016 |
|---|----------------------------|----------------|
| Result after income tax | 16,326 | 20,767 |
| Amounts that may be reclassified to the income statement in future periods | | |
| Unrealized profits (+)/losses (–) from foreign currency translation | 45,954 | (9,556) |
| Deferred taxes thereon | (1,841) | 666 |
| Effective taxes thereon | (161) | (169) |
| Unrealized profits (+)/losses (–) from cash flow hedge | | |
| Changes in unrealized profits (+)/losses (–) | (9,588) | 2,291 |
| Deferred taxes thereon | 2,026 | (853) |
| Effective taxes thereon | 522 | 281 |
| Realized profits (–)/losses (+) | 3,258 | 2,715 |
| Deferred taxes thereon | (563) | (538) |
| Effective taxes thereon | (294) | (141) |
| Other comprehensive income after income tax | 39,313 | (5,304) |
| Total comprehensive income | 55,639 | 15,463 |
| attributable to | | |
| shareholders of PALFINGER AG | 50,602 | 13,302 |
| non-controlling interests | 5,037 | 2,161 |

1) Figures were adjusted with retrospective effect (see Annual Report 2015, pp. 146–149).

CONSOLIDATED BALANCE SHEET

| EUR thousand | 31 Mar 2015 ¹⁾ | 31 Dec 2015 | 31 Mar 2016 |
|--|---------------------------|------------------|------------------|
| Non-current assets | | | |
| Intangible assets | 220,514 | 214,415 | 214,304 |
| Property, plant and equipment | 265,197 | 268,782 | 268,408 |
| Investment property | 347 | 348 | 343 |
| Investments in companies reported at equity | 177,579 | 175,675 | 167,363 |
| Other non-current assets | 2,920 | 2,866 | 2,841 |
| Deferred tax assets | 17,508 | 14,784 | 13,278 |
| Non-current financial assets | 34,466 | 32,003 | 30,306 |
| | 718,531 | 708,873 | 696,843 |
| Current assets | | | |
| Inventories | 270,479 | 262,519 | 274,826 |
| Trade receivables | 191,020 | 183,581 | 192,219 |
| Other current receivables and assets | 32,198 | 29,040 | 32,865 |
| Tax receivables | 3,212 | 2,723 | 1,555 |
| Current financial assets | 1,459 | 4,077 | 5,463 |
| Cash and cash equivalents | 24,588 | 21,551 | 21,917 |
| | 522,956 | 503,491 | 528,845 |
| Total assets | 1,241,487 | 1,212,364 | 1,225,688 |
| Equity | | | |
| Share capital | 37,593 | 37,593 | 37,593 |
| Additional paid-in capital | 82,128 | 82,141 | 82,387 |
| Treasury stock | (1,547) | (1,543) | (1,543) |
| Retained earnings | 329,018 | 378,193 | 385,500 |
| Foreign currency translation reserve | 28,162 | (5,372) | (14,465) |
| | 475,354 | 491,012 | 489,472 |
| Non-controlling interests | 16,696 | 19,646 | 16,103 |
| | 492,050 | 510,658 | 505,575 |
| Non-current liabilities | | | |
| Liabilities from puttable non-controlling interests | 26,290 | 0 | 0 |
| Non-current financial liabilities | 347,439 | 331,472 | 325,776 |
| Non-current purchase price liabilities from acquisitions | 9,043 | 8,715 | 8,782 |
| Non-current provisions | 42,296 | 43,114 | 44,674 |
| Deferred tax liabilities | 7,226 | 9,648 | 9,650 |
| Other non-current liabilities | 2,161 | 2,569 | 2,403 |
| | 434,455 | 395,518 | 391,285 |
| Current liabilities | | | |
| Liabilities from puttable non-controlling interests | 0 | 8,701 | 8,862 |
| Current financial liabilities | 110,776 | 74,070 | 78,710 |
| Current provisions | 12,989 | 15,302 | 15,446 |
| Tax liabilities | 5,323 | 9,472 | 13,022 |
| Trade payables and other current liabilities | 185,894 | 198,643 | 212,788 |
| | 314,982 | 306,188 | 328,828 |
| Total equity and liabilities | 1,241,487 | 1,212,364 | 1,225,688 |

1) Figures were adjusted with retrospective effect (see Annual Report 2015, pp. 146–149).

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Condensed)

| EUR thousand | Share capital | Additional paid-in capital | Treasury stock | Retained earnings | Foreign currency translation reserve | Non-controlling interests | Equity |
|---|---------------|----------------------------|----------------|-------------------|--------------------------------------|---------------------------|-----------------|
| As at 1 Jan 2015¹⁾ | 37,593 | 82,056 | (1,593) | 332,372 | (12,631) | 16,853 | 454,650 |
| Total comprehensive income | | | | | | | |
| Result after income tax ¹⁾ | 0 | 0 | 0 | 14,448 | 0 | 1,878 | 16,326 |
| Other comprehensive income after income tax | | | | | | | |
| Unrealized profits (+)/losses (–) from foreign currency translation ¹⁾ | 0 | 0 | 0 | 0 | 40,793 | 3,159 | 43,952 |
| Unrealized profits (+)/losses (–) from cash flow hedge | 0 | 0 | 0 | (4,639) | 0 | 0 | (4,639) |
| | 0 | 0 | 0 | 9,809 | 40,793 | 5,037 | 55,639 |
| Transactions with shareholders | | | | | | | |
| Dividends | 0 | 0 | 0 | (12,682) | 0 | (5,350) | (18,032) |
| Reclassification non-controlling interests | 0 | 0 | 0 | (477) | 0 | (2,441) | (2,918) |
| Addition non-controlling interests | 0 | 0 | 0 | 0 | 0 | 2,597 | 2,597 |
| Other changes | 0 | 72 | 46 | (4) | 0 | 0 | 114 |
| | 0 | 72 | 46 | (13,163) | 0 | (5,194) | (18,239) |
| As at 31 Mar 2015¹⁾ | 37,593 | 82,128 | (1,547) | 329,018 | 28,162 | 16,696 | 492,050 |
| As at 1 Jan 2016 | 37,593 | 82,141 | (1,543) | 378,193 | (5,372) | 19,646 | 510,658 |
| Total comprehensive income | | | | | | | |
| Result after income tax | 0 | 0 | 0 | 18,640 | 0 | 2,127 | 20,767 |
| Other comprehensive income after income tax | | | | | | | |
| Unrealized profits (+)/losses (–) from foreign currency translation | 0 | 0 | 0 | 0 | (9,093) | 34 | (9,059) |
| Unrealized profits (+)/losses (–) from cash flow hedge | 0 | 0 | 0 | 3,755 | 0 | 0 | 3,755 |
| | 0 | 0 | 0 | 22,395 | (9,093) | 2,161 | 15,463 |
| Transactions with shareholders | | | | | | | |
| Dividends | 0 | 0 | 0 | (14,551) | 0 | (6,081) | (20,632) |
| Reclassification non-controlling interests | 0 | 0 | 0 | (538) | 0 | 377 | (161) |
| Other changes | 0 | 246 | 0 | 1 | 0 | 0 | 247 |
| | 0 | 246 | 0 | (15,088) | 0 | (5,704) | (20,546) |
| As at 31 Mar 2016 | 37,593 | 82,387 | (1,543) | 385,500 | (14,465) | 16,103 | 505,575 |

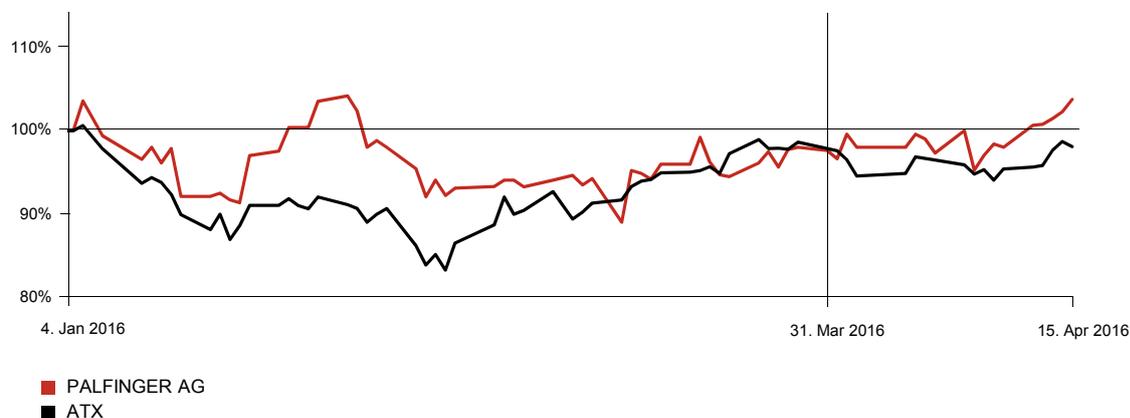
¹⁾ Figures were adjusted with retrospective effect (see Annual Report 2015, pp. 146–149).

CONSOLIDATED STATEMENT OF CASH FLOWS

| EUR thousand | Jan–Mar 2015 ¹⁾ | Jan–Mar 2016 |
|--|----------------------------|-----------------|
| Result before income tax | 20,947 | 27,144 |
| Write-downs (+)/write-ups (–) of non-current assets | 9,763 | 10,834 |
| Gains (–)/losses (+) on the disposal of non-current assets | (50) | 23 |
| Interest income (–)/interest expenses (+) | 3,086 | 2,768 |
| Income from companies reported at equity | 354 | (743) |
| Expenses for stock option programme | 2 | 0 |
| Changes in liability from puttable non-controlling interests | 0 | (185) |
| Other non-cash income (–)/expenses (+) | (3,135) | 1,469 |
| Increase (–)/decrease (+) of assets | (40,082) | (28,819) |
| Increase (+)/decrease (–) of provisions | 840 | 1,878 |
| Increase (+)/decrease (–) of liabilities | 16,310 | 17,301 |
| Cash flows generated from operations | 8,035 | 31,670 |
| Interest received | 312 | 295 |
| Interest paid | (3,138) | (2,793) |
| Dividends received from companies reported at equity | 2,933 | 2,400 |
| Income tax paid | (2,152) | (450) |
| Cash flows from operating activities | 5,990 | 31,122 |
| Cash receipts from the sale of intangible assets and property, plant and equipment | 523 | 763 |
| Cash payments for the acquisition of intangible assets and property, plant and equipment | (12,119) | (14,071) |
| Cash payments for the acquisition of subsidiaries net of cash acquired | (8,224) | 0 |
| Cash payments for investments in associated companies | 0 | (1,700) |
| Cash payments for investments in companies reported at equity | (1,317) | 0 |
| Cash payments for/cash receipts from other assets | (737) | 1,597 |
| Cash flows from investing activities | (21,874) | (13,411) |
| Dividends to shareholders of PALFINGER AG | (12,682) | (14,551) |
| Dividends to non-controlling shareholders | (5,217) | (6,080) |
| Cash receipts minorities | 0 | 246 |
| Loans for the acquisition of interests | 10,000 | 0 |
| Repayment of loans for acquisitions | (12,042) | (3,042) |
| Cash payments for/cash receipts from other financial liabilities | 37,792 | 6,153 |
| Cash flows from financing activities | 17,851 | (17,274) |
| Total cash flows | 1,967 | 437 |
| EUR thousand | 2015 | 2016 |
| Funds as at 1 Jan | 20,757 | 21,551 |
| Effects of changes in foreign exchange rates | 1,864 | (71) |
| Total cash flows | 1,967 | 437 |
| Funds as at 31 Mar | 24,588 | 21,917 |

1) Figures were adjusted with retrospective effect (see Annual Report 2015, pp. 146–149).

SHARE PRICE DEVELOPMENT



INVESTOR RELATIONS

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FINANCIAL CALENDAR

| | |
|------------------|---|
| 27 July 2016 | Publication of results for the first half of 2016 |
| 27 October 2016 | Publication of results for the first three quarters of 2016 |
| 7 February 2017 | Balance sheet press conference |
| 26 February 2017 | Record date Annual General Meeting |
| 8 March 2017 | Annual General Meeting |
| 10 March 2017 | Ex-dividend date |
| 13 March 2017 | Record date dividend |
| 14 March 2017 | Dividend payment date |
| 28 April 2017 | Publication of results for the first quarter of 2017 |
| 27 July 2017 | Publication of results for the first half of 2017 |
| 27 October 2017 | Publication of results for the first three quarters of 2017 |

Additional dates such as trade fairs or road shows will be announced on the Company's website under Financial Calendar.

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The English translation of this PALFINGER report is for convenience. Only the German text is binding.

This interim consolidated financial information of PALFINGER AG was neither fully audited nor reviewed by an auditor.

Minimal arithmetic differences may arise from the application of commercial rounding to individual items and percentages in this interim report.

This report contains forward-looking statements made on the basis of all information available at the date of the preparation of this report. Forward-looking statements are usually identified by the use of terminology such as "expect", "plan", "estimate", "believe", etc. Actual outcomes and results may be different from those predicted.

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