

Presentation on the results for the first quarter of 2019

NEW STRUCTURES, STRONG BUSINESS.

Bergheim, 30 April 2019

Q1 2019

Revenue and earnings reached new **record levels**.

GPO implemented at the beginning of the year.






2019

is expected to be a **strong year**.



THE PALFINGER GROUP IS THE WORLD'S LEADING SUPPLIER OF LIFTING SOLUTIONS.

PALFINGER'S POSITION AS MARKET LEADER – UNDERScoreD BY THE 2018 FIGURES.

	GROUP	LAND	SEA
 REVENUE	EUR 1.6 billion	EUR 1.4 billion	EUR 0.2 billion
 EMPLOYEES	10,780	8,899	1,528
 LOCATIONS	35 production sites	5,000 service centres worldwide	25 service centres worldwide
 REVENUE DISTRIBUTION	58% EMEA 24% NAM, LATAM 18% APAC, CIS		

PALFINGER LIFTING SOLUTIONS – SOLUTIONS FOR EVERY CHALLENGE.

SEA



CRANE



TIMBER/RECYCLING



HOOKLIFT



PLATFORMS



MARINE & WIND
CRANES



DAVITS



TRUCK
MOUNTED
FORK LIFT



TAIL & PASSENGER
LIFTS



RAIL & SYSTEMS
SOLUTIONS



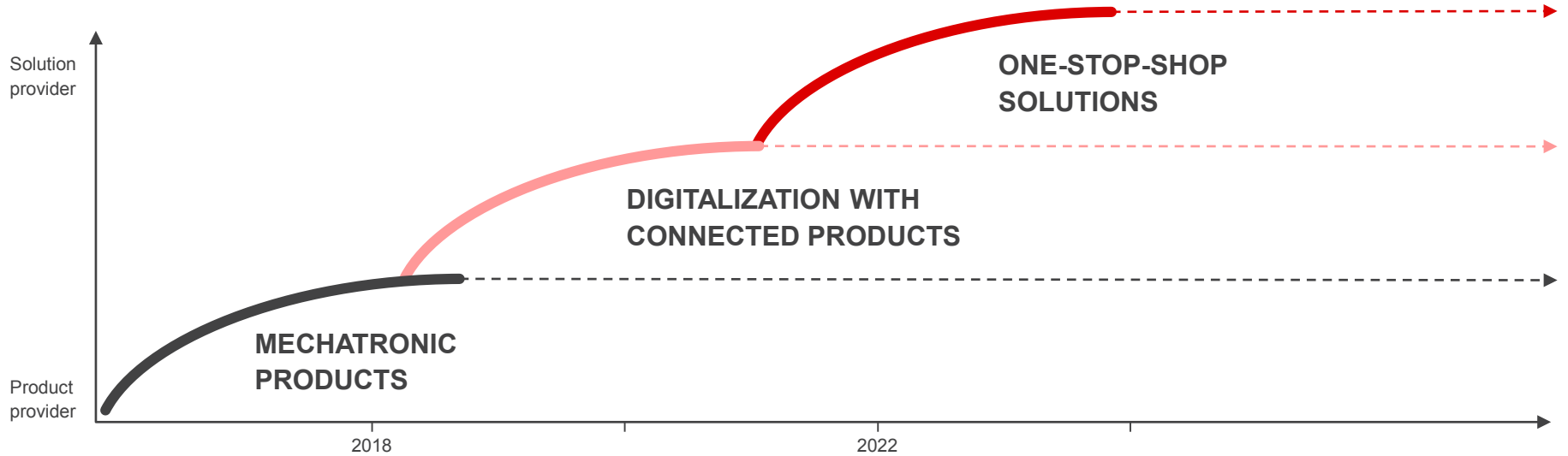
OFFSHORE
LIFTING &
HANDLING
SOLUTIONS



BOATS

LAND

THE PALFINGER GROUP IS DEVELOPING FROM A PROVIDER OF PRODUCTS INTO A ONE-STOP-SHOP PROVIDER OF SOLUTIONS.



STEP 1

- GPO (product lines, Centers of Excellence)
- Automation of functions and processes

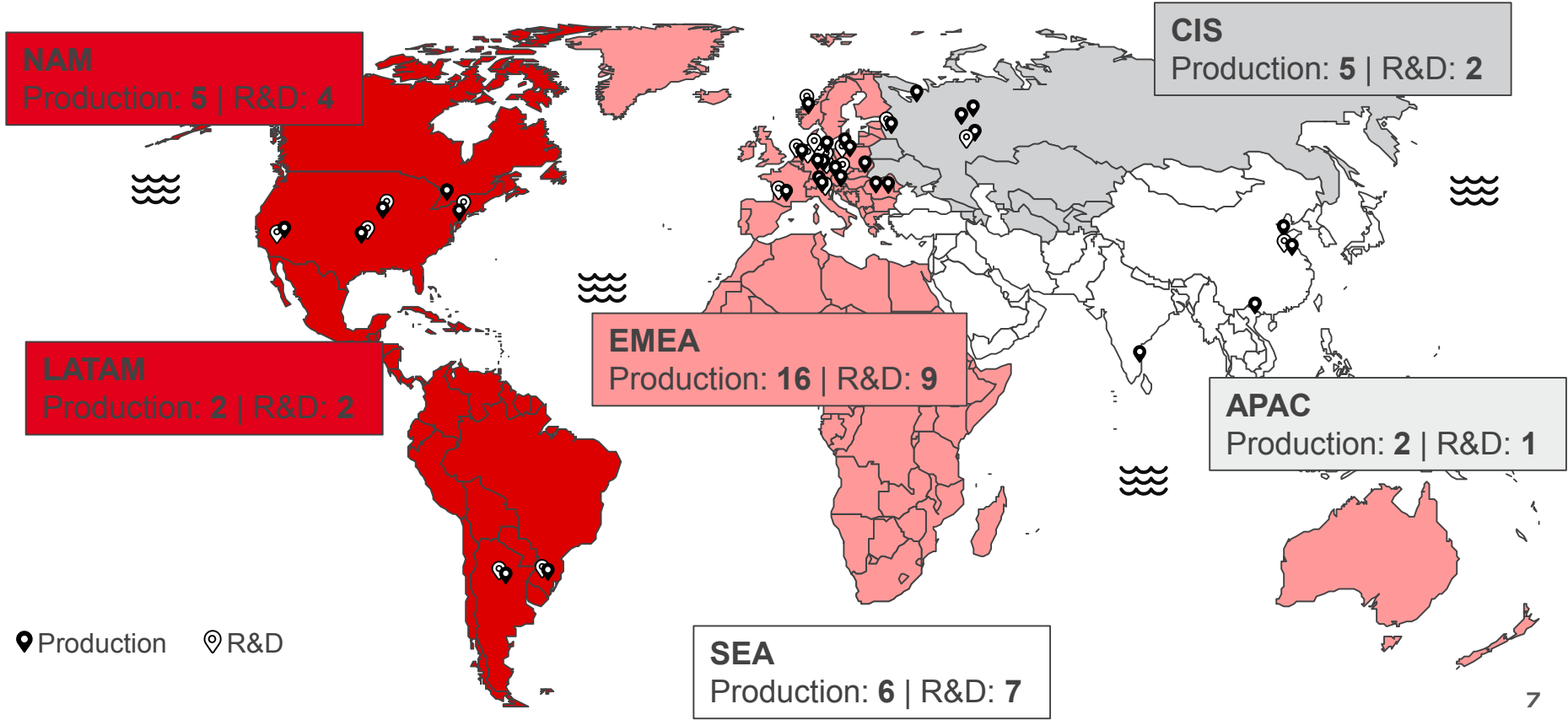
STEP 2

- Development of smart products, processes and applications

STEP 3

- Smart digital networks
- New business models

PALFINGER USES GLOBAL STRUCTURES TO LIVE UP TO ITS PROMISE OF PERFORMANCE.



📍 Production 📍 R&D

SEGMENT
SALES & SERVICE LAND



STRONG DEMAND IN ALL MARKETS.

- 1 Good order intake for loader cranes, timber and recycling cranes, hooklifts and skiploaders
- 2 Higher revenue in all regions
- 3 PALFINGER demonstrated market leadership at bauma, the leading trade fair for the construction machinery and crane industry

SALES & SERVICE LAND



STRONG INCREASE IN REVENUE.

SALES & SERVICE LAND

EUR million	Q1 2018 ¹⁾	Q1 2019	Δ%
External revenue	312.4	360.5	+15.4%
EBITDA	42.0	50.0	+19.0%
EBIT	39.5	44.5	+12.7%
EBIT margin	12.6%	12.3%	–

1) Previous year's figures adjusted to new segment reporting with retrospective effect. Acc. to IFRS, minor rounding differences may occur.



SEGMENT
OPERATIONS LAND



TENSION IN THE SUPPLY CHAIN.

- 1 High capacity utilization at the production plants
- 2 Supply chain still under strain
- 3 Staff availability poses a challenge

OPERATIONS LAND



HIGH CAPACITY UTILIZATION BOOSTS PROFITABILITY.

OPERATIONS LAND

EUR million	Q1 2018 ¹⁾	Q1 2019	Δ%
External revenue	25.4	33.4	+31.5%
EBITDA	15.0	19.8	+32.0%
EBIT	5.8	11.7	+101.7%

1) Previous year's figures adjusted to new segment reporting with retrospective effect. Acc. to IFRS, minor rounding differences may occur.



SEGMENT
SEA



PICK-UP IN DEMAND FROM OIL AND GAS INDUSTRY.

SEGMENT SEA

- 1** Recovery of oil and gas market; Continued growth in the fisheries, fish farming, cruise and coast guard sectors
- 2** Increasing orders from oil and gas industry; contract for equipment for 2 cruise ships
- 3** Restructuring costs in Q1: EUR 4.2 million
- 4** Adjustment of structures to be completed in Q2; Additional restructuring costs of EUR 1 million expected; Main impact of measures will take effect in 2020
- 5** Change in revenue recognition reduces revenue and earnings in 2019



ADJUSTMENT OF STRUCTURES TO BE COMPLETED IN Q2.

SEGMENT SEA

EUR million	Q1 2018 ¹⁾	Q1 2019	Δ%
External revenue	56.4	47.1	(16.5%)
EBITDA	(1.0)	(3.0)	(200.0%)
EBIT	(6.0)	(6.8)	(13.3%)
EBIT margin	(10.7%)	(14.3%)	–

1) Previous year's figures adjusted to new segment reporting with retrospective effect.
Acc. to IFRS, minor rounding differences may occur.

SEGMENT
HOLDING



PROGRESS IN FUTURE-ORIENTED INITIATIVES.

- 1** PALFINGER 21st: first outcomes in the fields of digitalization and new business models
- 2** GPO implementation costs affected Q1 figures
- 3** Substantial investments for implementation of globally uniform ERP system (S/4HANA)

SEGMENT HOLDING



INITIATIVES INVOLVE HIGHER EXPENDITURES.

EUR million	Q1 2018	Q1 2019	Δ%
EBITDA	(4.9)	(5.4)	(10.2%)
EBIT	(5.7)	(6.7)	(17.5%)

SEGMENT HOLDING

Acc. to IFRS, minor rounding differences may occur.

**PALFINGER
GROUP**

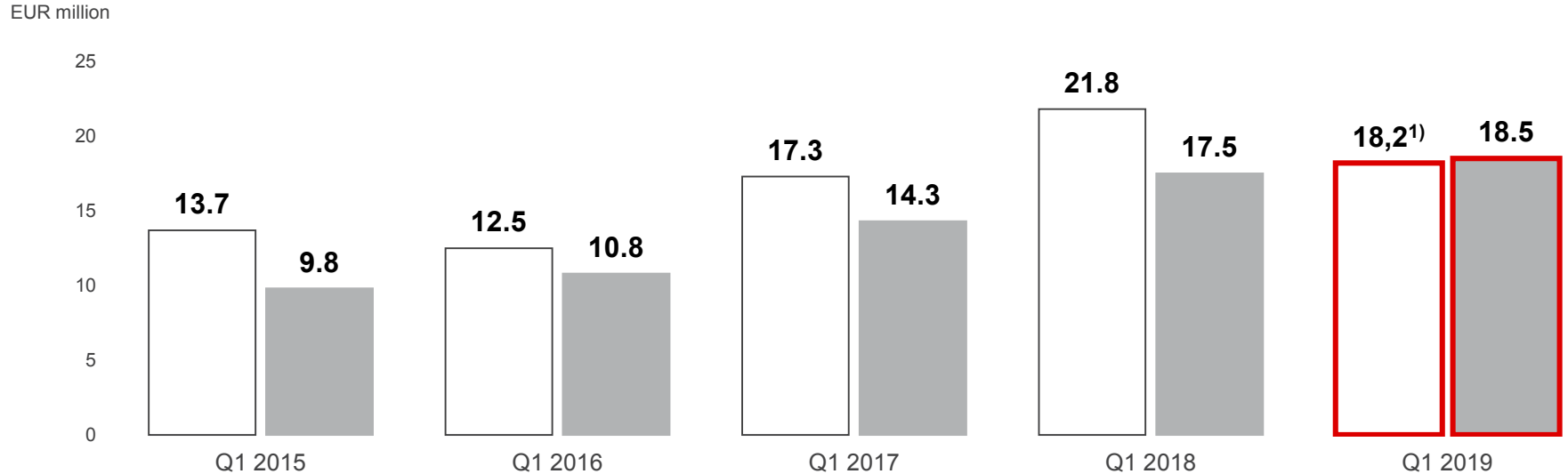


TOP PERFORMANCE OF REVENUE AND EARNINGS.

EUR million	Q1 2018	Q1 2019	Δ%
Revenue	394.2	440.9	+11.8%
EBITDA	51.0	61.2	+20.0%
EBITDA margin	12.9%	13.9%	–
EBIT	33.6	42.7	+27.3%
EBIT margin	8.5%	9.7%	–
EBT	29.8	38.4	+28.8%
Consolidated net result for the period	17.9	21.1	+18.1%

Acc. to IFRS, minor rounding differences may occur.

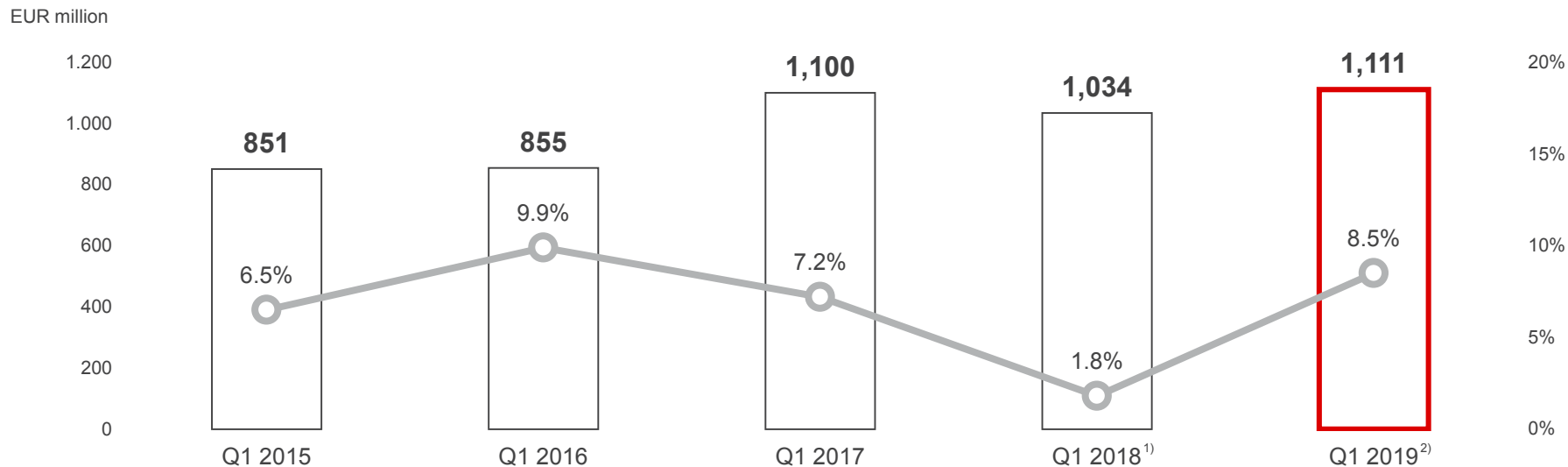
INVESTMENTS LOWER THAN IN PREVIOUS YEAR, BUT STILL AT HIGH LEVEL.



1) Including additions from leases (IFRS 16); excluding divestment of 2.5% of Sany Lifting Solutions (EUR 28.6 million).
Acc. to IFRS, minor rounding differences may occur.

□ Depreciation, amortization and impairment
■ Net investments

ROCE IS IMPROVING TOWARDS TARGET LEVEL.



1) Including 2017 restatement.

2) Including additions from leases (IFRS 16).

3) Average of past 12 months.

4) ROCE = ratio of NOPLAT to average capital employed (from reporting date of previous year to reporting date of current year)

Acc. to IFRS, minor rounding differences may occur.

Capital employed³⁾
 Return on capital employed⁴⁾

SOLID BALANCE SHEET STRUCTURE WITH AN UPWARD TREND.

EUR million	31 Mar 2018	31 Mar 2019 ¹⁾
Financial liabilities (FL)	602.0	633.5
Ø Interest rate FL	1.75%	1.67% ²⁾
Ø Remaining time to maturity FL	3.69 years	4.66 years
Cash equivalents	27.1	28.4
Net debt	539.1	577.4
Equity	503.4	573.3

1) Including EUR 63.3 million lease liabilities according to IFRS 16.

2) Exclusive of foreign exchange hedging costs.

Acc. to IFRS, minor rounding differences may occur.



SIGNIFICANT IMPROVEMENT OF ALL BALANCE SHEET KPIs DESPITE OF IFRS 16.

	31 Mar 2018	31 Mar 2019
Equity ratio	33.4%	35.0%
Gearing	107.1%	100.7%
Net debt/EBITDA	3.13	2.79

Acc. to IFRS, minor rounding differences may occur.



SALE OF SANY SHARES LEADS TO HIGH FREE CASH FLOWS.

EUR million	Q1 2018	Q1 2019
EBTDA	47.3	56.9
+/- Non-cash result from companies at equity	(0.3)	(0.2)
+/- Change in working capital	(20.4)	(20.0)
+/- Cash flows from tax payments	(6.9)	(8.1)
Cash flows from operating activities	19.7	28.6
+/- Cash flows from investing activities	(17.9)	8.1
Cash flows after changes in working capital & investments	1.8	36.7
+/- Cash flows from interest on borrowings adjusted by tax expense	2.2	2.4
Free cash flows	4.0	39.1

Acc. to IFRS, minor rounding differences may occur.

2019

HAD A STRONG START.





ADDED VALUE
DUE TO RE-POSITIONING
(GPO) – IN EXCELLENT
SHAPE FOR THE FUTURE.

OUR FUTURE IS
INTEGRATED, CONNECTED
& CUSTOMER-
ORIENTED.



STRUCINSPECT DIGITAL BRIDGE INSPECTION.

First marketable
solution of
PALFINGER 21st.





Further focus on realizing potential and integration

High order book and good order intake

Revenue growth to EUR 1.7 billion expected

EBIT margin of 9% targeted

GOOD PROSPECTS FOR

2019 AS A

WHOLE.

**TOGETHER WE ARE SHAPING
THE FUTURE OF OUR CUSTOMERS'
LIFTING SOLUTIONS.**

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