INTERIM REPORT FOR THE FIRST QUARTER OF 2012

FINANCIAL HIGHLIGHTS OF THE PALFINGER GROUP

EUR thousand	Q1 2012	Q1 2011	Q1 2010	Q1 2009	Q1 2008
Income					
Revenue	223,909	191,576	129,425	140,392	208,944
EBITDA[1]	25,031	21,294	8,451	2,623	35,383
EBITDA margin	11.2%	11.1%	6.5%	1.9%	16.9%
EBIT[1]	17,718	15,133	3,559	(2,717)	30,554
EBIT margin	7.9%	7.9%	2.7%	(1.9%)	14.6%
Result before income tax	14,716	11,913	2,345	(4,772)	29,500
Consolidated net result for the period	10,671	12,570	827	(4,133)	22,167
Balance sheet					
Total assets	774,005	708,493	615,028	633,928	574,144
Net working capital (average)	142,721	103,030	130,883	167,988	127,140
Capital employed (average)	530,789	480,946	442,729	476,501	371,742
Equity	344,880	317,600	295,158	291,100	287,840
Equity ratio	44.6%	44.8%	48.0%	45.9%	50.1%
Net debt	195,059	163,588	146,490	184,555	82,570
Gearing	56.6%	51.5%	49.6%	63.4%	28.7%
Cash flows and investments					
Cash flows from operating activities	7,462	2,966	9,275	4,276	10,881
Free cash flows	(5,521)	238	8,382	165	2,809
Investment	12,463	5,591	3,173	5,622	12,690
Depreciation, amortization and impairment	7,313	6,161	4,892	5,340	4,829
Payroll					
Average payroll during the reporting period[2]	6,047	5,235	4,353	4,844	4,380

1) The presentation of earnings before interest and taxes was changed; the comparative figures of previous years were adjusted accordingly.
2) Consolidated Group companies excluding equity shareholdings, as well as excluding temporary workers.

CONSOLIDATED MANAGEMENT REPORT AS AT 31 MARCH 2012

ECONOMIC ENVIRONMENT

The global economy experienced muted growth in the first quarter of 2012; in particular the fiscal uncertainties re-emerging in 2011 slowed down expansion. Even though the large sovereign debt of some countries as well as the crude oil prices harbour economic risks, the first quarter saw the first signs of an easing of the euro crisis, with only moderate inflationary concerns and continued high activities in the emerging markets. On this basis, the global economy is expected to stabilize; in April 2012, the International Monetary Fund (IMF) slightly raised its global growth forecast and projected world output to grow by 3.5 per cent in 2012 and 4.1 per cent in 2013.

In Europe, the debt crisis remained the central issue in the first quarter of 2012. The debt restructuring of Greece showed positive development, and an expansion of the European bailout programme will reduce potential risks arising from the weak economies of the countries hit by the crisis. The ECB forecasts slow economic recovery and lower inflation rates in the medium term, and for the time being the key interest rate will probably remain at its currently low level. In the first quarter, the euro area recorded an extremely weak performance, due in part to slower growth in Germany. The IMF expects GDP in the euro area to contract by 0.3 per cent in 2012, but expand by 0.9 per cent in 2013, thus slightly raising its projections against the backdrop of current developments. The economy of Central and Eastern Europe is much influenced by the euro area countries; hence growth is projected to slow down to 1.9 per cent in 2012 and 2.9 per cent in 2013.

The US economy continued its moderate growth. Rising energy prices drove up inflation, which is, however, expected to ease up in the months to come. The IMF expects that the US economy will grow by 2.1 per cent in 2012 and 2.4 per cent in 2013 thanks to the stabilization measures taken.

In Latin America, declining external demand cooled down economic growth as well, with a recovery to be expected for the first half of the year. Brazil is one of the world's economic powerhouses; hence, its growth rates are projected to be higher than in 2011, reaching 3.0 per cent in 2012 and 4.1 per cent in 2013.

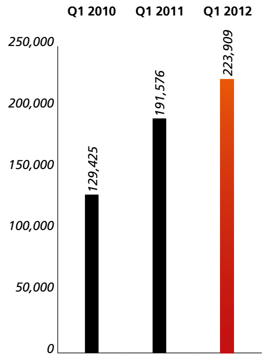
The emerging economies of Asia continue to be marked by significantly higher economic growth. Indicators in China show a mixed picture, with weaker external demand as well as lower growth of consumption and investment slowing down future growth rates. Nevertheless, the IMF projects that China will expand by 8.2 per cent in 2012 and by 8.8 per cent in 2013. India is forecast to grow by approx. 7 per cent.

Despite continued uncertainties, financial market tensions eased in the first quarter, which was also due to relatively stable bank lending. After suffering tremendous losses in 2011, international stock markets gained significant ground in the period under review. At the beginning of the year, commodity prices rose; however, March 2012 saw the start of a downward trend that is expected to persist in the months to come. A sustainable recovery is predicted for the second half of the year. On 30 March 2012, the price of a barrel of Brent crude was clearly above the level recorded in 2011, namely USD 123.00.

After its depreciation in 2011, the euro regained some ground and in the first quarter of 2012 appreciated approx. 3 per cent against the US dollar and the Chinese yuan, and almost 1 per cent against the Brazilian real. At the end of the quarter, the euro was trading at USD 1.3356, CNY 8.4089 and BRL 2.4323.

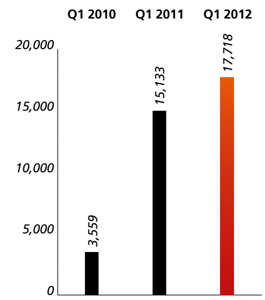
PERFORMANCE OF THE PALFINGER GROUP

In the first quarter of the 2012 financial year, the PALFINGER Group managed to continue its positive performance of previous quarters despite economic uncertainties prevailing especially in Europe. Year on year, the Group again recorded two-digit growth rates in revenue and earnings in the first quarter. This was based, on the one hand, on stable demand primarily in the core markets; on the other hand, PALFINGER was able to capitalize on internal projects focusing on sustainable fixed cost management and management of capital employed and on increasing flexibility at all levels of value creation. The corresponding measures are designed to ensure sustainably profitable growth in the longer term. Moreover, a significant expansion of business operations may be expected as a result of the partnership established with the Chinese Sany Group in the period under review.



DEVELOPMENT OF REVENUE
(EUR thousand)

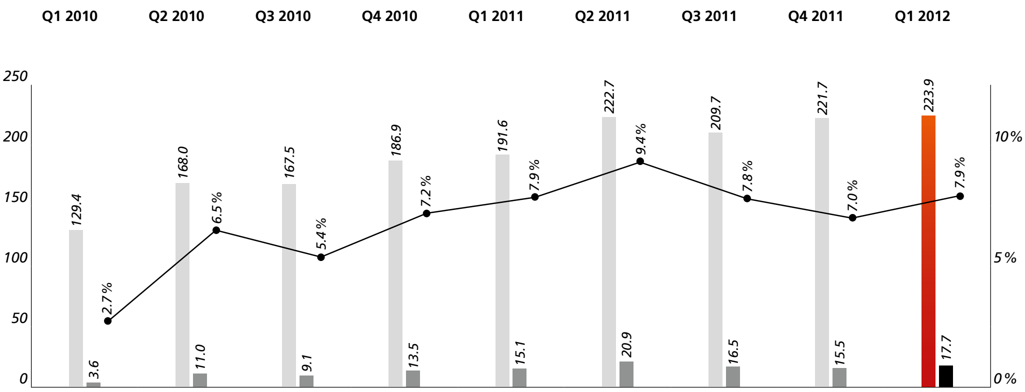
The revenue generated in the first quarter of 2012 reached a record level of EUR 223.9 million, which was 16.9 per cent above the figure reported for the first quarter of 2011, when revenue was EUR 191.6 million. Organic growth was largely achieved in North America and Europe. Performance in the CIS area was also highly satisfactory. The acquisitions made in 2011 contributed approx. 27 per cent to the increase in revenue. Also notable was the exceptionally large growth recorded by the young business unit Marine Systems.



DEVELOPMENT OF EBIT
(EUR thousand)

In the first three months of 2012, EBIT came to EUR 17.7 million; after EUR 15.1 million in the first quarter of 2011, this corresponds to an increase of 17.1 per cent. The regions outside Europe also made a major contribution to this improvement. Despite the stepping up of resources that became necessary in connection with the growth achieved, the EBIT margin was kept at a stable level of 7.9 per cent owing to the higher utilization rate at all levels of value creation and higher productivity at all plants. Visibility and hence reliability of planning continue to be limited due to the prevailing uncertainty on financial markets; however, trend monitoring still suggests ongoing positive development. At EUR 10.7 million, the consolidated net result for the period under review was below the EUR 12.6 million recorded in the first quarter of 2011 due to a positive fiscal one-off effect achieved during that period last year.

The performance over the individual quarters since 2010 quite impressively shows the continuous increase in revenue and earnings.



DEVELOPMENT OF REVENUE AND EBIT
(EUR million)

The Group's performance in Europe continued to be marked by a slight increase in demand, but the individual countries showed a mixed picture. While growth was recorded in numerous countries, such as Great Britain, France and also Germany, the countries Spain, Portugal, Greece and Italy remained at extremely low levels.

On a positive note, the development of demand in North America since the first quarter of 2011 has been highly satisfactory. A moderate increase was noticeable in South America, where PALFINGER expects the upward trend to be reinforced due to the upcoming investments in infrastructure – in Brazil especially those in connection with the FIFA World Cup in 2014 and the 2016 Summer Olympics – as well as the introduction of additional product groups.

Business performance in Asia was restrained in the period under review. However, PALFINGER managed to score a huge success for the future. With the signing of two joint venture agreements with Sany Heavy Industry, the foundation was laid for additional growth in these markets. In addition, PALFINGER has been operating an assembly site in India since the end of 2010 and is thus well-equipped to take on future growth in this region as well.

FINANCIAL POSITION, CASH FLOWS AND RESULT OF OPERATIONS

At 44.6 per cent, the equity ratio was still at a high level at the end of the first quarter, albeit slightly below the year-end figure reported in 2011 (31 December 2011: 47.7 per cent). As a consequence of the payment of a dividend and the reduction in non-controlling interests, equity decreased from EUR 352.8 million as at 31 December 2011 to EUR 344.9 million as at 31 March 2012. At the same time, the satisfactory expansion of the business volume led to an increase in total assets, from EUR 739.8 million as at 31 December 2011 to EUR 774.0 million as at 31 March 2012, primarily recorded in inventories, trade payables and receivables.

The average net working capital increased compared to 31 December 2011 by EUR 23.9 million to EUR 142.7 million as at 31 March 2012, primarily in connection with the necessary build-up of inventories in the growth markets of Russia and India and better capacity utilization. Hence, this increase was caused by a satisfactory rise in incoming orders, with the focus on sustainable optimization of net working capital successfully counteracting this negative development. Accordingly, average capital employed rose to EUR 530.8 million as at 31 March 2012.

The 16.9 per cent increase in net debt to EUR 195.1 million as at the end of the quarter (31 December 2011: EUR 166.9 million) was primarily caused by the payment of a dividend in the first quarter and the acquisition of plots of land for the new site of the Group's headquarters in Bergheim, Salzburg. As a consequence, the gearing ratio rose to 56.6 per cent (31 December 2011: 47.3 per cent).

Non-current financial liabilities were raised by approx. EUR 23 million with a view to continuing the long-term approach of the financial structure. 84.2 per cent of PALFINGER's capital employed has been secured on a long-term basis. The capital employed management programme initiated in 2010 will be continued in the financial year 2012 so as to further optimize the Group's financial structure.

Cash flows from operating activities increased from EUR 3.0 million in the same period of the previous year to EUR 7.5 million in the first quarter of 2012 due to the higher result achieved. As a consequence of the investments made, however, free cash flows were negative in the reporting period, at –EUR 5.5 million.

The year-on-year increase in revenue achieved in the first quarter, from EUR 191.6 million to EUR 223.9 million, was primarily an indication of the expansion of business in Russia and North America. Compared to the previous quarter (Oct–Dec 2011), an increase in revenue of EUR 2.2 million was reported in the first quarter of 2012. EBIT in the amount of EUR 17.7 million (Jan–March 2011: EUR 15.1 million) and the Group's consolidated net result of EUR 10.7 million (Jan–March 2011: EUR 12.6 million) demonstrate that PALFINGER continues to be on a successful track. For the first time, not only the EUROPEAN UNITS segment but also the AREA UNITS segment contributed to this positive result.

OTHER EVENTS

In the first quarter of 2012, PALFINGER achieved a milestone in its growth strategy that is going to play an important role in shaping the Group's future. In late February, an agreement was entered into with Sany Heavy Industry Co., Ltd, headquartered in Changsha, China, on the establishment of two joint venture companies. Sany is the largest heavy equipment manufacturer in China and the seventh-largest in the world. Sany is the world market leader in concrete machinery; its excavators, crawler cranes and pile-driving machines are all top brands in China.

The Sany Palfinger joint venture will – subject to the approval of the competent authorities – produce and sell PALFINGER products in Changsha for the Chinese market. The Palfinger Sany joint venture, with its registered office in Salzburg, will distribute mobile cranes produced by Sany in Europe and CIS. Sany and PALFINGER each hold 50 per cent of the shares in both companies.

This partnership will significantly contribute to PALFINGER's being able to expand its leadership position in the global market. China, the world's third largest country, is seen as an important future market for truck bodies and will thus become a second domestic market for PALFINGER in the long term.

In March, PALFINGER also agreed on the general framework for building modern and more spacious Group headquarters, by finalizing the purchases and purchase options of the respective plots of land in Bergheim, Salzburg (Austria). As a consequence of the growth achieved in recent years, not least the cooperation with the Chinese Sany Group, the dimensions of the Company's present headquarters including the demo centre have been too small for some time now. Implementation of the project, which in 2011 was postponed due to the uncertain economic situation, is now being started. An investment volume of approx. EUR 25 million is expected.

The strategic projects launched in recent years were also continued in the period under review. In order to obtain long-term balanced diversification in geographical terms, internationalization will continue to be at the core of the Group's strategy.

Since 2011, PALFINGER has been giving priority to increasing the flexibility of all value-creation processes. Priorities of this centrally controlled project include complexity reduction, process optimization, product management and standardization. In order to better incorporate the respective developments, a global product manager organization has been set up in the fields of cranes and hookloaders.

The targeted management of capital employed as pursued in the past two years has resulted in process improvements, which will be continued throughout the Group in accordance with newly defined objectives. Moreover, attention is being paid to further optimizing the fixed cost structure, with the aim of allowing the implementation of further investment projects in support of the planned growth.

Core innovation targets in the first quarter of 2012 included the continued development of a new crane series, enhancements in large-scale cranes, the revision of the North American transportable forklift model and regional adjustment of PALFINGER's products to the Asian market. In electronics and mechatronics, the further development of which is a substantial success factor for PALFINGER, new structures have been established and first successes achieved.

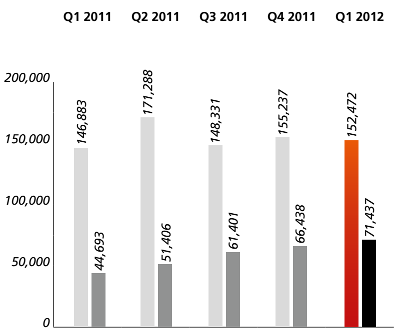
In order to promote the (further) training of its employees, in particular with a view to expanding its business areas, PALFINGER initiated and started further staff development programmes. Currently, a continuation of the completed Palfinger Global Leadership Programme is in preparation. Additional training programmes are also being offered in the production sector, for example welding academies in Bulgaria and South America and apprenticeship programmes at the Austrian sites.

The Annual General Meeting held on 8 March 2012 resolved on a dividend of EUR 0.38 per share for the financial year 2011, which was distributed on 14 March 2012.

To meet the continued strong interest in the PALFINGER share, the Management Board and the investor relations team of PALFINGER participated in international road shows and investor conferences in the first quarter of 2012. After sharp declines in its share price in 2011, the PALFINGER share was among the top performers on the Vienna Stock Exchange during the period under review. As at the end of the quarter, the share price was EUR 18.91, 53.7 per cent above 2011's year-end figure of EUR 12.33, clearly outperforming the ATX, the leading index of the Austrian Stock Exchange.

PERFORMANCE BY SEGMENT

The segment figures reported by the PALFINGER Group are broken down into the segments EUROPEAN UNITS and AREA UNITS and the VENTURES unit.



DEVELOPMENT OF EXTERNAL REVENUE BY SEGMENT*

EUROPEAN UNITS
AREA UNITS

*No revenues are generated in the VENTURES unit.

EUROPEAN UNITS

The EUROPEAN UNITS segment comprises the area EMEA (Europe, Middle East, Africa and Australia) under which the business units Knuckle Boom Cranes, Timber and Recycling Cranes, Tail Lifts, Access Platforms, Hookloaders, Transportable Forklifts, Railway Systems, Production, the distribution company in Germany and the associated subsidiaries are subsumed, and the Marine Systems business unit.

In the first quarter of 2012, the EUROPEAN UNITS segment reported revenue of EUR 152.5 million, corresponding to an increase of 3.8 per cent compared to the figure of EUR 146.9 million recorded in the first quarter of 2011.

The upward trend that was noticeable in previous quarters continued into the first quarter of 2012. It was observed primarily in the business units Knuckle Boom Cranes and Access Platforms as well as in the distribution company in Germany, all of which recorded increases both year on year and compared to the last quarter of 2011. The performance of the business units Railway Systems and Transportable Forklifts Europe has been satisfactory as well. Hookloaders and Tail Lifts remained at roughly the same level as in the previous quarter.

At EUR 21.6 million, the segment's EBIT was clearly higher than in the first quarter of the previous year, when it came to EUR 19.5 million. Although a shift in the product mix had resulted in a slight decrease of the margin in the second half of 2011, it is still hugely satisfactory. In the reporting period, an increase compared to the last quarter of 2011 was achieved.

Knuckle Boom Cranes
Following the satisfactory market recovery experienced in the past two years, the revenue level in Knuckle Boom Cranes once again increased slightly in all major sales markets in the first quarter of 2012. This growth in revenue had a positive impact on earnings. France and Scandinavia recorded the highest growth rates; other successful markets included Great Britain and Austria. Spain, Ireland, Italy and Greece continued to be weak markets.

Timber and Recycling Cranes
After revenue in Timber and Recycling Cranes doubled in 2011 compared to 2010, a slight year-on-year decline was recorded in the first quarter of 2012. The level of earnings generated in this product segment continues to be remarkably good. The Brazilian, Russian and North American markets are gaining increasing importance.

Tail Lifts
Compared to the first quarter of 2011, the Tail Lifts business recorded a moderate increase in revenue and a stabilization of earnings. In recent months, particularly markets in Great Britain and Germany continued to achieve high-level performances.

Access Platforms
In Access Platforms – a late-cycle business by comparison with the crane business – an enormous improvement in revenue was recorded in the first quarter of 2012. A positive contribution to earnings is expected to be recorded in the course of 2012.

Hookloaders
In the Hookloaders business unit, the turnaround was sustainably stabilized in 2011. In the first quarter of 2012, the uncertain economic environment resulted in a moderate decline in revenue, primarily in France, but contributions to earnings still remained positive.

Transportable Forklifts
In the reporting period, the Transportable Forklifts business unit remained at the level achieved in 2011, with business development being satisfactory, primarily in the major sales market of Germany, despite the modest economic outlook. PALFINGER plans to broaden the customer base in order to further boost this product group and to be able to better counterbalance the volatility of the individual geographical markets.

Railway Systems
Following a weak 2011, the positive development of revenue in the field of Railway Systems was also reflected in earnings in the first quarter of 2012. PALFINGER continues to be the innovation leader in the global market for this product. On the basis of the volume of incoming orders received, higher contributions to earnings are to be expected in the medium term. However, the economic situation will remain uncertain throughout 2012.

Marine Systems
The Marine Systems business unit is composed of the four sub-units Marine, Rescue, Wind and Service. This business unit recorded outstanding growth in revenue and, as expected, good operating results. PALFINGER sees additional potential primarily through professional market development in offshore wind energy, a sector for which high growth rates have been forecast for the years to come.

Production
The Production business unit succeeded in maintaining its previous earnings level despite lower transfer prices within the Group. This was made possible, on the one hand, by improved capacity utilization and, on the other hand, by the consistent implementation of structural and cost-related measures. Third-party manufacturing was expanded further and contributed to the result achieved. PALFINGER has already established a reputation as a reliable partner with top quality products in this field.

AREA UNITS

The AREA UNITS segment comprises the areas North America, South America, Asia and Pacific, India and CIS together with their respective regional business units.

Most of the areas outside Europe are still being developed, reinforced by the Group's acquisitions and own initiatives. By integrating and further expanding its strategic initiatives PALFINGER aims to quickly enter the profit zone in the AREA UNITS on the basis of continued growth.

Revenue generated by the AREA UNITS segment rose by 59.8 per cent from EUR 44.7 million in the first quarter of 2011 to EUR 71.4 million in the period under review. Consequently, areas outside Europe now account for 31.9 per cent of consolidated revenue. This outstanding growth was boosted by the areas North America and CIS with all of their product areas. South America and India also recorded increases compared to the first quarter of 2011.

As a result of the extremely positive developments in the areas North America and CIS, PALFINGER has reported a positive operating result for this segment since the fourth quarter of 2011. In the first quarter of 2012, the segment's EBIT was improved further to EUR 0.8 million, compared to –EUR 2.6 million in the previous year, in spite of additional investments into less-developed areas such as India or Asia and Pacific.

North America

In North America, the positive trend recorded in 2011 continued into the first quarter of 2012. Clear growth was achieved not only in revenue but in particular also in terms of earnings. This satisfactory development was primarily supported by the good sales figures in cranes and access platforms and the high order volume in the field of hookloaders. PALFINGER is still working hard to integrate the business units in terms of distribution and dealer networks in a move designed to generate further potential for this area.

South America

PALFINGER still sees South America as a growth market, although performance in the first quarter was limited. It is assumed that the upcoming large-scale sports events will considerably increase the investment volume in the construction industry. Moreover, PALFINGER is consistently pursuing the introduction of additional products such as timber and recycling cranes or access platforms to the market. Changes in the organizational structure have been made and are expected to have a positive impact on the area's profitability in the future.

Asia and Pacific

In the area Asia and Pacific, following huge increases in 2011, a slight decline in revenue compared to the first quarter of the previous year was recorded. In recent months, activities focused on the preparation of the joint ventures with Sany Heavy Industry. The start-up of these businesses will continue to have a negative impact on results for several quarters, but PALFINGER expects a clearly positive trend in further development, in particular on the basis of the market potential available in China.

India

In India, the intensified market development efforts made in recent years have already brought about a satisfactory development of revenue. In addition, the introduction of a telescopic crane adapted to local needs promises successful market development in the future. Local value creation at the site in Chennai is being continuously expanded; the related costs still impacted earnings in the first quarter of 2012.

CIS

The area CIS has recently established itself as the region with the highest growth rates within the entire product portfolio of PALFINGER. The acquisition of INMAN in 2011 brought about a sustainably positive development of revenue and earnings. The integration project is progressing as planned and is scheduled to be closed before the year is over. PALFINGER is pleased that, for the first time, a woman has taken over the area's management.

VENTURES

The VENTURES unit is composed of all major strategic projects for the future pursued by the PALFINGER Group up to their operational maturity. As the projects included in the VENTURES unit do not generate revenue, the costs of such projects are reported.

In the first quarter of 2012, priority was placed on activities related to the development of the partnership with the Chinese Sany Group. In addition, projects were devised for the further development of the Indian and Russian regions and the Marine Systems business unit as well as for related potential acquisitions or partnerships. The EBIT for this unit for the first quarter of 2012 was –EUR 3.9 million, as compared to –EUR 1.8 million for the same period in 2011.

OUTLOOK

After the period of enormous growth enjoyed by PALFINGER during the years 2010 and 2011, the renewed flare-up of the debt crisis in Europe slowed down growth in some of PALFINGER's major European markets.

PALFINGER's consistent strategy of internationalization, especially outside Europe, is therefore being continued. In recent years, the strategic decision to grow not only in North America but also towards the BRIC countries has already proven its worth. After taking the first important step eleven years ago with the acquisition of Madal in Brazil, PALFINGER opened a manufacturing and assembly plant in China a few years later, and subsequently an assembly plant in India. In August 2011, another major step was achieved with the acquisition of INMAN, the leading producer of knuckle boom cranes in Russia. In the first quarter of 2012, PALFINGER reported the largest project since its IPO in 1999, namely the establishment of two joint ventures with Sany Heavy Industry, one of China's industrial giants. The Chinese market has thus been opened up in time to celebrate the 80th anniversary of the PALFINGER Group in 2012. It is expected that this milestone will sustainably safeguard the Group's leading position worldwide.

The Group's flexibility, which is becoming increasingly important in view of the rapidly changing market environment, will be further developed in all fields. Switching to order-based procurement, manufacturing and assembly has enabled PALFINGER to respond to order fluctuations quickly without locking up excessive capital by increasing inventories. PALFINGER will therefore continue to pursue its flexibility course consistently.

The diversity of the Group's products, its expansion through acquisition and the promotion of internationalization make it essential that the Group concentrate more intensively on complexity management. This is a challenge that PALFINGER has met by stepping up activities and resources within the scope of a Group-wide value-creation project with the object of enhancing the Group's major competitive advantage – its global organization – for the future.

Despite the uncertain development of the economy and of demand, the management expects a further moderate increase in revenue, increasingly coming from the areas outside Europe, for the 2012 financial year. In addition, it is estimated that the areas outside Europe will make even more substantial contributions to earnings.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH 2012

CONSOLIDATED BALANCE SHEET

EUR thousand	Note	31 Mar 2012	31 Dec 2011	31 Mar 2011
Non-current assets				
Intangible assets		150,473	150,372	126,301
Property, plant and equipment	1	200,630	196,774	195,518
Investment property		400	404	416
Investments in associated companies	2	14,330	13,060	16,374
Deferred tax assets		22,788	23,219	36,574
Non-current financial assets		6,607	6,049	4,246
Other non-current assets		1,767	1,917	2,548
		396,995	**391,795**	**381,977**
Current assets				
Inventories		211,628	198,578	175,129
Trade receivables		137,265	120,875	122,349
Other current assets		16,549	13,083	12,422
Tax receivables		648	306	107
Cash and cash equivalents		10,920	15,137	16,509
		377,010	**347,979**	**326,516**
Total assets		**774,005**	**739,774**	**708,493**
Equity				
Share capital		35,730	35,730	35,730
Additional paid-in capital		30,591	30,477	30,442
Treasury stock		(1,858)	(2,009)	(1,509)
Retained earnings*	3	280,795	285,476	256,058
Foreign currency translation reserve		(3,600)	(3,065)	(6,050)
		341,658	**346,609**	**314,671**
Non-controlling interests*		3,222	6,171	2,929
		344,880	**352,780**	**317,600**
Non-current liabilities				
Liabilities from puttable non-controlling interests*	4	13,039	16,045	11,571
Non-current financial liabilities		109,585	86,328	119,860
Non-current provisions		47,013	47,457	41,285
Deferred tax liabilities		7,752	7,287	14,859
Other non-current liabilities		3,711	3,917	4,493
		181,100	**161,034**	**192,068**
Current liabilities				
Current financial liabilities		103,960	102,783	64,513
Current provisions		13,146	12,286	11,027
Tax liabilities		4,523	3,088	5,700
Trade payables and other current liabilities		126,396	107,803	117,585
		248,025	**225,960**	**198,825**
Total equity and liabilities		**774,005**	**739,774**	**708,493**

* Due to the change in the presentation of puttable non-controlling interests, corrections with retrospective effect were made. (For explanations go to "Adjustments with retrospective effect".)

CONSOLIDATED INCOME STATEMENT *

EUR thousand	Note	Jan–Mar 2012	Jan–Mar 2011
Revenue		**223,909**	**191,576**
Changes in inventory and own work capitalized		9,759	12,281
Other operating income	5	4,761	1,733
Material and external services		(123,584)	(107,249)
Employee benefits expenses		(61,715)	(52,355)
Depreciation, amortization and impairment expenses		(7,313)	(6,161)
Other operating expenses		(29,396)	(25,664)
Income from associated companies		1,297	972
Earnings before interest and taxes – EBIT		**17,718**	**15,133**
Interest income		96	86
Interest expenses		(3,005)	(2,604)
Exchange rate differences		(93)	(702)
Net financial result		**(3,002)**	**(3,220)**
Result before income tax		**14,716**	**11,913**
Income tax expense		(3,059)	1,948
Result after income tax		**11,657**	**13,861**
attributable to			
shareholders of PALFINGER AG (consolidated net result for the period)		**10,671**	**12,570**
non-controlling interests		**986**	**1,291**
EUR			
Earnings per share (undiluted and diluted)	3	0.30	0.36
Average number of shares outstanding		35,363,666	35,402,000

* The presentation has been adjusted. (For explanations go to "Adjustments with retrospective effect".)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR thousand	Jan–Mar 2012	Jan–Mar 2011
Result after income tax	**11,657**	**13,861**
Unrealized profits (+)/losses (–) from foreign currency translation	(373)	(5,039)
Unrealized profits (+)/losses (–) from cash flow hedge		
Changes in unrealized profits (+)/losses (–)	488	439
Deferred taxes thereon	38	(10)
Effective taxes thereon	(160)	(101)
Realized profits (–)/losses (+)	(91)	(76)
Deferred taxes thereon	0	22
Effective taxes thereon	23	0
Other comprehensive income	**(75)**	**(4,765)**
Total comprehensive income	**11,582**	**9,096**
attributable to		
shareholders of PALFINGER AG	**10,434**	**8,120**
non-controlling interests	**1,148**	**976**

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		Equity attributable to the shareholders of PALFINGER AG									
					Retained earnings						
EUR thousand	Note	Share capital	Additional paid-in capital	Treasury stock	Other retained earnings	Actuarial gains/losses acc. to IAS 19	Valuation reserves acc. to IAS 39	Foreign currency translation reserve	Total	Non-controlling interests	Equity
As at 1 Jan 2011		**35,730**	**30,423**	**(1,509)**	**252,510**	**(894)**	**(444)**	**(1,236)**	**314,580**	**5,311**	**319,891**
Total comprehensive income											
Result after income tax		0	0	0	12,570	0	0	0	**12,570**	1,291	**13,861**
Other comprehensive income after income tax											
Unrealized profits (+)/losses (–) from foreign currency translation		0	0	0	0	0	0	(4,724)	**(4,724)**	(315)	**(5,039)**
Unrealized profits (+)/losses (–) from cash flow hedge		0	0	0	0	0	274	0	**274**	0	**274**
		0	**0**	**0**	**12,570**	**0**	**274**	**(4,724)**	**8,120**	**976**	**9,096**
Transactions with shareholders											
Dividends		0	0	0	(7,788)	0	0	0	**(7,788)**	(3,515)	**(11,303)**
Reclassification non-controlling interests*	4	0	0	0	(259)	0	0	0	**(259)**	157	**(102)**
Other changes		0	19	0	89	0	0	(90)	**18**	0	**18**
		0	**19**	**0**	**(7,958)**	**0**	**0**	**(90)**	**(8,029)**	**(3,358)**	**(11,387)**
As at 31 Mar 2011		**35,730**	**30,442**	**(1,509)**	**257,122**	**(894)**	**(170)**	**(6,050)**	**314,671**	**2,929**	**317,600**
As at 1 Jan 2012		**35,730**	**30,477**	**(2,009)**	**287,194**	**(1,054)**	**(664)**	**(3,065)**	**346,609**	**6,171**	**352,780**
Total comprehensive income											
Result after income tax		0	0	0	10,671	0	0	0	**10,671**	986	**11,657**
Other comprehensive income after income tax											
Unrealized profits (+)/losses (–) from foreign currency translation		0	0	0	0	0	0	(535)	**(535)**	162	**(373)**
Unrealized profits (+)/losses (–) from cash flow hedge		0	0	0	0	0	298	0	**298**	0	**298**
		0	**0**	**0**	**10,671**	**0**	**298**	**(535)**	**10,434**	**1,148**	**11,582**
Transactions with shareholders											
Dividends	3	0	0	0	(13,437)	0	0	0	**(13,437)**	(3,850)	**(17,287)**
Reclassification non-controlling interests	4	0	0	0	(2,188)	0	0	0	**(2,188)**	(247)	**(2,435)**
Buyback of own shares		0	0	(6)	0	0	0	0	**(6)**	0	**(6)**
Other changes		0	114	157	(25)	0	0	0	**246**	0	**246**
		0	**114**	**151**	**(15,650)**	**0**	**0**	**0**	**(15,385)**	**(4,097)**	**(19,482)**
As at 31 Mar 2012		**35,730**	**30,591**	**(1,858)**	**282,215**	**(1,054)**	**(366)**	**(3,600)**	**341,658**	**3,222**	**344,880**

* Due to the change in the presentation of puttable non-controlling interests, corrections with retrospective effect were made. (For explanations go to "Adjustments with retrospective effect".)

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR thousand	Jan–Mar 2012	Jan–Mar 2011
Result before income tax	**14,716**	**11,913**
Cash flows from operating activities	7,462	2,966
Cash flows from investing activities	(15,121)	(5,496)
Cash flows from financing activities	3,315	3,550
Total cash flows	**(4,344)**	**1,020**
Free cash flows	**(5,521)**	**238**

EUR thousand	2012	2011
Funds as at 1 Jan	**15,137**	**15,865**
Effects of foreign exchange differences	127	(376)
Total cash flows	(4,344)	1,020
Funds as at 31 Mar	**10,920**	**16,509**

SEGMENT REPORTING

	External revenue		Internal revenue		EBIT	
EUR thousand	Jan–Mar 2012	Jan–Mar 2011	Jan–Mar 2012	Jan–Mar 2011	Jan–Mar 2012	Jan–Mar 2011
EUROPEAN UNITS	**152,472**	146,883	**17,246**	11,155	**21,617**	19,493
AREA UNITS	**71,437**	44,693	**23**	1	**834**	(2,566)
VENTURES	**–**	–	**–**	–	**(3,873)**	(1,772)
Segment consolidation	**–**	–	**(17,269)**	(11,156)	**(860)**	(22)
PALFINGER Group	**223,909**	**191,576**	**0**	**0**	**17,718**	**15,133**

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

GENERAL

PALFINGER AG is a publicly listed company headquartered in Salzburg, Austria. The main business activity is the production and sale of innovative lifting, loading and handling solutions.

REPORTING BASES

In principle, the same accounting and valuation methods used in the consolidated financial statements for the financial year 2011 were applied to these interim consolidated financial statements of PALFINGER AG and its subsidiaries as at 31 March 2012, which were prepared on the basis of IAS 34. The consolidated financial statements for the year ended 31 December 2011 were prepared in line with the International Financial Reporting Standards (IFRS) valid at the reporting date and the relevant interpretations of the International Financial Reporting Interpretations Committee (IFRIC) to be applied within the European Union (EU). For further information on the individual accounting and valuation methods used, please refer to the consolidated financial statements of PALFINGER AG for the year ended 31 December 2011.

The interim consolidated financial statements of PALFINGER AG were reviewed by the Group's auditor, Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., Salzburg, Austria.

CHANGES IN ACCOUNTING AND VALUATION METHODS

No changes in accounting and valuation methods were made in the first quarter of 2012.

ADJUSTMENTS WITH RETROSPECTIVE EFFECT

No adjustments with retrospective effect were made to the consolidated financial statements for the year ended 31 December 2011. As described in detail in the 2011 consolidated financial statements, changes were made, in comparison with the interim consolidated financial statements as at 31 March 2011, in the presentation of the consolidated income statement with respect to the item "Income from associated companies" and in the reporting of puttable non-controlling interests.

The change in the consolidated balance sheet as at 31 March 2011 (reporting of puttable non-controlling interests), made with retrospective effect, resulted in the following adjustments:

EUR thousand	31 Mar 2011	Adjustment	31 Mar 2011 adjusted
Retained earnings	259,096	(3,038)	256,058
Non-controlling interests	11,462	(8,533)	2,929
Equity	**329,171**	**(11,571)**	**317,600**
Liabilities from puttable non-controlling interests	0	11,571	11,571
Non-current liabilities	**180,497**	**11,571**	**192,068**

This change had no impact on the consolidated income statement and the consolidated statement of cash flows.

SCOPE OF CONSOLIDATION

On 28 February 2012, the agreements on the establishment of two joint venture companies with the Chinese heavy equipment manufacturer Sany Group Co., Ltd. were signed:

Sany Palfinger SPV Equipment Ltd. in Changsha, China, will, in a first step, develop and produce truck-mounted knuckle boom cranes and telescopic cranes for the Chinese market on the basis of the technologies of PALFINGER and Sany. For this purpose, a new plant near Sany's facilities, with production capacities for approx. 10,000 cranes, will be established and a dense sales and service network set up in China. The company will start operations in 2012 and will have reached full operational effectiveness by 2013.

Palfinger Sany International Mobile Cranes Sales GmbH, to be established as an international sales and service company with its registered seat in Salzburg, will distribute Sany's mobile cranes in Europe and CIS. The company will have reached full operational effectiveness by the end of the year.

Given that the approval of the authorities has not been fully obtained, the companies have to date not been established and are not operating on the market.

By articles of association dated 13 February 2012, Palfinger Marine- und Beteiligungs-GmbH, Salzburg, founded Palfinger Marine Services B.V., Elst, Netherlands, as a wholly-owned subsidiary. The company was entered in the commercial register at the Commercial Court on 15 February 2012. The purpose of founding this company was to promote the expansion of the service business in the business unit Marine Systems.

NOTES TO THE CONSOLIDATED BALANCE SHEET

(1) Property, plant and equipment

For the construction of new Group headquarters, properties with a total area of approx. 21,000 m^2 were acquired in the vicinity of the present location. Acquisition costs amounted to EUR 5,309 thousand as at the reporting date.

In addition, a purchase option agreement was concluded, obligating and/or authorizing PALFINGER to acquire additional plots of land, amounting to approx. 19.000 m^2 in total, after five or ten years, respectively, following the planned rezoning of the plots of land. The financial obligation to acquire these additional properties amounts to EUR 4,353 thousand plus an adjustment for inflation up to the date of exercise of the purchase option.

(2) Investments in associated companies

Changes in investments in associated companies are shown in the following table:

EUR thousand	2012	2011
As at 1 Jan	**13,060**	**15,459**
Share in net result for the period	1,297	4,823
Dividends	0	(3,017)
Foreign currency translation	(27)	(220)
Disposals	0	(3,985)
As at 31 Mar/31 Dec	**14,330**	**13,060**

(3) Equity

The Annual General Meeting held on 8 March 2012 approved a resolution for payment of a dividend in the amount of EUR 13,437 thousand (previous year: EUR 7,788 thousand) out of the 2011 profits. This dividend – paid to PALFINGER AG shareholders on 14 March 2012 – was equivalent to a dividend of EUR 0.38 per share (previous year: EUR 0.22 per share).

The amount of EUR 3,850 thousand (previous year: EUR 3,500 thousand) was paid to the non-controlling shareholders of EPSILON Kran GmbH on 14 March 2012.

The movements in shares outstanding are shown below:

Shares	2012	2011
As at 1 Jan	**35,361,160**	**35,402,000**
Buyback of own shares	(500)	(40,840)
Exercise of stock option	28,750	0
As at 31 Mar/31 Dec	**35,389,410**	**35,361,160**

On the basis of a consolidated net result for the period in the amount of EUR 10,671 (Jan–Mar 2011: EUR 12,570 thousand), undiluted earnings per share were EUR 0.30 (Jan–Mar 2011: EUR 0.36). Due to the low dilution effect of the stock option programme, diluted earnings per share were identical to undiluted earnings per share.

(4) Liabilities from puttable non-controlling interests

As at 31 December 2011, PALFINGER held 75 per cent of the ordinary share capital and preferred share capital of the NDM Group, with preferred share capital representing 90 per cent and ordinary share capital 10 per cent of the total share capital and the voting rights. On 5 March 2012, the remaining preferred share capital as well as another 15 per cent of the ordinary share capital of the NDM Group were acquired. Thus, PALFINGER now holds 100 per cent of the preferred share capital and 90 per cent of the ordinary share capital, hence 99 per cent of the share capital. The voting rights of the remaining 10 per cent of the share capital are held by PALFINGER under a trust structure; hence PALFINGER holds 100 per cent of the voting rights. The preferred share capital amounts to EUR 14,425 thousand and carries a coupon of 7 per cent. Any exceeding participation in the net result for the year is allocated to the stakes in the ordinary share capital, which means that PALFINGER participates in the exceeding amount at 90 per cent.

20 per cent in Fast RSQ B.V., Barneveld, the Netherlands, were transferred to the local management.

Through the acquisition of own shares in the amount of EUR 15 thousand, the direct interest in Composite Works, LLC, Oklahoma City (USA), was increased from 56.75 per cent to 63.48 per cent, thus raising PALFINGER's indirect interest from 45.40 per cent to 50.78 per cent.

The following table shows the movement in liabilities from puttable non-controlling interests:

EUR thousand	2012	2011
As at 1 Jan	**16,045**	**11,469**
Allocation	107	411
Interest costs	63	0
Addition	0	4,165
Use	(3,176)	0
As at 31 Mar/31 Dec	**13,039**	**16,045**

Due to the new measurement of liabilities from puttable non-controlling interests arising from the acquisition of the NDM Group, an amount of EUR 2,016 thousand was presented under retained earnings.

NOTES TO THE CONSOLIDATED INCOME STATEMENT

(5) Other operating income

Other operating income amounting to EUR 2,064 thousand relates to the reversal of a purchase price obligation from acquisitions.

CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets or liabilities as at 31 March 2012.

RELATED PARTIES

There were no substantial changes compared to 31 December 2011 with respect to business transactions with related parties. All transactions with related parties are carried out at generally acceptable market conditions. Please refer to the consolidated financial statements of PALFINGER AG for the year ended 31 December 2011 for further information on individual business relations.

STOCK OPTION PROGRAMME

The development of the stock option programmes of PALFINGER AG can be seen in the following table:

	Herbert Ortner		Christoph Kaml		Wolfgang Pilz		Martin Zehnder		Alexander Exner		Alexander Doujak		Total	
Development of stock options	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**
As at 1 Jan	80,000	80,000	50,000	50,000	50,000	50,000	50,000	50,000	10,000	40,000	30,000	30,000	270,000	300,000
Options exercised	(10,000)	0	0	0	(6,250)	0	(6,250)	0	(2,500)	0	(3,750)	0	(28,750)	0
Options lapsed	(30,000)	0	0	0	(18,750)	0	(18,750)	0	(7,500)	(30,000)	(11,250)	0	(86,250)	(30,000)
As at 31 Mar/31 Dec	40,000	80,000	50,000	50,000	25,000	50,000	25,000	50,000	0	10,000	15,000	30,000	155,000	270,000
Exercise price of options exercised	10.12				10.12		10.12		10.12		10.12			
Share price at exercise date	18.01				18.01		18.01		19.71		17.72			

Please refer to the consolidated financial statements of PALFINGER AG for the year ended 31 December 2011 for further information on these stock option programmes.

KEY EVENTS AFTER THE REPORTING DATE

No material post-reporting events occurred after the end of the interim reporting period.

REPORT ON THE AUDIT REVIEW

INTRODUCTION

We have reviewed the accompanying interim consolidated financial statements of PALFINGER AG, Salzburg, Austria, for the three-month period from 1 January 2012 to 31 March 2012. These interim consolidated financial statements comprise the consolidated balance sheet as at 31 March 2012, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the three-month period then ended, and a summary of significant accounting policies and other explanatory notes.

The management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

Our responsibility is to issue a conclusion on this interim financial information based on our review. Our responsibility and liability in connection with the review and with reference to sec. 275 para. 2 of the Business Code (UGB) towards the Company as well as third parties shall be limited to a total of EUR 12 million.

SCOPE OF THE AUDIT REVIEW

We conducted our review in accordance with the statutory provisions and professional principles applicable in Austria and in compliance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the financial position of the Group as at 31 March 2012, and of its financial performance and its cash flows for the three-month period then ended in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU.

REPORT ON THE INTERIM CONSOLIDATED MANAGEMENT REPORT

We are required to perform review procedures to check whether the interim consolidated management report is consistent with the interim consolidated financial statements and whether the other disclosures made in the interim consolidated management report do not give rise to misconception of the position of the Group.

Based on our review, nothing has come to our attention that causes us to believe that the interim consolidated management report for the Group is not consistent with the interim consolidated financial statements.

Salzburg, 26 April 2012

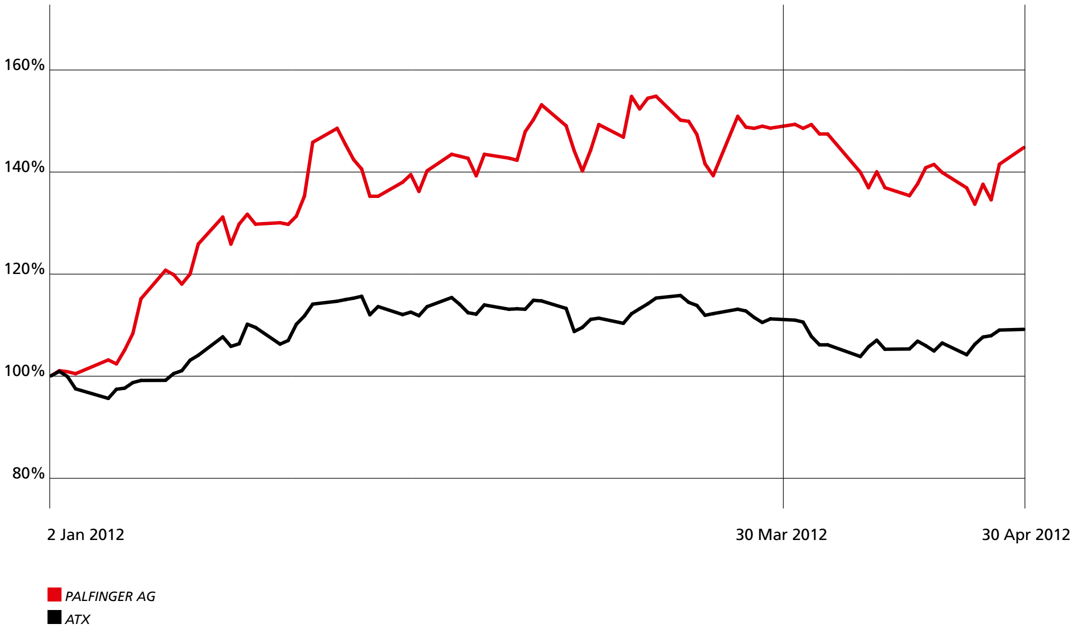
Ernst & Young
Wirtschaftsprüfungsgesellschaft m.b.H.

Anna Flotzinger m.p. Chartered accountant	Christoph Fröhlich m.p. Chartered accountant

Shareholder information

Q1 2012	
International Securities Identification Number (ISIN)	AT0000758305
Number of shares	35,730,000
of which own shares	340,590
Price as at 30 March 2012	EUR 18.91
Earnings per share (Q1 2012)	EUR 0.30
Market capitalization as at 30 March 2012	EUR 675,654.3 thousand

Share price development



INVESTOR RELATIONS

Hannes Roither
Phone +43 662 4684-2260, h.roither@palfinger.com

Claudia Rendl
Phone +43 662 4684-2261, c.rendl@palfinger.com

Daniela Werdecker
Phone +43 662 4684-2219, d.werdecker@palfinger.com

Fax +43 662 4684-2280
www.palfinger.com

FINANCIAL CALENDAR

9 August 2012	Publication of results for the first half of 2012
9 November 2012	Publication of results for the first three quarters of 2012
11 February 2013	Balance sheet press conference
6 March 2013	Annual General Meeting

PRINTED ON
Arctic Volume

Minimal arithmetical differences may arise from the application of commercial rounding to individual items and percentages in this interim report. The English translation of this PALFINGER report is for convenience. Only the German text is binding.

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.

Published on 10 May 2012.

Cover image: Michael Berger, Area Manager North America

WWW.PALFINGER.COM

PALFINGER AG
FRANZ-WOLFRAM-SCHERER-STRASSE 24
5020 SALZBURG
AUSTRIA