AT FIRST WE CALLED IT A TAILWIND.

NOW WE KNOW IT'S SUCCESS.

INTERIM REPORT FOR THE FIRST HALF OF 2015

PALFINGER

KEY FIGURES OF THE PALFINGER GROUP

EUR thousand	HY1 2015	HY1 2014[1)]	HY1 2013	HY1 2012	HY1 2011
Income statement					
Revenue	606,198	531,170	475,103	465,073	414,270
EBITDA	73,462	58,460	54,027	52,158	50,138
EBITDA margin	12.1%	11.0%	11.4%	11.2%	12.1%
EBIT	53,723	41,444	39,118	37,171	35,992
EBIT margin	8.9%	7.8%	8.2%	8.0%	8.7%
Result before income tax	48,881	35,938	32,205	31,827	30,068
Consolidated net result for the period	34,648	24,642	24,688	23,859	22,571
Balance sheet					
Total assets	1,232,103	1,065,291	865,233	798,759	723,662
Net working capital (average)	193,915	193,512	176,390	156,930	114,341
Capital employed (average)	858,738	703,619	599,587	542,237	487,642
Equity	518,823	448,812	375,574	360,707	327,886
Equity ratio	42.1%	42.1%	43.4%	45.2%	45.3%
Net debt	380,741	353,802	239,742	194,505	163,411
Gearing	73.4%	78.8%	63.8%	53.9%	49.8%
Cash flows and investments					
Cash flows from operating activities	37,606	9,683	23,751	11,807	15,138
Free cash flows	7,010	(151,985)	9,495	(8,148)	4,710
Net investments	26,877	145,566	16,682	20,238	10,056
Depreciation, amortization and impairment	19,739	17,016	14,909	14,987	14,146
Payroll					
Average payroll during the reporting period[2)]	8,765	7,273	6,303	6,071	5,449

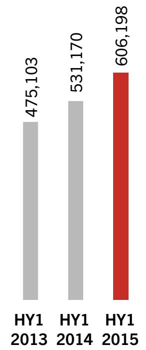
1) The figures for the first half of 2014 were adjusted with retrospective effect (see Note "Adjustments with retrospective effect").
2) Consolidated Group companies excluding equity shareholdings as well as excluding temporary workers.

CONSOLIDATED MANAGEMENT REPORT AS AT 30 JUNE 2015

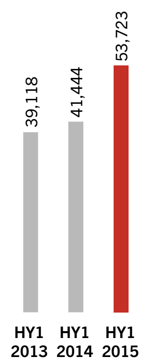
PERFORMANCE OF THE PALFINGER GROUP

In the first six months of 2015, the performance of the PALFINGER Group was marked by steep growth. Revenue rose by 14.1 per cent from EUR 531.2 million in the first half of 2014 to EUR 606.2 million, which is a new record for half-year revenue. EBIT showed an extraordinarily strong increase of 29.6 per cent from EUR 41.4 million to EUR 53.7 million. This, in turn, generated a marked rise in the EBIT margin, which came to 8.9 per cent, as compared to 7.8 per cent in the first half of 2014. The consolidated net result for the first half of 2015 was EUR 34.6 million, 40.6 per cent higher than the previous year's level of EUR 24.6 million.

The major factors accounting for this positive performance included the huge gains achieved in the loader crane business in Europe as well as the enormous progress made by PALFINGER outside Europe. In North America, the healthy economy facilitated a boost in revenue and earnings. In Russia/CIS, the strategic investments in local value creation proved their worth, making it possible for PALFINGER to continue its growth. In Asia, the cooperation with SANY continued to be excellent. In the marine business, the effects of the low oil price dampened customers' willingness to invest; nevertheless, PALFINGER continued its steady growth, achieving an increase in revenue of approx. 16 per cent. In South America, however, PALFINGER recorded further losses in revenue as a result of the generally slack economy and the considerably reduced willingness of customers to invest, even though PALFINGER's share in this receding market increased. The contributions to earnings made by the EUROPEAN UNITS segment and, in particular, the AREA UNITS segment showed a significant increase in the first half of 2015.



DEVELOPMENT OF REVENUE
(EUR thousand)

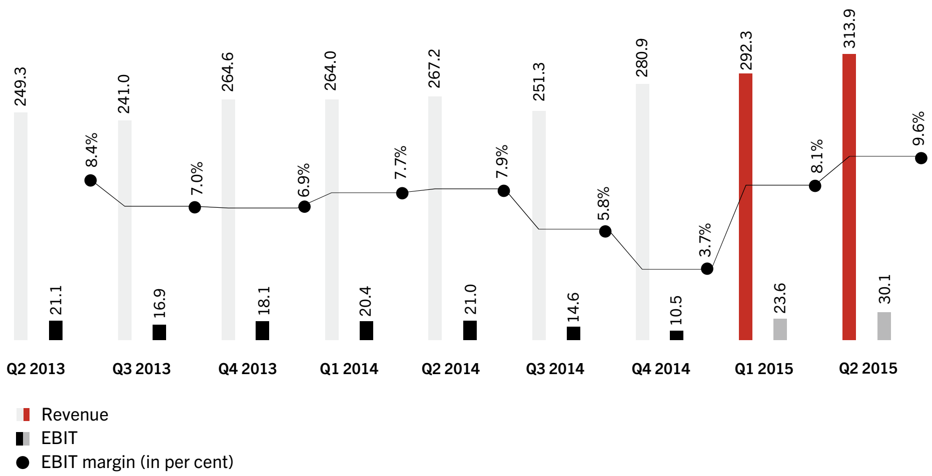


DEVELOPMENT OF EBIT
(EUR thousand)

The present level of incoming orders gives reason to expect a continuation of this satisfactory development in the second half of 2015. In Europe, visibility is still low but has stabilized in the past few months. The investment propensity of customers in Europe is still restrained, despite some noticeable positive trends, whereas in North America, particularly in the USA, there is greater confidence in a revival of the economy.

Performance over the individual quarters since the beginning of 2013 shows the continuous growth of the PALFINGER Group.

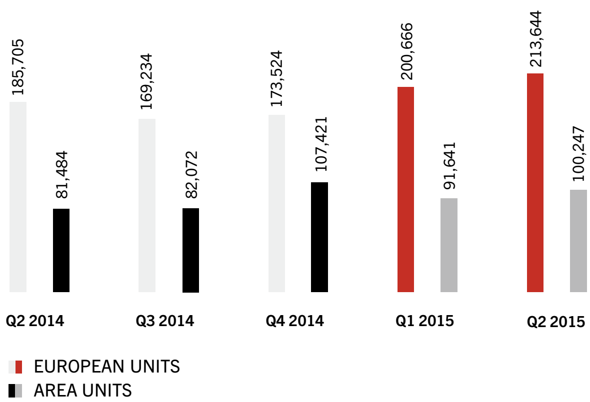
DEVELOPMENT OF REVENUE AND EBIT
(EUR million)



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 REVENUE BY SEGMENT*
(EUR thousand)



* No revenues were generated in the VENTURES unit.

EUROPEAN UNITS

- Rising demand for loader cranes in Europe
- Around 16 per cent growth in the marine business
- Norwegian Deck Machinery AS accounts for 20 per cent of the segment's growth in revenue

The business units of the EUROPEAN UNITS segment operate on the markets in Europe, the Middle East, Africa and Australia. The segment's main focus is on the development, production, distribution and maintenance of loader cranes, EPSILON timber and recycling cranes, tail lifts, access platforms, hooklifts, truck mounted forklifts and railway systems, primarily for the afore-mentioned markets. The global marine business also forms part of this segment and so do the production companies in Europe and the distribution company in Germany.

Business development in the first half of 2015

In the first half of 2015, the EUROPEAN UNITS segment reported a year-on-year increase in revenue of 9.7 per cent, from EUR 377.6 million to EUR 414.3 million (Q2 2015: EUR 213.6 million). Approximately 20 per cent of this growth was attributable to the revenue generated by Norwegian Deck Machinery AS, which had been acquired in January.

The segment saw an increase in EBIT of 13.5 per cent to EUR 53.1 million for the first six months of 2015 as compared to EUR 46.8 million for the same period of the previous year. As a consequence, the segment's EBIT margin rose from 12.4 per cent in the first half of 2014 to 12.8 per cent in the first half of 2015.

OPERATIONAL HIGHLIGHTS

In the first half, the loader crane business recorded a distinct rise in sales and revenue, which is also reflected in satisfactorily improved earnings. Growth, in some cases considerable, was achieved primarily in Denmark, Sweden, Great Britain, the Netherlands, the Czech Republic and Austria, as well as in Africa and Australia. In contrast, revenue declined in Germany, Belgium and France and in connection with exports to Russia. On a highly positive note, demand picked up considerably in the Southern European regions after years of weakness. In Italy and Spain, where revenue levels had been low, PALFINGER achieved increases in revenue of more than 70 per cent. The hooklift business also expanded revenue in the first half of 2015 and given the clear increase in incoming orders, it is expected to grow further in the second half.

An increase in sales was also achieved in EPSILON Timber and Recycling Cranes and Truck Mounted Forklifts. Railway Systems managed to maintain the high level achieved in the same period of the previous year and order intake is stable. The good capacity utilization at the production units during the first half of 2015 resulted in a high level of profitability. Manufacturing for third parties was also expanded.

In the global marine business, PALFINGER increased its revenue by around 16 per cent. This growth was made possible not only by the NDM Group (Norwegian Deck Machinery AS) acquired in the first quarter of 2015 but also by the market success achieved by Launch & Recovery Systems, Boats and Rope Access. In June 2015, PALFINGER was awarded a major contract with a value of approx. EUR 33 million for its offshore business. The predominately state-run Norwegian oil company Statoil invited tenders for the equipment for a new oil and gas field and, in early June, awarded the contract for large marine cranes to PALFINGER. One of the decisive factors accounting for this success over the company's international competitors was PALFINGER's verifiably lower costs over the lifecycle, given comparable quality.

AREA UNITS

- 24.9 per cent increase in the segment's revenue, marked increase in earnings
- Expansion of business in Russia due to acquisitions and local production
- Market success of the joint venture with SANY in China reflected in earnings

In its AREA UNITS segment, PALFINGER operates in the market regions North America, South America, Asia and Pacific including India, and CIS together with their respective regional business units. PALFINGER has been promoting the continuous further development of the non-European market regions through local value creation – its own initiatives, partnerships and acquisitions. The objective for the years to come is to complete the product portfolios in the individual market regions and to achieve a relevant market share for PALFINGER.

Business development in the first half of 2015

In the first half of 2015, the revenue of the AREA UNITS segment increased by a notable 24.9 per cent. Half-year revenue came to EUR 191.9 million as compared to EUR 153.6 million in the first half of 2014 (Q2 2015: EUR 100.2 million). Organic growth accounted for slightly more than half of this increase, while the rest was attributable primarily to the companies acquired in Russia. Consequently, the percentage of the Group's revenue accounted for by the AREA UNITS segment rose from 28.9 per cent in the first half of 2014 to the current level of 31.7 per cent. The segment's EBIT surged by 146.4 per cent, from EUR 3.2 million to EUR 7.9 million. This remarkable improvement was caused primarily by the growth achieved in North America. Consequently, the EBIT margin rose to 4.1 per cent.

OPERATIONAL HIGHLIGHTS

PALFINGER's revenue in North America increased by nearly 40 per cent. Approx. one third of the increase was the result of organic growth; approx. two thirds were due to the appreciation of the US dollar. As compared to the previous year, the product areas established on the market, namely Loader Cranes, Tail Lifts and Access Platforms, generated significant increases in revenue which were also reflected in earnings. Given that incoming orders have remained at a high level, this positive trend is expected to continue throughout the rest of the year.

Together with the US company Fairwind LLC, headquartered in Lawton, Oklahoma, PALFINGER established a joint venture for the American wind service industry in June 2015. The use of large access platforms can double or even triple the efficiency of service and maintenance work. To date, workman baskets or rope access have been the main methods of access. PALFINGER holds a 51 per cent interest in the new company FairWind Renewable Energy Services, LLC.

In South America, the weak economy caused a contraction of PALFINGER's business volume. In Brazil, state funding was, for the most part, no longer available, which led to a massive decline in sales and revenue. All in all, market volume in South America shrank by around 20 per cent, but PALFINGER nevertheless succeeded in expanding its market shares.

In Russia/CIS, PALFINGER achieved increases in revenue and managed to expand its market share despite the economic sanctions and the weak ruble. Sales of PALFINGER's locally produced products more than compensated the lack of exports to this region. PM-Group Lifting Machines, which had been acquired in the fourth quarter of 2014, was the main contributor to this development, but INMAN also posted significantly higher revenue. After the expansion of production capacities at INMAN had been completed, the opening celebration for the new plant, attended by high-profile guests, took place on 24 July. In March 2015, the two joint ventures agreed upon by PALFINGER and the leading Russian truck producer KAMAZ were officially established and operations were started. One of these joint ventures will produce truck bodies and mount cranes, hooklifts and other lifting equipment on commercial vehicles, while the other joint venture will produce cylinders.

The development of the Asia and Pacific market region was characterized primarily by PALFINGER's successful cooperation with SANY. In the reporting period, deliveries from the new plant in Rudong, north of Shanghai, were stepped up continuously. This had a positive impact on the segment's EBIT. All in all, PALFINGER profited from the intensive investment activities in this region.

VENTURES

- Focus on integration of the acquired companies
- Acquisition of Norwegian Deck Machinery AS completed
- Establishment of operations of the two joint ventures with KAMAZ
- Forward integration through a joint venture with Fairwind LLC

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

Business development in the first half of 2015

Following the great number of strategic acquisitions made in recent years, the focus in the reporting period was on consolidating the structures and fully integrating the new units into the PALFINGER Group. This is also reflected in the EBIT posted by this unit which came to –EUR 7.4 million in the first half of 2015 as compared to –EUR 8.4 million in the same period of 2014. Major projects included the closing of the Norwegian Deck Machinery AS acquisition and the joint venture with FairWind Renewable Energy Services, LLC in North America, the development of both joint ventures with KAMAZ and the integration of PM-Group Lifting Machines.

FINANCIAL POSITION, CASH FLOWS AND RESULT OF OPERATIONS

As at 30 June 2015, the equity ratio of the PALFINGER Group came to 42.1 per cent, the same level as on the reporting date in the previous year (30 June 2014: 42.1 per cent). Due to the satisfactory development of earnings in the first two quarters of 2015 in combination with considerable exchange rate effects, equity rose by EUR 70.0 million from EUR 448.8 million as at 30 June 2014 to EUR 518.8 million as at 30 June 2015. Total assets increased from EUR 1,065.3 million at the end of the first half of 2014 to EUR 1,232.1 million, primarily as a consequence of the acquisitions made in the previous twelve months and the related increases in net working capital and property, plant and equipment. Thus, equity increased by 15.6 per cent, and total assets rose by 15.7 per cent in the same period.

At EUR 193.9 million, the average net working capital remained at almost the same level as reported for the first half of 2014 (HY1 2014: EUR 193.5 million). The average capital employed rose by EUR 155.1 million to EUR 858.7 million. A special initiative was launched to achieve a Group-wide reduction in current capital. In addition, a part of the outstanding accounts receivable was sold under a factoring agreement.

Net debt increased by 7.6 per cent year on year to EUR 380.7 million as at the end of June 2015 (30 June 2014: EUR 353.8 million). This development was due, among other things, to the financing of the acquisition of PM-Group Lifting Machines, the closing of the two joint ventures with KAMAZ in Russia, the acquisition of the remaining 20 per cent in the US company ETI as well as acquisitions for the marine business. As a result of the retention of current earnings, the gearing ratio dropped to 73.4 per cent (30 June 2014: 78.8 per cent). 98.2 per cent of PALFINGER's total capital employed has been secured on a long-term basis.

In the first half of 2015, cash flows from operating activities amounted to EUR 37.6 million, as compared to EUR 9.7 million in the first half of 2014. Free cash flows were positive at EUR 7.0 million despite the distribution of a dividend of approx. EUR 12.7 million and investments in capacity expansion as well as the acquisitions made.

MATERIAL RISKS AND UNCERTAINTIES IN THE SECOND HALF OF 2015

Current geopolitical and economic developments continue to harbour uncertainty, which is exacerbated by the lingering effects of the Greek debt crisis and political tensions between the West and Russia. PALFINGER's local production in Russia has cushioned the direct effects of the sanctions; however, the marked slowdown in economic growth (e.g. in industry and construction) has reduced investments and consequently PALFINGER's sales market. The picture is similar in the markets in Africa, the Middle East and South America, where political tensions as well as low oil prices have had a negative impact on orders.

European dealers often have no definite provisions for their business succession. In order to counter these risks, cooperation with dealers is being intensified further and optimized through the introduction of dealer standards.

Given that substantial value-creation stages lie in manufacture and assembly, an extended production downtime at a plant would have a significant impact on the financial results generated by PALFINGER.

The growing order volume in the project business (particularly in the marine business and in railway systems) has driven up project-related risks. Large projects may also involve concentration risks.

A side effect of PALFINGER's growth strategy is the increase in cost structures. As in 2014, additional emphasis is being placed on additional cost-saving initiatives. The central focus is on a Group-wide initiative aimed at optimizing working capital as well as standardizing and optimizing business processes in order to realize synergies and potentials. In addition, initiatives for the integration of the newly acquired companies are continuously being promoted. Lengthy decision-making processes may delay the implementation of optimization measures, which means that an increase in efficiency could be implemented more slowly or only to a limited degree.

The challenge in the field of development is to continuously reconfirm the Group's status as an innovation leader. Therefore, research and development are core issues for PALFINGER in order to fulfil its goal of bringing new products and services to the market on an ongoing basis. Today's dynamic environment and enormous competitive pressure tend to result in an ever-faster product cycle, thus increasing the risk of quality defects if innovations are launched prematurely. Continuous communication with PALFINGER's sales partners is essential so that PALFINGER can continue to develop customer-oriented solutions and thereby generate competitive advantages on the market.

PALFINGER regards its employees as the major factor in the successful achievement of its goals. Local and demographic developments may limit the availability of skilled labour for the value-creation sites. Through apprentice training programmes, regular executive development, and measures such as flexible working time models, PALFINGER is striving to increase its attractiveness as an employer and become an employer of choice also in the growth regions.

RISKS RELATING TO BALANCE SHEET PREPARATION

The necessary use of estimates and judgements in the fields of intangible assets, deferred tax assets, measurements of inventories and receivables, provisions for pensions, severance payments and anniversary bonuses, as well as provisions for cases of guarantee or warranty claims have a direct impact on the presentation of the Group's assets and earnings.

There is the risk that, should the market environment deteriorate drastically, individual intangible assets will have to be adjusted to the changed valuations (impairment) or that investments may not amortize as planned.

As a consequence of the participation in SANY-Lifting-Business in 2014, EUR 136.3 million were shown under investments in companies reported at equity at the balance sheet date 30 June 2015. This share in the company includes goodwill of EUR 98.2 million. Whether the goodwill will have to be impaired depends on the development of the Chinese economy and on the success of the internationalization strategy. The need for impairment of the share will be influenced primarily by the performance of the construction industry in China. The progressing urbanization of the Chinese population and the infrastructure projects resulting therefrom play a vital role in this connection. In the international markets, there are various political and macroeconomic risks that might have an impact on whether or not the share in SANY-Lifting-Business will have to be impaired.

The advancing internationalization and the growing volatility on the currency markets have increased the foreign exchange risk to which the PALFINGER Group is exposed. In this connection, PALFINGER pursues a consistent hedging strategy and attempts to protect itself against these currency risks to the greatest possible extent. When hedging transactions, future cash flows have to be assessed, which harbours uncertainties. For the purposes of cash flow hedge accounting, a high probability of the respective future cash flows' actually occurring is assumed.

With its continuously developing risk management and control system, which has been uniformly organized throughout the Company, PALFINGER ensures that adequate risk control strategies are developed and implemented. At the moment, there are no discernable risks that might jeopardize the continued existence of the Company.

OTHER EVENTS

In the period under review, the PALFINGER Group consistently continued its strategic projects. Moreover, in connection with the rapid growth of previous years and the active management of capital employed, a Group-wide initiative to optimize internal processes was launched. This initiative pursues the goal of reducing the net working capital to revenue ratio in the long term and is to be implemented first in the business units in Germany, North America and Brazil, where first results are expected to become noticeable before the end of 2015. In the field of sustainability management, a stakeholder survey was carried out in mid-2015, the results of which will be incorporated into the new materiality analysis. On the basis of PALversity, a programme to foster diversity, a Group-wide initiative for developing and endorsing corporate culture was launched in order to establish PALFINGER's values more firmly at all sites. The objective of this initiative is a sound corporate culture that takes local conditions into account and makes it easier for employees to show great commitment.

Internationalization remains one of the Group's priorities. In 2015, the focus is being placed on integrating the companies acquired in previous years and consolidating PALFINGER's market presence in China and Russia.

Effective 15 May 2015, PALFINGER increased its share in ETI Equipment Technology LLC, Oklahoma, to 100 per cent. The previous owners and managing directors of the local unit will retain operational responsibility for the company.

Effective 16 June 2015, Wolfgang Anzengruber resigned from the Supervisory Board of PALFINGER AG for career-related reasons. Supervisory Board Chairman Hubert Palfinger jun. expects that a successor will be named later this year.

Construction of the new headquarters in Bergheim near Salzburg is progressing. Relocation will take place in August 2015 as scheduled.

OUTLOOK

The fact that the global economy is still heterogeneous and volatile confirms the importance of the three strategic pillars of the PALFINGER Group. Without internationalization, innovation and flexibility, the continuous growth recorded by the Group would not have been possible. PALFINGER will therefore continue to pursue its long-term Group strategy in order to generate sustainable, profitable growth in the future as well.

Special attention is currently being paid to increasing the flexibility of all business areas of the Group. Order-based procurement, manufacturing and assembly have enabled PALFINGER to respond promptly to fluctuations in demand without the lockup of capital which would result in made-to-stock manufacturing. Flexibility is being expanded in all processes in the recently acquired companies right from the outset.

In this connection, the initiative to reduce current capital will also show first positive results in 2015. It will be implemented in the entire PALFINGER Group in phases, and is expected to bring about long-term success through new approaches. Moreover, consistent control of fixed costs is contributing to PALFINGER's ability to act assertively in the market at all times.

For 2015, the management expects revenue growth of slightly more than 10 per cent and an even higher increase in earnings.

PALFINGER still sees the potential to increase its annual revenue, including the joint venture companies in China and Russia, to approx. EUR 1.8 billion by 2017. The Company intends to reach this goal by rounding out its product portfolio in the market regions outside Europe. Substantial growth is also expected in the North American market and the global marine business. The management plans to reach this revenue target chiefly through organic growth.

INTERIM CONSOLIDATED FINANCIAL INFORMATION

THIS INTERIM CONSOLIDATED FINANCIAL INFORMATION OF PALFINGER AG WAS NEITHER FULLY AUDITED NOR REVIEWED BY AN AUDITOR.

AS AT 30 JUNE 2015

CONSOLIDATED INCOME STATEMENT

EUR thousand	Note	Apr–June 2015	Apr–June 2014*	Jan–June 2015	Jan–June 2014*
Revenue		**313,891**	**267,189**	**606,198**	**531,170**
Cost of sales	1	(236,019)	(201,145)	(456,835)	(398,999)
Gross profit		**77,872**	**66,044**	**149,363**	**132,171**
Other operating income	2, 3	3,758	4,444	8,778	8,538
Research and development costs	1	(6,676)	(6,189)	(12,856)	(12,668)
Distribution costs	1	(21,524)	(19,124)	(41,527)	(37,648)
Administrative costs	1	(22,704)	(22,136)	(45,534)	(43,610)
Other operating expenses	3	(4,954)	(2,916)	(8,513)	(6,528)
Income from companies reported at equity	5	4,366	897	4,012	1,189
Earnings before interest and taxes – EBIT		**30,138**	**21,020**	**53,723**	**41,444**
Interest income		339	149	775	351
Interest expenses		(2,649)	(3,242)	(6,171)	(6,346)
Exchange rate differences	3	(18)	763	554	489
Net financial result		**(2,328)**	**(2,330)**	**(4,842)**	**(5,506)**
Result before income tax		**27,810**	**18,690**	**48,881**	**35,938**
Income tax expense		(6,100)	(4,240)	(10,767)	(8,300)
Result after income tax		**21,710**	**14,450**	**38,114**	**27,638**
attributable to					
shareholders of PALFINGER AG (consolidated net result for the period)		**20,122**	**12,673**	**34,648**	**24,642**
non-controlling interests		**1,588**	**1,777**	**3,466**	**2,996**
EUR					
Earnings per share (undiluted and diluted)	7	0.54	0.35	0.93	0.69
Average number of shares outstanding		37,305,727	35,907,692	37,305,727	35,907,692

* The figures for the first half of 2014 were adjusted with retrospective effect (see Note "Adjustments with retrospective effect").

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR thousand	Apr–June 2015	Apr–June 2014*	Jan–June 2015	Jan–June 2014*
Result after income tax	**21,710**	**14,450**	**38,114**	**27,638**
Amounts that may be reclassified to the income statement in future periods				
Unrealized profits (+)/losses (–) from foreign currency translation	(13,110)	4,406	33,150	3,352
Deferred taxes thereon	710	(58)	(1,131)	(58)
Effective taxes thereon	(161)	(200)	(322)	(169)
Unrealized profits (+)/losses (–) from cash flow hedge				
Changes in unrealized profits (+)/losses (–)	5,489	(3,374)	(4,099)	(4,894)
Deferred taxes thereon	(1,164)	242	862	(8)
Effective taxes thereon	(294)	619	228	1,234
Realized profits (–)/losses (+)	(65)	424	3,193	1,078
Deferred taxes thereon	430	8	(133)	118
Effective taxes thereon	(382)	(115)	(676)	(385)
Other comprehensive income after income tax	**(8,547)**	**1,952**	**31,072**	**268**
Total comprehensive income	**13,163**	**16,402**	**69,186**	**27,906**
attributable to				
shareholders of PALFINGER AG	**11,912**	**14,364**	**62,865**	**24,610**
non-controlling interests	**1,251**	**2,038**	**6,321**	**3,296**

* The figures for the first half of 2014 were adjusted with retrospective effect (see Note "Adjustments with retrospective effect").

CONSOLIDATED BALANCE SHEET

EUR thousand	Note	30 June 2015	31 Dec 2014	30 June 2014*
Non-current assets				
Intangible assets		227,169	209,070	196,521
Property, plant and equipment	4	265,196	251,009	243,029
Investment property		343	351	360
Investments in companies reported at equity	5	175,506	160,514	134,540
Other non-current assets		3,140	3,129	1,874
Deferred tax assets		15,593	18,627	16,536
Non-current financial assets	10	34,242	33,656	4,063
		721,189	**676,356**	**596,923**
Current assets				
Inventories	6	276,119	239,180	244,301
Trade receivables	6	179,001	163,274	184,883
Other current receivables and assets		28,886	26,007	22,168
Tax receivables		2,995	3,131	1,876
Current financial assets	10	2,773	1,406	1,021
Cash and cash equivalents		21,140	20,757	14,119
		510,914	**453,755**	**468,368**
Total assets		**1,232,103**	**1,130,111**	**1,065,291**
Equity				
Share capital		37,593	37,593	37,593
Additional paid-in capital		82,128	82,056	82,135
Treasury stock		(1,547)	(1,593)	(1,593)
Retained earnings	7	365,700	338,966	336,779
Foreign currency translation reserve		16,323	(12,519)	(18,104)
		500,197	**444,503**	**436,810**
Non-controlling interests		18,626	16,809	12,002
		518,823	**461,312**	**448,812**
Non-current liabilities				
Liabilities from puttable non-controlling interests	8	8,837	23,372	26,138
Non-current financial liabilities	10	364,775	327,291	237,666
Non-current provisions	9, 10	50,428	49,386	32,681
Deferred tax liabilities		8,634	6,639	6,778
Other non-current liabilities		1,931	3,062	4,560
		434,605	**409,750**	**307,823**
Current liabilities				
Current financial liabilities	10	74,121	85,130	135,340
Current provisions		14,967	12,813	11,749
Tax liabilities		8,481	4,902	6,523
Trade payables and other current liabilities		181,106	156,204	155,044
		278,675	**259,049**	**308,656**
Total equity and liabilities		**1,232,103**	**1,130,111**	**1,065,291**

* The figures for the first half of 2014 were adjusted with retrospective effect (see Note "Adjustments with retrospective effect").

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR thousand	Note	Share capital	Additional paid-in capital	Treasury stock	Other retained earnings
As at 1 Jan 2014		**35,730**	**30,727**	**(1,790)**	**336,616**
Total comprehensive income					
Result after income tax*		0	0	0	24,642
Other comprehensive income after income tax					
Unrealized profits (+)/losses (–) from foreign currency translation*		0	0	0	0
Unrealized profits (+)/losses (–) from cash flow hedge		0	0	0	0
		0	**0**	**0**	**24,642**
Transactions with shareholders					
Capital increase		1,863	51,274	0	0
Dividends		0	0	0	(14,515)
Reclassification non-controlling interests	8	0	0	0	(454)
Addition non-controlling interests*		0	0	0	(971)
Other changes		0	134	197	(79)
		1,863	**51,408**	**197**	**(16,019)**
As at 30 June 2014*		**37,593**	**82,135**	**(1,593)**	**345,239**
As at 1 Jan 2015		**37,593**	**82,056**	**(1,593)**	**360,869**
Total comprehensive income					
Result after income tax		0	0	0	34,648
Other comprehensive income after income tax					
Unrealized profits (+)/losses (–) from foreign currency translation		0	0	0	0
Unrealized profits (+)/losses (–) from cash flow hedge		0	0	0	0
		0	**0**	**0**	**34,648**
Transactions with shareholders					
Dividends	7	0	0	0	(12,682)
Reclassification non-controlling interests	8	0	0	0	1,323
Addition non-controlling interests		0	0	0	0
Disposal non-controlling interests		0	0	0	4,069
Other changes		0	72	46	0
		0	**72**	**46**	**(7,290)**
As at 30 June 2015		**37,593**	**82,128**	**(1,547)**	**388,227**

* The figures for the first half of 2014 were adjusted with retrospective effect (see Note "Adjustments with retrospective effect").

Equity attributable to the shareholders of PALFINGER AG					
Retained earnings					
Remeasurements acc. to IAS 19	Valuation reserves acc. to IAS 39	Foreign currency translation reserve	Total	Non-controlling interests	Equity
(4,126)	**(1,477)**	**(20,929)**	**374,751**	**11,163**	**385,914**
0	0	0	24,642	2,996	27,638
0	0	2,825	2,825	300	3,125
0	(2,857)	0	(2,857)	0	(2,857)
0	**(2,857)**	**2,825**	**24,610**	**3,296**	**27,906**
0	0	0	53,137	0	53,137
0	0	0	(14,515)	(4,563)	(19,078)
	0	0	(454)	(341)	(795)
0	0	0	(971)	2,455	1,484
0	0	0	252	(8)	244
0	**0**	**0**	**37,449**	**(2,457)**	**34,992**
(4,126)	**(4,334)**	**(18,104)**	**436,810**	**12,002**	**448,812**
(8,066)	**(13,837)**	**(12,519)**	**444,503**	**16,809**	**461,312**
0	0	0	34,648	3,466	38,114
0	0	28,842	28,842	2,855	31,697
0	(625)	0	(625)	0	(625)
0	**(625)**	**28,842**	**62,865**	**6,321**	**69,186**
0	0	0	(12,682)	(5,858)	(18,540)
0	0	0	1,323	(2,112)	(789)
0	0	0	0	3,466	3,466
0	0	0	4,069	0	4,069
1	0	0	119	0	119
1	**0**	**0**	**(7,171)**	**(4,504)**	**(11,675)**
(8,065)	**(14,462)**	**16,323**	**500,197**	**18,626**	**518,823**

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR thousand	Jan–June 2015	Jan–June 2014*
Result before income tax	**48,881**	**35,938**
Cash flows from operating activities	37,606	9,683
Cash flows from investing activities	(34,988)	(166,029)
Cash flows from financing activities	(3,864)	154,408
Total cash flows	**(1,246)**	**(1,938)**
Free cash flows	**7,010**	**(151,985)**

EUR thousand	2015	2014
Funds as at 1 Jan	**20,757**	**15,965**
Effects of changes in foreign exchange rates	1,629	92
Total cash flows	(1,246)	(1,938)
Funds as at 30 June	**21,140**	**14,119**

* The figures for the first half of 2014 were adjusted with retrospective effect (see Note "Adjustments with retrospective effect").

SEGMENT REPORTING

	External revenue		Intra-Group revenue		EBIT	
EUR thousand	Jan–June 2015	Jan–June 2014*	Jan–June 2015	Jan–June 2014*	Jan–June 2015	Jan–June 2014*
EUROPEAN UNITS	414,310	377,582	38,922	44,853	53,122	46,804
AREA UNITS	191,888	153,588	259	28	7,908	3,210
VENTURES	-	-	-	-	(7,393)	(8,433)
Segment consolidation	-	-	(39,181)	(44,881)	86	(137)
PALFINGER Group	**606,198**	**531,170**	**0**	**0**	**53,723**	**41,444**

* The figures for the first half of 2014 were adjusted with retrospective effect (see Note "Adjustments with retrospective effect").

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL INFORMATION

GENERAL REMARKS

PALFINGER AG is a publicly listed company headquartered in Salzburg, Austria. The main business activity is the production and sale of innovative lifting solutions for use on commercial vehicles and in the maritime field.

REPORTING BASES

In principle, the same accounting and valuation methods used in the consolidated financial statements for the 2014 financial year were applied to this condensed interim consolidated financial information of PALFINGER AG and its subsidiaries as at 30 June 2015, which was prepared on the basis of IAS 34. The consolidated financial statements for the year ended 31 December 2014 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 2014.

This interim consolidated financial information provided by PALFINGER AG was not reviewed by an auditor.

CHANGES IN ACCOUNTING AND VALUATION METHODS

No changes in accounting and valuation methods were made in the first half of 2015.

ADJUSTMENTS WITH RETROSPECTIVE EFFECT

Sany Palfinger SPV Equipment Co., Ltd.

In the course of the first-time application of the new IFRS 10, PALFINGER, due to the specific legal and economic circumstances, carried out a comprehensive analysis of all available information regarding the possibility of having control over the 50:50 joint venture in China with SANY Automobile Hoisting Machinery Co., Ltd., Changsha (SANY). As a consequence of this analysis, the management came to the conclusion that PALFINGER had control over the joint venture within the meaning of IFRS 10, and for this reason the joint venture was presented as a fully consolidated company in the first three quarters of 2014. As already mentioned in the financial information published for the first three quarters of 2014, this was a discretionary decision that alternatively could also have led to the joint venture company having to be reported as a joint venture within the meaning of IFRS 11 if the facts of the case had been interpreted differently. If this had been the case, the joint venture would have had to be included in the consolidated financial statements at equity. The potential consequences of such a different interpretation were already explained and quantified accordingly in the respective financial information for the individual quarters of the previous year.

In the course of this review, taking samples from the consolidated financial statements for the year ended 31 December 2013 and the financial information for the periods ended 30 June 2013 and 30 June 2014, the Austrian Accounting Reporting Enforcement Panel (Österreichische Prüfstelle für Rechnungslegung; OePR) found PALFINGER's interpretation of IFRS 10 with a view to the consolidation of the joint venture to be incorrect, stating that the rights held by SANY exceeded mere protective rights and therefore, in contrast to the management's original interpretation, PALINGER did not have control as defined in IFRS 10. Therefore, the joint venture had to be reported at equity.

The consequences on the first half of 2014 were as follows:

CONSOLIDATED BALANCE SHEET

EUR thousand	30 June 2014	Adjustment	30 June 2014 adjusted
Property, plant and equipment	244,122	(1,093)	243,029
Investments in companies reported at equity	122,557	11,983	134,540
Deferred tax assets	17,579	(1,043)	16,536
Non-current assets	**587,076**	**9,847**	**596,923**
Inventories	250,879	(6,578)	244,301
Trade receivables	197,790	(12,907)	184,883
Other current receivables and assets	22,894	(726)	22,168
Cash and cash equivalents	23,960	(9,841)	14,119
Current assets	**498,420**	**(30,052)**	**468,368**
Retained earnings	336,744	35	336,779
Foreign currency translation reserve	(18,098)	(6)	(18,104)
Non-controlling interests	24,069	(12,067)	12,002
Equity	**460,850**	**(12,038)**	**448,812**
Deferred tax liabilities	6,790	(12)	6,778
Non-current liabilities	**307,835**	**(12)**	**307,823**
Tax liabilities	6,529	(6)	6,523
Trade payables and other current liabilities	163,193	(8,149)	155,044
Current liabilities	**316,811**	**(8,155)**	**308,656**

CONSOLIDATED INCOME STATEMENT

EUR thousand	Jan–June 2014	Adjustment	Jan–June 2014 adjusted
Revenue	**540,133**	**(8,963)**	**531,170**
Cost of sales	(407,178)	8,179	(398,999)
Gross profit	**132,955**	**(784)**	**132,171**
Other operating income	8,216	322	8,538
Research and development costs	(13,035)	367	(12,668)
Distribution costs	(38,308)	660	(37,648)
Administrative costs	(43,955)	345	(43,610)
Other operating expenses	(6,221)	(307)	(6,528)
Income from companies reported at equity	1,367	(178)	1,189
Earnings before interest and taxes – EBIT	**41,019**	**425**	**41,444**
Interest income	399	(48)	351
Exchange rate differences	506	(17)	489
Net financial result	**(5,441)**	**(65)**	**(5,506)**
Result before income tax	**35,578**	**360**	**35,938**
Income tax expense	(8,132)	(168)	(8,300)
Result after income tax	**27,446**	**192**	**27,638**
attributable to			
shareholders of PALFINGER AG (consolidated net result for the period)	**24,607**	**35**	**24,642**
non-controlling interests	**2,839**	**157**	**2,996**

Acquisitions in 2014

The acquisition of a 30 per cent share in the Argentinian company Andrés N. Bertotto S.A.I.C. was closed on 31 July 2014. Due to the purchase price allocation on the basis of a preliminary estimate of the fair value, goodwill of EUR 1,778 thousand was reported in the 2014 financial year. Within the valuation period, following the determination of the final fair values, goodwill increased to EUR 2,338 thousand. The investments in companies reported at equity remained unchanged.

In the course of the final purchase price allocation for Andrés N. Bertotto S.A.I.C. the pro-rata net assets decreased from EUR 1,331 thousand to EUR 771 thousand:

EUR thousand	2014	Adjustment	2014 adjusted
Purchase price paid in cash	746	0	746
Purchase price not yet fallen due	1,137	0	1,137
Contingent consideration not yet fallen due (on trust account)	1,226	0	1,226
Subtotal	**3,109**	**0**	**3,109**
Pro-rata net assets	(1,331)	560	(771)
Goodwill	**1,778**	**560**	**2,338**

The net assets of Andrés N. Bertotto S.A.I.C. include non-current assets in the amount of EUR 1,330 thousand and net working capital in the amount of EUR 640 thousand.

SCOPE OF CONSOLIDATION

On 1 April 2015, the remaining 26 per cent in Palfinger systems GmbH, Salzburg, were sold to Marine Systems Overseas PTE. LTD., Singapore, at the amortized cost of EUR 1. Marine Systems Overseas PTE. LTD., which was already the 59-per-cent majority owner of Palfinger systems GmbH, is a company owned by Hubert Palfinger sen. The disposal had no effect on the financial position, cash flows and result of operations of PALFINGER AG. The collateralization of the receivables from Palfinger systems GmbH remains in full force and effect.

On 15 May 2015, the remaining 20 per cent share in Equipment Technology, LLC, Oklahoma City, USA, was acquired from the former minority shareholder at a purchase price of EUR 11,255 thousand. The difference between the purchase price and the use of the liability from puttable non-controlling interests was directly recorded in equity as retained earnings. See also Note (8).

Acquisition of the NDM Group

On 18 December 2014, the contract on the acquisition of 100 per cent of the shares in Norwegian Deck Machinery AS, Os, Norway, was signed. The transaction was closed on 14 January 2015.

Norwegian Deck Machinery AS has achieved a prominent market position with the development of special winches as well as handling equipment for offshore vessels, offshore service vessels, and oil and gas rigs. One of the distinctive features of the systems developed by Norwegian Deck Machinery AS is the automatic compensation of wave movements, allowing for a safer and more efficient handling of loads. With this acquisition, PALFINGER has expanded its product portfolio in the marine sector.

At the time of acquisition, the preliminary purchase price for the acquisition was allocated on the basis of the estimated fair values as follows:

EUR thousand	2015
Purchase price paid in cash	8,506
Pro-rata net assets of non-controlling interests	40
Subtotal	**8,545**
Net assets	(2,118)
Goodwill	**6,427**

The goodwill associated with the acquisition primarily reflects the benefits expected from synergies in the field of distribution, from the potential arising from market expansion in the oil and gas industry, and from staff know-how.

The goodwill generated cannot be used for tax purposes.

The final valuation of the purchase price allocation will be effected within 12 months of the date of acquisition, once all the bases for calculating the fair values, in particular relating to technology, have been analysed in detail.

At the time of acquisition, the net assets acquired, on the basis of the preliminarily estimated fair values, were broken down as follows:

EUR thousand	Fair value
Non-current assets	
Intangible assets	1,940
Property, plant and equipment	30
Deferred tax assets	90
	2,060
Current assets	
Trade receivables	2,162
Other current receivables and assets	236
Cash and cash equivalents	74
	2,472
Non-current liabilities	
Deferred tax liabilities	329
	329
Current liabilities	
Current financial liabilities	282
Current provisions	113
Tax liabilities	195
Trade payables and other current liabilities	1,496
	2,085
Net assets	**2,118**

The trade receivables taken over have a gross value of EUR 2,190 thousand. The impairment loss for probable bad debt is EUR 28 thousand.

Net cash flows from the acquisitions were as follows:

EUR thousand	2015
Cash flows from operating activities	
Transaction costs	(111)
Cash flows from investing activities	
Purchase price paid in cash	(8,506)
Cash and cash equivalents	74
Net cash flows from the acquisitions	**(8,543)**

Since the time of its initial consolidation the acquisition of the NDM Group has contributed EUR 7,014 thousand to the consolidated revenue of PALFINGER AG and EUR 459 thousand to the consolidated net result for the period.

Acquisition of KAMAZ

At the beginning of March 2015, the establishment of the two joint venture companies, agreed between PALFINGER and the Russian KAMAZ Group in August 2014, took legal effect with their entry in the Russian commercial register. This paved the way for the operational implementation of the cooperation between the PALFINGER Group and OJSC KAMAZ. KAMAZ is Russia's largest truck producer ranking 11th among the world's largest truck manufacturers. KAMAZ trucks are sold in the Russian market, with many also exported to Asia and Latin America.

The establishment of these two joint venture companies was a major step in consolidating and expanding PALFINGER's business in CIS. In KAMAZ, the Group has found a flexible and performance-driven partner. This region has already become a relevant market for PALFINGER. In line with its strategic objectives, PALFINGER is looking to expand local production and as a result local value creation.

PALFINGER KAMA CYLINDERS LLC

PALFINGER's stake in the cylinder production joint venture Palfinger Kama Cylinders LLC* is 51 per cent. PALFINGER has acquired this interest in the existing cylinder production of KAMAZ in Neftekamsk in the Bashkortostan region and will invest in the modernization of the plants.

Palfinger Kama Cylinders LLC is included in the consolidated financial statements of PALFINGER AG as a fully consolidated company.

At the time of acquisition, the preliminary purchase price allocation for the acquisition was made on the basis of the estimated fair values as follows:

EUR thousand	**2015**
Purchase price paid in cash	2,777
Pro-rata net assets of non-controlling interests	1,992
Subtotal	**4,769**
Net assets	(4,065)
Goodwill	**704**

The goodwill associated with the acquisition primarily reflects the benefits expected from synergies through the expansion of the value-creation chain and from closer customer ties as well as the potential arising from market expansion in CIS.

The goodwill generated cannot be used for tax purposes.

The final valuation of the purchase price allocation will be effected within 12 months of the date of acquisition, once all the bases for determining the fair values, in particular relating to property, plant and equipment, have been analysed in detail.

* This name was chosen deliberately and results from the particularities of the Russian language.

At the time of acquisition, the net assets acquired, on the basis of the preliminarily estimated fair values, were broken down as follows:

EUR thousand	Fair value
Non-current assets	
Property, plant and equipment	1,026
Deferred tax assets	54
	1,079
Current assets	
Cash and cash equivalents	2,985
	2,985
Net assets	**4,065**

Since the time of its initial consolidation Palfinger Kama Cylinders LLC has contributed EUR 418 thousand to the consolidated revenue of PALFINGER AG and –EUR 120 thousand to the consolidated net result for the period.

CRANE CENTER KAMAZ LLC

The PALFINGER Group holds 49 per cent and the KAMAZ Group 51 per cent in the joint venture Crane Center Kamaz LLC, which specializes in truck bodies. The joint venture company equips trucks with loading and handling systems. In addition to the existing sales network of KAMAZ, the establishment of a separate network of dealers and service centres is planned. The company has its registered office in Naberezhnye Chelny in Tatarstan, not far from the headquarters of the KAMAZ Group.

The company is included in the consolidated financial statements at equity as an associated company.

At the time of acquisition, the preliminary purchase price allocation for the acquisition was made on the basis of the estimated fair values as follows:

EUR thousand	2015
Purchase price paid in cash	1,317
Subtotal	**1,317**
Pro-rata net assets	(1,493)
Negative difference	**(176)**

The negative difference was reported in the income statement under income from companies reported at equity.

Net assets include non-current assets in the amount of EUR 87 thousand and net working capital in the amount of EUR 2,927 thousand.

The final valuation of the purchase price allocation will be effected within 12 months of the date of acquisition, once all the bases for determining the fair values have been analysed in detail.

Net cash flows from the establishment of the two joint ventures were as follows:

EUR thousand	2015
Cash flows from operating activities	
Transaction costs	(296)
Cash flows from investing activities	
Purchase price paid in cash	(4,094)
Cash and cash equivalents	2,985
Net cash flows from the acquisitions	**(1,405)**

NOTES TO THE CONSOLIDATED INCOME STATEMENT

(1) Reconciliation of the results according to the cost of sales method and the total cost method

The reconciliation of the results according to the cost of sales method and the total cost method is as follows:

Jan–June 2014*

EUR thousand	Changes in inventories and own work capitalized	Materials and external services	Employee benefits expenses	Depreciation, amortization and impairment	Other income	Other expenses	Total
Cost of sales	7,180	(270,222)	(87,660)	(12,272)	0	(36,025)	(398,999)
Other operating income	0	0	0	0	8,538	0	8,538
Research and development costs	4,059	(515)	(12,424)	(629)	681	(3,840)	(12,668)
Distribution costs	(55)	(835)	(22,337)	(2,219)	0	(12,202)	(37,648)
Administrative costs	0	95	(24,341)	(1,896)	0	(17,468)	(43,610)
Other operating expenses	0	0	0	0	0	(6,528)	(6,528)
Total	**11,184**	**(271,477)**	**(146,762)**	**(17,016)**	**9,219**	**(76,063)**	**(490,915)**

* The figures for the first half of 2014 were adjusted with retrospective effect (see Note "Adjustments with retrospective effect").

Jan–June 2015

EUR thousand	Changes in inventories and own work capitalized	Materials and external services	Employee benefits expenses	Depreciation, amortization and impairment	Other income	Other expenses	Total
Cost of sales	16,371	(318,427)	(102,112)	(14,362)	0	(38,305)	(456,835)
Other operating income	0	0	0	0	8,778	0	8,778
Research and development costs	4,423	(346)	(13,559)	(830)	615	(3,159)	(12,856)
Distribution costs	(45)	(654)	(25,494)	(2,351)	0	(12,983)	(41,527)
Administrative costs	(2)	6	(26,744)	(2,196)	0	(16,598)	(45,534)
Other operating expenses	0	0	0	0	0	(8,513)	(8,513)
Total	**20,747**	**(319,421)**	**(167,909)**	**(19,739)**	**9,393**	**(79,558)**	**(556,487)**

(2) Other operating income

In the previous year, EUR 2,709 thousand from other operating income related to the reversal of purchase price liabilities from acquisitions, as the local results generated by the unit make the utilization of these liabilities unlikely.

(3) Exchange rate differences

Exchange rate differences had the following effects on the income statement:

EUR thousand	Jan–June 2015	Jan–June 2014
Exchange rate differences income	5,826	1,159
Exchange rate differences expenses	(4,565)	(1,868)
Exchange rate differences in at equity result	(171)	34
Earnings before interest and taxes – EBIT	**1,090**	**(675)**
Exchange rate differences of the net financial result	554	489
Result from exchange rate differences	**1,644**	**(186)**

NOTES TO THE CONSOLIDATED BALANCE SHEET

(4) Property, plant and equipment

Property, plant and equipment increased as compared to 31 December 2014 due to additions to land and buildings in the amount of EUR 2,554 thousand (previous year until 30 June: EUR 6,060 thousand), to plants, machinery and tools in the amount of EUR 3,253 thousand (previous year until 30 June: EUR 4,888 thousand) and to fixtures, fittings and equipment in the amount of EUR 6,512 thousand (previous year until 30 June: EUR 5,911 thousand). Prepayments and assets under construction increased due to additions in the amount of EUR 8,191 thousand (previous year until 30 June: EUR 9,212 thousand).

(5) Investments in companies reported at equity

Changes in investments in companies reported at equity are shown in the following table:

EUR thousand	2015	2014
As at 1 Jan	**160,514**	**12,955**
Addition due to change from proportionate consolidation to equity method	0	7,097
Additions	1,493	113,523
Capital increase	0	10,152
Share in the net result for the period	3,836	4,140
Dividends	(2,933)	(3,032)
Foreign currency translation	12,596	15,998
Disposals	0	(319)
As at 30 June/31 Dec	**175,506**	**160,514**

The negative difference arising from the Crane Center Kamaz LLC transaction (EUR 176 thousand) was reported as income under income from companies reported at equity.

(6) Inventories and trade receivables

Inventories increased by EUR 36,939 thousand as compared to 31 December 2014, mainly due to exchange rate effects and a demand-related inventory build-up in the business areas North America and CIS as well as an increase in inventories in EUROPEAN UNITS.

The increase in trade receivables of EUR 15,727 thousand refers primarily to receivables from contract manufacturing in the Marine business area as well as trade receivables in the business area North America.

(7) Equity

The Annual General Meeting held on 11 March 2015 adopted a resolution for payment of a dividend in the amount of EUR 12,682 thousand (previous year: EUR 14,515 thousand) out of the 2014 profits. This dividend – paid to PALFINGER AG shareholders on 17 March 2015 – was equivalent to a dividend of EUR 0.34 per share (previous year: EUR 0.41 per share).

The movements in shares outstanding are shown below:

Shares	2015	2014
As at 1 Jan	**37,301,290**	**35,401,910**
Exercise of stock option	8,406	36,122
Issue of new shares	0	1,863,258
As at 30 June/31 Dec	**37,309,696**	**37,301,290**

On the basis of a consolidated net result for the period of EUR 34,648 thousand (Jan–June 2014: EUR 24,642 thousand) undiluted earnings per share were EUR 0. 93 (Jan–June 2014: EUR 0. 69). Due to the low dilution effect of the stock option programme, diluted earnings per share were identical to undiluted earnings per share.

(8) Liabilities from puttable non-controlling interests

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

EUR thousand	2015	2014
As at 1 Jan	**23,372**	**17,370**
Corporate acquisitions	0	8,209
Interest cost	0	225
Reversal through profit and loss	0	(1,229)
Redemption	(11,255)	(2,626)
Increase directly in equity	789	1,976
Reversal directly in equity	(4,069)	(553)
As at 30 June/31 Dec	**8,837**	**23,372**

The redemption and reversal made in 2015 relate to the acquisition of the remaining 20 per cent in Equipment Technology, LLC, Oklahoma City, USA. Also see the notes regarding the scope of consolidation.

(9) Non-current provisions

As at the balance sheet date, non-current provisions included purchase price portions not yet due from the acquisition of subsidiaries in 2014. These purchase price portions consist of a put option to sell the remaining 20 per cent in PM-Group, which may be exercised in 2019, as well as a disproportional dividend for the years 2014 to 2018.

Provisions for pensions and other post-employment benefits as well as for severance payments and anniversary bonuses are valued using the projected unit credit method. The amounts of the provisions are determined on the basis of an actuarial opinion prepared by an actuary as at the balance sheet date. For the interim consolidated financial information, these amounts are extrapolated.

(10) Financial instruments

The carrying amounts of financial instruments not measured at fair value deviate only insignificantly from their fair values and hence constitute appropriate approximate values.

As at 30 June 2015, the Group held the following categories of financial instruments measured at fair value:

EUR thousand	Fair value 30 June 2015	Fair value 31 Dec 2014	Level 2 fair value 30 June 2015	Level 2 fair value 31 Dec 2014	Level 3 fair value 30 June 2015	Level 3 fair value 31 Dec 2014
Non-current assets						
Non-current financial assets	1,141	1,141	1,141	1,141	0	0
Current assets						
Current financial assets	1,210	0	1,210	0	0	0
Non-current liabilities						
Non-current financial liabilities	11,423	13,470	11,423	13,470	0	0
Non-current provisions (purchase price not yet fallen due)	3,001	2,499	0	0	3,001	2,499
Current liabilities						
Current financial liabilities	1,926	2,797	1,926	2,797	0	0

The reconciliation of the carrying amounts of Level 3 fair values is shown in the following table:

EUR thousand	2015	2014
As at 1 Jan	**2,499**	**6,164**
Corporate acquisitions	0	3,592
Interest cost	187	461
Redemption	0	(2,626)
Reversal through profit and loss	0	(3,881)
Exchange rate differences	0	8
Exchange rate differences through profit and loss	315	(1,219)
As at 30 June/31 Dec	**3,001**	**2,499**

Level 2 fair values are derived from observable market data. On the basis of observable currency and interest-rate data, the fair values of the financial instruments are calculated internally using the discounted cash flow method. Level 3 fair values are measured internally using acknowledged calculation models on the basis of market interest rates of identical assets with the same duration and implicit volatilities. They are calculated using the discounted cash flow method on the basis of strategic planning.

CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets or liabilities as at 30 June 2015.

RELATED PARTIES

Previous bonus agreements concluded with members of the Management Board either expired in February 2014 or will expire at the end of 2015. In order to ensure a smooth transition, a new agreement for the period until 2018, again oriented on a long-term increase in corporate value, was concluded in mid-2015. It is expected that the bonuses will be paid out in 2019.

Apart from that, there were no substantial changes 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 2014 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		Total	
Changes in stock options	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
As at 1 Jan	0	40,000	25,000	25,000	0	25,000	0	25,000	25,000	115,000
Options exercised	0	(16,054)	(8,406)	0	0	(10,034)	0	(10,034)	(8,406)	(36,122)
Options lapsed	0	(23,946)	(16,594)	0	0	(14,966)	0	(14,966)	(16,594)	(53,878)
As at 30 June/31 Dec	0	0	0	25,000	0	0	0	0	0	25,000
Exercise price of options exercised		10.12	16.57			10.12		10.12		
Share price at date of exercise		28.2	24.00			28.2		28.2		

Please refer to the consolidated financial statements of PALFINGER AG for the year ended 31 December 2014 for further information on these stock option programmes.

KEY EVENTS AFTER THE REPORTING DATE

No material events requiring disclosure occurred after the end of the interim reporting period.

STATEMENT OF LEGAL REPRESENTATIVES PURSUANT TO SEC. 87 PARA. 1 OF THE STOCK EXCHANGE ACT

We confirm, to the best of our knowledge, that the condensed interim consolidated financial information gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the relevant accounting standards and that the consolidated management report gives a true and fair view of important events that have occurred during the first six months of the 2015 financial year and their impact on the condensed interim consolidated financial information, of the principal risks and uncertainties for the remaining six months of the 2015 financial year and of the major related party transactions to be disclosed.

Salzburg, 23 July 2015

Herbert Ortner m.p.
Chief Executive Officer

Christoph Kaml m.p.
Chief Financial Officer

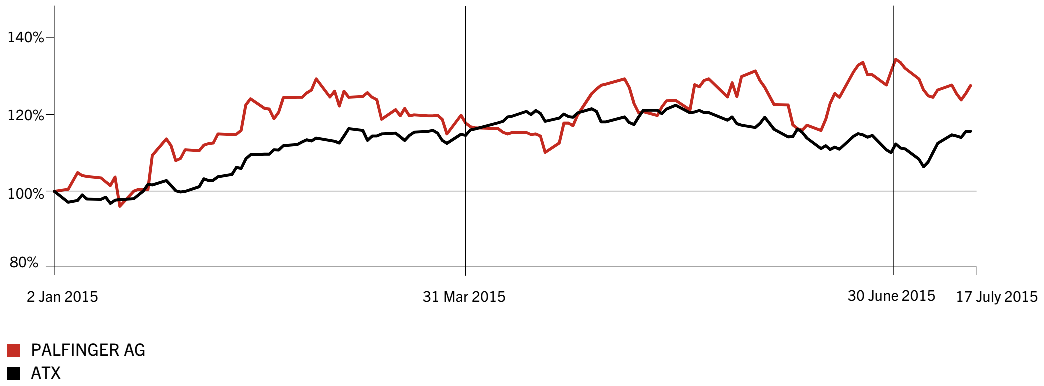
Wolfgang Pilz m.p.
Chief Marketing Officer

Martin Zehnder m.p.
Chief Operating Officer

SHAREHOLDER INFORMATION

HY1 2015	
International Securities Identification Number (ISIN)	AT0000758305
Number of shares issued	37,593,258
of which own shares	283,562
Price as at 30 June 2015	EUR 27.40
Earnings per share (HY1 2015)	EUR 0.93
Market capitalization as at 30 June 2015	EUR 1,030,055.27 thousand

SHARE PRICE DEVELOPMENT



INVESTOR RELATIONS

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FINANCIAL CALENDAR

30 October 2015	Publication of results for the first three quarters of 2015
5 February 2016	Balance sheet press conference
9 March 2016	Annual General Meeting

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

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