EXPANDING BOUNDARIES

GLOBAL PLAYER ON LAND AND AT SEA.
Interim Report for the First Half of 2017

KEY FIGURES OF THE PALFINGER GROUP

EUR thousand	HY1 2013	HY1 2014	HY1 2015	HY1 2016	HY1 2017
Income statement					
Revenue	473,263	531,170	606,198	665,571	753,751
EBITDAn[1)]	49,139	58,459	77,251	93,203	105,480
EBITDAn margin[1)]	10.4%	11.0%	12.7%	14.0%	14.0%
EBITn[1)]	34,033	41,246	57,266	71,395	77,090
EBITn margin[)]	7.2%	7.8%	9.4%	10.7%	10.2%
EBITDA	49,139	58,459	73,462	86,743	95,230
EBITDA margin	10.4%	11.0%	12.1%	13.0%	12.6%
EBIT	34,033	41,246	53,477	64,940	66,840
EBIT margin	7.2%	7.8%	8.8%	9.8%	8.9%
Result before income tax	27,166	35,740	48,635	58,802	59,536
Consolidated net result for the period	19,551	24,518	34,493	39,735	38,624
Balance sheet					
Current capital (average)[4)]	270,156	296,193	317,085	360,113	395,892
Current capital ratio[2)4)]	28.6%	28.7%	27.9%	27.9%	27.4%
Capital employed (average)[4)]	596,054	697,768	851,921	953,652	1,100,448
Equity ratio	43.2%	41.8%	41.8%	35.5%	35.6%
Net debt[4)]	243,341	353,802	380,741	507,795	539,550
Gearing[4)]	65.9%	80.0%	74.4%	93.9%	94.9%
Cash flows and investments					
Cash flows from operating activities	28,864	9,683	37,606	64,586	30,764
Free cash flows	5,465	(149,392)	7,010	(69,846)	12,478
Net investments	22,977	145,566	26,894	29,593	32,853
Depreciation, amortization and impairment	15,107	17,213	19,985	21,803	28,390
Payroll					
Average payroll during the reporting period[3)]	6,303	7,273	8,765	8,944	9,772
Share					
International Securities Identification Number (ISIN)					AT0000758305
Number of shares	35,730,000	35,730,000	37,593,258	37,593,258	37,593,258
Market capitalization	786,060	957,564	1,030,055	973,665	1,533,805
Price as at month end (EUR)	22.00	26.80	27.40	25.90	40.80
Earnings per share (EUR)	0.55	0.68	0.92	1.06	1.03

1) Starting in 2015, these figures were normalized (n=normalized) by restructuring costs.
2) Current capital (average) in proportion to revenue of the previous 12 months.
3) Consolidated group companies excluding equity shareholdings as well as excluding temporary workers.
4) The 2016 figures were adjusted with retrospective effect (see Adjustments with retrospective effect, pages 16-17).

CONSOLIDATED MANAGEMENT REPORT AS AT 30 JUNE 2017

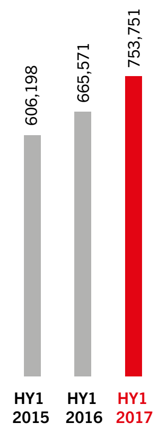
PERFORMANCE OF THE PALFINGER GROUP

In the first half of 2017, the PALFINGER Group continued to post strong growth. The overall highly positive trend thus remained unbroken, although the global environment was still heterogeneous. The good performance in Europe, Russia and China, as well as the acquisitions made by the Group since 2016, contributed significantly to the expansion of business. In the marine business, PALFINGER managed to curb organic decline in connection with the oil and gas crisis in the reporting period. The ongoing restructuring in North America and in the marine business had a detrimental effect on earnings and is expected to continue for a few more months. Nevertheless, PALFINGER's goal for 2017, which is to achieve two-digit operating profitability, excluding restructuring costs, was already met in the first six months.

The PALFINGER Group's revenue rose by 13.2 per cent from EUR 665.6 million in the first half of 2016 to EUR 753.8 million in the reporting period, setting a new record for a first-half result. In the LAND segment, revenue rose by 6.3 per cent, while in the SEA segment PALFINGER recorded growth of 65.2 per cent, reflecting the acquisition of the Harding Group. As a consequence, the contribution of this segment to the consolidated revenue was 17.1 per cent, as compared to 11.7 per cent in the previous year.

FINANCIAL POSITION, CASH FLOWS AND RESULT OF OPERATIONS

The European Union was the most important market region in the first half of 2017, accounting for 52.1 per cent of PALFINGER's revenue. It was followed by North America, with 20.1 per cent, and the Far East, with 7.7 per cent. Changes in exchange rates had a positive effect on revenue development, raising it by EUR 12.5 million. The acquisitions and changes in the Group's scope of consolidation made since the previous year contributed EUR 69.8 million to the growth in revenue achieved, the prime contributor being the Harding Group, consolidated at the end of June 2016, which accounted for EUR 54.7 million thereof.



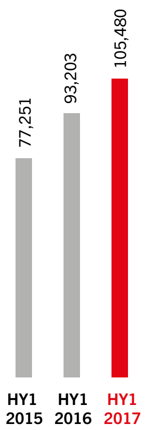
DEVELOPMENT OF REVENUE
(EUR thousand)

As a consequence of the growth in business, the cost of sales rose from EUR 490.8 million to EUR 567.9 million year on year. The cost of materials and personnel costs rose slightly in proportion to revenue. Gross profit increased from EUR 174.7 million in the first half of 2016 to EUR 185.9 million in the reporting period.

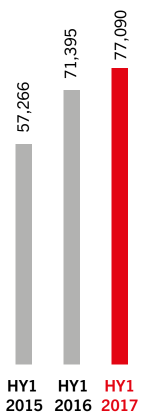
Structural costs for research and development, distribution and administration in connection with the business expansion rose from EUR 112.7 million to EUR 127.6 million. The increasing utilization of synergies is expected to help bring these costs back down to a lower level in the future.

EBITDA normalized by restructuring costs (EBITDAn) increased from EUR 93.2 million to EUR 105.5 million year on year, corresponding to a rise of 13.2 per cent. At 14.0 per cent, the EBITDAn margin remained stable. EBITn grew from EUR 71.4 million to EUR 77.1 million, and the EBITn margin returned to the double-digit range, coming to 10.2 per cent.

Performance over the individual quarters of 2017 shows the increases in revenue (Q1: EUR 361.9 million; Q2: EUR 391.9 million), EBITDAn (Q1: EUR 50.9 million; Q2: EUR 54.6 million) and EBITn (Q1: EUR 36.6 million; Q2: EUR 40.5 million) achieved by PALFINGER.



DEVELOPMENT OF EBITDAn
(EUR thousand)



DEVELOPMENT OF EBITn
(EUR thousand)

In the reporting period, restructuring costs amounted to EUR 10.2 million, as compared to EUR 6.5 million in the first half of 2016, and were incurred primarily as a result of the initiatives taken in North America and in the marine business. Restructuring costs encompass the costs of business model adjustments, site relocations and closures, significant capacity adjustments, M&A and integration costs, costs for one-off payments for termination of dealer relationships, as well as impairment of intangible assets relating to reorganizations.

The operating result (EBIT) increased by 2.9 per cent year on year, from EUR 64.9 million to EUR 66.8 million. The financial result of the PALFINGER Group declined to –EUR 7.3 million in the first half of 2017. This decrease of EUR 1.2 million was mainly caused by financing costs in connection with the acquisitions made. Income tax expense increased from EUR 14.6 million in the first half of 2016 to EUR 15.3 million in the first half of 2017. This rise was due to the improved profit situation in the LAND segment.

In the first half of 2017, the consolidated net result was therefore EUR 38.6 million, 2.8 per cent lower than the previous year's figure of EUR 39.7 million. Earnings per share amounted to EUR 1.03, as compared to EUR 1.06 in the first half of 2016.

Total assets increased from EUR 1,524.8 million as at 30 June 2016 to EUR 1,595.6 million as at 30 June 2017. Non-current assets rose from EUR 890.7 to EUR 897.6 million, remaining close to the previous year's figure. The rise in current assets from EUR 634.1 million to EUR 698.0 million resulted from the higher level of accounts receivable following the expansion of the Group's business volume.

Average current capital in proportion to revenue decreased from 27.9 per cent in the first half of 2016 to 27.4 per cent in the reporting period. The continued measures to reduce inventories, accounts receivable and accounts payable are expected to guarantee a continuous improvement of this key figure.

Equity rose from EUR 540.9 million as at 30 June 2016 to EUR 568.3 million. This increase was primarily caused by the increase in retained earnings. As a consequence, the equity ratio rose slightly from 35.5 per cent to 35.6 per cent.

At the end of March, PALFINGER placed a promissory note loan in the amount of EUR 200 million, which facilitated the long-term refinancing of the acquisition of the Harding Group as well as other acquisition projects.

In this connection, non-current liabilities increased from EUR 475.8 million to EUR 652.2 million, while current liabilities decreased from EUR 508.0 million to EUR 375.1 million. 102.4 per cent of PALFINGER's total capital employed has been secured on a long-term basis. Net debt increased from EUR 507.8 million to EUR 539.6 million. This resulted in an increase in the gearing ratio from 93.9 per cent as at 30 June 2016 to 94.9 per cent as at 30 June 2017.

Net investments during the reporting period came to EUR 32.9 million and comprised primarily the enlargement of production and manufacturing capacities and current replacement investments.

In the first half of 2017, cash flows from operating activities amounted to EUR 30.8 million, as compared to EUR 64.6 million in the first half of 2016, with the main negative effect coming from the rise in accounts receivable caused by the Group's strong growth in revenue. Cash flows from investing activities came to –EUR 23.1 million in the first half of 2017, as compared to –EUR 138.7 million in the same period of 2016. However, the previous year's figure included the purchase price payments for the acquisitions of the Harding Group and PALFINGER Iberica, which had a negative impact. Free cash flows rose from –EUR 69.8 million in the first half of 2016 to EUR 12.5 million in the first half of 2017.

Cash flows from financing activities amounted to EUR 14.1 million, compared to EUR 80.5 million in the same period of the previous year. This development was caused by the decrease in current liabilities as a consequence of the issue of the promissory note loan.

PERFORMANCE BY SEGMENT

	External revenue		Intra-group revenue		EBITDAn[1]		EBITn[1]		EBIT	
EUR thousand	Jan–June 2016	Jan–June 2017	Jan–June 2016	Jan–June 2017	Jan–June 2016	Jan–June 2017	Jan–June 2016	Jan–June 2017	Jan–June 2016	Jan–June 2017
LAND	587,399	624,588	6,129	6,838	95,684	106,486	77,406	86,100	73,302	78,617
SEA	78,172	129,163	1,590	3,742	5,221	5,933	3,110	(498)	2,208	(3,002)
HOLDING	-	-	-	-	(7,648)	(6,932)	(9,067)	(8,505)	(10,516)	(8,768)
Segment consolidation	-	-	(7,719)	(10,580)	(54)	(7)	(54)	(7)	(54)	(7)
PALFINGER Group	**665,571**	**753,751**	**0**	**0**	**93,203**	**105,480**	**71,395**	**77,090**	**64,940**	**66,840**

1) Figures were normalized (n = normalized) by restructuring costs.

LAND SEGMENT

Business development in the first half of 2017

The LAND segment comprises business with land-based lifting solutions for use on commercial vehicles. In the first half of 2017, the segment's revenue rose by 6.3 per cent from EUR 587.4 million in the first half of 2016 to EUR 624.6 million. This growth was based on the expansion of business in the regions EMEA and CIS. In Europe, moreover, the acquisition of the Spanish distribution company and the establishment of PALFINGER Iberica in 2016, as well as the acquisition of the Danish distribution partner Palfinger Danmark AS, generated positive momentum.

The segment's normalized EBITDA (EBITDAn) grew by 11.3 per cent from EUR 95.7 million to EUR 106.5 million. At 17.0 per cent, the segment's EBITDAn margin in the first half of 2017 was higher than in the same period of the previous year, when it came to 16.3 per cent. The restructuring costs allocated to this segment amounted to EUR 7.5 million in the reporting period, as compared to EUR 4.1 million in the first half of 2016.

Operational highlights

The economic recovery in Europe is still being felt in the EMEA region. Particularly in construction and infrastructure, PALFINGER benefited from the increase in necessary replacement investments, which had been suspended in recent years.

The restructuring in North America brought material success. In addition to making adaptations to its internal organization, PALFINGER sold its service body business in the first quarter of 2017. The revision of the product portfolio is progressing and the first newly developed products are about to be presented to the market. Provided that the demand for loader cranes continues to be satisfactory, profitability in North America is expected to grow in the months to come. In South America, PALFINGER continued to operate in a highly difficult market environment, but it seems that the downturn has bottomed out.

In Asia, particularly in China, the partnership with SANY is the foundation for the sound development of business. The Sany Palfinger joint venture recorded satisfactory increases in revenue during the reporting period. In Russia/CIS, the economic environment remained a challenging one, and local value creation continued to prove advantageous, facilitating additional growth.

SEA SEGMENT

Business development in the first half of 2017

The SEA segment encompasses all PALFINGER operations in connection with ships, offshore facilities and wind energy plants. In the first half of 2017, the SEA segment's revenue grew to EUR 129.2 million, corresponding to an increase of 65.2 per cent over the previous year's figure of EUR 78.2 million. This growth in revenue reflects the acquisition of the Harding Group at the end of June 2016.

The segment's normalized EBITDA (EBITDAn) increased from EUR 5.2 million in the first half of 2016 to EUR 5.9 million. The EBITDAn margin came to 4.6 per cent, after 6.7 per cent in the same period of the previous year – a clear indication of the currently low business volume in the established marine sector and the potential yet to be tapped by Harding. The restructuring costs incurred by this segment amounted to EUR 2.5 million, as compared to EUR 0.9 million in the first half of 2016.

Operational highlights

In the first half of 2017, the business environment of the SEA segment remained highly challenging as a result of the strained situation of the oil and gas industry. Nevertheless, following massive declines in 2016, PALFINGER succeeded in keeping its revenue, excluding the acquisition of Harding, nearly at the same level as in the first half of 2016.

In the reporting period, the level of incoming orders was on the increase in some areas, pointing to a stabilization of the market situation. PALFINGER intends to position itself favourably for future upturns through targeted restructuring. Some measures, such as the consolidation of business operations and sites in Korea and the Netherlands, have already been implemented, also with the aim of utilizing synergies between PALFINGER's established marine business and the Harding Group. The integration of Harding is expected to take until the end of the year.

HOLDING UNIT

Business development in the first half of 2017

Reporting on the HOLDING unit presents the set of group functions that are bundled at headquarters, as well as strategic project costs incurred by this unit. In the first half of 2017, EBITDAn amounted to –EUR 6.9 million, after –EUR 7.6 million in the same period of the previous year. In the reporting period, the restructuring costs allocated to this unit came to EUR 0.3 million, as compared to EUR 1.4 million in the first half of 2016.

OTHER EVENTS

In January 2017, PALFINGER acquired 20 per cent of the shares in Sky Steel Systems LLC. Sky Steel Systems, headquartered in Dubai, produces facade access equipment and PALFINGER expects numerous synergies with its Railway Systems business unit. At the end of January, PALFINGER acquired 100 per cent of the shares in its Danish dealer, Palfinger Danmark AS, as the previous owner will focus on its core business in the future. In the course of the restructuring in North America, PALFINGER sold its business of mounting and selling service bodies. With effect as of the end of March, this business was transferred from four sites to the Reading Truck Group.

In June, Christoph Kaml, the Chief Financial Officer of PALFINGER AG, informed the Supervisory Board of his intention to retire from office as of the end of August in order to pursue new opportunities. The Supervisory Board accepted Mr. Kaml's resignation with regret and immediately gave instructions to find a successor. Christoph Kaml joined PALFINGER in 2004, and was appointed CFO in 2009. From 2012 to 2015 he was based in China, where he developed the cooperation with SANY.

Digitalization and innovation were the central issues at this year's dealer event "PALFINGER World Conference" in June 2017. More than 350 participants from all over the world met in Salzburg, Austria, to learn about current topics and future demands. In a symposium with internal and external experts, the strategies and opportunities of PALFINGER's digital future were discussed, including customer-specific solutions as well as out-of-the-box approaches.

PALFINGER is also a pioneer when it comes to brand presentation. In May 2017, the innovative, interactive exhibition "PALFINGER World" opened in Lengau, Austria, at PALFINGER's largest production site. "PALFINGER World" puts the spotlight on PALFINGER's brand promise of LIFETIME EXCELLENCE. At this exciting, hands-on exhibition, featuring a 3D cinema with wall and floor projections and active stereo 3D technology, a test track with PALFINGER models built to scale, and a series of virtual reality stations, visitors can discover the essence of the PALFINGER brand promise for themselves.

MATERIAL RISKS AND UNCERTAINTIES IN THE SECOND HALF OF 2017

Current geopolitical and economic developments continue to harbour numerous challenges. Most recently, economic recovery has been perceptible in Europe, and forecasts were raised slightly. The ties between Western Europe and Russia, however, remained strained at the political and economic levels. PALFINGER's local production in Russia has cushioned the direct effects of the sanctions imposed; however, the marked slowdown in economic growth, particularly 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 continuously low oil prices have had a negative impact on orders. As a result of the acquisitions carried out in the marine sector, PALFINGER's dependence on the oil industry has increased. Moreover, the low capacity utilization of shipping vessels in the oil supply sector has had an impact on the marine services business. To overcome this dependence on oil prices in the marine sector, PALFINGER has been trying to enter existing markets, such as that of cruise ships. Here there are enormous entry barriers to be overcome, for example in the form of necessary certifications.

The Chinese economy is not expected to improve in the medium term. Uncertainties in the US market continue to be related to political developments and the possibility of new legislation such as new taxes on imported goods. This situation has affected trade relations between Europe and the USA as well as within the NAFTA region. Most recently, economic growth in the US market has been satisfactory; however, PALFINGER is currently unable to fully capitalize on market opportunities and EBIT margins. PALFINGER's ongoing restructuring efforts are also aimed at enhancing the cost structure.

Given that substantial value-creation stages lie in manufacture and assembly, an extended production downtime at one site would have a significant impact on the financial results generated by PALFINGER. The current high level of capacity utilization at its European plants further presents PALFINGER with the challenge of keeping its supply chain stable.

PALFINGER's expansion of the volatile project business, particularly in the marine business and in railway systems, has increased the Group's project risks.

PALFINGER's growth strategy of previous years has resulted in an increase in structural costs. In order to counter the higher level of costs and tap into synergies, group-wide initiatives and integration projects have been promoted with a focus on standardizing and optimizing business processes, consolidating structures, and expanding shared-service-centre activities. Lengthy decision-making processes could delay the implementation of optimization measures, which means that increases in efficiency might be implemented more slowly or only to a limited degree. Integration projects harbour the risk that the synergies planned may not be realized in a timely manner and/or that integration costs may be higher than planned.

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 in order for PALFINGER to bring new products and services to the market on an ongoing basis. Today's dynamic environment and stiff competition tend to result in an ever-faster product cycle, thus increasing the risk of quality defects if innovations are launched prematurely.

The digitalization trend harbours both opportunities and risks for PALFINGER. Continuous communication with PALFINGER's sales partners and customers is essential so that PALFINGER can continue to develop customer-oriented solutions and thereby generate competitive advantages on the market. In addition, the market has to be monitored with regard to disruptive technologies.

The risk of large-scale cyber attacks on enterprises is on the increase, to which PALFINGER has responded by developing the necessary know-how and taking measures to enhance IT security.

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. Through apprentice training programmes, regular executive development and flexible working time models, PALFINGER is striving to be an attractive employer and to become an employer of choice in the growth regions as well. At the same time, ever shorter cycles of change in connection with disruptive technologies and innovations – cloud computing, social media, big data and analytics, mobility, automation or artificial intelligence – are putting employees' adaptability to the test.

The upcoming nomination of a new Management Board member brings some uncertainty to the management of the PALFINGER Group. Decision-making processes for major projects, for example, may be delayed or modified.

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.

Purchase price allocations made in the course of acquisitions require assumptions as to the existence and measurement of the assets (primarily intangible assets), liabilities and contingent liabilities taken over. In addition, the assumptions made when determining the fair values in the course of the purchase price allocation mainly refer to the cash flows and the discount rate.

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 result of the acquisition of the Harding Group in 2016, the carrying amount of goodwill increased to EUR 235 million. The development of goodwill in the business area Marine cash-generating unit is primarily influenced by the development of the offshore market. A long-term deterioration of this market could necessitate an impairment.

As a consequence of the participations in connection with SANY (SANY Automobile Hoisting Machinery, Sany Palfinger SPV Equipment and Palfinger Sany International Mobile Cranes Sales), EUR 145.5 million were shown under investments in companies reported at equity as at the balance sheet date 30 June 2017. These shares include goodwill of EUR 88.0 million. Whether these shares will have to be impaired depends on the development of the Chinese economy, the degree of success of the internationalization strategy, and the economic development of the sales markets of Palfinger Sany International Mobile Cranes Sales. In China, the need for impairment of these shares will be influenced primarily by the performance of the construction industry. The progressing urbanization, the necessary infrastructure projects resulting from it, increasing wage costs and the associated increase in the economic effectiveness of automated lifting, loading and unloading operations will play a vital role in this connection. In the international markets, there are various political and macroeconomic risks that may have an impact on whether or not the shares in connection with the partnership with SANY 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. 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 hedge accounting, a high probability of the respective future cash flows' actually occurring is assumed. Hedge accounting is discontinued if the hedged transaction is no longer expected to occur.

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 discernible risks that might jeopardize the continued existence of the Company.

OUTLOOK

The high level of incoming orders recorded by the PALFINGER Group in the first half of 2017 gives reason to expect that business performance, which was good overall, although heterogeneous across the individual regions, will continue to be satisfactory throughout the rest of the financial year. The Harding Group has been a part of PALFINGER since the end of June 2016; this has resulted in a significant expansion of the PALFINGER Group's marine business and markedly increased the key figures for the first half of 2017 year on year.

Most of the restructuring measures in North America and in the marine business were implemented in previous months; any outstanding issues are expected to be completed by the end of the year. In particular the integration of the Harding Group, the largest acquisition in the history of PALFINGER, requires a sufficient amount of attention and time. The restructuring costs will impact negatively on 2017 earnings, as expected.

For the 2017 financial year as a whole, the management continues to expect revenue and earnings, normalized by integration and restructuring costs, to grow. From today's point of view, new record levels seem realistic. PALFINGER's target for 2017, which was already met in the first half of the year, is to achieve a two-digit EBITn margin.

The current internal and external developments give PALFINGER reason to look to 2018 with optimism. The recent high level of incoming orders prompted the Company to cut the company holidays in the summer of 2017 short and will also be reflected in the business results for 2018. PALFINGER has also identified great catch-up opportunities in its currently most important market region EMEA; in addition, the restructuring process in North America is expected to push up revenue and earnings.

The changes prompted by growing digitalization are being given great priority by PALFINGER. The establishment of the relevant internal organization is ongoing, and open innovation is being promoted more strongly, for example through events such as the hackathon of March 2017 and the planned new development site at a start-up-centre in Vienna, which is scheduled for the autumn of 2017.

Moreover, group-wide initiatives with a focus on customer orientation, digitalization and the optimization of processes support the PALFINGER Group in its endeavours to prepare for the challenges of the coming years. In this connection, PALFINGER has also been reviewing its corporate vision. PALFINGER's comprehensive strategic corporate planning up to 2022 will be concluded in 2017 and will take this reviewed corporate vision into account. For the first time, it will also include target ranges for earnings.

INTERIM CONSOLIDATED FINANCIAL INFORMATION AS AT 30 JUNE 2017

CONSOLIDATED INCOME STATEMENT (CONDENSED)

EUR thousand	Note	Apr–June 2016	Apr–June 2017	Jan–June 2016	Jan–June 2017
Revenue		**346,808**	**391,874**	**665,571**	**753,751**
Cost of sales		(257,461)	(296,399)	(490,823)	(567,861)
Gross profit		**89,347**	**95,475**	**174,748**	**185,890**
Other operating income	1,2	2,716	6,600	5,330	13,084
Research and development costs		(7,186)	(7,340)	(13,866)	(14,114)
Distribution costs		(23,791)	(28,200)	(45,348)	(55,991)
Administrative costs		(26,336)	(27,156)	(53,467)	(57,454)
Other operating expenses	1	(2,589)	(5,668)	(5,816)	(8,878)
Income from companies reported at equity	4	2,616	1,542	3,359	4,303
Earnings before interest and taxes – EBIT		**34,777**	**35,253**	**64,940**	**66,840**
Net financial result		**(3,119)**	**(4,916)**	**(6,138)**	**(7,304)**
Result before income tax		**31,658**	**30,337**	**58,802**	**59,536**
Income tax expense		(8,225)	(7,762)	(14,602)	(15,344)
Result after income tax		**23,433**	**22,575**	**44,200**	**44,192**
attributable to					
shareholders of PALFINGER AG (consolidated net result for the period)		**21,095**	**19,228**	**39,735**	**38,624**
non-controlling interests		**2,338**	**3,347**	**4,465**	**5,568**
EUR					
Earnings per share (undiluted and diluted)	6	0.57	0.51	1.06	1.03
Average number of shares outstanding		37,324,535	37,593,258	37,324,535	37,593,258

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONDENSED)

EUR thousand	Apr–June 2016	Apr–June 2017	Jan–June 2016	Jan–June 2017
Result after income tax	**23,433**	**22,575**	**44,200**	**44,192**
Amounts that will not be reclassified to the income statement in future periods				
Remeasurement acc. to IAS 19 (after tax)	(3,501)	0	(3,501)	0
Amounts that may be reclassified to the income statement in future periods				
Unrealized profits (+)/losses (–) from foreign currency translation (after tax)	9,199	(37,053)	140	(37,208)
Unrealized profits (+)/losses (–) from cash flow hedge (after tax)	(295)	2,269	3,460	4,781
Other comprehensive income after income tax	**5,403**	**(34,784)**	**99**	**(32,427)**
Total comprehensive income	**28,836**	**(12,209)**	**44,299**	**11,765**
attributable to				
shareholders of PALFINGER AG	**25,836**	**(14,449)**	**39,138**	**6,947**
non-controlling interests	**3,000**	**2,240**	**5,161**	**4,818**

CONSOLIDATED BALANCE SHEET

EUR thousand	Note	30 June 2016[1)]	31 Dec 2016[1)]	30 June 2017
Non-current assets				
Intangible assets		371,166	380,111	374,345
Property, plant and equipment	3	294,318	312,314	309,860
Investment property		338	328	318
Investments in companies reported at equity	4	167,811	171,871	162,333
Other non-current assets		9,226	5,715	2,549
Deferred tax assets		17,851	18,128	16,449
Non-current financial assets	9	30,032	32,707	31,774
		890,742	**921,174**	**897,628**
Current assets				
Inventories	5	297,452	282,702	298,676
Trade receivables	5	259,885	251,672	289,268
Other current receivables and assets		41,852	35,152	48,615
Income tax receivables		1,737	4,195	1,074
Current financial assets	9	4,870	5,137	6,410
Cash and cash equivalents		28,280	33,922	53,941
		634,076	**612,780**	**697,984**
Non-current assets held for sale		0	1,893	0
Total assets		**1,524,818**	**1,535,847**	**1,595,612**
Equity				
Share capital		37,593	37,593	37,593
Additional paid-in capital		86,960	86,844	86,844
Retained earnings	6	400,586	418,180	441,742
Foreign currency translation reserve		(6,018)	11,851	(24,607)
		519,121	**554,468**	**541,572**
Non-controlling interests		21,816	25,452	26,776
		540,937	**579,920**	**568,348**
Non-current liabilities				
Liabilities from puttable non-controlling interests		2,891	3,004	3,132
Non-current financial liabilities	9	381,743	431,918	565,956
Non-current purchase price liabilities from acquisitions	7,9	14,716	15,364	15,493
Non-current provisions	8	53,141	49,576	45,128
Deferred tax liabilities		20,572	22,795	19,935
Other non-current liabilities		2,780	2,621	2,558
		475,843	**525,278**	**652,202**
Current liabilities				
Liabilities from puttable non-controlling interests		9,032	0	0
Current financial liabilities	9	189,235	152,804	65,641
Current purchase price liabilities from acquisitions		5,158	0	0
Current provisions		17,483	18,973	18,171
Income tax liabilities		22,010	7,924	15,258
Trade payables and other current liabilities		265,120	250,948	275,992
		508,038	**430,649**	**375,062**
Total equity and liabilities		**1,524,818**	**1,535,847**	**1,595,612**

1) These figures were adjusted with retrospective effect (see Adjustments with retrospective effect, pages 16-17).

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONDENSED)

	Equity attributable to the shareholders of PALFINGER AG						
EUR thousand	Share capital	Additional paid-in capital	Treasury stock	Retained earnings	Foreign currency translation reserve	Non-controlling interests	Equity
As at 1 Jan 2016	**37,593**	**82,141**	**(1,543)**	**378,193**	**(5,372)**	**19,646**	**510,658**
Total comprehensive income							
Result after income tax	0	0	0	39,735	0	4,465	44,200
Other comprehensive income after income tax							
Remeasurement acc. to IAS 19	0	0	0	(3,411)	0	(90)	(3,501)
Unrealized profits (+)/losses (–) from foreign currency translation	0	0	0	0	(646)	786	140
Unrealized profits (+)/losses (–) from cash flow hedge	0	0	0	3,460	0	0	3,460
	0	**0**	**0**	**39,784**	**(646)**	**5,161**	**44,299**
Transactions with shareholders							
Dividends	0	0	0	(14,551)	0	(6,090)	(20,641)
Reclassification non-controlling interests	0	0	0	(2,840)	0	(382)	(3,222)
Sale of own shares	0	4,573	1,543	0	0	0	6,116
Addition non-controlling interests	0	0	0	0	0	3,480	3,480
Other changes	0	246	0	1	0	0	247
	0	**4,819**	**1,543**	**(17,390)**	**0**	**(2,992)**	**(14,020)**
As at 30 June 2016	**37,593**	**86,960**	**0**	**400,587**	**(6,018)**	**21,815**	**540,937**
As at 1 Jan 2017	**37,593**	**86,844**	**0**	**418,180**	**11,851**	**25,452**	**579,920**
Total comprehensive income							
Result after income tax	0	0	0	38,624	0	5,568	44,192
Other comprehensive income after income tax							
Unrealized profits (+)/losses (–) from foreign currency translation	0	0	0	0	(36,458)	(750)	(37,208)
Unrealized profits (+)/losses (–) from cash flow hedge	0	0	0	4,781	0	0	4,781
	0	**0**	**0**	**43,405**	**(36,458)**	**4,818**	**11,765**
Transactions with shareholders							
Dividends	0	0	0	(21,428)	0	(8,715)	(30,143)
Reclassification non-controlling interests	0	0	0	(270)	0	(2)	(272)
Addition non-controlling interests	0	0	0	0	0	5,223	5,223
Other changes	0	0	0	1,855	0	0	1,855
	0	**0**	**0**	**(19,843)**	**0**	**(3,494)**	**(23,337)**
As at 30 June 2017	**37,593**	**86,844**	**0**	**441,742**	**(24,607)**	**26,776**	**568,348**

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR thousand	Jan–June 2016	Jan–June 2017
Result before income tax	**58,802**	**59,536**
Write-downs (+)/write-ups (–) of non-current assets	21,806	28,388
Gains (–)/losses (+) on the disposal of non-current assets	(54)	1,284
Change in purchase price liability	(186)	197
Interest income (–)/interest expenses (+)	5,373	6,186
Income from companies reported at equity	(3,359)	(4,304)
Other non-cash income (–)/expenses (+)	3,465	5,649
Increase (–)/decrease (+) of assets	(42,863)	(86,090)
Increase (+)/decrease (–) of provisions	5,169	(5,476)
Increase (+)/decrease (–) of liabilities	22,620	34,067
Cash flows generated from operations	**70,773**	**39,437**
Interest received	733	793
Interest paid	(5,483)	(6,153)
Dividends received from companies reported at equity	2,440	3,761
Income tax paid	(3,877)	(7,074)
Cash flows from operating activities	**64,586**	**30,764**
Cash receipts from the sale of intangible assets and property, plant and equipment	1,439	5,768
Cash payments for the acquisition of intangible assets and property, plant and equipment	(30,939)	(38,820)
Cash payments for the acquisition of subsidiaries net of cash acquired	(108,909)	(2,958)
Cash payments for investments in companies reported at equity	(1,700)	(1,626)
Cash receipts from the sale of subsidiaries and other businesses	0	11,982
Cash payments for the acquisition of securities	0	(832)
Cash payments for/cash receipts from other assets	1,383	3,403
Cash flows from investing activities	**(138,726)**	**(23,083)**
Dividends to shareholders of PALFINGER AG	(14,551)	(21,428)
Dividends to non-controlling shareholders	(6,089)	(8,779)
Cash receipts from the sale of own shares	7,640	0
Cash payments for the acquisition of non-controlling interests	0	(9,845)
Cash receipts non-controlling interests	246	0
Loans for the acquisition of interests	0	60,000
Repayment of loans for acquisitions	(5,542)	(2,000)
Repayment of maturing/terminated loans	0	(105,000)
Issue of promissory note loans	0	200,000
Bridge financing loans for the acquisition of interests	110,798	0
Repayment of bridge financing loans for the acquisition of interests	0	(90,000)
Repayment of maturing/terminated leasing liabilities	0	(9,609)
Cash payments for/cash receipts from other financial liabilities	(12,002)	711
Cash flows from financing activities	**80,500**	**14,050**
Total cash flows	**6,360**	**21,731**

EUR thousand	2016	2017
Funds as at 1 Jan	**21,551**	**33,922**
Effects of changes in foreign exchange rates	369	(1,712)
Total cash flows	6,360	21,731
Funds as at 30 June	**28,280**	**53,941**

SEGMENT REPORTING

	External revenue		Intra-group revenue		EBITn[1]		EBIT	
EUR thousand	Jan–June 2016	Jan–June 2017	Jan–June 2016	Jan–June 2017	Jan–June 2016	Jan–June 2017	Jan–June 2016	Jan–June 2017
LAND	587,399	624,588	6,129	6,838	77,406	86,100	73,302	78,617
SEA	78,172	129,163	1,590	3,742	3,110	(498)	2,208	(3,002)
HOLDING	-	-	-	-	(9,067)	(8,505)	(10,516)	(8,768)
Segment consolidation	-	-	(7,719)	(10,580)	(54)	(7)	(54)	(7)
PALFINGER Group	**665,571**	**753,751**	**0**	**0**	**71,395**	**77,090**	**64,940**	**66,840**

1) Figures were normalized (n = normalized) by restructuring costs.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL INFORMATION

GENERAL REMARKS

PALFINGER AG is a publicly listed company headquartered in Bergheim near Salzburg, Austria. Its main business activity is the production and sale of innovative lifting solutions for the 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 2016 financial year were applied to this condensed interim consolidated financial information of PALFINGER AG and its subsidiaries as at 30 June 2017, which was prepared on the basis of IAS 34. The consolidated financial statements for the year ended 31 December 2016 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 2016.

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

CHANGES IN ACCOUNTING AND VALUATION METHODS

No changes in accounting and valuation methods were made in the first half of 2017.

ADJUSTMENTS WITH RETROSPECTIVE EFFECT

ACQUISITION OF THE HARDING GROUP

The acquisition of the Harding Group was closed on 30 June 2016. The purchase price allocation was made on the basis of the preliminarily estimated fair values. The preliminarily estimated fair values as at the time of acquisition were adjusted as compared to the interim report on the first half of 2016.

EUR thousand	preliminary	final
Purchase price paid in cash	115,032	115,032
Subtotal	**115,032**	**115,032**
Pro-rata net assets	(17,745)	(11,468)
Goodwill	**97,287**	**103,564**

EUR thousand	Preliminary fair value	Adjustments	Final fair value
Non-current assets			
Intangible assets	44,082	(1,955)	42,127
Property, plant and equipment	15,932	2	15,934
Deferred tax assets	5,517	(1,340)	4,177
Other non-current assets	4,572	(4,303)	269
	70,103	**(7,596)**	**62,507**
Current assets			
Inventories	13,342	(47)	13,295
Trade receivables	45,581	(2,364)	43,217
Other current receivables and assets	6,686	4,079	10,765
Income tax receivables	95	0	95
Cash and cash equivalents	4,636	0	4,636
	70,340	**1,668**	**72,008**
Non-current liabilities			
Non-current financial liabilities	54,624	1,520	56,144
Non-current provisions	1,513	0	1,513
Deferred tax liabilities	11,263	(1,326)	9,937
	67,400	**194**	**67,594**
Current liabilities			
Current financial liabilities	13,843	870	14,713
Current provisions	583	0	583
Income tax liabilities	2,099	(53)	2,046
Trade payables and other current liabilities	38,773	(662)	38,111
	55,298	**155**	**55,453**
Net assets	**17,745**	**(6,277)**	**11,468**

In 2017, an adjustment of the fair value of intangible assets (software) in the amount of –EUR 1,955 thousand was made.

See Integrated Annual Report 2016, pp. 127-129, for information on the adjustments made in 2016.

SCOPE OF CONSOLIDATION

In the course of the restructuring in North America, PALFINGER transferred the business of mounting and selling service bodies – special truck bodies for small trucks and pick-ups – from four PalFleet sites to the Reading Truck Group. The contract for the transaction was closed at the end of March, resulting in other operating income of EUR 2.6 million.

Acquisitions in 2017

In January 2017, PALFINGER acquired 20 per cent of the shares in Sky Steel Systems LLC, Dubai. In addition, a call option for another 29 per cent was agreed upon. Sky Steel Systems produces facade access equipment, which is primarily used to maintain and clean the facades of high-rise buildings. PALFINGER's Railway Systems business unit has already been engaged in the business of maintenance of infrastructure and buildings, and the Group expects numerous synergies in this field. The company is included in the consolidated financial statements at equity as an associated company.

At the end of January 2017, PALFINGER acquired 100 per cent of the shares in its Danish dealer, Palfinger Danmark AS. In the future, the previous owner will focus on its core business. PALFINGER took over all the staff and agreed to keep the entire sales and service network in operation under the direction of the company's established management team.

On 31 January 2017, PALFINGER acquired 100 per cent of the shares in Capital Investment d.o.o. The seller was Capital Investment GmbH, a company of the private foundation Palfinger Privatstiftung. The acquired company is the owner of a property at the Maribor site that is being rented by the PALFINGER Group, and has no business operations apart from that.

PALFINGER has held an at-equity interest of 30 per cent in the Argentinian company Andrés N. Bertotto S.A.I.C. (Hidro-Grubert) since 2014. Hidro-Grubert produces access platforms, hydraulic knuckle-boom cranes and truck bodies. As PALFINGER was granted a call option for another 40 per cent in the company, exercisable between 2017 and 2019, there is currently the ability of PALFINGER to exercise control over Hidro-Grubert. Therefore, the company has been fully consolidated since the beginning of 2017.

The fair value measurement of the 30 per cent interest held so far, carried out in the course of the initial consolidation, resulted in proceeds of EUR 1,218 thousand reported under income from companies reported at equity.

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

EUR thousand	Sky Steel Systems LLC	Palfinger Danmark AS	Capital Investment d.o.o.	Hidro-Grubert
Purchase price paid in cash	1,626	3,585	2,818	0
Fair value of shares already held	0	0	0	4,453
Pro-rata net assets of non-controlling interests	0	0	0	5,223
Subtotal	**1,626**	**3,585**	**2,818**	**9,676**
Net assets	(29)	(2,472)	(2,818)	(7,460)
Goodwill	**1,597**	**1,113**	**0**	**2,216**

EUR thousand	Palfinger Danmark AS	Capital Investment d.o.o.	Hidro-Grubert
Non-current assets			
Intangible assets	1,618	0	2,740
Property, plant and equipment	191	2,638	3,059
Deferred tax assets	20	0	169
Other non-current assets	2	0	0
	1,831	**2,638**	**5,968**
Current assets			
Inventories	795	0	4,465
Trade receivables	1,842	30	2,512
Other current receivables and assets	31	3	1,470
Income tax receivables	0	0	730
Cash and cash equivalents	377	155	251
	3,045	**188**	**9,428**
Non-current liabilities			
Non-current financial liabilities	76	0	75
Deferred tax liabilities	273	0	1,515
	349	**0**	**1,590**
Current liabilities			
Current financial liabilities	26	0	38
Current provisions	115	0	409
Income tax liabilities	136	3	870
Trade payables and other current liabilities	1,778	5	5,029
	2,055	**8**	**6,346**
Net assets	**2,472**	**2,818**	**7,460**

Since the initial consolidation, the acquisitions have added EUR 15,070 thousand (Palfinger Danmark AS: EUR 9,572 thousand, Hidro-Grubert: EUR 5,498 thousand) to the consolidated revenue of PALFINGER AG and contributed EUR 258 thousand (Palfinger Dankmark AS: EUR 78 thousand, Hidro-Grubert: EUR 138 thousand, Capital Investment d.o.o.: EUR 42 thousand) to the consolidated net result for the period.

The consolidated net result for the period would not have been materially different if all acquisitions had been made with effect from 1 January 2017.

The goodwill associated with the acquisition of Sky Steel Systems LLC primarily reflects the benefits expected from synergies and potential arising from the building maintenance area and from market access. The goodwill associated with the acquisitions of Palfinger Danmark AS and Hidro-Grubert reflect primarily potential expected from the market expansion in Denmark and/or Argentina, and from staff know-how.

NOTES TO THE CONSOLIDATED INCOME STATEMENT

(1) Exchange rate differences

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

EUR thousand	Jan–June 2016	Jan–June 2017
Exchange rate differences income	1,871	3,352
Exchange rate differences expenses	(2,051)	(3,631)
Exchange rate differences in at equity result	102	(47)
Earnings before interest and taxes – EBIT	**(78)**	**(326)**
Exchange rate differences of the net financial result	(950)	(883)
Result from exchange rate differences	**(1,028)**	**(1,209)**

(2) Other operating income

The sale of four PalFleet sites generated other operating income of EUR 2.6 million.

NOTES TO THE CONSOLIDATED BALANCE SHEET

(3) Property, plant and equipment

Property, plant and equipment increased as compared to 31 December 2016 due to additions to land and buildings in the amount of EUR 1,883 thousand (previous year until 30 June 2016: EUR 3,556 thousand), to plants, machinery and tools in the amount of EUR 5,479 thousand (previous year until 30 June 2016: EUR 3,961 thousand) and to fixtures, fittings and equipment in the amount of EUR 6,933 thousand (previous year until 30 June 2016: EUR 6,173 thousand). Prepayments and assets under construction increased due to additions in the amount of EUR 15,062 thousand (previous year until 30 June 2016: EUR 12,641 thousand) and corporate acquisitions (see Acquisitions in 2017).

(4) Investments in companies reported at equity

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

EUR thousand	2016	2017
As at 1 Jan	**175,675**	**171,871**
Additions	0	1,626
Reclassification due to full consolidation	0	(3,236)
Share in the net result for the period	7,174	3,327
Dividends	(5,312)	(2,737)
Foreign currency translation	(5,666)	(8,518)
As at 31 Dec/30 June	**171,871**	**162,333**

The reclassification concerns the full consolidation of Hidro-Grubert (see Acquisitions in 2017).

(5) Inventories and trade receivables

Inventories increased by EUR 15,974 thousand as compared to 31 December 2016, mainly due to demand-related inventory build-up in the business area EMEA.

The increase in trade receivables of EUR 37,596 thousand refers primarily to receivables from contract manufacturing in the Marine business area as well as trade receivables in the business area EMEA.

The receivables sold in connection with the existing factoring agreement amounted to EUR 43,947 thousand (31 December 2016: EUR 37,854 thousand) as at the balance-sheet date (30 June 2017) and were fully derecognized in accordance with the rules of IAS 39 due to the transfer of control.

As at 30 June 2017, receivables from contract manufacturing and rendering of services amounted to EUR 81,960 thousand (31 December 2016: EUR 67,699 thousand). This increase was primarily recorded in the SEA segment.

(6) Equity

The Annual General Meeting held on 8 March 2017 adopted a resolution for payment of a dividend in the amount of EUR 21,428 thousand out of the 2016 profits. This dividend – paid to PALFINGER AG shareholders on 14 March 2017 – was equivalent to a dividend of EUR 0.57 per share (previous year: EUR 0.57 per share).

On the basis of a consolidated net result for the period of EUR 38,624 thousand (Jan–June 2016: EUR 39,735 thousand) undiluted earnings per share were EUR 1.03 (Jan–June 2016: EUR 1.06). Diluted earnings per share were identical to undiluted earnings per share.

(7) Non-current purchase price liabilities from acquisitions

As at the balance sheet date, non-current purchase price liabilities from acquisitions included purchase price portions not yet due from the acquisition of subsidiaries in 2014 and 2016. These purchase price portions consist of a put/call option to sell/buy 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. In addition, a contingent consideration for the acquisition of the MYCSA Group, which was agreed upon in 2016 and depends on future earnings before interest and taxes generated by the units, will be due in 2021. The amount for the payment of this contingent consideration is not capped.

(8) Non-current provisions

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 as at 30 June 2016, a new valuation of the material obligations was made due to the sharp decrease in the interest rate.

(9) 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 2017, the Group held the following categories of financial instruments measured at fair value:

	Fair value		Level 1 fair value		Level 2 fair value		Level 3 fair value	
EUR thousand	31 Dec 2016	30 June 2017	31 Dec 2016	30 June 2017	31 Dec 2016	30 June 2017	31 Dec 2016	30 June 2017
Non-current assets								
Non-current financial assets	1,598	2,437	1,137	1,569	461	868	0	0
Current assets								
Current financial assets	973	2,363	0	438	973	1,925	0	0
Non-current liabilities								
Non-current financial liabilities	6,284	4,204	0	0	6,284	4,204	0	0
Non-current purchase price liabilities from acquisitions	8,475	8,558	0	0	0	0	8,475	8,558
Current liabilities								
Current financial liabilities	5,242	2,530	0	0	5,242	2,530	0	0

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

EUR thousand	2016	2017
As at 1 Jan	**2,602**	**8,475**
Corporate acquisitions	5,534	0
Interest cost	809	544
Redemption	(424)	(414)
Reversal through profit and loss	(642)	0
Increase through profit and loss	129	197
Exchange rate differences through profit and loss	467	(244)
As at 31 Dec/30 June	**8,475**	**8,558**

Interest cost was recorded under interest expenses, the reversal was recorded under other financial result, the increase was reported under other operating expenses in 2016 and under other financial result in 2017, and any exchange rate differences were reported under exchange rate differences of the financial result in the income statement. 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.

Sensitivity analysis for significant inputs when determining Level 3 fair value as at 30 June 2017:

		Change in fair value	
EUR thousand	Change in assumption	Increase	Decrease
Interest rate	+/- 1 BP	(248)	258
Projected profit measure	+/- 10%	816	(816)
EUR/RUB	+/- 10%	(185)	226

CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets or liabilities as at 30 June 2017.

RELATED PARTIES

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 2016 for further information on individual business relations.

For details on the acquisition of Capital Investment d.o.o., see pages 18-19.

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 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 financial year and of the major related party transactions to be disclosed.

Bergheim, 24 July 2017

Herbert Ortner m.p.

Chief Executive Officer

Christoph Kaml m.p.

Chief Financial Officer

Martin Zehnder m.p.

Chief Operating Officer

FINANCIAL CALENDAR

27 October 2017	Publication of results for the first three quarters of 2017
8 February 2018	Balance sheet press conference
25 February 2018	Record date Annual General Meeting
7 March 2018	Annual General Meeting
9 March 2018	Ex-dividend date
12 March 2018	Record date dividend
13 March 2018	Dividend payment date
30 April 2018	Publication of results for the first quarter of 2018
30 July 2018	Publication of results for the first half of 2018
29 October 2018	Publication of results for the first three quarters of 2018

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

INVESTOR RELATIONS

Hannes Roither

Phone +43 662 2281–81100
Fax +43 662 2281–81070
h.roither@palfinger.com

PALFINGER AG
LAMPRECHTSHAUSENER BUNDESSTRASSE 8
5101 BERGHEIM
AUSTRIA

WWW.PALFINGER.AG

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

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

Published on 27 July 2017.

Typesetting: in-house, using FIRE.sys

No liability is assumed for any typographical or printing errors..