THE WINDS ARE IN OUR FAVOUR – REGIONALLY AND GLOBALLY

INTERIM REPORT FOR THE FIRST THREE QUARTERS OF 2015

PALFINGER

KEY FIGURES OF THE PALFINGER GROUP

EUR thousand	Q1–Q3 2015	Q1–Q3 2014[1]	Q1–Q3 2013	Q1–Q3 2012	Q1–Q3 2011
Income statement					
Revenue	898,925	782,476	716,068	688,220	624,002
EBITDA	107,676	81,997	79,310	74,413	73,536
EBITDA margin	12.0%	10.5%	11.1%	10.8%	11.8%
EBIT	77,696	56,017	55,996	51,957	52,442
EBIT margin	8.6%	7.2%	7.8%	7.5%	8.4%
Result before income tax	69,031	48,055	46,307	43,917	43,287
Consolidated net result for the period	48,353	32,409	34,303	31,747	32,661
Balance sheet					
Total assets	1,225,027	1,104,945	859,559	791,276	734,843
Net working capital (average)	194,051	208,066	181,729	149,420	117,823
Capital employed (average)	855,508	726,657	604,151	541,891	496,094
Equity	509,719	464,685	381,242	367,102	339,477
Equity ratio	41.6%	42.1%	44.4%	46.4%	46.2%
Net debt	383,384	382,606	243,199	187,866	169,804
Gearing	75.2%	82.3%	63.8%	51.2%	50.0%
Cash flows and investments					
Cash flows from operating activities	53,671	7,338	29,109	30,969	30,711
Free cash flows	11,809	(169,411)	7,040	25	3,509
Net investments	44,118	162,498	28,090	34,635	17,116
Depreciation, amortization and impairment	29,980	25,980	23,314	22,456	21,094
Payroll					
Average payroll during the reporting period[2]	8,765	7,376	6,436	6,064	5,972

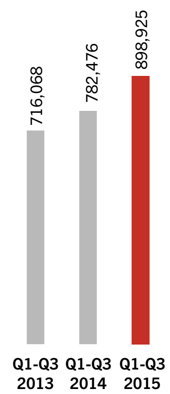
1) The figures for the first three quarters of 2014 were adjusted with retrospective effect (see Note "Adjustment with retrospective effect").
2) Consolidated Group companies excluding equity shareholdings as well as excluding temporary workers.

CONSOLIDATED MANAGEMENT REPORT AS AT 30 SEPTEMBER 2015

PERFORMANCE OF THE PALFINGER GROUP

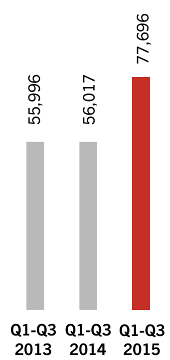
- Revenue increased by 14.9 per cent
- EBIT rose by 38.7 per cent
- Further growth expected

In the first three quarters of 2015, the performance of the PALFINGER Group continued to be marked by steep growth. Revenue rose by 14.9 per cent from EUR 782.5 million in the first nine months of 2014 to EUR 898.9 million, which is a new record level. EBIT showed an extraordinarily strong increase of 38.7 per cent from EUR 56.0 million to EUR 77.7 million. This, in turn, generated a marked rise in the EBIT margin, which came to 8.6 per cent, as compared to 7.2 per cent in the first three quarters of 2014. The consolidated net result for the first three quarters of 2015 was EUR 48.4 million, 49.2 per cent higher than the previous year's figure of EUR 32.4 million.



DEVELOPMENT OF REVENUE
(EUR thousand)

The major factors accounting for this positive performance included the huge gains achieved in the sale of loader cranes in Europe as well as the continued progress made by PALFINGER outside Europe. In North America, strong demand coupled with the strong US dollar facilitated a significant boost in revenue and earnings. In Russia/CIS, the strategic investments in local value creation made it possible for PALFINGER to continue its success in this market region. In Asia, PALFINGER's cooperation with SANY was fruitful. In the marine business, the low oil price dampened customers' willingness to invest; nevertheless, PALFINGER continued its growth, achieving an increase in revenue of approx. 25 per cent. In South America, however, PALFINGER recorded further losses in revenue as a result of the generally slack economy even though PALFINGER's share in this 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 three quarters of 2015.

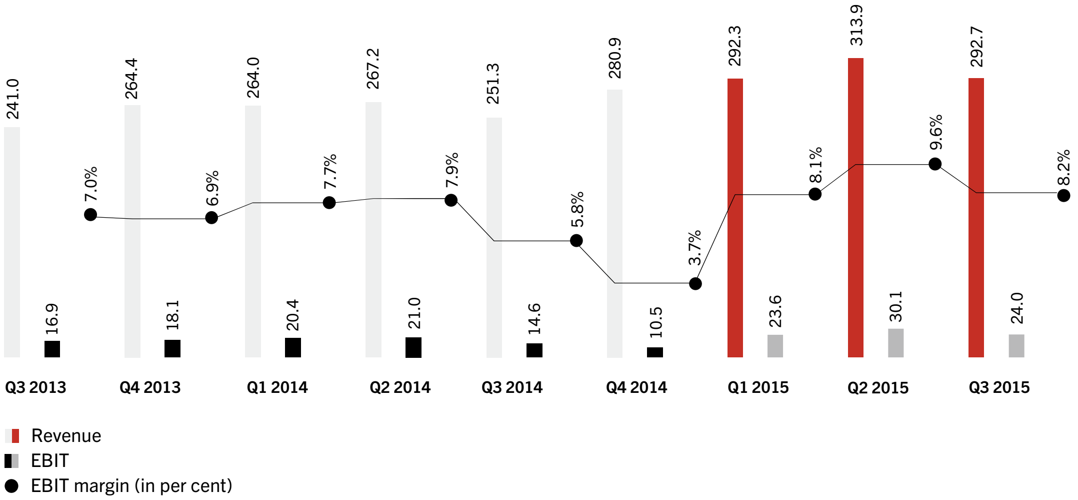


DEVELOPMENT OF EBIT
(EUR thousand)

The present level of incoming orders gives reason to expect further growth in the fourth quarter of 2015. In Europe, visibility is still low but has stabilized. The investment propensity of customers in Europe is still restrained, despite some positive trends, whereas in the USA there is greater confidence in a revival of the economy.

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

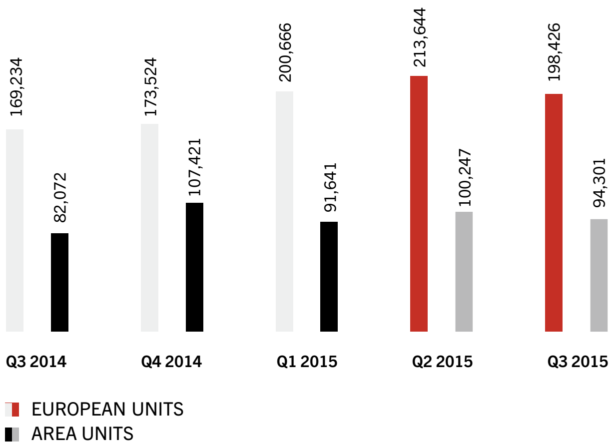
DEVELOPMENT OF REVENUE AND EBIT
(EUR million)



PERFORMANCE BY SEGMENT

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

REVENUE DEVELOPMENT BY SEGMENT*
(EUR thousand)



* No revenues were generated in the VENTURE unit.

EUROPEAN UNITS

- Demand for loader cranes in Europe remains satisfactory
- Around 25 per cent growth in the marine business
- Norwegian Deck Machinery AS accounts for around 18 per cent of the segment's growth in revenue

The business units of the EUROPEAN UNITS segment operate on 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 aforementioned markets. The global marine business also forms part of this segment, as well as the production companies in Europe and the distribution company in Germany.

Business development in the first three quarters of 2015

In the first three quarters of 2015, the EUROPEAN UNITS segment reported a year-on-year increase in revenue of 12.1 per cent, from EUR 546.8 million to EUR 612.7 million (Q3 2014: EUR 169.2 million; Q3 2015: EUR 198.4 million). The revenue generated by Norwegian Deck Machinery AS, which had been acquired in January, accounted for 17.7 per cent of this growth.

The segment saw an increase in EBIT of 22.7 per cent to EUR 76.3 million for the first nine months of 2015, as compared to EUR 62.2 million for the same period in the previous year. As a consequence, the segment's EBIT margin rose from 11.4 per cent to 12.5 per cent.

OPERATIONAL HIGHLIGHTS

In the first three quarters, the loader crane business picked up substantially, with improvements being reflected in higher sales, revenue and earnings. Considerable growth was achieved primarily in Denmark, Great Britain, Belgium, Spain, Italy, the Czech Republic and Austria, as well as in South Africa and New Zealand.

An increase in revenue was also achieved in Access Platforms, Railway Systems and EPSILON Timber and Recycling Cranes. As incoming orders are still satisfactory, PALFINGER expects further growth in the fourth quarter of 2015. Truck Mounted Forklifts and Hooklifts also saw an expansion of sales. The good capacity utilization at the production units during the first three quarters 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 25 per cent. This growth was enabled 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 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. In addition, in the third quarter PALFINGER was awarded contracts with a value of approx. EUR 10 million for the delivery of wind cranes to Germany and Great Britain. One of the decisive factors accounting for the success over the company's international competitors in both cases was PALFINGER's verifiably lower costs over the lifecycle, given comparable quality.

AREA UNITS

- 21.4 per cent growth in revenue, 86.2 per cent increase in EBIT
- Earnings performance in North America remains outstanding
- Expansion of business in Russia due to acquisitions and local production

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 – 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 three quarters of 2015

In the first three quarters of 2015, the revenue of the AREA UNITS segment recorded a year-on-year increase from EUR 235.7 million to EUR 286.2 million (Q3 2014: EUR 82.1 million; Q3 2015: EUR 94.3 million), corresponding to a growth rate of 21.4 per cent. Organic growth accounted for one half of this increase, while the other half was attributable to the companies acquired in Russia the previous year. Consequently, the percentage of the Group's revenue accounted for by the AREA UNITS segment rose from 30.1 per cent in the first three quarters of 2014 to the current level of 31.8 per cent. The segment's EBIT surged by 86.2 per cent, from EUR 6.8 million in the first three quarters of 2014 to EUR 12.7 million. This remarkable improvement was caused by the expansion of business in Russia and, in particular, by the organic growth achieved in North America and the strong US dollar. Consequently, the EBIT margin rose from 2.9 per cent in the previous year to 4.4 per cent in the reporting period.

OPERATIONAL HIGHLIGHTS

In North America, PALFINGER recorded an increase in revenue of more than 30 per cent, approx. one third of which was the result of organic growth and approx. two thirds of which 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, Hooklifts and Access Platforms, recorded significant increases in sales, which were also reflected in earnings. Together with the US company Fairwind LLC, PALFINGER established a joint venture for the American wind service industry in June 2015.

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 30 per cent. PALFINGER succeeded in expanding its market shares in this challenging market environment.

In Russia/CIS, PALFINGER achieved a substantial increase in revenue and managed to further expand its market share. In light of the economic sanctions and the weak ruble, the intensified expansion of local value creation proved its worth: Sales of PALFINGER's locally produced products compensated more than 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, as agreed upon by PALFINGER and the leading Russian truck producer KAMAZ, were entered in the commercial register and operations were started. One of these joint ventures produces truck bodies and mounts cranes, hooklifts and other lifting equipment on commercial vehicles, while the other joint venture produces cylinders for PALFINGER in CIS and for third parties.

The development of the Asia and Pacific market region was marked primarily by PALFINGER's successful cooperation with SANY. Despite the currently difficult economic situation in China, deliveries from the new plant in Rudong, north of Shanghai, were stepped up continuously in the reporting period. The joint implementation of a contract awarded under a tender also generated satisfactory contributions to earnings, which had a positive impact on the segment's EBIT.

VENTURES

- Focus on integration of the acquired companies
- Acquisition of Norwegian Deck Machinery AS completed
- Establishment of operation of the two joint ventures with KAMAZ
- Forward integration in North America 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 three quarters 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 11.6 million in the first three quarters of 2015 as compared to –EUR 12.4 million in the same period of 2014. Major projects included the closing of the Norwegian Deck Machinery AS acquisition, 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 September 2015, the equity ratio of the PALFINGER Group came to 41.6 per cent, slightly below the level on the reporting date in the previous year (30 Sept 2014: 42.1 per cent). Due to the satisfactory development of earnings in the first three quarters of 2015 equity rose by EUR 45.0 million from EUR 464.7 million to EUR 509.7 million as at 30 September 2015. Total assets increased compared to the first three quarters of 2014 from EUR 1,104.9 million to EUR 1,225.0 million, primarily as a consequence of the acquisitions made in the previous twelve months and the related increase in capital employed. Thus, equity increased by 9.7 per cent, and total assets rose by 10.9 per cent in the same period.

In comparison with the first three quarters of 2014, the average net working capital decreased to EUR 194.1 million (Q1–Q3 2014: EUR 208.1 million). The average capital employed rose by EUR 128.8 million to EUR 855.5 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 a slight 0.2 per cent year on year to EUR 383.4 million as at the end of September 2015 (30 Sept 2014: EUR 382.6 million). As a result of the retention of current earnings, the gearing ratio dropped to 75.2 per cent (30 Sept 2014: 82.3 per cent). 95.9 per cent of PALFINGER's total capital employed has been secured on a long-term basis.

In the first three quarters of 2015, cash flows from operating activities amounted to EUR 53.7 million, as compared to EUR 7.3 million in the same period of the previous year. Free cash flows were positive at EUR 11.8 million despite investments in capacity expansion as well as the acquisitions made.

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 has been 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, PALFINGER carried out a stakeholder survey in mid-2015, the results of which will be incorporated into the updated materiality analysis. On the basis of PALversity, a programme to foster diversity, a Group-wide initiative for enhancing corporate culture was launched in the reporting period in order to establish PALFINGER's values more firmly in the awareness of all employees worldwide. The objective of this initiative is a corporate culture that takes local conditions better into account and raises staff 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 16 June 2015, Wolfgang Anzengruber resigned from the Supervisory Board of PALFINGER AG for career-related reasons.

At the beginning of August 2015, PALFINGER relocated to the newly built headquarters in Bergheim near Salzburg, Austria, 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 in previous years would not have been possible. PALFINGER will therefore continue to pursue its long-term Group strategy of previous years 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, while at the same time reducing the lockup of capital which would be created by made-to-stock manufacturing. PALFINGER is also attaching great importance to expanding the flexibility of all processes in the recently acquired companies.

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 still expects revenue growth of slightly more than 10 per cent and a significant increase in earnings.

PALFINGER still sees the potential to increase the annual revenue generated by the Group, including the joint venture companies in China and Russia, to approx. EUR 1.8 billion by 2017 and intends to reach this goal 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.

INTERIM CONSOLIDATED FINANCIAL INFORMATION

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

AS AT 30 SEPTEMBER 2015

CONSOLIDATED INCOME STATEMENT

EUR thousand	Note	July–Sept 2015	July–Sept 2014[1)]	Jan–Sept 2015	Jan–Sept 2014[1)]
Revenue		**292,727**	**251,306**	**898,925**	**782,476**
Cost of sales	1	(219,866)	(193,175)	(676,701)	(592,174)
Gross profit		**72,861**	**58,131**	**222,224**	**190,302**
Other operating income	2, 3	3,675	2,195	12,453	10,733
Research and development costs	1	(5,626)	(6,738)	(18,482)	(19,406)
Distribution costs	1	(20,096)	(17,680)	(61,623)	(55,328)
Administrative costs	1	(23,917)	(20,545)	(69,451)	(64,155)
Other operating expenses	3	(5,581)	(2,792)	(14,094)	(9,320)
Income from companies reported at equity	5	2,657	2,002	6,669	3,191
Earnings before interest and taxes – EBIT		**23,973**	**14,573**	**77,696**	**56,017**
Interest income		592	183	1,367	534
Interest expenses		(3,220)	(3,810)	(9,391)	(10,156)
Exchange rate differences	3	(1,195)	(59)	(641)	430
Other financial result	8	0	1,230	0	1,230
Net financial result		**(3,823)**	**(2,456)**	**(8,665)**	**(7,962)**
Result before income tax		**20,150**	**12,117**	**69,031**	**48,055**
Income tax expense		(4,634)	(2,217)	(15,401)	(10,517)
Result after income tax		**15,516**	**9,900**	**53,630**	**37,538**
attributable to					
shareholders of PALFINGER AG (consolidated net result for the period)		**13,705**	**7,767**	**48,353**	**32,409**
non-controlling interests		**1,811**	**2,133**	**5,277**	**5,129**
EUR					
Earnings per share (undiluted and diluted)	7	0.37	0.21	1.30	0.89
Average number of shares outstanding		37,307,069	36,379,056	37,307,069	36,379,056

[1)] The figures for the first three quarters of 2014 were adjusted with retrospective effect (see Note "Adjustments with retrospective effect").

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR thousand	July–Sept 2015	July–Sept 2014[1)]	Jan–Sept 2015	Jan–Sept 2014[1)]
Result after income tax	**15,516**	**9,900**	**53,630**	**37,538**
Amounts that may be reclassified to the income statement in future periods				
Unrealized profits (+)/losses (–) from foreign currency translation	(22,587)	10,123	10,563	13,475
Deferred taxes thereon	120	(987)	(1,011)	(1,045)
Effective taxes thereon	553	155	231	(14)
Unrealized profits (+)/losses (–) from cash flow hedge				
Changes in unrealized profits (+)/losses (–)	(4,627)	(4,188)	(8,726)	(9,082)
Deferred taxes thereon	917	438	1,779	430
Effective taxes thereon	311	641	539	1,875
Realized profits (–)/losses (+)	1,290	314	4,483	1,392
Deferred taxes thereon	(135)	14	(268)	132
Effective taxes thereon	(201)	(92)	(877)	(477)
Other comprehensive income after income tax	**(24,359)**	**6,418**	**6,713**	**6,686**
Total comprehensive income	**(8,843)**	**16,318**	**60,343**	**44,224**
attributable to				
shareholders of PALFINGER AG	**(9,144)**	**13,071**	**53,721**	**37,681**
non-controlling interests	**301**	**3,247**	**6,622**	**6,543**

[1)] The figures for the first three quarters of 2014 were adjusted with retrospective effect (see Note “Adjustments with retrospective effect”).

CONSOLIDATED BALANCE SHEET

EUR thousand	Note	30 Sept 2015	31 Dec 2014	30 Sept 2014[1)]
Non-current assets				
Intangible assets		221,160	209,070	199,622
Property, plant and equipment	4	266,265	251,009	251,482
Investment property		338	351	356
Investments in companies reported at equity	5	173,686	160,514	141,293
Other non-current assets		2,993	3,129	2,330
Deferred tax assets		15,771	18,627	14,745
Non-current financial assets	11	32,756	33,656	4,228
		712,969	**676,356**	**614,056**
Current assets				
Inventories	6	275,745	239,180	259,168
Trade receivables	6	182,997	163,274	189,706
Other current receivables and assets		28,645	26,007	24,606
Tax receivables		2,713	3,131	2,517
Current financial assets	11	2,495	1,406	2,409
Cash and cash equivalents		19,463	20,757	12,483
		512,058	**453,755**	**490,889**
Total assets		**1,225,027**	**1,130,111**	**1,104,945**
Equity				
Share capital		37,593	37,593	37,593
Additional paid-in capital		82,128	82,056	82,136
Treasury stock		(1,547)	(1,593)	(1,593)
Retained earnings	7	376,781	338,966	343,259
Foreign currency translation reserve		(4,081)	(12,519)	(9,927)
		490,874	**444,503**	**451,468**
Non-controlling interests		18,845	16,809	13,217
		509,719	**461,312**	**464,685**
Non-current liabilities				
Liabilities from puttable non-controlling interests	8	8,851	23,372	22,842
Non-current financial liabilities	11	347,052	327,291	246,925
Non-current purchase price liabilities from acquisitions	9, 11	8,646	8,521	0
Non-current provisions	10	42,459	40,865	33,475
Deferred tax liabilities		9,219	6,639	6,029
Other non-current liabilities		1,875	3,062	3,153
		418,102	**409,750**	**312,424**
Current liabilities				
Current financial liabilities	11	91,047	85,130	154,801
Current provisions		15,175	12,813	12,415
Tax liabilities		8,568	4,902	6,238
Trade payables and other current liabilities		182,416	156,204	154,382
		297,206	**259,049**	**327,836**
Total equity and liabilities		**1,225,027**	**1,130,111**	**1,104,945**

[1)] The figures for the first three quarters 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[1]		0	0	0	32,409
Other comprehensive income after income tax					
Unrealized profits (+)/losses (–) from foreign currency translation[1]		0	0	0	0
Unrealized profits (+)/losses (–) from cash flow hedge		0	0	0	0
		0	**0**	**0**	**32,409**
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	1,134
Addition non-controlling interests[1]		0	0	0	(971)
Other changes		0	134	197	(80)
		1,863	**51,408**	**197**	**(14,432)**
As at 30 Sept 2014[1]		**37,593**	**82,135**	**(1,593)**	**354,593**
As at 1 Jan 2015		**37,593**	**82,056**	**(1,593)**	**360,869**
Total comprehensive income					
Result after income tax		0	0	0	48,353
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**	**48,353**
Transactions with shareholders					
Dividends	7	0	0	0	(12,682)
Reclassification non-controlling interests	8	0	0	0	1,343
Addition non-controlling interests		0	0	0	0
Disposal non-controlling interests		0	0	0	3,946
Other changes		0	72	46	(52)
		0	**72**	**46**	**(7,445)**
As at 30 Sept 2015		**37,593**	**82,128**	**(1,547)**	**401,777**

[1] The figures for the first three quarters 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	32,409	5,129	37,538
0	0	11,002	11,002	1,414	12,416
0	(5,730)	0	(5,730)	0	(5,730)
0	**(5,730)**	**11,002**	**37,681**	**6,543**	**44,224**
0	0	0	53,137	0	53,137
0	0	0	(14,515)	(4,910)	(19,425)
	0	0	1,134	(2,026)	(892)
0	0	0	(971)	2,455	1,484
0	0	0	251	(8)	243
0	**0**	**0**	**39,036**	**(4,489)**	**34,547**
(4,126)	**(7,207)**	**(9,927)**	**451,468**	**13,217**	**464,685**
(8,066)	**(13,837)**	**(12,519)**	**444,503**	**16,809**	**461,312**
0	0	0	48,353	5,277	53,630
0	0	8,438	8,438	1,345	9,783
0	(3,070)	0	(3,070)	0	(3,070)
0	**(3,070)**	**8,438**	**53,721**	**6,622**	**60,343**
0	0	0	(12,682)	(5,858)	(18,540)
0	0	0	1,343	(2,146)	(803)
0	0	0	0	3,466	3,466
0	0	0	3,946	(48)	3,898
(23)	0	0	43	0	43
(23)	**0**	**0**	**(7,350)**	**(4,586)**	**(11,936)**
(8,089)	**(16,907)**	**(4,081)**	**490,874**	**18,845**	**509,719**

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR thousand	Note	Jan–Sept 2015	Jan–Sept 2014[1)]
Result before income tax		**69,031**	**48,055**
Write-downs (+)/write-ups (–) of non-current assets		29,980	25,706
Gains (–)/losses (+) on the disposal of non-current assets		6	(551)
Interest income (–)/interest expenses (+)		8,018	9,623
Income from companies reported at equity	5	(6,669)	(3,191)
Expenses for stock option programme		2	9
Changes in liability from puttable non-controlling interests		0	(1,230)
Other non-cash income (–)/expenses (+)		(1,641)	161
Increase (–)/decrease (+) of assets	6	(55,368)	(60,745)
Increase (+)/decrease (–) of provisions		2,676	(7,419)
Increase (+)/decrease (–) of liabilities		17,814	7,975
Cash flows generated from operations		**63,849**	**18,393**
Interest received		1,116	533
Interest paid		(8,404)	(9,158)
Dividends received from companies reported at equity	5	2,933	2,312
Income tax paid		(5,823)	(4,742)
Cash flows from operating activities		**53,671**	**7,338**
Cash receipts from the sale of intangible assets and property, plant and equipment		515	1,856
Cash payments for the acquisition of intangible assets and property, plant and equipment	4	(40,702)	(45,414)
Cash payments for the acquisition of subsidiaries net of cash acquired		(8,224)	(17,724)
Cash payments for investments in companies reported at equity	5	(1,317)	(117,915)
Cash receipts from the disposal of subsidiaries net of cash disposed of		0	(2,629)
Cash payments for the acquisition of securities		0	(61)
Cash payments for/cash receipts from other assets		1,195	(2,048)
Cash flows from investing activities		**(48,533)**	**(183,935)**
Capital increase minus issuing costs		0	52,838
Dividends to shareholders of PALFINGER AG	7	(12,682)	(14,515)
Dividends to non-controlling shareholders		(5,725)	(4,856)
Cash payments for the acquisition of non-controlling interests	8	(11,494)	(2,635)
Cash receipts from the exercise of options under the stock option programme		139	366
Loans for the acquisition of interests		36,350	45,250
Repayment of loans for acquisitions		(18,342)	(3,389)
Long-term refinancing of redemptions and maturing short-term loans		20,000	50,000
Repayment of long-term financing		(30,000)	0
Repayment of maturing/terminated promissory note loans		0	(13,500)
Cash payments for/cash receipts from other financial liabilities		16,124	63,439
Cash flows from financing activities		**(5,630)**	**172,998**
Total cash flows		**(492)**	**(3,599)**

EUR thousand	2015	2014
Funds as at 1 Jan	**20,757**	**15,965**
Effects of changes in foreign exchange rates	(802)	117
Total cash flows	(492)	(3,599)
Funds as at 30 Sept	**19,463**	**12,483**

1) The figures for the first three quarters of 2014 were adjusted with retrospective effect (see Note “Adjustments with retrospective effect”).

SEGMENT REPORTING

	External revenue		Intra-Group revenue		EBIT	
EUR thousand	Jan–Sept 2015	Jan–Sept 2014 1)	Jan–Sept 2015	Jan–Sept 2014 1)	Jan–Sept 2015	Jan–Sept 2014 1)
EUROPEAN UNITS	612,736	546,816	56,506	65,977	76,296	62,151
AREA UNITS	286,189	235,660	546	168	12,734	6,838
VENTURES	–	–	–	–	(11,609)	(12,385)
Segment consolidation	–	–	(57,052)	(66,145)	275	(587)
PALFINGER Group	**898,925**	**782,476**	**0**	**0**	**77,696**	**56,017**

1) The figures for the first three quarters 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. 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 2014 financial year were applied to this condensed interim consolidated financial information of PALFINGER AG and its subsidiaries as at 30 September 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 three quarters 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 its 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 three quarters of 2014 were as follows:

CONSOLIDATED BALANCE SHEET

EUR thousand	30 Sept 2014	Adjustment	30 Sept 2014 adjusted
Property, plant and equipment	253,532	(2,050)	251,482
Investments in companies reported at equity	128,035	13,258	141,293
Deferred tax assets	15,843	(1,098)	14,745
Non-current assets	**603,946**	**10,110**	**614,056**
Inventories	266,517	(7,349)	259,168
Trade receivables	205,158	(15,452)	189,706
Other current receivables and assets	24,929	(323)	24,606
Cash and cash equivalents	22,048	(9,565)	12,483
Current assets	**523,578**	**(32,689)**	**490,889**
Retained earnings	343,267	(8)	343,259
Foreign currency translation reserve	(9,939)	12	(9,927)
Non-controlling interests	26,543	(13,326)	13,217
Equity	**478,007**	**(13,322)**	**464,685**
Tax liabilities	6,243	(5)	6,238
Trade payables and other current liabilities	163,634	(9,252)	154,382
Current liabilities	**337,093**	**(9,257)**	**327,836**

CONSOLIDATED INCOME STATEMENT

EUR thousand	Jan–Sept 2014	Adjustment	Jan–Sept 2014 adjusted
Revenue	**795,103**	**(12,627)**	**782,476**
Cost of sales	(603,600)	11,426	(592,174)
Gross profit	**191,503**	**(1,201)**	**190,302**
Other operating income	10,677	56	10,733
Research and development costs	(20,259)	853	(19,406)
Distribution costs	(56,391)	1,063	(55,328)
Administrative costs	(64,807)	652	(64,155)
Other operating expenses	(8,361)	(959)	(9,320)
Income from companies reported at equity	3,275	(84)	3,191
Earnings before interest and taxes – EBIT	**55,637**	**380**	**56,017**
Interest income	674	(140)	534
Exchange rate differences	480	(50)	430
Net financial result	**(7,772)**	**(190)**	**(7,962)**
Result before income tax	**47,865**	**190**	**48,055**
Income tax expense	(10,380)	(137)	(10,517)
Result after income tax	**37,485**	**53**	**37,538**
attributable to			
shareholders of PALFINGER AG (consolidated net result for the period)	**32,416**	**(7)**	**32,409**
non-controlling interests	**5,069**	**60**	**5,129**

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 remaining 15 per cent in Palfinger systems GmbH are still held by the private foundation Palfinger Privatstiftung. 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).

In June 2015, FairWind Renewable Energy Services, LLC, Oklahoma, USA, was founded. Palfinger USA, Inc. holds a 51 per cent interest in this company, which was entered in the commercial register with effect as of 1 July 2015. The minority interest of 49 per cent is held by the US company Fairwind LLC, headquartered in Lawton, Oklahoma. The new company was established for the American wind service industry. 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.

On 1 July 2015, the remaining 17.3 per cent share in Norwegian Deck Machinery Ulsteinvik AS, Ulsteinvik, Norway, was acquired from the minority shareholder at a purchase price of EUR 171 thousand. The difference between the purchase price and the disposal of non-controlling interests came to –EUR 123 thousand and was directly recorded in equity as retained earnings.

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 11,701 thousand to the consolidated revenue of PALFINGER AG and EUR 781 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[1)] 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.

1) 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 1,188 thousand to the consolidated revenue of PALFINGER AG and –EUR 183 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–Sept 2014[1)]

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	10,361	(399,819)	(129,544)	(18,979)	0	(54,193)	(592,174)
Other operating income	0	0	0	0	10,733	0	10,733
Research and development costs	5,881	(761)	(18,268)	(948)	1,028	(6,338)	(19,406)
Distribution costs	(77)	(1,164)	(32,809)	(3,229)	0	(18,049)	(55,328)
Administrative costs	(21)	146	(36,227)	(2,824)	0	(25,229)	(64,155)
Other operating expenses	0	0	0	0	0	(9,320)	(9,320)
Total	**16,144**	**(401,598)**	**(216,848)**	**(25,980)**	**11,761**	**(113,129)**	**(729,650)**

1) The figures for the first three quarters of 2014 were adjusted with retrospective effect (see Note "Adjustments with retrospective effect").

Jan–Sept 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	20,664	(467,987)	(148,600)	(22,172)	0	(58,606)	(676,701)
Other operating income	0	0	0	0	12,453	0	12,453
Research and development costs	6,763	(599)	(19,837)	(1,108)	1,023	(4,724)	(18,482)
Distribution costs	(62)	(1,371)	(37,655)	(3,381)	0	(19,154)	(61,623)
Administrative costs	22	(10)	(39,821)	(3,319)	0	(26,323)	(69,451)
Other operating expenses	0	0	0	0	0	(14,094)	(14,094)
Total	**27,387**	**(469,967)**	**(245,913)**	**(29,980)**	**13,476**	**(122,901)**	**(827,898)**

(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–Sept 2015	Jan–Sept 2014
Exchange rate differences income	7,817	2,098
Exchange rate differences expenses	(7,026)	(2,615)
Exchange rate differences in at equity result	(512)	(381)
Earnings before interest and taxes – EBIT	**279**	**(898)**
Exchange rate differences of the net financial result	(641)	430
Result from exchange rate differences	**(362)**	**(468)**

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 2,962 thousand (previous year until 30 Sept: EUR 6,757 thousand), to plants, machinery and tools in the amount of EUR 9,767 thousand (previous year until 30 Sept: EUR 7,398 thousand) and to fixtures, fittings and equipment in the amount of EUR 12,091 thousand (previous year until 30 Sept: EUR 9,585 thousand). Prepayments and assets under construction increased due to additions in the amount of EUR 10,626 thousand (previous year until 30 Sept: EUR 14,400 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	1,492	113,523
Capital increase	0	10,152
Share in the net result for the period	6,494	4,140
Dividends	(2,933)	(3,032)
Foreign currency translation	8,119	15,998
Disposals	0	(319)
As at 30 Sept/31 Dec	**173,686**	**160,514**

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

(6) Inventories and trade receivables

Inventories increased by EUR 36,565 thousand as compared to 31 December 2014, mainly due to exchange rate effects and a demand-related inventory build-up in the business area North America as well as an increase in inventories in EUROPEAN UNITS.

The increase in trade receivables of EUR 19,723 thousand refers primarily to the Marine business area as well as, in particular as a result of the exchange rate, the business area North America.

As of the reporting date 30 September 2015, receivables in the amount of EUR 42,454 thousand (31 Dec 2014: EUR 14,843 thousand) were sold in connection with the existing factoring agreement and were fully derecognized in accordance with the rules of IAS 39 due to the transfer of control.

At 30 September 2015, receivables from contract manufacturing and rendering of services amounted to EUR 32,318 thousand (31 Dec 2014: EUR 27,317 thousand).

(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 Sept/31 Dec	**37,309,696**	**37,301,290**

On the basis of a consolidated net result for the period of EUR 48,353 thousand (Jan–Sept 2014: EUR 32,409 thousand) undiluted earnings per share were EUR 1.30 (Jan–Sept 2014: EUR 0.89). Diluted earnings per share were identical to undiluted earnings per share.

(8) Liabilities from puttable non-controlling interests

The following table shows the movements 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	803	1,976
Reversal directly in equity	(4,069)	(553)
As at 30 Sept/31 Dec	**8,851**	**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 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. 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.

(10) 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, these amounts are extrapolated.

(11) 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 September 2015, PALFINGER held the following categories of financial instruments measured at fair value:

	Fair value		Level 2 fair value		Level 3 fair value	
EUR thousand	30 Sept 2015	31 Dec 2014	30 Sept 2015	31 Dec 2014	30 Sept 2015	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	1,017	0	1017	0	0	0
Non-current liabilities						
Non-current financial liabilities	14,026	13,470	14,026	13,470	0	0
Non-current purchase price liabilities from acquisitions	2,556	2,499	0	0	2,556	2,499
Current liabilities						
Current financial liabilities	2,095	2,797	2,095	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	280	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	(223)	(1,219)
As at 30 Sept/31 Dec	**2,556**	**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 September 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.

On 1 April 2015, the remaining 26 per cent in Palfinger systems GmbH, Salzburg, were sold to Marine Systems Overseas PTE. LTD., a company owned by Hubert Palfinger sen. Also see the notes regarding the scope of consolidation.

At the beginning of August 2015, PALFINGER relocated to the newly built headquarters in Bergheim near Salzburg, Austria. PALFINGER AG rents the Group headquarters from a company of the private foundation Palfinger Privatstiftung.

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 Sept/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.

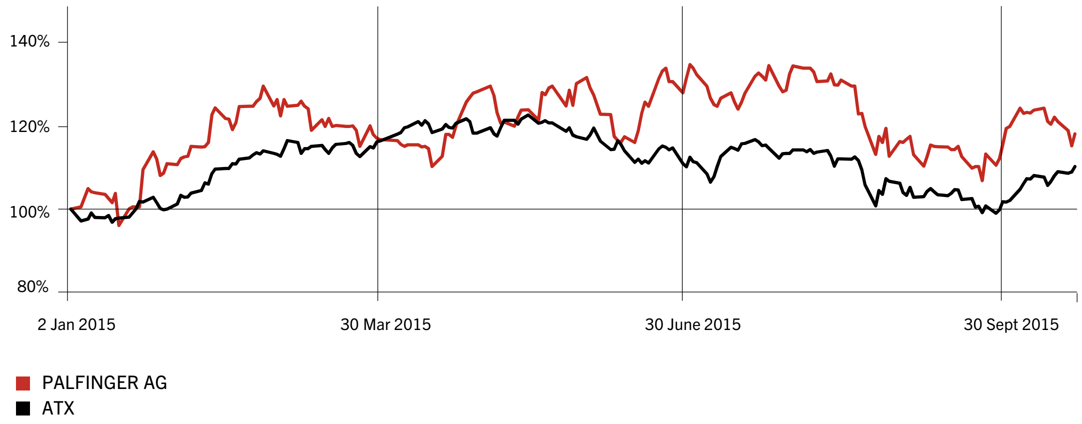
KEY EVENTS AFTER THE REPORTING DATE

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

SHAREHOLDER INFORMATION

Q1–Q3 2015	
International Securities Identification Number (ISIN)	AT0000758305
Number of shares issued	37,593,258
of which own shares	283,562
Price as at 30 September 2015	EUR 24.05
Earnings per share (Q1–Q3 2015)	EUR 1.30
Market capitalization as at 30 September 2015	EUR 904,117.85 thousand

SHARE PRICE DEVELOPMENT



INVESTOR RELATIONS

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FINANCIAL CALENDAR

5 February 2016	Balance sheet press conference
9 March 2016	Annual General Meeting
11 March 2016	Ex-dividend date
14 March 2016	Record date
15 March 2016	Dividend payment date
27 April 2016	Publication of results for the first quarter of 2016
27 July 2016	Publication of results for the first half of 2016
27 October 2016	Publication of results for the first three quarters of 2016

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