Zurich | 13 March 2008

Business Review 2007

PANALPINA on 6 continents

A PASSION FOR SOLUTIONS

Business year 2007

Convincing annual results

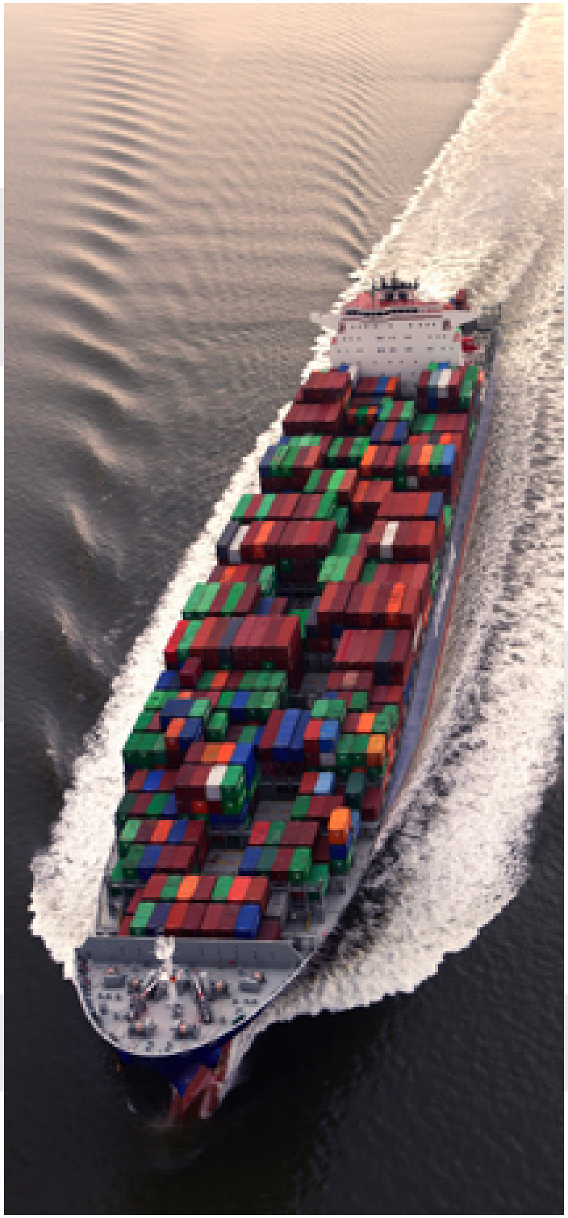
Net forwarding revenue **+12.3%** → CHF **8,684** million
by pure organic above-market growth

Gross profit	**+13.4%** → CHF **1,803** million
Ebitda	**+15.4%** → CHF **361** million
Net earnings	**+14.8%** → CHF **211** million

Further increased volumes

Air freight	+ **8.4%** → **947 000** tons
Ocean freight	**+13.7%** → **1.233** million TEU
Supply Chain Mgmt	+ **6.6%** net forwarding revenue

1000 new jobs created worldwide



Business year 2007

Market trends

Strong global economy, particularly in the first half of the year.

Air freight market growing between 4–5%, characterized by a short peak season in Q4 during which capacity was tight.

Air freight rates increased during peak season but came down again afterwards.

Ocean freight market growing between 9–10%, developing very dynamically throughout 2007 with demand exceeding supply.

Ocean freight rates rose further in Q4 although less than the steep increases seen during the first nine months.

Supply chain management: continued trend for global outsourcing

Business year 2007

Consolidated income statement summary

in CHFm	Jan–Dec **2006**	Jan–Dec **2007**	**Change**
Net forwarding revenue	7,735.2	8,684.2	*+12.3%*
Gross profit	1,590.8	1,803.4	*+13.4%*
GP margin on NFR	*20.6%*	*20.8%*	*+20 basis points*
Personnel expenses (reported)	886.9	1,002.4	+13.0%
Personnel expenses on GP	*55.7%*	*55.6%*	*-10 basis points*
Other operating exp. (reported)	391.2	441.2	+12.8%
Other operating expenses on GP	*24.6%*	*24.5%*	*-10 basis points*
Ebitda (reported)	312.7	360.8	+15.4%
Ebitda margin on GP	*19.7%*	*20.0%*	*+30 basis points*
Ebit (reported)	261.0	299.4	*+14.7%*
Ebit margin on GP	*16.4%*	*16.6%*	*+20 basis points*
Net earnings	183.5	210.6	*+14.8%*

Business year 2007

Balance sheet & cash flow summary

in CHFm	12 months ended 31.12. **2006**	12 months ended 31.12. **2007**
Cash and cash equivalents [1]	373.9	352.4
Borrowings	(27.5)	(33.5)
Net cash (debt)	**346.4**	**318.9**
Total cash flow from operating activities (YTD)	**338.3**	**315.9**
Net working capital [2]	414.4	484.9
% of gross revenue	*4.5%*	*4.6%*
Total shareholder's equity	977.7	1'016.5
Total assets	2,108.3	2,265.6
Asset intensity [3]	*7.7%*	*7.4%*
Net capital expenditures	54.1	48.6

1 Including financial assets held for trading
2 Net working capital defined as current assets net of cash and cash equivalents minus current liabilities net of interest bearing debt
3 Calculated as tangible fixed assets / total assets

Business year 2007

Performance vs. financial guidance

	Actual 2006	Actual 2007	Guidance 2007
Gross profit growth	+13.0%	+13.4%	≥ 9%
Ebitda / GP margin	19.7% *	20.0% **	20–22%
NWC intensity	4.5%	4.6%	4–5%
Tax rate	23.6%	23.9%	~ 25%

* 18.8% excluding non-recurring items

** 20.0% excluding non-recurring items

All guidances achieved.

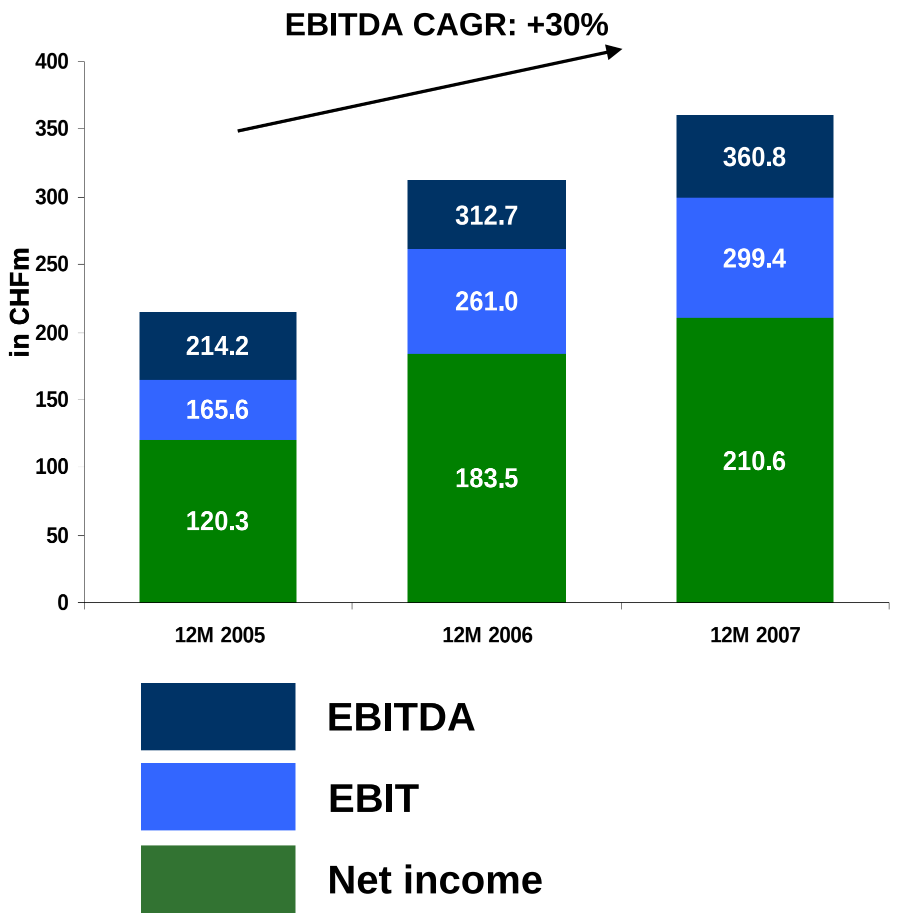
Ebitda / GP margin came in at low end of guidance:

- Guidance was increased after Q1 2007
- Impact from reduced service portfolio: GP CHF -18.2m, Ebitda CHF -23.8m

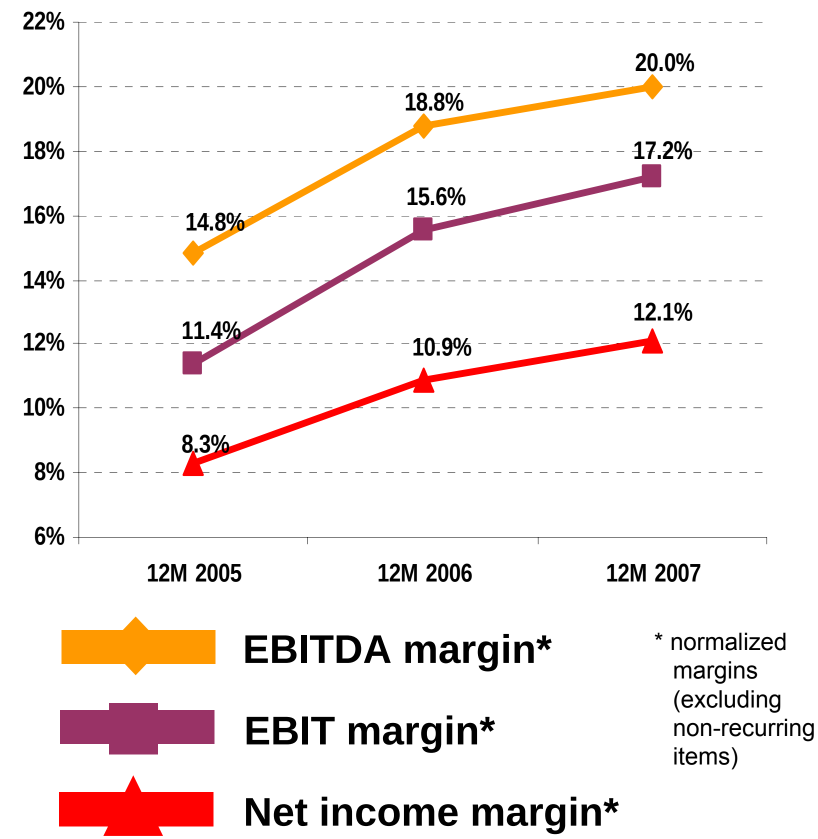
Business year 2007

Group profitability

Profitability development



Margin development (normalized)

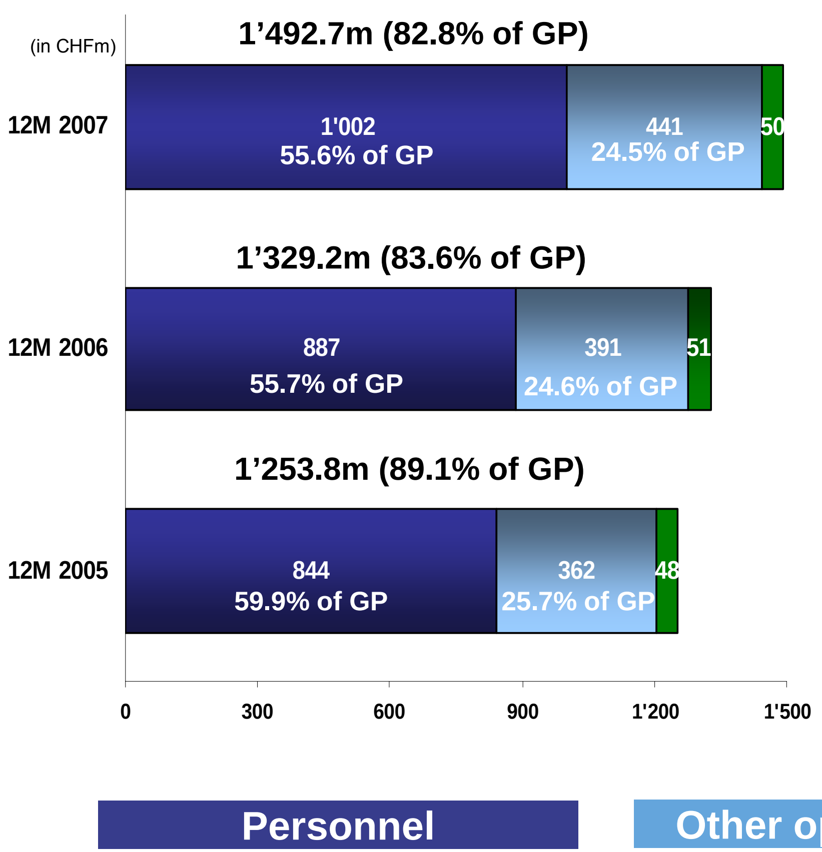


* normalized margins (excluding non-recurring items)

Business year 2007

Operating cost development

Operating costs

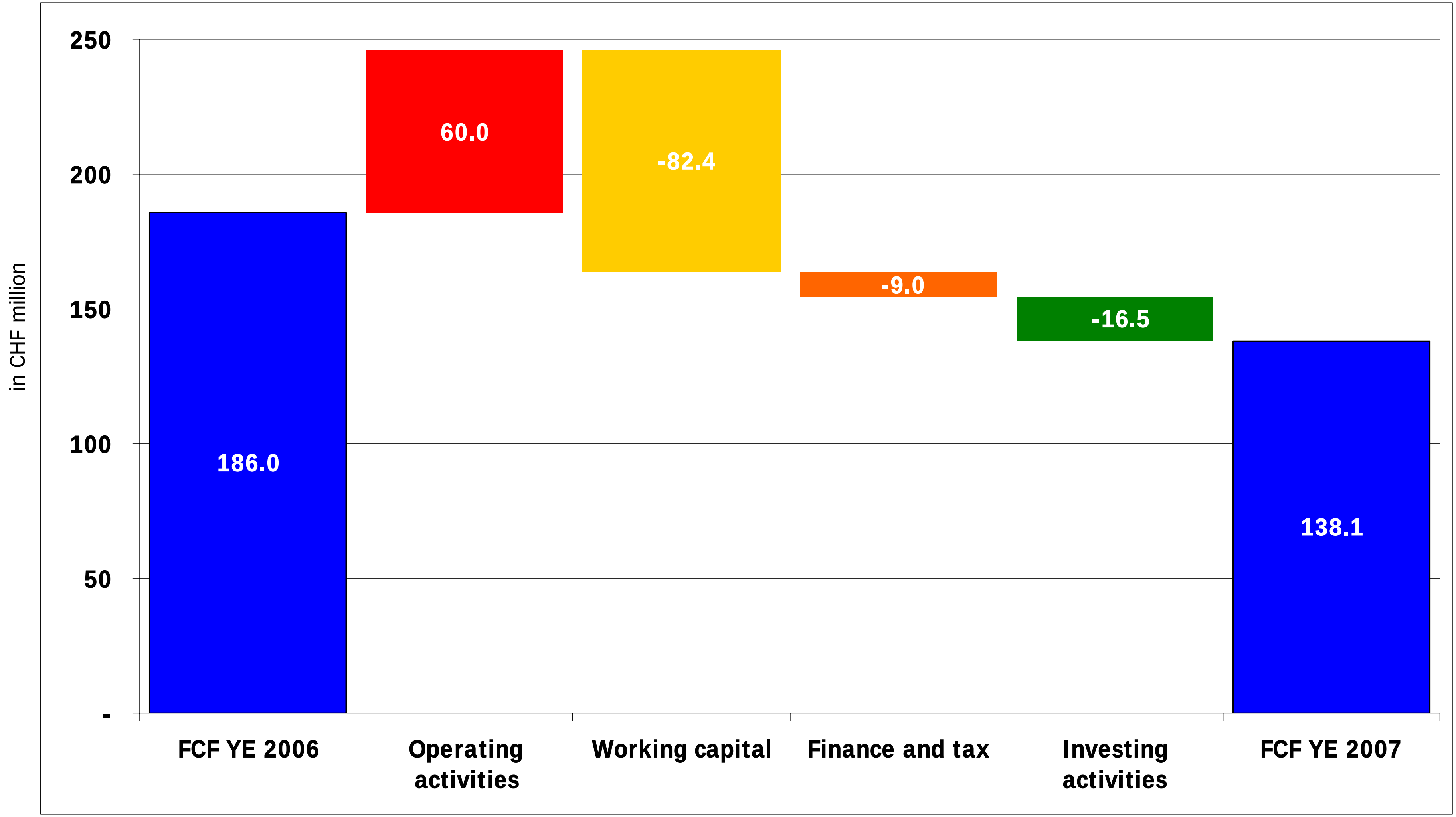


*excluding goodwill impairment of 11.3m in 2007

- 2007 opex (excl. gains on sales of non-current assets and goodwill impairment) in % of GP decreased by 80 bps to 82.8%.
- Personnel expenses grew by 13.0%, while headcount increased by 7.0%. The difference is attributable to wage inflation, non-recurring items and FX impacts.
- Other opex grew by 12.8% (+9.1% on a normalized basis), resulting in a slight reduction of the other opex cost ratio by 10 bps.
- YTD 2005 – 2007 CAGR for operating costs:
  - 9.0% for personnel expenses
  - 10.4% for other operating expenses
  - 1.9% for D&A

Business year 2007

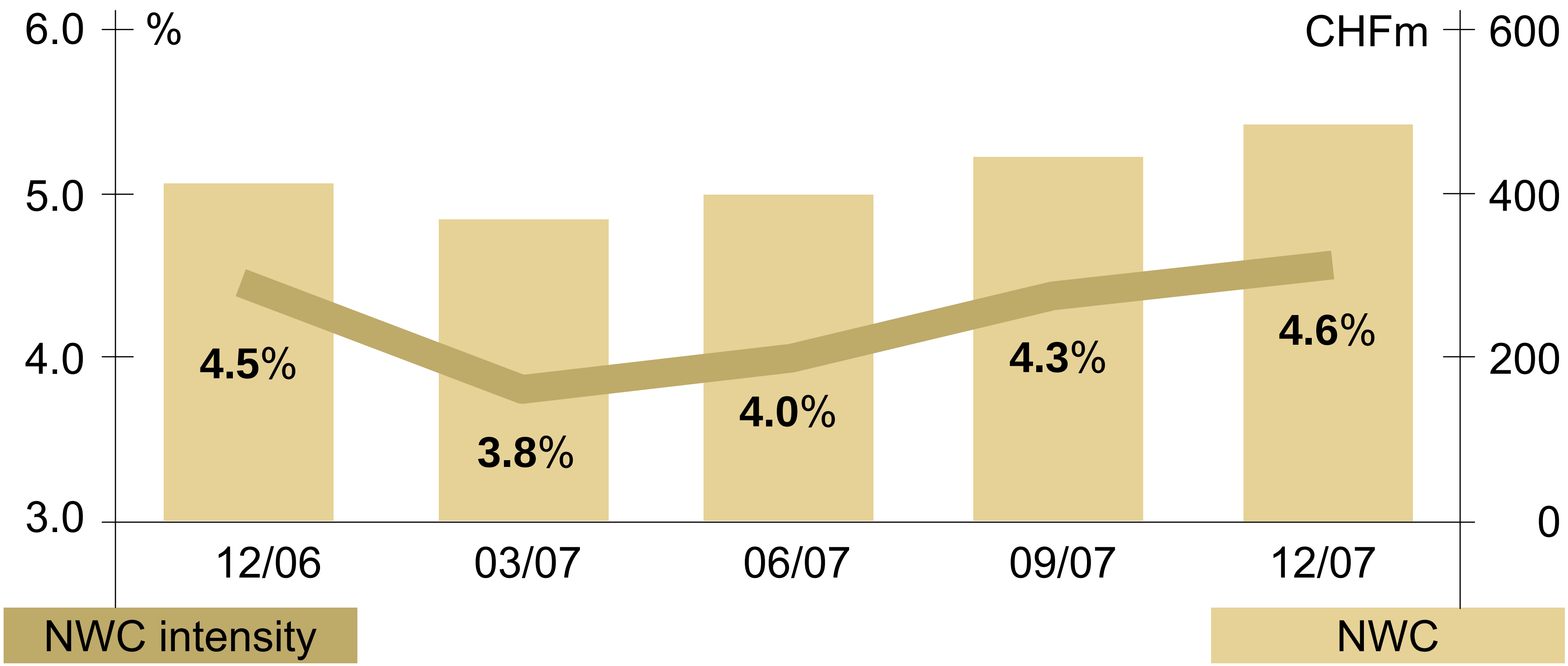
Free cash flow development



Business year 2007

Working capital overview

Development of net working capital



- High business activity led to an increase in NWC towards year-end.
- NWC intensity is within the given guidance of 4-5%.
- Higher DSO were partly compensated by higher DPO.

Business year 2007

Dividend increase proposed to the AGM

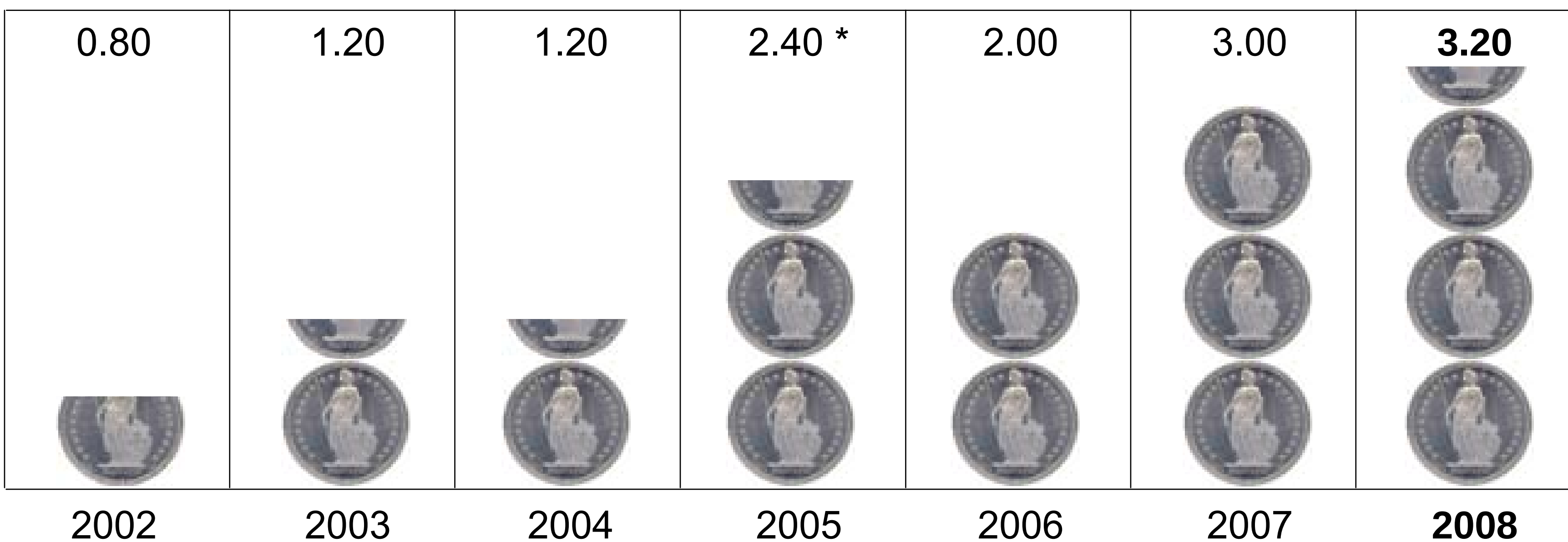
Dividend payment of CHF **3.20** per share

Equivalent to an amount of CHF **80** million

Representing payout ratio of **38%**

Dividend yield (based on 2007 year-end share price) is **1.63**%

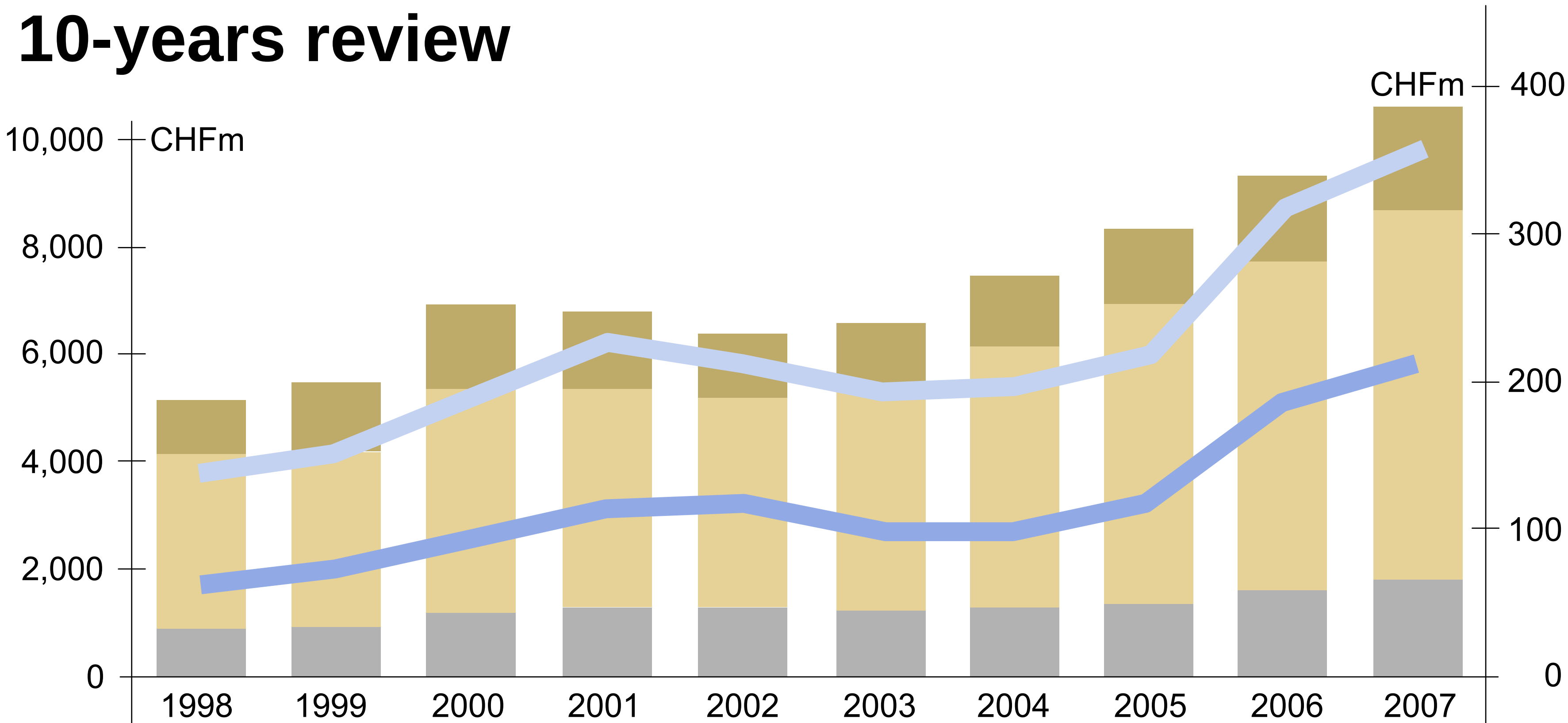
In addition, the share buyback program is used to return cash to shareholders



* 2005 included a special one-time jubilee dividend of CHF 20 million.

Business year 2007

10-years review



Headcount	9,915	**11,015**	11,586	**12,042**	12,463	**12,344**	13,224	**13,583**	14,304	**15,301**

Gross forwarding revenue
Net forwarding revenue
Gross profit

Ebitda
Net income

Business year 2007

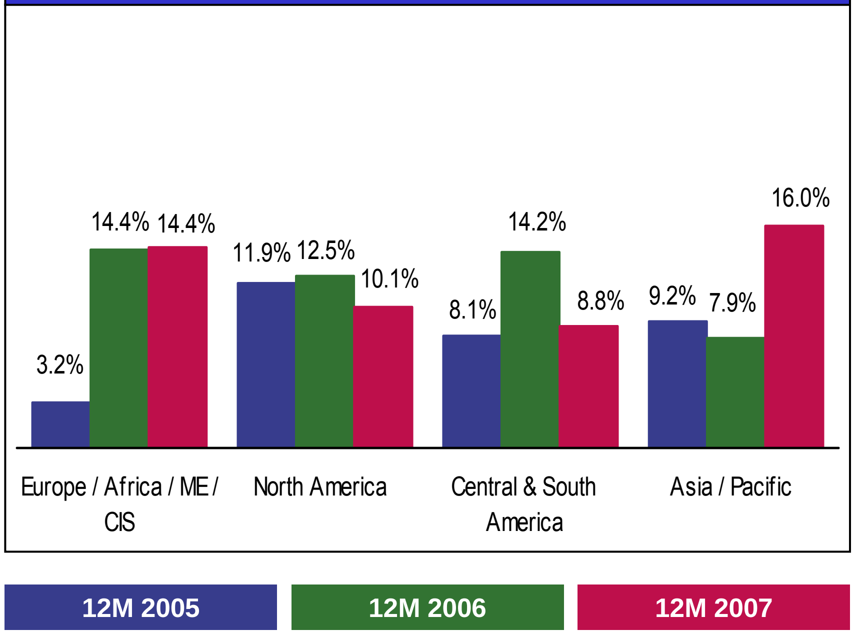
Regional business development

2007 growth (year-over-year)	Emea	Noram	Latam	Apac	Group
Net forw. revenue	+14.6%	-0.9%	+22.1%	+18.0%	+12.3%
Gross profit	+14.4%	+10.1%	+8.8%	+16.0%	+13.4%
Ebit	+8.6%	+100.0%	+0.0%	+22.1%	+14.7%
	• Solid EU economy • Imports, in particular from Asia • Oil & Gas industry	• US dollar and slowing imports • Strong EBIT recovery in line with our objective • Strong demand for SCM solutions	• Steep volume increases especially to/from Brazil and Mexico • Appreciation of local currencies hurt EBIT	• Introduction of new rail-air product • China-Africa of increased importance	

Business year 2007

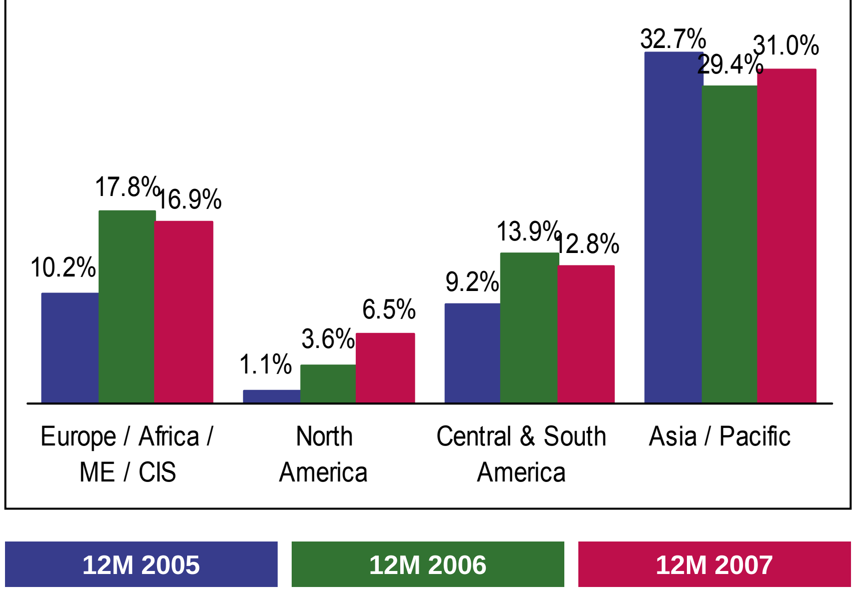
Profitability by region

Gross profit growth by region



EBIT margin by region

(in % of gross profit)



- On gross profit level, all regions contributed with high growth rates, led by the Asia-Europe trade lane which profited from extremely buoyant market conditions.
- EBIT margin developed well in APAC and Noram. EMEA suffered from goodwill impairment in the third quarter. Latam profitability was impacted by strong local currencies.

Business year 2007

Development of core activities

Air freight

- Market growth was 4-5%
- Our air freight volumes were up 8.4% to 947'000 tons.
- Good traffic flows from large accounts gained during 2006
- Strong development on Asia-Emea, Latam-Noram, and Emea-Latam

Net forwarding revenue 2007
4,129 m CHF (47%)

Ocean freight

- Market growth was 9-10%
- Our sea freight volumes were up 13.7% to 1'233'000 TEU.
- Strong development on Asia-Europe, Intra-Asia, and Latam-Noram

Net forwarding revenue 2007
3,280 m CHF (38%)

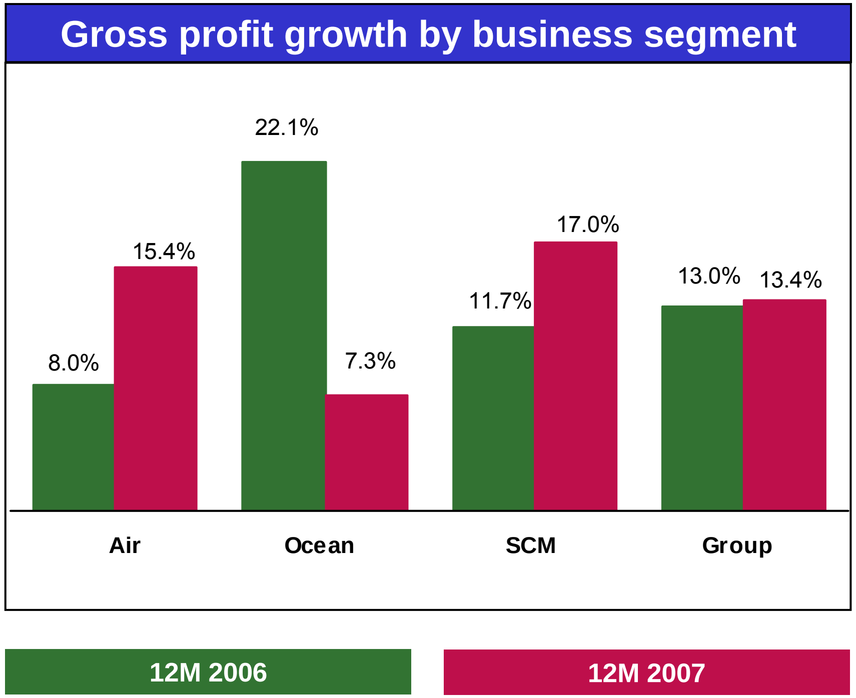
Supply chain management

- Significant new business wins in Telecom
- Thriving project business
- Trend for customers to outsource non-core activities likely to continue

Net forwarding revenue 2007
1,275 m CHF (15%)

Business year 2007

Performance by core activities



- Solid volume growth resulted in high turnover growth in both air (+11%) and ocean (+16%).
- Strong gross profit growth in airfreight due to favorable supply-demand balance and more efficient procurement.
- Slowdown in gross profit growth in ocean freight due to steep rate increases and tough comparison with prior year when rates were falling in the second half.
- Nice margin expansion in SCM due to cross-selling and customer profitability focus.

Business year 2007

Key industries overview

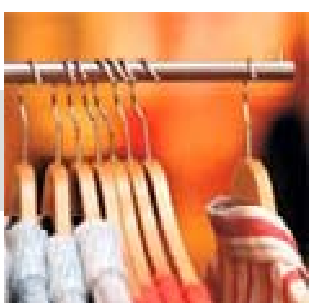
Telecom

Hi-Tech

Auto-
motive

Health-
care

Retail &
Fashion



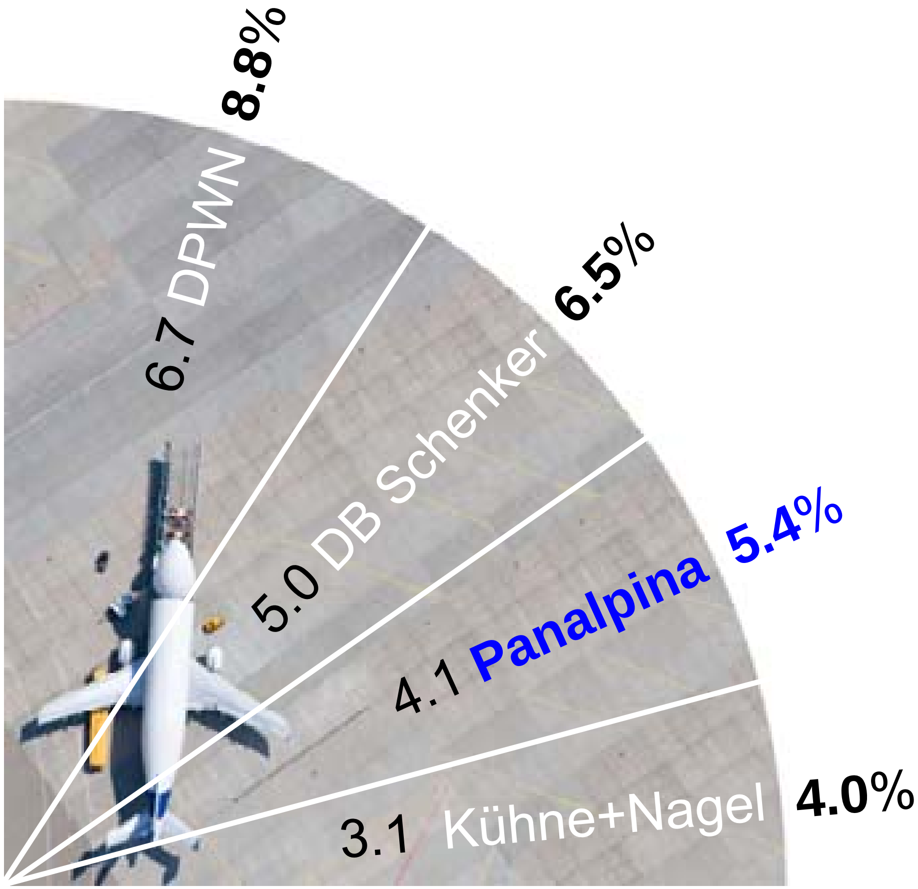
Oil and
Gas

All industry verticals developed dynamically in 2007. Very strong and new business generated especially in our telecom and automotive verticals as well as good project business have all contributed to a further margin expansion.

Business year 2007

Number 3 in air freight

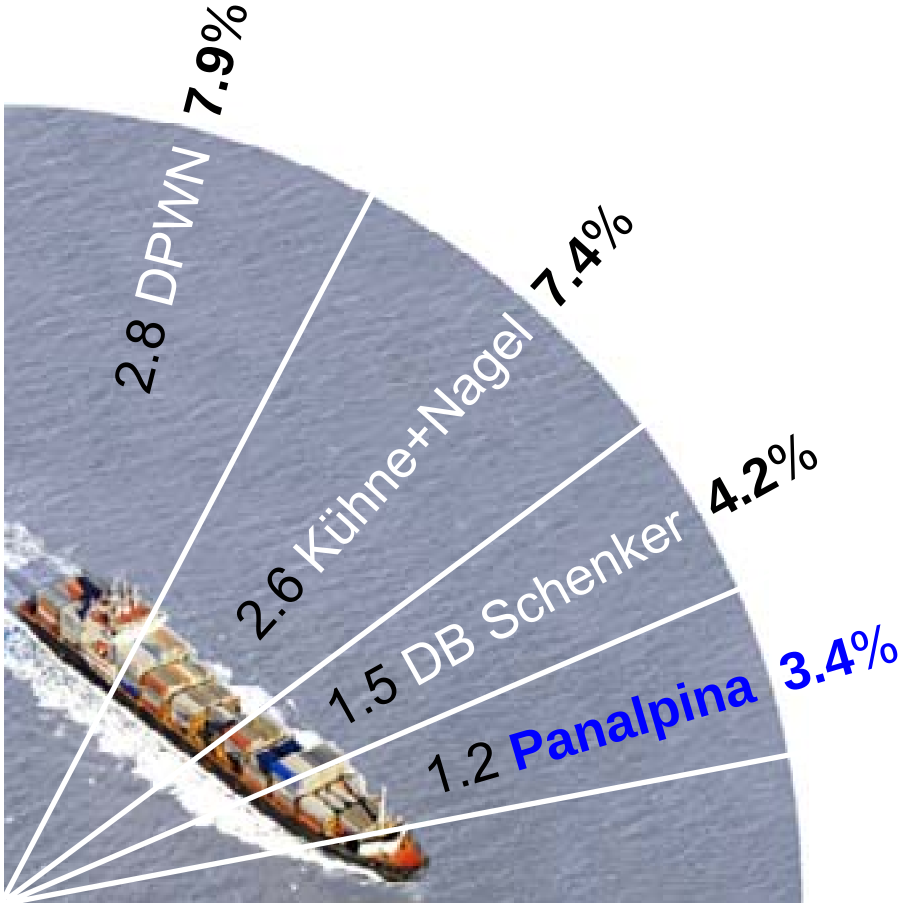
In billion CHF net turnover and market share 2007
of CHF 76.5 billion estimated total market



Sources: Annual reports, market studies and Panalpina estimates

Number 4 in ocean freight

In million TEUs transported and market share 2007
of 35.3 million TEUs estimated total market (forwarders only)



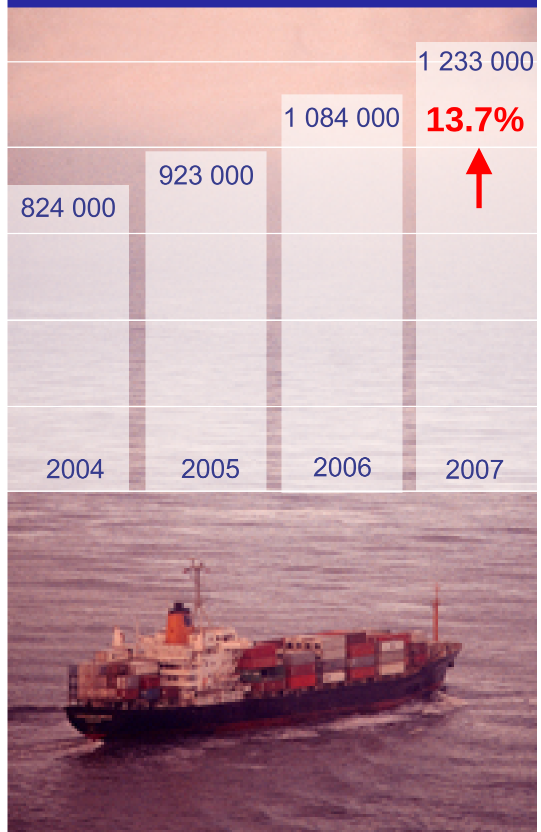
Sources: Annual reports, market studies and Panalpina estimates

Business year 2007

Development of transported tonnages and volumes

947 000 tons

1 233 000 TEUs



+

1 200 000 tons

Air freight

Ocean freight

Non-containerized

The way forward

Assessment

Business model and strategy

- No fundamental changes

Organization and processes

- Require review

Culture

- Generation change
- Improved professionalism
- Ethical business conduct

The way forward

Measures 1

Compliance

- Review of entire range of services
- Reinforced code of conduct (FCPA compliant)
- Department of Justice (DOJ)

Result

- Suspension of services (Nigeria)
- Organization
- Customer support
- Scenarios

Continued commitment to market leadership in Oil & Gas

The way forward

Measures 2

Short-term: cost optimization

- Housekeeping

Long-term: business development initiative

- Streamline organization
- Increase effectiveness
- Internal & external growth

The way forward

Conclusions

- Continue to grow organically and above the market… … and systematically review strategic growth options
- Revisit our organization to better serve our customers… … and reinforce our long term growth and profitability targets
- Discontinue services that do not meet Panalpina's strict compliance standards… … and become industry leader in truly compliant freight forwarding practices

The way forward

Outlook

Long-term business development initiative

Short-term cost optimization program

2008	2009	2010
Financial Guidance: GP increase ≥ **4%** Ebitda / GP **17.5–18.5%** NWC intensity **4–5%** Tax rate **26–27%**	Financial Guidance: Ebitda / GP ≥ **21%**	