

Panalpina Group

Basel, 5th August 2009

2009 Half Year Review



**A PASSION FOR
SOLUTIONS**

Air
Freight

Ocean
Freight

Supply Chain
Management

Executive summary

- Gross profit for the Group declined 9% on a like-for-like basis
- Targeted CHF 130m savings on track – underlying operating expenses declined 4%
- Number of FTEs reduced by 11% during first half-year, ahead of target
- Group performance impacted by legal fees, FX, discontinued business:

	Result 1H09 (CHF million)	Growth y/y 1H09 (actual)	Growth y/y 1H09 (local currencies)	Growth y/y 1H09 (like-for-like)
Net forwarding revenue	2'973.4	-31.6%	-28.1%	
Gross profit	727.4	-15.0%	-11.5%	-8.8%
Operating expenses	675.9	-6.7%	-3.5%	-4.3%
EBITDA	51.5	-60.9%	-56.9%	-34.4%
Net earnings	16.9	-77.9%	-79.5%	

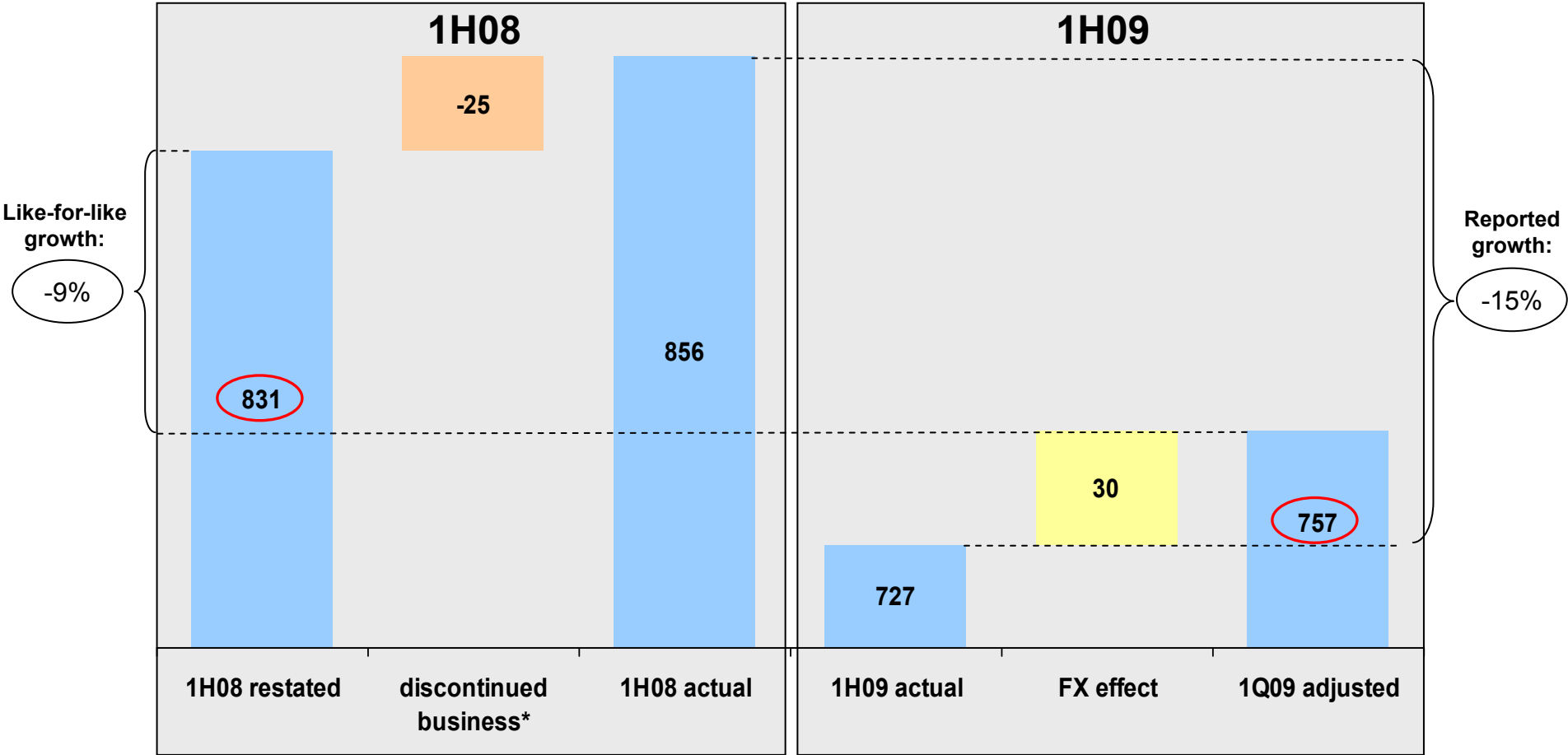
- Strong cash flow generation (free cash flow of CHF 155m, up 175%), resulting in net cash position of CHF 433m (>20% of market cap)
- Year-on-year volumes and gross profit impacted by continued weak market environment; quarter-on-quarter volume improvement:

1H09: development of volumes vs. gross profit			
Growth (y/y)	Volumes	GP	GP (excl. FX)
Air (tons)	-28%	-18%	-15%
Ocean (TEU)	-21%	-8%	-7%

Volume growth by quarter:	
2Q09 vs. 2Q08:	2Q09 vs. 1Q09:
-28%	+3%
-20%	+8%

Gross profit declined 9% on a like-for-like basis

(Figures in CHF million)

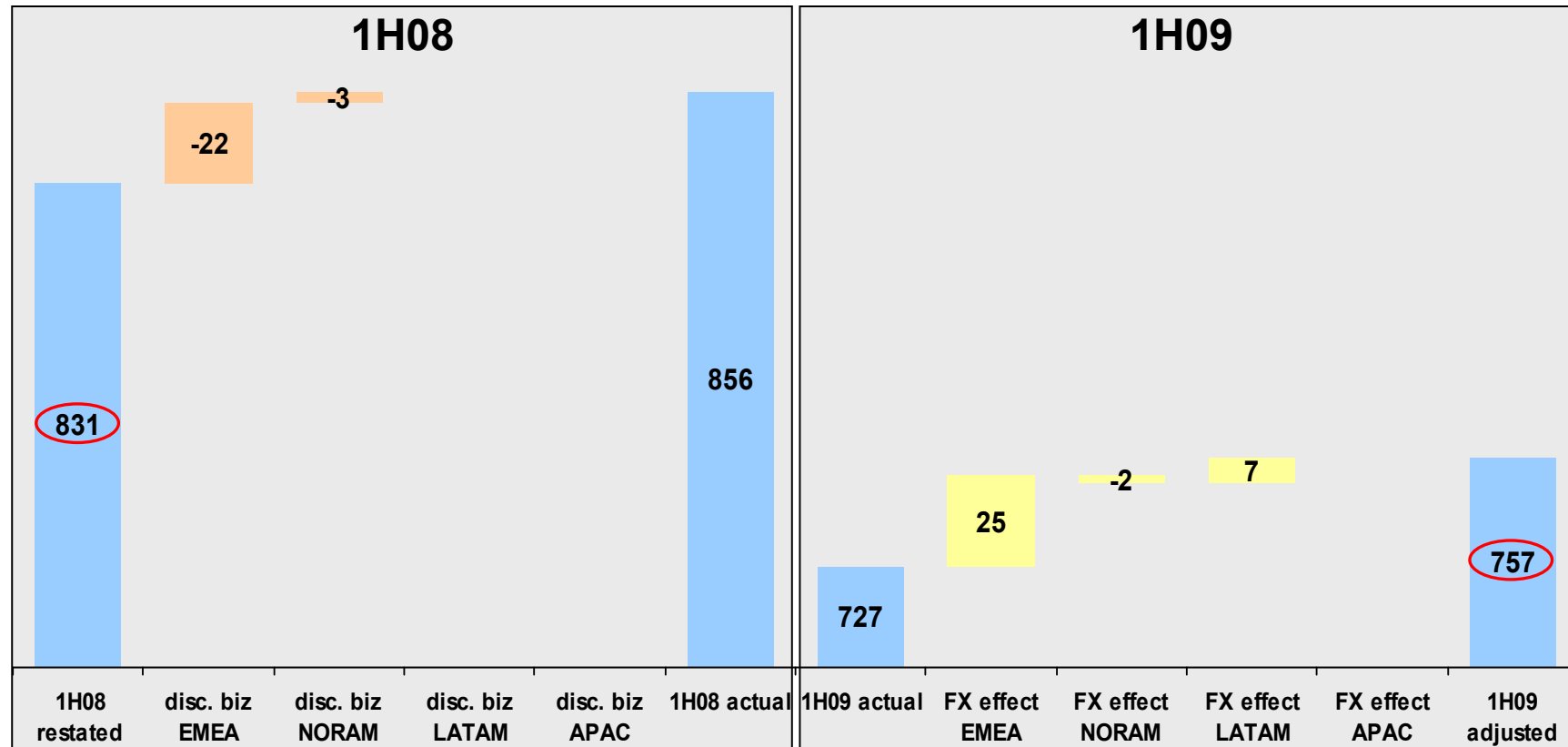


* Adjustment for discontinued business for which GP was still recorded during 2008 (refer to Appendix for details)

Development of GP – regional view

(Figures in CHF million)

disc. biz = discontinued business

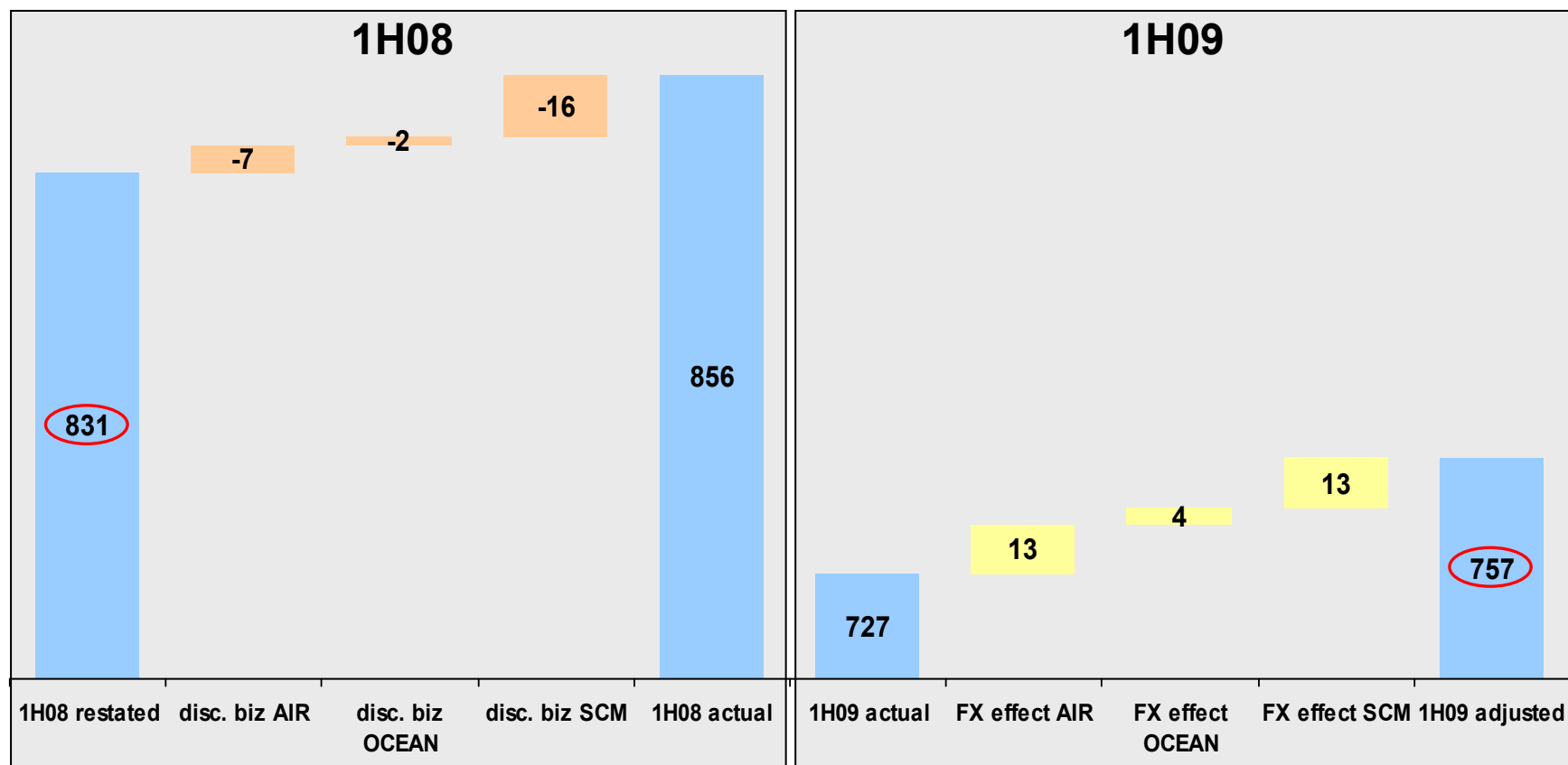


<i>Growth (y/y)</i>	EMEA	NORAM	LATAM	APAC
GPI (reported)	-21.9%	-14.5%	-5.2%	+3.8%
GPI (PY restated)	-18.2%	-12.8%	-5.2%	+3.8%
GPI (PY restated), excl. FX	-12.9%	-14.1%	+3.9%	+3.8%

Development of GP – segment view

(Figures in CHF million)

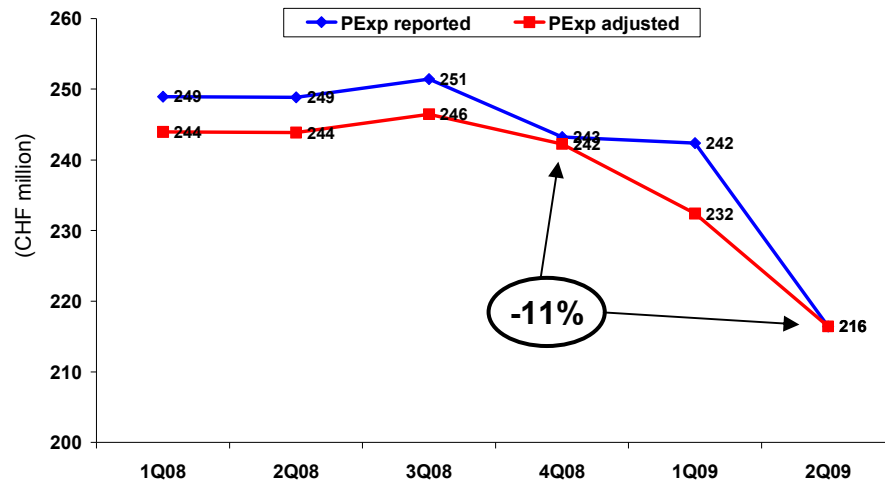
disc. biz = discontinued business



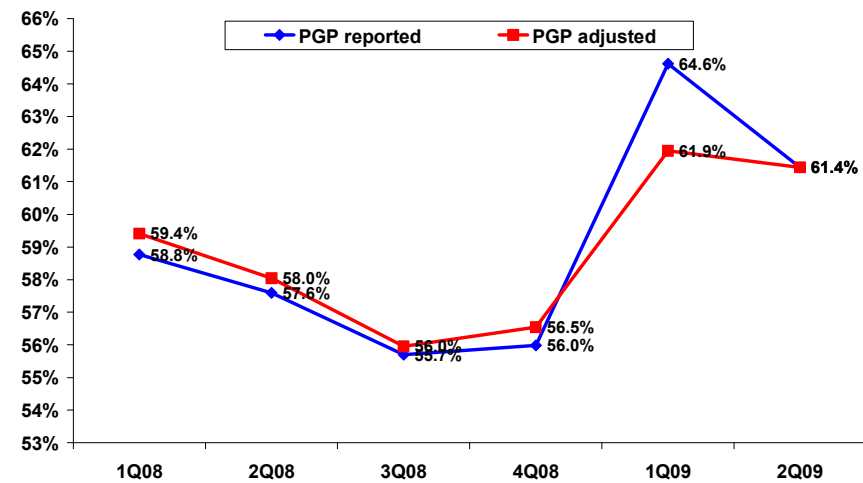
<i>Growth (y/y)</i>	AIR	OCEAN	SCM
GPI (reported)	-18.4%	-8.2%	-17.9%
GPI (PY restated)	-16.8%	-7.5%	-11.6%
GPI (PY restated), excl. FX	-13.2%	-6.0%	-5.3%

Personnel expenses in Q2 reduced in line with gross profit decline

Personnel expenses – reported vs. adjusted*



PGP** ratio – reported vs. adjusted



- Personnel expenses reduced by 11% since 4Q08 as a reaction to economic situation
- Previously announced FTE reduction target completed during 2Q09 and ahead of target

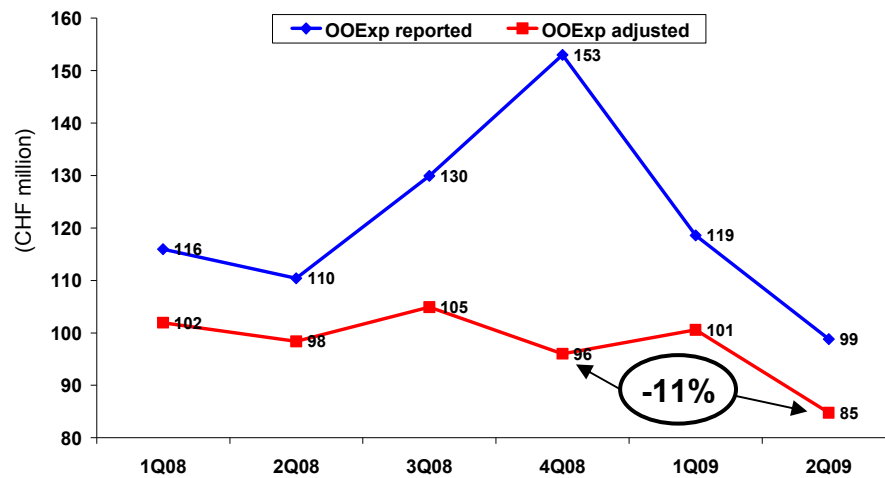
- Rise of PGP during 1Q09 due to abrupt fall in world trade resulting in pressure on GP
- Stabilization of PGP in 2Q09 as a result of costs reduced in line with falling gross profit

* 2008 adjusted for discontinued business; 2009 adjusted for severance costs

** Personnel expenses / gross profit

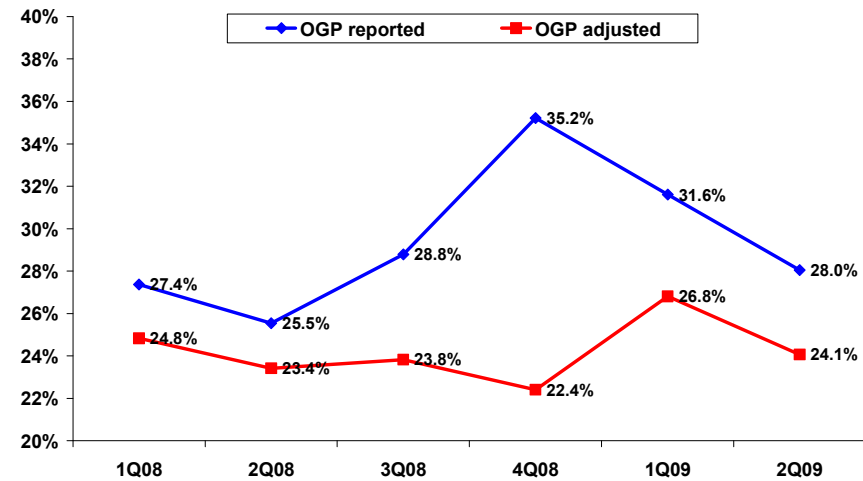
Underlying 'other opex' tightly managed

Other operating expenses – reported vs. adjusted*



- Reported OOExp rose in 2H08 due to various one-time items but fell sharply thereafter
- Adjusted OOExp reduced by 11% since 4Q08 as a result of tight cost control

OGP** ratio – reported vs. adjusted

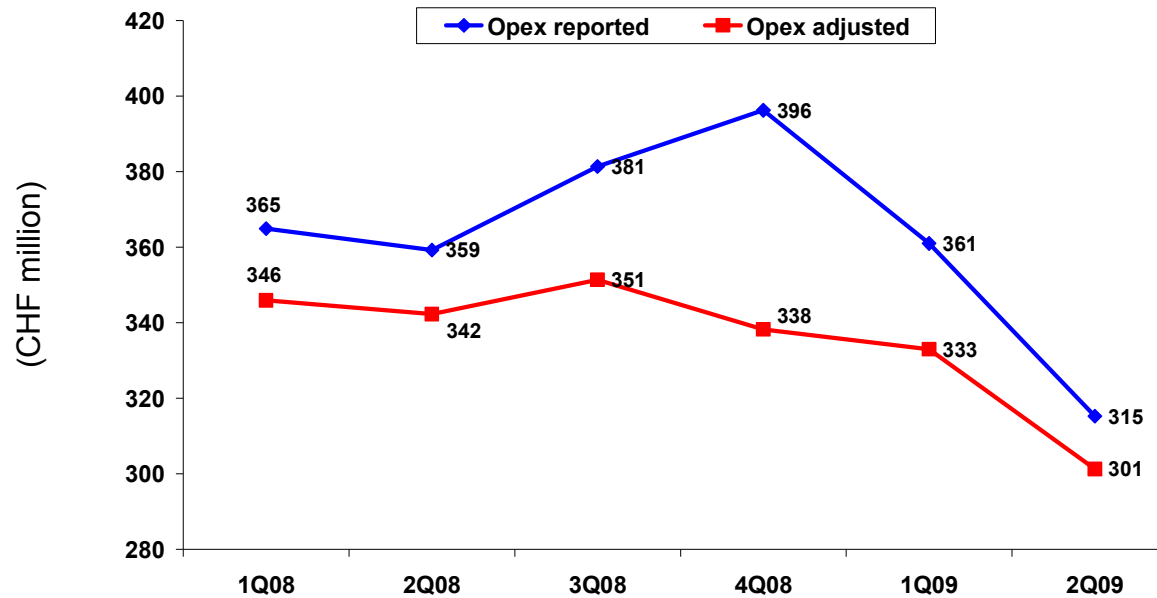


- Rapid fall in global trade volumes led to GP declining faster than OOExp in 1Q09
- OGP has been declining since then as a result of strict cost-saving measures

* 2008 adjusted for legal fees and other various one-time items, discontinued business; 2009 adjusted for legal fees

** Other operating expenses / gross profit

Total expense overview reveals cost base on track to achieve targeted CHF 130m savings in 2009*



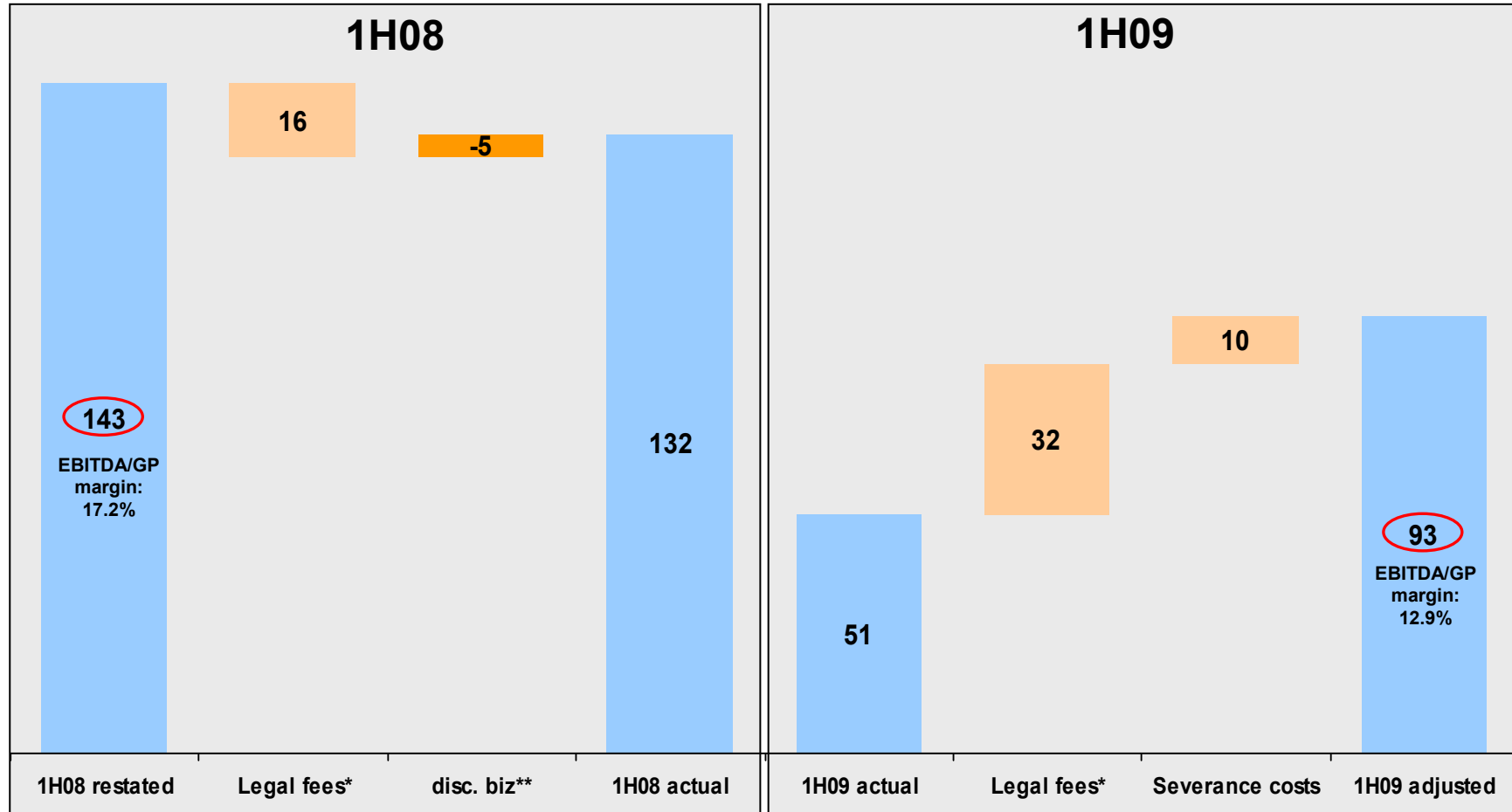
	30 Jun 09	31 Dec 08	Δ	% Δ
FTE	13'530	15'270	-1'740	-11%

- Reduction of more than 1'700 FTEs over the last six months, ahead of target
- Resulting cost savings started at the end of Q1 – major effect expected in second half-year
- Strict cost control to continue – cost structure / FTEs adapted in line with volume declines

* based on originally guided CHF 40m legal fees

EBITDA impacted by weak market environment

(Figures in CHF million)

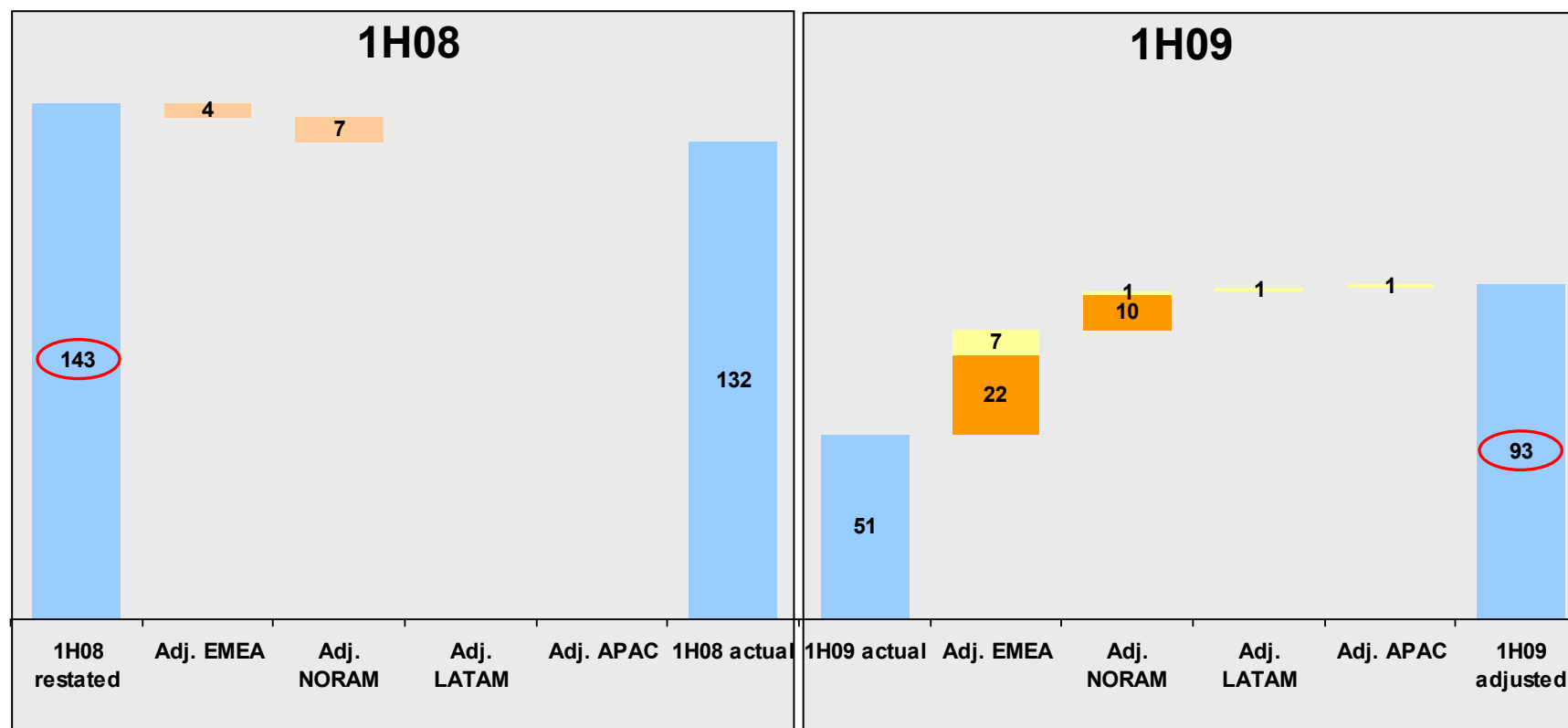
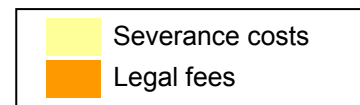


* Legal fees related to FCPA and antitrust investigations

** Discontinued business: adjustment for related EBITDA still recorded during 2008 (refer to Appendix for details)

EBITDA reconciliation – regional view

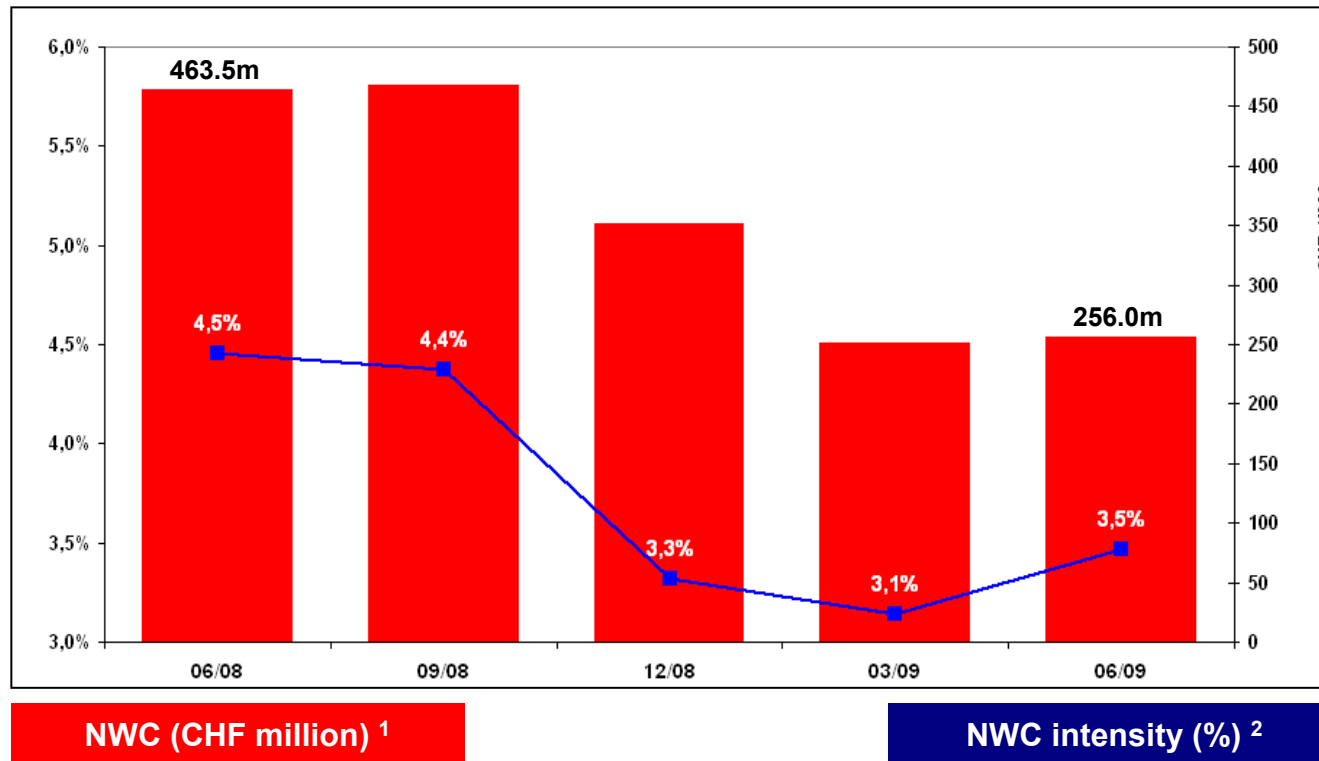
(Figures in CHF million)



<i>Growth (y/y)</i>	EMEA	NORAM	LATAM	APAC
EBITDA/GP reported 1H09	2.4%	-9.6%	15.1%	32.8%
EBITDA/GP adjusted 1H09	10.0%	-1.5%	16.4%	33.6%
EBITDA/GP adjusted 1H08	14.6%	10.3%	14.3%	35.6%

Note: Region labeled 'Corporate' on published datasheet is shown separately in accordance with IFRS 8 but is included in EMEA throughout this presentation for illustrative and analytical purposes.

Development of net working capital (NWC)



(# of days)	Jun 2009	Jun 2008
DSO	39.9	44.0
DPO	24.7	23.3
Δ (DSO – DPO)	15.2	20.7

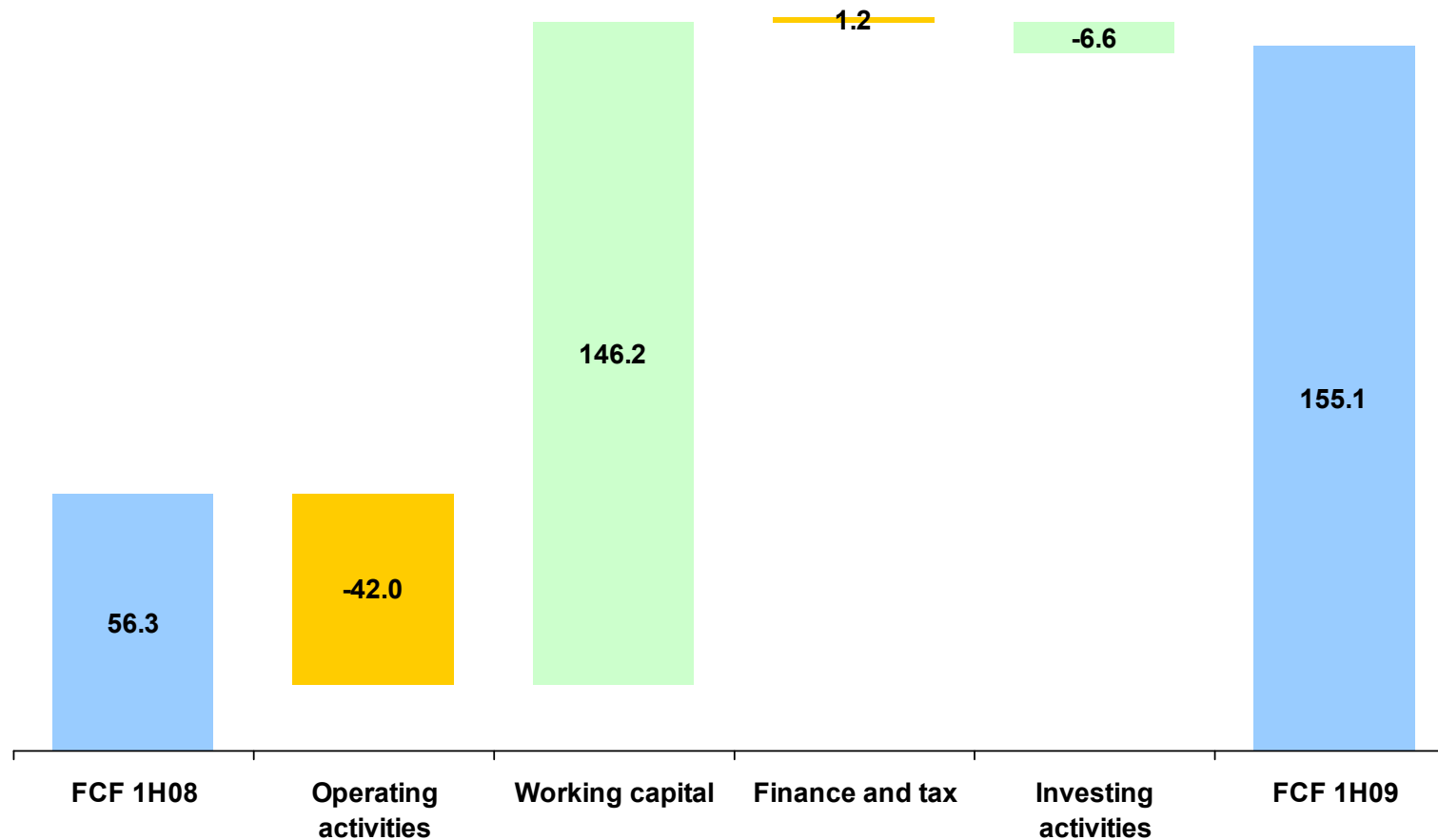
⇒ improvement by 5.5 days

¹ Net working capital defined as current assets net of cash and liquid instruments minus current liabilities net of interest bearing debt

² NWC intensity defined as NWC divided by gross forwarding revenue

Strict NWC management resulting in strong FCF generation

(Figures in CHF million)



Legal update

- FCPA ('Foreign Corrupt Practices Act') investigation:

- The Group closed its operations in Nigeria in September 2008 as part of its compliance remediation efforts.
- Further to an informal inquiry received from the Securities and Exchange Commission (SEC) in November 2008, Panalpina has agreed to cooperate with the SEC on a voluntary basis without conceding to its jurisdiction. Management does not expect that this cooperation has a negative impact on any aspect of the FCPA investigation, including its outcome and potential fines.
- The Group does not expect that it would need to take similar measures like in Nigeria in any other countries.
- The investigation is not expected to be completed prior to the end of September 2009, and the Group will have to bear the costs thereof, including related legal and accounting fees as well as the costs of the ongoing compliance remediation efforts.






- (Industry-wide) anti-trust investigation:

- Investigation activities are ongoing in various countries and jurisdictions.
- No authority has made any formal allegations to date against the Group.
- A civil class action lawsuit was filed in the USA against the Group and a multitude of its competitors as a direct consequence of these investigations.

- General

- No provisions have been made for either of mentioned investigations as of 30 Jun 2009.
- A shareholder complaint was filed in the U.S. after the balance sheet date, in which plaintiffs are seeking compensation for not yet substantiated damages, alleging misrepresentations and the omission of material facts related to Panalpina's business in Nigeria and the termination thereof. Panalpina is contesting jurisdiction and allegations made by plaintiffs and is not in a position to assess its exposure and potential financial consequences.

Outlook for current business year – review of Guidance

Guidance 2009	Status	Assessment
•Reduction of 1'400 – 1'600 FTEs		•Ahead of target – continue to adapt cost structure in line with volume development.
•Reduce operating expenses by CHF 130m*		•Full financial benefits ('run rate') from personnel cost savings will be visible in second half of 2009
•Market share gains		•Substantially lower volumes with larger customers, especially in Automotive / Hi-Tech. Recent business wins should have positive impact in 2 nd half-year.
•CHF 40m legal fees related to pending investigations		•Likely to exceed guided amount – fees can be influenced by the Group only to a limited extent
•Tax rate 26 – 27%		•On track

YoY volume declines should lessen in H2, however no substantial short-term recovery expected:

- **Strict cost control and tight cash management continue and remain a high priority**
- **Focus on growth opportunities and continually invest in people & systems**

* based on originally guided CHF 40m legal fees

<h1>Appendix</h1>			
		A PASSION FOR SOLUTIONS	
		Air Freight	Ocean Freight

Consolidated income statement – first half 2009

(in CHF million)	Actual (reported)			In local currencies	
	1H09	1H08	Δ	1H09	Δ
Net forwarding revenue	2'973.4	4'347.4	-31.6%	3'126.7	-28.1%
Gross profit	727.4	855.7	-15.0%	757.0	-11.5%
<i>in % of net forwarding revenue</i>	24.5%	19.7%		24.2%	
Personnel expenses	458.8	497.8	-7.8%	476.3	-4.3%
<i>in % of gross profit</i>	63.1%	58.2%		62.9%	
Other operating expenses	217.4	226.3	-4.0%	224.2	-0.9%
<i>in % of gross profit</i>	29.9%	26.4%		29.6%	
EBITDA	51.5	131.6	-60.9%	56.7	-56.9%
<i>in % of gross profit</i>	7.1%	15.4%		7.5%	
EBIT	26.6	108.1	-75.4%	30.4	-71.8%
<i>in % of gross profit</i>	3.7%	12.6%		4.0%	
Tax rate	27.6%	24.1%			
Net earnings	16.9	76.7	-77.9%		

Consolidated income statement – second quarter 2009

(in CHF million)	Actual (reported)			In local currencies	
	2Q09	2Q08	Δ	2Q09	Δ
Net forwarding revenue	1'363.3	2'213.4	-38.4%	1'426.8	-35.5%
Gross profit	352.3	432.1	-18.5%	365.9	-15.3%
<i>in % of net forwarding revenue</i>	25.8%	19.5%		25.6%	
Personnel expenses	216.4	248.9	-13.1%	224.7	-9.7%
<i>in % of gross profit</i>	61.4%	57.6%		61.4%	
Other operating expenses	98.8	110.4	-10.5%	101.5	-8.1%
<i>in % of gross profit</i>	28.0%	25.5%		27.7%	
EBITDA	37.1	72.9	-49.1%	39.7	-45.5%
<i>in % of gross profit</i>	10.5%	16.9%		10.8%	
EBIT	23.7	61.2	-61.3%	25.5	-58.3%
<i>in % of gross profit</i>	6.7%	14.2%		7.0%	
Tax rate	27.6%	25.1%			
Net earnings	15.1	44.5	-66.1%		

Balance sheet & cash flow summary

in CHF million	as per 30 Jun 2009	as per 31 Dec 2008
Cash and cash equivalents	455.8	362.4
Borrowings	(23.2)	(20.3)
Net cash (debt)	432.6	342.1
Cash generated from operations (YTD)	180.5	75.1
Cash flow from financing activities (YTD)*	-40.0	-144.5
Net working capital ¹	256.0	351.6
% of gross forwarding revenue	3.5%	3.3%
Total equity	862.6	871.3
Total assets	1'769.6	1'970.9
Asset intensity ²	8.4%	7.5%
Net capital expenditures (YTD) ³	15.6	18.5
FTE	13'530	15'270

* 1H08 includes CHF 77.1m outflow for dividend payout and CHF 74.5m outflow for share buyback program. 1H09 includes CHF 44.9m outflow for dividend payout.

¹ Net working capital defined as current assets net of cash and liquid instruments minus current liabilities net of interest bearing debt

² Calculated as tangible fixed assets / total assets

³ Capex defined as purchase/sale of PP&E (property, plant and equipment) and intangible assets

Reconciliation reported – adjusted (Group)

GP / EBITDA RECONCILIATION	GROUP			GROUP			GROUP		
	Q1 2009	Q1 2008	% Δ	Q2 2009	Q2 2008	% Δ	YTD 2009	YTD 2008	% Δ
Reported GP	375.1	423.6	-11.4%	352.3	432.1	-18.5%	727.4	855.7	-15.0%
Adjustment for discontinued business		-13			-12			-25	
Restated GP	375.1	410.6	-8.6%	352.3	420.1	-16.2%	727.4	830.7	-12.4%
FX effect	16			14			30		
Reported GP (local currencies)	391.1	423.6	-7.7%	366.3	432.1	-15.2%	757.4	855.7	-11.5%
Restated GP (local currencies)	391.1	410.6	-4.7%	366.3	420.1	-12.8%	757.4	830.7	-8.8%
Reported EBITDA	14.4	58.6	-75.4%	37.1	72.9	-49.2%	51.5	131.6	-60.9%
Reported EBITDA/GP margin	3.8%	13.8%		10.5%	16.9%		7.1%	15.4%	
Adjustment for discontinued business		-3			-2		0	-5	
Restated EBITDA	14.4	55.6	-74.1%	37.1	70.9	-47.7%	51.5	126.6	-59.3%
<i>Add back non-recurring items:</i>									
Legal costs (FCPA, Anti-trust)	18	9		14	7		32	16	
Severance costs	10						10	0	
Adjusted EBITDA	42.4	64.6	-34.3%	51.1	77.9	-34.5%	93.5	142.6	-34.4%
Adjusted EBITDA/GP margin	11.3%	15.7%		14.5%	18.5%		12.9%	17.2%	

Reconciliation reported – adjusted (Group)

PERSONNEL EXPENSES	Q1 2009	Q1 2008	% Δ	Q2 2009	Q2 2008	% Δ	YTD 2009	YTD 2008	% Δ
Reported PExp	242.4	248.9	-2.6%	216.4	248.9	-13.0%	458.8	497.8	-7.8%
Reported PExp (local currencies)	251.6	248.9	1.1%	224.7	248.9	-9.7%	476.3	497.8	-4.3%
Adjustment for discontinued business		-5			-5			-10	
Restated PExp	242.4	243.9	-0.6%	216.4	243.9	-11.2%	458.8	487.8	-5.9%
<i>Add back non-recurring items:</i>									
Severance costs	10.0						10.0		
Adjusted PExp	232.4	243.9	-4.7%	216.4	243.9	-11.2%	448.8	487.8	-8.0%
Adjusted PExp (local currencies)	241.6	243.9	-1.0%	224.7	243.9	-7.8%	466.3	487.8	-4.4%
Reported PGP	64.6%	58.8%		61.4%	57.6%		63.1%	58.2%	
Reported PGP (local currencies)	64.3%	58.8%		61.4%	57.6%		62.9%	58.2%	
Adjusted PGP	61.9%	59.4%		61.4%	58.0%		61.7%	58.7%	
Adjusted PGP (local currencies)	61.8%	59.4%		61.4%	58.0%		61.6%	58.7%	

OTHER OPERATING EXPENSES	Q1 2009	Q1 2008	% Δ	Q2 2009	Q2 2008	% Δ	YTD 2009	YTD 2008	% Δ
Reported OOExp	118.6	116.0	2.3%	98.8	110.4	-10.5%	217.4	226.3	-4.0%
Reported OOExp (local currencies)	122.7	116.0	5.8%	101.5	110.4	-8.1%	224.2	226.3	-0.9%
Adjustment for discontinued business		-5			-5		0	-10	
Restated OOExp	118.6	111.0	6.9%	98.8	105.4	-6.3%	217.4	216.3	0.5%
<i>Add back non-recurring items:</i>									
Legal costs (FCPA, Anti-trust)	18.0	9.0		14.0	7.0		32.0	16.0	
Adjusted OOExp	100.6	102.0	-1.3%	84.8	98.4	-13.8%	185.4	200.3	-7.5%
Adjusted OOExp (local currencies)	104.7	102.0	2.7%	87.5	98.4	-11.1%	192.2	200.3	-4.1%
Reported OGP	31.6%	27.4%		28.0%	25.5%		29.9%	26.4%	
Reported OGP (local currencies)	31.4%	27.4%		27.7%	25.5%		29.6%	26.4%	
Adjusted OGP	26.8%	24.8%		24.1%	23.4%		25.5%	24.1%	
Adjusted OGP (local currencies)	26.8%	24.8%		23.9%	23.4%		25.4%	24.1%	

Reconciliation reported – adjusted (Regions)

GP / EBITDA RECONCILIATION	EMEA			EMEA			EMEA		
	Q1 2009	Q1 2008	% Δ	Q2 2009	Q2 2008	% Δ	YTD 2009	YTD 2008	% Δ
Reported GP	195	245	-20.4%	186	243	-23.5%	381	488	-21.9%
Adjustment for discontinued business		-11			-11			-22	
Restated GP	195	234	-16.7%	186	232	-19.8%	381	466	-18.2%
FX effect	14			11			25		
Reported GP (local currencies)	209	245	-14.7%	197	243	-18.9%	406	488	-16.8%
Restated GP (local currencies)	209	234	-10.7%	197	232	-15.1%	406	466	-12.9%
Reported EBITDA	-4	29	-113.8%	13	35	-62.9%	9	64	-85.9%
Reported EBITDA/GP margin	-2.1%	11.8%		7.0%	14.4%		2.4%	13.1%	
Adjustment for discontinued business		-3			-3			-6	
Restated EBITDA	-4	26	-115.4%	13	32	-59.4%	9	58	-84.5%
<i>Add back non-recurring items:</i>									
Legal costs (FCPA, Anti-trust)	14	6		8	4		22	10	
Severance costs	7						7	0	
Adjusted EBITDA	17	32	-46.9%	21	36	-41.7%	38	68	-44.1%
Adjusted EBITDA/GP margin	8.7%	13.7%		11.3%	15.5%		10.0%	14.6%	

GP / EBITDA RECONCILIATION	NORAM			NORAM			NORAM		
	Q1 2009	Q1 2008	% Δ	Q2 2009	Q2 2008	% Δ	YTD 2009	YTD 2008	% Δ
Reported GP	71	78	-9.0%	65	81	-19.8%	136	159	-14.5%
Adjustment for discontinued business		-1			-2			-3	
Restated GP	71	77	-7.8%	65	79	-17.7%	136	156	-12.8%
FX effect	-2			0			-2		
Reported GP (local currencies)	69	78	-11.5%	65	81	-19.8%	134	159	-15.7%
Restated GP (local currencies)	69	77	-10.4%	65	79	-17.7%	134	156	-14.1%
Reported EBITDA	-8	4	-300.0%	-5	5	-200.0%	-13	9	-244.4%
Reported EBITDA/GP margin	-11.3%	5.1%		-7.7%	6.2%		-9.6%	5.7%	
Adjustment for discontinued business		1			0			1	
Restated EBITDA	-8	5	-260.0%	-5	5	-200.0%	-13	10	-230.0%
<i>Add back non-recurring items:</i>									
Legal costs (FCPA, Anti-trust)	4	3		6	3		10	6	
Severance costs	1						1	0	
Adjusted EBITDA	-3	8	-137.5%	1	8	-87.5%	-2	16	-112.5%
Adjusted EBITDA/GP margin	-4.2%	10.4%		1.5%	10.1%		-1.5%	10.3%	

Reconciliation reported – adjusted (Regions)

GP / EBITDA RECONCILIATION	LATAM			LATAM			LATAM		
	Q1 2009	Q1 2008	% Δ	Q2 2009	Q2 2008	% Δ	YTD 2009	YTD 2008	% Δ
Reported GP	34	36	-5.6%	39	41	-4.9%	73	77	-5.2%
Adjustment for discontinued business		0			0			0	
Restated GP	34	36	-5.6%	39	41	-4.9%	73	77	-5.2%
FX effect	4			3			7		
Reported GP (local currencies)	38	36	5.6%	42	41	2.4%	80	77	3.9%
Restated GP (local currencies)	38	36	5.6%	42	41	2.4%	80	77	3.9%
Reported EBITDA	2	4	-50.0%	9	7	28.6%	11	11	0.0%
Reported EBITDA/GP margin	5.9%	11.1%		23.1%	17.1%		15.1%	14.3%	
Adjustment for discontinued business		0						0	
Restated EBITDA	2	4	-50.0%	9	7	28.6%	11	11	0.0%
<i>Add back non-recurring items:</i>									
Legal costs (FCPA, Anti-trust)							0	0	
Severance costs	1						1	0	
Adjusted EBITDA	3	4	-25.0%	9	7	28.6%	12	11	9.1%
Adjusted EBITDA/GP margin	8.8%	11.1%		23.1%	17.1%		16.4%	14.3%	

GP / EBITDA RECONCILIATION	APAC			APAC			APAC		
	Q1 2009	Q1 2008	% Δ	Q2 2009	Q2 2008	% Δ	YTD 2009	YTD 2008	% Δ
Reported GP	75	65	15.4%	62	67	-7.5%	137	132	3.8%
Adjustment for discontinued business		-1			1			0	
Restated GP	75	64	17.2%	62	68	-8.8%	137	132	3.8%
FX effect	0			0			0		
Reported GP (local currencies)	75	65	15.4%	62	67	-7.5%	137	132	3.8%
Restated GP (local currencies)	75	64	17.2%	62	68	-8.8%	137	132	3.8%
Reported EBITDA	24	22	9.1%	21	25	-16.0%	45	47	-4.3%
Reported EBITDA/GP margin	32.0%	33.8%		33.9%	37.3%		32.8%	35.6%	
Adjustment for discontinued business		-1			1			0	
Restated EBITDA	24	21	14.3%	21	26	-19.2%	45	47	-4.3%
<i>Add back non-recurring items:</i>									
Legal costs (FCPA, Anti-trust)							0	0	
Severance costs	1						1	0	
Adjusted EBITDA	25	21	19.0%	21	26	-19.2%	46	47	-2.1%
Adjusted EBITDA/GP margin	33.3%	32.8%		33.9%	38.2%		33.6%	35.6%	

Reconciliation reported – adjusted (Segments)

GP RECONCILIATION	AIR			AIR			AIR		
	Q1 2009	Q1 2008	% Δ	Q2 2009	Q2 2008	% Δ	YTD 2009	YTD 2008	% Δ
Reported GP	153	181	-15.5%	144	183	-21.3%	297	364	-18.4%
Adjustment for discontinued business		-4			-3			-7	
Restated GP	153	177	-13.6%	144	180	-20.0%	297	357	-16.8%
FX effect	7			6			13		
Reported GP (local currencies)	160	181	-11.6%	150	183	-18.0%	310	364	-14.8%
Restated GP (local currencies)	160	177	-9.6%	150	180	-16.7%	310	357	-13.2%

GP RECONCILIATION	OCEAN			OCEAN			OCEAN		
	Q1 2009	Q1 2008	% Δ	Q2 2009	Q2 2008	% Δ	YTD 2009	YTD 2008	% Δ
Reported GP	129	133	-3.0%	118	136	-13.2%	247	269	-8.2%
Adjustment for discontinued business		-1			-1			-2	
Restated GP	129	132	-2.3%	118	135	-12.6%	247	267	-7.5%
FX effect	2			2			4		
Reported GP (local currencies)	131	133	-1.5%	120	136	-11.8%	251	269	-6.7%
Restated GP (local currencies)	131	132	-0.8%	120	135	-11.1%	251	267	-6.0%

GP RECONCILIATION	SCM			SCM			SCM		
	Q1 2009	Q1 2008	% Δ	Q2 2009	Q2 2008	% Δ	YTD 2009	YTD 2008	% Δ
Reported GP	93	110	-15.5%	90	113	-20.4%	183	223	-17.9%
Adjustment for discontinued business		-8			-8			-16	
Restated GP	93	102	-8.8%	90	105	-14.3%	183	207	-11.6%
FX effect	7			6			13		
Reported GP (local currencies)	100	110	-9.1%	96	113	-15.0%	196	223	-12.1%
Restated GP (local currencies)	100	102	-2.0%	96	105	-8.6%	196	207	-5.3%