

A passion for solutions

Panalpina Group

Basel, July 26, 2013

2013 Second Quarter Review

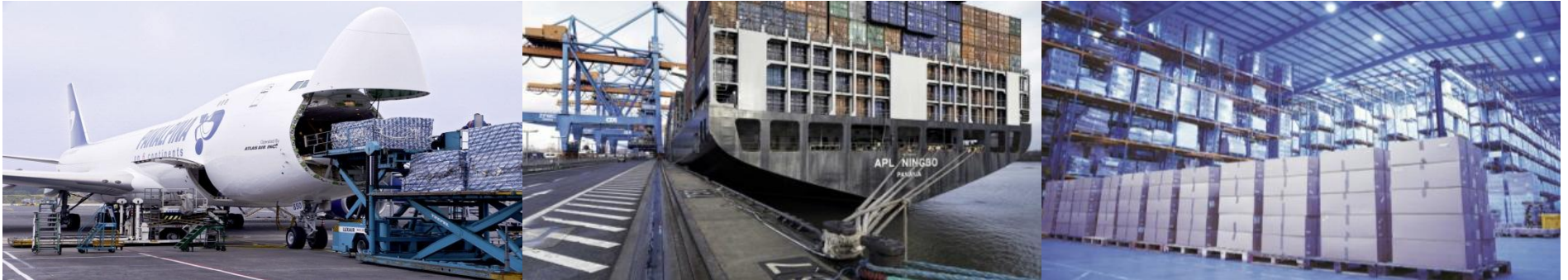


Supply Chain Solutions

Air Freight

Ocean Freight

Logistics



Highlights and key figures

Operating and financial review

Outlook

Growth in profitability and margins in the second quarter

Volumes and gross profit (GP)

- GP of the Group in Q2 2013 up 10% yoy
- Air Freight volumes up 3% yoy, first volume increase in nine quarters, ahead of market
- Continued market share gains in Ocean Freight, volumes up 5% yoy
- Double-digit growth of Logistics business as investments continue to unfold

Operating expenses and profit

- Total operating expenses up 5% yoy primarily as a result of ongoing investments in business and IT, continued improvement of productivity. Personnel expenses stable.
- Q2 EBITDA/GP margin of 13.1%, up from 9.1% a year ago and 8.2% last quarter

Cash flow and net working capital

- Cash outflow of CHF 60 million year-to-date mainly as a result of dividend payment and increasing net working capital
- Net working capital intensity at 2.4%

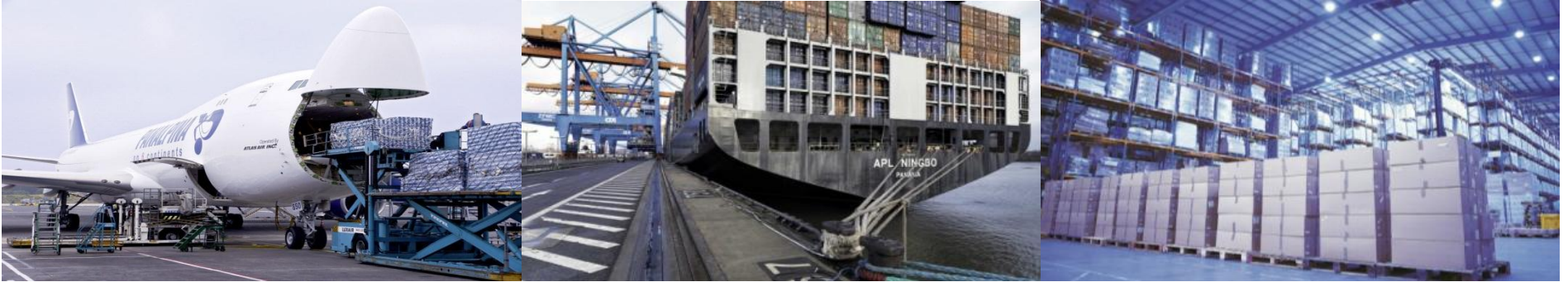
Key figures

CHF million unless otherwise noted

	Q2 2013	Q2 2012	Δ in %	YTD 2013 actual	YTD 2012 actual	Non-recurring item (NRI)*	YTD 2012 before NRI	Δ in %	
								Actual	Excl. NRI
Net forwarding revenue	1'726.5	1'667.6	3.5%	3'328.0	3'207.5		3'207.5	3.8%	3.8%
Gross profit	399.0	363.3	9.8%	764.8	727.4		727.4	5.1%	5.1%
Total operating expenses	(346.9)	(330.4)	5.0%	(682.6)	(720.0)	(59.2)	(660.8)	-5.2%	3.3%
EBITDA	52.1	32.9	58.4%	82.2	7.4	(59.2)	66.6	1010.8%	23.4%
<i>in % of gross profit</i>	13.1%	9.1%		10.7%	1.0%		9.2%		
Operating result (EBIT)	40.3	22.2	81.5%	58.8	(13.4)	(59.2)	45.8		28.4%
<i>in % of gross profit</i>	10.1%	6.1%		7.7%	-1.8%		6.3%		
Consolidated profit	24.1	16.8	43.5%	38.4	(24.1)	(59.2)	35.1		9.4%
Earnings per share (CHF)	1.02	0.71	43.7%	1.64	-1.02		1.48		10.8%
Cash and cash equivalents (end of period)	332.7	557.9	-40.4%						
Equity ratio in % (end of period)	36.4%	39.5%							

* Antitrust fines of CHF 59.2 million booked in Q1 2012

Note: Personnel expenses and income tax expenses in each quarter of 2012 have been restated due to the application of IAS 19 revised.



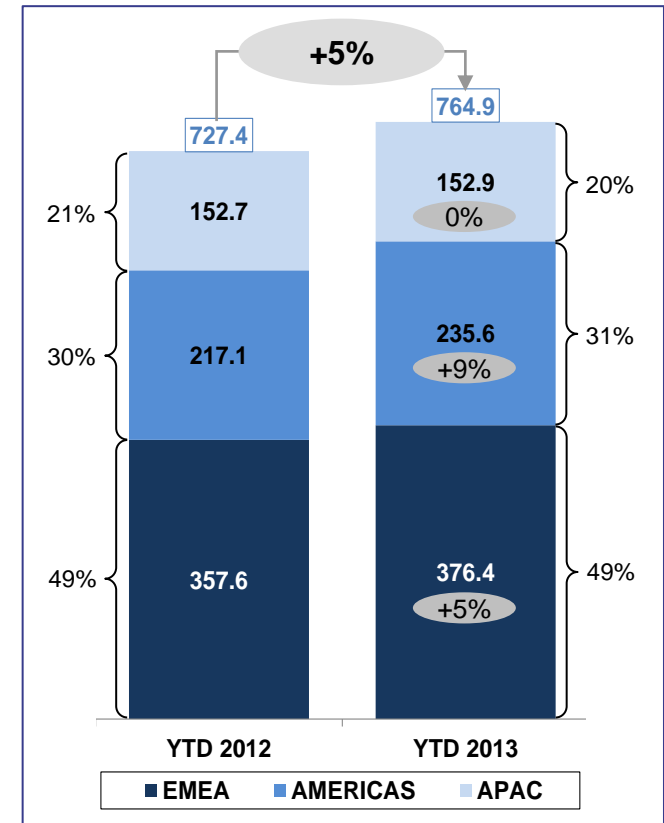
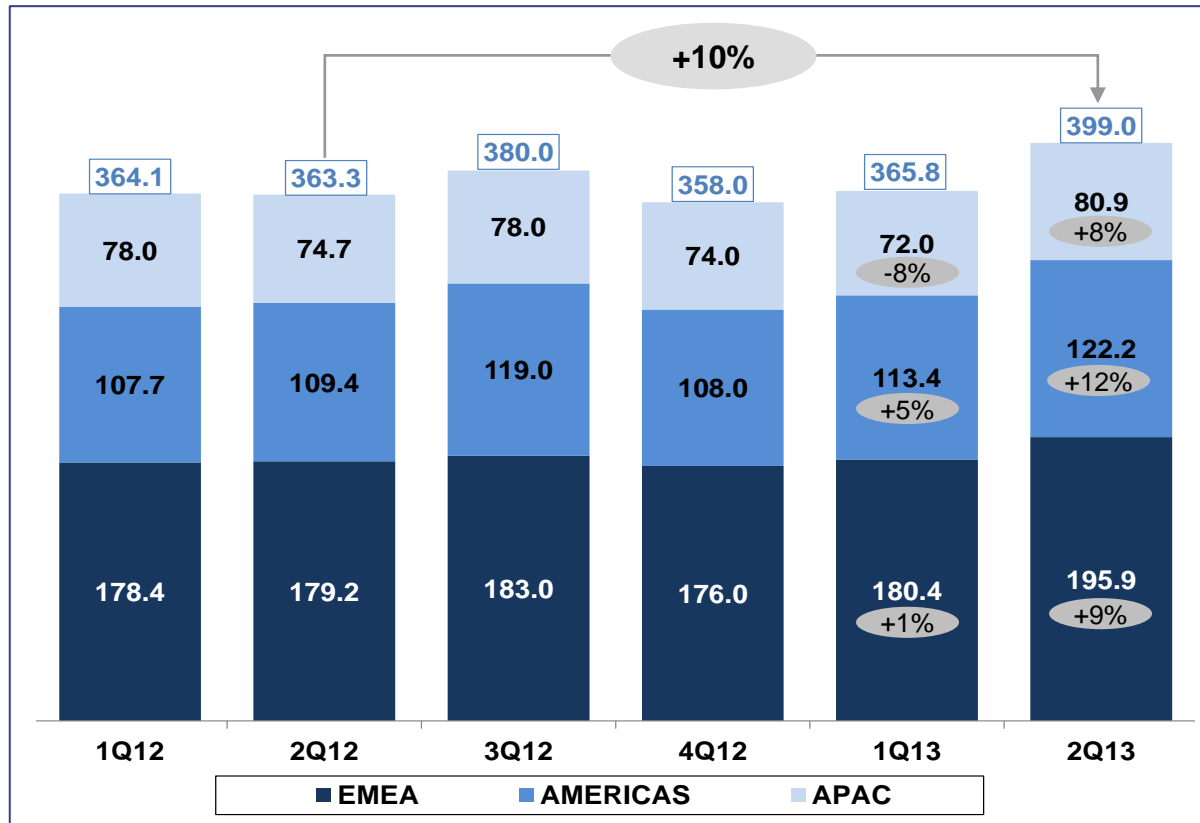
Highlights and key figures

Operating and financial review

Outlook

Significant uptick in GP growth in all Regions in the second quarter

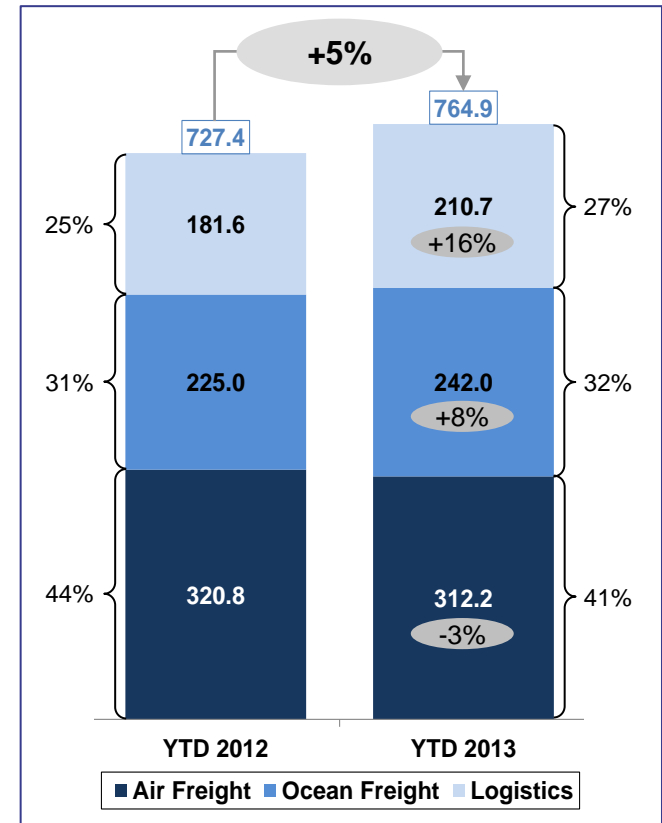
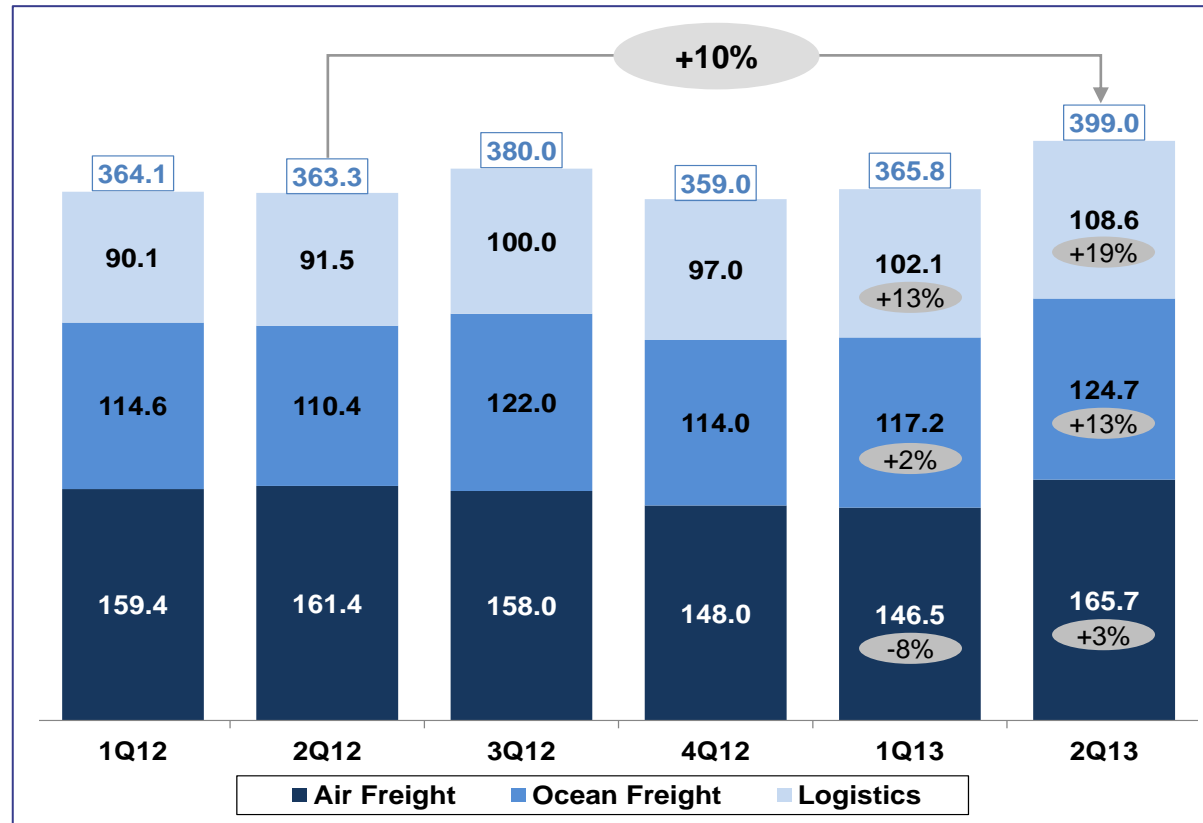
Gross profit in CHF million and year-on-year growth in %



- Gross profit of the Group in Q2 up 10% yoy (YTD: +5%)
- Asian export volumes to Europe moderately growing again in Q2 after a weak Q1
- Strong Latin American trade flows positively impacting GP in Americas

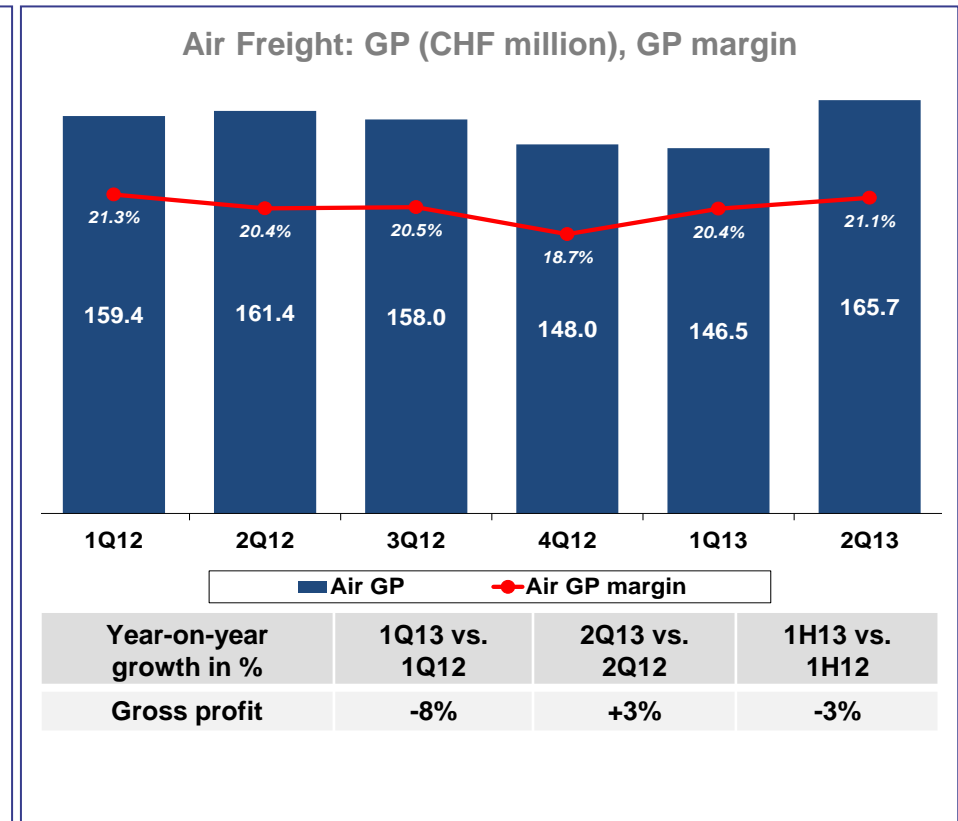
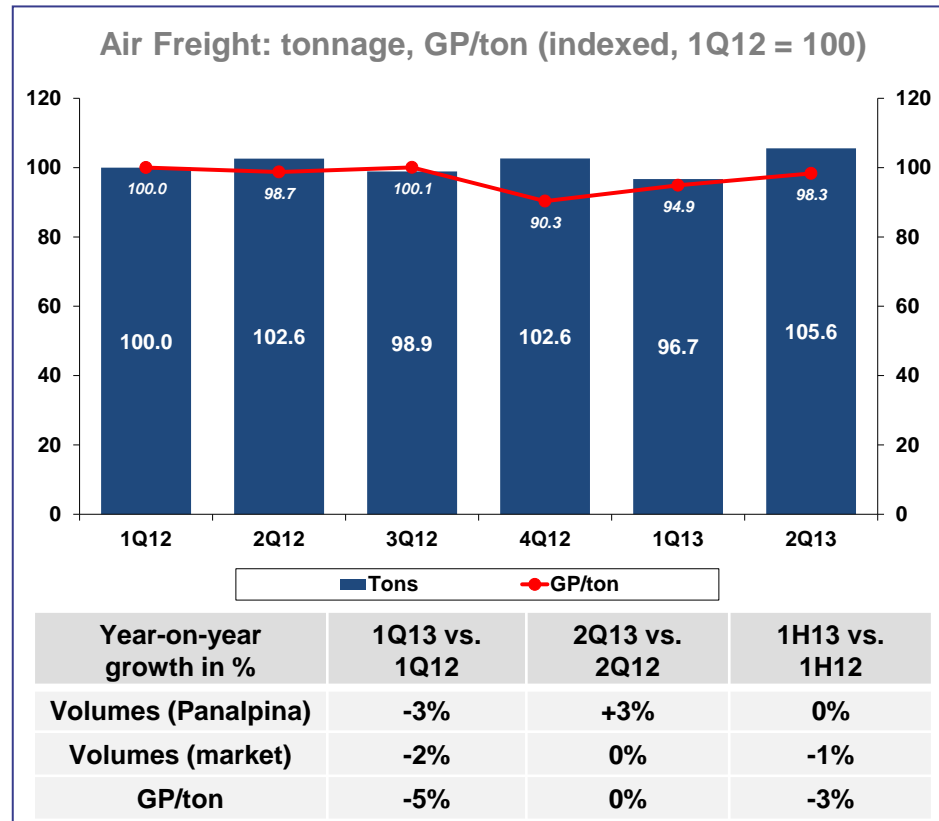
Air GP improving, strong growth in Ocean and Logistics

Gross profit in CHF million and year-on-year growth in %



- Air Freight GP growing again in second quarter thanks to growing volumes
- GP growth in Ocean Freight as a result of above market volume growth and improving GP/TEU
- Double-digit growth of Logistics business as investments continue to unfold

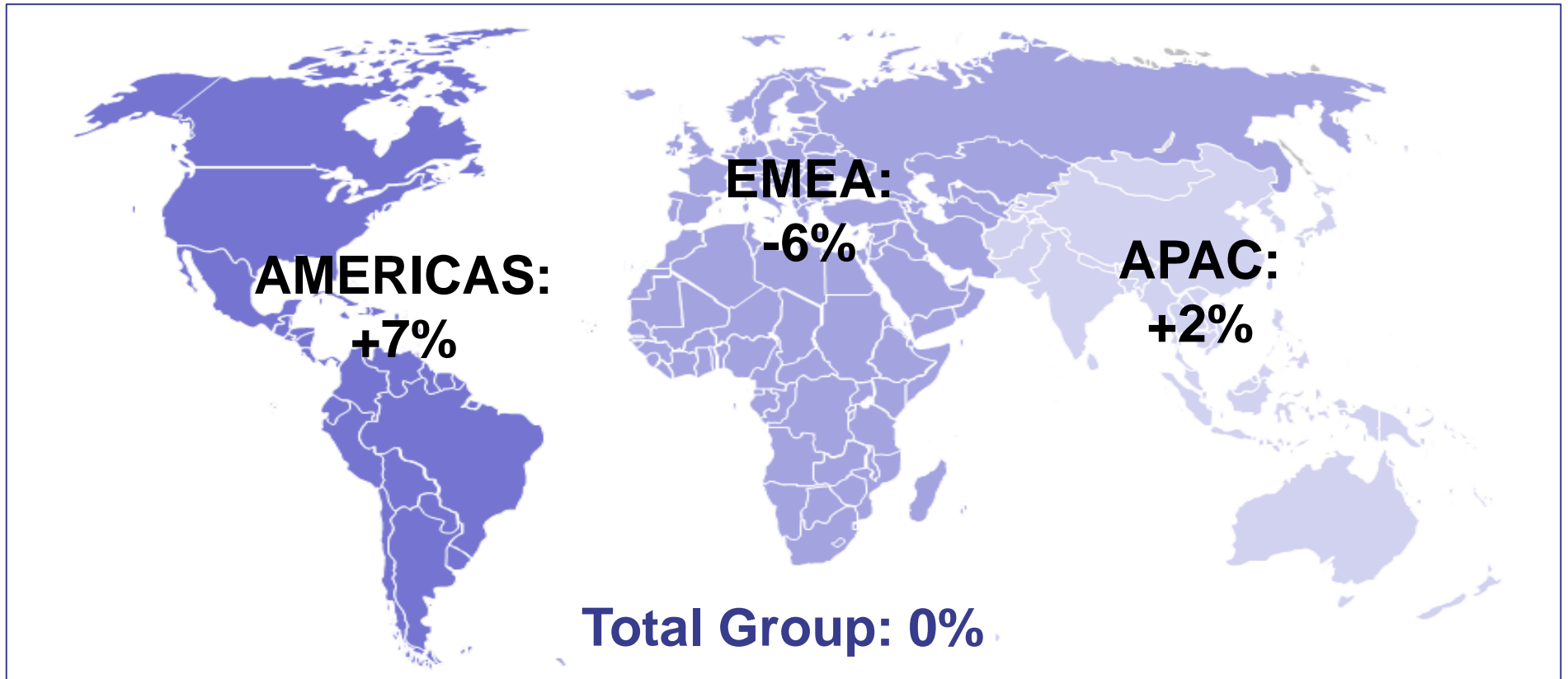
Air Freight GP growing again after several quarters of declines



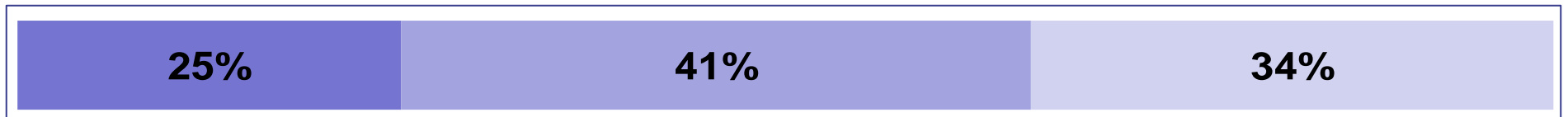
- Ongoing volume weakness in Hi-Tech and Chemicals, strong growth in Consumer & Retail, Healthcare and Oil & Gas
- GP per ton stable vs. prior year level and further improving vs. last quarter

Air Freight: volume development by Region

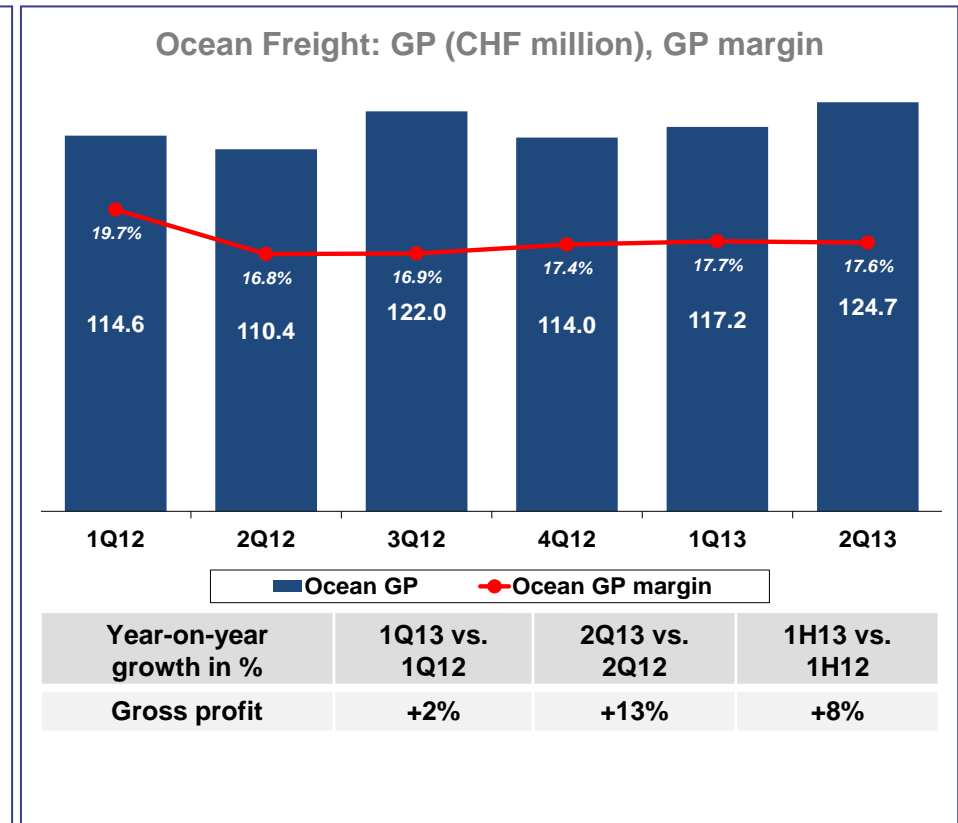
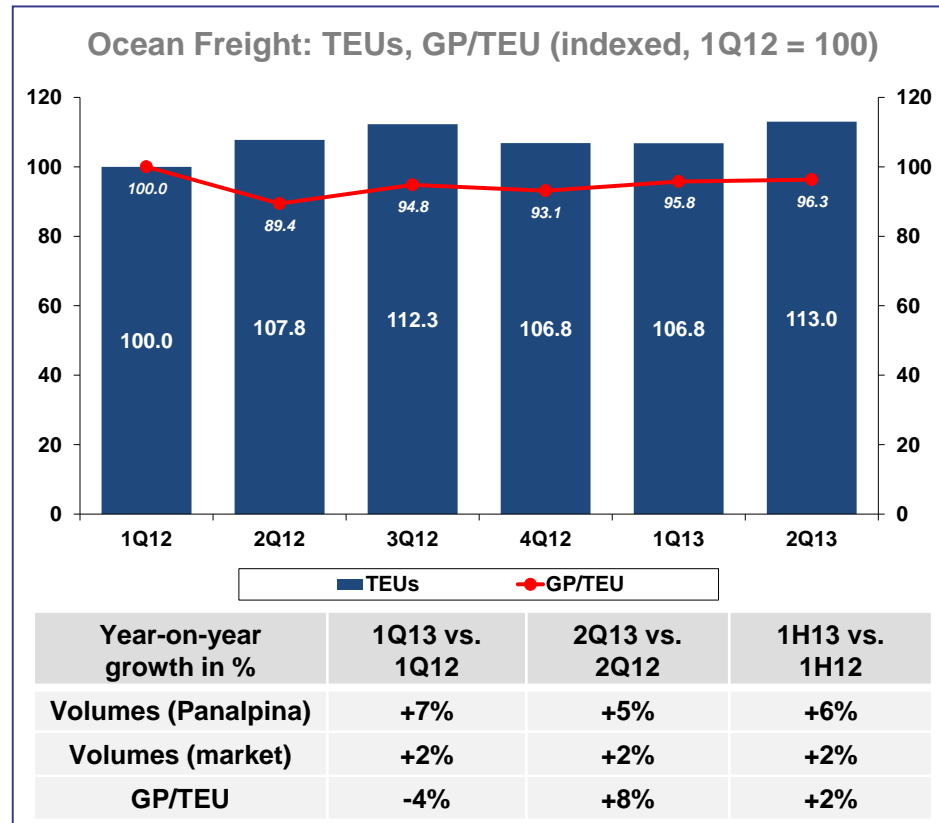
Year-on-year volume growth (Panalpina) for first half year by export market



Relative volumes (Panalpina) per Region



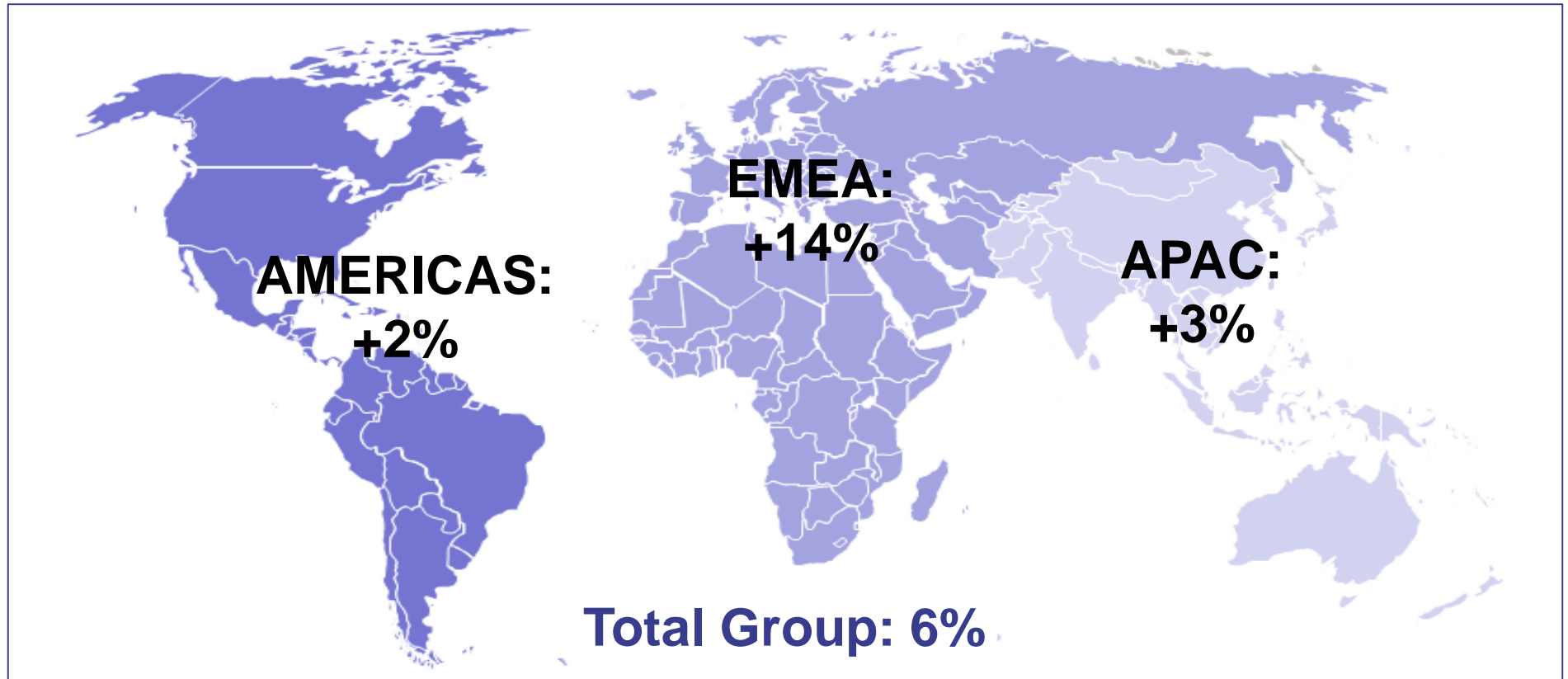
Ocean Freight with continued above-market growth



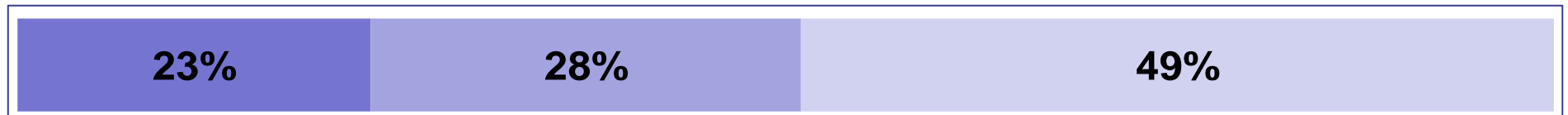
- Further market share gains in Ocean Freight leading to new quarterly volume record, supported by strong volumes in Oil & Gas, Manufacturing and Hi-Tech
- GP per TEU up strongly compared to year-ago level and stable vs. last quarter

Ocean Freight: volume development by Region

Year-on-year volume growth (Panalpina) for first half year by export market

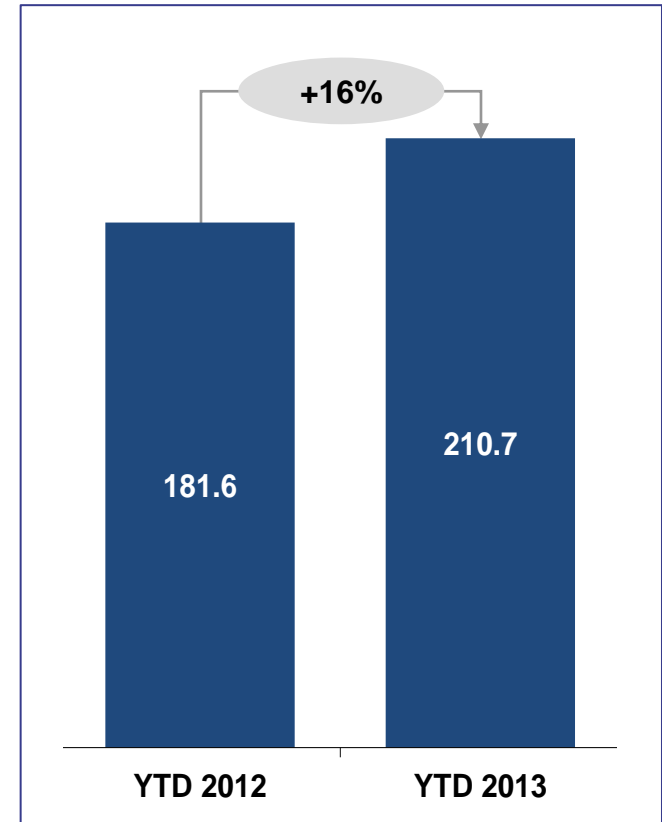
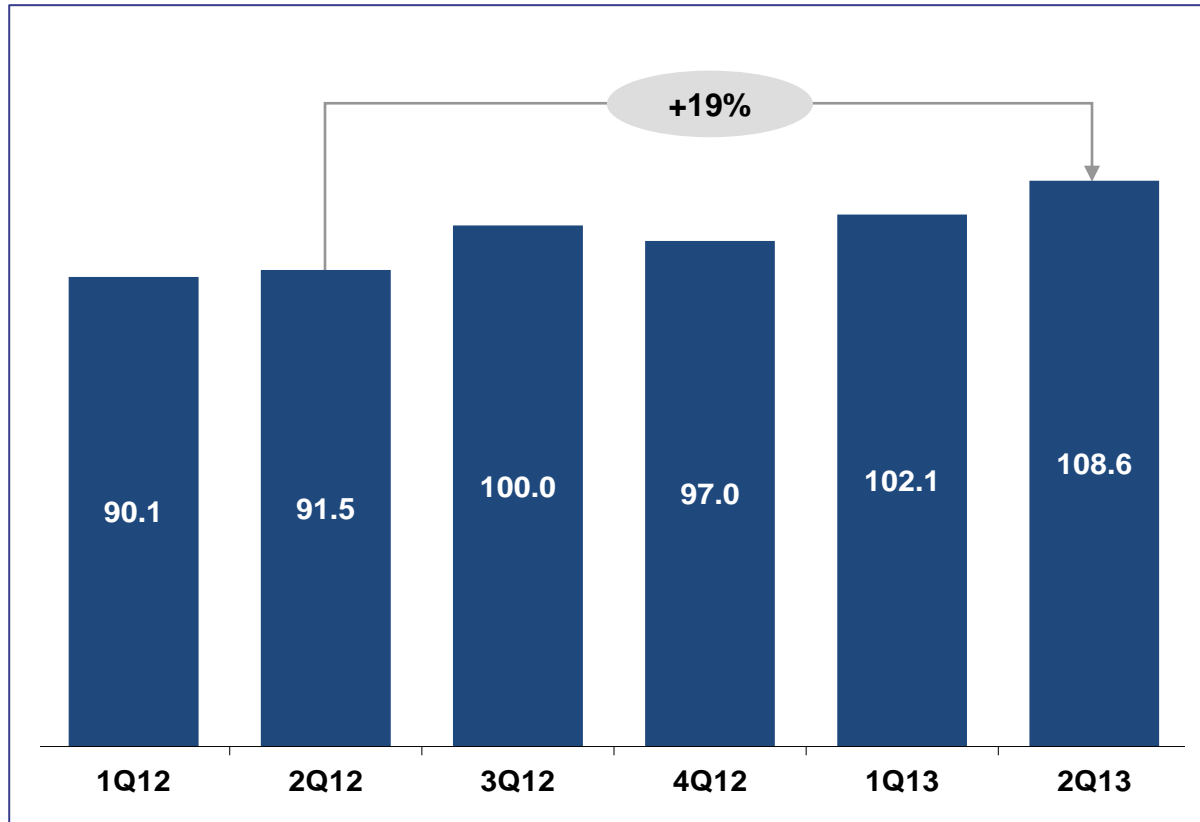


Relative volumes (Panalpina) per Region



Logistics with further solid GP growth

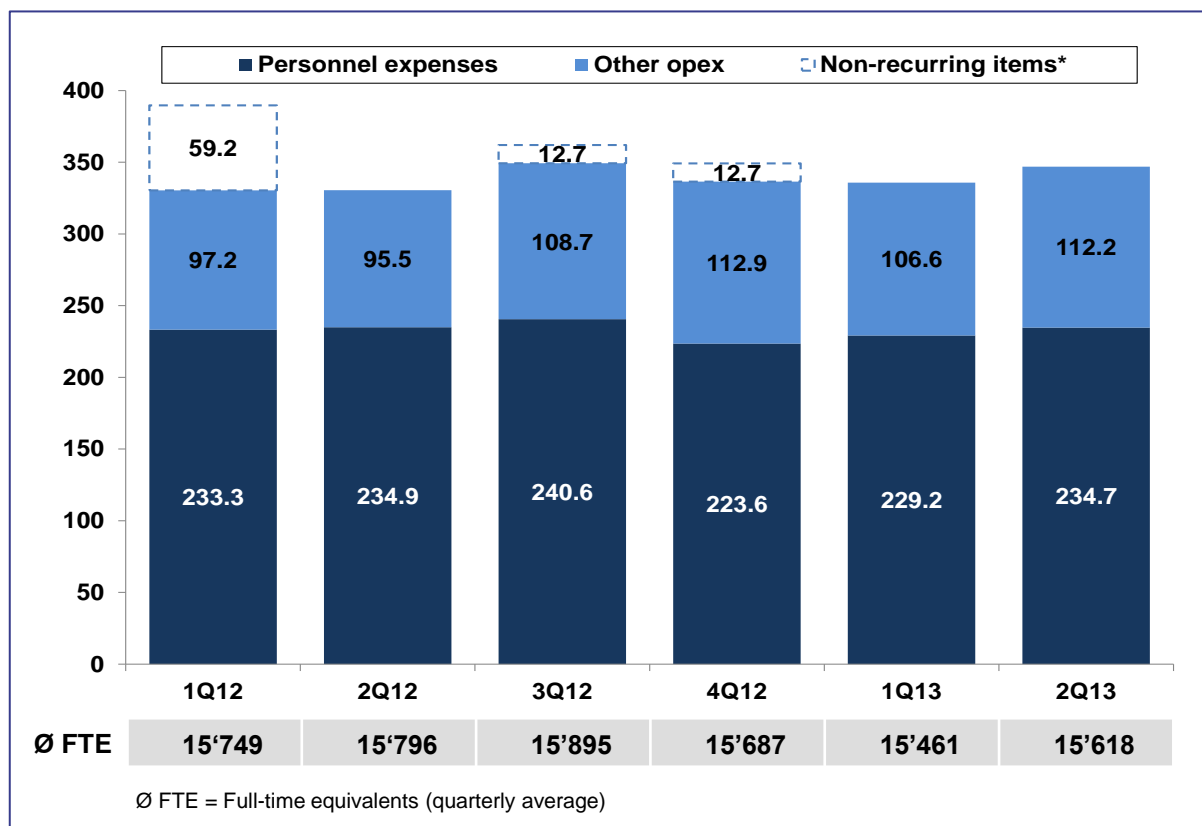
Gross profit in CHF million



- Continued investments in people and software, broadening of Logistics offering into Value-Added Services
- Further expansion of Warehousing & Distribution activities

Stable personnel expenses versus prior year

Operating expenses in CHF million



	2Q13	2Q12	Δ%
PExp (adj.)	234.7	234.9	-0.1%
OOE	112.2	95.5	+17.5%
Total (adj.)	346.9	330.4	+5.0%

	YTD13	YTD12	Δ%
PExp (adj.)	464.0	468.3	-0.9%
OOE (adj.)	218.7	192.6	+13.6%
Total (adj.)	682.7	660.9	+3.3%

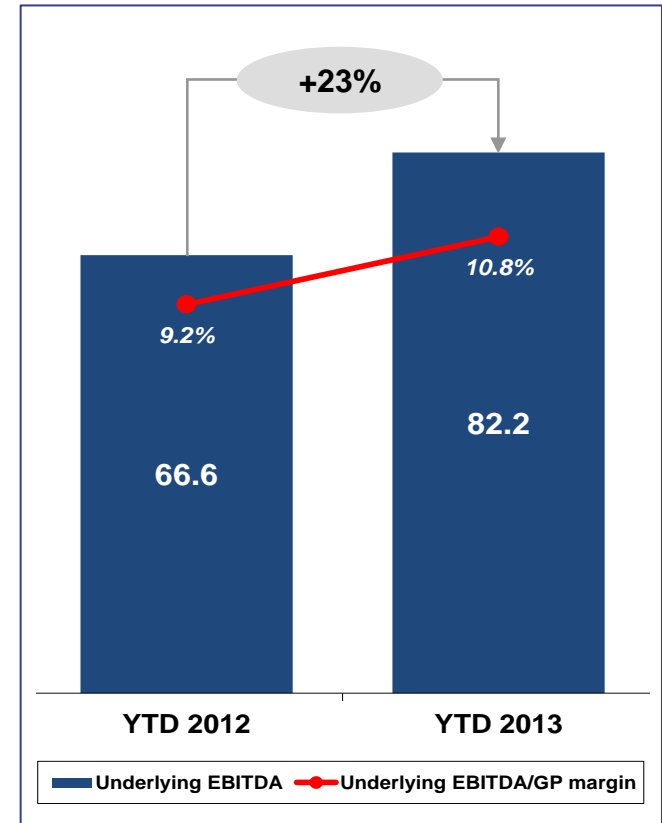
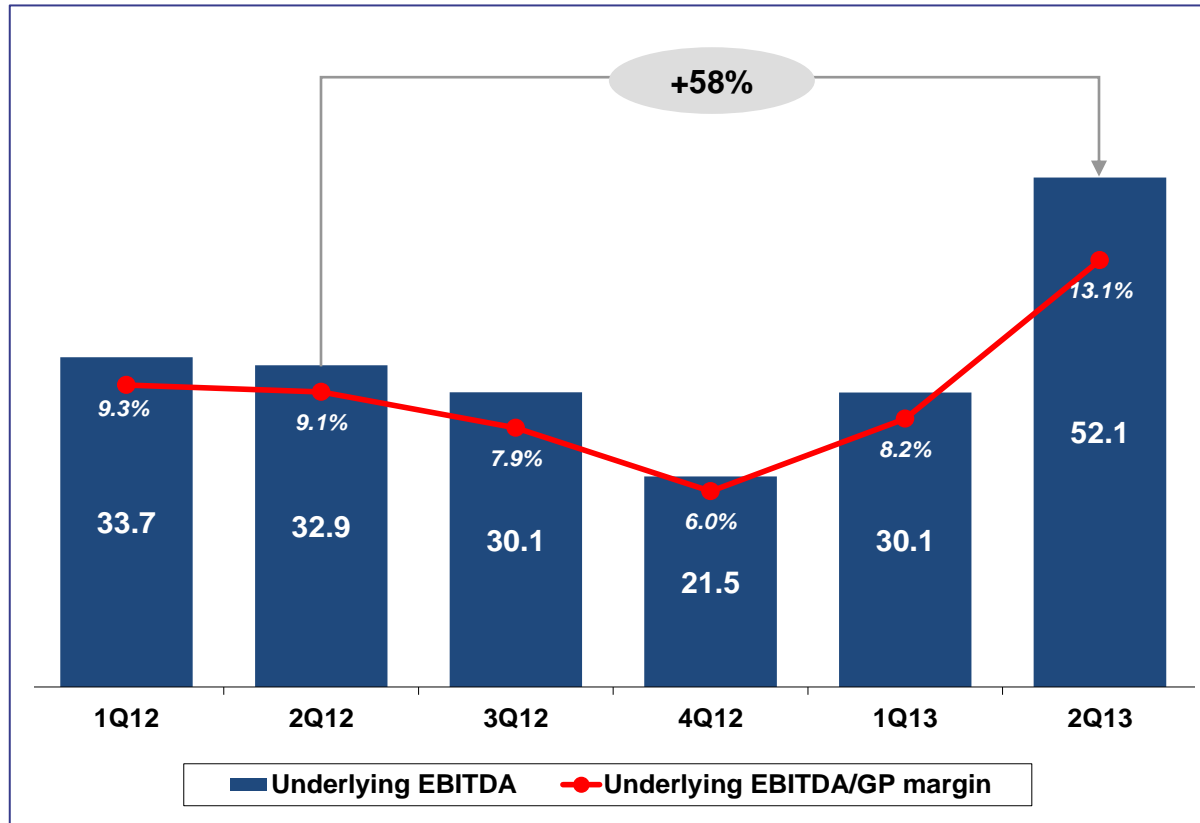
PExp = Personnel expenses
OOE = Other operating expenses

- Total operating expenses up 5% yoy primarily as a result of ongoing investments in business and IT
- Personnel expenses stable year-on-year
- Productivity in Air Freight (YTD: +14% yoy) and Ocean Freight (YTD: +4%) further improving

* Q1 2012 adjusted for antitrust fines of CHF 59.2 million. Q3/Q4 2012 each adjusted for extraordinary provisions of CHF 12.7 million related to accrued salaries for leaving employees.
Note: Personnel expenses in each quarter of 2012 have been restated due to the application of IAS 19 revised. The application resulted in an increase in personnel expenses of CHF 0.7 million per quarter.

EBITDA improving quarter-on-quarter

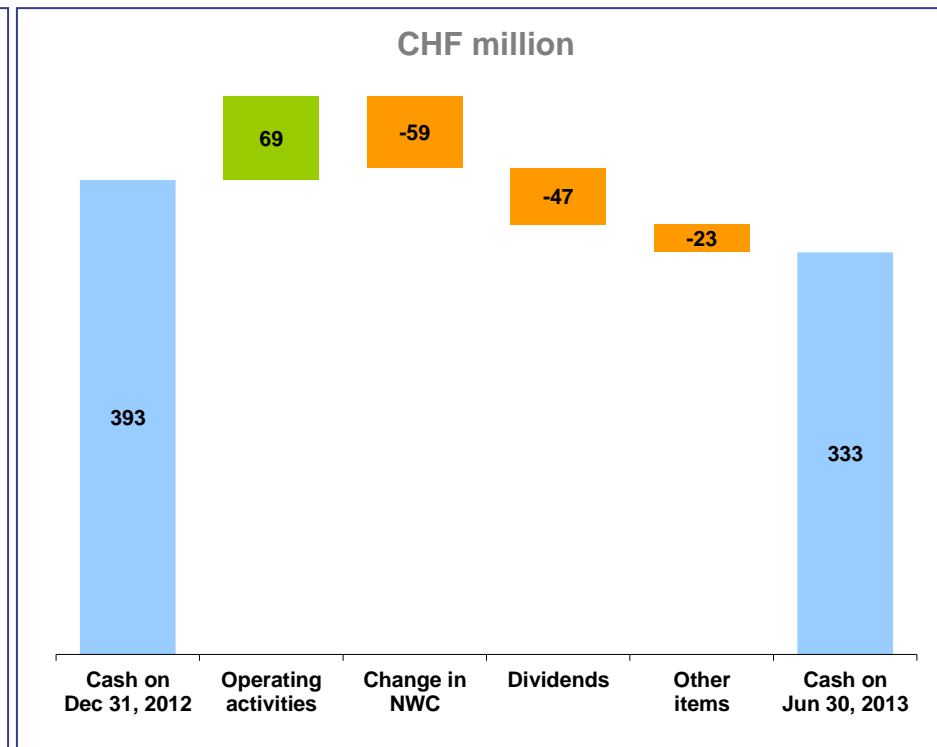
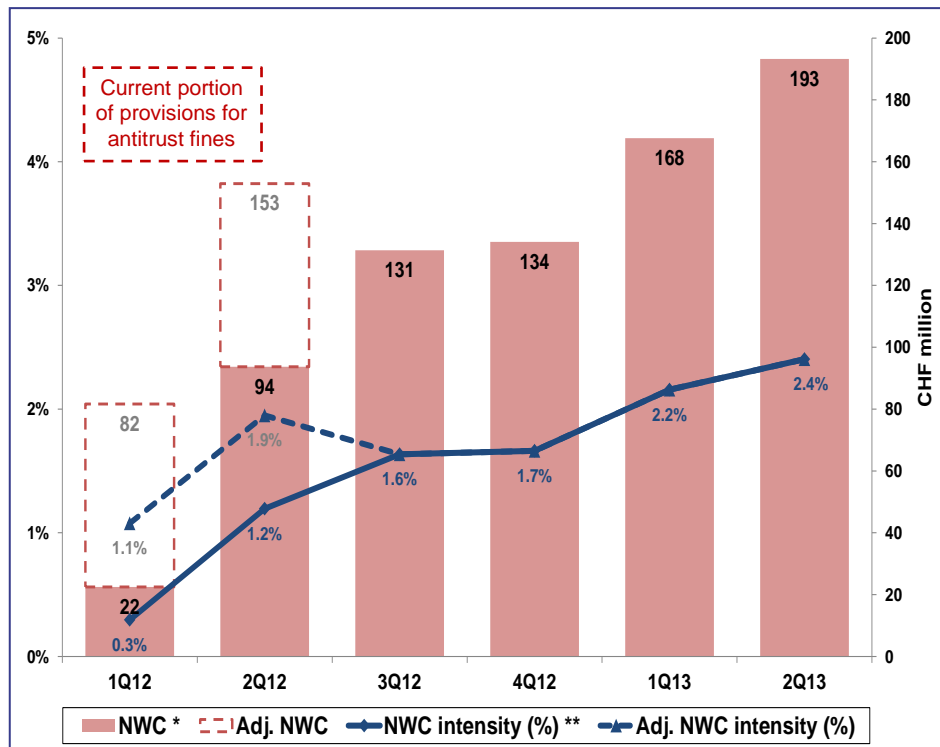
Underlying EBITDA in CHF million*



- Q2 EBITDA growth of 58% vs. prior year period (YTD: +23%)
- First profit growth after more than two years of declines

* Q1 2012 adjusted for antitrust fines of CHF 59.2 million. Q3/Q4 2012 each adjusted for extraordinary provisions of CHF 12.7 million related to accrued salaries for leaving employees.
Note: Personnel expenses in each quarter of 2012 have been restated due to the application of IAS 19 revised. The application resulted in a decrease in EBITDA of CHF 0.7 million per quarter.

Net working capital intensity with continued upward trend

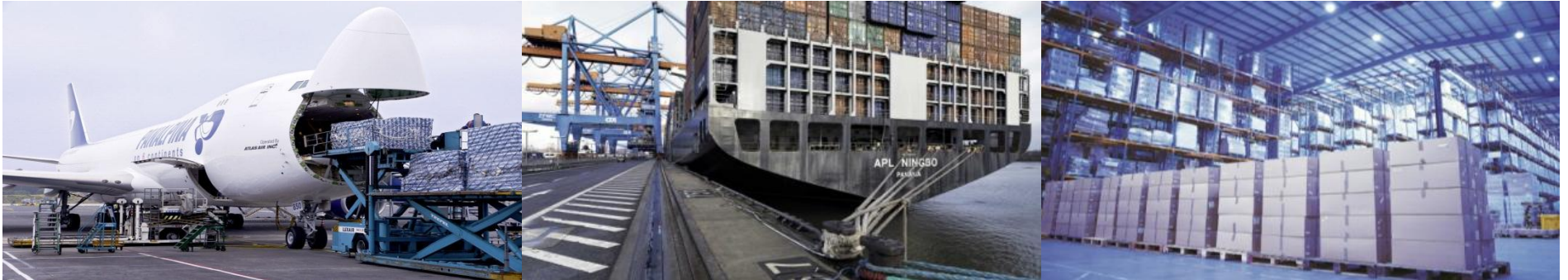


(# of days)	Jun 30, 2012	Mar 31, 2013	Jun 30, 2013
DSO (3-m-rolling)	46.4	48.5	47.5
DPO (3-m-rolling)	34.0	32.4	33.3
Δ (DSO – DPO)	12.4	16.1	14.2

- NWC intensity at 2.4%, up vs. adjusted 1.9% a year ago
- DSO increasing as pressure from customers for longer payment terms continues

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

** NWC intensity defined as NWC divided by gross forwarding revenue



Highlights and key figures

Operating and financial review

Outlook

Outlook for 2013

Air Freight



Ocean Freight



Logistics



Volume growth
(market)

0%

2 – 3%

Volume growth
(Panalpina)

≥ market

> market

Priorities

- Overall: profitable growth
- Sales: focus on growth of strategic trade lanes and balancing the customer portfolio
- Costs: continued focus on cost management
- Investments: selective investments in business platform

Panalpina Capital Markets Day 2013 – SAVE THE DATE

- November 20, 2013
- Zurich
- Opportunity to meet with top management
- More details to follow



Disclaimer

Investing in the shares of Panalpina World Transport Holding Ltd involves risks. Prospective investors are strongly requested to consult their investment advisors and tax advisors prior to investing in shares of Panalpina World Transport Holding Ltd.

This document contains forward-looking statements which involve risks and uncertainties. These statements may be identified by such words as “may”, “plans”, “expects”, “believes” and similar expressions, or by their context. These statements are made on the basis of current knowledge and assumptions. Various factors could cause actual future results, performance or events to differ materially from those described in these statements. No obligation is assumed to update any forward-looking statements. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures and regulatory developments.

The information contained in this document has not been independently verified and no representation or warranty, express or implied, is made to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein. The information in this presentation is subject to change without notice, it may be incomplete or condensed, and it may not contain all material information concerning the Panalpina Group. None of Panalpina World Transport Holding Ltd or their respective affiliates shall have any liability whatsoever for any loss whatsoever arising from any use of this document, or its content, or otherwise arising in connection with this document.

This document does not constitute, or form part of, an offer to sell or a solicitation of an offer to purchase any shares and neither it nor any part of it shall form the basis of, or be relied upon in connection with, any contract or commitment whatsoever. This information does neither constitute an offer to buy shares of Panalpina World Transport Holding Ltd nor a prospectus within the meaning of the applicable Swiss law.

A passion for solutions

Panalpina Group

Appendix



Supply Chain Solutions

Air Freight

Ocean Freight

Logistics

Income statement

Figures in CHF million

	Q2 2013	Q2 2012	Δ in %	YTD 2013 actual	YTD 2012 actual	Non-recurring item (NRI)*	YTD 2012 before NRI	Δ in %	
								Actual	Excl. NRI
Net forwarding revenue	1'726.5	1'667.6	3.5%	3'328.0	3'207.5		3'207.5	3.8%	3.8%
Forwarding expenses	(1'327.5)	(1'304.3)		(2'563.2)	(2'480.1)		(2'480.1)		
Gross profit	399.0	363.3	9.8%	764.8	727.4		727.4	5.1%	5.1%
<i>in % of net forwarding revenue</i>	23.1%	21.8%		23.0%	22.7%		22.7%		
Personnel expenses	(234.7)	(234.9)	-0.1%	(464.0)	(468.3)		(468.3)	-0.9%	-0.9%
<i>in % of gross profit (PGP)</i>	58.8%	64.7%		60.7%	64.4%		64.4%		
Other operating expenses	(112.2)	(95.5)	17.5%	(218.7)	(251.8)	(59.2)	(192.6)	-13.1%	13.6%
<i>in % of gross profit (OGP)</i>	28.1%	26.3%		28.6%	34.6%		26.5%		
Gains (losses) on sales of non-current assets	-	-		0.1	0.1		0.1		
Total operating expenses	(346.9)	(330.4)	5.0%	(682.6)	(720.0)	(59.2)	(660.8)	-5.2%	3.3%
EBITDA	52.1	32.9	58.4%	82.2	7.4	(59.2)	66.6	1010.8%	23.4%
<i>in % of gross profit</i>	13.1%	9.1%		10.7%	1.0%		9.2%		
Depreciation of property, plant and equipment	(8.7)	(7.5)		(17.2)	(14.6)		(14.6)		
Amortization of intangible assets	(3.1)	(3.2)		(6.2)	(6.2)		(6.2)		
Operating result (EBIT)	40.3	22.2	81.5%	58.8	(13.4)	(59.2)	45.8		28.4%
<i>in % of gross profit</i>	10.1%	6.1%		7.7%	-1.8%		6.3%		
FX result	(5.7)	(4.4)		(5.7)	(4.4)		(4.4)		
Financial result	(2.3)	4.8		(1.9)	5.2		5.2		
Earnings before taxes (EBT)	32.3	22.6	42.9%	51.2	(12.6)	(59.2)	46.6		9.9%
Income tax expenses	(8.2)	(5.8)		(12.8)	(11.5)		(11.5)		
<i>% of EBT</i>	25.4%	25.7%		25.0%	-91.3%		24.7%		
Consolidated profit	24.1	16.8	43.5%	38.4	(24.1)	(59.2)	35.1		9.4%
Earnings per share (CHF)	1.02	0.71	43.7%	1.64	-1.02		1.48		10.8%

* Antitrust fines of CHF 59.2 million booked in Q1 2012

Note: Personnel expenses and income tax expenses in each quarter of 2012 have been restated due to the application of IAS 19 revised.

Balance sheet

Figures in CHF million

	30-Jun-13	31-Dec-12	Change	
			CHF	%
Cash and cash equivalents, other current financial assets	332.7	393.1	-60.4	-15.4%
Trade receivables, unbilled forwarding services	1'197.7	1'118.2	79.5	7.1%
Other current assets	130.2	84.0	46.2	55.0%
Property, plant and equipment	128.0	130.2	-2.2	-1.7%
Intangible assets	139.3	134.1	5.2	3.9%
Other non-current assets	102.9	97.5	5.4	5.5%
Total assets	2'030.8	1'957.1	73.7	3.8%
Short-term borrowings	2.5	1.6	0.9	56.3%
Trade payables, accrued cost of services	843.1	773.1	70.0	9.1%
Other current liabilities	288.6	293.4	-4.8	-1.6%
Long-term borrowings	0.3	0.3	0.0	0.0%
Other long-term liabilities	157.3	144.9	12.4	8.6%
Total liabilities	1'291.8	1'213.3	78.5	6.5%
Share capital	2.4	2.4	0.0	0.0%
Reserves, treasury shares	727.7	732.2	-4.5	-0.6%
Non-controlling interests	8.9	9.2	-0.3	-3.3%
Total equity	739.0	743.8	-4.8	-0.6%
Total equity and liabilities	2'030.8	1'957.1	73.7	3.8%
Net cash	329.9	391.2	-61.3	-15.7%

Note: The items 'Other long-term liabilities' and 'Reserves, treasury shares' in 2012 have been restated due to the application of IAS 19 revised.

Cash flow

Figures in CHF million

	Q2 2013	Q2 2012	YTD 2013	YTD 2012
Cash flow before changes in working capital	2.3	(16.9)	60.8	37.4
Changes in working capital *	1.8	(26.6)	(32.4)	(39.7)
Cash from operations	4.1	(43.5)	28.4	(2.3)
Interest and income taxes paid	(12.1)	(2.9)	(16.7)	(16.0)
Net cash from operating activities	(8.0)	(46.4)	11.7	(18.3)
Net cash from investing activities	(14.2)	8.5	(27.2)	52.3
Free cash flow (FCF)	(22.2)	(37.9)	(15.5)	34.0
FCF adj. for repayments of loans and other financial assets	(23.8)	(67.7)	(17.5)	(48.7)
Net cash used in financing activities	(46.2)	(49.1)	(46.0)	(50.8)
Effect of exchange rate changes	1.6	8.9	1.1	1.1
Cash and cash equivalents at beginning of period	332.7	636.0	393.1	573.6
Net increase (decrease) in cash and cash equivalents	(66.8)	(78.1)	(60.4)	(15.7)
Cash and cash equivalents at end of period	265.9	557.9	332.7	557.9

* Excluding income taxes paid and short-term provisions