2015
First Quarter

PANALPINA
on 6 continents

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONTENTS

KEY DEVELOPMENTS IN FIRST QUARTER 2015

1 PANALPINA GROUP: KEY FIGURES FIRST QUARTER 2015

IN MILLION CHF	Q1 2015	Q1 2014
Net forwarding revenue	1,503.4	1,596.5
Gross profit	371.8	384.3
EBITDA	38.8	39.1
Operating result (EBIT)	25.3	24.5
Consolidated profit	19.6	17.8

2 PANALPINA DELIVERS STABLE PROFITABILITY IN FIRST QUARTER

International freight forwarding and logistics company Panalpina increased its operating result and profit in the first quarter of 2015. Consolidated profit increased 10% to CHF 19.6 million while EBIT increased 3% (adjusted at constant currency rates: +12%) to CHF 25.3 million, helped by a positive quarter in Logistics. Year-on-year, EBIT and conversion rate increased in Ocean Freight as volumes grew by 5% but decreased in Air Freight where volumes only grew slightly by 1%. "In the first three months of the year, earnings were up, despite headwinds from a strong Swiss franc and a slowdown in volume growth in Air Freight," says Panalpina CEO Peter Ulber. "Group EBIT and EBIT-to-gross-profit margin increased both year-on-year and quarter-on-quarter. Slightly better results in Ocean Freight and profitability in Logistics contributed to a decent first quarter."

2.1 EBIT IMPACTED BY CURRENCIES

Group gross profit went down 3% (currency adjusted: +2%) to CHF 371.8 million, while total operating expenses decreased by 4% (adjusted: +2%) year-on-year. Panalpina achieved an EBIT of CHF 25.3 million, an increase of 3% (adjusted: +12%) compared to last year's first quarter. The EBIT-to-gross-profit margin increased to 6.8% – up from 6.4% a year ago.

2.2 AIR FREIGHT

Panalpina's Air Freight volumes grew 1% in the first quarter, against an estimated market growth of 3 to 4%, mainly caused by lower volumes in the automotive sector. Gross profit per ton decreased 4% to CHF 722 (Q1 2014: CHF 754); as a result, gross profit reached CHF 148.0 million (Q1 2014: CHF 153.7 million). Air Freight achieved an EBIT of CHF 19.6 million (Q1 2014: CHF 26.0 million), and the EBIT-to-gross-profit margin for the first quarter decreased to 13.2% (Q1 2014: 16.9%).

2.3 OCEAN FREIGHT

Supported by high-volume contracts, Panalpina's Ocean Freight volumes grew 5% year-on-year – above an estimated market growth of 3%. Gross profit per TEU decreased 8% to CHF 308 (Q1 2014: CHF 333) but was up sequentially (Q4 2014: CHF 297), resulting in a gross profit of CHF 119.1 million (Q1 2014: CHF 122.7 million). Ocean Freight posted an EBIT of CHF 4.5 million, compared to CHF 3.9 million the year before, and the EBIT-to-gross profit margin increased to 3.8% in the first quarter (Q1 2014: 3.2%).

2.4 LOGISTICS

The company's exit from underperforming sites meant that the gross profit of the Group's Logistics product decreased 3% to CHF 104.7 million (Q1 2014: CHF 107.8 million), but EBIT turned positive with a profit of CHF 1.2 million for the first quarter of 2015 (Q1 2014: negative EBIT of CHF 5.5 million).

2.5 OUTLOOK

"With the economic environment weaker than expected and uncertainties around the development of the oil price, the market is difficult to read," Ulber says. "All the more, we will focus on strategy execution as we transform our business. Overall, we remain cautiously optimistic and expect to grow in line with the market in air freight and outperform the market in ocean freight."

CONSOLIDATED INCOME STATEMENT

for the three months ended March 31, 2015 and 2014

		JANUARY - MARCH	
IN THOUSAND CHF	NOTES	**2015**	**2014**
Net forwarding revenue	*4*	**1,503,364**	**1,596,456**
Forwarding services from third parties	*4*	(1,131,582)	(1,212,191)
Gross profit	*4*	**371,782**	**384,265**
Personnel expenses		(229,771)	(240,438)
Other operating expenses		(103,210)	(104,968)
Gains / (losses) on sales of non-current assets		(7)	258
EBITDA		**38,794**	**39,117**
Depreciation of property, plant and equipment	*5*	(7,594)	(8,348)
Amortization of intangible assets	*5*	(5,944)	(6,293)
Operating result (EBIT)		**25,256**	**24,476**
Finance income		1,816	658
Finance costs		(913)	(1,395)
Profit before income tax (EBT)		**26,159**	**23,739**
Income tax expenses		(6,574)	(5,935)
Consolidated profit		**19,585**	**17,804**
Consolidated profit attributable to:			
Owners of the parent		19,747	17,972
Non-controlling interests		(162)	(168)
Earnings per share (in CHF per share)			
Basic		0.84	0.76
Diluted		0.84	0.76

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the three months ended March 31, 2015 and 2014

	JANUARY - MARCH	
IN THOUSAND CHF	**2015**	**2014**
Consolidated profit	**19,585**	**17,804**
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Remeasurement of the net defined benefit asset / liability	(3,172)	960
Income taxes on these components of other comprehensive income	704	(235)
Subtotal, net of tax	**(2,468)**	**725**
Items that may be reclassified subsequently to profit or loss:		
Exchange difference on translations of foreign operations	(84,659)	(4,805)
Subtotal, net of tax	**(84,659)**	**(4,805)**
Other comprehensive income for the period, net of tax	**(87,127)**	**(4,080)**
Total comprehensive income for the period	**(67,542)**	**13,724**
Attributable to owners of the parent	(67,365)	13,874
Attributable to non-controlling interests	(177)	(150)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at March 31, 2015 and December 31, 2014

IN THOUSAND CHF	NOTES	MARCH, 31, 2015	DECEMBER 31, 2014
ASSETS			
Non-current assets			
Property, plant and equipment	*5*	89,945	104,283
Intangible assets	*5*	114,838	122,029
Investments		26,756	28,269
Post-employment benefit assets		3,172	6,862
Deferred income tax assets		64,372	67,962
Total non-current assets		**299,083**	**329,405**
Current assets			
Other receivables and other current assets		118,971	101,191
Unbilled forwarding services		85,097	111,486
Trade receivables		934,333	1,012,647
Derivative financial instruments		4,895	2,960
Cash and cash equivalents		346,653	372,043
Total current assets		**1,489,949**	**1,600,327**
Total assets		**1,789,032**	**1,929,732**
EQUITY AND LIABILITIES			
Equity			
Share capital	*6*	2,375	2,375
Treasury shares	*6*	(1,808)	(2,089)
Retained earnings and reserves		653,926	720,618
Total equity attributable to owners of the parent		**654,493**	**720,904**
Non-controlling interests		12,068	12,245
Total equity		**666,561**	**733,149**
Non-current liabilities			
Borrowings		122	132
Provisions	*7*	34,765	41,432
Other Liabilities	*7*	33,720	35,086
Post-employment benefit liabilities		50,317	57,069
Deferred income tax liabilities		8,092	11,074
Total non-current liabilities		**127,016**	**144,793**
Current liabilities			
Trade payables		401,239	533,693
Other payables and accruals		168,109	158,229
Accrued cost of services		281,210	205,612
Borrowings		551	520
Derivative financial instruments		5,722	7,988
Provisions	*7*	33,372	42,124
Other Liabilities	*7*	88,631	78,088
Current income tax liabilities		16,622	25,536
Total current liabilities		**995,455**	**1,051,790**
Total liabilities		**1,122,471**	**1,196,583**
Total equity and liabilities		**1,789,032**	**1,929,732**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the three months ended March 31, 2015 and 2014

	ATTRIBUTABLE TO THE OWNERS OF THE PARENT					NON-CONTROLLING INTERESTS	TOTAL EQUITY
2015 IN THOUSAND CHF	SHARE CAPITAL	TREASURY SHARES	TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL		
Balance on January 1, 2015	**2,375**	**(2,089)**	**(186,647)**	**907,265**	**720,904**	**12,245**	**733,149**
Consolidated profit				19,747	19,747	(162)	19,585
Other comprehensive income							
Exchange difference on translations of foreign operations			(84,644)		(84,644)	(15)	(84,659)
Remeasurement of the net defined benefit asset / liability, net of tax				(2,468)	(2,468)	0	(2,468)
Total other comprehensive income, net of tax	**0**	**0**	**(84,644)**	**(2,468)**	**(87,112)**	**(15)**	**(87,127)**
Total comprehensive income for the period	**0**	**0**	**(84,644)**	**17,279**	**(67,365)**	**(177)**	**(67,542)**
Dividends paid					0	0	0
Share-based payments employee share plan				673	673		673
Changes in treasury shares, net		281			281		281
Balance on March 31, 2015	**2,375**	**(1,808)**	**(271,291)**	**925,217**	**654,493**	**12,068**	**666,561**

	ATTRIBUTABLE TO THE OWNERS OF THE PARENT					NON-CONTROLLING INTERESTS	TOTAL EQUITY
2014 IN THOUSAND CHF	SHARE CAPITAL	TREASURY SHARES	TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL		
Balance on January 1, 2014	**2,375**	**(3,339)**	**(187,798)**	**886,270**	**697,508**	**11,673**	**709,181**
Consolidated profit				17,972	17,972	(168)	17,804
Other comprehensive income							
Exchange difference on translations of foreign operations			(4,823)		(4,823)	18	(4,805)
Remeasurement of the net defined benefit asset / liability, net of tax				725	725	0	725
Total other comprehensive income, net of tax	**0**	**0**	**(4,823)**	**725**	**(4,098)**	**18**	**(4,080)**
Total comprehensive income for the period	**0**	**0**	**(4,823)**	**18,697**	**13,874**	**(150)**	**13,724**
Dividends paid					0	0	0
Share-based payments employee share plan				230	230		230
Changes in treasury shares, net		344		(81)	263		263
Balance on March 31, 2014	**2,375**	**(2,995)**	**(192,621)**	**923,088**	**729,847**	**11,355**	**723,398**

CONSOLIDATED STATEMENT OF CASH FLOWS

for the three months ended March 31, 2015 and 2014

		JANUARY - MARCH	
IN THOUSAND CHF	NOTES	**2015**	**2014**
Consolidated profit		**19,585**	**17,804**
Income tax expenses		6,574	5,935
Depreciation of property, plant and equipment	5	7,594	8,348
Amortization of intangible assets		5,944	6,293
Interest income and dividend on available-for-sale financial assets		(332)	(448)
Exchange differences		(1,471)	(202)
Loss / (gain) on sales of property, plant and equipment	5	7	(271)
Share-based payment transactions		673	230
Other non-cash items		(1,996)	267
Subtotal cash flow from operations		**36,578**	**37,956**
Working capital adjustments:			
(Increase) / decrease receivables and other current assets		69,933	(40,024)
Increase / (decrease) payables and accruals incl. accrued cost of service		(57,938)	25,853
(Decrease) / increase non current provisions and other liabilities		(8,033)	3,278
(Decrease) / increase current provisions and other liabilities		1,792	16,476
Cash generated from operations		**42,332**	**43,539**
Interests paid		(796)	(267)
Income taxes paid		(9,673)	(10,644)
Net cash from operating activities		**31,863**	**32,628**
Interests received		425	442
Dividends received		0	6
Proceeds from sales of property, plant and equipment and intangible assets		87	1,361
Proceeds from investments		43	1,624
Proceeds from sale of other financial assets		119	3,190
Repayments of loans and long-term receivables		2,319	262
Purchase of property, plant and equipment		(2,478)	(4,308)
Purchase of intangible assets		(179)	(13,629)
Increase of other financial assets		(2,415)	(19)
Increase of long-term loans and long-term receivables		(2,327)	(1,988)
Net cash used in investing activities		**(4,406)**	**(13,059)**
Free cash flow		**27,457**	**19,569**
Proceeds from short- and long-term borrowings		130	2,053
Repayment of short- and long-term borrowings		(40)	0
Sale of treasury shares		265	263
Net cash from financing activities		**355**	**2,316**
Effect of exchange rate changes on cash and cash equivalents [1]		(53,202)	(3,460)
Net increase / (decrease) in cash and cash equivalents		**(25,390)**	**18,425**
Cash and cash equivalents at the beginning of the period		372,043	336,923
Cash and cash equivalents at the end of the period		**346,653**	**355,348**

[1] Also refer to note 2.9 for further details on the foreign exchange

SELECTED EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Panalpina World Transport (Holding) Ltd. (referred to hereafter as the Company) and its subsidiaries (collectively the "Group" and individually "Group Companies") is one of the world's leading providers of supply chain solutions. The company combines its core products of Air Freight, Ocean Freight, and Logistics to deliver globally integrated, tailor-made end-to-end solutions. Drawing on in-depth industry knowledge and customized IT systems, Panalpina manages the needs of its customers' supply chains, no matter how demanding they might be.

Panalpina World Transport (Holding) Ltd. is a limited company incorporated and domiciled in Basel. The registered address is Viaduktstrasse 42, 4002 Basel, Switzerland. The Company shares are publicly traded and listed on the SIX Swiss Exchange in Zurich.

2 ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These financial statements are the unaudited condensed consolidated interim financial statements (hereafter "the Interim Financial Statements") of the Company for the three-months period ended March 31, 2015 (hereafter "the Interim Period"). These Interim Financial Statements should be read in conjunction with the Consolidated Financial Statements for the year ended December 31, 2014 (hereafter "the Annual Financial Statements"), as they provide an update of previously reported information. They were authorized for issuance in accordance with a resolution by the Group's Audit Committee on April 21, 2015.

2.2 STATEMENT OF COMPLIANCE

The Interim Financial Statements have been prepared in accordance with the International Accounting Standard 34 (IAS 34) "Interim Financial Reporting". They do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group since the Annual Financial Statements.

2.3 MANAGEMENT JUDGMENTS AND ESTIMATES

The preparation of the Interim Financial Statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect application of accounting policies and the reported amounts of assets, liabilities, income and expenses. It requires management to exercise its judgments and assumptions in the process of applying the Group's accounting policies. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Deviations from estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The areas involving a higher degree of judgment or complexity, or areas in which assumptions and estimates are significant to the Interim Financial Statements, were the same as those applied in the Annual Financial Statements.

Income tax expenses are recognized based on management's best estimation of the weighted average annual income tax rate expected for the full financial year.

The remeasurement loss on the net defined benefit obligation of CHF 2.5 million which was recognised in other comprehensive income for Q1/2015 is mainly attributable to changes in discount rates assumptions.

Venezuela is an economy with strict exchange controls where multiple foreign exchange rate mechanisms administered by the government are in place. Following the latest developments in the country, management revised its assumptions to determine which rate for the bolivar should be applied while preparing these Interim Financial Statements. Management reached the conclusion that the applicable rate as from January 1, 2015 is the SICAD 2. For further details also refer to note 2.9.

2.4 SEASONALITY

Historically, the Group's results have been subject to seasonal trends. The first fiscal quarter has traditionally been the weakest and the third and fourth fiscal quarters have generally been the strongest in volumes. This seasonality is based on many factors, including holiday seasons, consumer demand, climate and economic conditions.

2.5 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in these Interim Financial Statements are the same as those applied in the Annual Financial Statements.

2.6 CHANGES IN PRESENTATION

In 2015 the Group has made minor presentational changes to the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows and the notes related to provisions and other liabilities (note 7) to increase the understandability of the information provided.

2.7 CHANGES IN ACCOUNTING POLICIES

In 2015, the Group has adopted the following new standards, new interpretations and amendments to existings standards, including any consequential amendments to other standards, with a date of initial application of January 1, 2015: Amendments to various standards from "*Annual Improvements to IFRS 2010-2012 Cycle*" and "*Annual Improvements to IFRS 2011-2013 Cycle*" issued by the IASB. These do not have a material impact on the Group's overall results and financial position as well as related disclosures.

2.8 FUTURE NEW AND REVISED STANDARDS

The following new or revised standards, amendments to existings standards and interpretations have been issued, but are not yet effective:

- Annual Improvements to IFRS 2012-2014 Cycle (effective date January 1, 2016)
- IFRS 14 - Regulatory Deferral Accounts (effective date January 1, 2016)
- Amendments to IAS 1 - Disclosure Initiative (effective date January 1, 2016)
- Amendments to IFRS 10, IFRS 12 and IAS 28 - Investment Entities: Applying the Consolidation Exception (effective date January 1, 2016)
- IFRS 9 - Financial Instruments (effective date January 1, 2018)
- IFRS 15 – Revenue from Contracts with Customers (effective date January 1, 2017)
- Amendments to IFRS 11- Accounting for Acquisitions of Interests in Joint Operations (effective date January 1, 2016)
- Amendments to IAS 16 and IAS 38 - Clarification of Acceptable Methods of Depreciation and Amortization (effective date January 1, 2016)
- Amendments to IAS 16 and IAS 41 - Bearer Plants (effective date January 1, 2016)
- Amendments to IAS 27 - Equity Method in Separate Financial Statements (effective date January 1, 2016)
- Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective date January 1, 2016)

The Group is currently analyzing in detail the changes to the accounting policies and the impact on the Group's overall results and financial position.

2.9 FOREIGN CURRENCY

The following foreign currency exchange rates mostly impacted the current financial statements:

	Statement of Financial Position[1]			Income statement and cash flow statement[2]			Variance %	
	MARCH 2015	DECEMBER 2014		MARCH 2015	MARCH 2014		STATEMENT OF FINANCIAL POSITION[1]	INCOME STATEMENT AND CASH FLOW STATEMENT[2]
EUR	1.046	1.203	EUR	1.073	1.224	EUR	(13%)	(12%)
USD	0.965	0.988	USD	0.951	0.893	USD	(2%)	6%
VEF	0.019	0.157	VEF	0.018	0.142	VEF	(88%)	(87%)
CAD	0.762	0.850	CAD	0.769	0.811	CAD	(10%)	(5%)
CNY	0.155	0.159	CNY	0.152	0.146	CNY	(2%)	4%

1 Period end rate
2 Period end average rate

The negative effect of exchange rate changes on cash and cash equivalent in the amount of CHF 53.2 million impacting the consolidated statement of cash flows is mainly driven by Euro (CHF 26.3 million). Panalpina International Ltd., which serves as a treasury vehicle for the group (and thus pools the group cash and cash equivalents), uses Euro as functional currency. Furthermore, the Venezuelan Bolivar Fuerte depreciated by 88% (impact of CHF 19.6 million when using the SICAD 2 of 0.019 instead of the official currency exchange rate provided by the central bank of 0.157) and the Chinese Yuan by 2% (impact of CHF 1.3 million).

3 CHANGE IN SCOPE OF CONSOLIDATION

During the Interim Period under review, no significant new subsidiary has been established and there was no business combination and no significant subsidiaries that were disposed of.

4 CONDENSED OPERATING SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Executive Board that are used to make strategic decisions. The Executive Board considers the business from a geographic perspective, as the Group's operations are predominantly managed by the geographical location.

The Executive Board assesses performance of the operating segments based on a measure of adjusted operating result (Segment EBIT). This measurement basis excludes the effects on non-recurring expenditure from the operating segments. In 2014 and 2015, there were no such adjustments necessary.

Condensed operating segment information for the three months ended March 31, 2015

2015 IN THOUSAND CHF	EUROPE	MIDDLE EAST, AFRICA, CIS	AMERICAS	ASIA PACIFIC	ELIMI-NATIONS	TOTAL GROUP
External forwarding services	781,133	131,667	600,341	336,368		1,849,509
Customs, duties and taxes	(206,945)	(30,238)	(81,498)	(27,464)		(346,145)
Intra-group forwarding services	267,793	51,206	198,425	359,660	(877,084)	0
Net forwarding revenue	**841,981**	**152,634**	**717,268**	**668,564**	**(877,084)**	**1,503,364**
Forwarding services	(704,723)	(117,437)	(604,539)	(581,966)	877,084	(1,131,582)
Gross profit	**137,257**	**35,197**	**112,729**	**86,598**	**0**	**371,782**
Personnel expenses	(91,533)	(20,271)	(74,026)	(43,941)		(229,771)
Other operating expenses	(37,645)	(10,483)	(32,284)	(22,804)		(103,217)
EBITDA	**8,079**	**4,443**	**6,419**	**19,853**	**0**	**38,794**
Depreciation and amortization	(4,745)	(1,631)	(3,783)	(3,379)		(13,538)
Operating result (EBIT)	**3,334**	**2,812**	**2,636**	**16,474**	**0**	**25,256**
Financial result						
Finance income						1,816
Finance costs						(913)
Profit before income tax (EBT)						**26,159**
Income tax expenses						(6,574)
Consolidated profit						**19,584**

Condensed operating segment information for the three months ended March 31, 2014

2014 IN THOUSAND CHF	EUROPE	MIDDLE EAST, AFRICA, CIS	AMERICAS	ASIA PACIFIC	ELIMI-NATIONS	TOTAL GROUP
External forwarding services	863,514	172,354	597,432	318,613		1,951,913
Customs, duties and taxes	(222,305)	(28,986)	(85,675)	(18,491)		(355,457)
Intra-group forwarding services	311,822	48,051	205,706	378,196	(943,775)	0
Net forwarding revenue	**953,031**	**191,419**	**717,463**	**678,318**	**(943,775)**	**1,596,456**
Forwarding services	(798,844)	(157,980)	(602,600)	(596,542)	943,775	(1,212,191)
Gross profit	**154,187**	**33,439**	**114,863**	**81,776**	**0**	**384,265**
Personnel expenses	(103,831)	(20,053)	(75,031)	(41,523)		(240,438)
Other operating expenses	(42,652)	(12,215)	(32,652)	(17,191)		(104,710)
EBITDA	**7,704**	**1,171**	**7,180**	**23,062**	**0**	**39,117**
Depreciation and amortization	(5,339)	(1,664)	(4,208)	(3,430)		(14,641)
Operating result (EBIT)	**2,365**	**(493)**	**2,972**	**19,632**	**0**	**24,476**
Financial result						
Finance income						658
Finance costs						(1,395)
Profit before income tax (EBT)						**23,739**
Income tax expenses						(5,935)
Consolidated profit						**17,804**

The Group's business can be divided into three divisions: Air Freight, Ocean Freight, Logistics.

Information by product for the three months ended March 31, 2015 and 2014

2015 IN THOUSAND CHF	AIR FREIGHT	OCEAN FREIGHT	LOGISTICS	TOTAL GROUP
External forwarding services	786,515	890,368	172,626	1,849,509
Customs, duties and taxes	(125,056)	(206,328)	(14,762)	(346,145)
Net forwarding revenue	**661,459**	**684,041**	**157,864**	**1,503,364**
Forwarding services from third parties	(513,476)	(564,951)	(53,155)	(1,131,582)
Gross profit	**147,983**	**119,090**	**104,709**	**371,782**
Personnel expenses	(86,153)	(78,852)	(64,766)	(229,771)
Other operating expenses	(37,297)	(31,102)	(34,819)	(103,217)
EBITDA	**24,534**	**9,137**	**5,124**	**38,794**
Depreciation and amortization	(4,959)	(4,665)	(3,915)	(13,538)
Operating result (EBIT)	**19,575**	**4,472**	**1,209**	**25,256**
Financial result				903
Finance income				1,816
Finance costs				(913)
Profit before income tax (EBT)				**26,159**
Income tax expenses				(6,574)
Consolidated profit				**19,584**

2014 IN THOUSAND CHF	AIR FREIGHT	OCEAN FREIGHT	LOGISTICS	TOTAL GROUP
External forwarding services	864,662	870,939	216,312	1,951,913
Customs, duties and taxes	(117,666)	(203,885)	(33,906)	(355,457)
Net forwarding revenue	**746,996**	**667,054**	**182,406**	**1,596,456**
Forwarding services from third parties	(593,252)	(544,380)	(74,559)	(1,212,191)
Gross profit	**153,744**	**122,674**	**107,847**	**384,265**
Personnel expenses	(89,810)	(82,723)	(67,905)	(240,438)
Other operating expenses	(32,583)	(30,908)	(41,219)	(104,710)
EBITDA	**31,351**	**9,043**	**(1,277)**	**39,117**
Depreciation and amortization	(5,347)	(5,106)	(4,188)	(14,641)
Operating result (EBIT)	**26,004**	**3,937**	**(5,465)**	**24,476**
Financial result				
Finance income				658
Finance costs				(1,395)
Profit before income tax (EBT)				**23,739**
Income tax expenses				(5,935)
Consolidated profit				**17,804**

5 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

During the Interim Period, the Group recognized additions in the amount of CHF 1.2 million (2014: CH 3.2 million) as machinery and equipment. Furthermore additions in the amount of CHF 0.6 million (2014: CHF 1.1 million) have been recognized as buildings and buildings under construction. The Group also acquired vehicles in the amount of CHF 0.7 million (2014: nil) and intangibles assets in the amount of CHF 0.2 million (2014: CHF 13.6 million). In the prior period additions to intangible assets related to software licenses and to external and internal software development costs capitalized.

The following table shows the movements in the net book values of property, plant and equipment and intangible assets for the three months periods ended March 31, 2015 and 2014, respectively.

IN THOUSAND CHF	PROPERTY, PLANT AND EQUIPMENT 2015	INTANGIBLE ASSETS 2015	PROPERTY, PLANT AND EQUIPMENT 2014	INTANGIBLE ASSETS 2014
Net book value on January 1	**104,283**	**122,029**	**118,908**	**118,093**
Translation differences	(9,253)	(1,318)	(923)	100
Additions	2,509	178	4,308	13,629
Disposals (net)	(0)	(107)	(1,090)	(17)
Depreciation and amortization	(7,594)	(5,944)	(8,348)	(6,293)
Net book value on March 31	**89,945**	**114,838**	**112,855**	**125,512**

Intangible assets as of March 31, 2015 include goodwill of CHF 43.9 million (March 31, 2014: CHF 44.4 million) and software of CHF 70.9 million (March 31, 2014: CHF 81.1 million).

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to the country of operation. The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use cash-flow projections based on financial budgets of a CGU approved by management covering a five-year period. Cash-flows beyond the five year period are extrapolated using estimated growth rates. There were no impairment charges recorded on goodwill during the three months periods ended March 31, 2015 and 2014, respectively. Management believes that the current key assumptions applied would not cause the carrying value of goodwill to exceed the recoverable amount. As per March 31, 2015, no impairment indicator was identified.

Intangible assets with a finite useful life are amortized over the period of their respective estimated useful lives to their estimated residual values, and reviewed for impairment in accordance with IAS 36 "Impairment of Assets". Intangible assets, stated at cost net of amortization and impairment charges, include brand name and customer relations that were fully amortized at March 31, 2015. There were no impairment charges recorded on intangible assets during the three months periods ended March 31, 2015 and 2014, respectively.

6 SHARE CAPITAL AND TREASURY SHARES

The share capital, the number of issued shares and the authorized capital have not changed during the Interim Period. The weighted average number of shares issued was 23,734,529 (March 31, 2014: 23,717,619).

The amount available for dividend distribution is based on the available distributable retained earnings of Panalpina World Transport (Holding) Ltd. determined in accordance with the legal provisions of the Swiss Code of Obligations. The Board of Directors has proposed dividends for the fiscal year 2014 of CHF 2.75 gross per share. This proposal is subject to approval at the Annual Meeting of Shareholders on May 12, 2015.

	OUTSTANDING NUMBER OF SHARES	VALUE
	Numbers	In TCHF
Total number of shares issued as of January 1, 2015	**23,750,000**	**2,375**
Treasury shares	(16,282)	(2,089)
Total number of shares outstanding as of January 1, 2015 [1]	**23,733,718**	
Movements in Treasury shares		
Purchased	0	0
Free shares from share plan	121	16
Sold under employee share plan	0	0
Sold under employee option plan	2,069	265
Bonus settled with own shares	0	0
Subtotal movement of treasury shares during the period	**2,190**	**281**
Total number of shares outstanding as of March 31, 2015 [1]	**23,735,908**	
thereof treasury shares	(14,092)	(1,808)

[1] i.e. shares entitled to voting rights and dividends

7 PROVISIONS AND OTHER LIABILITIES

7.1 NON CURRENT AND CURRENT PROVISIONS

2015 (IN THOUSAND CHF)	CLAIMS	RESTRUC-TURING	OTHER PRO-VISIONS	TOTAL
Balance on January 1	**38,462**	**10,805**	**34,289**	**83,556**
Translation differences	(1,922)	(1,339)	(1,440)	(4,701)
Addition	1,674	1,450	146	3,270
Reversal of unused amounts	(528)	(893)	(4,850)	(6,271)
Charged in income statement	**1,146**	**557**	**(4,704)**	**(3,001)**
Utilization	(1,727)	(64)	(5,926)	(7,717)
Balance on March 31	**35,959**	**9,959**	**22,219**	**68,137**
thereof				
non current	21,915	1,024	11,826	34,765
current	14,044	8,935	10,393	33,372

Provisions are recognized where a legal or constructive obligation has been incurred which will probably lead to an outflow of resources that can be reasonably estimated. Management determined the provision based on past performance and its expectation of the funds needed for the future settlement of claims not yet reported. Restructuring provisions are recognized when the Group has a detailed formal plan that has either commenced implementation or been announced.

Claim provision as at March 31, 2015 include a portion of certain claims brought forward against the Group by customers and forwarding agents (CHF 21.8 million).

The non current part of the provisions as of March 31, is expected to be utilized within the next two to five years.

7.2 NON CURRENT AND CURRENT OTHER LIABILITIES

2015 IN THOUSAND CHF	EMPLOYEE BENEFITS
Balance on January 1	**113,174**
Balance on March 31	**122,351**
thereof	
non current	33,720
current	88,631

The non current part of employee benefits mostly relate to certain employee benefit obligations, such as “anniversary” benefits, termination payments and long-service benefits mainly in Switzerland, Germany, Austria, Italy, France and the USA. The timings of these cash outflows can be reasonably estimated based on past performance. The current part include vacation entitlement, personnel profit participation and related social security costs and payroll taxes.

8 FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives, policies and government structure are consistent with those disclosed in note 17 to the Annual Financial Statements.

Fair value hierarchy

The table below analyzes recurring fair value measurement for financial assets and financial liabilities. These fair value measurements are categorized into different levels in the fair value hierarchy based on the input and techniques used. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

MARCH 31, 2015 (IN THOUSAND CHF)	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Available-for-sale financial assets	0	1,497	0	1,497
Financial assets at fair value through profit or loss held for trading	404	0	0	404
Derivative financial assets	0	4,895	0	4,895
Available-for-sale financial assets at cost				47
Total				**6,843**
Derivative financial liabilities	0	5,722	0	5,722
Total				**5,722**

DECEMBER 31, 2014 (IN THOUSAND CHF)	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Available-for-sale financial assets	0	1,742	0	1,742
Financial assets at fair value through profit or loss held for trading	401	0	0	401
Derivative financial assets	0	2,960	0	2,960
Available-for-sale financial assets at cost				113
Total				**5,215**
Derivative financial liabilities	0	7,988	0	7,988
Total				**7,988**

There were no significant transfers between Level 1 and Level 2 and vice versa during the Interim Period.

The Group determines Level 2 fair values using the following valuation techniques:

- Available-for-sale investments using a valuation model based on the most recently published financial data.
- Derivative financial instruments are based on valuation models that use observable market data for interest rates and foreign exchange rates at the measurement date.

Other financial instruments (such as e.g. short-term trade and other receivables / payables / accruals) are not disclosed as their carrying amounts are a reasonable approximation of fair values.

9 MAJOR LEGAL CLAIMS

The status of the proceedings disclosed under “pending legal claims” in the Annual Financial Statements (note 30.2) has remained unchanged.

10 CONTINGENT LIABILITIES AND OTHER COMMITMENTS

There have been no material changes in contingent liabilities and other commitments since the last annual balance sheet date.

11 EVENTS AFTER THE BALANCE SHEET DATE

Since the balance sheet date no further events have become known of for which a disclosure is required.

Basel, April 21, 2015