

Interim report on the first half of 2003



Market remains stagnant

Trend to smaller vehicles

Rise in sales

Profit level maintained

GROUP DATA AT A GLANCE

Jungheinrich Group		2 nd quarter 2003	2 nd quarter 2002	1 st half 2003	1 st half 2002	Change in %	Year 2002
Incoming orders	million €	358	396	728	756	– 3.8	1,493
Sales							
Germany	million €	99	89	200	206	– 3.0	417
Abroad	million €	259	261	516	496	3.9	1,059
Total	million €	358	350	716	702	2.0	1,476
Foreign ratio	%	72	75	72	71	–	72
Orders on hand (June 30)	million €			162	198	– 18.2	151
Capital expenditure ¹⁾	million €	10	7	16	13	23.1	36
Earnings before interest and taxes (EBIT)	million €	15.2	15.3	27.8	27.7	0.4	74.2
EBIT return on sales (ROS)	%	4.2	4.4	3.9	3.9	–	5.0
Earnings before taxes (EBT)	million €	15.3	14.8	27.8	26.6	4.5	72.8
Net income	million €	9.4	9.6	18.0	16.6	8.4	53.7
Earnings per share	€	0.28	0.28	0.54	0.49	10.2	1.6
Employees (June 30) ²⁾							
Germany				4,401	4,420	– 0.4	4,427
Abroad				4,739	4,771	– 0.7	4,821
Total				9,140	9,191	– 0.6	9,248

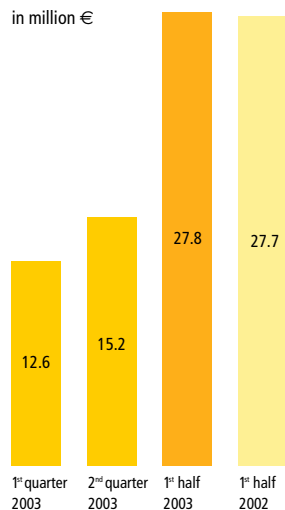
¹⁾ Not including short-term hire trucks, trucks for leasing and financial assets

²⁾ Where reference is made in the text to employees,
this is to be understood to include both male and female employees.

DEVELOPMENT DURING THE QUARTER

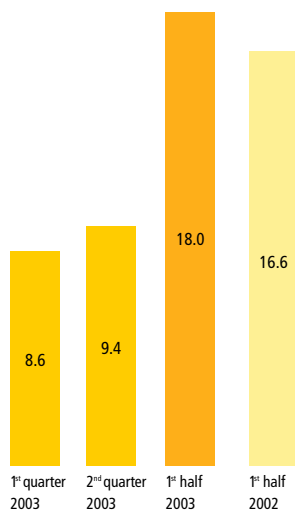
Earnings before interest and taxes (EBIT)

in million €



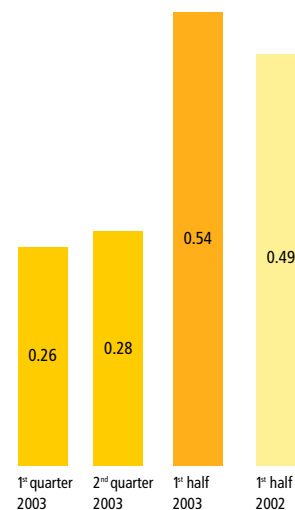
Net income

in million €



Earnings per share

in €



Dear Shareholders,

The Jungheinrich Group, which is celebrating its 50th anniversary this year, has launched a world-wide programme for repositioning of the brand Jungheinrich, based on the slogan: "Jungheinrich – Well worthwhile." By taking this step, involving all of the employees throughout the Group, Jungheinrich will consolidate its position on the market and firmly orient its activities to the future. The measures to enhance the brand name Jungheinrich support the Company's position, already strong, as one of the world's leading suppliers of intra-company logistics, especially in a phase of weak economic development.

The market environment in the materials handling equipment industry has darkened in recent months and put the brakes on the positive development from the first quarter of the year. 61.4 thousand lift trucks (prior year: 62.8 thousand) meant a weakening of 2 per cent in the market volume in Europe for the second quarter of 2003. Overall, the materials handling equipment manufacturers were able to record growth of about 2 per cent in the first half of 2003 with 124.6 thousand units (prior year: 122.7 thousand). The demand on the market for warehousing technology vehicles was greater, rising by 4 per cent, primarily for smaller units. The market for counterbalanced trucks, on the other hand, was slightly below the level of the prior year. On the large individual markets in Europe, France and Italy recorded slight drops in market volume, while the market in Great Britain grew by a two-digit figure. Due to the weaker market situation overall and the continuing keen competition, the price situation in the materials handling equipment industry remained tense. Regarding the restructuring of the production sites, the transfer of production of the IC engine powered forklifts previously manufactured in Leighton Buzzard (Great Britain) to Moosburg (Germany) by the middle of 2004 is progressing smoothly and on schedule. The expenditures incurred by the transfer are included in the results.

We are not satisfied with the development of our subsidiaries in France. Although the efforts made for MIC S.A. at the production site in Argentan in recent years have succeeded in reducing the losses substantially, the goal of sustained profitability of operations has not been achieved. The plant in Argentan produces above all hand pallet trucks, a relatively simple product which is being produced and sold around the world in increasing numbers by Chinese companies. This has substantially intensified the competitive situation for MIC S.A.. Currently the Company is searching diligently for ways to improve the earnings situation long-term. The merging of MIC sales with the French Jungheinrich distribution organization has turned out to involve substantially higher expenditures than expected.

Despite the lack of economic stimuli and the inclusion of the above-mentioned expenditures for Leighton Buzzard and the burden from the integration process for MIC sales in France, it was possible to maintain the level of earnings in the Jungheinrich Group in the second quarter of 2003 in comparison with the prior year.

Incoming orders

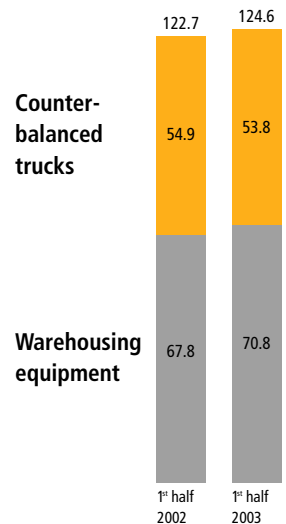
After the strong upswing in terms of units at the beginning of the year, the consequence primarily of one large order, the incoming orders have fallen, in step with the development of the overall market. The value of incoming orders in the second quarter came to €358 million (prior year: €396 million), about 10 per cent below the value of the prior year. In the first half of 2003, the value of incoming orders totalled €728 million (prior year: €756 million).

Order book

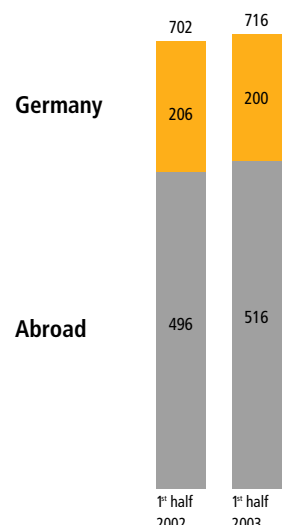
Orders on hand at June 30, 2003, came to €162 million (prior year: €198 million), remaining unchanged at the level of the prior quarter. Correspondingly, the increase in order book value

Market volume for battery-powered and IC engine-powered lift trucks in Europe

in thousand units (incl. European-Japanese joint ventures)



Sales in million €



since the beginning of the year remained unchanged at 7 per cent.

Sales

In the second quarter of 2003, the Jungheinrich Group realized sales of €358 million (prior year: €350 million). Overall, this development led to a rise of 2 per cent in the first half of the year to €716 million (prior year: €702 million). This more than compensated the slight drop in new sales business from the prior quarter. Supported by the further strengthening of the companies abroad, the foreign ratio rose to 72 per cent (prior year: 71 per cent) in the first half of 2003. Business with used trucks and after-sales service realized growth of 5 per cent and 3 per cent, respectively. The comprehensive range of offered services bore fruit in this area.

Employees

The number of employees fell to 9,140 (prior year: 9,191) at June 30, 2003. Compared to the year end 2002, workforce has been reduced by more than 100 employees. The reduction of personnel capacities in the Group's plants continued as a consequence of the consolidation measures and the lower utilization of production capacities. On the other hand, the expansion of the European service network led to further recruitment of new customer service technicians in the second quarter. The ratio of employees working in the after-sales service organization came to 47 per cent.

Capital expenditure

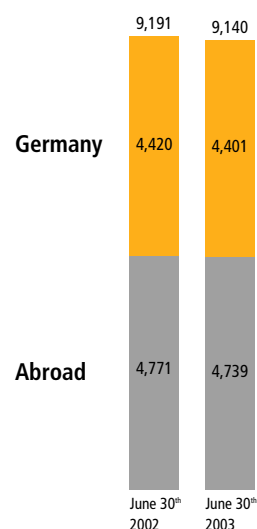
Capital spending in fixed assets – excluding the additions to short-term hire and leasing trucks and to financial assets – rose in the first half of 2003 in comparison with the prior year from €13 million to €16 million. The major part of the capital expenditure volume once again went for expansion of the distribution companies in Europe

to strengthen further the distribution and service network.

Earnings position

Return on sales of operating earnings before interest and taxes (EBIT) of 4.2 per cent in the second quarter of 2003 almost reached the level of the prior year (4.4 per cent). Absolute earnings in the second quarter came to €15.2 million (prior year: €15.3 million) and were in excess of the prior quarter at €12.6 million. Earnings for the first half of the year amounted to €27.8 million and were at the level of the prior year (€27.7 million). The corresponding return on sales at the middle of the year amounted to 3.9 per cent, just as in the prior year. In the second quarter of 2003, the realized net income amounted to €9.4 million (prior year: €9.6 million). In total, the net income for the first half of 2003 came to €18.0 million (prior year: €16.6 million). Earnings per share rose to €0.54 (prior year: €0.49), with a total number of shares of 33.64 million. The Jungheinrich Group was thus able to maintain its earning power, despite the weak market environment.

Employees



CONSOLIDATED STATEMENTS OF INCOME

	2003 4/1 – 6/30 in million €	2002 4/1 – 6/30 in million €	2003 1/1 – 6/30 in million €	2002 1/1 – 6/30 in million €
Net sales	358.4	350.7	716.2	702.4
Cost of sales	264.9	249.6	531.3	513.7
Gross profit on sales	93.5	101.1	184.9	188.7
Selling expenses	63.1	70.1	125.9	130.5
Research and development expenses	8.5	7.7	16.4	14.6
General and administrative expenses	7.4	8.3	15.0	16.2
Other operating income	0.7	1.3	1.3	2.0
Other operating expenses	0.2	0.8	1.1	1.3
Operating income	15.0	15.5	27.8	28.1
Net income (loss) from investments	0.2	– 0.2	0.0	– 0.4
Earnings before interest and taxes	15.2	15.3	27.8	27.7
Financial income (loss)	0.0	– 0.5	– 0.1	– 1.1
Income taxes	5.8	5.2	9.7	10.0
Net income	9.4	9.6	18.0	16.6
Earnings per share (in €)	0.28	0.28	0.54	0.49

Dividends

In the second quarter of 2003, dividends for the past fiscal year 2002 were paid out in the amount of €0.39 and €0.45 for each no-par-value common and preferred stock.

Treasury stock

There has been no change in the treasury stock totalling 360 thousand shares held by the Company. This corresponds to 2.25 per cent of the preferred stock or 1.06 per cent of the capital stock (common and preferred stock).

Personnel changes

Matthias Fischer, who was last year named deputy member of the Jungheinrich AG Management Board by the Supervisory Board, effective at July 1, 2003, has commenced performance of his duties.

Events after the end of the quarter

There were no occurrences or events of major significance for the Jungheinrich Group after the end of the quarter on June 30, 2003.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	2003 1/1 – 6/30 in million €	2002 1/1 – 6/30 in million €
Net income	18.0	16.6
Depreciation and amortization of fixed assets	56.5	58.5
Changes in accrued liabilities	– 3.6	3.0
Changes in deferred tax assets	– 0.7	1.5
Changes in		
– Inventories	– 18.1	4.9
– Trade accounts receivable	14.9	11.4
– Receivables from financial services	– 3.8	– 0.9
– Trade accounts payable	4.7	– 24.1
Other changes	5.5	2.3
Cash provided by operating activities	73.4	73.2
Proceeds from disposals of fixed assets	28.0	27.7
Payments for investments in fixed assets	– 71.3	– 68.4
Changes in other money investments of current assets	– 0.1	– 1.0
Cash used for investing activities	– 43.4	– 41.7
Paid dividends	– 14.1	– 14.1
Changes in liabilities due to banks and in financial loans	3.1	– 18.7
Changes in leasing liabilities and liabilities from financial services	– 15.4	– 30.7
Cash provided by (used for) financing activities	– 26.4	– 63.5
Changes in cash and cash equivalents with effect on payments	3.6	– 32.0
Changes in cash and cash equivalents due to exchange rates	– 0.4	– 0.5
Changes in cash and cash equivalents	3.2	– 32.5
Cash and cash equivalents at January 1	199.2	181.5
Cash and cash equivalents at June 30	202.4	149.0

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Capital stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)			Treasury stock	Total
				Currency translation adjustment	Minimum pension liability	Derivative financial instruments		
in million €								
balance at Jan. 1, 2003	102.0	76.9	188.2	5.0	– 20.5	– 0.2	– 5.7	345.7
Net income								
1/1 – 6/30	–	–	18.0	–	–	–	–	18.0
Dividends for prior year	–	–	– 14.1	–	–	–	–	– 14.1
Other comprehensive income	–	–	–	–	–	0.2	–	0.2
balance at June 30, 2003	102.0	76.9	192.1	5.0	– 20.5	0.0	– 5.7	349.8

Outlook

Activities over the next few months will be oriented to the further expansion of direct sales and of the service division. Measures will be considered for the long-term settlement of the loss situation at MIC S.A. We expect a concrete future-oriented solution by the end of the year. In view of the uncertainty in the overall economy, which is delaying the necessary investment decisions of our customers, a reliable prediction regarding developments in the second half of 2003 remains difficult. Although an economic revival is generally expected for the second half of the year, there are currently no recognizable indications of an improvement in the market environment. We therefore expect at most a widespread stabilization of the market volume for materials handling equipment in Europe and the consequent lower utilization of plant capacity for 2003 as a whole. Moreover, the intense competition in prices will become even keener. With this initial situation as a background, it will become increasingly difficult to achieve the targeted improvement in earnings in the second half of the year. But regardless of the unclear prospects for the course of the year, the Jungheinrich Group has committed itself to a course of action which today, on our anniversary, reflects the Company's capabilities for the future: "Jungheinrich – Well worthwhile."

Hamburg, August 7, 2003

Jungheinrich AG

The Management Board

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CONSOLIDATED BALANCE SHEETS

	2003 at June 30 in million €	2002 at December 31 in million €
ASSETS		
Intangible assets, tangible and financial assets	196.5	197.6
Trucks for short-term hire	111.0	120.8
Trucks for leasing from financial services	179.6	190.6
Fixed assets	487.1	509.0
Inventories	155.4	137.2
Trade accounts receivable	293.8	308.8 ¹⁾
Receivables from financial services	191.6	187.8 ¹⁾
Other receivables and other assets	102.3	100.2
Cash and cash equivalents and securities	207.6	204.3
Current assets	950.7	938.3
Deferred tax assets and prepaid expenses	39.7	37.4
Total assets	1,477.5	1,484.7
STOCKHOLDERS' EQUITY AND LIABILITIES		
Stockholders' equity	349.8	345.7
Accrued pension liabilities and similar obligations	145.4	143.8
Other accrued liabilities	183.0	188.1
Accrued liabilities	328.4	331.9
Financial liabilities	211.6	216.5
Liabilities from financial services	402.6	409.8
Trade accounts payable	84.6	79.8
Other liabilities	48.6	48.1
Liabilities	747.4	754.2
Deferred income	51.9	52.9
Total stockholders' equity and liabilities	1,477.5	1,484.7

¹⁾ In connection with the change in the way long-term rental business in Italy is presented in the accounts, for the sake of comparability the amounts of the previous year (€14.1 million) have been re-classified by removing them from the trade accounts receivable and including them under receivables from financial services.

The accounting and valuation methods applied for this interim report correspond to those applied for the interim report on the first quarter of 2003.

DATES

Interim report 3 rd quarter 2003:	November 10, 2003
Annual General Meeting 2004:	June 2, 2004