

Interim report on the 1st half of 2005



Market growth loses dynamism

Warehousing equipment
supports market trend

Incoming orders up

Net sales up

Income further improved

JUNGHEINRICH

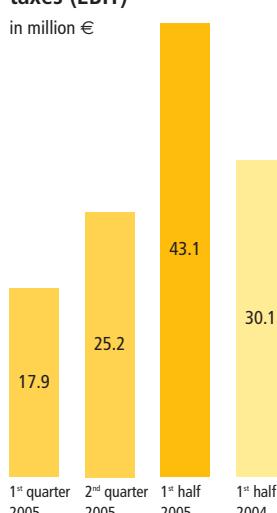
AT A GLANCE

Jungheinrich Group		2 nd quarter 2005	2 nd quarter 2004	Change in %	1 st half 2005	1 st half 2004	Change in %	Year 2004
Incoming orders	million €	413	394	4.8	837	770	8.7	1,569
Net sales								
Germany	million €	115	103	11.7	219	202	8.4	422
Abroad	million €	311	276	12.7	566	522	8.4	1,109
Total	million €	426	379	12.4	785	724	8.4	1,531
Foreign ratio	%	73	73	–	72	72	–	72
Orders on hand (6/30)	million €				236	202	16.8	196
Capital expenditures¹	million €	7	10	– 30.0	15	15	0.0	33
Earnings before interest and taxes (EBIT)	million €	25.2	16.3	54.6	43.1	30.1	43.2	82.8
EBIT return on sales (ROS)	%	5.9	4.3	–	5.5	4.2	–	5.4
Earnings before taxes (EBT)	million €	25.2	15.7	60.5	43.3	28.6	51.4	78.7
Net income	million €	14.4	10.7	34.6	24.9	19.4	28.4	45.6
Earnings per share	€	0.43	0.32	34.4	0.74	0.58	27.6	1.35
Employees (6/30)								
Germany					4,410	4,427	– 0.4	4,464
Abroad					4,488	4,481	0.2	4,544
Total					8,898	8,908	– 0.1	9,008

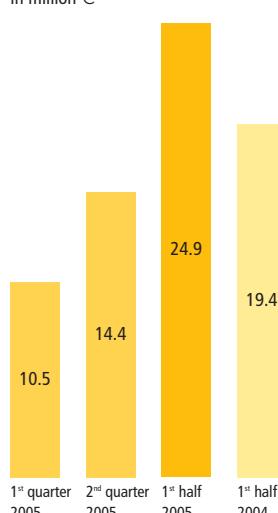
¹ Not including trucks for short-term hire and lease or financial assets.

DEVELOPMENT DURING THE QUARTER

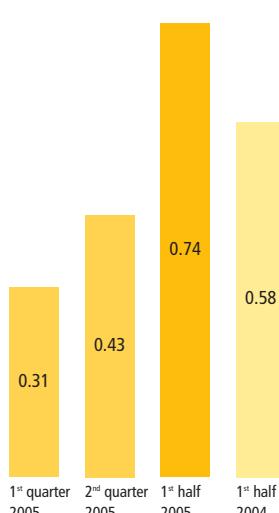
Earnings before interest and taxes (EBIT)



Net income in million €



Earnings per share in €



Dear Shareholders,

The Jungheinrich Group continued its profitable course for growth. Incoming orders, net sales and income were improved yet again in the second quarter of 2005.

This trend was buoyed not least due to the continued growth of the world market for materials handling equipment, although the market lost some momentum. After recording nearly 11 per cent growth in the first quarter, the sector's expansion rate dropped to 2 per cent in the second quarter. Nevertheless, the global market volume for materials handling equipment in terms of units sold advanced by 6 per cent to 376.1 thousand forklift trucks in the first half of 2005 (prior year: 353.7 thousand units). Asia and the North American market remained the growth drivers, posting increases of 8 per cent and approximately 9 per cent, respectively. Demand for materials handling equipment in Europe in the first half of 2005 amounted to 155.1 thousand forklift trucks (prior year: 152.1 thousand units), representing a rise of about 2 per cent. At 13 per cent, growth in Eastern Europe was considerably more dynamic than in Western Europe. Europe's market decreased in size in the second quarter of 2005 by almost 2 per cent to 80.3 thousand forklift trucks (prior year: 81.5 thousand units).

The market's development was characterized by the increased demand for warehousing equipment. All in all, this segment of Europe's market expanded by some 5 per cent in the first half of the year. By contrast, the market for counterbalanced trucks shrank by roughly 1 per cent. Europe's major individual markets displayed varying developments. While Germany and France stagnated at the level achieved a year earlier, Italy and the UK experienced declines in market size. Spain still managed to post single-digit growth. Competitive pressure in the mate-

rials handling equipment sector and the tense price situation persisted, in line with the weak development displayed by the European market.

Jungheinrich fortified its market position in Europe, benefiting from the Eastern European growth markets, on which the Jungheinrich Group established itself early on by setting up its own companies.

Incoming orders

Incoming orders from new business based on the number of items purchased in the second quarter of 2005 were up on the level of the first quarter as well as on the corresponding prior-year period. In the second quarter of 2005, the value of incoming orders, which comprises all divisions, amounted to €413 million (prior year: €394 million)—a 5 per cent rise. The deterioration in the trend since the first quarter of 2005 is due to the lower project volume compared with the prior year. Incoming orders in the first half of 2005 totaled €837 million (prior year: €770 million)—an increase of some 9 per cent.

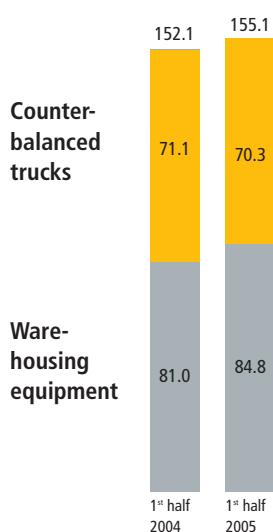
New truck production output in the second quarter of 2005 rose over the previous year's corresponding quarter and the comparable period in the prior year, having a positive effect on both sales and income.

Orders on hand

Orders on hand from new business continued to rise. As of June 30, 2005, orders on hand had a value of €236 million, surpassing the €202 million recorded a year earlier. Since the beginning of the year, the value of orders on hand has risen by €40 million, or 20 per cent. The order reach is approximately three months.

Market volume for battery-powered and IC engine powered lift trucks in Europe (WITS)¹

in thousand units



¹ World Industrial Truck Statistics



Net sales

In the second quarter of 2005, the Jungheinrich Group increased net sales by 12 per cent to €426 million (prior year: €379 million). As a result, consolidated net sales in the first half of 2005 totaled €785 million (prior year: €724 million). The growth rate doubled to 8 per cent compared with the first quarter. New business made a disproportionately high contribution to this rise in net sales, booking an increase of about 13 per cent. The second-hand equipment business and after-sales service closed the first half of 2005 having grown 9 and 4 per cent, respectively. The short-term hire business was marginally up on the level achieved a year earlier. As in the first half of 2005, the foreign share of consolidated net sales was 72 per cent.

2005. Operating earnings before interest and taxes (EBIT) advanced by roughly 55 per cent to €25.2 million in the second quarter (prior year: €16.3 million). The corresponding return on sales was 5.9 per cent, exceeding the level achieved in the same period a year earlier (4.3 per cent). The first-half result rose to €43.1 million (prior year: €30.1 million). By the half-year point, the corresponding return on sales had improved to 5.5 per cent (prior year: 4.2 per cent). Earnings benefited from the strong incoming orders, increased capacity utilization at domestic production sites in Norderstedt and Moosburg as well as an improved cost position. This more than compensated for the adverse effect of the high price of raw materials and fierce competition in new business. In addition, the €2 million charge from the donation made to the Dr. Friedrich Jungheinrich Foundation in the previous year no longer had to be considered. In sum, the strategic courses set in the last few years and the successfully completed restructuring program are now having a positive

Earnings position

The Jungheinrich Group continued the positive earnings trend posted in the first quarter of

CONSOLIDATED STATEMENT OF INCOME

	2005 4/1 – 6/30 in million €	2004 4/1 – 6/30 in million €	2005 1/1 – 6/30 in million €	2004 1/1 – 6/30 in million €
Net sales	425.5	378.6	784.8	724.0
Cost of sales	318.2	281.0	578.4	533.1
Gross profit on sales	107.3	97.6	206.4	190.9
Selling expenses	65.7	65.3	132.1	128.7
Research and development expenses	9.6	8.3	19.2	18.3
General and administrative expenses	7.0	8.8	12.5	16.6
Other operating income	0.7	1.7	1.7	3.6
Other operating expenses	1.1	0.8	2.2	1.2
Operating income	24.6	16.1	42.1	29.7
Net income from investments	0.6	0.2	1.0	0.4
Earnings before interest and taxes	25.2	16.3	43.1	30.1
Financial income (loss)	0.0	– 0.6	0.2	– 1.5
Income taxes	10.8	5.0	18.4	9.2
Net income	14.4	10.7	24.9	19.4
Earnings per share (in €)	0.43	0.32	0.74	0.58

impact on the Jungheinrich Group. Net income earned in the second quarter of 2005 was up some 35 per cent to €14.4 million (prior year: €10.7 million). By consequence, net income for the first half of 2005 improved to €24.9 million (prior year: €19.4 million). Income taxes were twice as high as in the same period last year. Earnings per share rose to €0.74 (prior year: €0.58) on the back of 33.64 million shares.

Research and development

Research and development expenses of the Jungheinrich Group after six months amounted to €19 million (prior year: €18 million). As in the previous year, some €38 million have been earmarked for developing activities planned for the year as a whole.

This autumn, Jungheinrich will present itself to an international expert audience at CeMAT, the world's largest trade show in its sector, which takes place once every three years. From October 11 to 15, 2005, the company will showcase numerous technical novelties and innovative services in Hanover.

Capital expenditures

At €15 million as of the end of June, capital expenditures on tangible fixed assets—not including additions to trucks for short-term hire and lease as well as to financial assets—were unchanged vis-à-vis the previous year. The lion's share of capital spending was largely used to expand the company's sales enterprises.

Construction of a new development and testing center at the Norderstedt production site began at the end of June 2005.

Employees

The employee headcount was slightly down to 8,898 as of June 30, 2005 (prior year: 8,908).

CONSOLIDATED STATEMENT OF CASH FLOWS

	2005 1/1 – 6/30 in million €	2004 1/1 – 6/30 in million €
Net income	24.9	19.4
Depreciation and amortization of fixed assets	53.1	53.1
Changes in accrued liabilities	21.7	7.9
Changes in deferred tax assets	1.6	– 1.7
Changes in		
– Inventories	– 28.8	– 21.4
– Trade accounts receivable	– 19.2	15.0
– Receivables from financial services	– 27.9	– 8.5
– Trade accounts payable	– 4.8	– 16.3
Other changes	– 6.8	– 2.8
Cash provided by operating activities	13.8	44.7
Proceeds from disposals of fixed assets	27.4	33.7
Payments for investments in fixed assets	– 84.5	– 63.2
Changes in other cash investments of current assets	– 0.3	–
Cash used for investing activities	– 57.4	– 29.5
Dividends paid	– 15.1	– 14.1
Changes in liabilities due to banks and in financial loans	37.6	–
Changes in leasing liabilities and in liabilities from financial services	22.9	– 37.7
Cash provided by (used for) financing activities	45.4	– 51.8
Changes in cash and cash equivalents affecting payments	1.8	– 36.6
Changes in cash and cash equivalents due to exchange rates	0.1	0.3
Changes in cash and cash equivalents	1.9	– 36.3
Cash and cash equivalents at 1/1	228.4	204.7
Cash and cash equivalents at 6/30	230.3	168.4

This figure included 224 trainees (prior year: 229). By the middle of the year, 4,410 staff members (49.6 per cent) worked in our German companies, and 4,488 people (50.4 per cent) worked in our foreign companies. Compared with the end of 2004 (9,008 employees) the workforce shrank by 110 positions. This decline is primarily attributable to the sales division, where internal adjustments were made and staff cuts were implemented in connection with the discontinuation of MIC's direct sales in France.

The Jungheinrich share

Jungheinrich's share price continued to rise in the second quarter of 2005. Propelled by persistently high demand, the Jungheinrich share closed June 30, 2005 at €18.00. This was an increase of 29.5 per cent compared with the €13.90 recorded at the end of 2004. During the same period, the SDax Small Cap Index improved by 20.9 per cent, climbing from 3,144 points to 3,802 points.

As of June 30, 2005, the company held 358.3 thousand treasury stock shares. This represents 2.24 percent of the preferred capital stock or 1.05 per cent of the total capital stock (common and preferred stock).

In the second quarter of 2005, an increased dividend of €0.42 per common share (prior year: €0.39) and of €0.48 per preferred share (prior year: €0.45) was paid for the 2004 financial year.

Changes in personnel

Mr. Wolff Lange was appointed by the registered shareholder Ljh-Holding GmbH to the Supervisory Board of Jungheinrich AG to succeed Ms. Karin Martin, who retired from the Supervisory Board effective at the end of the Annual General Meeting on June 7, 2005.

Events after the end of the first half of 2005

No transactions or events of major importance to the Jungheinrich Group occurred after the end of the first half of 2005.

Outlook

The Jungheinrich Group is well aligned as far as its continued business trend is concerned. Opportunities offered by the growth of the world market for materials handling equipment, the improved market position, and the increase in production capacity utilization will support the

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

	Capital stock	Additional paid-in capital	Retained earnings	Accumulated currency translation adjustment	other comprehensive income (loss)	Minimum pension liability	Derivative financial instruments	Treasury stock	Total
in million €									
As of 1/1/2004	102.0	76.9	195.3	3.3	– 13.8	0.3	– 5.7	358.3	
Net income									
1/1 – 6/30/2004	–	–	19.4	–	–	–	–	–	19.4
Dividend for the previous year	–	–	– 14.1	–	–	–	–	–	– 14.1
Other changes	–	–	–	– 0.9	–	– 2.9	–	–	– 3.8
As of 6/30/2004	102.0	76.9	200.6	2.4	– 13.8	– 2.6	– 5.7	359.8	
As of 1/1/2005	102.0	77.0	224.7	5.8	– 11.8	– 0.2	– 5.7	391.8	
Net income									
1/1 – 6/30/2005	–	–	24.9	–	–	–	–	–	24.9
Dividend for the previous year	–	–	– 15.1	–	–	–	–	–	– 15.1
Other changes	–	–	–	– 1.6	–	– 0.8	–	–	– 2.4
As of 6/30/2005	102.0	77.0	234.5	4.2	– 11.8	– 1.0	– 5.7	399.2	

company's upward trend. Our economic forecast for 2005 continues to predict moderate growth of the global economy. Since this is expected to have a positive effect on the sectoral trend, we anticipate that the world market for materials handling equipment will expand somewhat in the second half of 2005.

This year, we will strengthen Jungheinrich Lift Truck Corporation, our sales company in the USA, by supplying it with products developed specifically for the US market. They will be gradually launched on the market from July 2005 onwards. This will afford Jungheinrich the opportunity to steadily expand its US business over a longer period of time.

The Jungheinrich Group will continue to invest in the future of the company. €60 million in capital expenditures have been planned for this year—excluding additions to trucks for short-term hire and leasing as well as to financial assets. They will principally serve to continue enhancing productivity in the long run and will clearly surpass the previous year's budget.

We expect the upward earnings trend to continue for the rest of the year. It will still be significantly affected above all by the cyclically-induced increase in demand, the improved cost position, and the higher utilization of production plant capacity. In addition, the adverse effect of high raw material prices for steel products is likely to decrease in the second half of 2005. These positive factors are contrasted by the persistently difficult competitive environment, including the substantial pressure on prices in new business. The Jungheinrich Group will rise to this challenge by stepping up efforts to improve productivity and enhance efficiency. Overall, we are confident that the company will experience a positive business and earnings trend going forward and have an optimistic outlook on the future.

CONSOLIDATED BALANCE SHEET

	2005 6/30 in million €	2004 12/31 in million €
ASSETS		
Intangible, tangible and financial assets	222.4	220.3
Trucks for short-term hire	117.6	109.9
Trucks for lease from financial services	164.9	167.1
Fixed assets	504.9	497.3
Inventories	171.0	142.2
Trade accounts receivable	314.5	295.3
Receivables from financial services	256.8	228.9
Other receivables and other assets	96.0	90.5
Liquid assets and securities	236.2	234.0
Current assets	1,074.5	990.9
Deferred tax assets and prepaid expenses	38.8	41.9
Total assets	1,618.2	1,530.1
STOCKHOLDERS' EQUITY AND LIABILITIES		
Stockholders' equity	399.2	391.8
Accrued pension liabilities and similar obligations	152.1	148.9
Other accrued liabilities	206.1	187.6
Accrued liabilities	358.2	336.5
Financial liabilities	249.6	213.7
Liabilities from financial services	445.3	420.4
Trade accounts payable	68.2	73.0
Other liabilities	55.9	50.8
Liabilities	819.0	757.9
Deferred income	41.8	43.9
Total stockholders' equity and liabilities	1,618.2	1,530.1

Unforeseen developments may cause the actual business trend to deviate from expectations, which are based on assumptions and estimates made by Jungheinrich company management. Factors that may cause such deviations include changes in the economic and business environment, exchange and interest rate fluctuations, as well as products introduced by competitors.

Hamburg, August 9, 2005

Jungheinrich AG
The Board of Management

Notes to the Interim Report:

Accounting and valuation methods

The consolidated financial statements of Jungheinrich AG as at June 30, 2005 have—like the consolidated financial statements as at June 30, 2004 and December 31, 2004—been prepared in accordance with the standards of United States Generally Accepted Accounting Principles (US GAAP). Consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) will be prepared as at December 31, 2005 for the first time. The interim financial statements are neither audited, nor subjected to an audit-like review, by the Group's auditor PricewaterhouseCoopers AG Wirtschaftsprüfungs-gesellschaft, Hamburg. The accounting and valuation principles applied in the interim financial statements as at June 30, 2005 were unchanged compared with fiscal 2004.

Basis of consolidation

In the second quarter of 2005, the basis of consolidation of fully consolidated companies was expanded by three newly founded companies

compared with December 31, 2004. Established to expand the financial services business in France, these new companies are Jungheinrich Financial Services S.A.S. and Jungheinrich Finance S.A.S., both based in Vélizy-Villacoublay (France). In Germany, the newly founded company is Jungheinrich Katalog GmbH & Co. KG, Hamburg (Germany). The first-time consolidation of these companies did not result in any differences. Now, the basis of consolidation thus includes 27 foreign and 7 German companies. Three companies have been stated on the balance sheet through application of the equity method.

Segment reporting

The Board of Management of Jungheinrich AG acts and makes decisions with overall responsibility for all the divisions of the Group. The economic ratios and reports submitted monthly to the entire management board are oriented to inter-divisional control variables. Consequently, in accordance with the "Management Approach," Jungheinrich is in its core business a single-segment company, so that reporting for operating segments in accordance with SFAS 131 is unnecessary.

Pension obligations

Net pension costs break down as follows:

	2005 1/1 – 6/30 in million €	2004 1/1 – 6/30 in million €
Service cost	2.7	2.9
Interest cost	6.5	6.2
Expected return on plan assets	– 2.9	– 2.4
Amortization of unrecognized net actuarial losses	0.5	0.7
Net pension costs	6.8	7.4

Contributions in the amount of €2.6 million (prior year: €2.5 million) were paid into the pension plan assets by companies of the Jungheinrich Group during the reporting period.

DATES

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Interim report on the 3rd quarter of 2005 November 10, 2005
2006 Annual General Meeting June 13, 2006
Securities identification numbers ISIN: DE0006219934
WKN: 621993