



Growing with Passion

Balance Sheet Press Conference

Hans-Georg Frey, Chairman of the Board of Management
Dr. Volker Hues, Member of the Board of Management, Finance
Hamburg, March 25, 2015

JUNGHEINRICH
Machines. Ideas. Solutions.



Content



- **Highlights and Key Figures 2014**
- **World Material Handling Equipment Market**
- **Business Model**
- **Business Development in 2014 and current Business Trend**
- **Strategic Issues and Outlook**

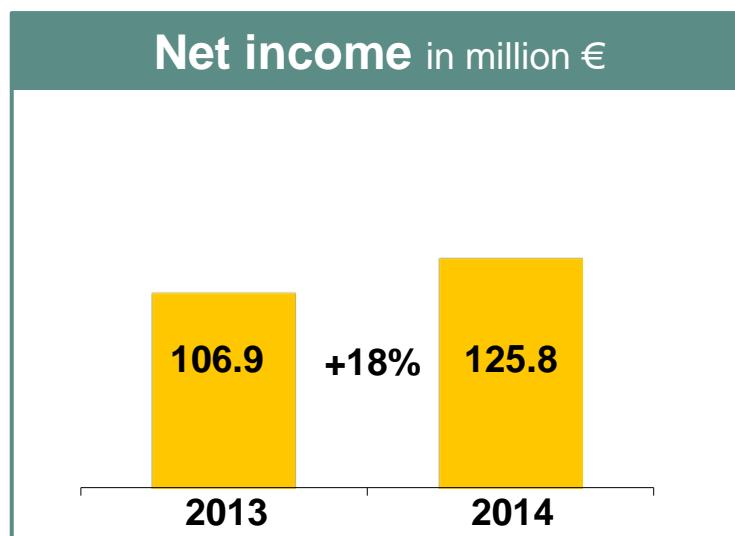
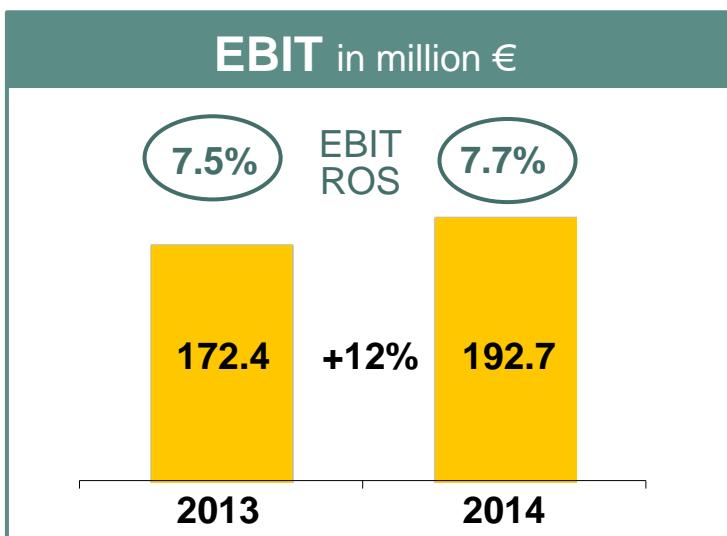
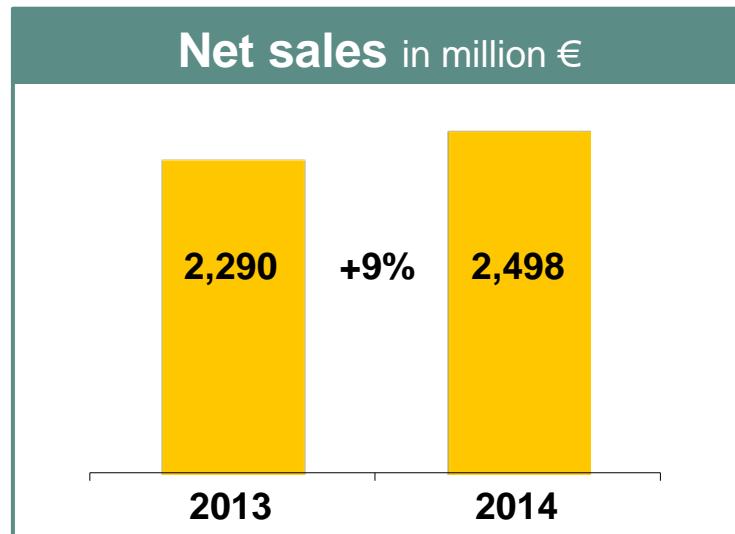
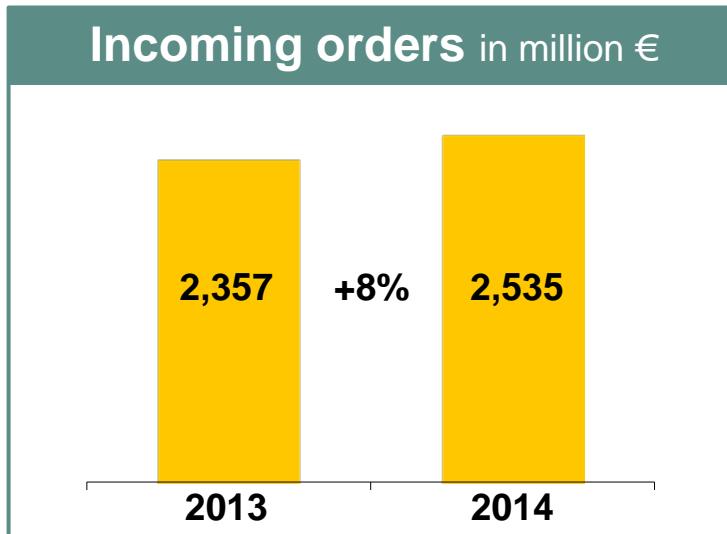
Highlights and Key Figures 2014



2014—Record Year

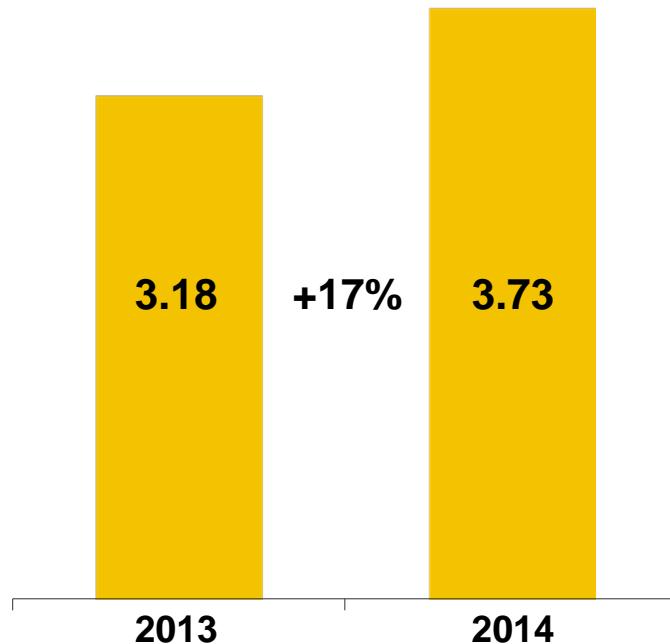
- Jungheinrich achieves record figures in terms of
 - incoming orders and net sales
 - EBT, EBIT and net income
- Dividend (preferred shares) rises by 21%
- Jungheinrich share advances to MDAX
- Production volume of 83,500 forklifts represents highest level in corporate history

Jungheinrich Group Key Figures in 2014

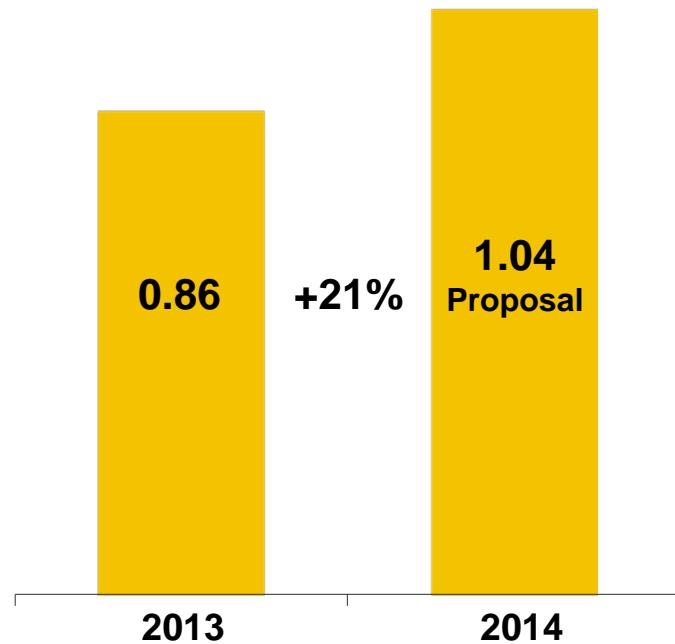


Dividend Rises by 21%

Earnings per preferred share
in €



Dividend per preferred share
in €



Achievements in 2014 (1)

Core
business:
Europe

- **Further consolidated market share**

Asia

- **Further expanded Asian business**

Logistics
systems
business

- **Increased net sales in logistics systems
business by 18%**

Achievements in 2014 (2)

ICs ¹	<ul style="list-style-type: none">■ Enlarged share of the market
Mail-order business	<ul style="list-style-type: none">■ Increased mail order net sales to €50 million
Other highlights	<ul style="list-style-type: none">■ Major construction projects on schedule and within budget■ Short-term hire fleet enlarged considerably■ €100 million promissory note bond issued

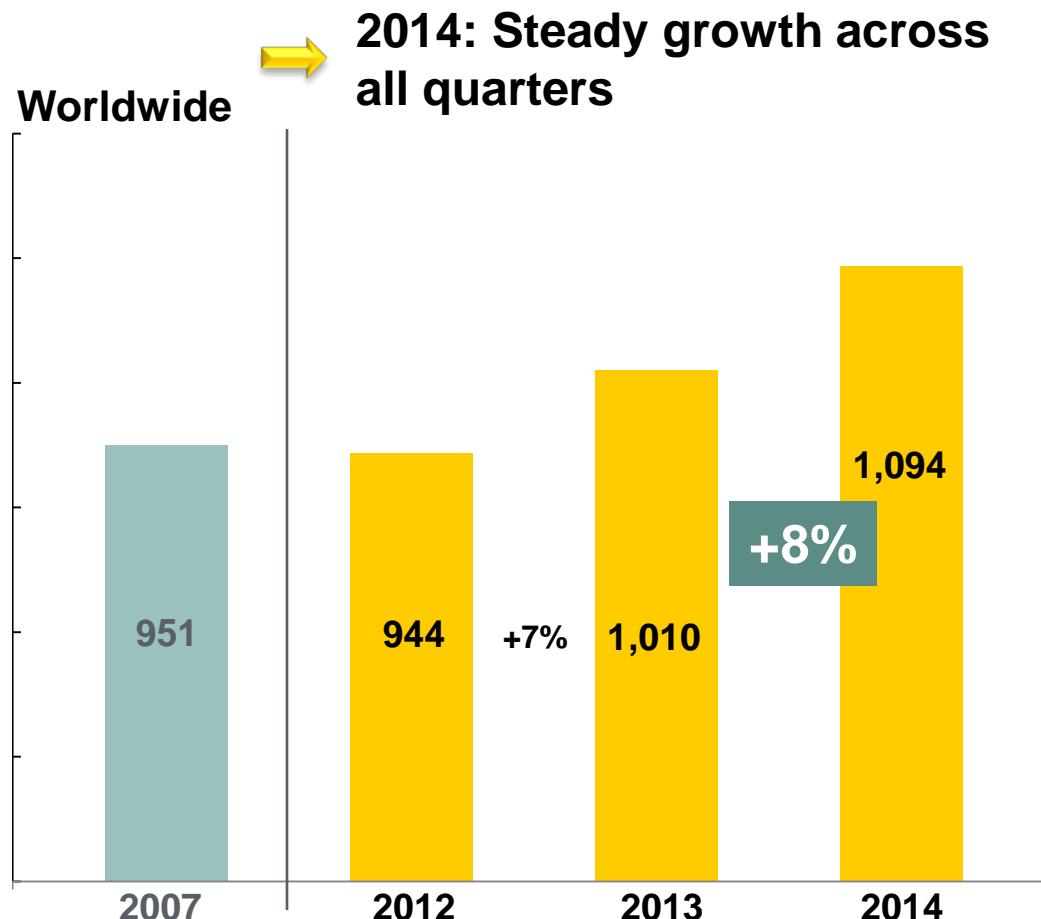
1 IC (internal combustion) engine-powered counterbalanced trucks.

World Material Handling Equipment Market

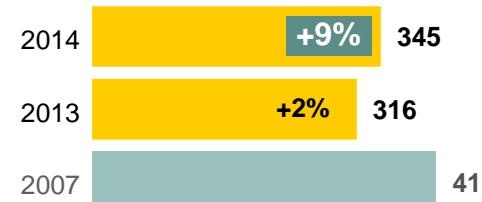


World Material Handling Equipment Market—Volume

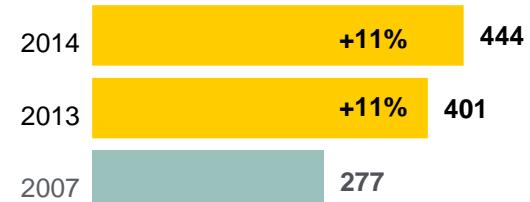
in thousand units



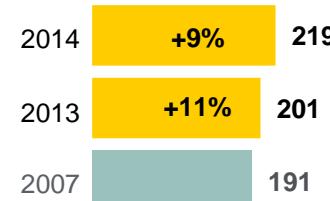
Europe



Asia



North America



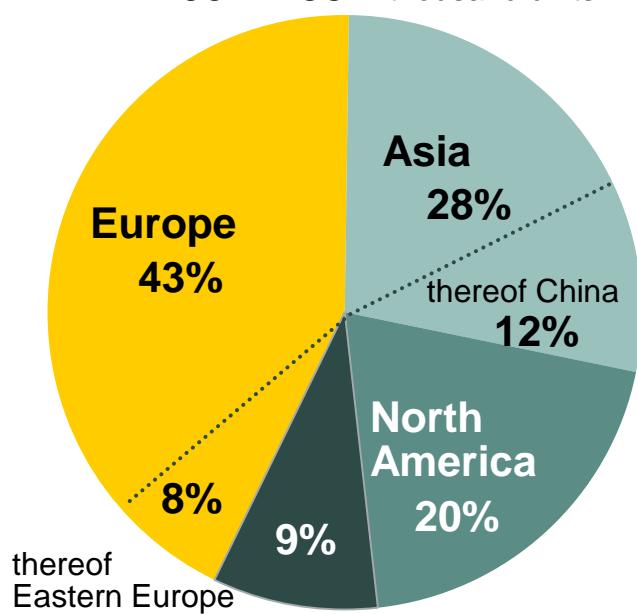
Source: WITS und SIMHEM.

World Material Handling Equipment Market

Breakdown of Volume by Region

Percentage of total market in terms of units

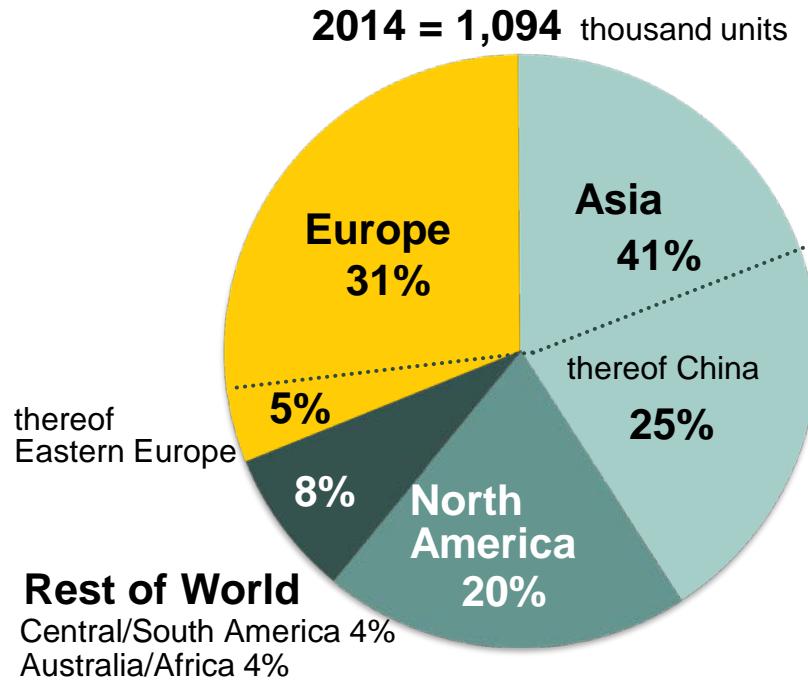
2007 = 951 thousand units



Rest of World

Central/South America 5%
Australia/Africa 4%

2014 = 1,094 thousand units



**European market volume in 2014 still
16% below pre-crisis level**



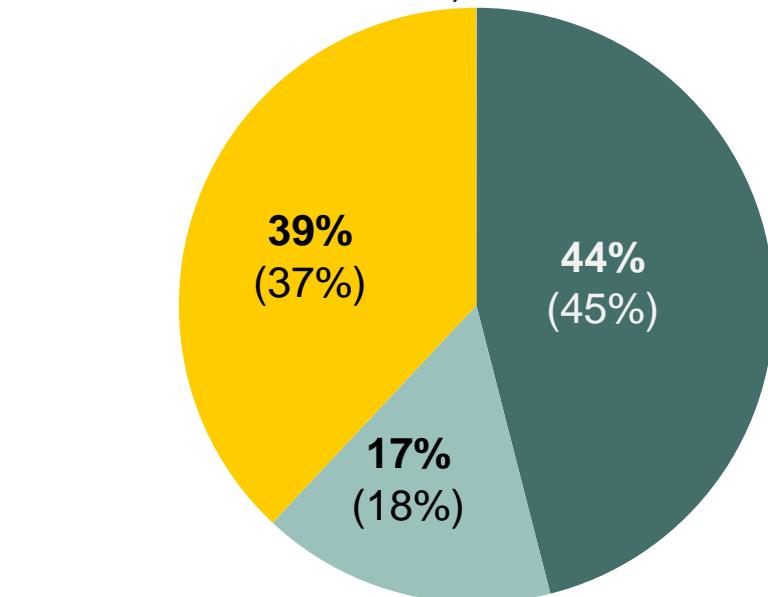
Source: WITS. and SIMHEM.

World Material Handling Equipment Market Breakdown of Volume by Product Segment

in terms of units

Worldwide

2014: 1,094 thousand units
(2007: 951 thousand units)

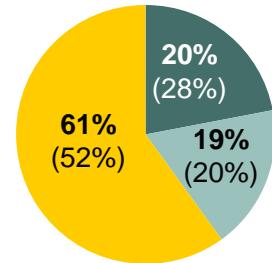


■ Warehousing equipment

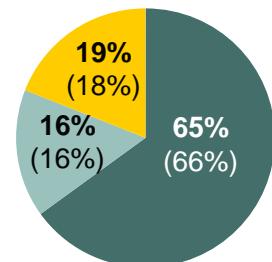
■ Battery-powered counterbalanced trucks

■ IC engine-powered counterbalanced trucks

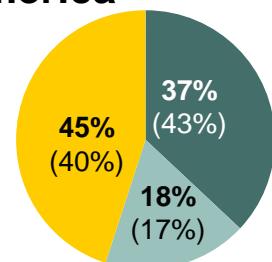
Europe



Asia



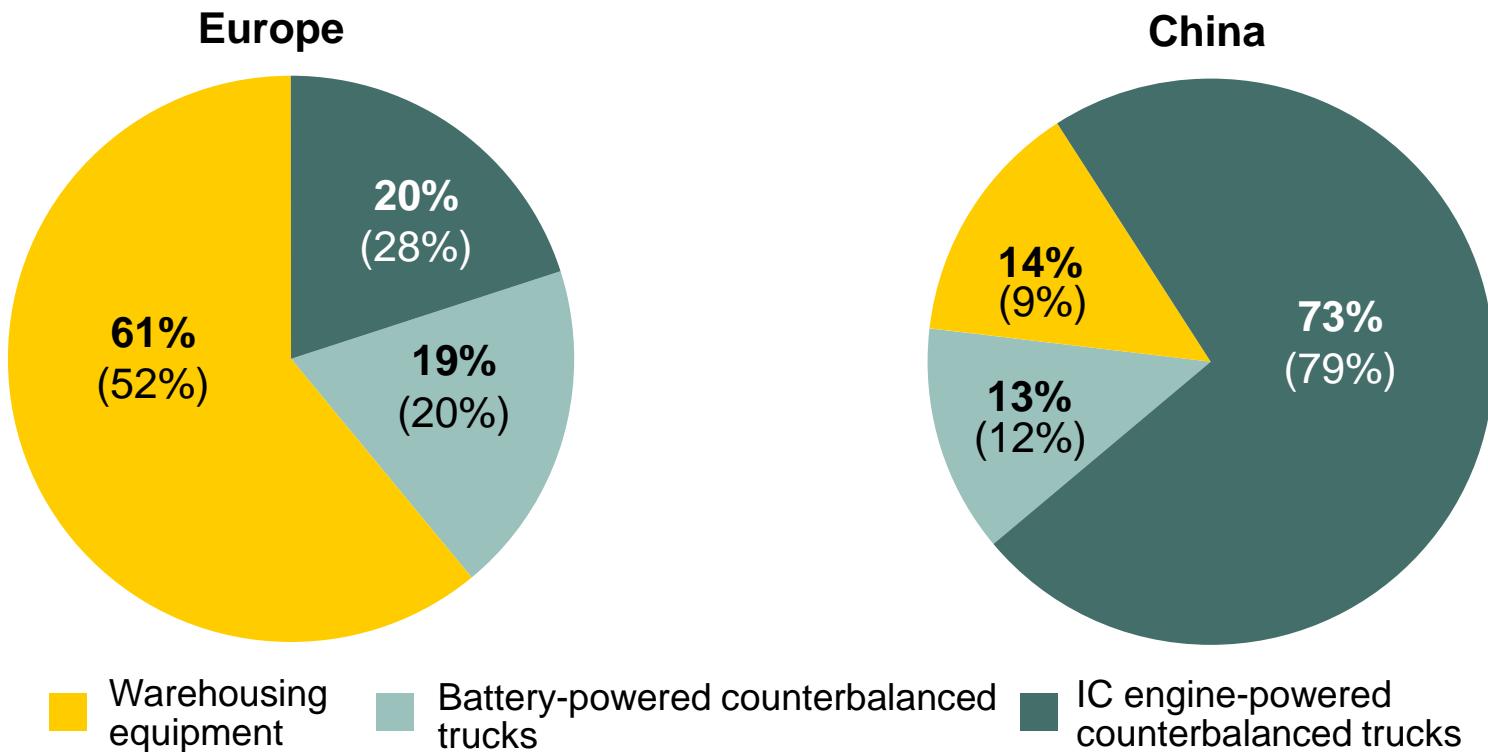
North America



Source: WITS and SIMHEM.

World Material Handling Equipment Market—Market Structure Comparison Broken Down by Product Segment in 2014 (2007)

in terms of units

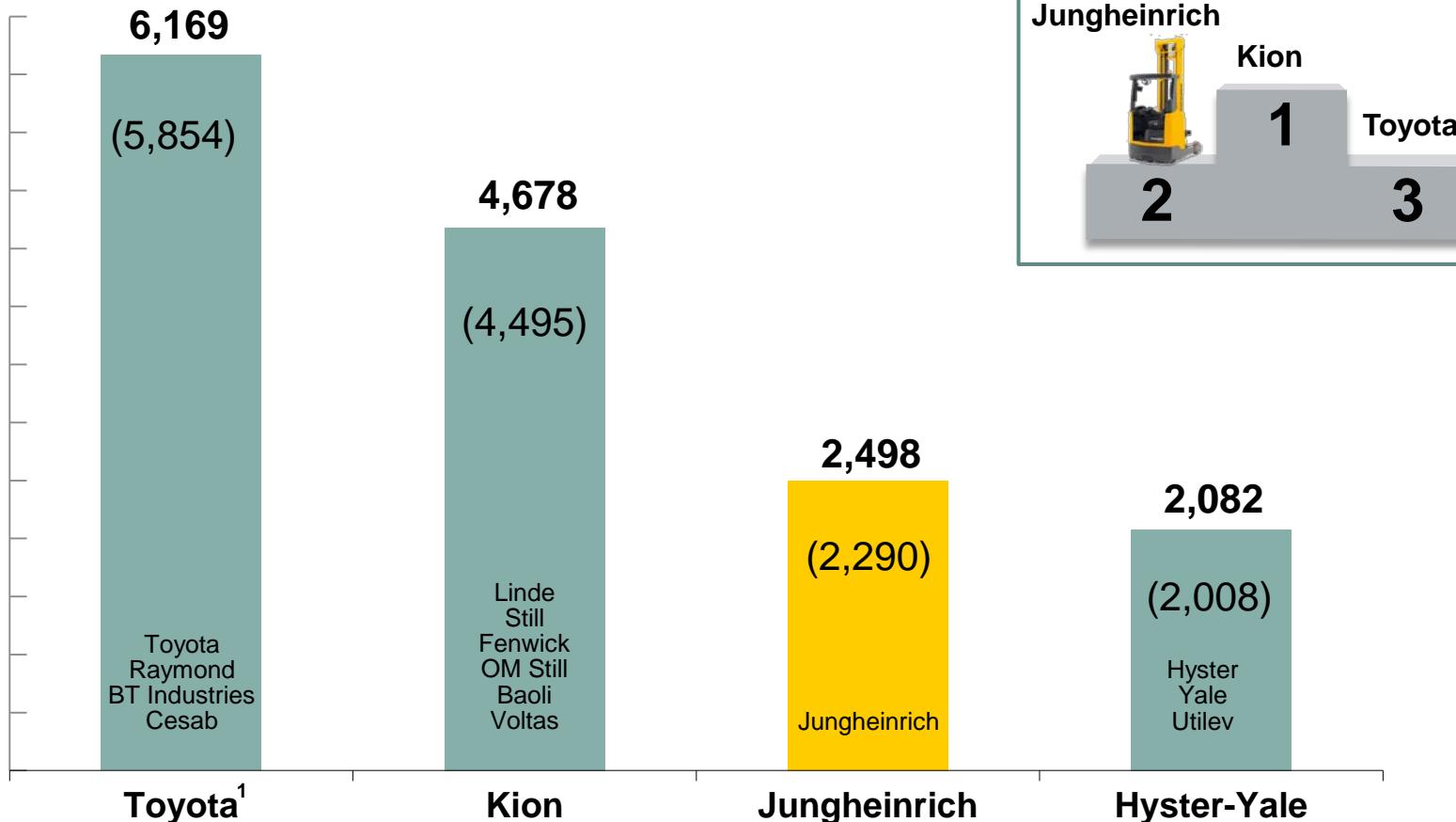


Europe and China: Trend towards warehousing equipment; future growth potential for Jungheinrich

Source: WITS.

World League Ranking

2014 (2013) Net sales in million €, including currency effects



Business Model



The Jungheinrich Business Model

Intralogistics

New truck business

Development, production and sale of new forklifts including logistics systems and mail-order business

Short-term hire

Rental of new and used material handling equipment

Used equipment

Reconditioning and sale of used trucks

After-sales services

Maintenance, repair and spare part business

Financial services

Usage transfer and sales financing of material handling and warehousing equipment



Business Fields: New Truck Business and After-Sales Services

New truck business

Examples:

ETV 320/325

ETR 320

VFG 316-320



After-sales services

- Potential for after-sales services depends on market penetration!
- 5,700 employees in the global after-sales organization, thereof 4,000 after-sales service engineers

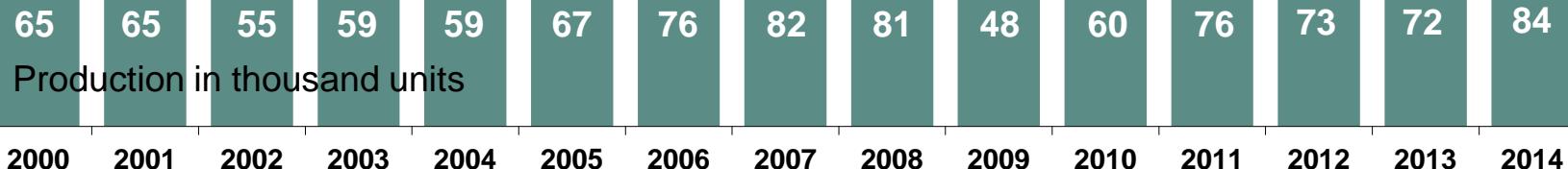
High market penetration: 1,022 thousand trucks

$\varnothing \sim 68.1$ thousand units

Service expiring

in Service

Service potential



The Short-Term Hire and Used Equipment Business Field

Short-term hire

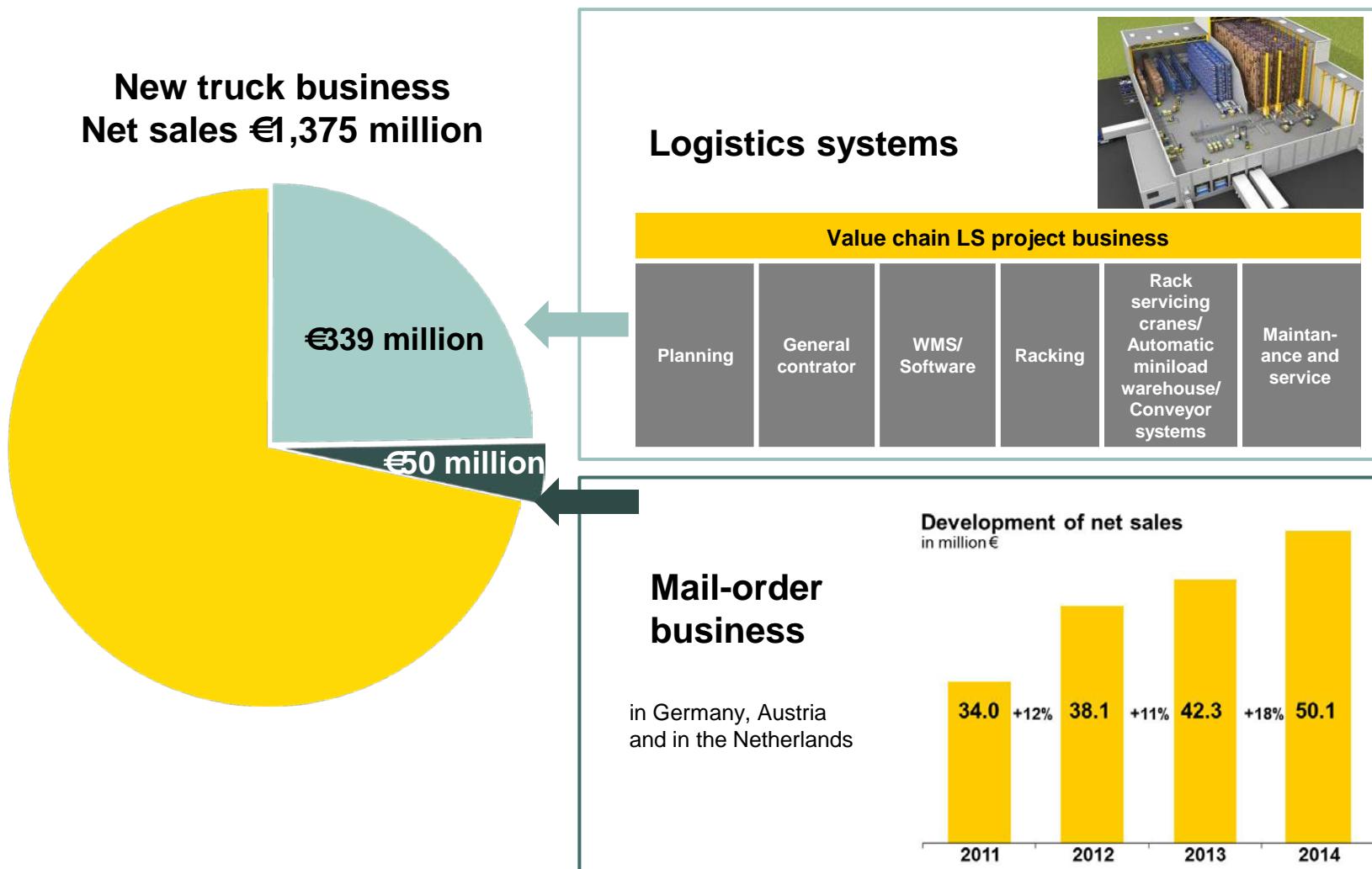
- Hire periods: generally 1 day to 24 months
- Targeted degree of capacity utilization 70% to 80%
- Ø-Inventory: 2014 = 38.1 thousand trucks (+13% yoy)

Used equipment

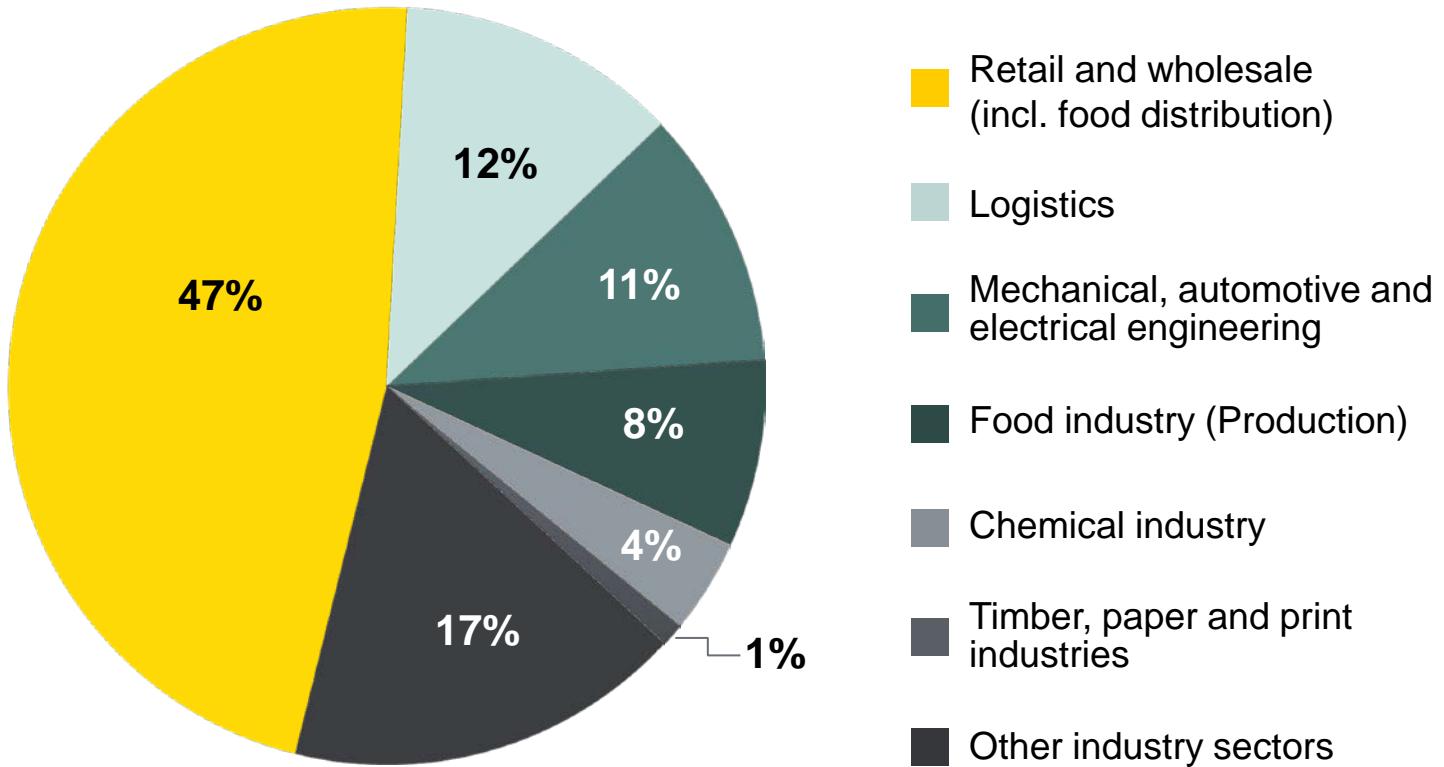
- Marketing of used equipment (leasing, short-term hire fleet and trade-ins)
- Professional reconditioning of forklifts in the Dresden Used Equipment Centre (increase in capacity to 8,000 forklifts by the end of 2015)
- 2014: 5,100 reconditioned trucks



Divisions: Logistics Systems Business and Mail-Order Business



Deliveries by Industry



Based on incoming orders in terms of units in 2014.

Financial Services—Principles and Objectives

Business policy

- Service function for Jungheinrich sales division
- Substantial financial services profits are stated in sales division

➡ New truck business/after-sales services/used equipment

Sales policy

- Promotion and expansion of new truck business and after-sales services
 - ➡ Principle: Every financial service agreement to cover full service and maintenance
- Permanent customer retention
 - ➡ Flexible, customized contracts

Risk management

- Matching refinancing (term and interest)
- Regular creditworthiness checks
- Quarterly assessment of contractual/residual value risks
- Transparency and process reliability via Group database

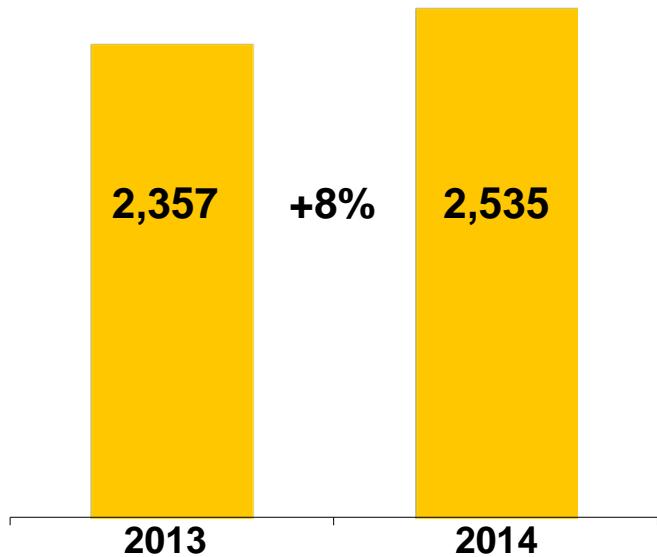
➡ Full disclosure on Jungheinrich's consolidated balance sheet

Business Development in 2014 and current Business Trend

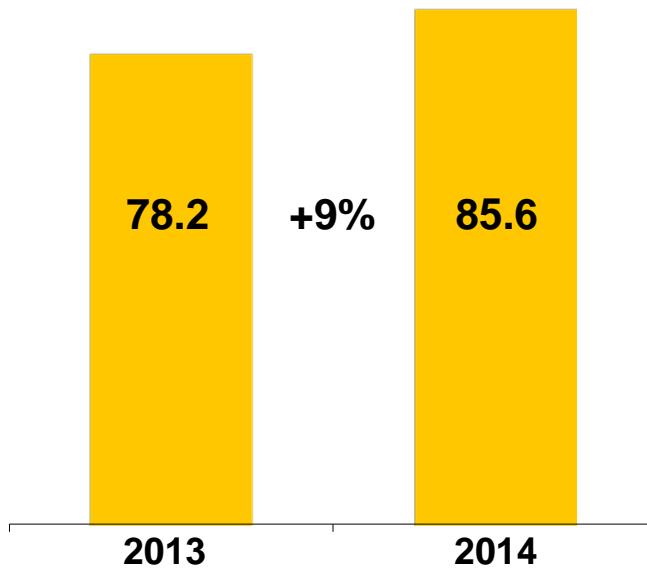


Incoming Orders

Of all business fields
in million €



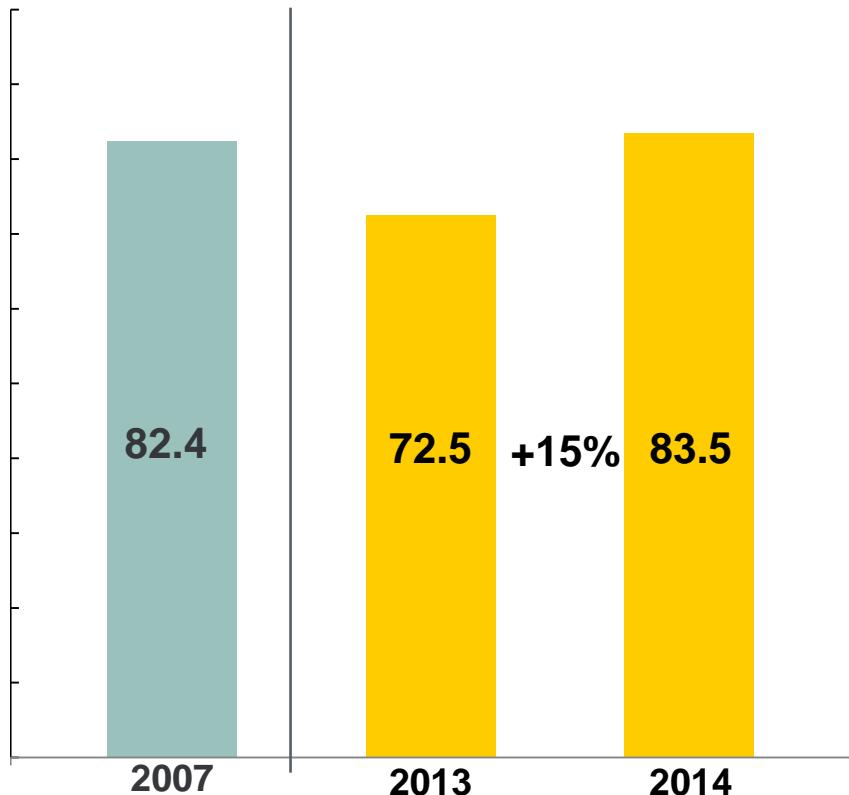
New truck business
in thousand units



- New truck business + €114 million, about half of which in the logistics systems business

Production—New Truck Business

in thousand units

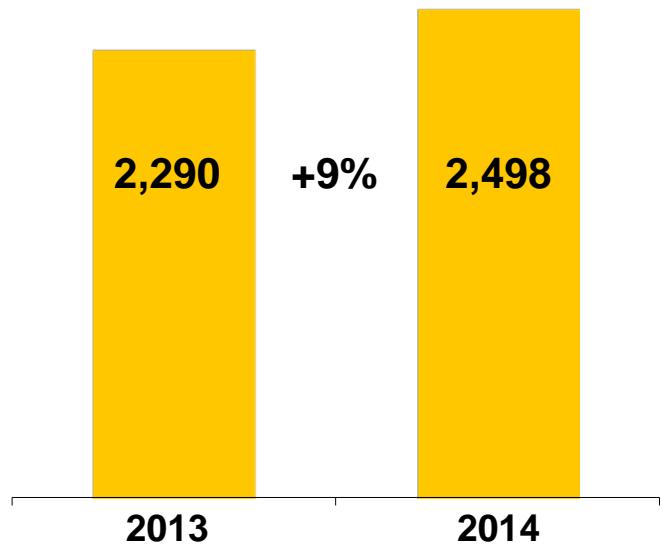


- Production surpasses pre-crisis level for the first time and hits all-time high in corporate history
- Warehousing equipment, battery-powered counterbalanced trucks and IC engine-powered counterbalanced trucks post double-digit growth

Net Sales

in million €

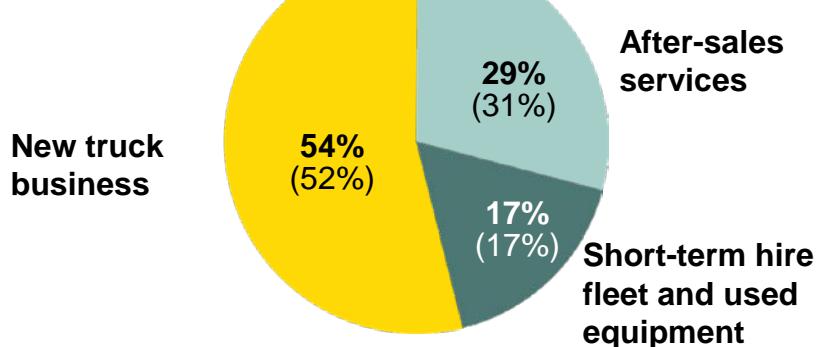
Consolidated net sales



- All business fields contributed to net sales growth—especially new truck business (+13%)

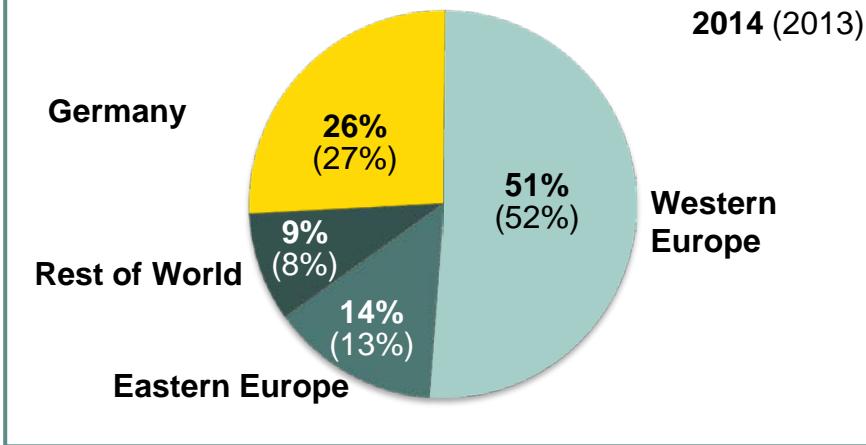
Net sales—Intralogistics segment

2014 (2013)



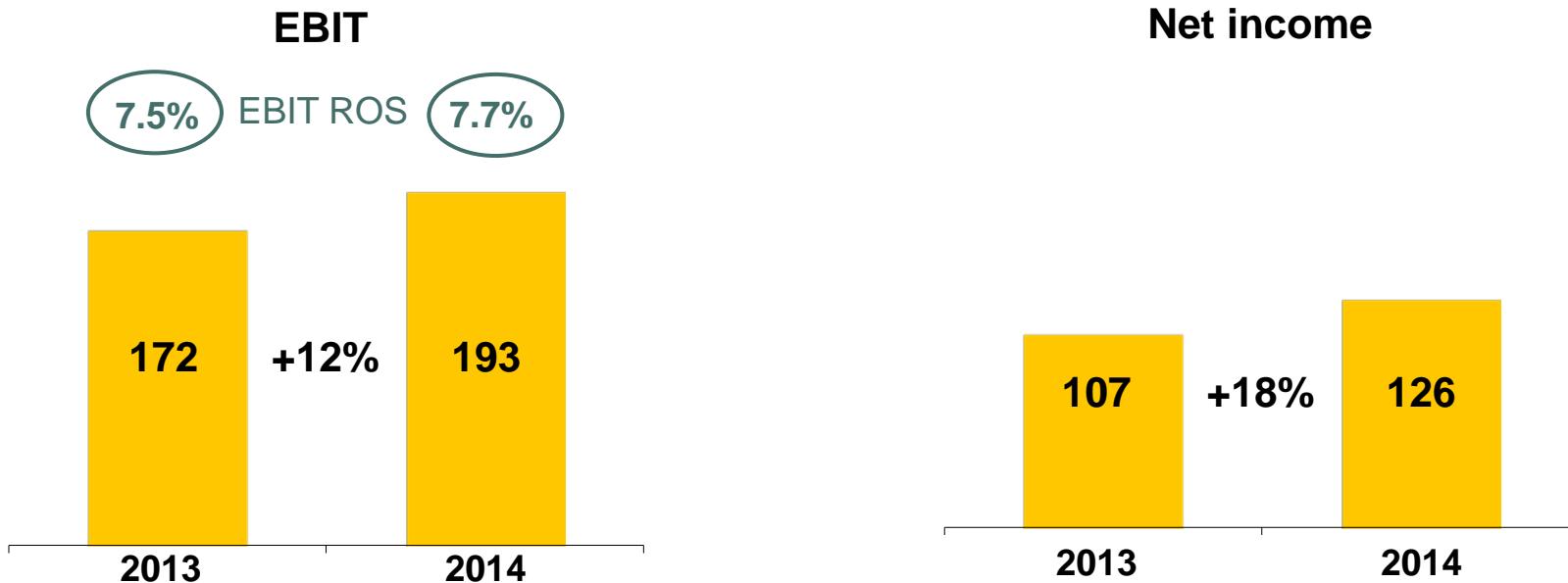
Consolidated net sales by region

2014 (2013)



Earnings

in million €

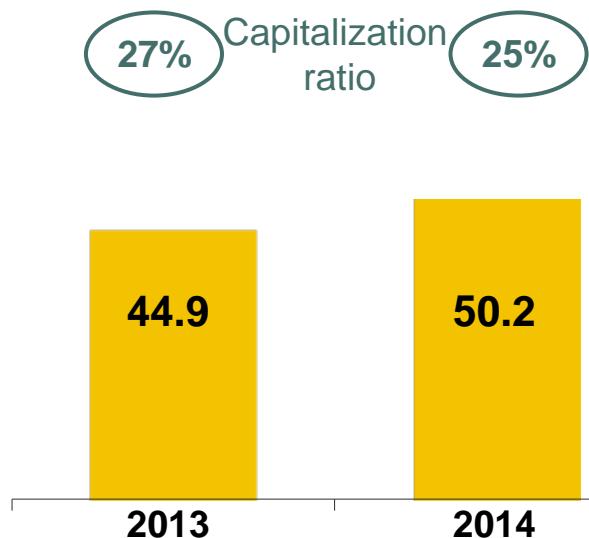


- Strong growth in low-margin new truck business
- Addition to the endowment of the Dr. Friedrich Jungheinrich Foundation (by €1.3 million)
- CeMAT costs impose burden
- Positive exceptional effect of the pension plan adjustment (€6.7 million)

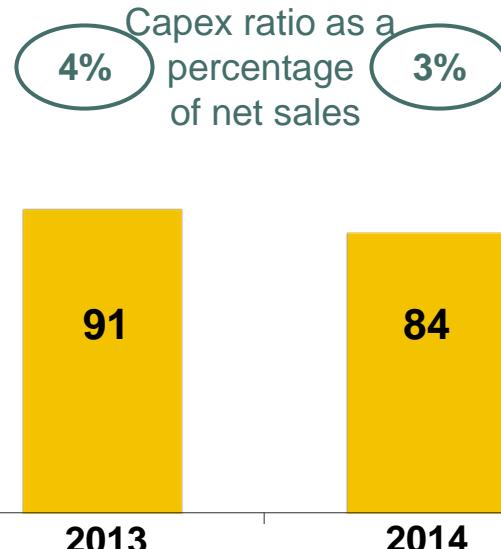
R&D and Capital Expenditures

in million €

R&D Expenditures



Capital Expenditures



- Focal points: energy efficiency of drive systems and automation of material handling equipment

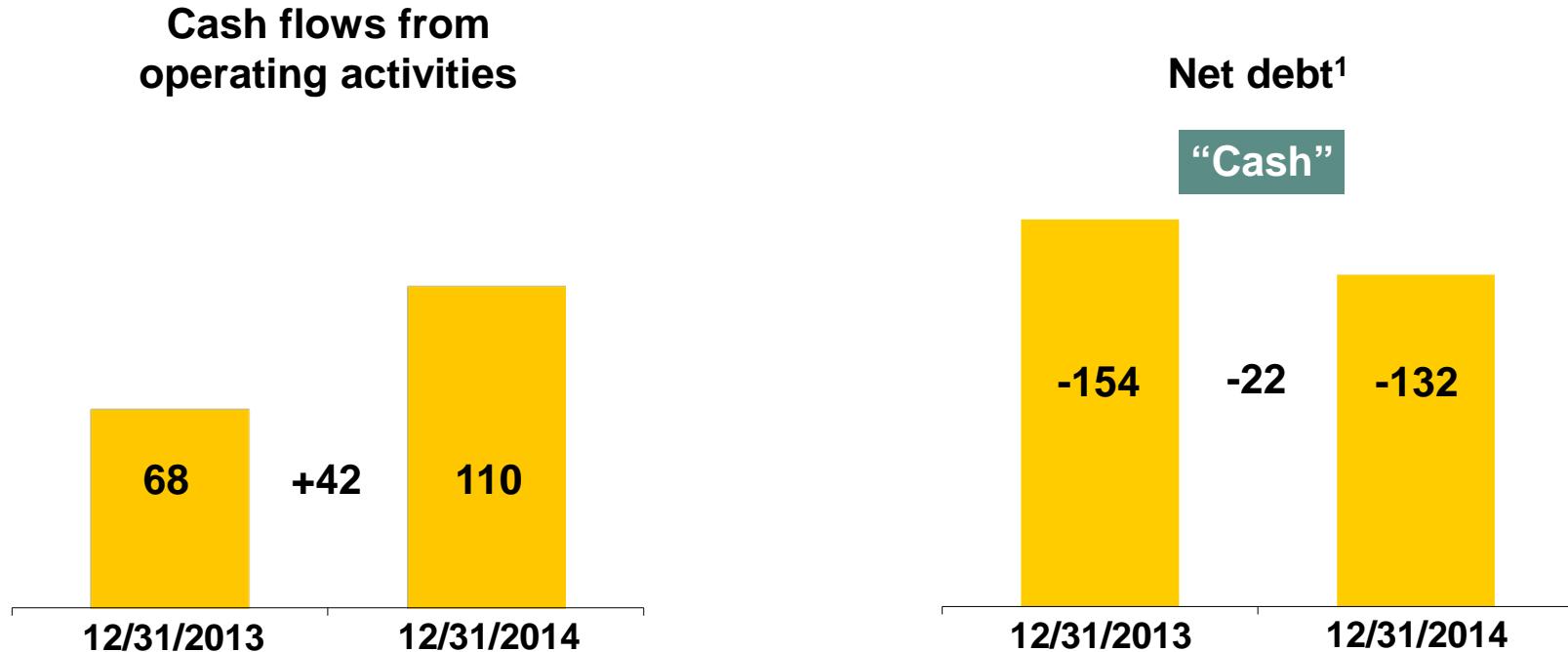
- Capex magnets in 2014: training centre (Norderstedt plant), modernization of counterbalanced truck production (Moosburg plant), expansion of the Dresden Used Equipment Centre, acquisition of real estate in Singapore, and corporate headquarters (Hamburg)

Major Construction Projects



Cash Flows from Operating Activities and Net Debt

in million €



- Cash flows from operating activities significantly affected by net income and depreciation

- Decline stems from substantial expansion of short-term hire fleet and build-up of working capital

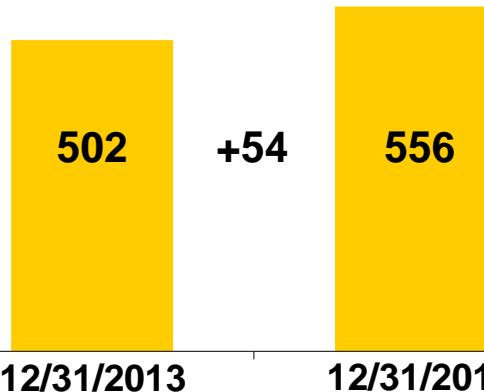
¹ Net debt: Financial liabilities ./ liquid assets and securities.

Working Capital and ROCE

in million. €

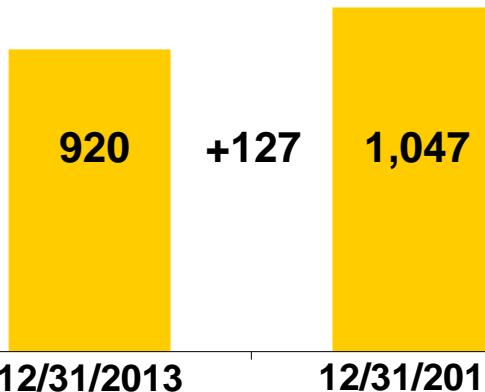
Working capital

21.9% as a percentage of net sales 22.3%



Capital Employed

18.7% ROCE¹ 18.4%

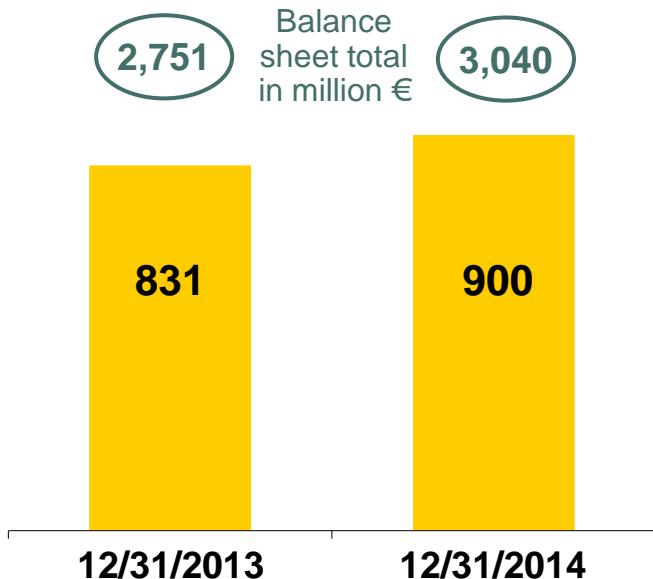


¹ ROCE: EBIT / capital employed (cut-off date).

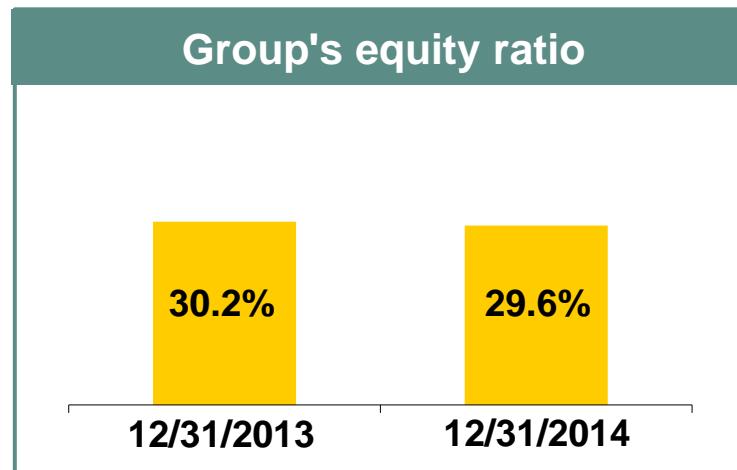
Capital employed: shareholder's equity + financial liabilities + provisions for pensions and similar obligations + long-term personnel provisions
./: liquid assets and securities

Shareholders' Equity and Equity Ratio

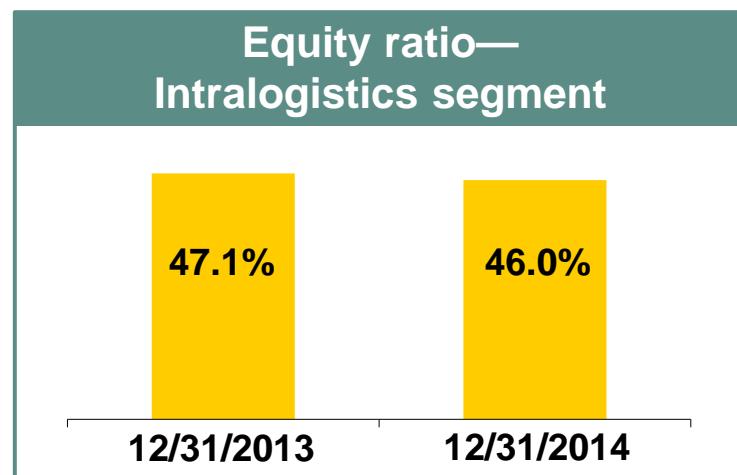
Shareholders' equity in million €



Group's equity ratio



Equity ratio— Intralogistics segment

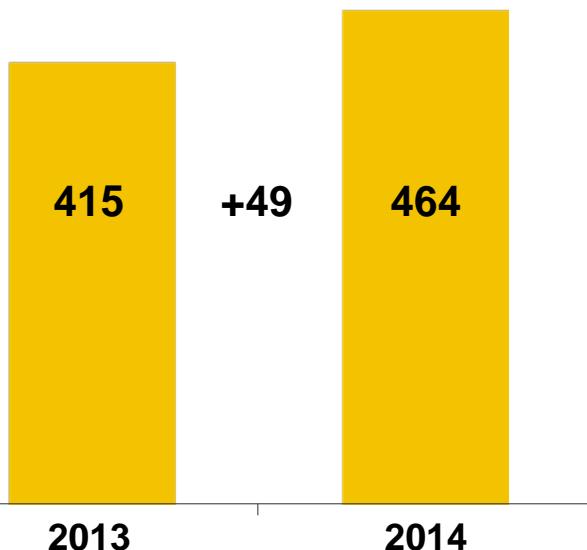


- Significant shareholders' equity and robust equity ratio are proof of Jungheinrich's financial clout
- In 2014, shareholders' equity was curtailed by €27 million after taxes due to the remeasurement of provisions for pensions

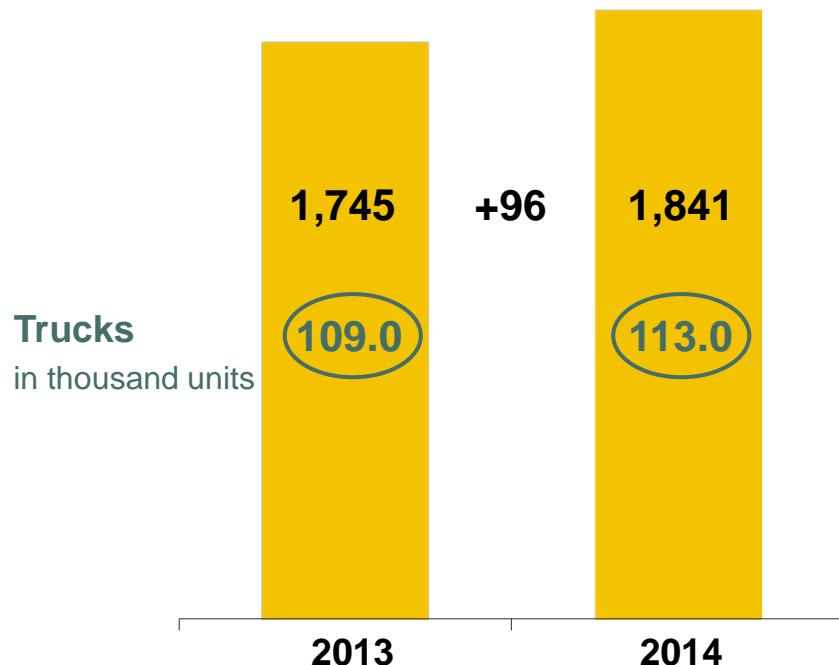
Financial Services

in milion €

Original value of new contracts



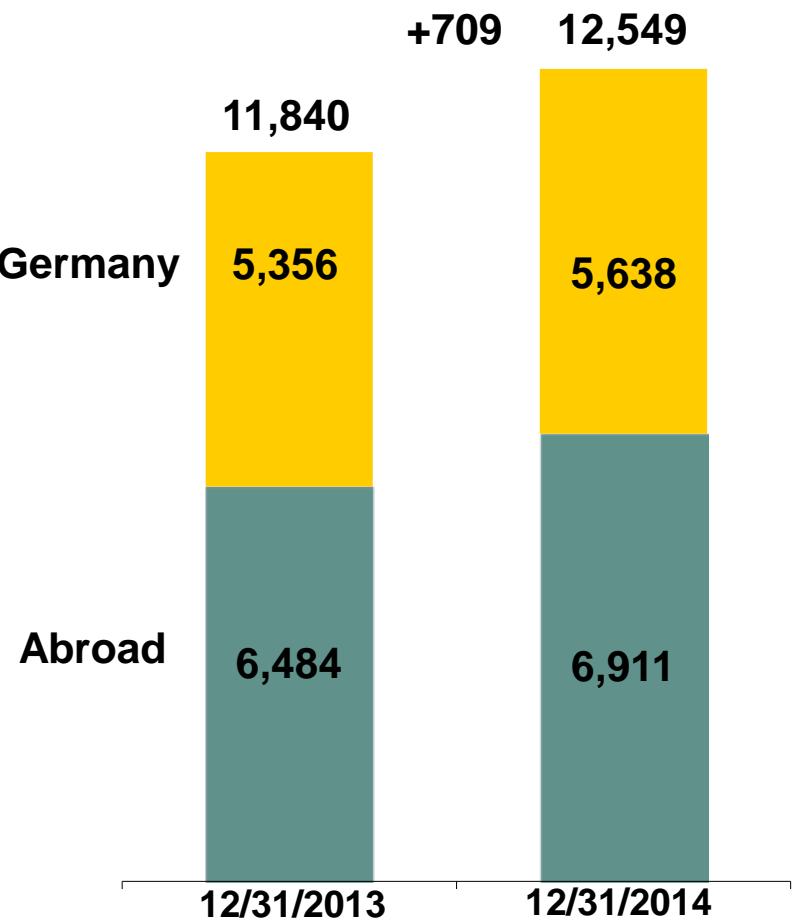
Original value of contracts on hand



Workforce Trend

in full-time equivalent (FTE), including apprentices, excluding temporary workers

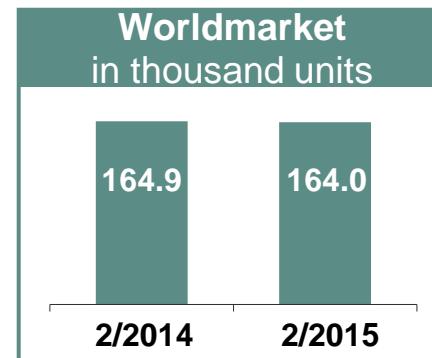
- Lion's share of workforce expansion: sales in Europe and Asia
- Further focal point: fortification of the logistics systems business
- 5,672 employees worldwide (45%) in the service network, 4,019 of whom are service engineers



World Material Handling Equipment Market as of February 2015

Growth Rates by Region

in terms of units; compared to 2/2014



Europe

+8%

Western

+10%

Eastern

thereof Russia
-53%

-9%

Asia

thereof
China
-24%

-14%

North America

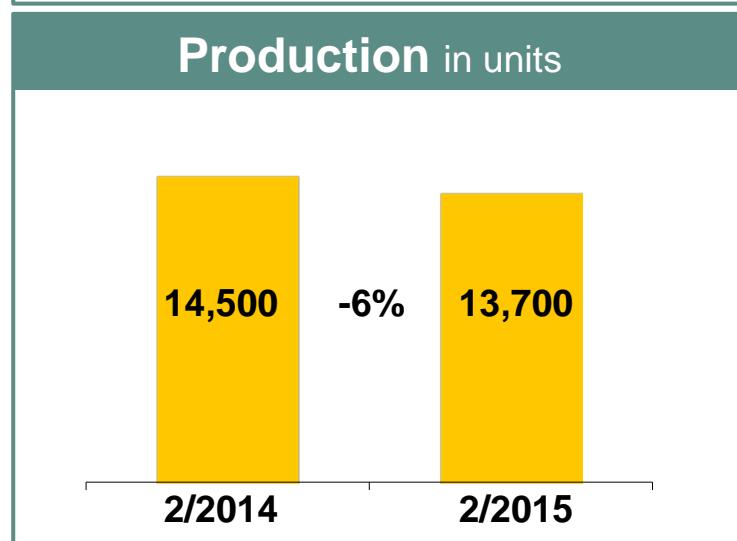
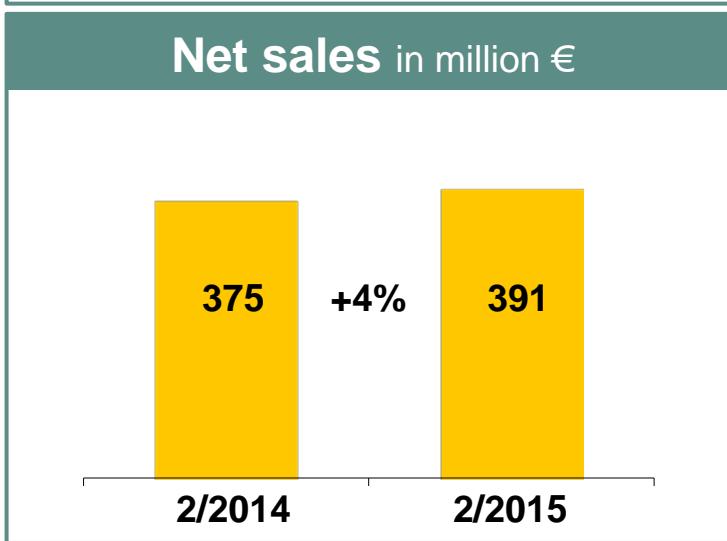
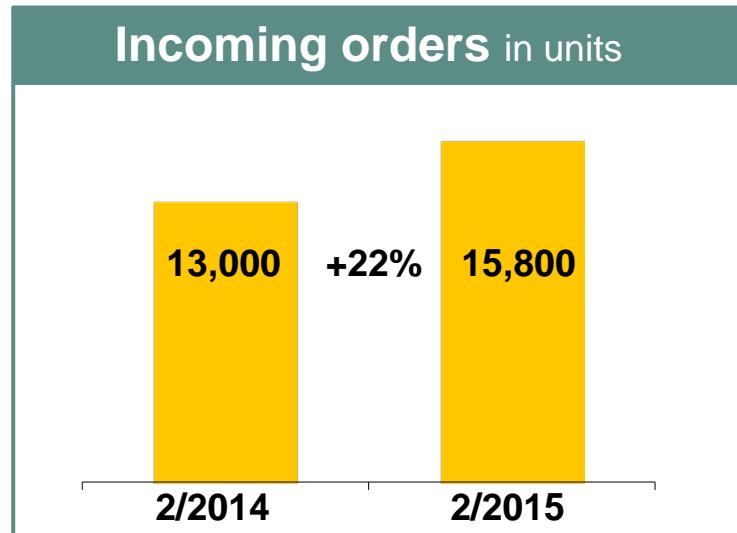
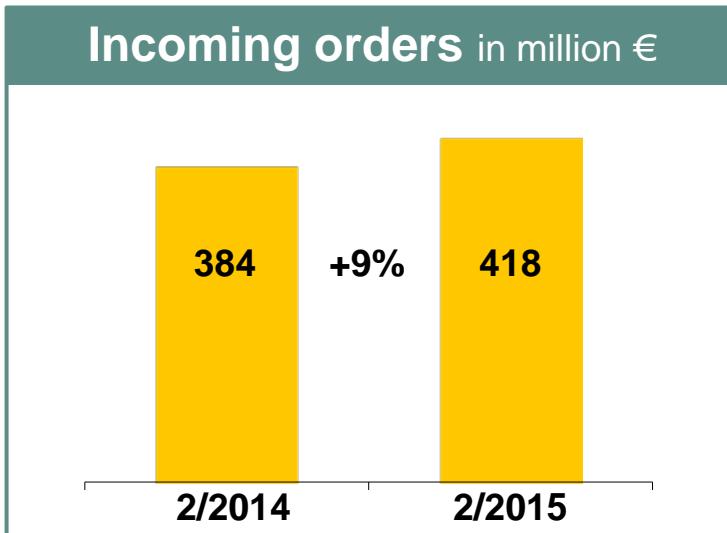
+13%

World

-1%

Source: WITS, SIMHEM 2/2015.

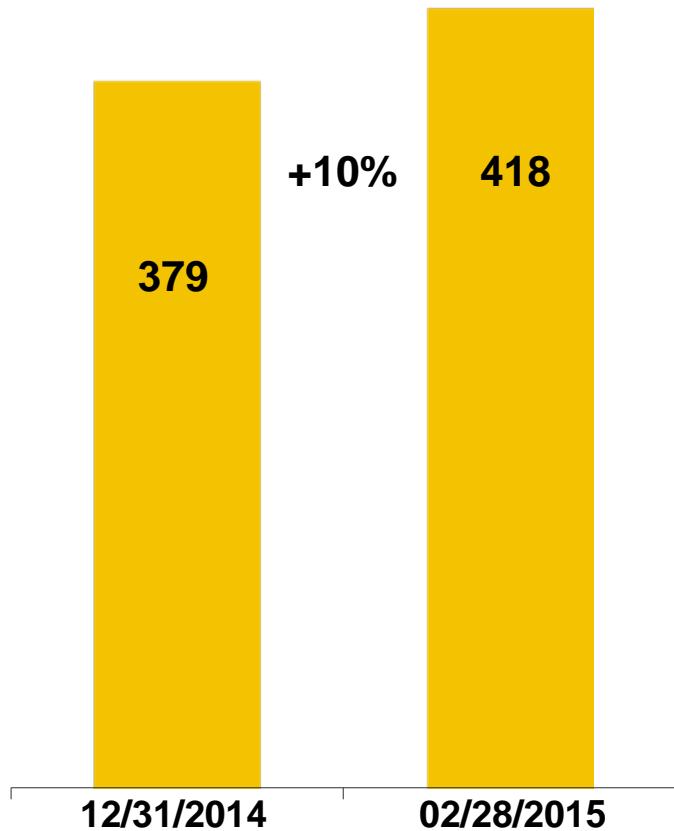
Business Trend—February 2015



Orders on Hand—New Truck Business

in million €

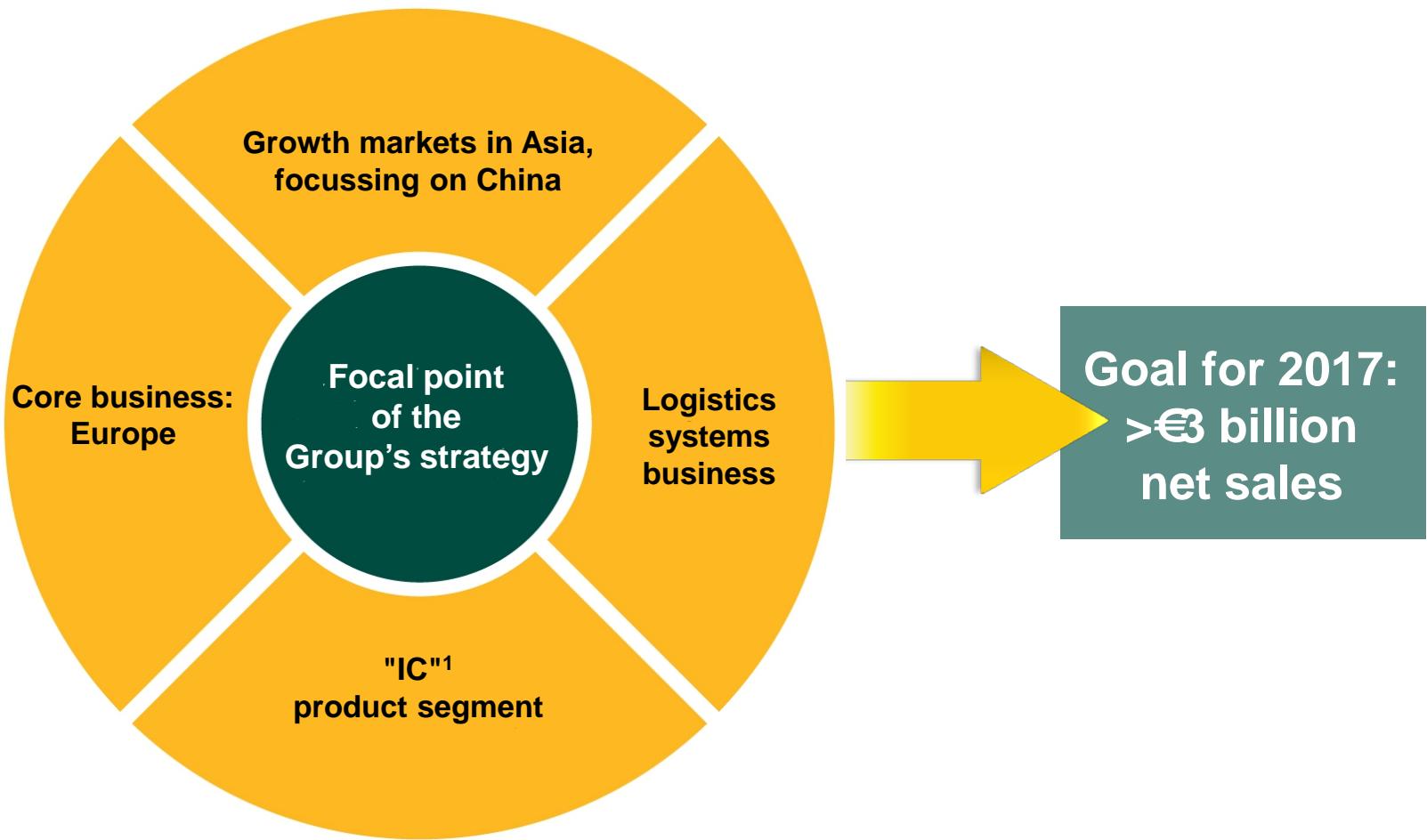
- The order reach is more than four months



Strategic Issues and Outlook



The Jungheinrich Group's Growth Strategy



1 IC engine-powered counterbalanced trucks.

Focal Points in 2015

- **We want to post strong growth in 2015 as well!**
- **We are determined to enlarge our global footprint by expanding our existing sales and service centres and establishing new sales companies.**
- **We will continue to invest heavily in our sales network and R&D.**
- **Our labour force will grow significantly yet again in the year underway.**

Basic Conditions and Risks

Positive economic outlook

Growth rate GDP in %	2014	Forecast 2015
World	3.1	3.2
Eurozone	0.9	1.2
Germany	1.6	1.8
China	7.4	6.5
USA	2.4	3.2

Source: Commerzbank March 2015.

- Positive global economic environment in 2015
- World economic growth in 2015 comparable to 2014

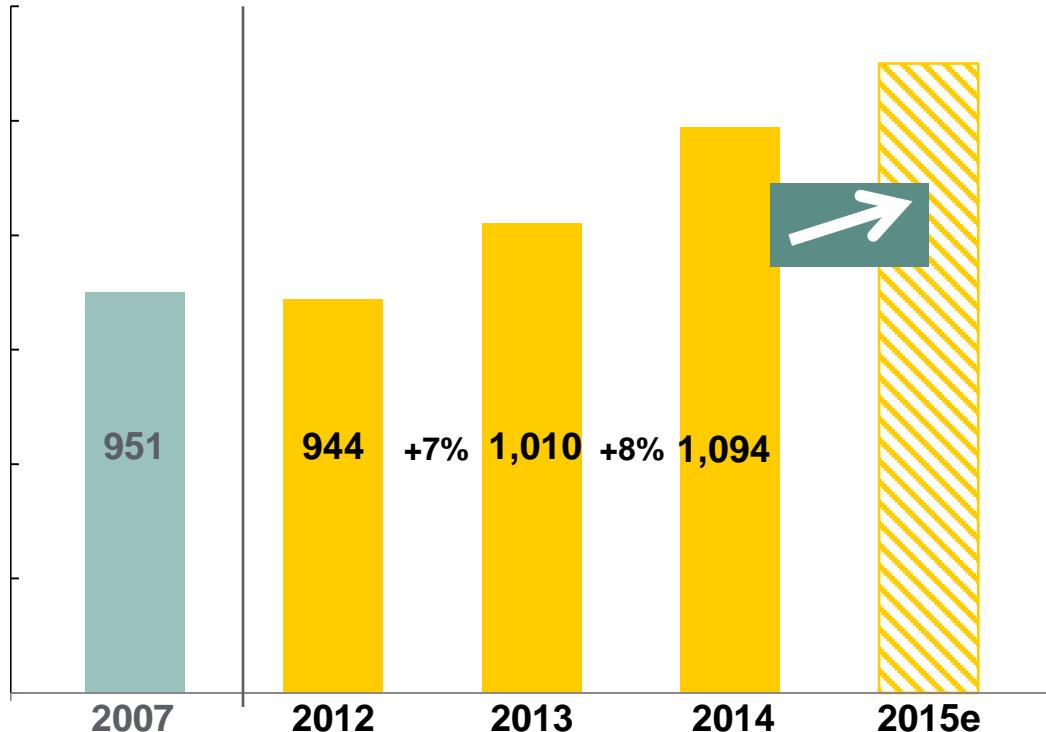
Risks

- Economic risks in European countries
- Foreign exchange fluctuations
- Growth risk in China
- Other geopolitical risk factors

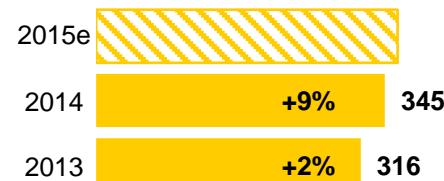
World Material Handling Equipment Market

in thousand units

Worldwide



Europe



Asia



North Amerika



- World material handling equipment market expected to post further growth
- However with less momentum than in 2014

Source: WITS and SIMHEM, 2015 figures estimated.

Jungheinrich Group—Forecast for 2015

Incoming orders
€2.6 bn - €2.7 bn¹

Net sales
€2.6 bn - €2.7 bn¹

EBIT
€190 million -
€200 million¹

EBT
€170 million -
€180 million¹

Capital expenditures in tangible assets €90 million - €100 million

Research and development expenditures ~ €50 million

ROCE 15% - 20%

Dividend policy: Payout ratio of 25% to 30% of net income

¹ 2014: incoming orders: €2.5 billion, net sales: €2.5 billion, EBIT: €193 million, EBT €175million.

Disclaimer

Since developments cannot be foreseen, the actual business trend may deviate from the expectations presented here based on assumptions and estimates made by Jungheinrich company management. Factors that may lead to such deviations include changes in the economic environment, changes in the political and legal environment and within the material handling equipment sector as well as exchange and interest rate fluctuations. Therefore, no responsibility is taken for forward-looking statements made in this interim Group management report and no ensuing liability is assumed.

