



Investor Relations

Presentation H1 2018

Hamburg, 24 September 2018

DRIVE

JUNGHEINRICH 4.0

Annual Report 2017

JUNGHEINRICH

JUNGHEINRICH



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2. World material handling equipment market
3. Business model
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Jungheinrich at a glance

Facts and figures



JUNGHEINRICH

Jungheinrich at a glance



ONE OF THE WORLD'S
LEADING COMPANIES
FOR THE INTRA-
LOGISTICS SECTOR



INDEPENDENT
FAMILY-OWNED
COMPANY



REVENUE
€3.44 BILLION

NO. 2
IN THE SECTOR
IN EUROPE

EMPLOYEES
>16,000

INCOMING
ORDERS
€3.56 BILLION

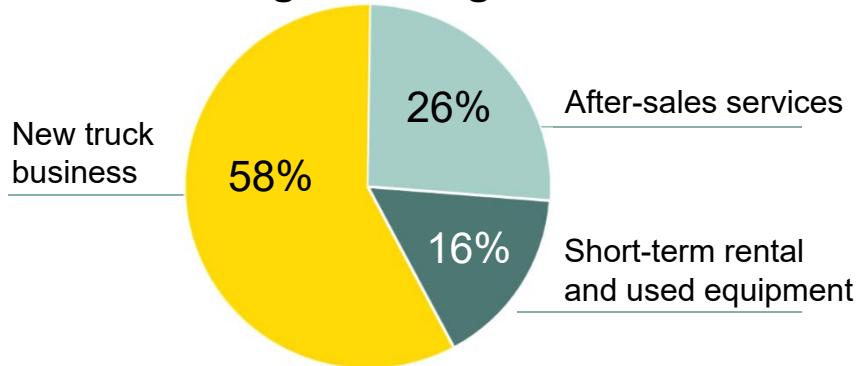
SINGLE-BRAND
STRATEGY

FOCUS ON
DIRECT SALES

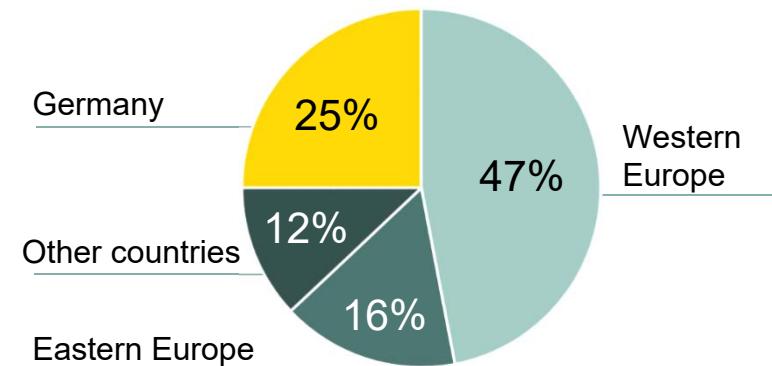
EBIT
€259 MILLION

Business fields – regions – customer structure

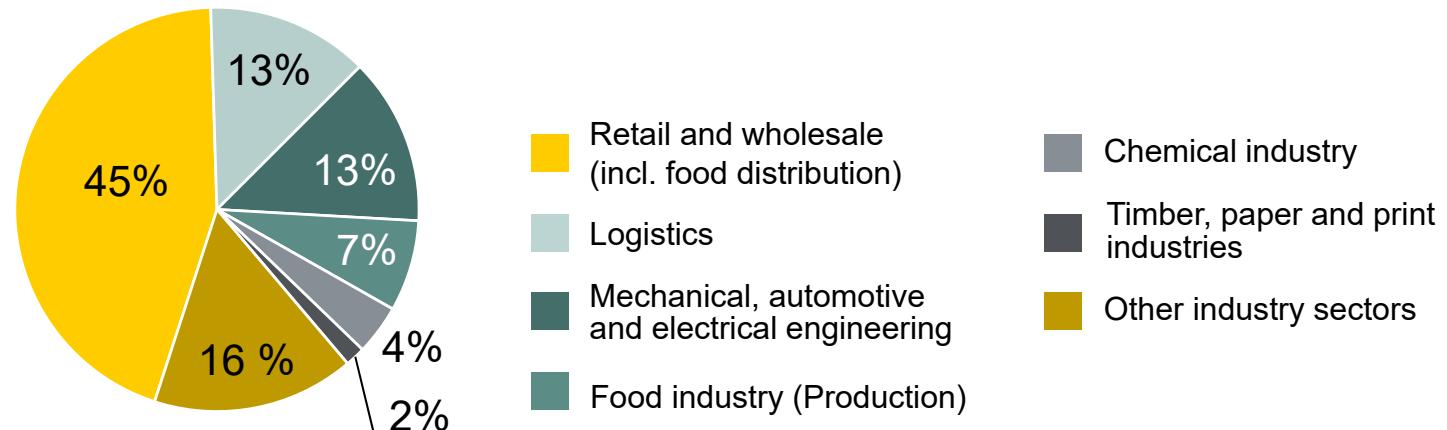
Revenue intralogistics segment



Group revenue by region



Customer structure by sector



Reasons to invest in Jungheinrich



**Global customer base
in attractive growth sectors**

**Integrated business model
with large service ratio**

**Strong market position in material handling
equipment: number 2 in Europe**

**Clear corporate strategy
geared to sustainable, profitable growth**

**Financially independent
due to sound balance sheet**

**Stable shareholder structure:
ordinary shares in family ownership**

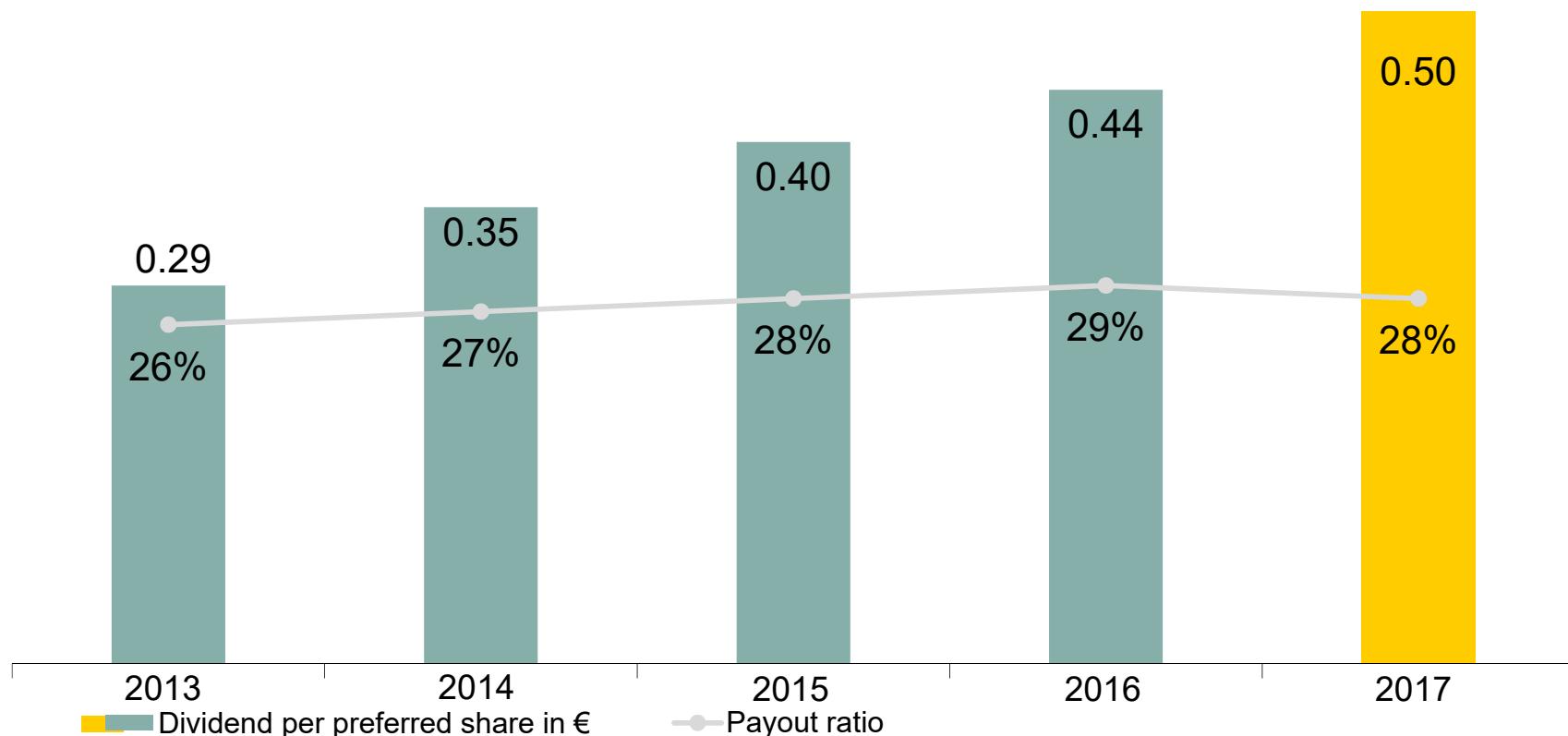
**Continuous dividend payments
distribution ratio between 25% and 30%
of profit or loss**

The Jungheinrich business model



Dividend

Objective: Payout ratio of between 25% and 30% of profit or loss



Figures are retroactively restated due to stock split (1:3) on 22 June 2016

2

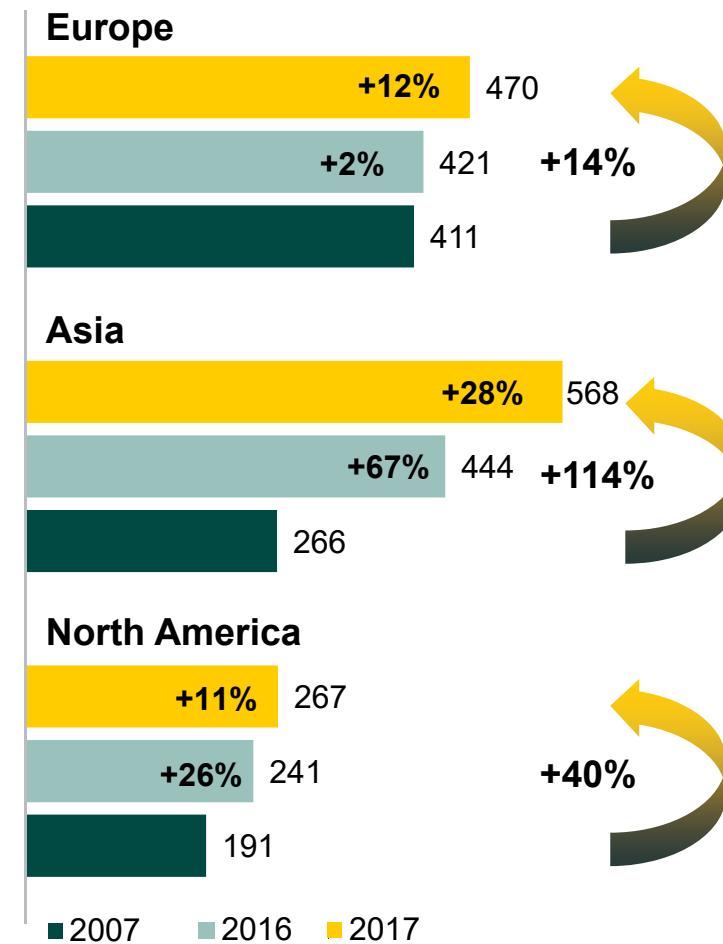
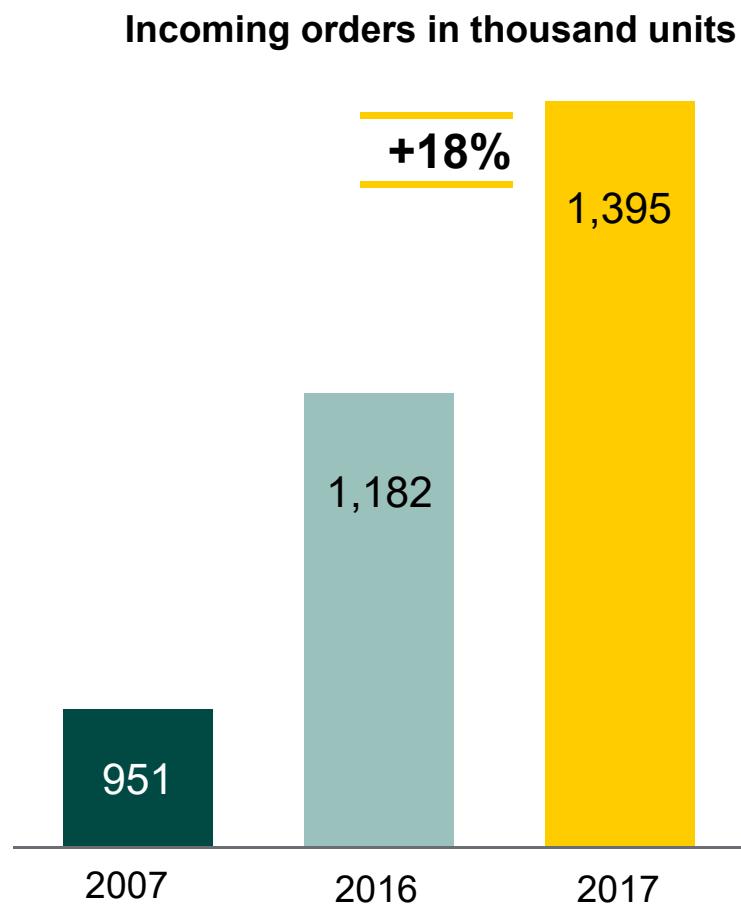
World material handling equipment market

Jungheinrich is second in the sector in Europe



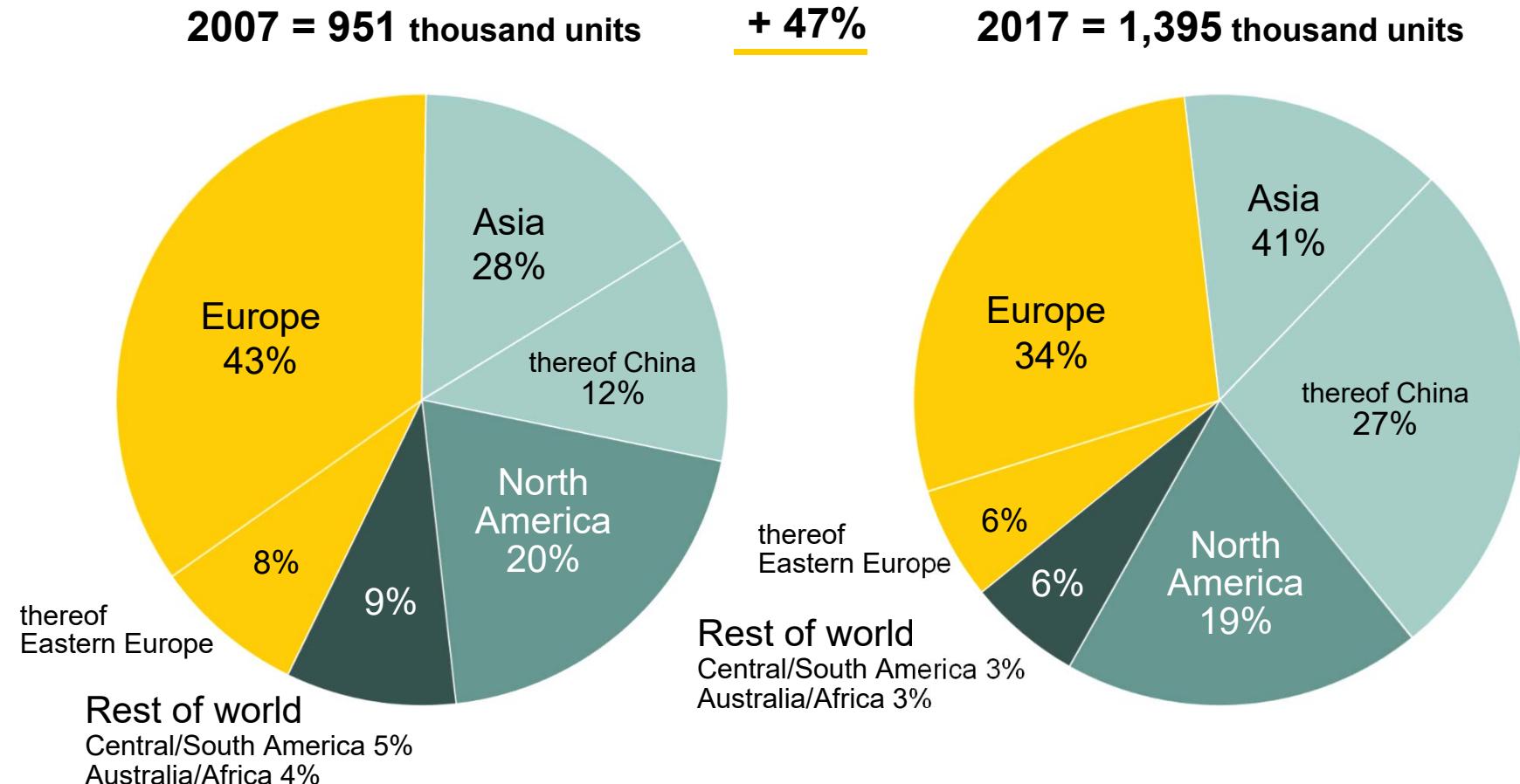
JUNGHEINRICH

Market development



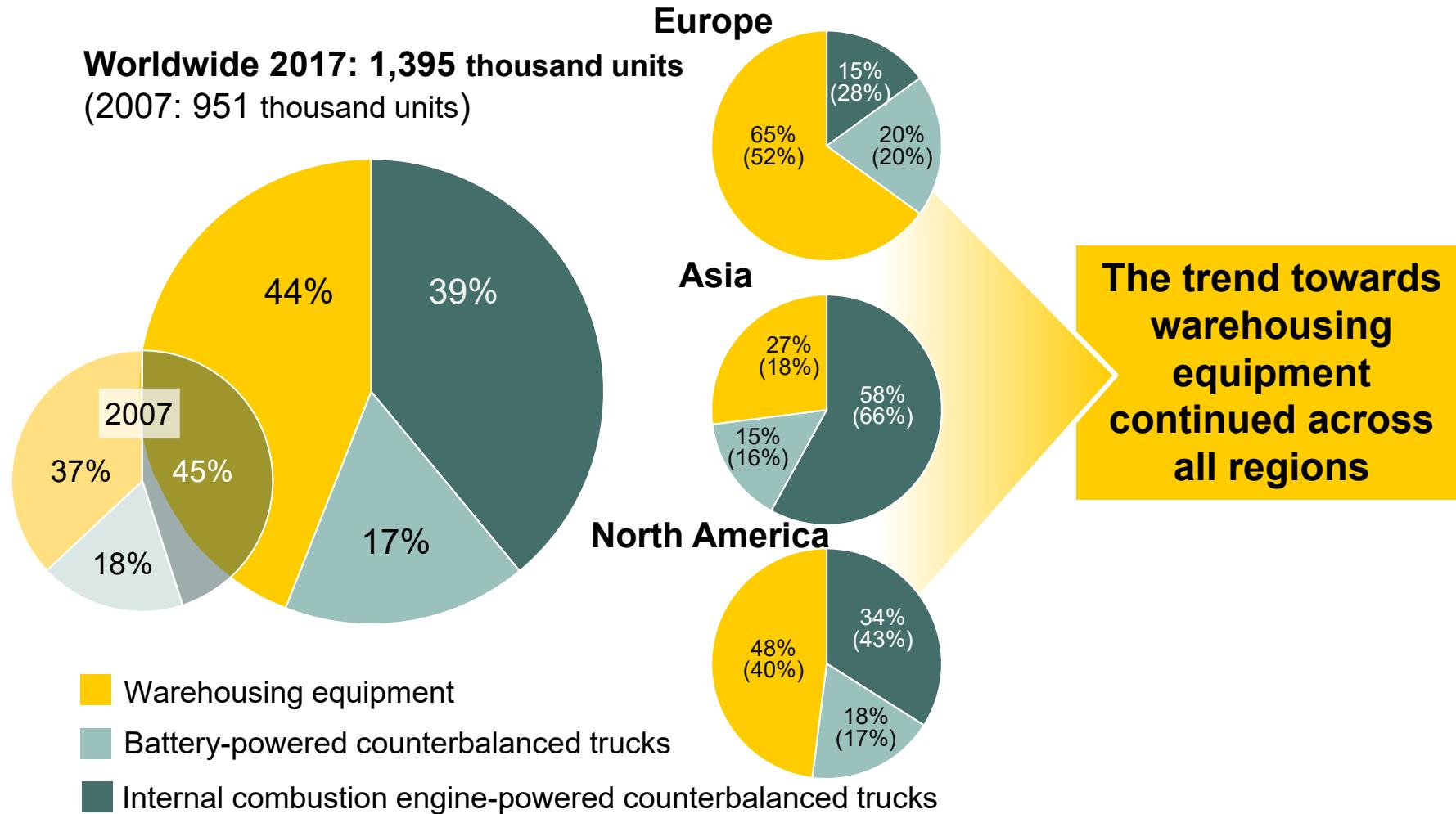
Sources: WITS, SIMHEM

Breakdown of market volume by region



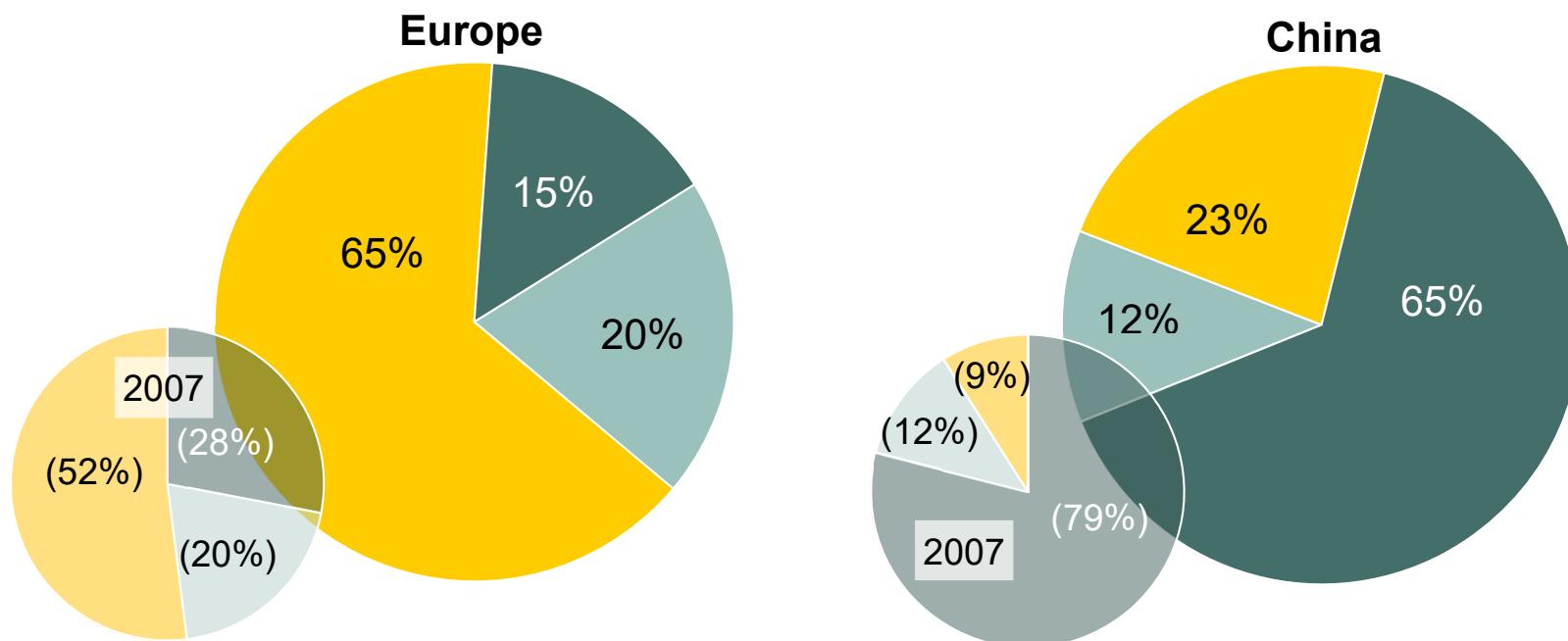
Sources: WITS, SIMHEM; based on incoming orders in units

Breakdown of volume by product segment



Sources: WITS, SIMHEM; based on incoming orders in units

Market structure comparison broken down by product segment in 2017 (2007)



Europe and China: clear trend towards warehousing equipment = future growth potential for Jungheinrich

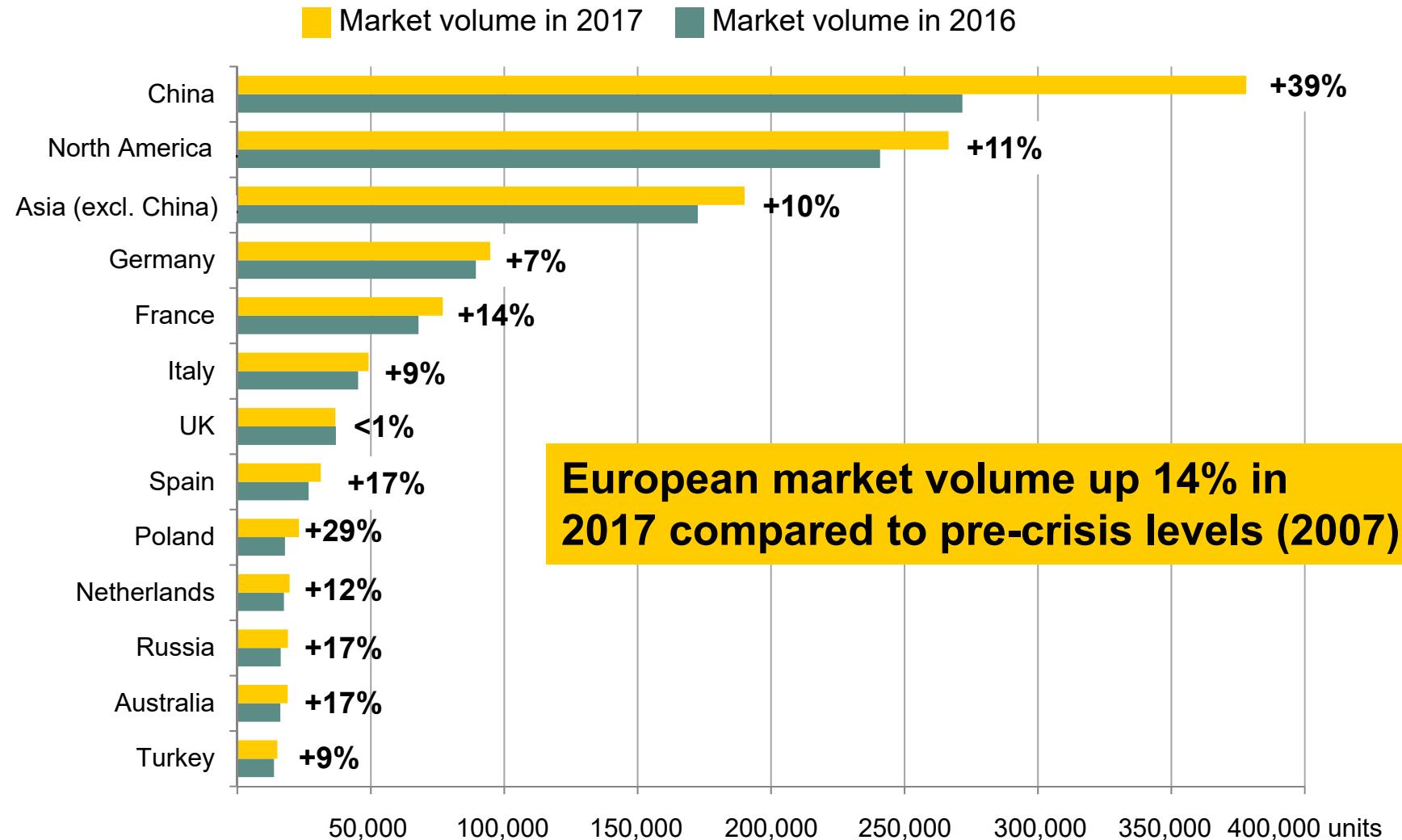
■ Warehousing equipment

■ Battery-powered counterbalanced trucks

■ Internal combustion engine-powered counterbalanced trucks

Source: WITS; based on incoming orders in units

Development of the material handling equipment markets of importance to Jungheinrich



3

Business model

Jungheinrich is far more than just a forklift manufacturer



JUNGHEINRICH

„Intralogistics“ business fields

New truck business



- Development, production and sales of new forklift trucks including “Logistics systems” and “Mail-order” business, focus on direct sales

Short-term rental



- Hire periods: generally 1 day to 24 months
- Targeted degree of capacity utilisation >80%
- Ø-Inventory 2017 = 57 thousand trucks

Used equipment

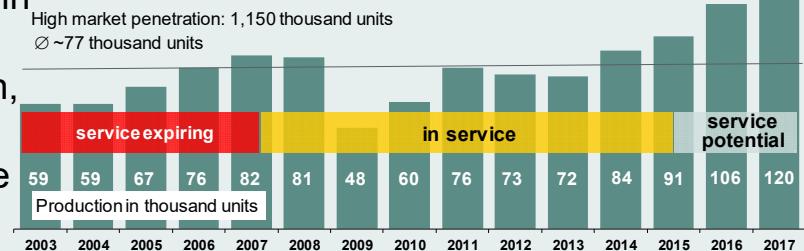


- Marketing of used equipment (leasing, short-term hire and trade-ins)
- Professional reconditioning of forklift trucks in the Dresden used equipment centre

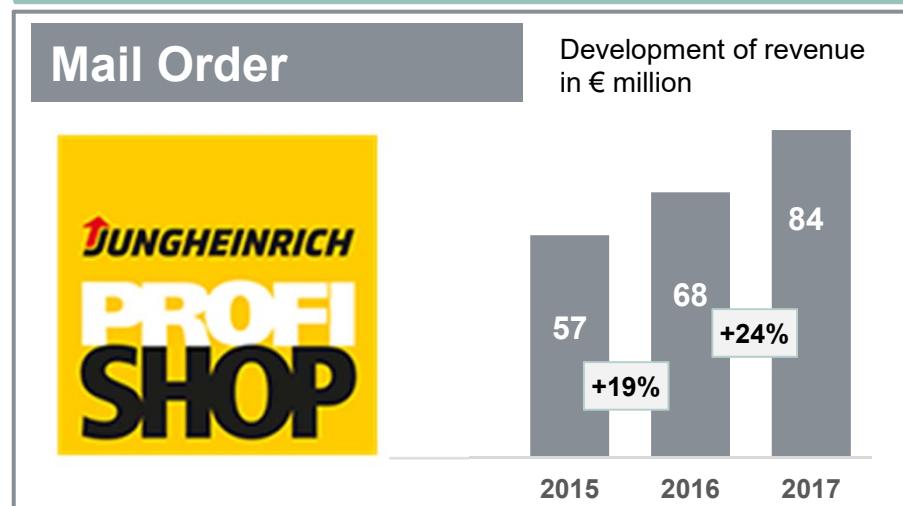
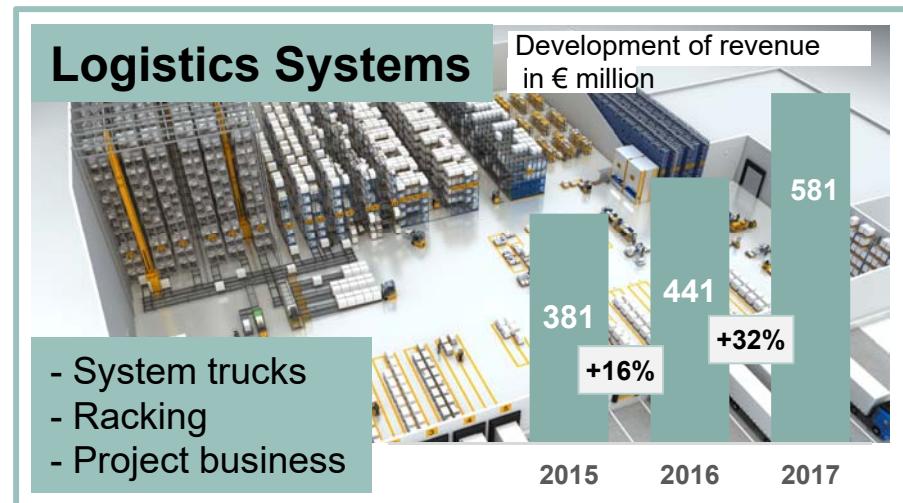
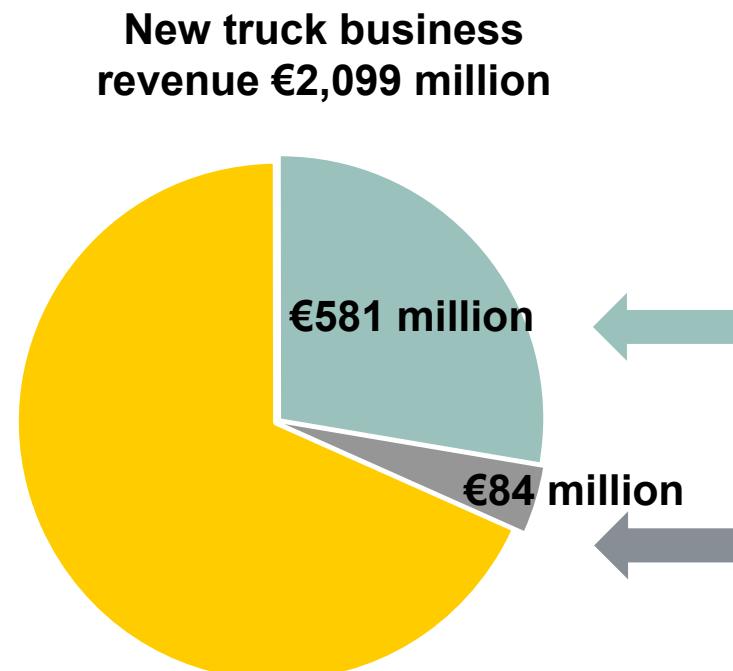
After-sales services



- 7,000 employees in the global after-sales organisation, thereof ~4,900 after-sales service engineers



“Logistics Systems” / “Mail Order” Business: Revenue in 2017

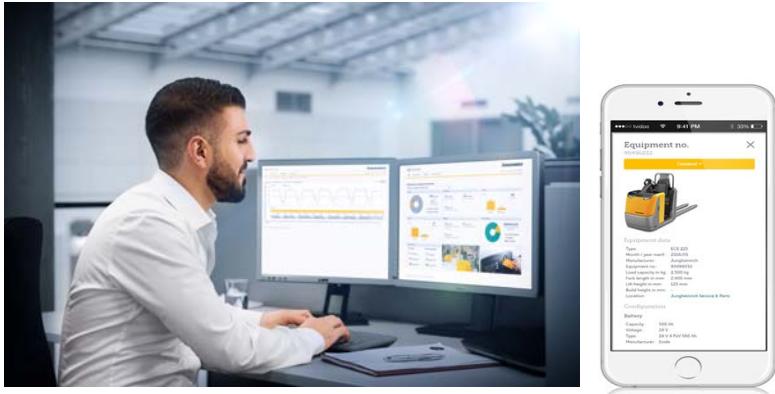


The variety of our solutions



Digital solutions

ISM Online

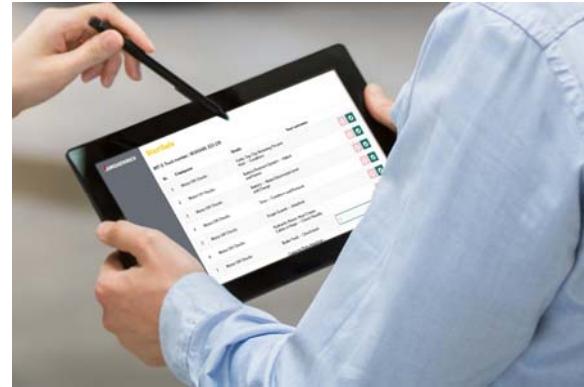


New modules:

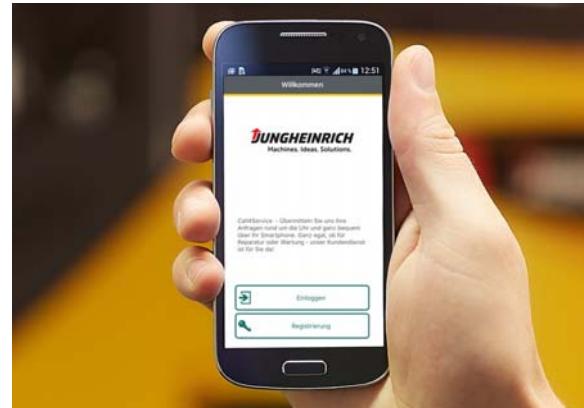
-  Battery management module
-  Maintenance control module
-  Access control module

Almost 80,000 trucks in ISM Online,
available in 21 European countries.

StartSafe



Call4Service



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, customised 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

Balance sheet

- Full disclosure on Jungheinrich's consolidated balance sheet

4

Current business trend H1 2018

Jungheinrich is one of the world's leading manufacturers and service providers for the intralogistics sector



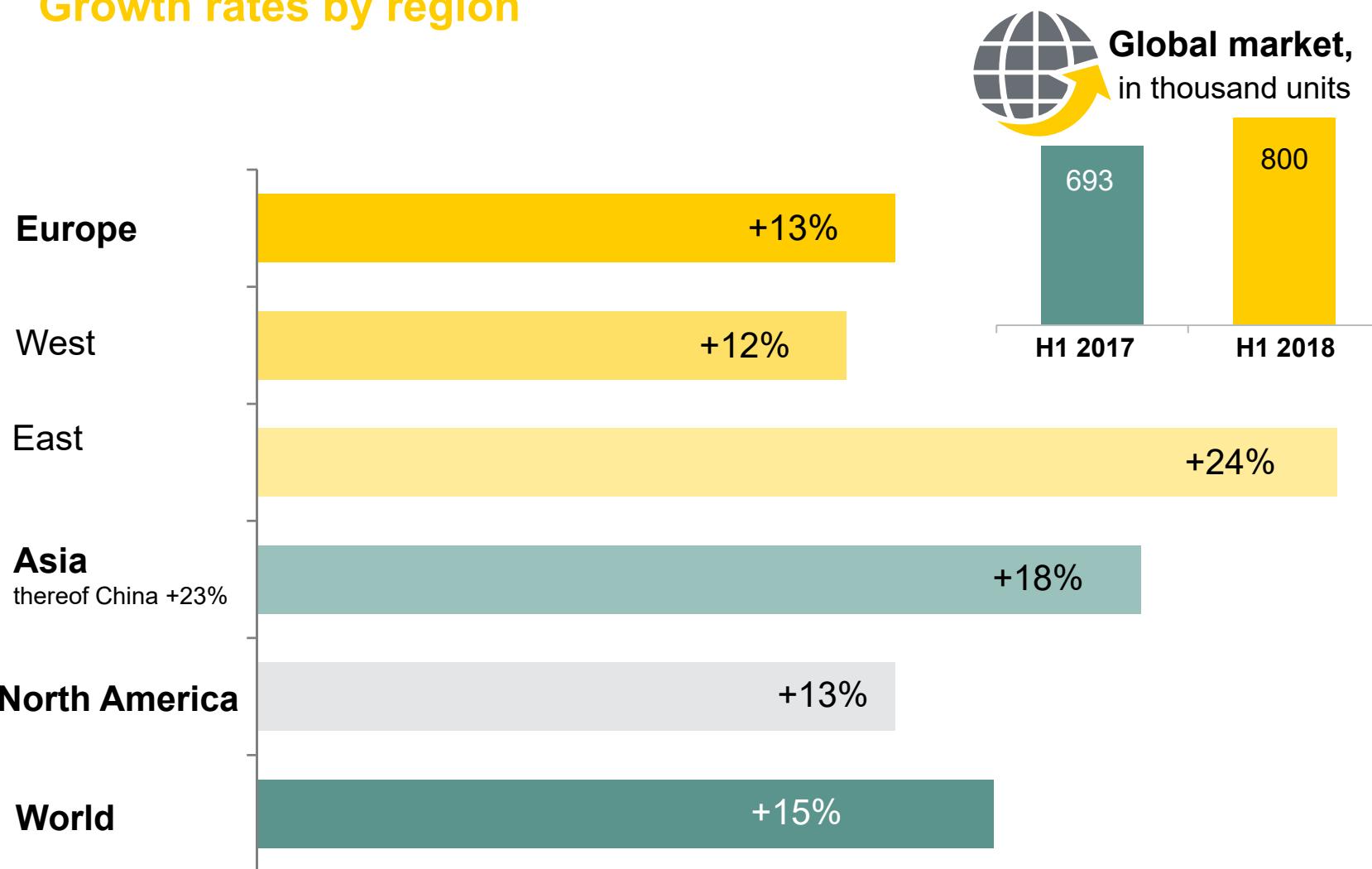
Jungheinrich highlights

H1 2018

- Highs for incoming orders (value), revenue and EBIT
- Incoming orders at almost €2 billion
- Again significant increase in research and development expenditures
- Orders on hand up 30% compared to 31 December 2017; orders account for five months of production
- Forecast substantiated: incoming orders and revenue at the upper end of the range
- EBIT in the range of €270 million to €280 million confirmed

Global material handling equipment market, January to June 2018

Growth rates by region

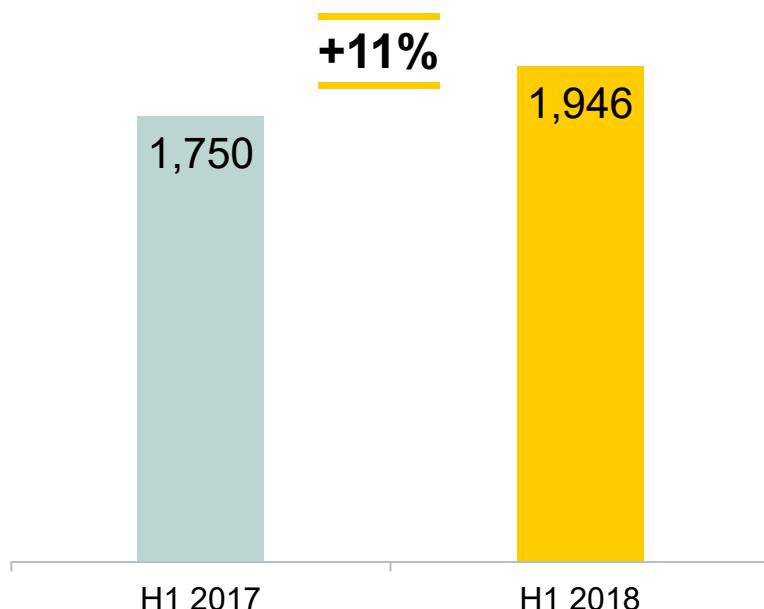


Sources: WITS, SIMHEM; based on incoming orders in units, January to June 2018 vs January to June 2017

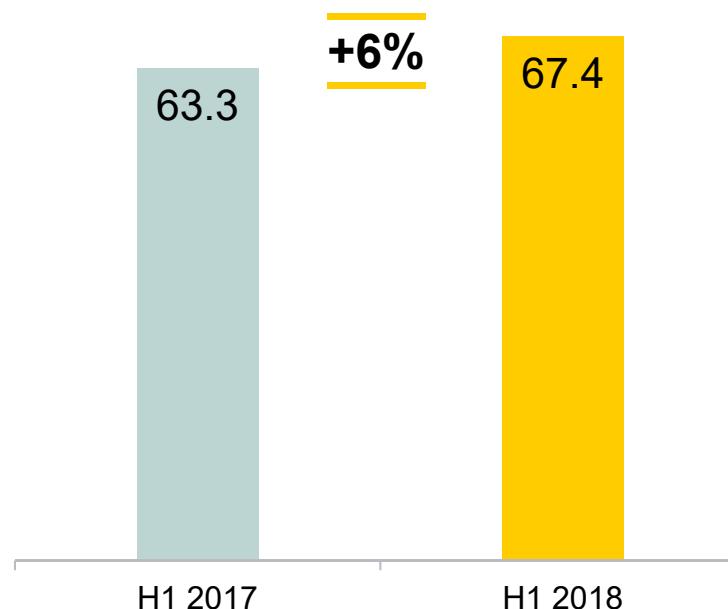
Incoming orders

For all business fields, in € million

- Just over one quarter of the increase due to higher demand for logistics systems solutions



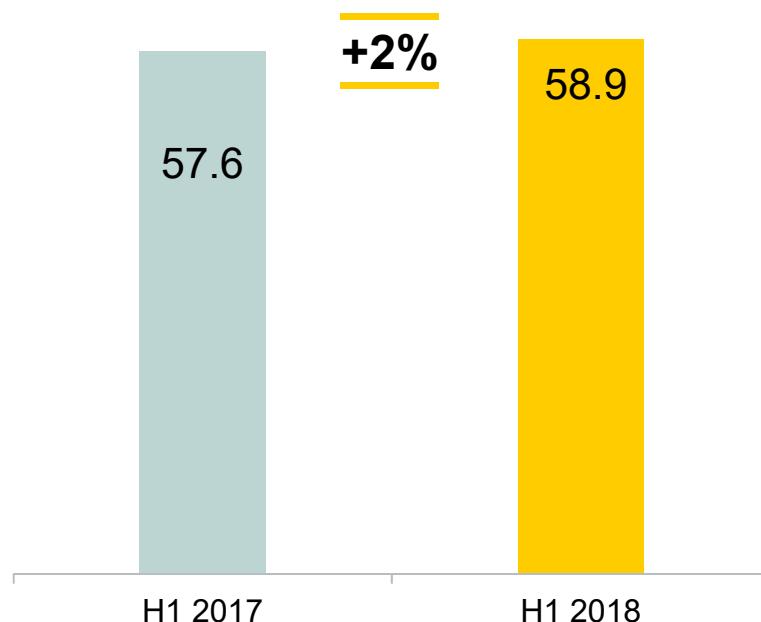
New truck business, in thousand units



Production and orders on hand

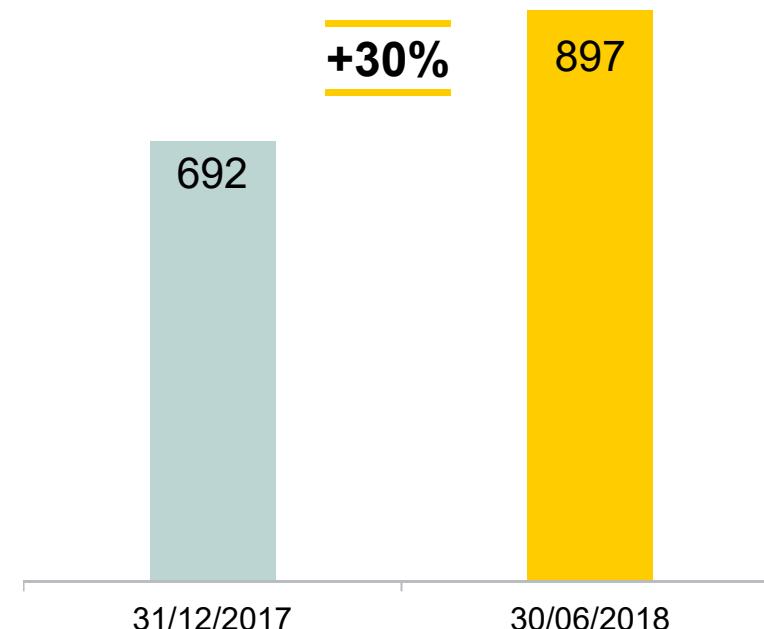
New truck business

Production, in thousand units



Orders on hand, in € million

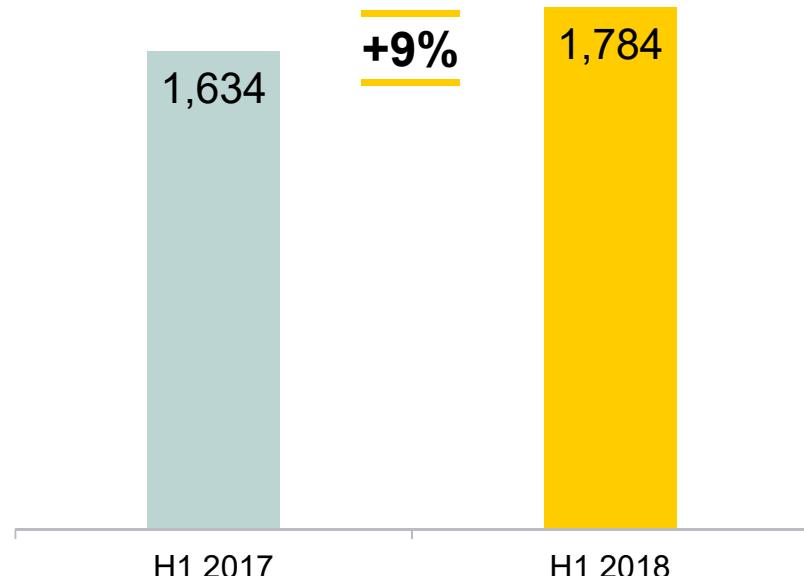
- Orders account for five months of production.



Revenue and earnings

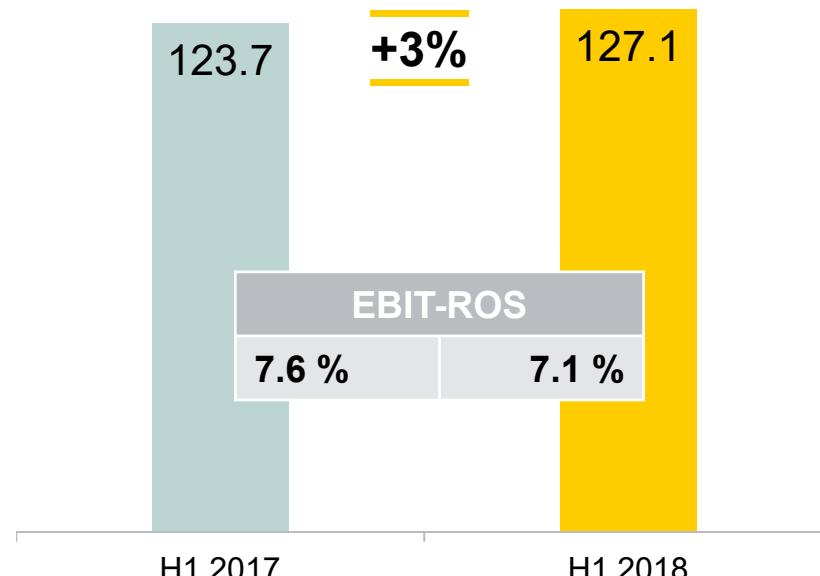
Group revenue, in € million

- “Logistics Systems” share of revenue: 15%
- Short-term rental and used equipment increases by 10%, after-sales services up by 8%
- Foreign revenue up 9% to €1,350 million
- Share of revenue from outside of Europe: 13%



EBIT, in € million

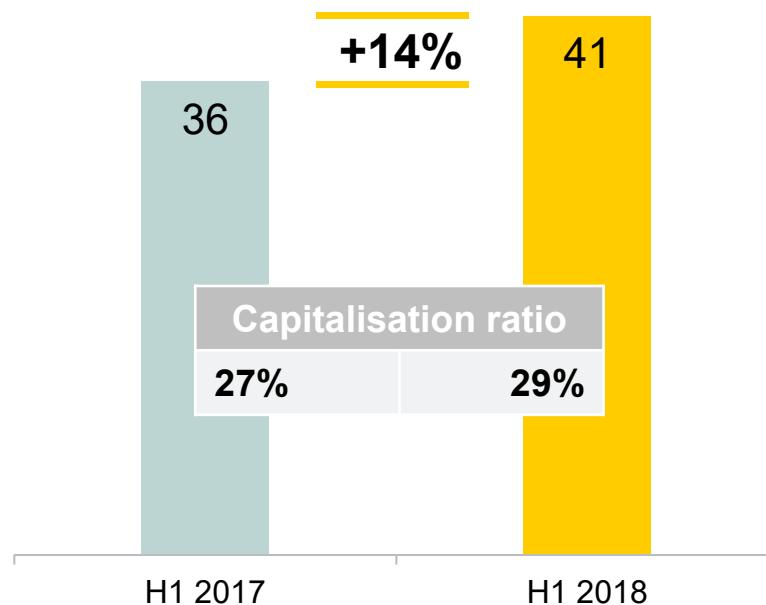
- In addition to staffing costs increasing significantly, raw materials prices exceeding expectations and the costs for the industry's most important trade fair, CeMAT, supply bottlenecks accompanied by price increases from some suppliers had a negative impact on earnings.
- Increased expenses for research and development again withstood in EBIT.



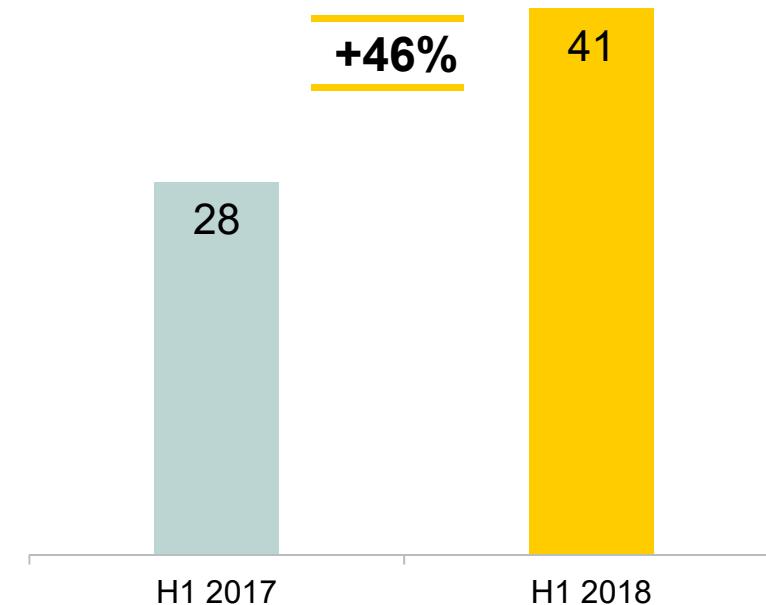
Research and development and capital expenditure

R&D expenditure, in € million

- Focus: partial and full automation of trucks, lithium-ion technology, greater product variety

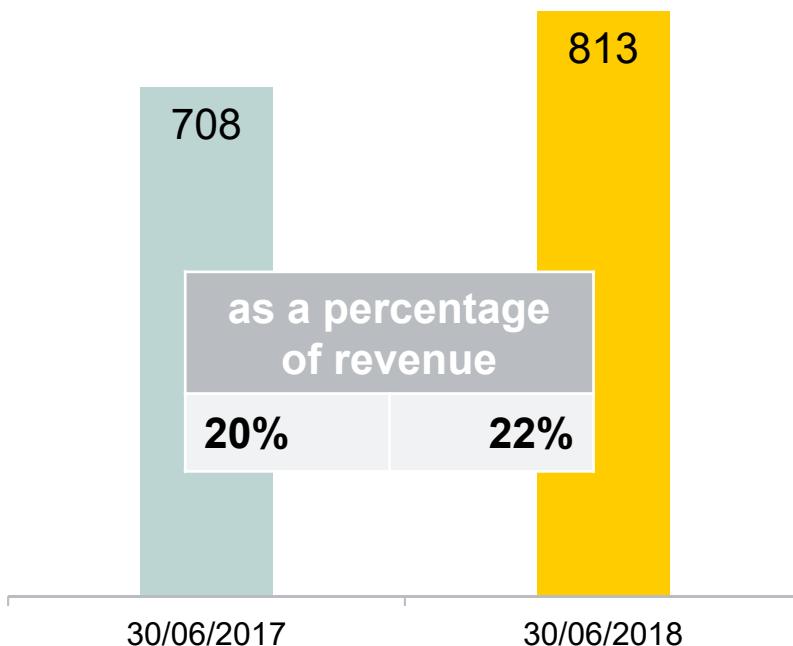


Capital expenditure, in € million



Working capital and net debt

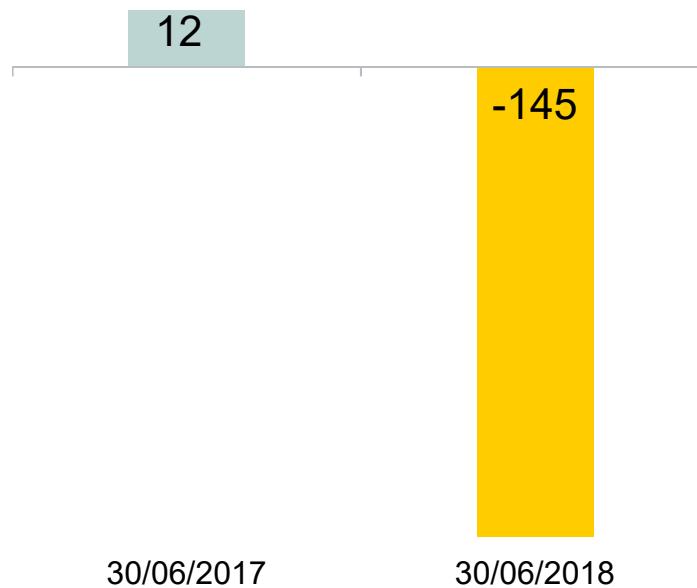
Working capital, in € million



Net debt, in € million

Net debt H1 2018 due to:

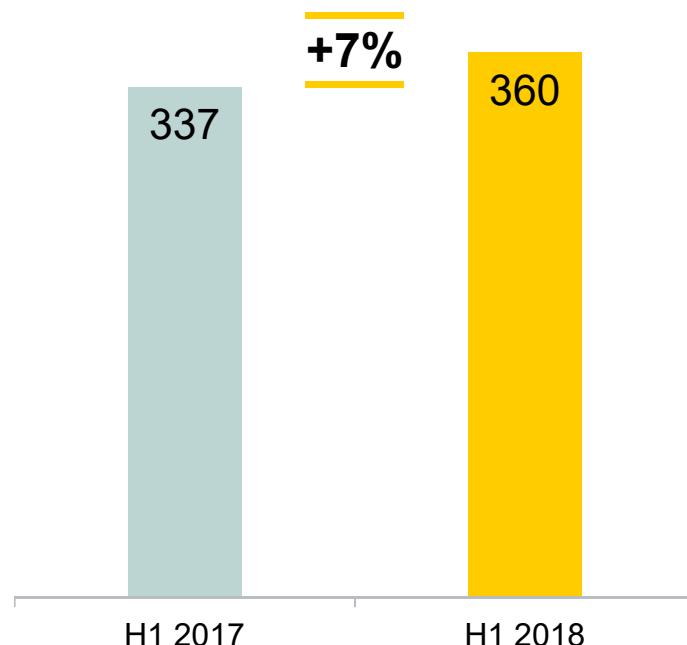
- increase in working capital
- expansion of the short-term rental fleet
- purchase price payments for acquisitions of companies



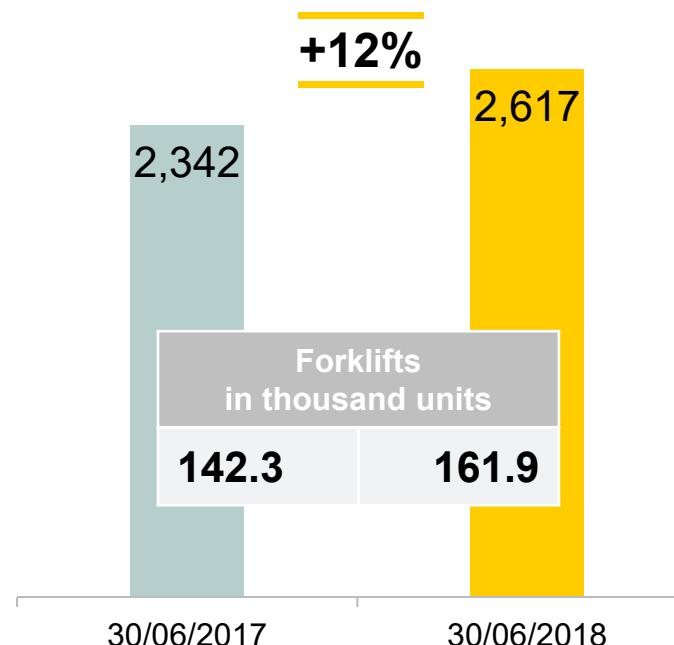
Net debt liabilities = financial liabilities less cash and cash equivalents and securities

Financial services

Original value of new contracts,
in € million

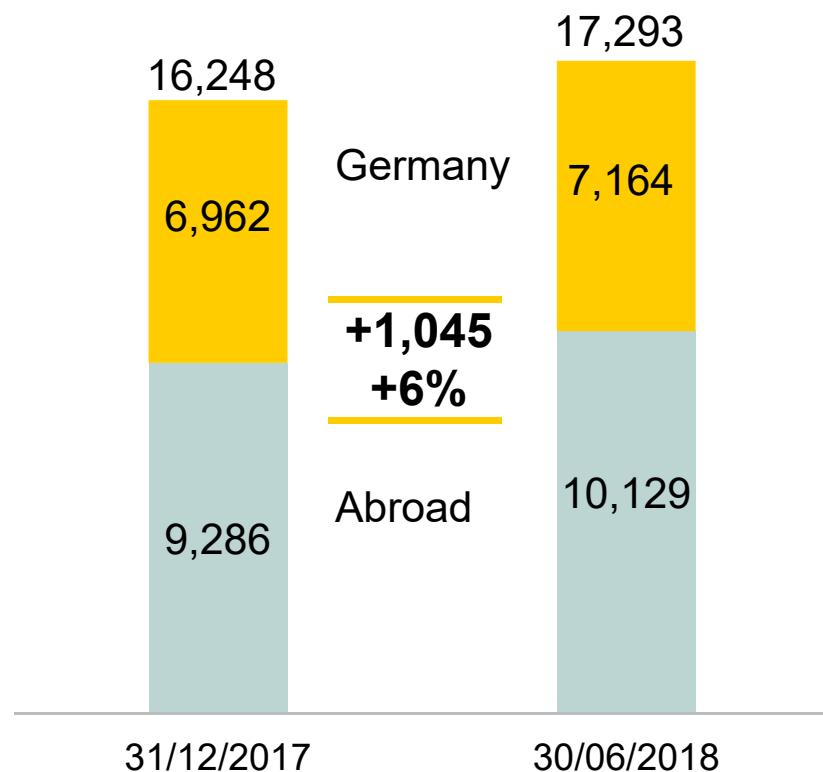


Original value of contracts on hand,
in € million



Employees

(full-time equivalent)¹



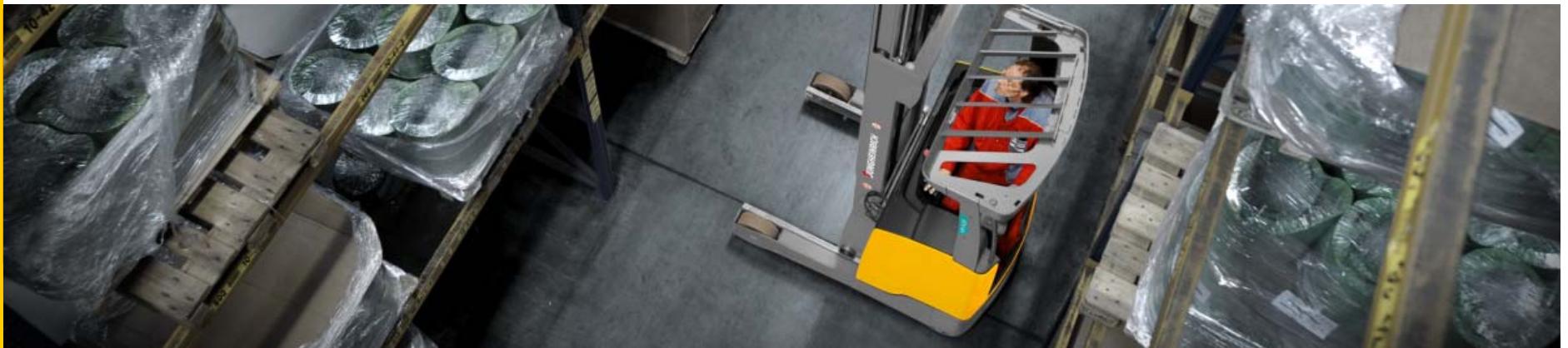
- Expansion focus: Europe and South America
- 25% of the new employees work at the new sales companies in Colombia, Ecuador and Peru.
- Customer service organisation expanded by 325 employees, equivalent to 31% of the total new employees

1) Including apprentices, excluding temporary workers.

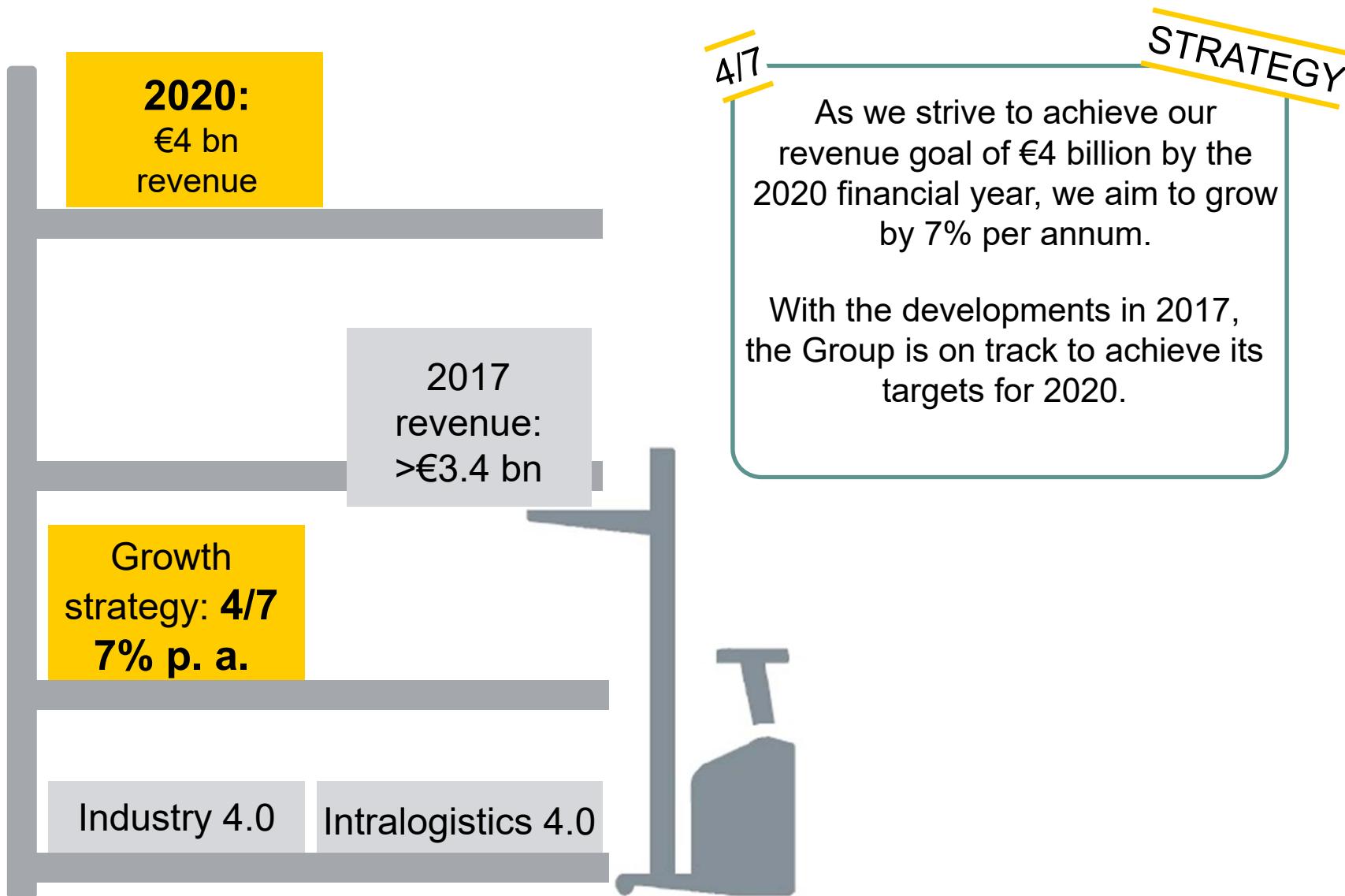
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Strategic issues and outlook

Sustainable growth strategy with clear targets



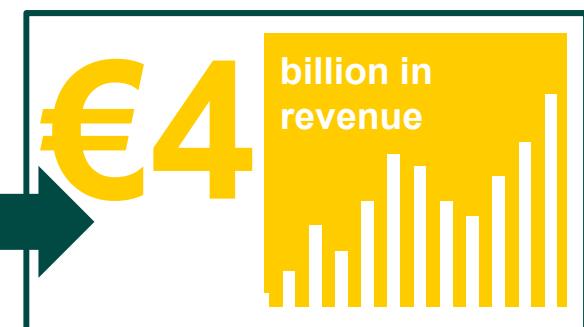
4/7 Growth strategy



The Jungheinrich Group's growth strategy



Goal 2020



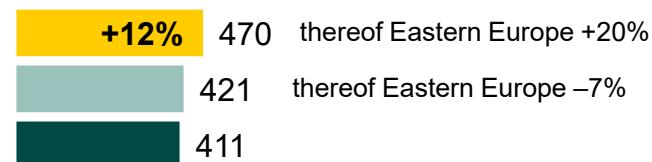
Global material handling equipment market

Forecast for global and European growth in 2018 revised

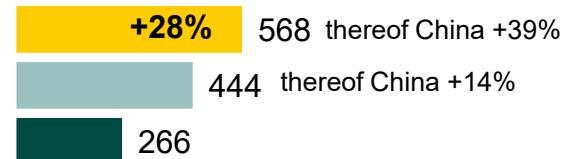
World



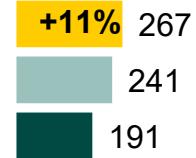
Europe



Asia



North America



■ 2017 ■ 2016 ■ 2007

- 2018 growth >10% for material handling equipment market, both globally and in Europe

Sources: WITS, SIMHEM; based on incoming orders in thousand units

Jungheinrich Group 2018 forecast

	March 2018	August 2018
Incoming orders in € billion	3.75 to 3.85	Upper end of range
Revenue in € billion	3.6 to 3.7	Upper end of range
EBIT in € million	270 to 280	
EBIT ROS	On a par with previous year (7.5%)	
EBT in € million	250 to 260	
EBT ROS	On a par with previous year (7.1%)	
Net debt in € million	Medium double-digit million euro range	At around €100 million
ROCE	16.5% to 17.5%	15% to 16%

Disclaimer

Since developments cannot be foreseen, the actual business trend may deviate from the expectations, assumptions and estimates made by Jungheinrich company management in this presentation. Factors that may lead to such deviations include changes in the economic environment, 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 presentation.





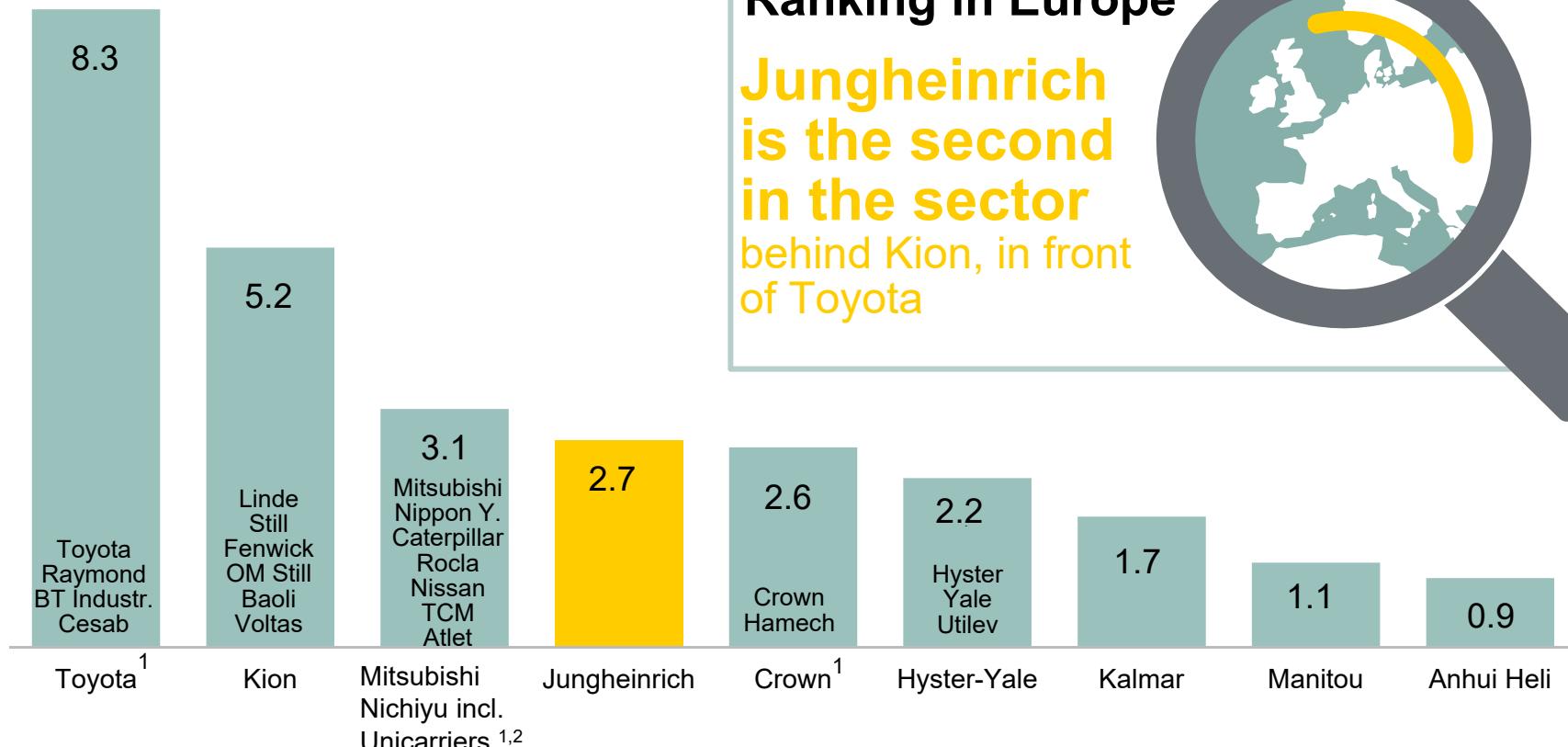
Appendix

 **JUNGHEINRICH**

Global ranking of material handling equipment manufacturers

2016 revenue from forklift trucks and warehousing equipment

in € billion



1 Financial year from April–March

2 Mitsubishi-Unicarriers sales figures from "Modern Materials Handling". No published sales figures from Mitsubishi.

Source: Logistik Journal, 10/2017

Jungheinrich Group production sites

	Germany						Hungary	China		
	Norderstedt	Lüneburg	Moosburg	Degempoint	Landsberg	Munich	Dresden	Gyöngyös	Qingpu	Kunshan
Low-lift trucks					•				•	
Stacker trucks	•								•	
Battery-powered counterbalanced trucks			•						•	
IC engine-powered counterbalanced trucks				•						
Reach trucks	•								•	
Order pickers	•	•		•						
Tow tractors and trailers		•								
High-rack stackers				•						
Stacker cranes							•		•	
Load handling equipment					•				•	
Small-series and customized trucks		•								
Control units, batteries and chargers	•									
Reconditioning of used equipment						•				

Jungheinrich key data (I)

in € million	2007	2014	2015	2016	2017
Incoming orders	2,120	2,535	2,817	3,220	3,560
Revenue	2,001	2,498	2,754	3,085	3,435
- Germany	505	655	701	753	851
- abroad	1,496	1,843	2,053	2,332	2,584
EBIT	140	193	213	235	259
EBIT ROS	7.0%	7.7%	7.7%	7.6%	7.5%
Capital employed ¹	578	1,047	1,187	1,318	1,497
ROCE ²	24.1%	18.4%	17.9%	17.8%	17.3%
R&D expenditures	41	50	55	62	77
Capital expenditure ³	52	84	87	59	88

1 Shareholders' equity + financial liabilities – cash and cash equivalents and securities + provisions for pensions and long-term personnel obligations

2 Employed interest-bearing capital x 100

3 Property, plant and equipment and intangible assets without capitalised development expenditures

Jungheinrich key data (II)

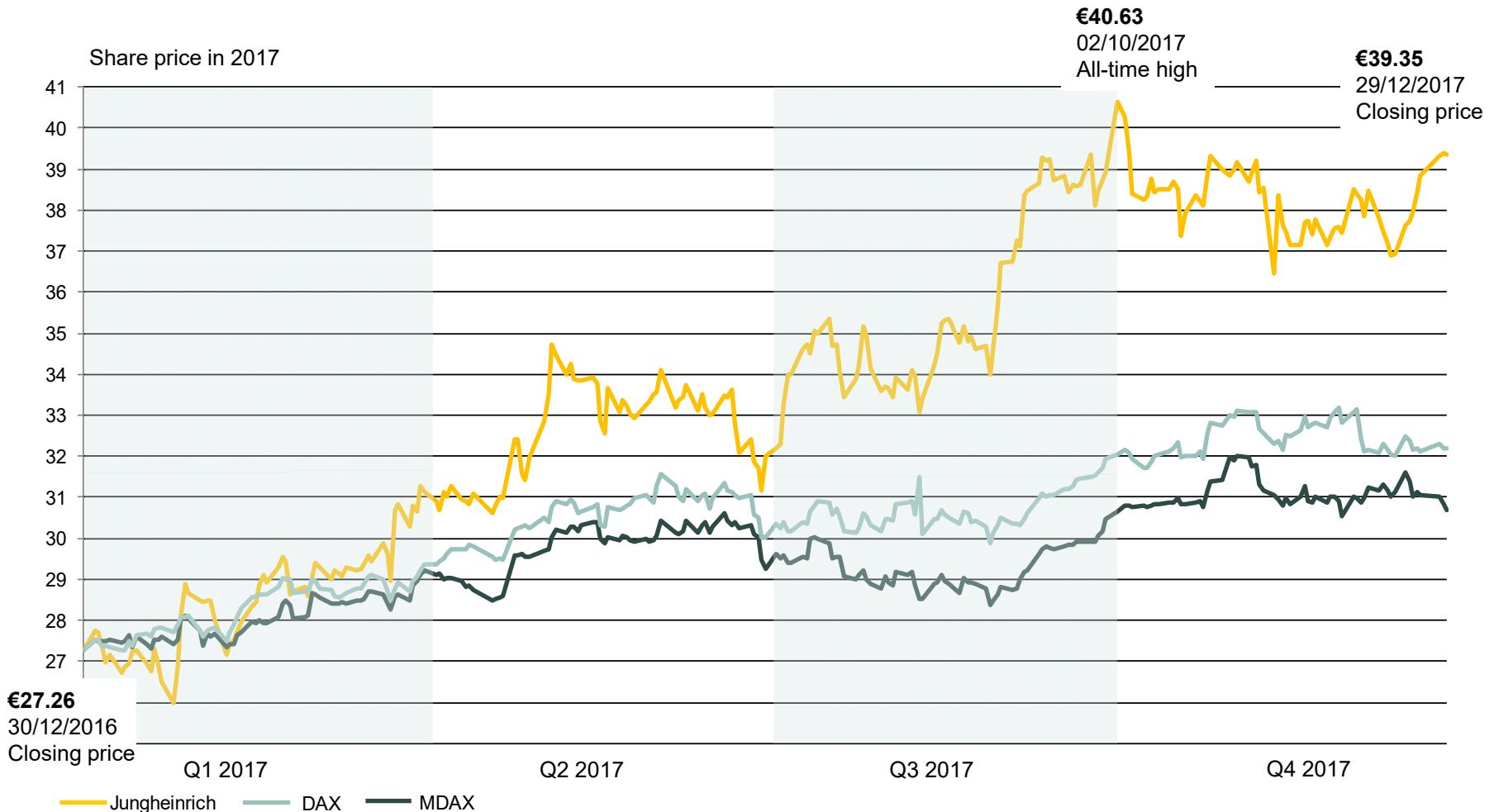
in € million	2007	2014	2015	2016	2017
Equity ratio (Intralogistics)	40%	46%	48%	48%	48%
Equity ratio (Group)	27%	30%	31%	31%	30%
Net debt ¹	40	-132	-75	-56	7
Tax ratio	41%	28%	31%	28%	25%
Profit or loss	82	126	138	154	182
Employees (FTE)	10,178	12,549	13,962	15,010	16,248
- Germany	4,761	5,638	6,078	6,511	6,962
- abroad	5,417	6,911	7,884	8,499	9,286
Dividend per preferred share	€0.19 ²	€0.35 ²	€0.40 ²	€0.44	€0.50

1 Net debt = financial liabilities – cash and cash equivalents and securities

2 Figures are retroactively restated due to stock split (1:3) on 22 June 2016

Share price development

All-time high: **€40.63** on 2 October 2017



All figures are indexed to Jungheinrich's share price

Financial calendar



Balance sheet press conference	07/03/2018
Analyst conference	07/03/2018
2018 Annual General Meeting	17/04/2018
Dividend payment	20/04/2018
Interim statement as of 31/03/2018	04/05/2018
Interim report as of 30/06/2018	09/08/2018
Interim statement as of 30/09/2018	06/11/2018

General information



Subscribed capital:
€102 million subdivided into
54,000,000 no-par-value ordinary shares
48,000,000 no-par-value preferred shares (listed)

Securities identification numbers (preferred shares):
ISIN: DE0006219934
WKN: 621 993

Stock exchanges: Frankfurt and Hamburg and all other
German stock exchanges

Segment: Prime Standard
Branch: Industry
Stock index: SDAX

Ticker:
Reuters JUNG_p.de
Bloomberg JUN3 GR



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