

A large yellow circle with a black border, containing the text "POWER ON" in bold black capital letters. The background of the slide features a dark gray hexagonal pattern.

POWER ON

IR Presentation

H1 2020

Hamburg, 27 August 2020

 **JUNGHEINRICH**

AGENDA



HIGHLIGHTS

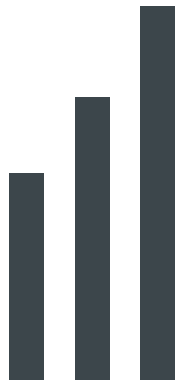
BUSINESS DEVELOPMENT H1 2020

STRATEGIC OUTLOOK

Jungheinrich at a glance

4.1
€BLN

REVENUE 2019



121,000
INCOMING ORDERS IN
UNITS 2019



>18,000

EMPLOYEES
WORLDWIDE

40

OWN DIRECT SALES
COMPANIES

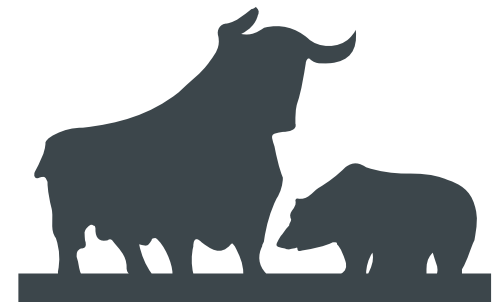
THE **GOAL** OF
JUNGHEINRICH IS TO BE
THE **FIRST CHOICE** IN
INTRALOGISTICS
WORLDWIDE.



>5,500



AFTER SALES SERVICE
TECHNICIANS



WE ARE A LISTED **STOCK**
CORPORATION WITH THE
CHARACTER OF A
FAMILY-OWNED COMPANY

Jungheinrich key figures 2019

3,922

€million

INCOMING ORDERS



263

€million

EARNINGS BEFORE
INTEREST AND
INCOME TAXES
(EBIT)



177

€million

PROFIT OR LOSS



86

€million

RESEARCH AND
DEVELOPMENT
EXPENDITURE

157

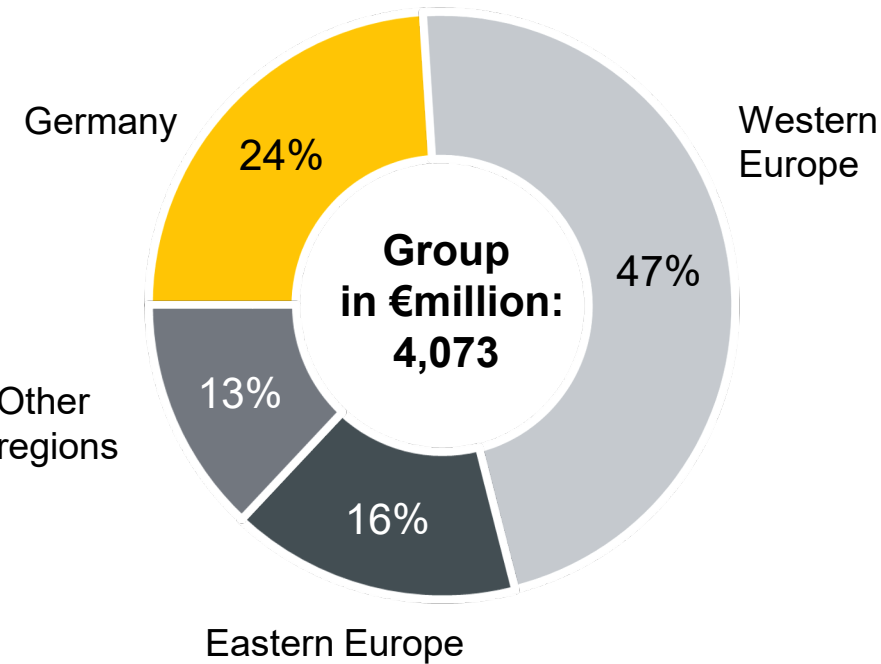
€million

CAPITAL
EXPENDITURE

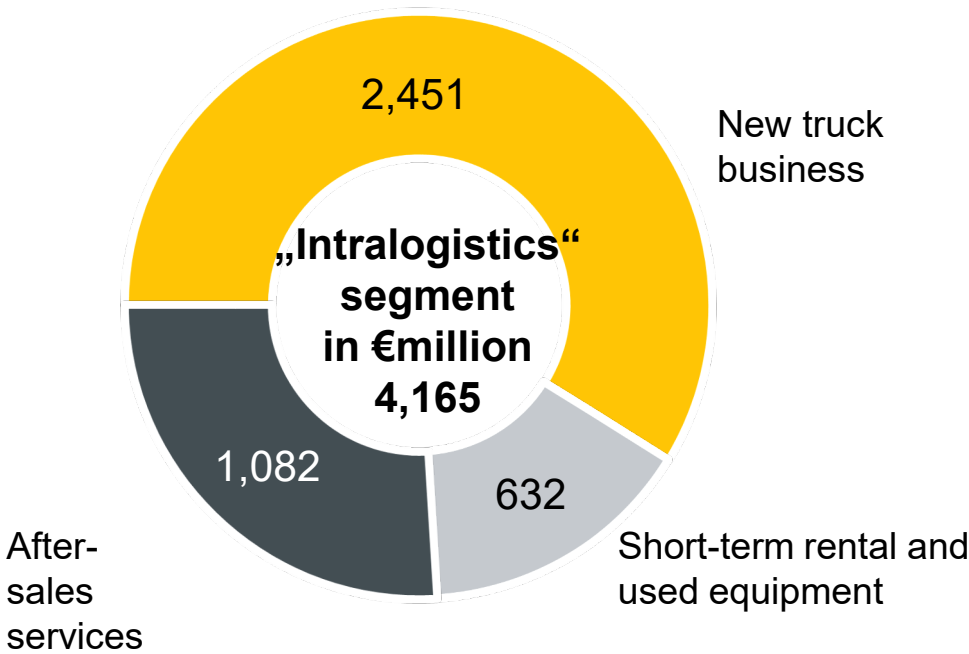


Regions and business fields

Revenue by region



Revenue by business fields



Figures as of 2019

Business model



AGENDA

The background features a dark grey gradient with a large, glowing yellow circuit board pattern on the left side. The circuit lines are interconnected and lead to numerous small, bright yellow circular nodes. Scattered throughout the background are various binary code sequences (0s and 1s) in a light yellow font, some appearing as single digits and others as small groups.

HIGHLIGHTS

BUSINESS DEVELOPMENT H1 2020

STRATEGIC OUTLOOK

Highlights of H1 2020



H1 2020

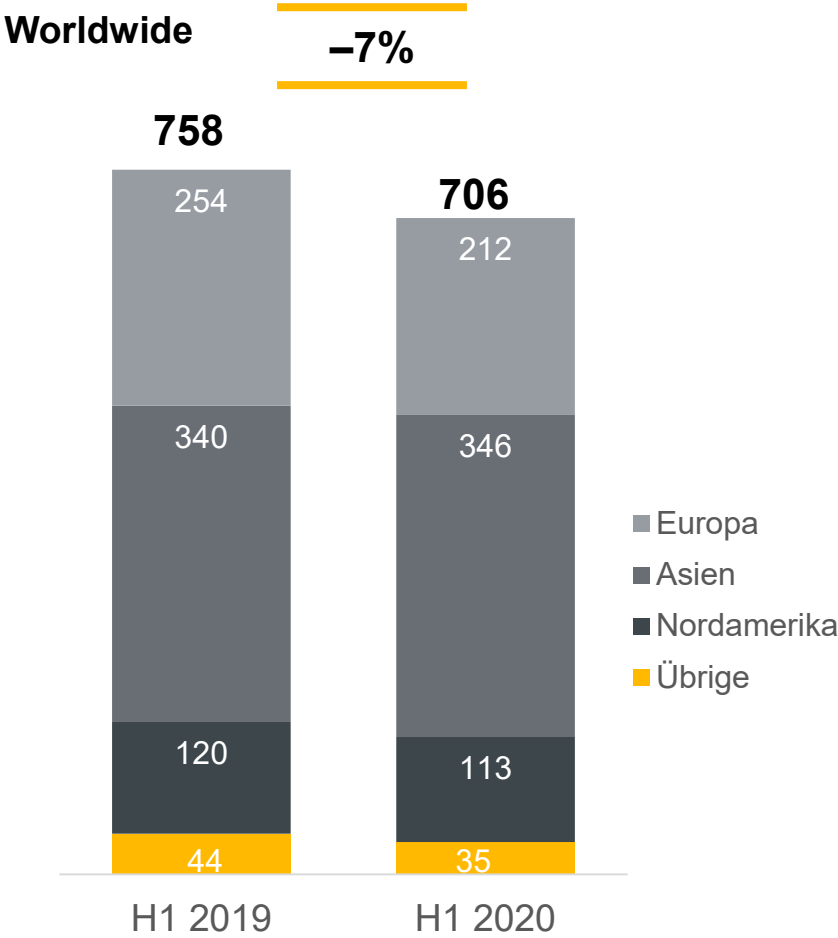
- ▶ Jungheinrich has performed well in a tense market environment resulting from the COVID-19 crisis.
- ▶ The value of incoming orders came to €1.8 billion in the first half of 2020, despite restricted access to customers.
- ▶ The decline in revenue was moderate, with a drop of 8 per cent to €1.8 billion.
- ▶ Profit or loss reached a respectable level of €60 million.
- ▶ Net debt was reduced from €172 million to €36 million.
- ▶ Cash flow from operating activities doubled to €201 million.
- ▶ A new forecast for 2020 was released.

Coronavirus – Jungheinrich’s status – Protecting employees and customers, and safeguarding our delivery capability are our highest priorities



- ▶ **Central crisis team and local crisis teams** in organisational units and factories identify upcoming risks at an early stage and coordinate all measures in a timely manner to keep the impact of the COVID-19 pandemic on Jungheinrich as minimal as possible.
- ▶ In particular, Jungheinrich has taken measures to minimise the impact of the pandemic on supply chains and production. **Production** at all Jungheinrich plants continues **at an adjusted level** and **supply chains** remain **largely intact**.
- ▶ In the **financial services business**, the scope of **customer-specific payment agreements** is **very small** against the backdrop of the COVID-19 crisis. The **refinancing lines** remain available **as before**. Customer **defaults** on receivables remain at a **low level**.
- ▶ Jungheinrich has a **very healthy statement of financial position** and a **solid liquidity reserve**.

Global market for material handling equipment declines by 7%, European market shrinks by 16%

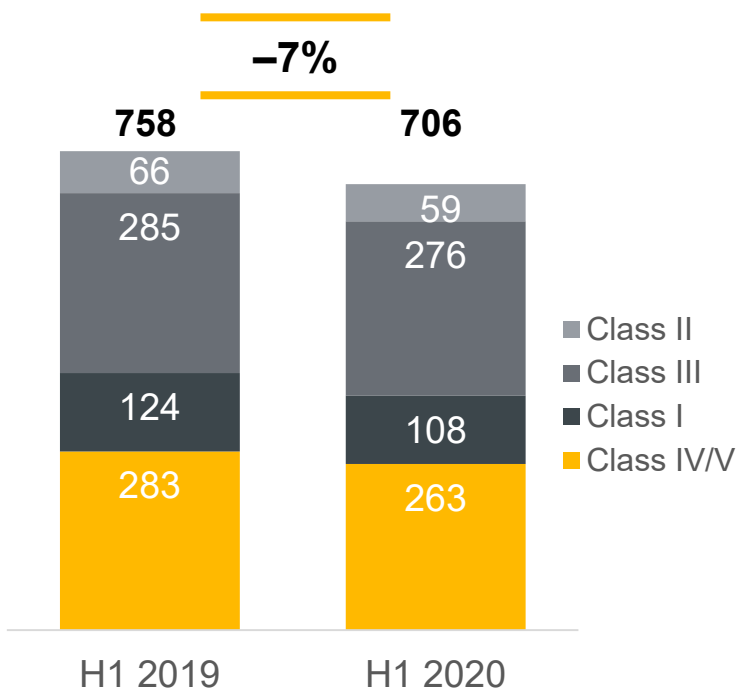


Market volume in thousand units	H1 2020	H1 2019	Change %
Europe	212	254	-16.5
thereof Eastern Europe	37	43	-14.0
Asia	346	340	1.8
thereof China	261	240	8.8
North America	113	120	-5.8
Other regions	35	44	-20.5
World	706	758	-6.9

Source: WITS, based on incoming orders

The decline in the global market volume was driven by the slump in demand for counterbalanced trucks

Worldwide



Market volume in thousand units	H1 2020	H1 2019	Change %
Warehousing equipment	335	351	-4.6
thereof Class II	59	66	-10.6
thereof Class III	276	285	-3.2
Counterbalanced trucks	371	407	-8.8
thereof Class I	108	124	-12.9
thereof Class IV/V	263	283	-7.1
Total	706	758	-6.9

Table contains rounding differences

Class I	Battery-powered counterbalanced trucks
Class II	Narrow-aisle and reach trucks
Class III	Low- and high-lift trucks and order pickers
Class IV/V	IC engine-powered counterbalanced trucks

Source: WITS, based on incoming orders

Market volume in Europe hit hard by COVID-19 pandemic in Q2 2020

EUROPE	2019				2020	
	↓ Q1	↓ Q2	↓ Q3	↓ Q4	↓ Q1	↓ Q2
	-4.3%	-9.8%	-8.4%	-3.2%	-5.4%	-28.1%

2018	2019
↑ FY	↓ FY
+11.4%	-6.4%

CHINA	2019				2020	
	↑ Q1	↓ Q2	↑ Q3	↑ Q4	↓ Q1	↑ Q2
	+11.1%	-4.5%	+4.2%	+26.9%	-21.8%	+40.6 %

2018	2019
↑ FY	↑ FY
+15.2 %	+8.5%

NORTH AMERICA	2019				2020	
	↓ Q1	↓ Q2	↑ Q3	↓ Q4	↑ Q1	↓ Q2
	-22.1%	-9.0%	+1.9%	-0.8%	+5.4%	-15.9%

2018	2019
↑ FY	↓ FY
+3.9%	-7.8%

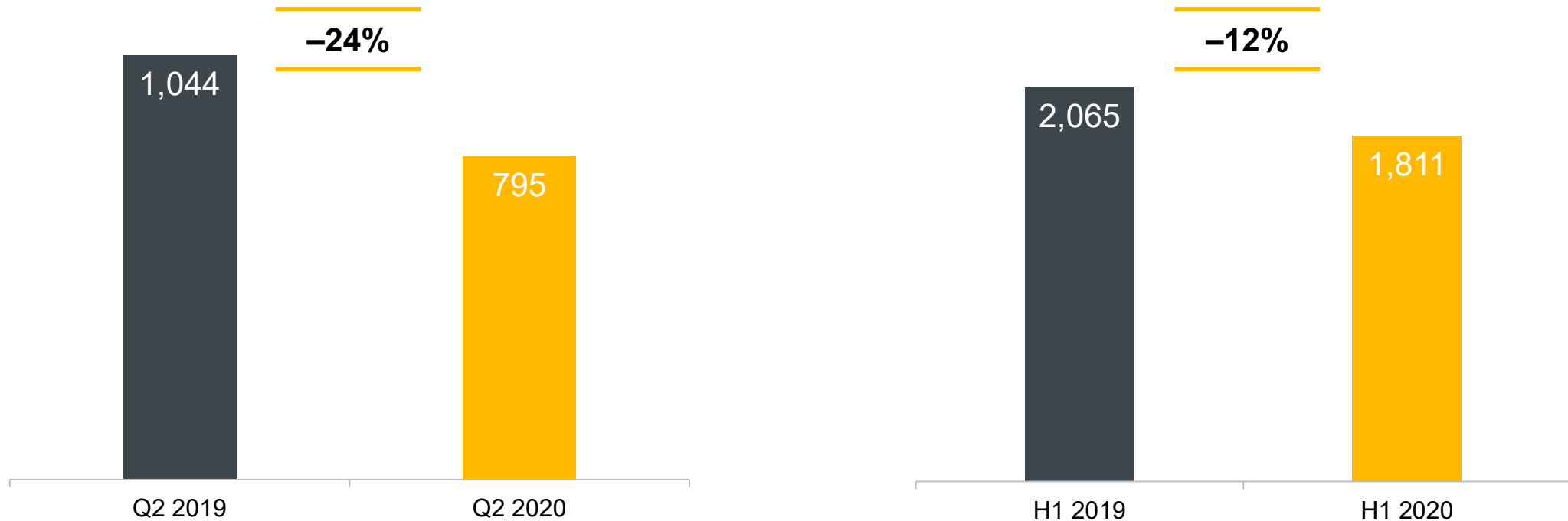
WORLD	2019				2020	
	↓ Q1	↓ Q2	↓ Q3	↑ Q4	↓ Q1	↓ Q2
	-2.6%	-7.6%	-2.4%	+5.1%	-9.4%	-4.5%

2018	2019
↑ FY	↓ FY
+10.3%	-2.0%

Change in % to the same period of the previous year

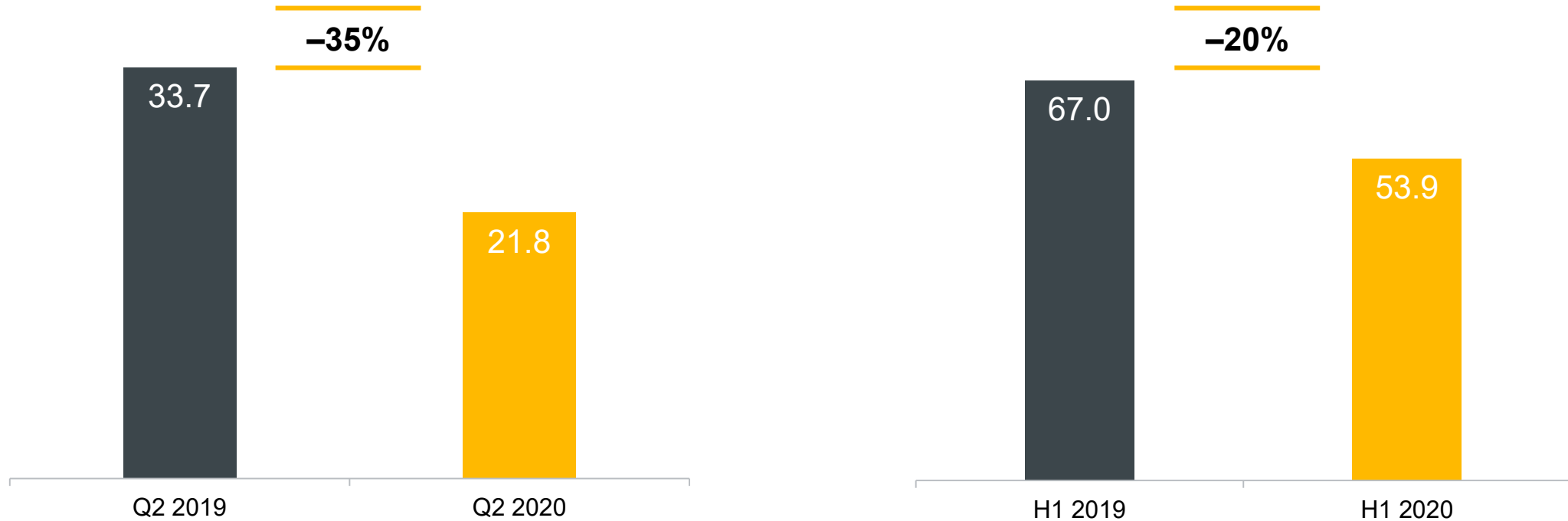
Incoming orders in Q2 2020 affected to a considerable degree by COVID-19 pandemic (Q1 2020 still on par with previous year's level)

Incoming orders, in € million



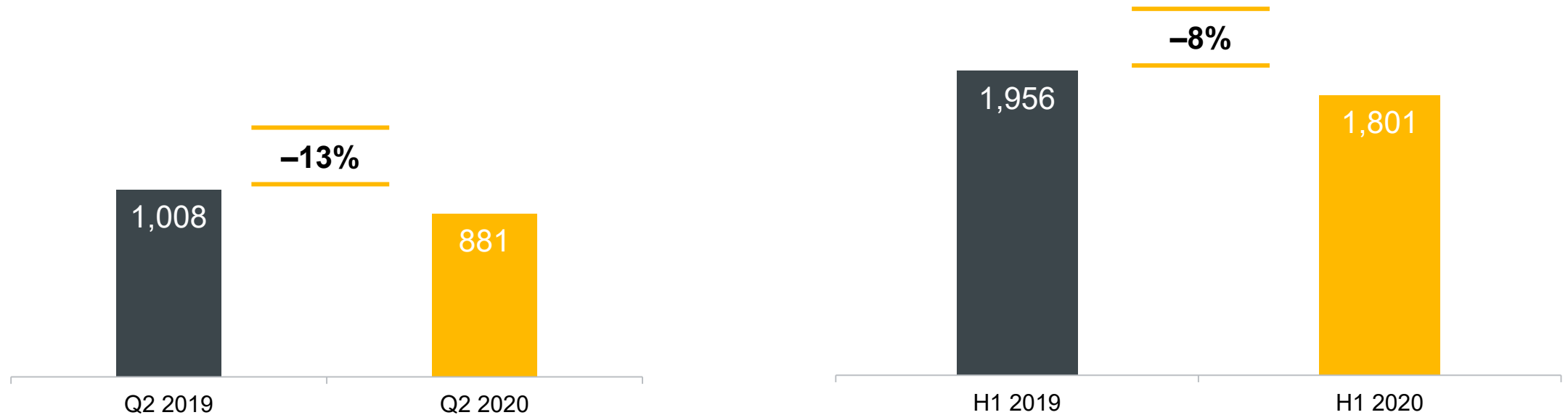
Unit figures affected by lower demand and clear reduction in orders for own short-term rental fleet

Incoming orders, in thousand units



Moderate drop in Group revenue

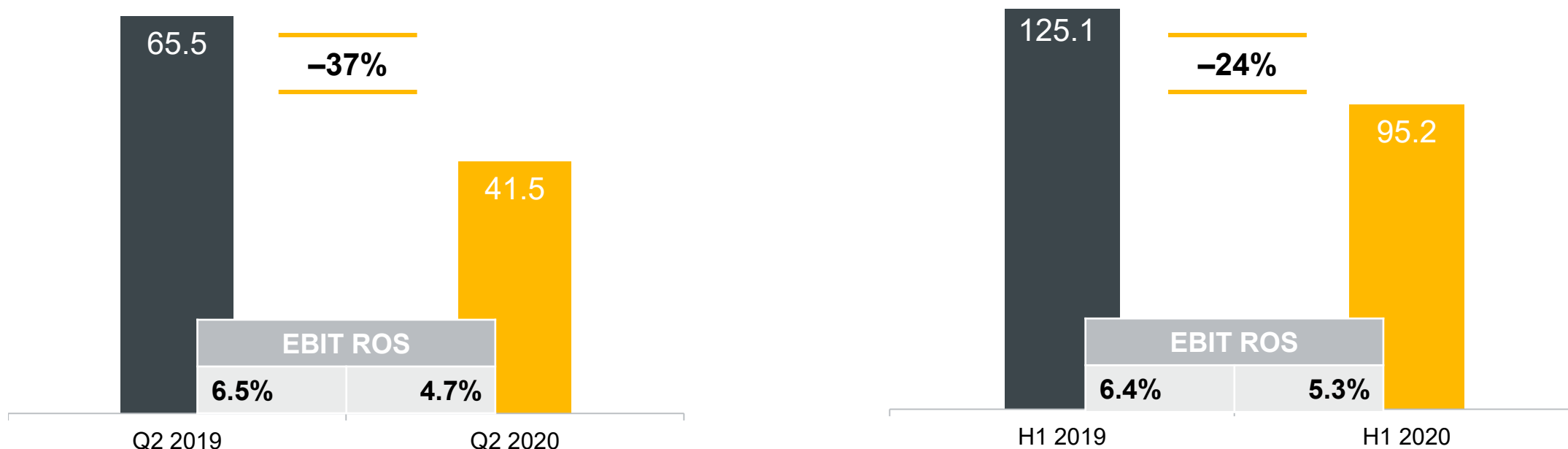
Revenue, in € million



► Main cause: lower revenue in new truck business (€–180 million) due to lower production volume.

Decline in EBIT largely due to lower capacity utilisation at production plants

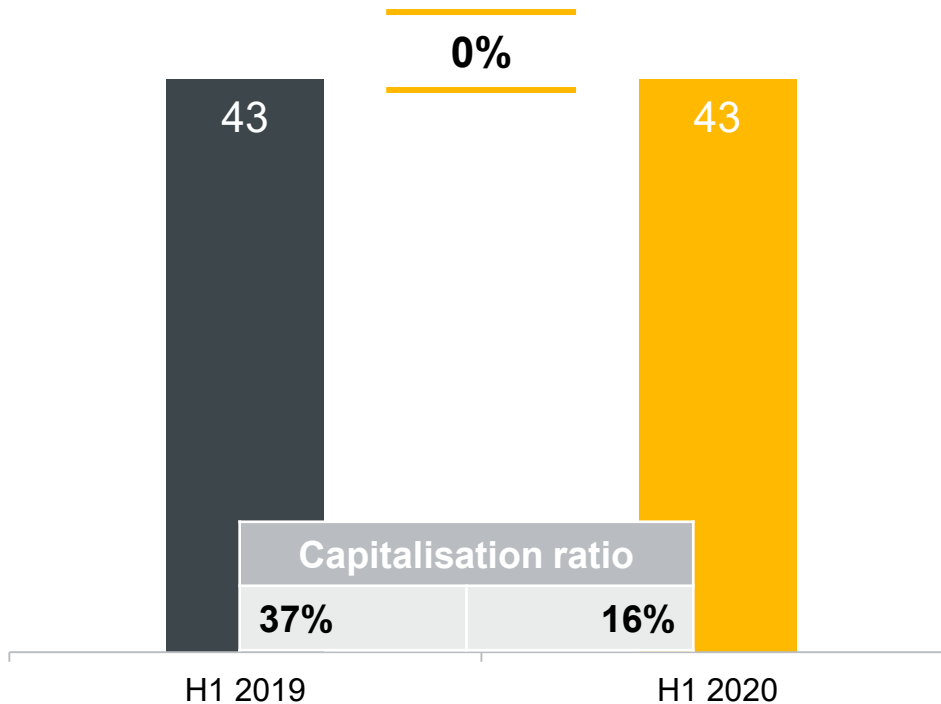
EBIT, in € million



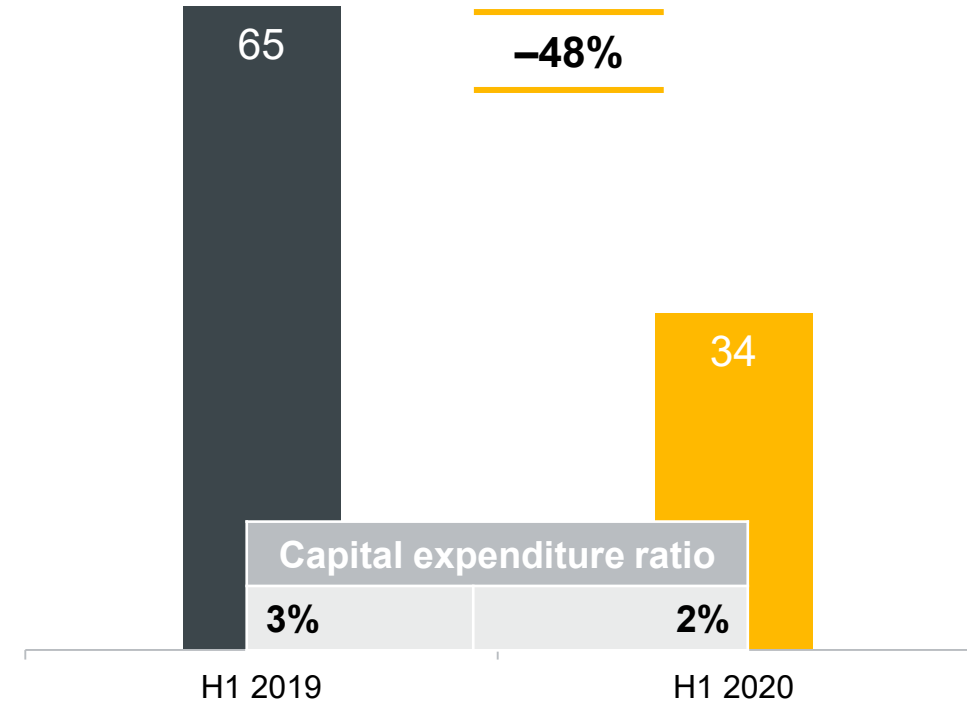
- ▶ EBIT includes €5 million in impairment losses on goodwill.
- ▶ Cost-cutting measures are bearing fruit.
- ▶ The expenditure for strategic projects to optimise processes and improve efficiency and digitalisation have not been reduced.
- ▶ The previous year's figures have been adjusted and take into consideration the impacts on earnings reported in the interim statement as of 30 September 2019 and which almost balanced each other out.

Investment volume reduced considerably

R&D expenditure, in € million



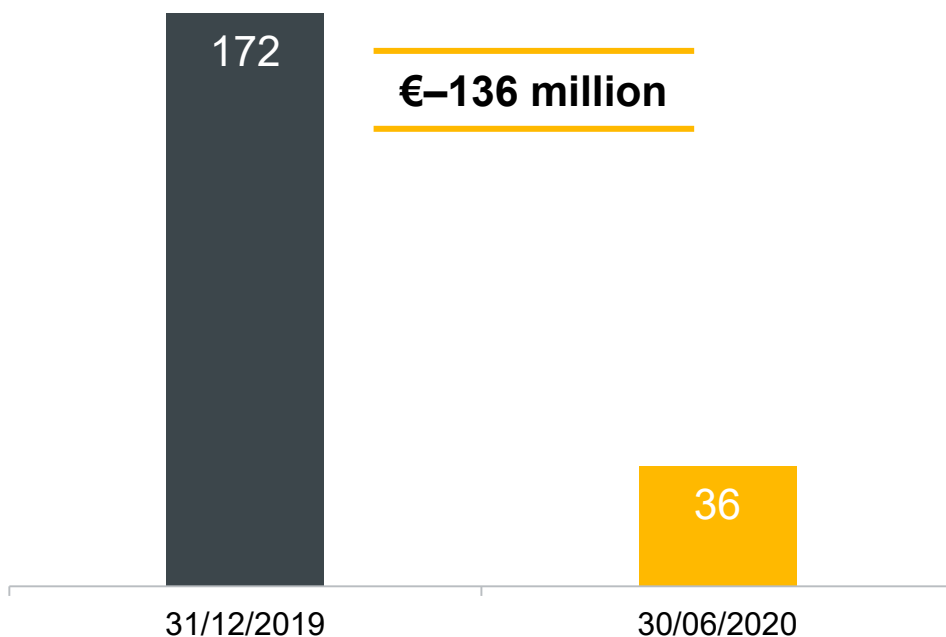
Capital expenditure, in € million



- Priorities in 2020: expansion of the Degernpoint plant, expansion of production of lithium-ion batteries, expansion of stacker crane plant (Hungary)

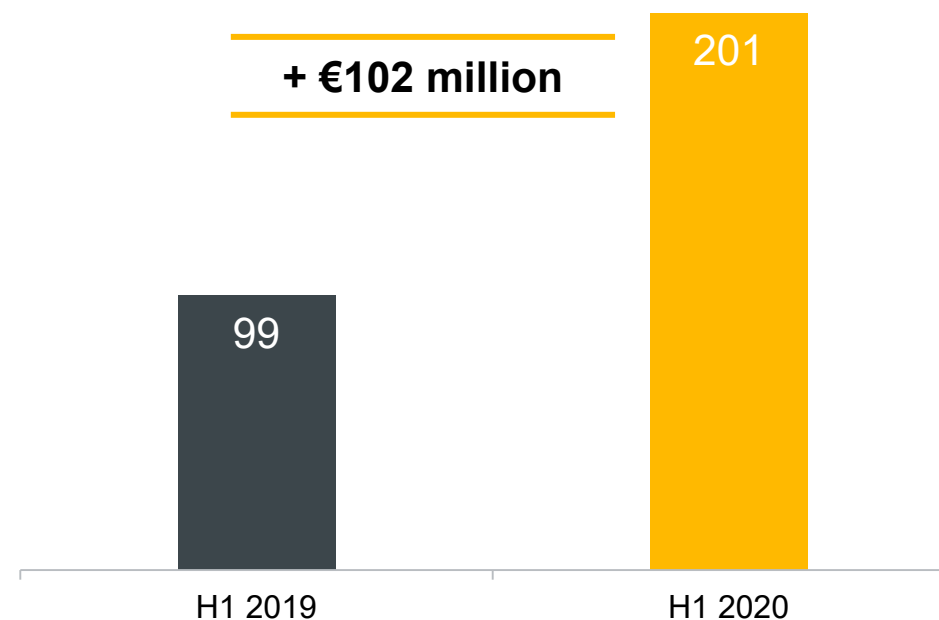
Net debt reduced significantly, cash flow doubled

Net debt, in € million



- ▶ The €136 million improvement is first and foremost the result of measures to reduce working capital and the decreased supply of new trucks to the short-term rental fleet.

Cash flow from operating activities, in € million

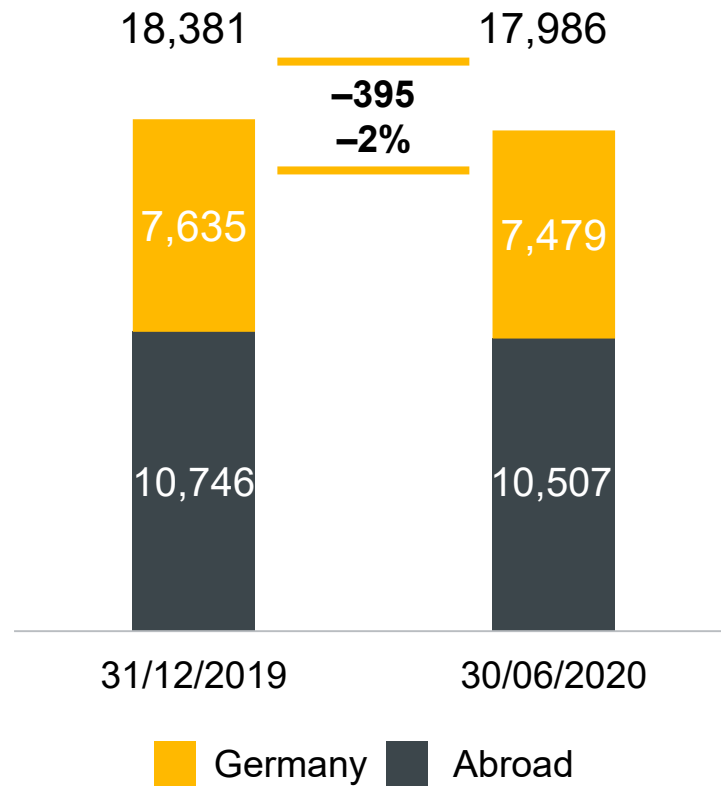


- ▶ Doubling of cash flow due to decline in cash outflow for additions to trucks for short-term rental and lease and receivables from financial services (€-125 million).

Drop in number of employees

in full-time equivalents

Employees in the Group



- ▶ This reduction is largely in the sales organisation.
- ▶ In addition, the number of temporary staff was reduced by 109 to 226 employees.

Jungheinrich Group: new forecast for 2020 released



2020

	July 2020*
Incoming orders in € billion	3.40 to 3.60
Revenue in € billion	3.40 to 3.60
EBIT in € million	130 to 180
EBIT ROS in %	3.8 to 5.0
EBT in € million	105 to 155
EBT ROS in %	3.1 to 4.3
Net debt in € million	considerably < 50
ROCE in %	8 to 12
Market share in Europe in %	slight improvement against 2019 (20.2%)

* The forecast for the 2020 financial year published on 18 December 2019 and confirmed with the publication of the 2019 annual report on 18 March 2020 did not cover the consequences of the COVID-19 pandemic and was withdrawn at the end of April 2020 due to the uncertainty regarding the expected consequences of the pandemic on Jungheinrich's further business development.

AGENDA

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HIGHLIGHTS

BUSINESS DEVELOPMENT H1 2020

STRATEGIC OUTLOOK

Highly Dynamic and Volatile Markets

Global Trends

Growth drivers and trends

Digitalisation plays an essential role in relation to the transformation processes and competitiveness of all companies

Disruptive technologies offer new opportunities e.g. intelligent interconnectivity and automation

An increasing **sustainability awareness** drives topics such as electrification and leads to stricter regulations

Urbanisation and e-commerce are driving **micro-fulfilment growth**

Increase in **trade conflicts and protectionism**

Growth indicators

> 50%
2030

share of electric mobility in the global market

> 70%
2025

demand for lithium-ion in electric mobility

> 50%

CAGR 2019–2023
Micro-fulfilment growth

> 90%

of all global data (in 2018) have not yet existed two years ago

Sources: BCG Forecast (2017/2020) Electrification, Fraunhofer ISI (2015) Product Roadmap Lithium-ion Batteries 2030, Interact Analysis (2019), McKinsey Report (2018) Disruptive Forces in the industrial sectors

Electric Power as Tradition and Future

The Future Is Yellow

JUNGHEINRICH MISSION

BORN ELECTRIC

Highest customer focus
("easy to deal with")

MOVING THE FUTURE

High margin orientation ensures
independence

CREATING SUSTAINABLE VALUE

We master the digital transformation most
successfully in our competitive environment

Our actions and portfolio
are characterised by sustainability

Jungheinrich's Top Strategic Guiding Principles

Clear Direction for the Future

Jungheinrich generates, with all internal and external business activities, an added value for the end customer

Jungheinrich radically and sustainably reduces waste along the entire process chain (end-to-end)

Jungheinrich invests in future technologies as an innovation leader

Jungheinrich manifests its position as the industry leader for sustainable solutions

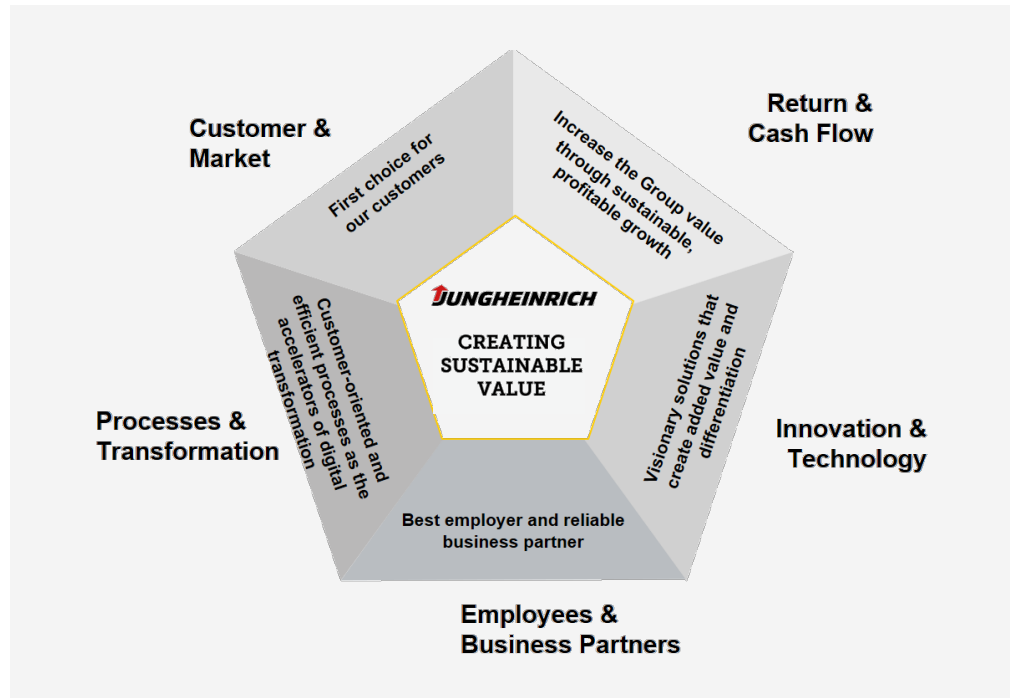
Jungheinrich develops new business models based on existing strengths and/or customer requirements

Jungheinrich places increased emphasis on strategic partnerships and acquisitions as success factors

Jungheinrich Creates Sustainable Value for all Stakeholders

Strategic Outlook

The New Target System



Stakeholders

Customers

Employees

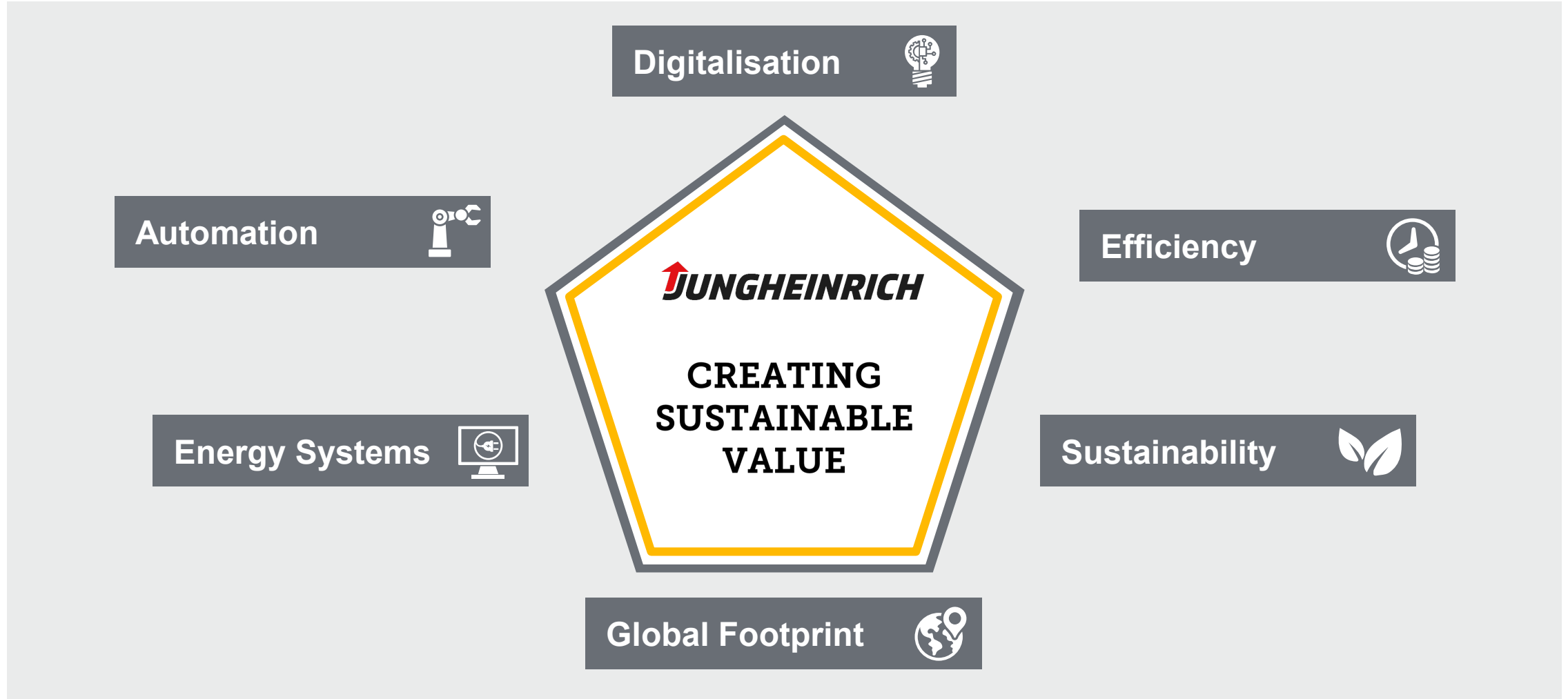
Shareholders

Business Partners

Society

Jungheinrich Focusses on Topics in Line with Global Trends

Group Priorities



Multiple Areas of Action within Group Priorities



Digitalisation

- Digital products
- Digital business models
- e-Commerce
- IT Factory



Automation

- Automated Guided Vehicles (AGV)
- Automated Warehouses (AS/RS)



Energy Systems

- Lithium-Ion technology
- Energy Solutions for material handling equipment
- Electrification of industrial machines



Sustainability

- Environment & Energy
- Transparency & responsibility in the supply chain
- Economic responsibility
- Secure & good jobs
- Environmentally friendly & safe products



Efficiency

- Efficiency program (4JU)
- Network excellence technology (N-Ex-T)
- Digital end-to-end processes (DEEP)



Global Footprint

- Europe
- China
- North America

Disclaimer

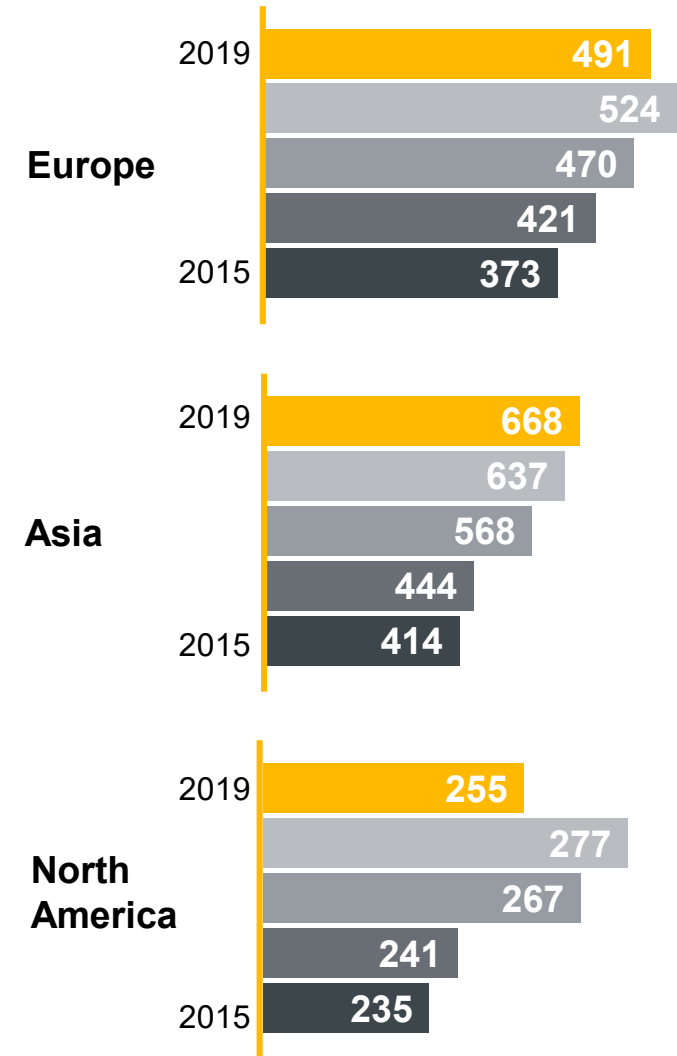
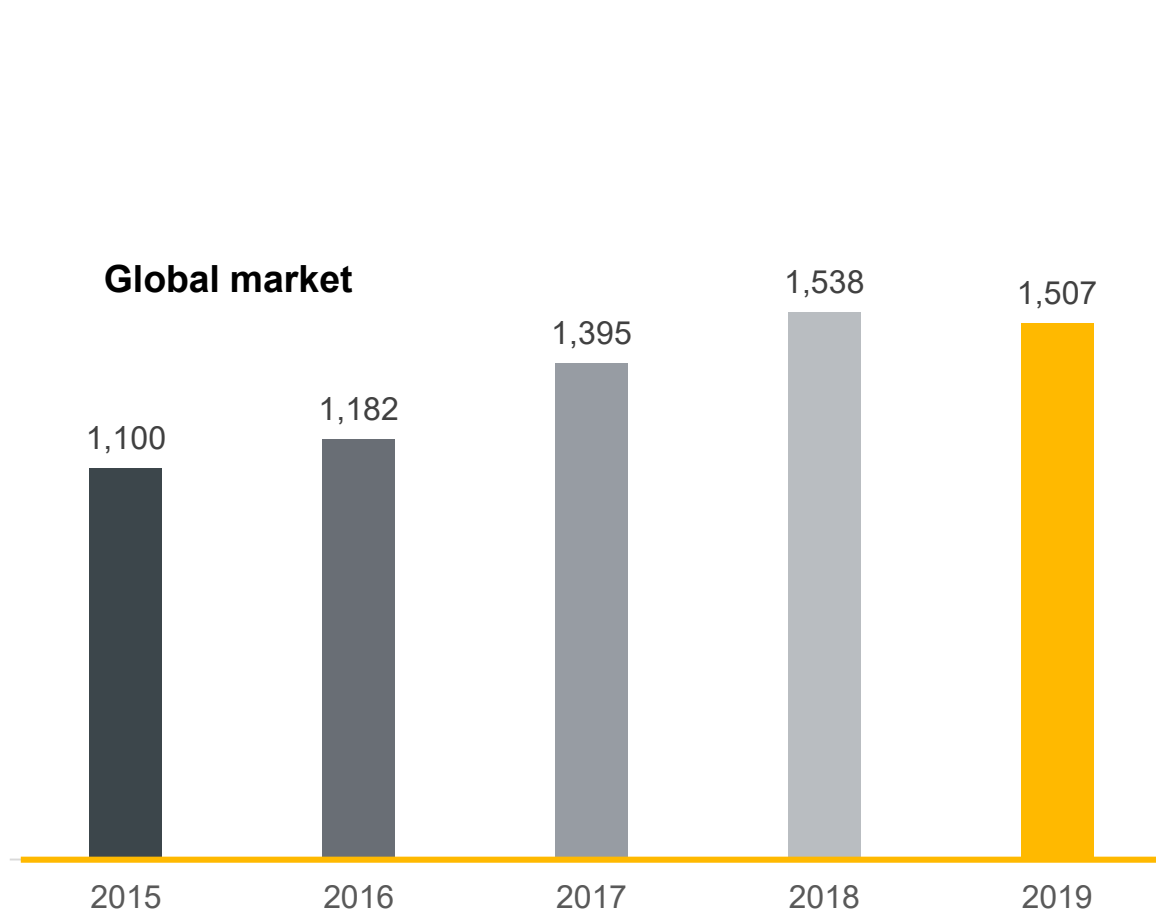
Since developments cannot be foreseen, the actual business trend may deviate from the expectations, assumptions and estimates made by Jungheinrich company management in this presentation. Factors that may lead to such deviations include changes in the economic environment, including the consequences of the further development of the COVID-19 pandemic, within the material handling equipment sector, as well as changes to exchange rate and interest rates. No responsibility is therefore taken for the forward-looking statements in this presentation.





NOTES

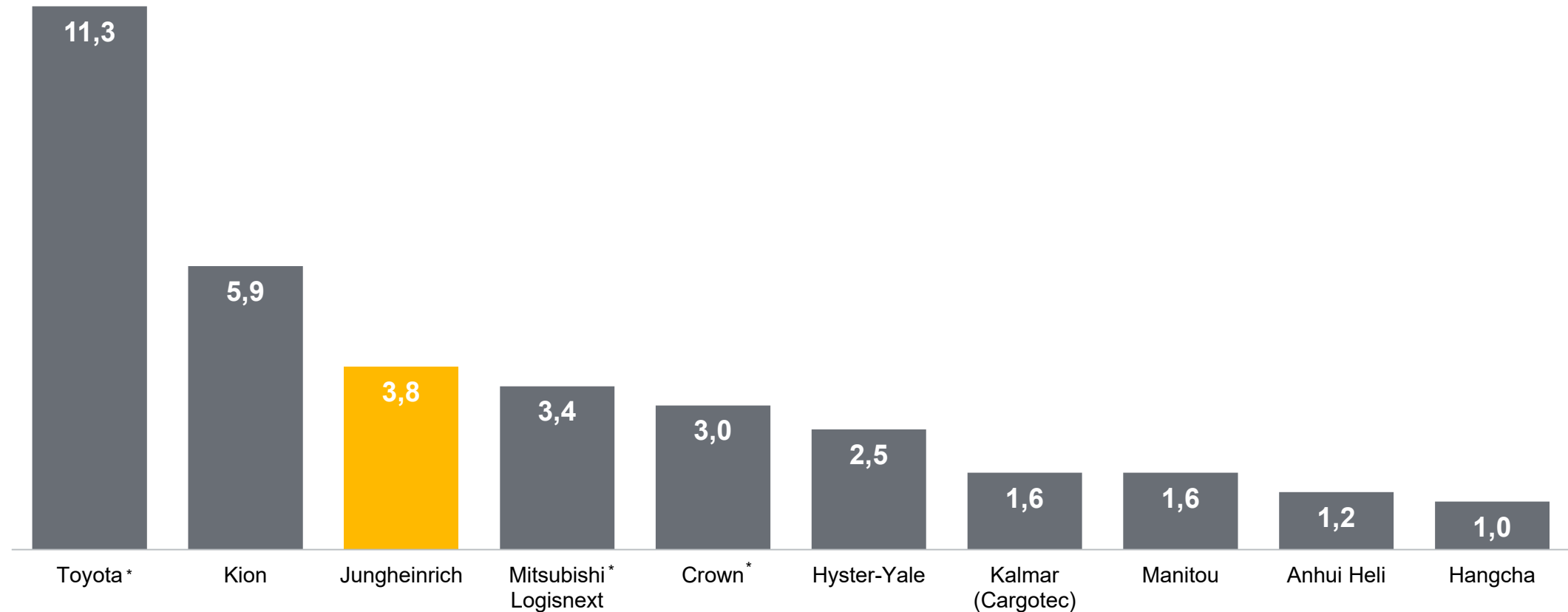
Market volume for material handling equipment 2015 to 2019 in thousand units



Source: WITS, based on incoming orders

Global ranking of material handling equipment: Jungheinrich among Top 3 worldwide

Group revenue 2018, in € billion



* Business year 2018/2019
Source: dhf intralogistik 12/2019

Jungheinrich key data (I)

in € million	2015	2016	2017	2018	2019
Incoming orders	2,817	3,220	3,560	3,971	3,922
Group revenue	2,754	3,085	3,435	3,796	4,073
thereof Germany	701	753	851	900	966
thereof abroad	2,053	2,332	2,584	2,896	3,107
EBIT	213	235	259	275	263
EBIT ROS	7.7%	7.6%	7.5%	7.2%	6.4%
Capital employed ¹	1,187	1,318	1,497	1,717	1,917
ROCE ²	17.9%	17.8%	17.3%	16.0	13.7*
R&D expenditure	55	62	77	84	86
Capital expenditure ³⁾	87	59	88	106	157

*Calculated due to accounting changes from 01/01/2019 (IFRS 16 “Leases”) (prior-year figures not adjusted)

1) Shareholders’ equity + Financial liabilities – Cash and cash equivalents and securities + Provisions for pensions and long-term personnel obligations

2) EBIT / Employed interest-bearing capital x 100

3) Property, plant and equipment, and intangible assets excluding capitalised development expenses and right-of-use assets

Jungheinrich key data (II)

in € million	2015	2016	2017	2018	2019
Equity ratio (Intralogistics)	48%	48%	48%	46%	46%
Equity ratio (Group)	31%	31%	30%	29%	28%
Net debt ¹⁾	–75	–56	7	108	172*
Tax ratio	31%	28%	25%	29%	27%
Profit or loss	138	154	182	176	177
Employees (FTE ³⁾)	13,962	15,010	16,248	17,877	18,381
thereof Germany	6,078	6,511	6,962	7,378	7,635
thereof abroad	7,884	8,499	9,286	10,499	10,746
Dividend per preferred share	€0.40 ²⁾	€0.44	€0.50	€0.50	€0.48

*

*Calculated due to accounting changes from 01/01/2019 (IFRS 16 “Leases”) (prior-year figures not adjusted)

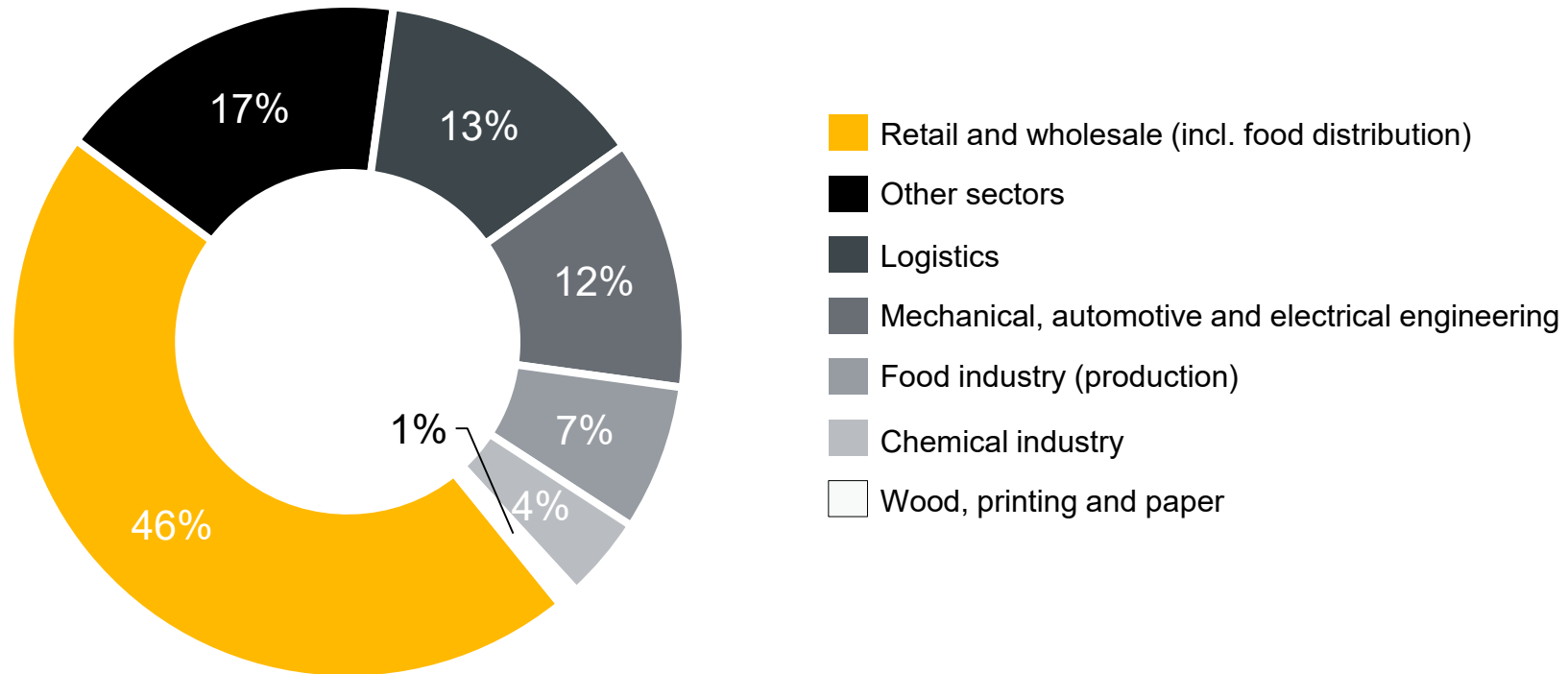
1) Net debt = Financial liabilities – cash and cash equivalents and securities

2) Figures adjusted retroactively due to the 1:3 stock split implemented on 22 June 2016

3) in full-time equivalents

Broad customer base

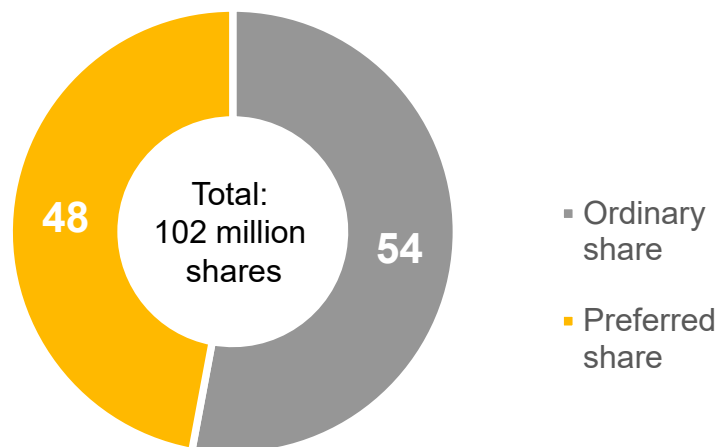
Customer structure by sector (%)



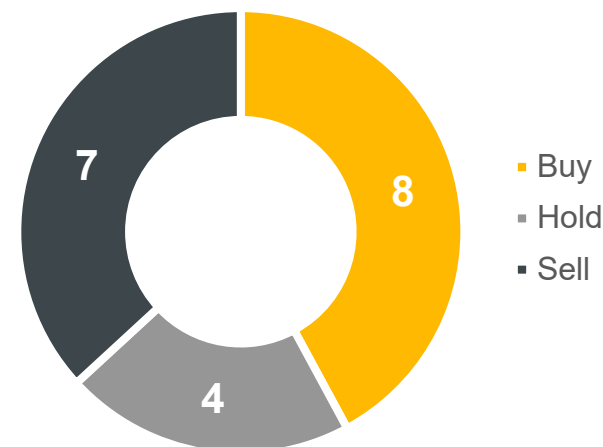
based on approximately 70% of incoming order in units

Jungheinrich share: Broad coverage

Share structure



Analyst coverage as at 31/03/2020



Key figures for the share	2015*	2016	2017	2018	2019
Earnings per preferred share	€1.36	€1.52	€1.80	€1.73	€1.75
Dividend per preferred share	€0.40	€0.44	€0.50	€0.50	€0.48
Dividend payout	€39 million	€44 million	€50 million	€50 million	€48 million
Distribution ratio	28%	29%	28%	28%	27%

* Figures adjusted retroactively due to the 1:3 stock split implemented on 22 June 2016.

Financial calendar

Date	Event
18/03/2020	Balance sheet press conference
18/03/2020	Phone conference FY2019
08/05/2020	Interim statement as of 31/03/2020
11/08/2020	Interim report as of 30/06/2020
27/08/2020	2020 Annual General Meeting (virtual)
01/09/2020	Dividend payment
10/11/2020	Interim statement as of 30/09/2020

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	Ticker:
Sector:	Industry	Reuters JUNG_p.de
Stock index:	SDAX	Bloomberg JUN3 GR



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