

# CREATING SUSTAINABLE VALUE

## Conference call for the 2020 financial year

Dr Lars Brzoska (Chairman of the Board of Management)  
Dr Volker Hues (Member of the Board of Management Finance)  
Hamburg, 26 March 2021





# Agenda

## HIGHLIGHTS 2020

Dr Lars Brzoska, CEO

## MARKET & FINANCIAL KEY FIGURES 2020

Dr Volker Hues, CFO

## OUTLOOK 2021

Dr Lars Brzoska, CEO

## Highlights of the 2020 financial year

**Covid-19**



Safely through the crisis

**Strategy  
2025+**



Profitability  
Efficiency  
Sustainability

**70%**



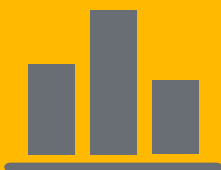
Price  
increase  
Jungheinrich  
share

**€0.43**



Dividend  
proposal  
preferred  
share

**€3.8 billion**  
incoming orders  
and revenue



**€218 million**  
EBIT



**€194 million**  
net credit

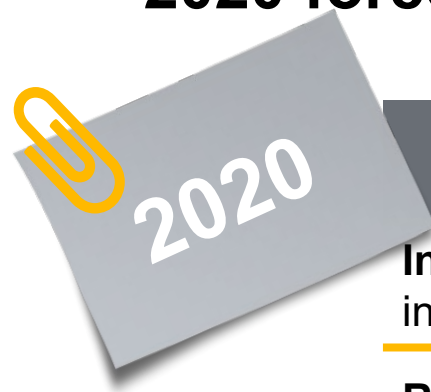


**€551 million**  
cash flow from  
operating activities



Respectable financial year despite Covid-19 pandemic

## 2020 forecast achieved and partially exceeded



	Forecast 11/2020 <sup>1)</sup>	Actual 2020
<b>Incoming orders</b> in € billion	3.5 to 3.7	3.78
<b>Revenue</b> in € billion	3.5 to 3.7	3.81
<b>EBIT</b> in € million	180 to 230	218
<b>EBIT ROS</b> in %	5.1 to 6.2	5.7
<b>EBT</b> in € million	155 to 205	200
<b>EBT ROS</b> in %	4.4 to 5.5	5.3
<b>Net debt (+)/ net credit (-)</b> in € million	considerably > –50	–194
<b>ROCE</b> in %	10 to 14	13.5

1) Ad-hoc announcement as of 21 October 2020 as well as interim statement as of 30 September 2020

## Strong final quarter in 2020



	Q4 2019	Q4 2020	Change %
<b>Incoming orders</b> in € million	908	1,045	15.1
<b>Revenue</b> in € million	1,101	1,086	−1.4
<b>EBIT</b> in € million	65.3	67.9	4.0
<b>EBIT ROS</b> in %	5.9	6.3	–
<b>EBT</b> in € million	58.5	65.7	12.3
<b>EBT ROS</b> in %	5.3	6.1	–
<b>Profit or loss</b> in € million	44.8	54.5	21.7

# Covid-19: Safely through the crisis



- ▶ **Crisis management** is operating **successfully**; early intervention led to swift and viable stabilisation.
- ▶ **Supply chains intact and stable** during 2020 and to date; potential for continued uncertainties related to the pandemic. We will continue to implement measures to ensure our ability to deliver.
- ▶ **Production** at all plants operated at an **adjusted level** in 2020.
- ▶ **Little influence on strategy plan** and concrete measures to date.
- ▶ **Strong balance sheet** and **solid liquidity** ensure implementation of strategic measures.
- ▶ Optimistic look at 2021: focus on **profitable growth**.





# Agenda

## HIGHLIGHTS 2020

Dr Lars Brzoska, CEO

## MARKET & FINANCIAL KEY FIGURES 2020

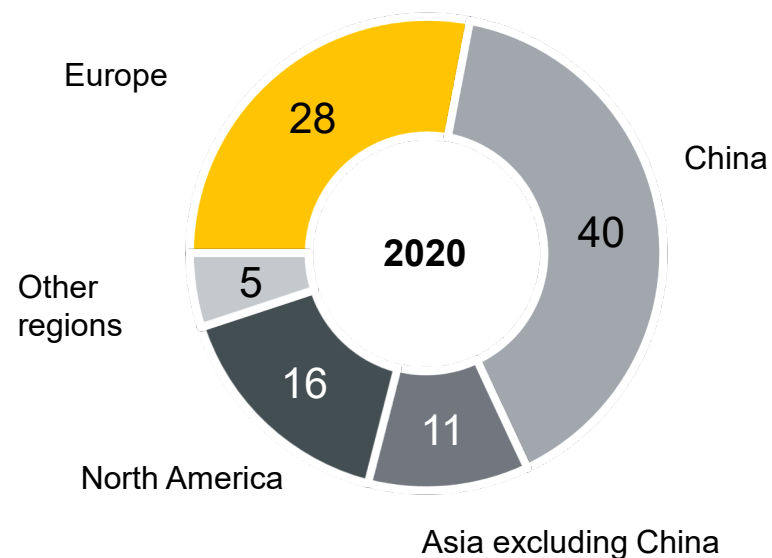
Dr Volker Hues, CFO

## OUTLOOK 2021

Dr Lars Brzoska, CEO

# Global growth in market for material handling equipment driven by China; European market shrinks

Global market volume  
in %



Market volume<sup>1)</sup>

	2020	2019	Change %
Europe	464	491	-5.5
Asia excluding China	180	195	-7.7
China	648	473	37.0
North America	255	255	-
Other regions	91	93	-2.2
World	1,638	1,507	8.7

1) Source: WITS, based on incoming orders, in thousand units



# European market recovers in second half of 2020

EUROPE	2019				2020			
	↓ Q1	↓ Q2	↓ Q3	↓ Q4	↓ Q1	↓ Q2	↑ Q3	↑ Q4
	-4.3%	-9.8%	-8.4%	-3.2%	-5.4%	-28.1%	+0.9%	+11.4%

2019	2020
↓ FY	↓ FY
-6.3%	-5.5%

CHINA	2019				2020			
	↑ Q1	↓ Q2	↑ Q3	↑ Q4	↓ Q1	↑ Q2	↑ Q3	↑ Q4
	+11.1%	-4.5%	+4.2%	26.9%	-21.8%	+40.6%	+76.3%	+56.8%

2019	2020
↑ FY	↑ FY
+8.5%	+37.0%

NORTH AMERICA	2019				2020			
	↓ Q1	↓ Q2	↑ Q3	↓ Q4	↑ Q1	↓ Q2	↓ Q3	↑ Q4
	-22.1%	-9.0%	+1.9%	-0.8%	+5.4%	-15.9%	-0.7%	+10.2%

2019	2020
↓ FY	→ FY
-7.9%	-0.2%

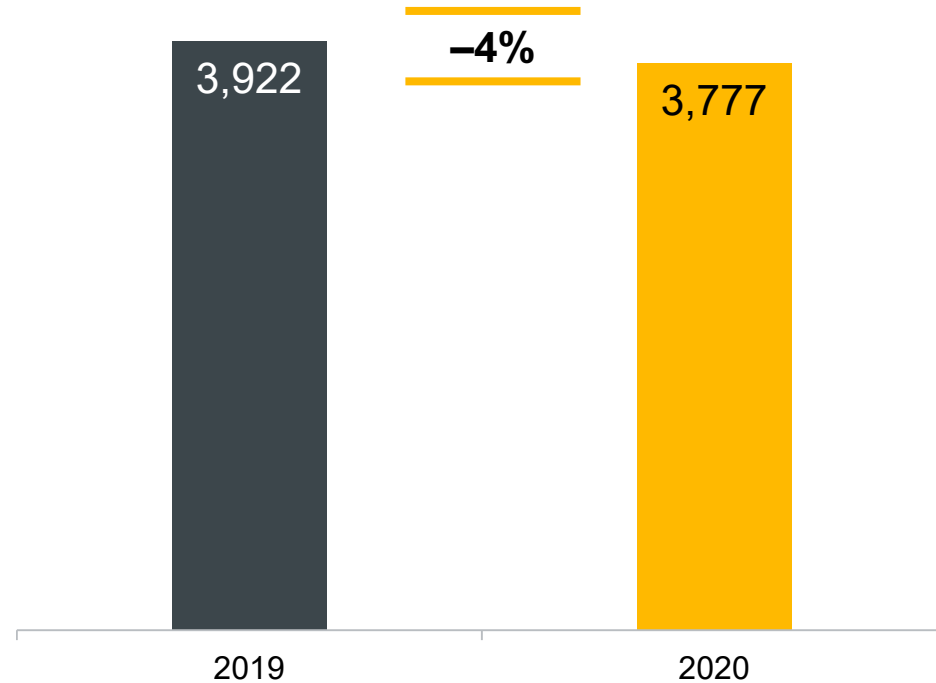
WORLD	2019				2020			
	↓ Q1	↓ Q2	↓ Q3	↑ Q4	↓ Q1	↓ Q2	↑ Q3	↑ Q4
	-2.6%	-7.6%	-2.4%	+5.1%	-9.4%	-4.5%	+24.2%	+24.8%

2019	2020
↓ FY	↑ FY
-2.0%	+8.7%

Change in % to the same period of the previous year

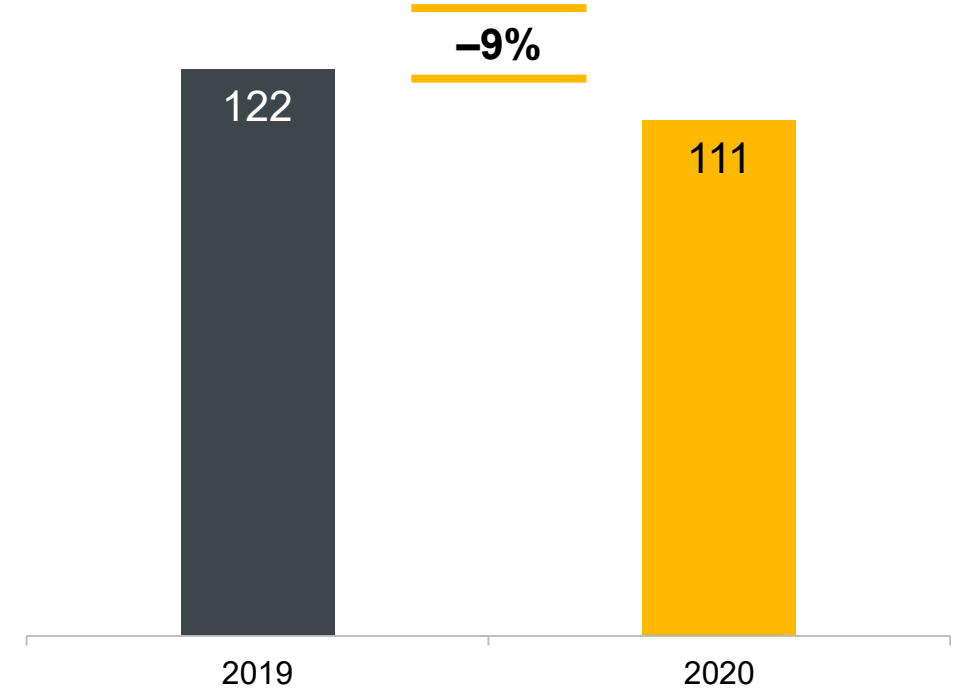
## Second half of year marked by recovery in demand

**Value of incoming orders in Group**  
in € million



- ▶ Strong final quarter with orders worth €1,045 million

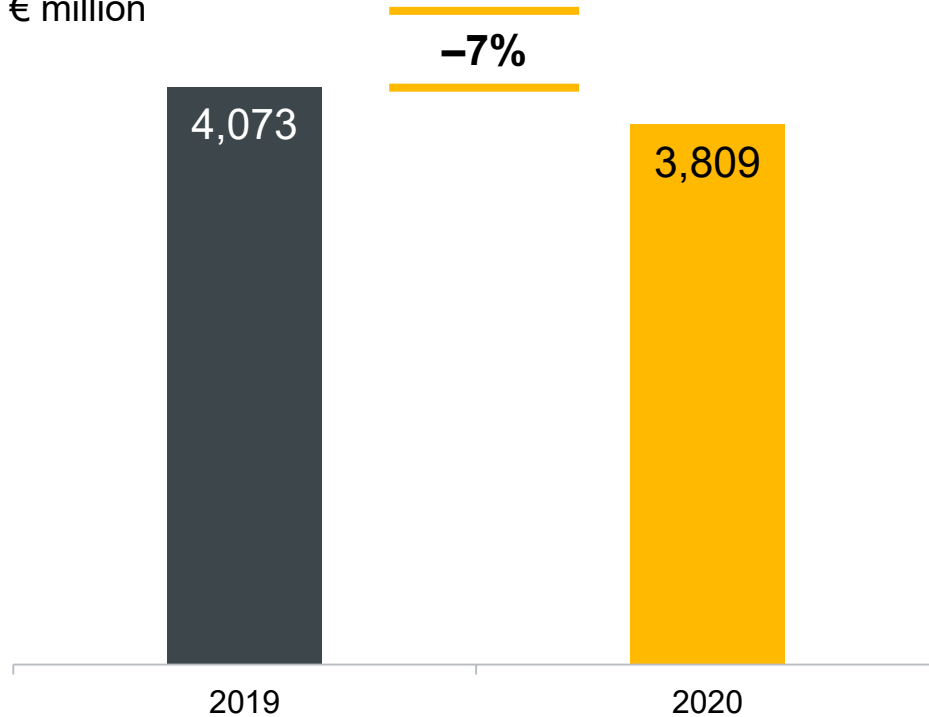
**Number of incoming orders for new trucks**  
in thousand units



- ▶ Sharp decline in demand in Europe
- ▶ Reduction in orders for our own short-term rental fleet

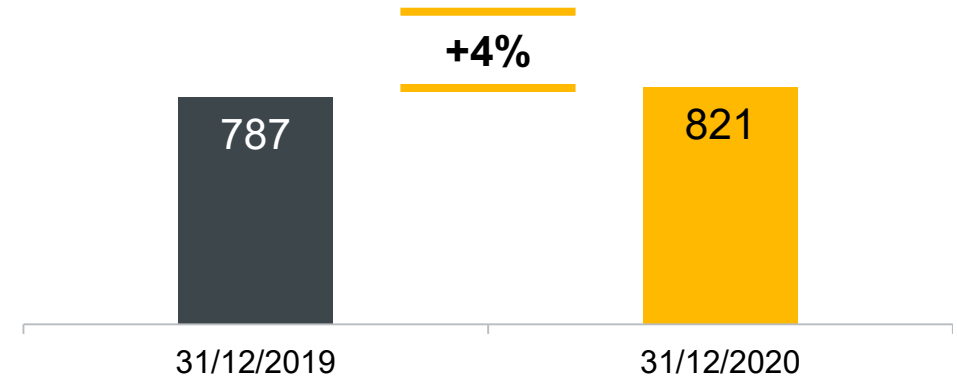
# Revenue downturn primarily due to coronavirus

**Group revenue**  
in € million



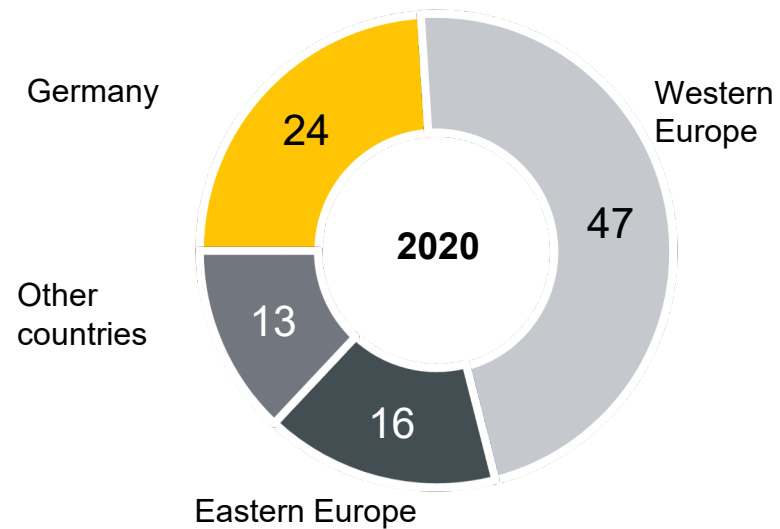
- ▶ Decisive revenue downturn in new truck business (€-341 million)
- ▶ Rental revenue down
- ▶ After-sales services have a stabilising effect

**Orders on hand**  
in € million



# Noticeable decline in revenue in Western Europe

Revenue by region  
in %

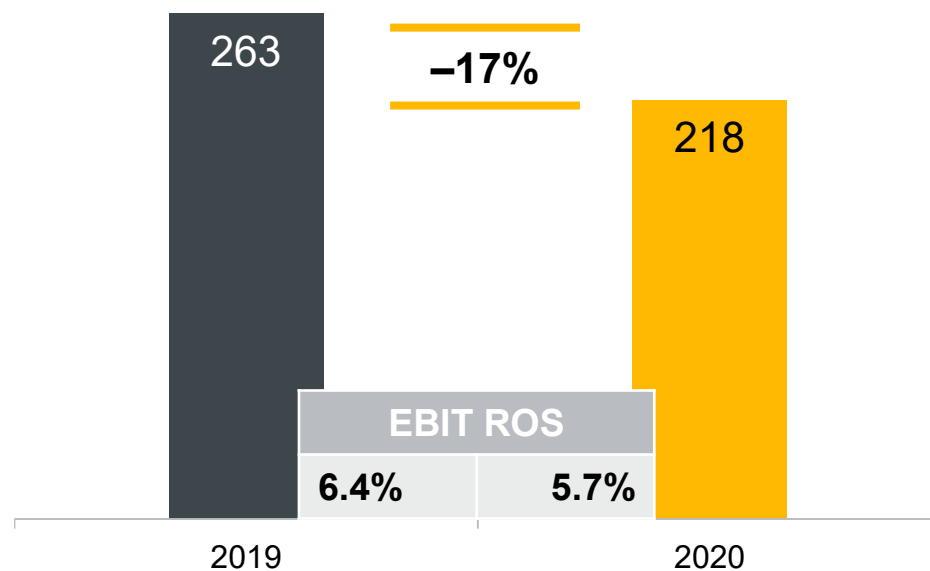


in € million	2020	2019	Change %
Germany	917	966	-5.1
Western Europe	1,778	1,931	-7.9
Eastern Europe	623	631	-1.3
Other countries	491	545	-9.9
Total	3,809	4,073	-6.5

# Respectable result despite Covid-19 pandemic

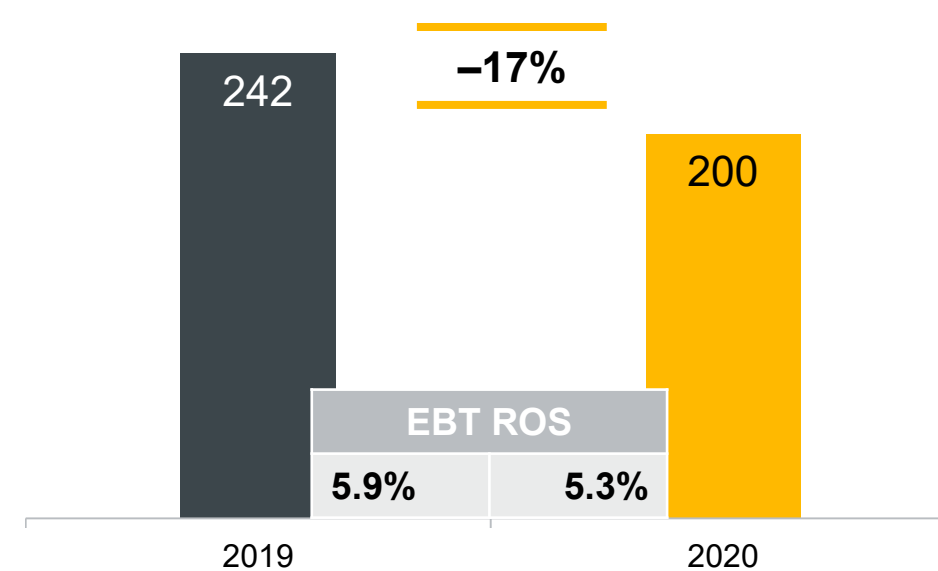
## EBIT

in € million



## EBT

in € million

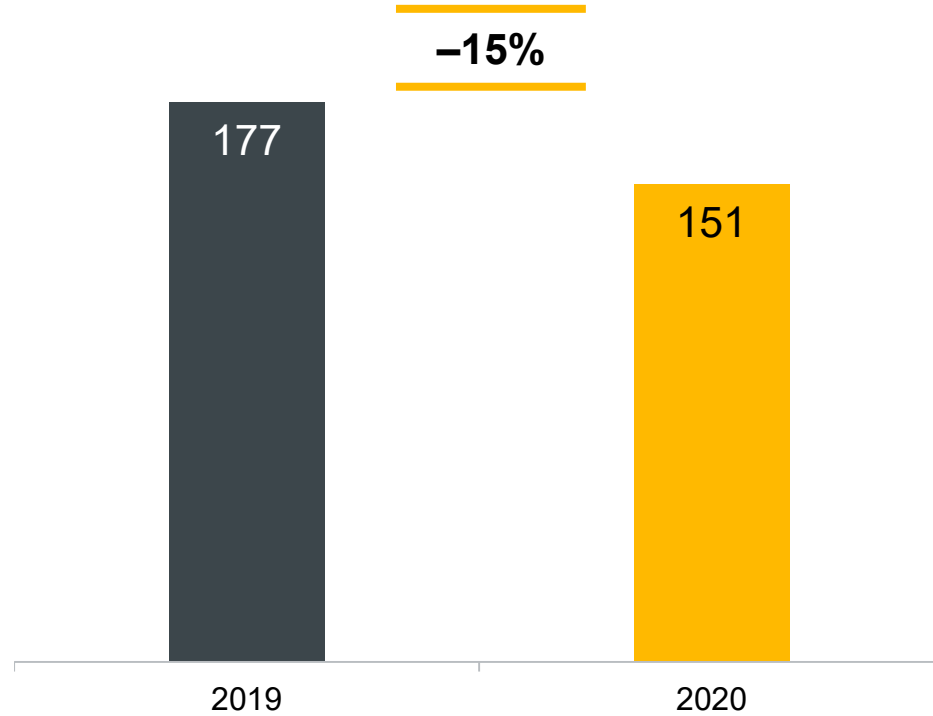


- ▶ Lower capacity utilisation determines revenue decline
- ▶ EBIT includes expenses from impairment losses on acquired intangible assets (€17 million), on capitalised development expenditure (€22 million) and on goodwill (€10 million)
- ▶ Cost reduction and efficiency measures strengthen result

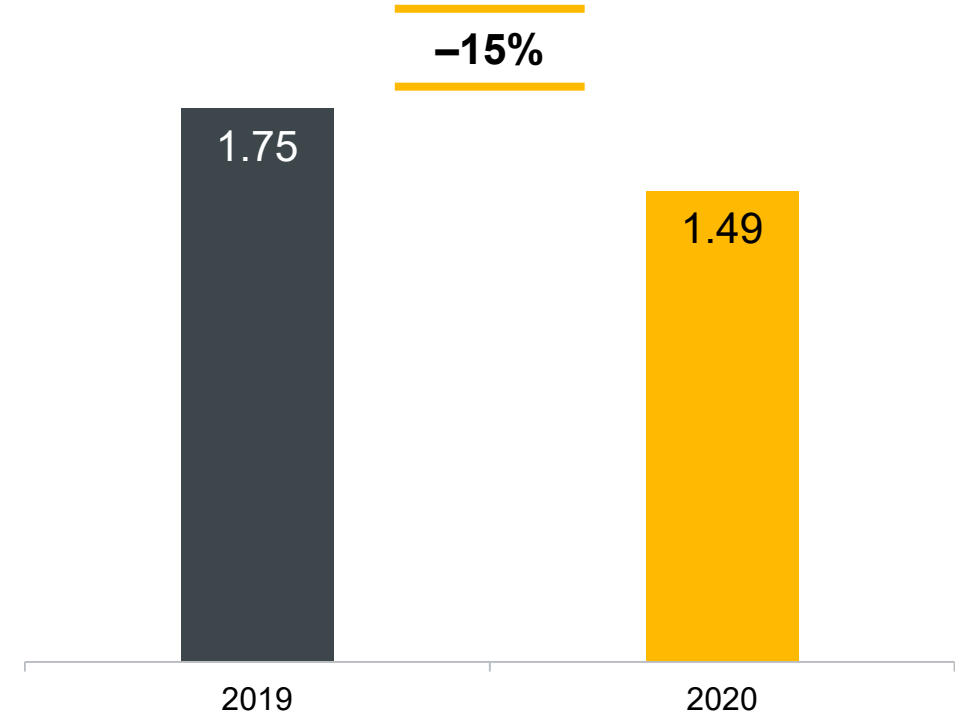


# Good profit or loss achieved

**Profit or loss**  
in € million



**Earnings per preferred share<sup>1)</sup>**  
in €

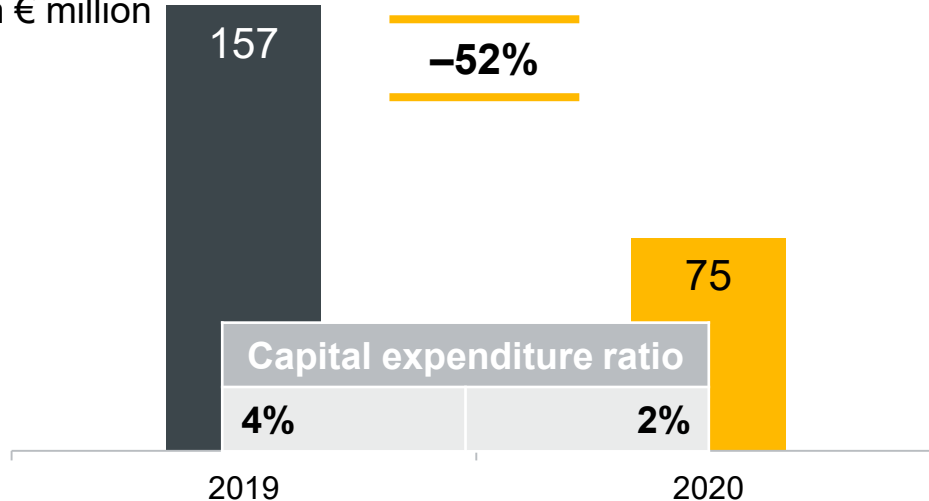


1) Based on share of earnings attributable to the shareholders of Jungheinrich AG

## 2020 characterised by restrained investment policy, R&D expenditure at previous year's level

### Capital expenditure<sup>1)</sup>

in € million

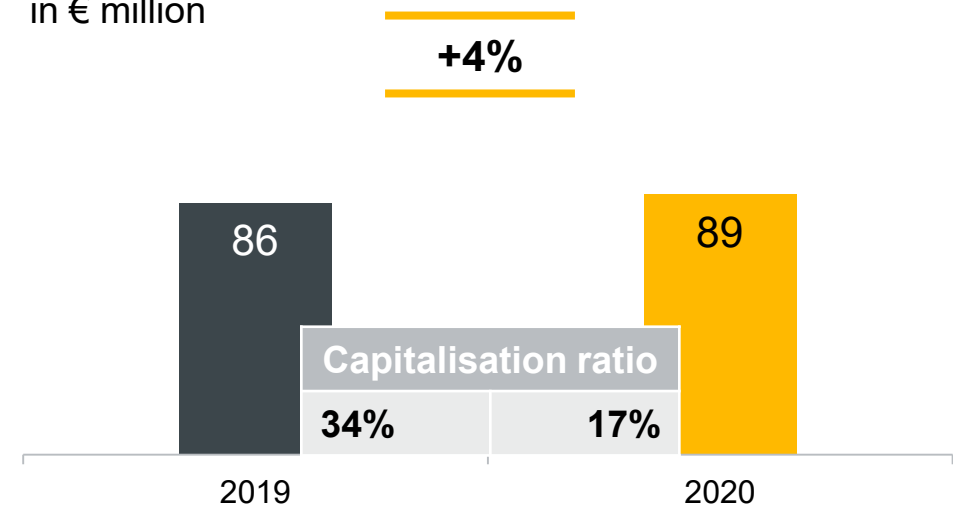


Major capital expenditure in the reporting year:

- ▶ Expansion of the plant in Degernpont
- ▶ Expansion of plant in Hungary for stacker cranes

### Research & Development expenditure

in € million



Focus on:

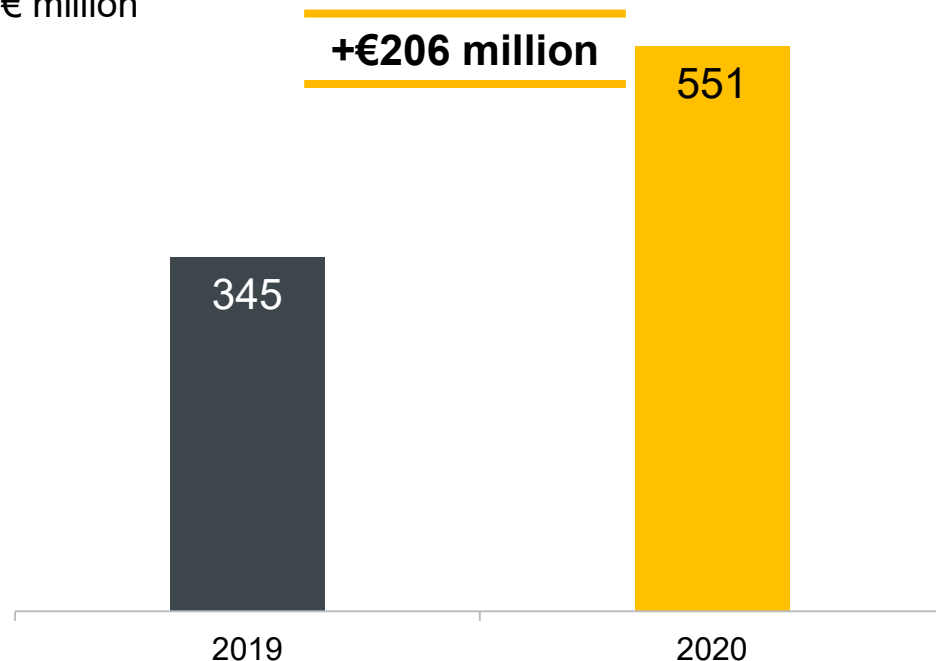
- ▶ Efficient energy storage systems
- ▶ Innovative trucks with integrated lithium-ion technology
- ▶ Digital products
- ▶ Automation of material handling equipment
- ▶ Optimisation of automated systems

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

# Cash flow from operating activities significantly increased

## Cash flow from operating activities

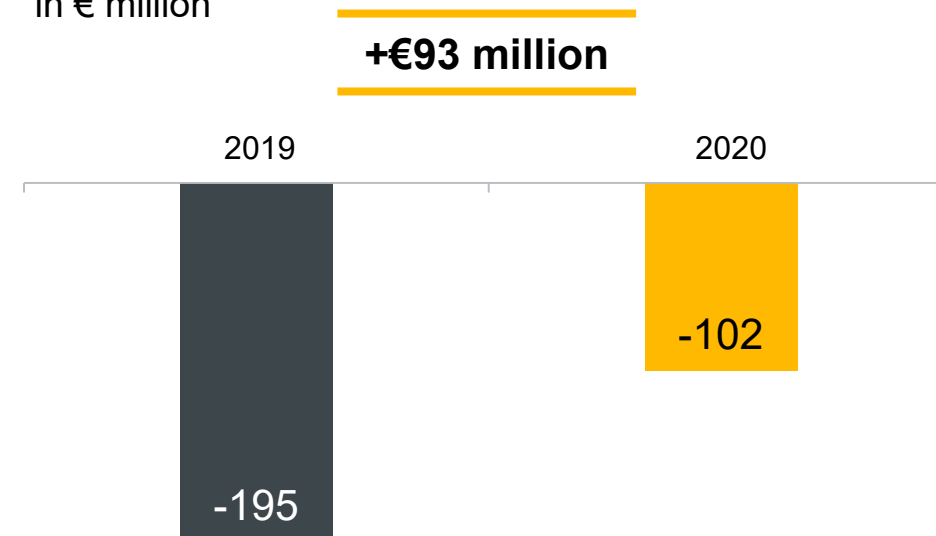
in € million



- ▶ Release of working capital (€110 million)
- ▶ Significantly reduced cash outflow for additions to trucks for short-term rental and lease and receivables from financial services, including underlying financing (€58 million less)

## Cash flow from investing activities<sup>1)</sup>

in € million

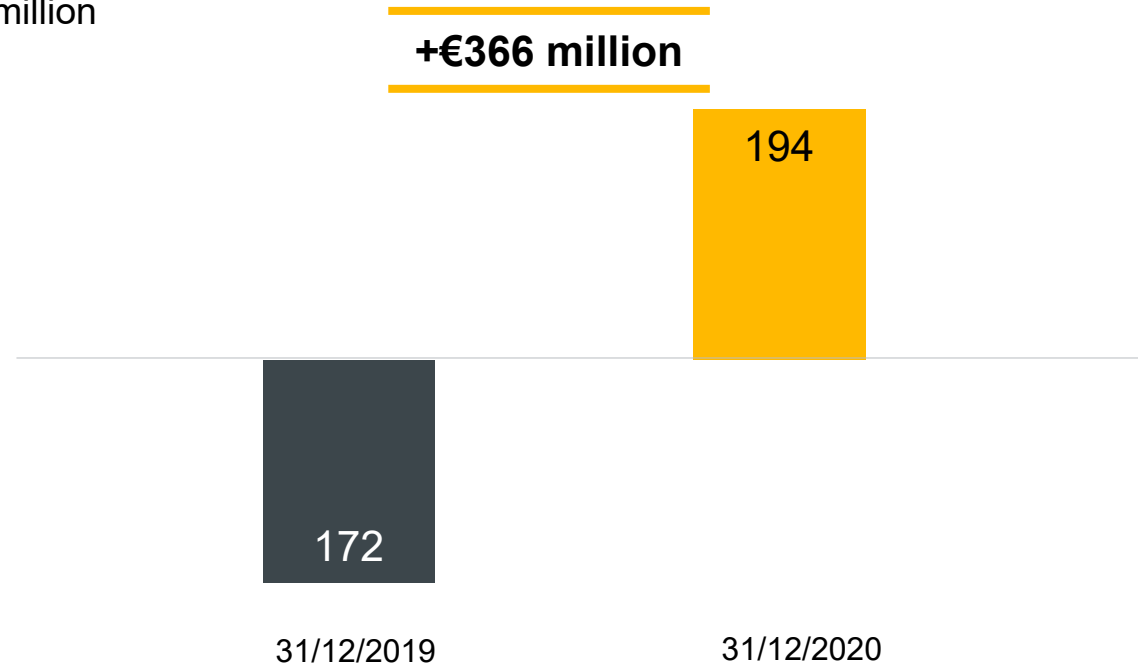


- ▶ Restrained investments in expansion and replacements

1) Excluding the balance of payments for the purchase/proceeds from the sale of securities and payments for time deposits and proceeds from time deposits totalling €-124 million (previous year: €-13 million).

# Significant net credit achieved

**Net debt/net credit**  
in € million

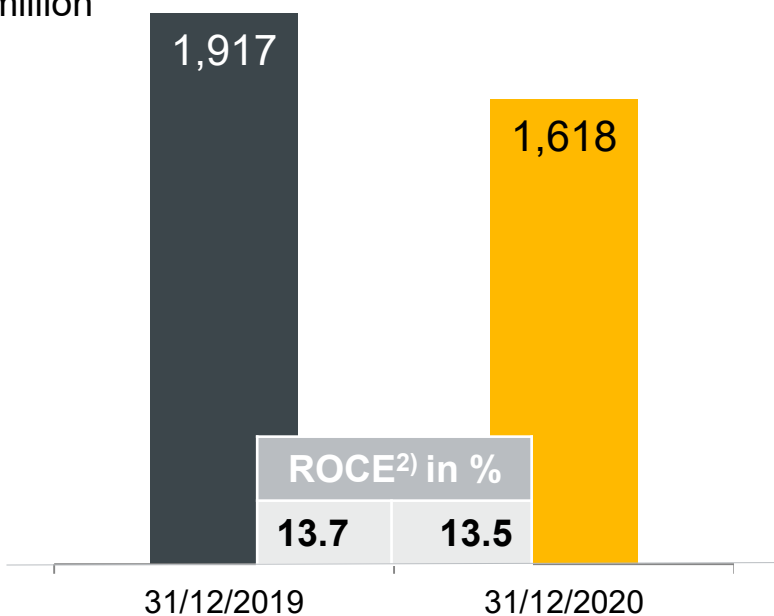


- ▶ Noticeably less capital expenditure
- ▶ Decreased supply of new trucks to the short-term rental fleet
- ▶ Release of working capital

# ROCE nearly stable; working capital ratio reduced

## Capital employed<sup>1)</sup>

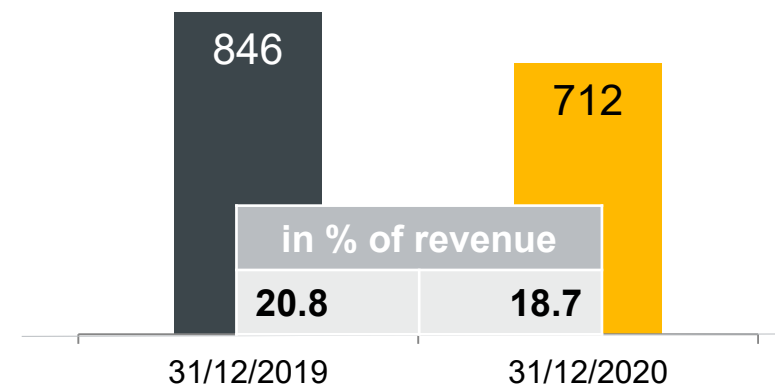
in € million



- ▶ Lower EBIT due to noticeably reduced interest-bearing capital

## Working capital

in € million



- ▶ Release of working capital

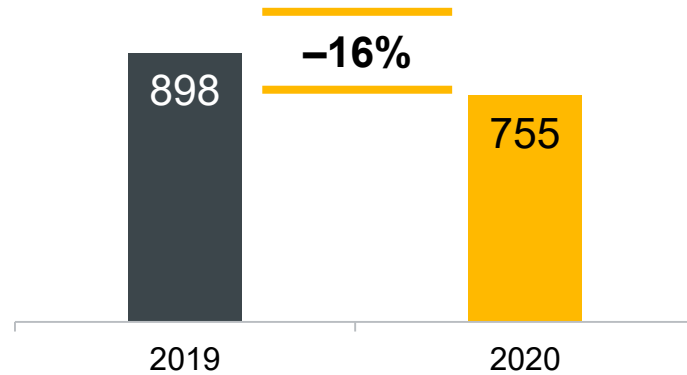
1) Shareholders' equity + Financial liabilities – Cash and cash equivalents and securities + Provisions for pensions and long-term personnel obligations

2) EBIT / Employed interest-bearing capital x 100

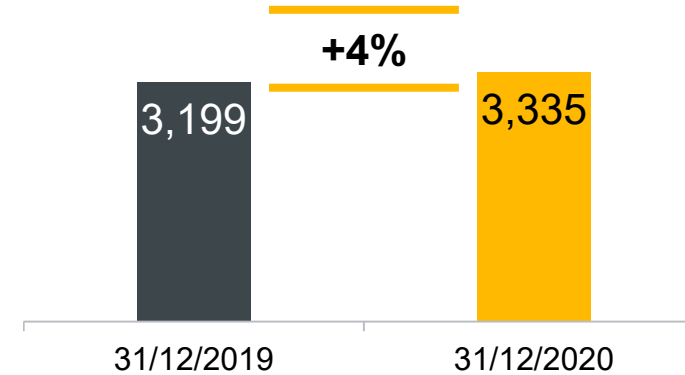


# Financial Services: Revenue still above €1 billion; increase in contracts on hand

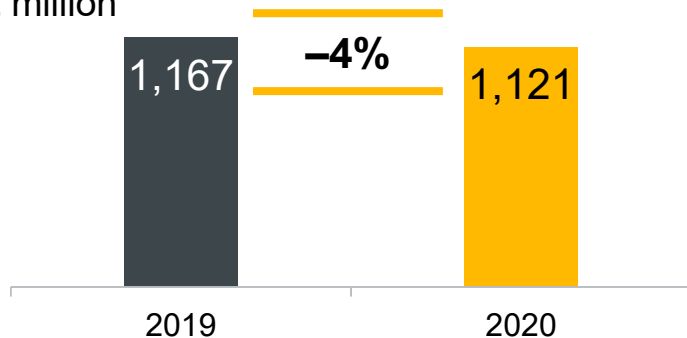
**Original value of new contracts**  
in € million



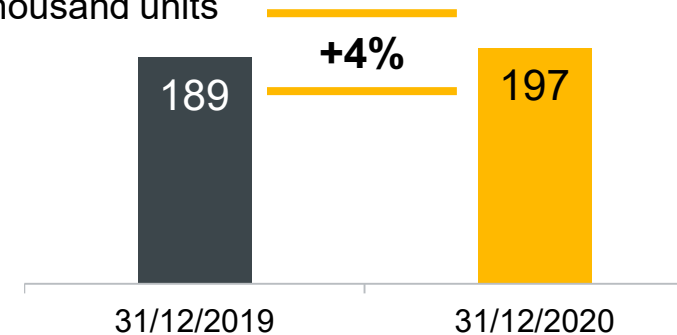
**Original value of contracts on hand**  
in € million



**Revenue**  
in € million

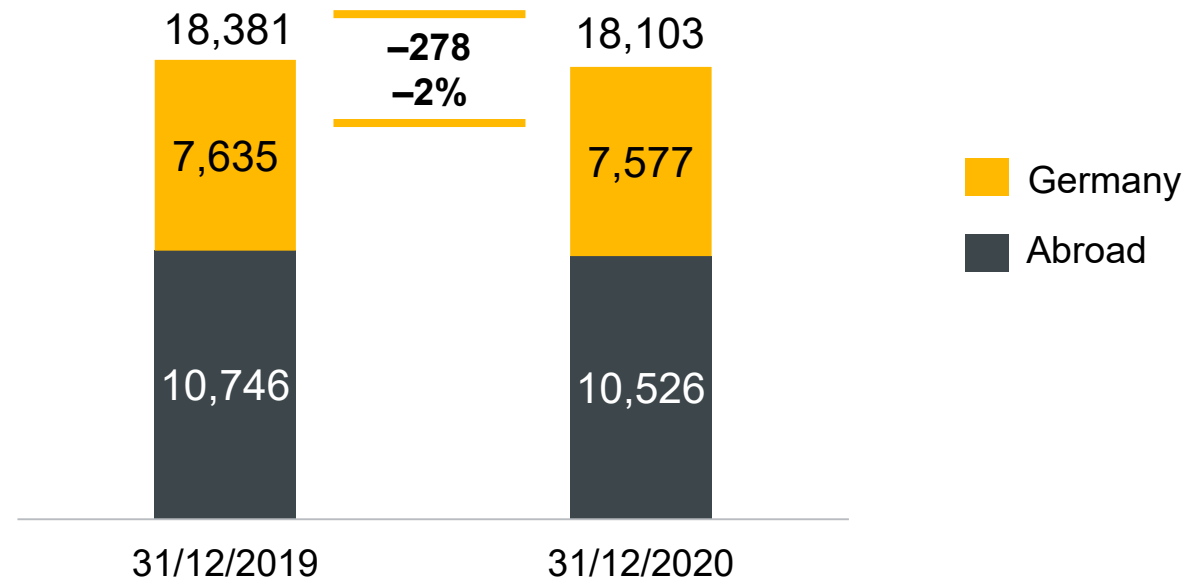


**Trucks in contracts on hand**  
in thousand units



# Reduction in the number of employees due to restraint in new hires

**Employees in the Group**  
in full-time equivalents<sup>1)</sup>



- ▶ 43% of the workforce in after-sales services
- ▶ Annual average of temporary workers reduced by about half to 251

1) Employees including trainees and apprentices, excluding temporary workers



# Agenda

## HIGHLIGHTS 2020

Dr Lars Brzoska, CEO

## MARKET & FINANCIAL KEY FIGURES 2020

Dr Volker Hues, CFO

## OUTLOOK 2021

Dr Lars Brzoska, CEO

# Initial successes with containment of coronavirus improve global growth prospects – environment still risky

1. Further course of the Covid-19 pandemic

2. Escalations of trade conflicts

3. Debt problem, particularly in some European countries

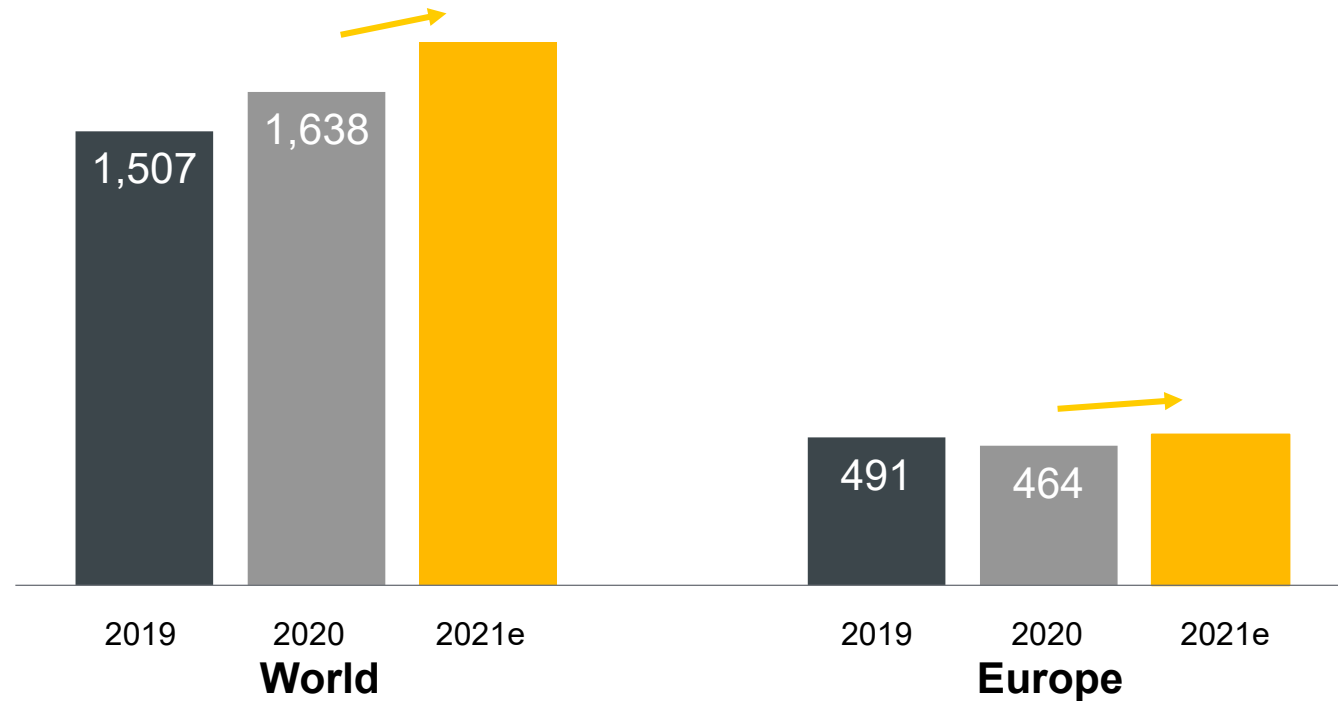
4. Geopolitical changes

5. Implementation of the withdrawal agreement between the European Union and the UK

GDP in %	2020	2021 forecast
World	−3.5	5.5
USA	−3.4	5.1
China	2.3	8.1
Eurozone	−7.2	4.2
Germany	−5.4	3.5

Source: IMF (International Monetary Fund, 26 January 2021)

## Jungheinrich market outlook 2021: Global market growth continues



- ▶ World market growth is expected to be in the mid-to-high single-digit per cent range.
- ▶ In the European core market, market growth is expected to be in the mid-single-digit per cent range.
- ▶ Development in individual markets is expected to be very different depending on the success of coronavirus containment measures and the implementation of individual national vaccination programmes.



# Jungheinrich Group 2021 forecast

	Actual 2020	2021 forecast
<b>Incoming orders</b> in € billion	3.78	3.9 to 4.1
<b>Revenue</b> in € billion	3.81	3.9 to 4.1
<b>EBIT</b> in € million	218	260 to 310
<b>EBIT ROS</b> in %	5.7	6.7 to 7.6
<b>EBT</b> in € million	200	240 to 290
<b>EBT ROS</b> in %	5.3	6.2 to 7.1
<b>Net credit</b> in € million	194	considerably > 200
<b>ROCE</b> in %	13.5	14 to 18

- Forecast values refer to organic growth.
- Uncertainties remain regarding the further spread of the coronavirus and the associated impact on customer demand and supply chains.
- The forecast is based on the assumption that in the course of 2021, there will be no lockdown measures leading to plant closures that are more extensive than in 2020, and that supply chains remain intact.

# Disclaimer

Unforeseeable developments may cause the actual business trend to differ in future from the expectations, assumptions and estimates of the management of Jungheinrich that are reproduced 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 the exchange rate and interest rates. No responsibility is therefore taken for the forward-looking statements in this presentation.

The logo for Jungheinrich, featuring a red stylized arrow pointing upwards and to the right, followed by the word "JUNGHEINRICH" in a bold, black, italicized sans-serif font.

***JUNGHEINRICH***



## NOTES

## Jungheinrich key figures 2016 – 2020 (I)

in € million	2016	2017	2018	2019	2020
Incoming orders	3,220	3,560	3,971	3,922	3,777
Group revenue	3,085	3,435	3,796	4,073	3,809
thereof Germany	753	851	900	966	917
thereof abroad	2,332	2,584	2,896	3,107	2,892
EBIT	235	259	275	263	218
EBIT ROS	7.6%	7.5%	7.2%	6.4%	5.7%
Capital employed <sup>1)</sup>	1,318	1,497	1,717	1,917	1,618
ROCE <sup>2)3)</sup>	17.8%	17.3%	16.0%	13.7%	13.5%
R&D expenditure	62	77	84	86	89
Capital expenditure <sup>4)</sup>	59	88	106	157	75

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) Determined according to accounting changes as at 1/1/2019 (IFRS 16 "Leases"). (Values from the previous year have not been adjusted)

4) Property, plant and equipment, and intangible assets excluding capitalised development expenditure and right-of-use assets



## Jungheinrich key figures 2016 – 2020 (II)

in € million	2016	2017	2018	2019	2020
Equity ratio (Intralogistics)	48%	48%	46%	46%	45%
Equity ratio (Group)	31%	30%	29%	28%	29%
Net debt (+)/ net credit (–) <sup>1)2)</sup>	–56	7	108	172	–194
Tax ratio	28%	25%	29%	27%	25%
Profit or loss	154	182	176	177	151
Employees (FTE <sup>3)</sup> )	15,010	16,248	17,877	18,381	18,103
thereof Germany	6,511	6,962	7,378	7,635	7,577
thereof abroad	8,499	9,286	10,499	10,746	10,526
Dividend per preferred share	€0.44	€0.50	€0.50	€0.48	€0.43 <sup>4)</sup>

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

2) Determined according to accounting changes as at 1/1/2019 (IFRS 16 “Leases”). (Values from the previous year have not been adjusted)

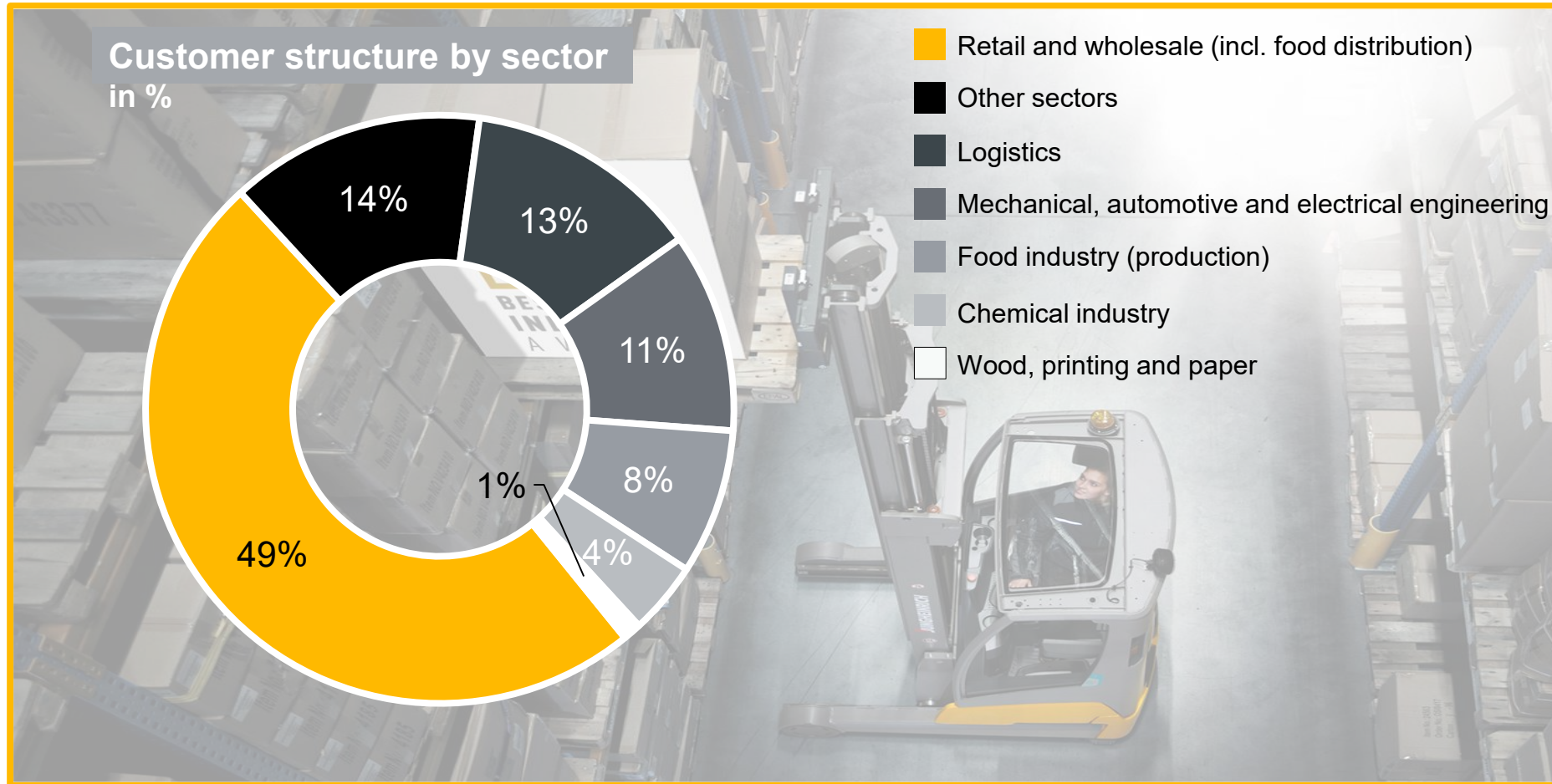
3) In full-time equivalents, always on 31/12

4) Proposal

# Business model



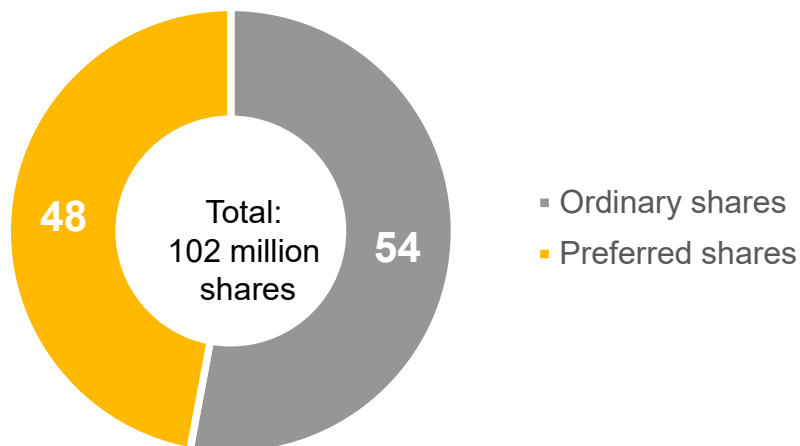
# Customer structure, diversified by sector



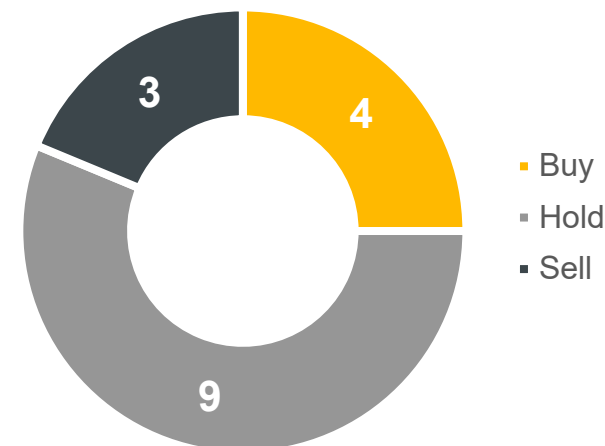
Based on approximately 70% of incoming orders in units, 2020

# Jungheinrich share: Key figures and analyst coverage

## Share structure



## Analyst coverage as at 31/12/2020



Key figures for the share	2016	2017	2018	2019	2020
Earnings per preferred share	€1.52	€1.80	€1.73	€1.75	€1.49
Dividend per preferred share	€0.44	€0.50	€0.50	€0.48	€0.43 (proposal)
Total dividend distribution	€44 million	€50 million	€50 million	€48 million	€43 million
Distribution ratio	29%	28%	28%	27%	28%

# 2021 financial calendar and IR contact

Date	Event
26/03/2021	Balance sheet press conference (virtual)
26/03/2021	Analyst conference (virtual)
07/05/2021	Interim statement as at 31/03/2021
11/05/2021	2021 Annual General Meeting
14/05/2021	Dividend payment
12/08/2021	Interim report as at 30/06/2021
10/11/2021	Interim statement as at 30/09/2021

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

ISIN: DE0006219934	Segment: Prime Standard	Ticker: Reuters JUNG_p.de
WKN: 621 993	Sector: Industry	Bloomberg JUN3 GR
	Stock index: SDAX	



## IR contact

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