Interim report as of 30 June 2020

Conference call

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Hamburg, 11 August 2020

Highlights of H1 2020

H1 2020

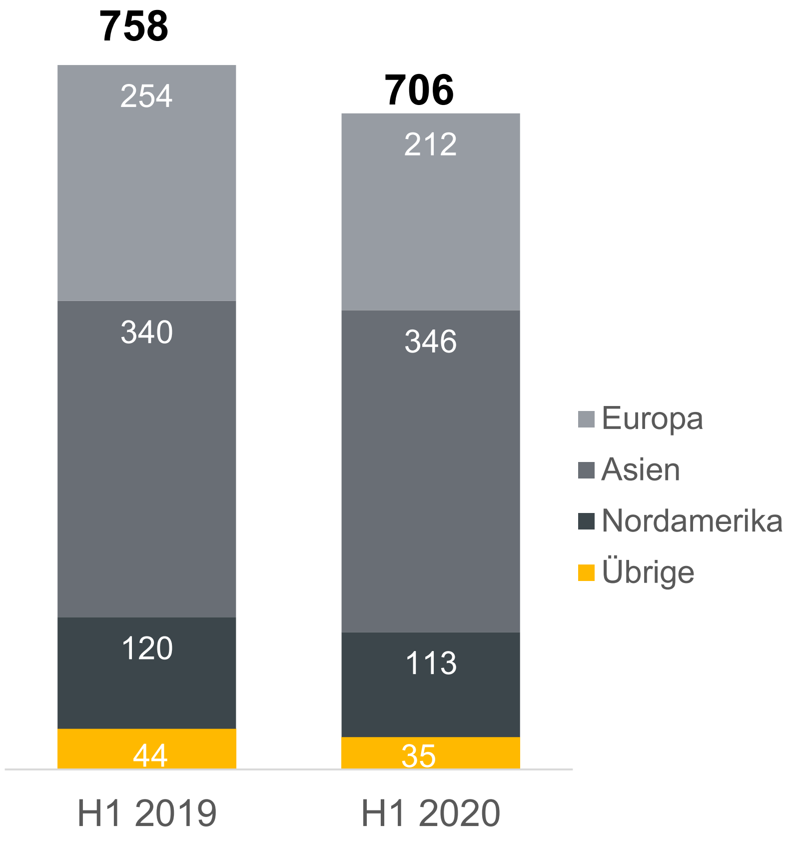
- Jungheinrich has performed well in a tense market environment resulting from the COVID-19 crisis.
- The value of incoming orders came to €1.8 billion in the first half of 2020, despite restricted access to customers.
- The decline in revenue was moderate, with a drop of 8 per cent to €1.8 billion.
- 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%

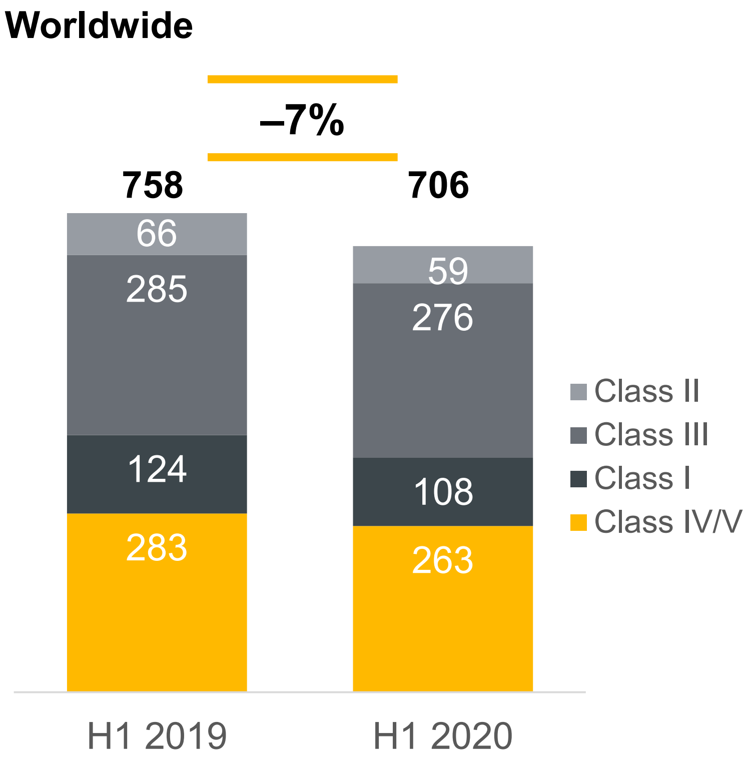
Worldwide **–7%**



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



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

JUNGHEINRICH

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

EUROPE	2019				2020		2018	2019
	Q1	Q2	Q3	Q4	Q1	Q2	FY	FY
	–4.3%	–9.8%	–8.4%	–3.2%	–5.4%	–28.1%	+11.4%	–6.4%

CHINA	2019				2020		2018	2019
	Q1	Q2	Q3	Q4	Q1	Q2	FY	FY
	+11.1%	–4.5%	+4.2%	+26.9%	–21.8%	+40.6 %	+15.2 %	+8.5%

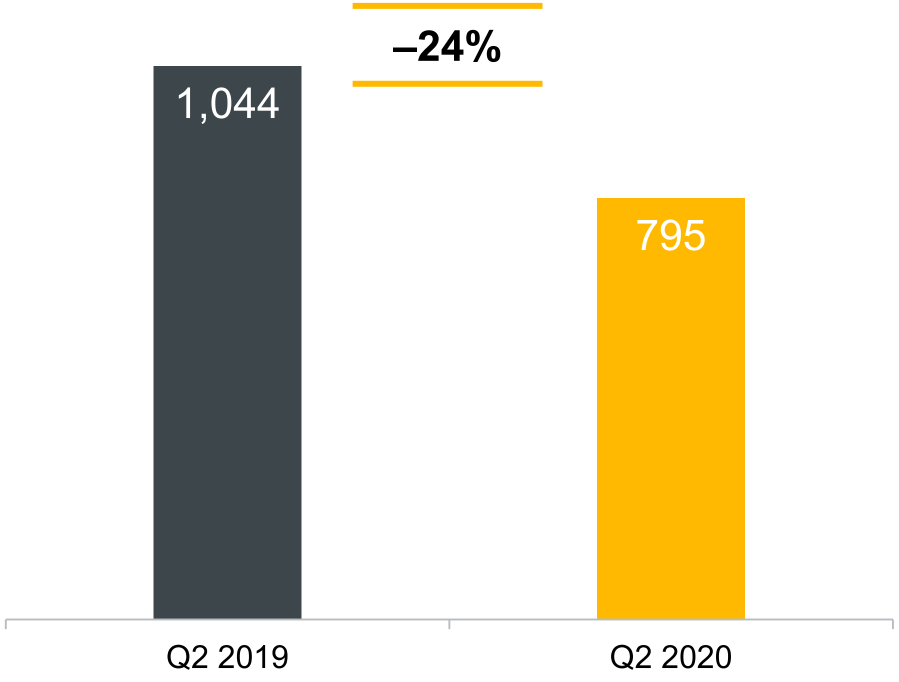
NORTH AMERICA	2019				2020		2018	2019
	Q1	Q2	Q3	Q4	Q1	Q2	FY	FY
	–22.1%	–9.0%	+1.9%	–0.8%	+5.4%	–15.9%	+3.9%	–7.8%

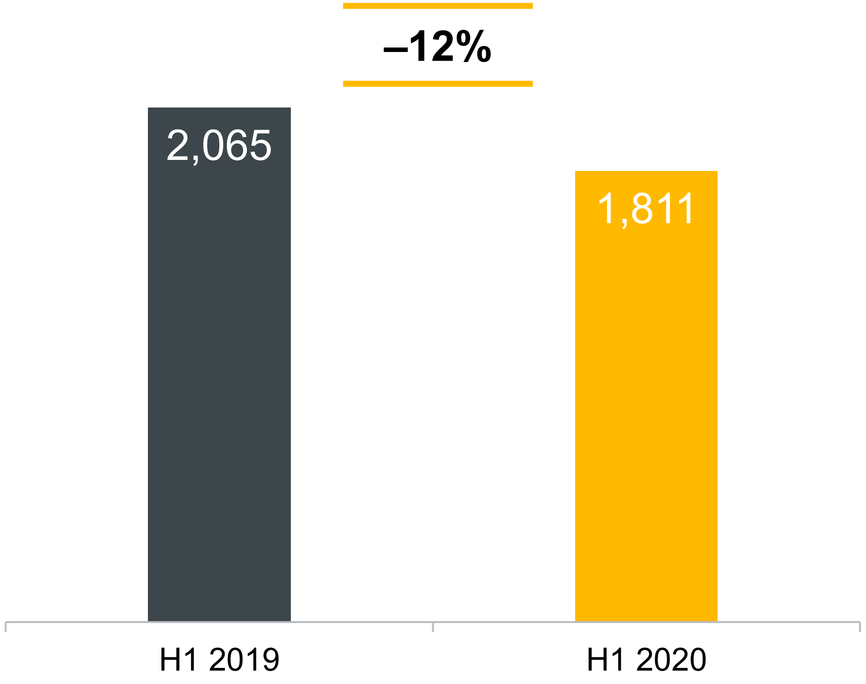
WORLD	2019				2020		2018	2019
	Q1	Q2	Q3	Q4	Q1	Q2	FY	FY
	–2.6%	–7.6%	–2.4%	+5.1%	–9.4%	–4.5%	+10.3%	–2.0%

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)

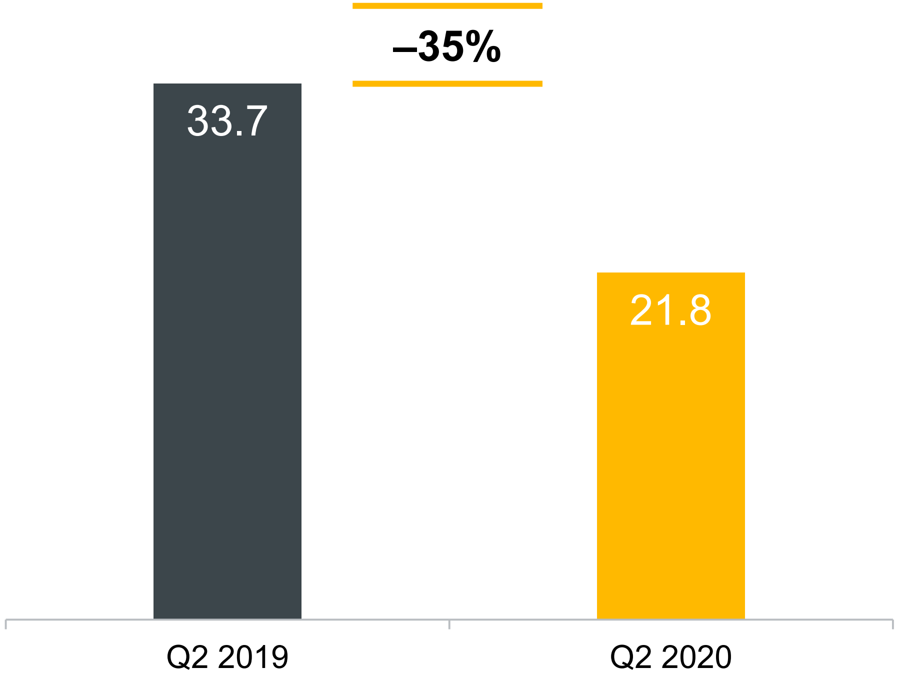
Incoming orders, in € million

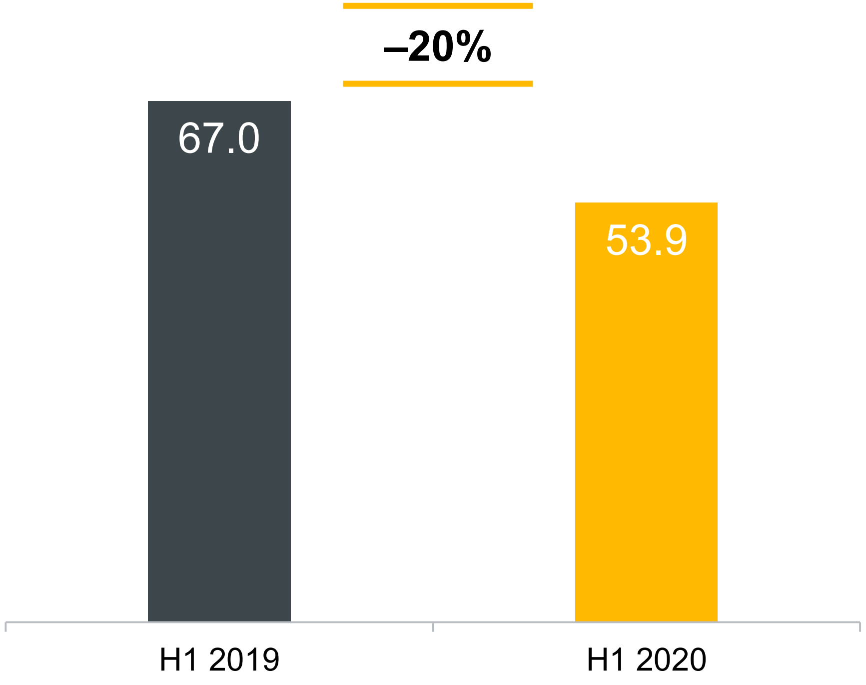




Unit figures affected by lower demand and clear reduction in orders for own short-term rental fleet

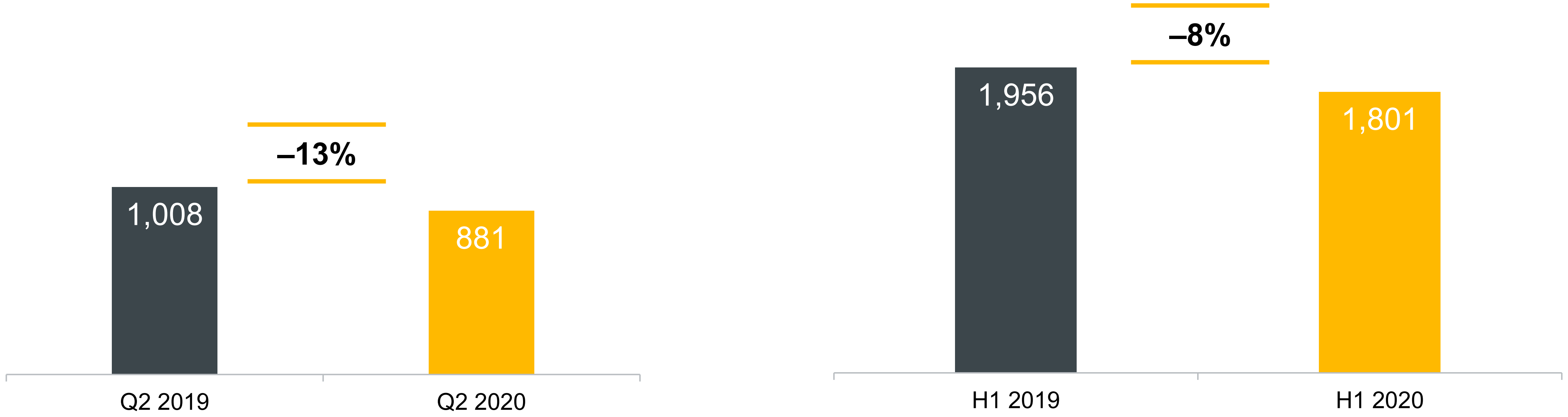
Incoming orders, in thousand units





Moderate drop in Group revenue

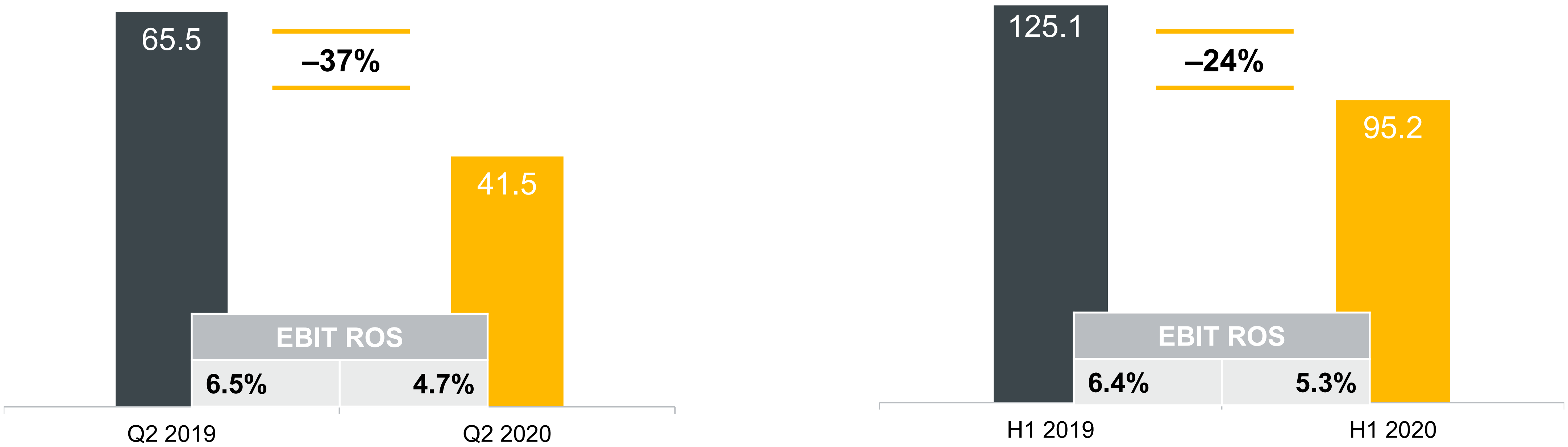
Revenue, in € million



- 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

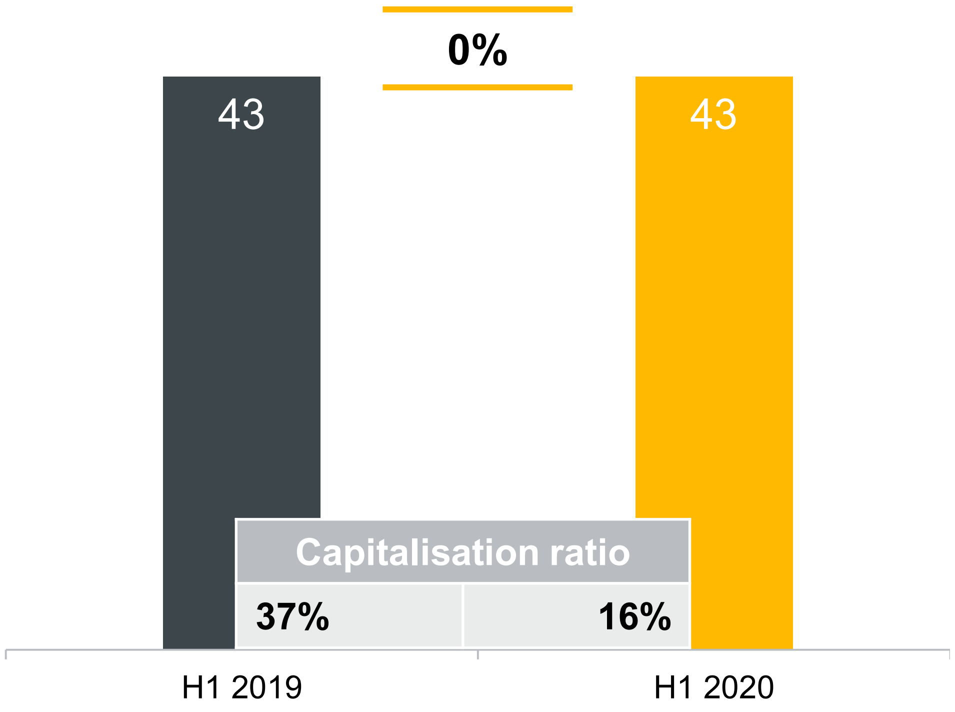
EBIT, in € million



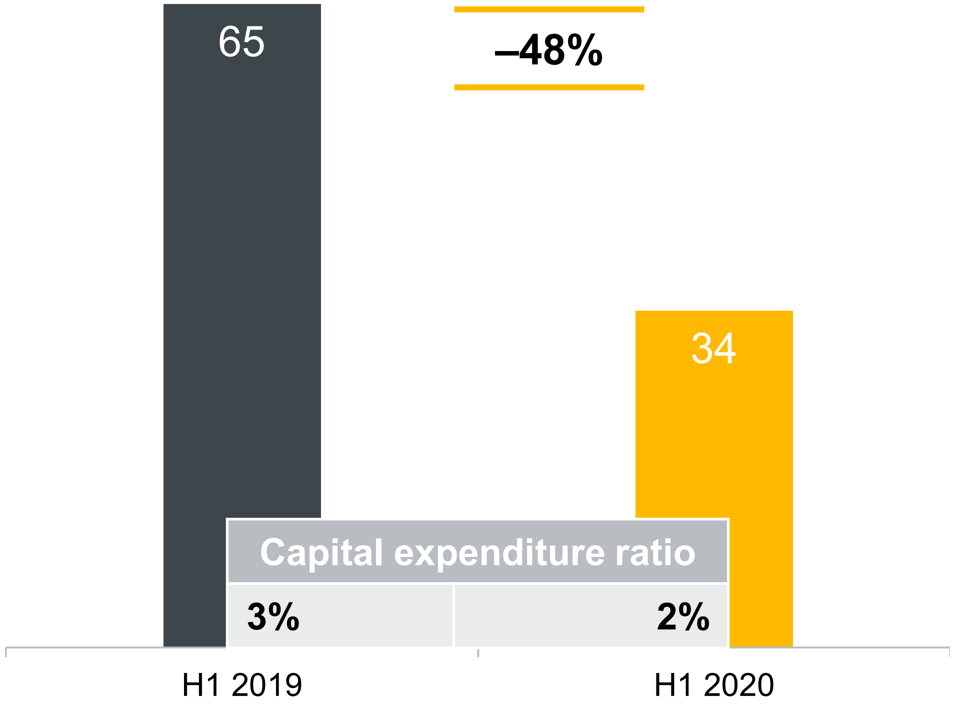
- EBIT includes €5 million in impairment losses on goodwill.
- Cost-cutting measures are bearing fruit.
- The expenditure for strategic projects to optimise processes and improve efficiency and digitalisation have not been reduced.
- The previous year's figures have been adjusted and take into consideration 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



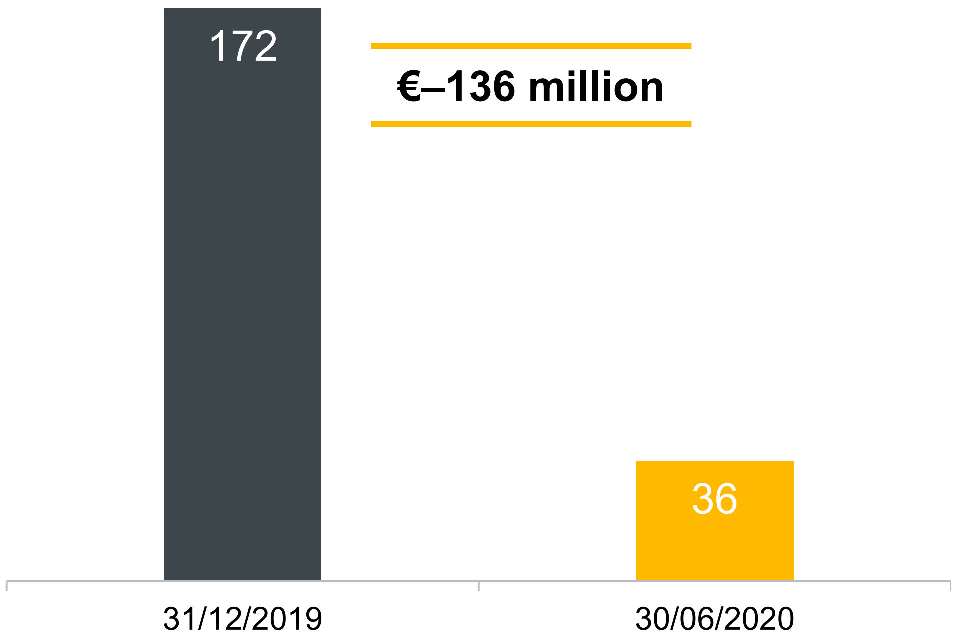
Capital expenditure, in € million



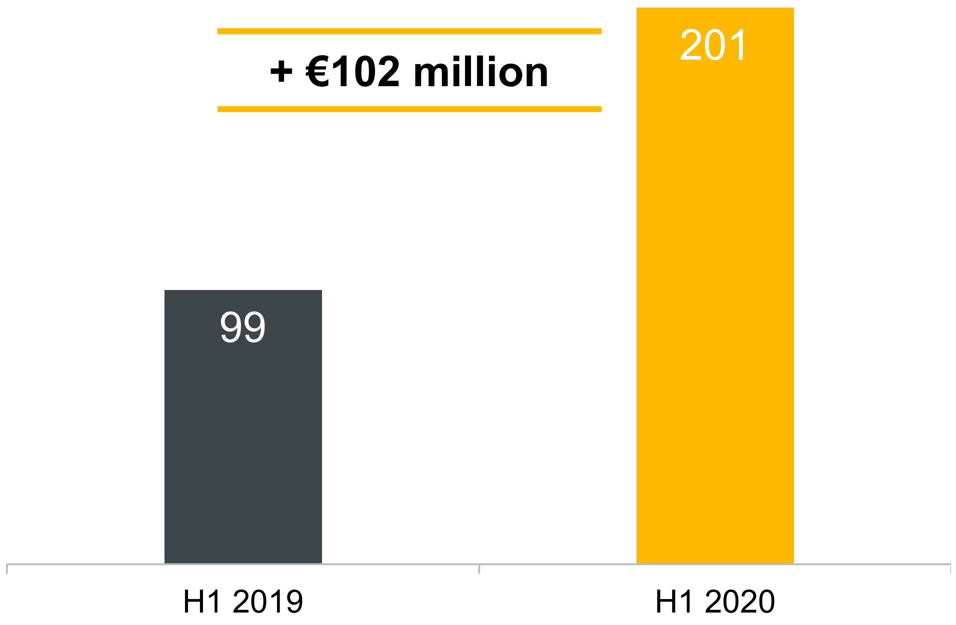
- Priorities in 2020: expansion of the Degernpoint plant, expansion of production of lithium-ion batteries, expansion of stacker crane plant (Hungary)

Net debt reduced significantly, cash flow doubled

Net debt, in € million



Cash flow from operating activities, in € million

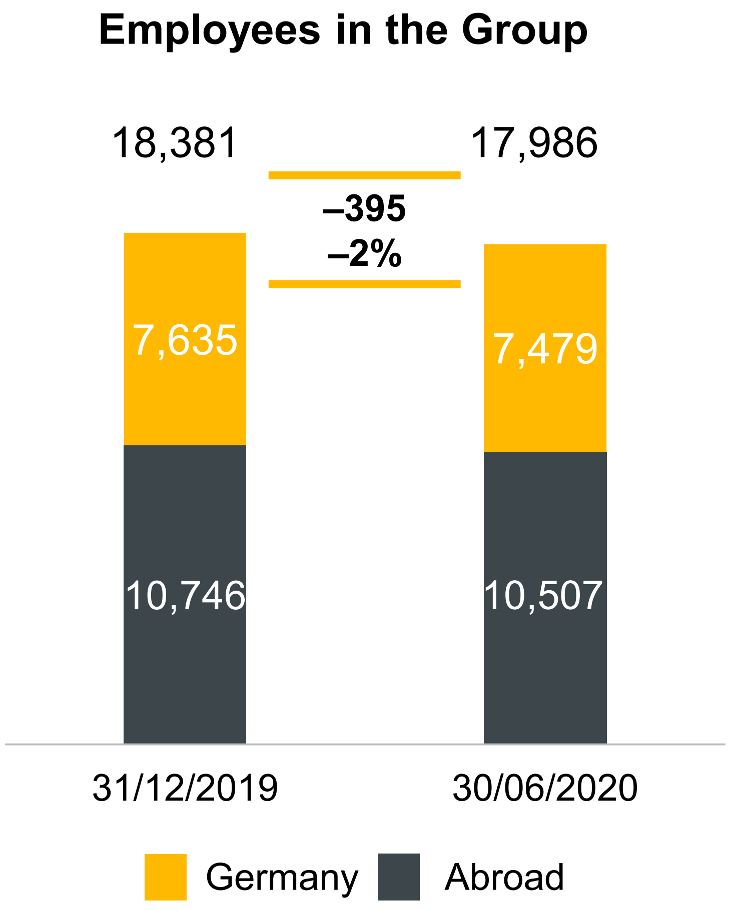


- The €136 million improvement is first and foremost the result of measures to reduce working capital and the decreased supply of new trucks to the short-term rental fleet.

- 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



- 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.

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.

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