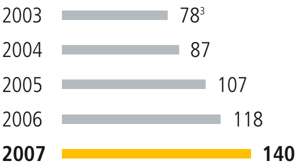
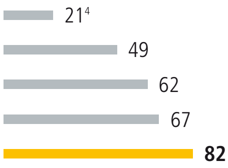
Annual Report 2007

JUNGHEINRICH

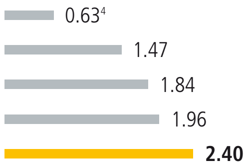
Earnings before interest and taxes (EBIT) in million €



Net income
in million €



Earnings per share
in €



Jungheinrich Group		2007	2006	Change in %	2005	2004	2003
Net Sales							
Germany	million €	505	464	8.8	453	422	407
Abroad	million €	1,496	1,284	16.5	1,192	1,109	1,064
Total	million €	2,001	1,748	14.5	1,645	1,531	1,471
Foreign ratio	%	75	73	–	72	72	72
Production of material handling equipment	units	82,400	75,900	8.6	66,500	58,800	59,200
Balance sheet total	million €	2,073	1,813	14.2	1,700	1,538	1,498
Shareholders' equity	million €	554	485	14.2	437	384	358
thereof subscribed capital	million €	102	102	–	102	102	102
Capital expenditures[1]	million €	52	52	0.0	42	33	61
Research and development	million €	41	44	– 6.8	40	38	33
Earnings before interest and taxes (EBIT)	million €	140	118	18.6	107	87	78[3]
EBIT return on sales (ROS)	%	7.0	6.8	–	6.5	5.7	5.3
EBIT return on capital employed (ROCE)[2]	%	24.1	23.5	–	25.2	24.2	22.5
Net income	million €	82	67	22.4	62	49	21[4]
Employees[6]							
Germany	Dec. 31	4,761	4,568	4.2	4,458	4,464	4,452
Abroad	Dec. 31	5,417	4,706	15.1	4,540	4,544	4,781
Total	Dec. 31	10,178	9,274	9.7	8,998	9,008	9,233
Earnings per share	€	2.40	1.96	22.4	1.84	1.47	0.63[4]
Dividend per share – Ordinary shares	€	0.52[5]	0.48	8.3	0.45	0.42	0.39
– Preferred shares	€	0.58[5]	0.54	7.4	0.51	0.48	0.45

1 Not including trucks for short-term hire and lease, capitalized development costs and financial assets.
2 EBIT as a percentage of employed interest-bearing capital.
3 Not including expenses associated with the closure of MIC S.A.
4 Including expenses associated with the closure of MIC S.A.
5 Proposal.
6 Where reference is made in the text to employees, this is to be understood to include both male and female employees.

Front cover
High technology en route to the customer: the new heavy-duty diesel-powered trucks.

Annual Report 2007

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Ladies and Gentlemen,

Jungheinrich stayed the course for growth it has been charting in recent years and brought fiscal 2007 to a successful conclusion. The key performance indicators in this annual report provide impressive proof of this. I am very optimistic about the future of our company as well – Jungheinrich will stay on track.

The growth of the world market for material handling equipment had strong momentum in the financial year that just ended. It was above all the markets of the future in Eastern Europe and Asia, with China leading the way, which proved to be the growth drivers. They recorded especially strong gains and led to a significant increase in the orders we received for warehousing equipment and counterbalanced trucks. We expect to see moderate economic growth in the year underway as well as a continuation of our positive business trend.

We set ourselves some clear goals for 2008: We intend to further expand our international market and service presence in Europe and on the booming markets of Russia and China. Jungheinrich set the course for this in the last fiscal year:

We are ready to go with a new generation of IC engine-powered trucks featuring hydrostatic drive trains. These forklifts, which are at the technological forefront, will enable us to significantly increase business in this segment. We developed further innovative products, which will be presented to the international specialist audience at CeMAT, the sector's biggest trade show worldwide, in May 2008.

In 2007, we decided to build a new plant for manufacturing battery-powered low-platform trucks in Landsberg near Halle (Saxony-Anhalt), in order to be well prepared for the market's future growth. Production is scheduled to start in mid-2009. Plans to increase capacity at the Moosburg site will materialize over the course of the year.

We will maintain our high level of research and development work in 2008. By undertaking these efforts, we want to provide continued proof of the fact that Jungheinrich's technological innovations have a significant customer benefit. This is what our good reputation in intralogistics is based on. As the pioneer in three-phase alternating current technology, we placed our chips on extremely energy-efficient drive trains and improving their performance early on. We are doing intensive research and development work on alternative drive variants, which have the potential to play a role in the future. In so doing, Jungheinrich is helping to make environmentally friendly technologies more widespread and is furnishing strong evidence of the fact that it takes a circumspect approach when tackling environmental challenges.

As part of the reorganization of its corporate structure in terms of company law, which had evolved over time, major parts of Jungheinrich AG's operations were spun out into four business units and transferred to independent limited partnerships effective January 1, 2007. This move achieved the goal of having a structure oriented towards growth and competitiveness.

When I assumed chairmanship of the Board of Management of Jungheinrich AG from Mr. Wolfgang Kiel on May 1, 2007, I inherited a portfolio of outstanding products and a highly motivated team. This provides a solid foundation from which to continue writing the Jungheinrich success story, building on substantial commitment and good ideas. You can rest assured that customer satisfaction will remain the top priority under my leadership as well.

We thank our shareholders and customers for the trust they have placed in our company. Our appreciation also goes to our employees for their excellent commitment, flexibility and performance.

Hamburg, March 27, 2008

H. G. Frey

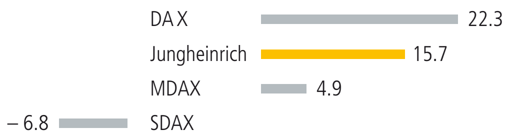
Hans-Georg Frey
Chairman of the Board of Management

The Jungheinrich share

Share outperforms second-line indices
Earnings trend rewarded by investors
Strong growth in trading volume
Share price achieves new all-time high
Turmoil at beginning of 2008
Repeated dividend increase

Well informed:
Jungheinrich employees have
their eyes on the markets.

Performance in 2007
in %



The Jungheinrich share put in a successful showing in the 2007 stock trading year: Share turnover doubled, with the share price recording a new all-time high. Jungheinrich's shares closed the stock trading year up 16 per cent. Fiscal 2008 got off to a turbulent start. Our shareholders will benefit from our positive earnings trend: Jungheinrich will increase its dividend once again.

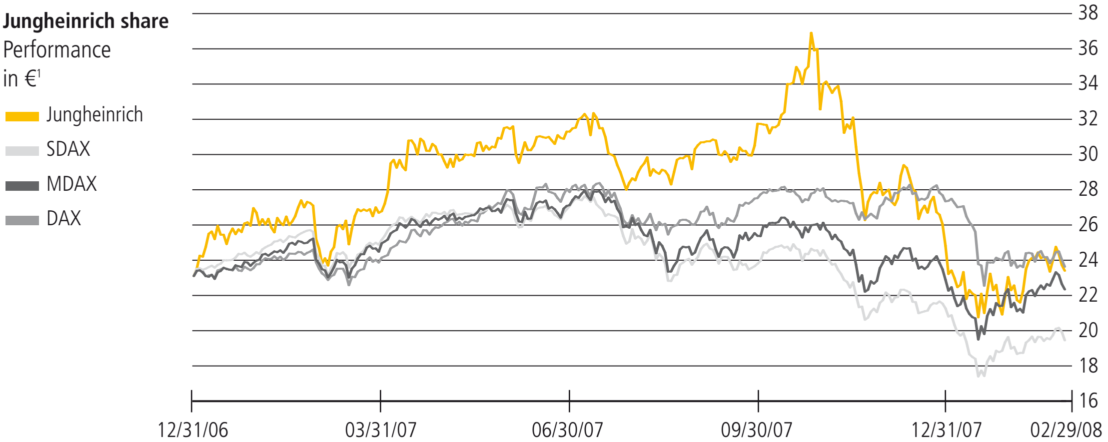
2007 stock trading year: Blue chips and second-tier issues displayed disparate development

The German stock market painted an inhomogeneous picture in the 2007 trading year. The upward trend displayed by blue chips continued for the fifth straight year. They outperformed second-line issues for the first time in this period. In the middle of the year, Germany's lead index, the DAX, briefly surpassed the record achieved in 2000, reaching a new all-time high at 8,151 points. Positive stimuli had the upper hand on the market in the first half of the year. This was predominantly due to the decline in crude oil prices and dwindling concern about inflation. In the second half of the year, however, the market's development was marked by weaker economic data, a resurgence in oil prices, and the appreciation of the euro over the US dollar. In the end, quotations were sent into a downward spiral by the rifts caused by the turmoil on the US mortgage market. At the end of 2007, the DAX was at 8,067 points (prior year: 6,597 points). This corresponds to an advance of 22.3 per cent. Second-tier indices closed with a much weaker performance due to the increasing sell-off of shares with low market capitalizations by institutional investors. The MDAX closed the year at 9,865 points (prior year: 9,405 points), up a mere 4.9 per cent, whereas the SDAX recorded a loss of 6.8 per cent, finishing at 5,192 points (prior year: 5,567 points).

Jungheinrich share posts strong performance and new all-time high

In the 2007 financial year, the Jungheinrich share displayed a development that clearly exceeded that of Germany's second-line indices. At the beginning of the period being reviewed, our share price benefited from the favourable environment on the stock market and the positive reactions displayed by market participants to the 2006 earnings figures published at the beginning of March. As the year progressed, reports on the 2006 financial statements delivered at the balance sheet and analyst conferences resulted in increased demand for Jungheinrich shares among institutional investors. The publication of the interim report on the first quarter of 2007 and coverage of the Annual General Meeting on June 5, 2007,

Jungheinrich share
Performance
in €[1]



1 All figures are indexed to the price of the Jungheinrich share.

Analyst coverage in 2007

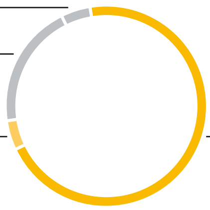
AC Research	GBC Investment Research	Merck Finck & Co.
Berenberg Bank	Hamburger Sparkasse	Sal. Oppenheim
BHF-Bank	HSBC Trinkaus & Burkhardt	Steubing
Commerzbank	Landesbank Baden-Württemberg	UniCredit
Deutsche Bank	Metzler Equity Research	Viscardi Securities
Dr. Kalliwoda Research	M. M. Warburg	West LB

supported the upward trend: New multi-year highs were achieved, the most recent one of which was €32.35 on July 12, 2007. Major profit-taking and significant corrections occurred over the continued course of the year. Following this, Jungheinrich shares entered the downward spiral resulting from the general uncertainty concerning the impact of the US mortgage crisis. This led to considerable share-price fluctuations. The interim report on the first half of 2007 that was released in August had a stabilizing effect. Stimulus was injected by the "Capital Market Day" held at the Norderstedt plant, which caused some of the financial analysts attending to make upward adjustments to their price targets for the Jungheinrich share. Subsequently, our share climbed to a new all-time high of €36.91 on October 25, 2007, before profit-taking caused quotations to decline. Published in November, the interim report for the period ending on September 30, 2007, was largely in line with the capital market's expectations, but failed to prevent the share from slipping further. In addition, pressure from investors, who generally shed small and mid-cap issues, triggered further drops in share prices. The Jungheinrich share closed 2007 at €26.73 (prior year: €23.10). Posting a year-on-year gain of 15.7 per cent, the Jungheinrich share proved to be an attractive investment.

Stock exchange turnover posts new record

Last year, the capital market continued to show very keen interest for Jungheinrich shares. Equity research remained comprehensive: 18 financial institutions covered the Jungheinrich share. The company promptly publishes the latest analyst assessments on the web at http://www.jungheinrich.com.

Investors

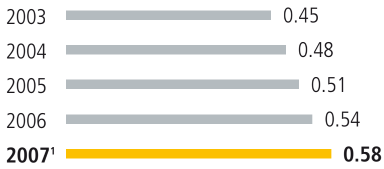


In the 2007 reporting year, our share's trading volume more than doubled to reach a new record level. Turnover on the Frankfurt Stock Exchange (including the Xetra electronic trading system) was up 109 per cent to €497.3 million (prior year: €238.0 million). At €64.8 million (prior year: €34.7 million), October recorded the highest turnover for a single month, with a daily trading volume of 87,637 shares. By the end of December 2007, the Jungheinrich share's market capitalization had risen to about €910 million (prior year: €785 million). As of the balance sheet date, the underlying number of Jungheinrich shares was unchanged, at 34.0 million. Jungheinrich's preferred share – excluding DAX issues – was ranked 61st (previous year: 68th) in Deutsche Börse AG's stock list in terms of market capitalization and 71st (previous year: 77th) in terms of turnover. Jungheinrich AG's ordinary shares are held by the families of the daughters of the company's founder. Each of the families still owns half of these shares.

Turbulent start to 2008

This year got off to a tumultuous beginning and with a substantial drop in our share price, which resulted in a low for the year of €20.76 on January 21, 2008. Triggered by the US mortgage crisis, the clouded outlook on world economies unsettled market participants on both national and international markets. This caused

Dividend
per preferred share in €



1 Proposal

Germany's share indices to lose considerable ground. On February 29, 2008, Jungheinrich's share was listed at €23.40 – down 12.5 per cent on its closing price as of December 28, 2007. At 6,748 points, the DAX lost 16.4 per cent in value over the same period. The MDAX declined 7.8 per cent to 9,094 points, while the SDAX experienced a 9.7 per cent drop to 4,687 points.

Dividend payment increased once again

The Board of Management and the Supervisory Board will propose to the Annual General Meeting on June 10, 2008, that the dividend be increased by €0.04 to €0.52 per non-par-value ordinary share and to €0.58 per non-par-value preferred share for fiscal 2007 compared with the previous year. Based on the share price quoted on December 28, 2007, the Jungheinrich preferred share will bear a dividend yield of 2.2 per cent (prior year: 2.3 per cent).

Long-term investment in Jungheinrich shares paid off

Jungheinrich's preferred shares proved to be an attractive equity investment for long-term investors. The following table shows how a sample Jungheinrich deposit account developed over periods of three, five and ten years. Each sample is based on an initial investment of €10,000 and the assumption that dividends are reinvested in additional preferred shares.

Investment period		**10 years**	**5 years**	**3 years**
Investment at the beginning of		1998	2003	2005
Portfolio value at the end of 2007	€	25,206	32,129	20,448
Average annual return	%	9.7	26.3	26.9
Comparable return of German share indices				
DAX	%	6.5	21.0	23.4
MDAX	%	n. a.	26.0	22.1
SDAX	%	n. a.	24.6	18.3

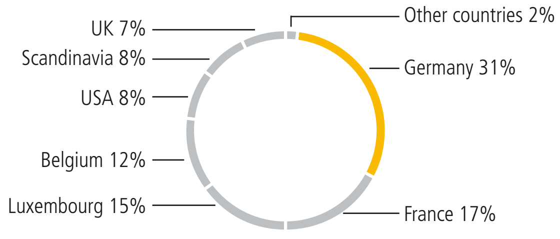
Capital Market Day

A highlight of our investor relations work was the analyst conference held in October 2007 at the Norderstedt production site. It afforded participants the opportunity to see the reengineered manufacturing processes and inform themselves of current technological trends. In addition, analysts had the chance to engage in in-depth dialogue with the new CEO, Hans-Georg Frey, concerning issues including the company's strategic orientation.

Stable shareholder structure

The shareholder survey conducted in November 2007 revealed a stable shareholder base. At some 8,800 deposit accounts, the number of Jungheinrich shareholders was essentially unchanged from the previous year. Of the Jungheinrich preferred shares, 69 per cent (2006: 68 per cent) were held by foreign shareholders. Institutional investors in Germany and abroad held 74 per cent (2006: 73 per cent) of the company's preferred share capital. The portion accounted for by private shareholders recorded a marginal decrease, falling to 21 per cent (2006: 22 per cent). Foreign shareholders were distributed among 47 countries (2006: 51 countries).

Breakdown by country



One ad-hoc report published

One ad-hoc release was occasioned by the German Securities Trading Act in the 2007 reporting period. The publication was related to the positive earnings trend displayed in the 2006 financial year and Jungheinrich AG's realignment in terms of company law.

Capital market-oriented key data

			2007	2006
Dividend per share	Ordinary shares	€	0.52[1]	0.48
	Preferred shares	€	0.58[1]	0.54
Dividend yield	Preferred shares	%	2.2	2.3
Distribution volume		thousand €	18,640	17,280
Payout ratio		%	22.8	26.0
Earnings per share		€	2.40	1.96
EBIT[2] per share		€	4.10	3.48
EBITDA[3] per share		€	8.09	6.96
Shareholders' equity per share		€	16.28	14.26
Share price[4]	High	€	36.91	29.90
	Low	€	23.52	19.72
	End-of-year	€	26.73	23.10
Performance over the year		%	15.7	17.0
Market capitalization		million €	908.8	785.4
Stock exchange trading volume in Frankfurt		million €	497.3	238.0
Average daily turnover		thousand shares	66.86	39.08
P/E ratio (basis: high)		factor	15.4	15.3
P/E ratio (basis: low)		factor	9.8	10.1
No. of shares	Ordinary shares	million shares	18.0	18.0
	Preferred shares	million shares	16.0	16.0
	Total	million shares	34.0	34.0

Securities identification numbers	ISIN: DE0006219934 // WKN: 621993
Ticker abbreviation on Reuters/Bloomberg	JUN_p.de / JUN3 GR
Stock exchanges	Hamburg and Frankfurt Stock Exchanges and all other German stock exchanges
Designated sponsors	Commerzbank and Sal. Oppenheim
Going public	August 30, 1990

1 Proposal.
2 Earnings before interest and taxes.
3 Earnings before interest, taxes, depreciation and amortization.
4 Xetra closing prices, Frankfurt.

Group management report

2007: new record year for Jungheinrich
Material handling equipment market posts dynamic growth
Sights set on high-growth markets of the future
Incoming orders post significant increase
Norderstedt plant: Reorganization successfully completed
Sales and earnings achieve new record levels

Upwards: Jungheinrich employees take on new challenges.

Jungheinrich looks back on a new record year. Worldwide growth recorded by the material handling equipment market remained dynamic. Jungheinrich stayed its course for profitable growth on the strength of a significant rise in incoming orders. Progress was made in the expansion of sales activities on forward-looking markets. We successfully completed the reorganization of manufacturing procedures at the Norderstedt plant. Consolidated net sales reached a record level of €2 billion for the first time. Earnings posted new record levels.

Business and economic environment

Corporate profile

Established in 1953, Jungheinrich ranks among the world’s leading companies in the material handling equipment, warehousing and material flow engineering sectors. In its branch of industry, the company ranks second in Europe and – for the first time – third worldwide. As a logistics service provider with manufacturing operations, Jungheinrich offers its customers a comprehensive range of forklift trucks, shelving systems and related services covering the entire field of intralogistics. These encompass the short-term hire and sales financing of products, equipment maintenance and repair as well as reconditioning and selling used equipment. The company produces nearly all engine-powered material handling trucks in Germany. Warehousing equipment is manufactured in Norderstedt, while counterbalanced and narrow-aisle trucks are produced in Moosburg. Jungheinrich manufactures small-series and specialized trucks at its Lüneburg site. A selection of low and high-platform trucks is produced for the Asian market in Qingpu (China). Jungheinrich operates an efficient, global direct sales and service network with proprietary sales and service companies in Europe, Asia and America. Furthermore, the company is represented by numerous dealers on overseas markets. Its operations are rounded off by a mail-order business which is in the process of being built.

Organization

Since January 1, 2007, Jungheinrich AG has been active as a management holding company and conducted operations on a small scale. Major parts of Jungheinrich AG’s operations have been spun out into four business units and transferred to legaly independent limited partnerships. As the Jungheinrich Group’s management company, Jungheinrich AG is responsible for determining and monitoring corporate goals. In addition, the parent company handles management, steering and controlling processes as well as risk management and resource allocation. Whereas subsidiaries are under Jungheinrich AG’s control, the Group companies’ legal autonomy is preserved. Operations are run by the individual management teams with the support of corporate headquarters. The economic ratios and reports submitted regularly to the entire management board are oriented to inter-divisional business-management control variables.

Jungheinrich's strategic objectives are geared towards profitable growth throughout the Group. Earnings expectations are primarily oriented towards the EBIT return on sales, which is intended to be above the competition's average. Jungheinrich already commands a leading position on the European market, above all in the warehouse technology sector. This is why the Group is principally concentrating on the expansion of growth markets in Eastern European countries and Asia, focusing mainly on China. In addition, the company aims to significantly improve its position on the European market for counterbalanced trucks and above all for IC engine-powered drives.

Compensation model

Jungheinrich's management pursues the principle of value-oriented management. This forms the basis for the value-oriented compensation systems introduced in fiscal 2002. The remuneration schemes are linked to key value-added indicators such as the return on sales and capital employed (ROS and ROCE).

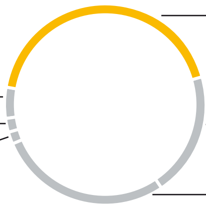
Board of Management compensation

The Supervisory Board's Personnel Committee is responsible for determining the remuneration of the members of the Board of Management. The Supervisory Board regularly reviews the compensation system as regards its composition and appropriateness. The remuneration of members of the Board of Management includes a fixed and a variable component. The Board of Management's compensation system is characterized by its performance orientation. This is reflected in the ratio of the variable to the fixed component. The variable component's success parameter is the EBIT return on sales (ROS) of the Jungheinrich Group, in line with the degree to which a target return established for several years is achieved in accordance with the company's strategic orientation, which is reviewed and can be adjusted on an annual basis. The variable component is paid retrospectively once a year, commensurate with the results achieved in the preceding fiscal year. Pensions for members of the Board of Management are calculated based on the individual's years of service at Jungheinrich with a lead-in period until the member has a right of non-forfeiture.

Supervisory Board compensation

Remuneration of the Supervisory Board is governed by Sec. 18 of Jungheinrich AG's articles of association. The amount and payment dates are determined by the Annual General Meeting. Besides being reimbursed for their out-of-pocket expenses, members of the Supervisory Board receive compensation, which takes into consideration the sales tax allocable to their activity on the Supervisory Board. The Chairman of the Supervisory Board receives double this amount, with the deputy receiving one-and-a-half times this sum. The compensation of each member of the Supervisory Board totals €15,000 per annum, plus €2,000 for every 1 per cent of the dividend exceeding 4 per cent for the preceding financial year paid to preferred shareholders. Members of Supervisory Board committees collectively receive double the aforementioned compensation. The respective committee decides on how it is divided among them.

Global market for material handling equipment by region in 2007



Source: WITS (World Industrial Truck Statistics)

General economic situation

Economic growth of select economic regions (GDP[1]) in %

Region	2007	2006
World	5.3	5.2
USA	2.2	2.9
China	11.5	11.1
Eurozone	2.7	2.9
Germany	2.5	2.9

1 Gross domestic product. Source: Commerzbank.

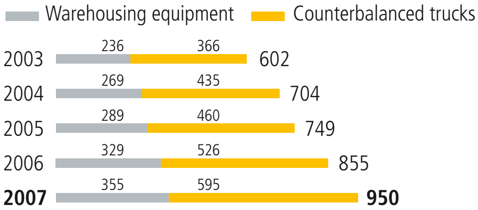
The global economy maintained the dynamic pace of expansion from the previous year. Growth displayed by newly industrializing countries made a substantial contribution to this positive development. Energy and raw material prices achieved new record highs in the year being reviewed. This was especially true as regards crude oil prices, which had a dampening effect on the global economic trend. Prices of industrial metals displayed disparate developments, but the overall price level remained very high. In 2007, the world economy grew by 5.3 per cent (prior year: 5.2 per cent). Once again, the strongest growth stimuli came from Asia, whereas economic expansion in the USA and Europe weakened compared to the previous year. Asia again benefited from the dynamic development in China, which recorded more than 11 per cent growth, as in the preceding year. Economic expansion in the USA dropped to 2.2 per cent (prior year: 2.9 per cent). Growth recorded by Eurozone countries experienced a marginal decline, slipping to 2.7 per cent (prior year: 2.9 per cent). As in the previous year, some Central and Eastern European countries posted much higher gains. Germany's economic output rose by 2.5 per cent in the period under review (prior year: 2.9 per cent). The 3 percentage point value-added tax hike had a dampening impact. The strongest growth stimuli were injected by investment in equipment, which recorded a gain of 8.4 per cent (prior year: 8.3 per cent) and exports, which were up 8.3 per cent (prior year: 12.5 per cent). The German mechanical engineering sector benefited from the positive economic environment. Domestic orders advanced by 18 per cent (prior year: 21 per cent), with foreign demand reaching 13 per cent (prior year: 14 per cent). Production was up some 11 per cent (prior year: 7 per cent).

Development of the market for material handling equipment

Market volume of material handling equipment in thousands of units

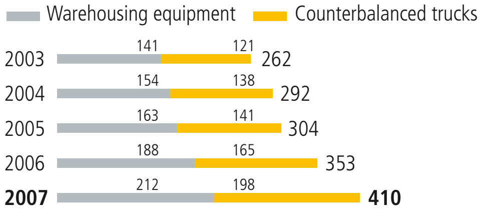
Regions	2007	2006
Europe (incl. Turkey)	410.1	352.7
thereof Eastern Europe	74.3	49.8
North America	191.4	212.9
Asia	266.0	227.4
thereof China	118.3	94.2
World	950.2	855.2

Worldwide market volume of material handling equipment
in thousands of units



Source: WITS (World Industrial Truck Statistics).

Market volume of material handling equipment in Europe[1]
in thousands of units



1 Including Turkey.
Source: WITS (World Industrial Truck Statistics).

Building on the positive basic economic conditions, which were better than expected, the material handling equipment market maintained its momentum, expanding by 11 per cent to 950,000 units (prior year: 855,000 units). Market volume thus clearly exceeded the estimated 910,000 forklift trucks. Asia and Europe posted the highest gains. Demand for material handling equipment in Europe amounted to 410,000 forklift trucks (prior year: 353,000 units), representing a rise of 16 per cent. Eastern Europe, which benefited from the dynamic development displayed in Russia, among other things, posted a year-on-year increase of 49 per cent, recording an even higher growth rate. Western Europe achieved a gain of 10 per cent. The strongest stimuli outside Europe originated in Asia, which recorded a growth rate of some 17 per cent to expand its market to 266,000 trucks (prior year: 227,000 units). Posting an increase of approximately 26 per cent, China proved to be the Asian market's growth driver yet again. North America's market shrank, dropping by 10 per cent to 191,000 forklifts (prior year: 213,000 units). Warehousing equipment and counterbalanced trucks contributed 8 per cent and 13 per cent to world market growth, respectively. The Jungheinrich Group was unable to fully partake of the dynamic market growth. Nevertheless, our share of the global market for material handling equipment, a fiercely contested sector, decreased only marginally.

Focal points and activities

In the period being reviewed, the Jungheinrich Group dedicated most of its attention to the completion of the project aiming to reengineer manufacturing processes at the Norderstedt plant, which occurred in the third quarter of 2007. The company now has a much higher capacity for producing warehousing equipment.

New products in all segments, which were presented at an international trade press event in Norderstedt in September 2007, underscored Jungheinrich's position among the world's leading suppliers in the fields of material handling, warehousing and material flow technology. A major highlight was the varied product range that had been updated in order to adapt to the new manufacturing and assembly techniques used in the production plants.

The spare parts supply business was expanded towards Eastern Europe with the addition of a new logistics centre in Bratislava (Slovakia). With the new warehouse, which is operated by a logistics service provider, service engineers in Central and Eastern Europe can be supplied with spare parts overnight.

The reconditioning of used material handling equipment was stepped up throughout Europe. Capacity was increased at the central plant for reconditioning used material handling equipment at the Klipphausen site near Dresden through the completion of the second expansion phase.

The Jungheinrich direct sales network's international market and service presence was further strengthened and broadened by increasing the headcount at the sales companies worldwide primarily in the forward-looking markets of Asia and Eastern Europe, which are points of focus.

Groupwide IT networking using off-the-shelf software was spurred again in 2007. The organization migrated from SAP R/3 to SAP ERP at the beginning of the year. The sales company in Portugal was involved in the integration for the first time. New sales applications were introduced based on uniform processes last year, including a system for scheduling after-sales service engineers. Other applications (customer relationship management, among others) were rolled out in additional countries. A further task at hand was to adapt data processing systems to Jungheinrich AG's new legal form in a timely manner.

In the year under review, the mail-order business, which was launched in Germany in 2006, was expanded to include Austria. Via its "Jungheinrich-PROFISHOP" catalogue comprising about 1,000 pages, Jungheinrich-Katalog GmbH & Co. KG offers an attractive assortment of over 28,000 items in the stacking and lifting, transportation, factory and office equipment, occupational safety and environmental protection categories to companies in industry, trade and crafts. The products can also be purchased at the web store.

Jungheinrich AG's corporate structure, which had evolved over time, was realigned as of January 1, 2007. For this purpose, Jungheinrich AG as an active management holding company was reorganized and separated from its major operating business units in terms of company law to make the organization fit for the future. To this end, in 2007, Jungheinrich AG's operations, namely German Sales, Export Sales, Norderstedt/Lüneburg Production and Norderstedt Spare Parts Logistics, were spun out into autonomous companies required to produce a balance sheet bearing the German designation "AG & Co. KG" (stock corporations run as limited partnerships) in accordance with the German Company Transformation Act.

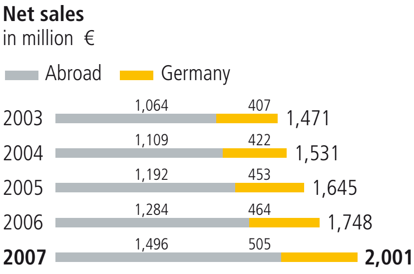
Corporate headquarters were relocated from the company's traditional domicile at "Friedrich-Ebert-Damm 129" to a leased property in Hamburg-Wandsbek, which is in the immediate vicinity.

Business trend

Business trend – key figures

		2007	2006
Incoming orders	million €	2,120	1,864
Production	units	82,400	75,900
Orders on hand	million €	334	263
Net sales	million €	2,001	1,748

In 2007, the Jungheinrich Group maintained the course for profitable growth it had charted in the previous year and increased its business volume considerably. Accordingly, the Jungheinrich Group experienced a favourable business trend. It benefited from the positive economic environment and the strong growth of the material handling equipment market the world over. Groupwide incoming orders from new truck business based on units rose approximately 5 per cent to a record-setting total of over 84,000 trucks (prior year: 80,000 units). Nevertheless, the value of incoming orders including all business fields was up some 14 per cent year on year to €2,120 million (prior year: €1,864 million), clearly exceeding the forecast growth rate of 6 per cent. In 2007, the Group boosted production by 9 per cent to more than 82,000 trucks (prior year: about 76,000 units). On conclusion of the reengineering processes in Norderstedt, the company had more production capacity available to it in the second half of 2007. By December 31, 2007, the value of orders on hand from new truck business had risen by 27 per cent to €334 million (prior year: €263 million). Accordingly, the range of orders was extended to nearly four months. The relatively high value of orders on hand amounting to €384 million as of September 30, 2007, was reduced considerably owing to the increase in production and sales volume at the end of the year.



Net sales by region

in million €	**2007**	**2006**
Germany	505	464
Rest of Europe	1,372	1,185
Other countries	124	99
Total	2,001	1,748

In the year under review, consolidated net sales amounted to €2,001 million, surpassing the €2 billion record for the first time and exceeding the €1,748 million recorded a year earlier by 14 per cent. The sales rise of approximately 6 per cent originally expected was thus significantly surpassed. Domestic business posted a year-on-year gain of 9 per cent, while foreign sales advanced nearly twice as much, growing by 17 per cent. This caused the foreign ratio to increase to 75 per cent (prior year: 73 per cent). Net sales generated outside Europe were up a disproportionately high 25 per cent to €124 million (prior year: €99 million), despite a slight decline in sales in the USA. As in the previous year, this level of sales accounts for a 6 per cent share of total net sales.

Net sales by business area

in million €	**2007**	**2006**
New truck business	1,110	933
Income from short-term hire, sale of used equipment	310	270
After-sales services	581	545
Total	2,001	1,748

All the business areas contributed to the uptick in net sales. The largest gain was allocable to the new truck business, which posted an increase of 19 per cent, followed by the used and short-term hire equipment business, achieving a rise of about 15 per cent. Posting a gain of 19 per cent, the short-term hire business made a disproportionately high contribution to the rise in net sales. Net sales generated by after-sales services benefited from the increase in the population of Jungheinrich trucks – primarily in Europe – and grew by approximately 7 per cent, with its share in total net sales declining to 29 per cent (prior year: 31 per cent).

Cost structure (according to the income statement)

in million €	**2007**	**2006**
Cost of sales	1,421	1,229
Selling expenses	369	334
Research and development costs	40	40
General administrative expenses	29	27

The cost of sales rose by 16 per cent, slightly outpacing consolidated net sales, to €1,421 million (prior year: €1,229 million). Burdens arising from the high price of raw materials, with steel and copper products leading the way, as well as for plastics, were offset by the overall improvement in the company's cost structure. The cost of sales accounted for 71 per cent of the Group's net sales (prior year: 70 per cent). Selling expenses advanced slightly below average by 10 per cent to €369 million (prior year: €334 million), accounting for 18 per cent of consolidated net sales. As shown in the following table, the Group's research and development costs declined to €41 million due to a decrease in demand for capacity (prior year: €44 million). The capitalization ratio only rose marginally, from 23.8 per cent to 24.2 per cent. At €40 million, research and development costs according to the income statement were on par with the year-earlier level.

Research and development costs

in million €	**2007**	**2006**
Total research and development costs	40.9	43.8
Thereof capitalized development costs	9.9	10.4
Capitalization ratio	24.2%	23.8%
Depreciation on capitalized development costs	8.9	7.0
Research and development costs according to the income statement	39.9	40.4

General administrative expenses rose less than consolidated net sales, advancing by 7 per cent to €29 million (prior year: €27 million).

Earnings, asset and financial position

Earnings position

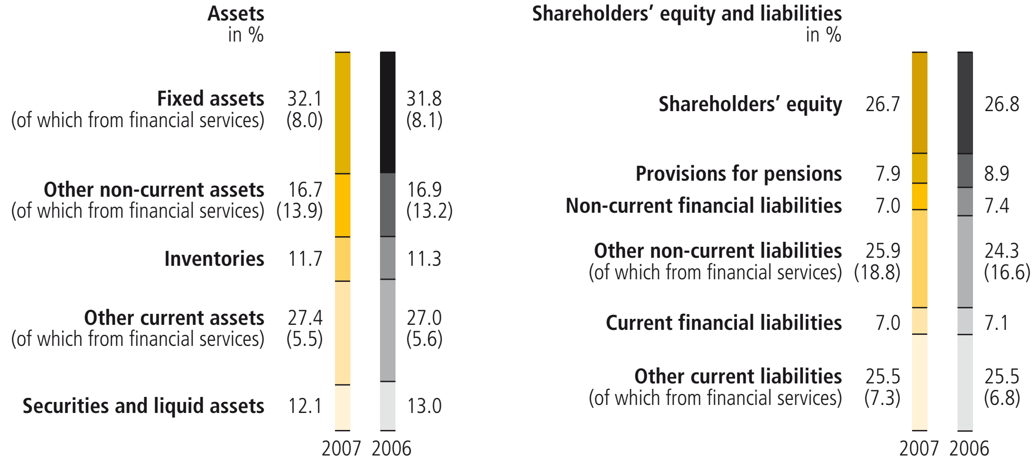
The Jungheinrich Group's earnings developed as follows:

in million €	**2007**	**2006**
Gross profit on sales	579.7	518.6
Earnings before interest and income taxes (EBIT)	139.5	118.3
Financial income	– 1.0	– 0.1
Earnings before taxes (EBT)	138.5	118.2
Income taxes	– 56.9	– 51.6
Net income	81.6	66.6

The Jungheinrich Group closed the 2007 financial year with record earnings. Its earnings trend benefited from the high level of incoming orders and the significant increase in plant productivity. The gross profit on sales rose by €61 million, or 12 per cent, to €580 million (prior year: €519 million).

Earnings before interest and taxes (EBIT) increased for the eighth straight year. They improved by 19 per cent to €140 million (prior year: €118 million). In this context, account must be taken of the fact that this figure includes a one-off charge of about €5 million, resulting from the first-time inclusion of 11 non-German sales companies in the Jungheinrich Group's basis of consolidation as of January 1, 2007. The corresponding return on sales climbed to 7.0 per cent (prior year: 6.8 per cent). EBITDA (earnings before interest, taxes, depreciation and amortization), which reflect operating income affecting liquidity,

Balance sheet structure



rose by €38 million to €275 million (prior year: € 237 million). Earnings before taxes (EBT) advanced to €139 million (prior year: €118 million). The Group's income taxes increased less than earnings to €57 million (prior year: €52 million). A factor that should be considered here is that tax burdens stemmed from the fact that the basis of consolidation was expanded and figures were restated to comply with the German corporate tax reform, which took effect on January 1, 2008. The tax quota dropped to 41.1 per cent (prior year: 43.7 per cent). Net income thus improved by 22 per cent to €82 million compared with the previous year (prior year: €67 million). In light of the positive earnings trend, the Board of Management of Jungheinrich AG proposes to pay the shareholders a dividend of €0.52 per ordinary share and of €0.58 per preferred share, both €0.04 higher than in the preceding year.

Asset and financial position

Jungheinrich AG is in charge of operations and strategic financial management for the Group and its subsidiaries. Financial resources and payment flows of domestic and foreign Group companies are optimized as regards interest and currency aspects via a cash and currency management system. Financing needs in the short, medium and long term are covered on international money and capital markets, exhausting all possible financing options.

In fiscal 2007, the Jungheinrich Group's asset and financial position was primarily characterized by the significant expansion of the Group's business and the renewed marked improvement in its earnings trend. In this context, one must take into account the fact that a quarter of the €260 million rise in the balance sheet total to €2,073 million (prior year: €1,813 million) was attributable to the expansion of the basis of consolidation by 11 companies effective January 1, 2007. This primarily affected the increase in trucks for short-term hire, inventories and trade accounts receivable and – on the shareholders' equity and liabilities side – in financial liabilities.

In connection with the figures stated for the financial services business, it must be noted that, in accordance with IFRS, depending on the type of lease, long-term leasing and rental agreements concluded with customers and Jungheinrich companies directly or via leasing companies must be carried as fixed or current assets (as trucks for lease or as receivables from financial services). The refinancing of these long-term customer agreements are done with identical maturities and disclosed as liabilities from financial services. This extends the balance sheet. Furthermore, deferred sales stemming from sales proceeds already generated with an intermediate leasing company are stated under deferred income. Cash flows from customer contracts are largely congruent with refinancing instalments paid to lending institutions in this business.

The volume of contracts outstanding throughout Europe grew by 14 per cent to 84,000 forklift trucks (prior year: 74,000 units). This corresponds to an original value of more than €1,330 million (prior year: €1,175 million).

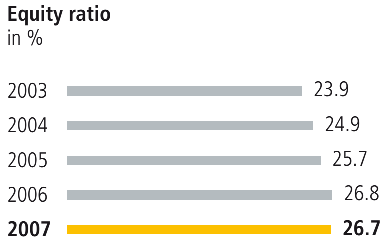
Asset structure of the Jungheinrich Group

in million €	Dec. 31, 2007	Dec. 31, 2006
Non-current assets	**1,013**	**883**
Fixed assets	666	576
Receivables from financial services	288	239
Other non-current assets	59	68
Current assets	**1,060**	**930**
Inventories	243	204
Trade accounts receivable	413	361
Receivables from financial services	114	101
Liquid assets and securities	251	236
Other current assets	39	28
Balance sheet total	**2,073**	**1,813**

Fixed assets increased to €666 million (prior year: €576 million). The lion’s share of this rise was attributable to the growth in the fleet of trucks for short-term hire and lease as well as to capital expenditures spent on the plants, some of which was earmarked for measures taken to reengineer production at the Norderstedt site. Non-current and current receivables from financial services were up by a total of €62 million to €402 million as a result of business expansion (prior year: €340 million). A significant portion of the rise was allocable to Jungheinrich’s financial services company in the United Kingdom once the operation had been taken over and put under Jungheinrich management. Inventories were up €39 million to €243 million (prior year: €204 million) driven by demand and production. Current trade accounts receivable increased by €52 million to €413 million (prior year: €361 million), outstripping the rise in net sales, owing to the high invoicing volume at the end of the year. Cash and cash equivalents (liquid assets and securities) were up €15 million to €251 million (prior year: € 236 million).

Capital structure of the Jungheinrich Group

in million €	Dec. 31, 2007	Dec. 31, 2006
Shareholders’ equity	**554**	**485**
Non-current liabilities	**844**	**736**
Provisions for pensions and similar obligations	164	161
Financial liabilities	144	135
Liabilities from financial services	390	301
Other long-term liabilities	146	139
Current liabilities	**675**	**592**
Other current provisions	142	125
Financial liabilities	146	130
Liabilities from financial services	151	123
Trade accounts payable	109	99
Other current liabilities	127	115
Balance sheet total	**2,073**	**1,813**



Shareholders' equity rose, driven by the high level of net income, to €554 million (prior year: €485 million). In consequence, at 27 per cent, the equity ratio remained unchanged from the previous year despite the rise in the balance sheet total. As of the balance sheet date, 111 per cent of intangible and tangible assets and trucks for short-term hire were covered by shareholders' equity (prior year: 113 per cent). The Jungheinrich Group was capable of meeting its payment obligations at all times. Excluding liabilities from financial services, which were covered by accounts receivable from customers, the company had a low level of net indebtedness. As in the previous year, Jungheinrich's degree of indebtedness, defined as the ratio of net debt to EBITDA, was 0.1 years. Other long and short-term provisions rose to a total of €187 million (prior year: €169 million). €17 million of the increase were allocable to short-term provisions.

The Group's long and short-term financial liabilities were up €25 million to €290 million (prior year: €265 million). To a significant extent, the increase was caused by the expansion of the basis of consolidation. As a result, despite the rise in cash and cash equivalents to €251 million (prior year: €236 million) the Jungheinrich Group recorded an increase in net financial liabilities to €39 million (prior year: €29 million). Trade accounts payable were up €10 million to €109 million (prior year: €99 million), owing to production growth. Non-current and current liabilities from financial services climbed by €117 million to €541 million in line with business growth (prior year: €424 million).

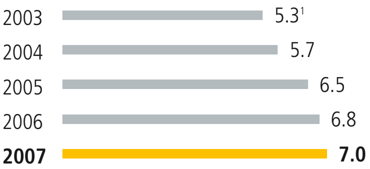
The Jungheinrich Group's complete balance sheet is included in Jungheinrich AG's consolidated financial statements.

Statement of cash flows

in million €	**2007**	**2006**
Net income	82	67
Depreciation and amortization	136	121
Changes in trucks for short-term hire and trucks for lease (excl. depreciation) and receivables from financial services	– 218	– 141
Changes in liabilities from financing financial services and trucks for short-term hire	131	37
Other changes	– 24	– 49
Cash flows from operating activities	**107**	**35**
Cash flows from investing activities	**– 60**	**– 55**
Cash flows from financing activities	**– 36**	**– 19**
Net cash change in cash and cash equivalents	**11**	**– 39**

Cash flows from operating activities totalled €107 million – €72 million up on the €35 million posted in the previous year. Contributing factors were the €15 million rise in net income and the €15 million increase in depreciation and amortization. The significant climb in funds locked up due to the change in trucks for short-term hire and lease as well as receivables from financial services (down €77 million) compared with the previous year was more than offset by the stronger growth in financing in the financial services and short-term hire businesses (up €94 million). At –€60 million, cash flows from investing activities were marginally up on the previous year's level (–€55 million). Cash flows from financing activities amounted to

EBIT return on sales
in % (ROS)



1 Not including expenses associated with the closure of MIC S.A.

EBIT return on capital employed
in % (ROCE)[1]

1 EBIT as a % of the interest-bearing capital employed (excluding liabilities from financial services and provisions for pensions).
2 Not including expenses associated with the closure of MIC S.A.

–€36 million (prior year: –€19 million) and stemmed from the decrease in liabilities due to banks and financial loans as well as the dividend payment totalling €17.3 million (prior year: €16.3 million).

The detailed statement of cash flows is included in the consolidated financial statements of Jungheinrich AG.

The Jungheinrich Group's value added developed as follows:

in million €	2007	%	2006	%
Source				
Total Group output[1]	2,043	100.0	1,785	100.0
Cost of materials and equipment	1,171	57.3	1,002	56.1
Depreciation	136	6.7	121	6.8
Net value added	**736**	**36.0**	**662**	**37.1**
Usage				
Employees	564	76.7	518	78.2
Public sector	57	7.7	52	7.8
Lenders	34	4.6	26	4.0
Shareholders	17	2.3	16	2.4
Group	64	8.7	50	7.6
Net value added	**736**	**100.0**	**662**	**100.0**

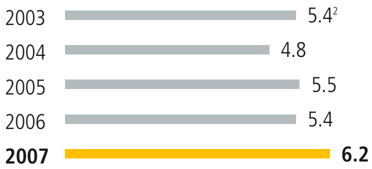
1 Including interest and similar income, other operating income and income from investments.

The value added statement shows the work performed by Jungheinrich in the financial year being reviewed, minus all advance work and depreciation. In the fiscal year that just ended, the Jungheinrich Group created €736 million in added value (prior year: €662 million). It was 11 per cent higher than in the preceding year. The usage shows that the lion's share of value added was earmarked for employees. This usage amounted to €564 million, or 77 per cent. The public sector received €57 million, representing 8 per cent. Lenders partook of €34 million, or 5 per cent, of value added. €17 million was dedicated to shareholders (prior year: €16 million). €64 million remained within the Group to strengthen the business (prior year: €50 million).

Return on equity after income taxes
in %

1 Not including expenses associated with the closure of MIC S.A.

Return on total capital[1]
in %



1 Not including financial services.
2 Not including expenses associated with the closure of MIC S.A.

Return on sales and capital

Key return indicators of the Jungheinrich Group

in %	**2007**	**2006**
EBIT return on sales (ROS)	7.0	6.8
EBIT return on capital employed (ROCE)	24.1	23.5
Return on equity	15.7	14.4
Return on total capital employed	6.2	5.4

EBIT return on sales (ROS) = EBIT : Net sales x 100
EBIT return on capital employed (ROCE) = EBIT : Employed interest-bearing capital[1] x 100
Return on equity after income taxes = Net income : Average shareholders' equity x 100
Return on total capital employed = Net income + interest expenses : Average total capital x 100
1 Shareholders' equity + financial liabilities +/– other liabilities/receivables vis-à-vis affiliated and associated companies – notes receivable – liquid assets and securities.

The Jungheinrich Group's positive earnings and asset position is reflected in the key return indicators. Jungheinrich's EBIT return on sales (ROS) improved again, to 7.0 per cent (prior year: 6.8 per cent). The corresponding return on interest-bearing capital employed (ROCE) exceeded the Group's long-term ROCE target of 20 per cent, amounting to 24.1 per cent and was thus higher than in the preceding year (23.5 per cent). In 2007, the return on shareholders' equity rose to 15.7 per cent, following 14.4 per cent in the previous year. The return on total capital employed, adjusted to exclude liabilities and interest income and expenses from financial services, improved to 6.2 per cent (prior year: 5.4 per cent).

Capital expenditures

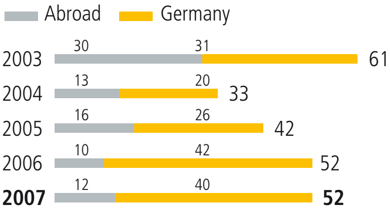
In the year under review, capital expenditures on tangible and intangible assets – net of capitalized development costs – amounted to €52 million, as in the previous year. Consequently, the capital spending-to-sales ratio dropped to 2.6 per cent (prior year: 3.0 per cent). The lion's share of capital expenditures was allocated to the production plants – mainly measures taken to reengineer manufacturing processes at the site in Norderstedt. In addition, Jungheinrich invested in the continued expansion of its proprietary European sales companies. Capital was also spent to equip the new computing centre in Hamburg.

Research and development

The Jungheinrich Group continued to invest in the development of its products in fiscal 2007. Autumn 2007 saw Jungheinrich present new products from all segments to the international trade press, impressively underscoring its status as one of the world's leading players in the fields of material handling equipment, warehousing and material flow technology. At €41 million, the Jungheinrich Group's expenditures on research and development including development-related preparatory work and services rendered by third parties was below the year-earlier level (€44 million). This represents 4.7 per cent of sales generated from new truck business in the year under review, which rose significantly (prior year: 6.1 per cent). Last year, an average of 350 people worked in the field of research and development (prior year: 362).

In the year being reviewed, development-related tasks focused on adapting truck series to the production factories' fundamentally reengineered manufacturing and assembly methods. A hundred and

Capital expenditures
in million € (not including trucks for short-term hire and lease, capitalized development costs and financial assets)



Research and development expenses
in million €

twenty-seven patent applications were filed in 2007 (prior year: 106), and 65 patents were granted (prior year: 56). This enabled market-specific innovations to be turned into significant product improvements which help increase customer benefits substantially. Development departments focused on the following fields of activity during the reporting period:

Fundamental research

For years, the hallmarks of Jungheinrich's material handling equipment have been innovative drive and energy storage concepts. Jungheinrich is the leader in preface alternating current drives ever since this technology was introduced in the 1990s. These key technologies are set to gain further importance going forward and were among the main areas of development activity. Customer integration plays a major role in the development of new technologies at a very early stage. For instance, in the period under review, fuel cell and hybrid drive concepts were developed in order to meet future customer demands. A realistic engineering design featuring a methanol fuel cell was presented at the 2007 Hanover Trade Show in cooperation with the Jülich Research Centre and was very well received by the specialist audience.

In the future, RFID (Radio Frequency Identification) technology will enhance the performance of intralogistics systems and play an important role. Jungheinrich is spearheading a project exploring RFID applications in the field of intralogistics subsidized by the German Federal Ministry of Education and Research. Standards are being crafted in collaboration with manufacturers of the most diverse components (material handling equipment, electronics, payload carriers and warehouse management software) in preparation of the technology's global introduction. As a provider of system solutions, thanks to its direct sales organization, Jungheinrich is optimally positioned to support a worldwide rollout and capitalize on opportunities to offer new products and services on the market.

New calculation and test methods were introduced throughout the Group with a view to improving the efficiency of the company's development operations. A novel testing technique gives one the option to simulate lifelike vehicle endurance situations in a short period of time, in order to ensure the equipment's reliability long before it is launched on the market. Since nearly all vehicle features can now be controlled using software, a systematic software engineering process was implemented, leading to further increases in truck quality.

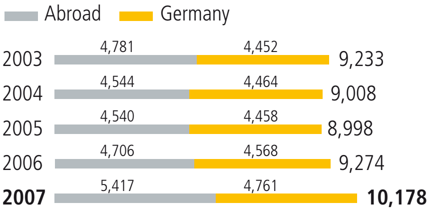
Product engineering

A special highlight in the period under review was an IC engine-powered forklift with an electronically controlled hydrostatic drive featuring state-of-the-art TDI technology, which was made fit for series production. Working in conjunction with a patented pressure regulator, this drive concept guarantees very high performance.

The innovative JetPilot multi-functional steering wheel was introduced in the first counterbalanced truck series as a world premiere with great success. This new operating device combines improved ergonomics with a higher degree of ride comfort.

Jungheinrich has had a new battery-powered order picker/three-side stacker on offer since the spring of 2007. The truck is controlled by a hitherto unique "intelligent" stacker management system. As regards its performance limits, the stacker is equipped to take on the future challenges of warehouse logistics.

Employees
As of 12/31



In addition, various modules, including the RFID ground control unit and the "residual weight capacity," result in greater speed, efficiency and safety in the warehouse.

The revision to the low-platform trucks was completed in 2007. All of the products have thus been adapted specifically to the new affordable manufacturing and assembly methods. A new battery-powered pedestrian controlled pallet truck with a passenger-ready operator platform was equipped with a patented solution: Jungheinrich's "ShockProtect" cushions jolts similarly to a car's shock absorbers, providing tangible protection for the driver, truck and payload.

Employees

Employees by division

	Dec. 31, 2007	Dec. 31, 2006
Sales and Marketing	7,449	6,673
Production	2,269	2,166
Service Centre/Administration	460	435
Total	10,178	9,274

The Jungheinrich Group further enlarged its labour force in the 2007 financial year, with personnel figures exceeding the 10,000 mark for the first time. All in all, the employee headcount was up by over 900 to 10,178 (prior year: 9,274) as of December 31, 2007. This figure included 267 trainees (prior year: 244). The expansion of the basis of consolidation effective January 1, 2007, accounted for 484 of the employees added to the payroll. Excluding the newly included companies, the workforce increased by 400 jobs. Two thirds of the rise benefited the sales companies' expansion, focusing outside Germany, and one third was allocated to domestic production. About 600 temporary staff were hired to adapt to demand flexibly – primarily at the Norderstedt and Moosburg manufacturing sites. Seventy-three per cent (prior year: 72) of the workforce worked in sales, with production accounting for 22 per cent. Over 3,300 after-sales service engineers worked in sales. This number was markedly up on the preceding year. As in the previous year, 45 per cent of the labour force worked in after-sales services.

Employees by region

in %	Dec. 31, 2007	Dec. 31, 2006
Germany	46.8	49.2
France	9.1	9.6
UK	7.9	8.8
Italy	7.6	8.1
Rest of Europe	24.8	21.7
Overseas	3.8	2.6
Total	100.0	100.0

At the reporting cut-off date, 5,417 (prior year: 4,706) staff members worked outside Germany, while 4,761 (prior year: 4,568) were employed within the country. Thus, about 47 per cent of the labour force worked in Germany. In the rest of Europe, France accounted for the biggest share (9 per cent), followed by the UK and Italy, each with about 8 per cent. The proportion of employees working overseas rose to some 4 per cent owing to the increased expansion. Since Jungheinrich AG is a member of the German Employers Association, the collective bargaining agreements reached in 2007 were adopted for our German business. The collective bargaining agreement expires on October 31, 2008.

Purchasing and logistics

The high level of incoming orders placed demands on the production plants in 2007. Although the Norderstedt site's manufacturing processes were still being reengineered in the first half of the year, the factories managed to increase overall production substantially, while ensuring that deliveries were shipped on time. This outstanding performance was due to the early planning and close coordination of capacities with all suppliers. With a few exceptions, production received supplies without a hitch. In so doing, not only were the budgeted material costs not exceeded, they were actually clearly undercut in most areas. Once again, many products were affected by the significant increase in raw material prices. In 2007, it was lead, a major component in all batteries, which more than doubled in price on the London Metal Exchange (www.lme.co.uk) within a single year.

As in the previous year, the rise in production resulted in a substantial increase in the Group's purchasing volume in 2007. In sum, it rose by 22 per cent to €1,348 million (prior year: €1,104 million). Gains achieved in the production plants and in commodities accounted for the lion's share.

In 2007, a portal establishing electronic connections to suppliers was introduced in order to optimize the order process. The system allows one to transmit all orders to vendors electronically while receiving electronic job confirmations and information on deviations from schedules and quantities in return. This enables processing to be more efficient. Plans exist to widen this portal to accommodate further applications.

Quality management

The positive trend towards decreasing quality and warranty costs in the field continued in the 2007 financial year. Quality reporting in SAP Business Warehouse remained an indispensable tool for continuously improving products. Its substantial market coverage was extended through the inclusion of additional sales countries. The value of every product-related, quality-enhancing measure can be immediately and directly assessed on the merits of its customer and cost benefits. In the period being reviewed, in addition to the successful use of field data to optimize existing mass-produced trucks, attention was directed to long-term evaluations. This enables one to define areas on which to focus development work in order to improve quality as well as engineering targets directly and quantitatively oriented to market data.

In May 2007, our assembly plant in Qingpu (China) received ISO 9001 certification from Germanische Lloyd Certification GmbH. Analogously to the preparation for the factory planned in Eastern Germany, Jungheinrich continued to implement its resolute quality management practices in order to make all business units compatible with stable processes.

In line with this, the Group's management system documentation was completely revised. The new process descriptions will be rolled out in the immediate future, hand in hand with a shift in platform to SAP Knowledge Warehouse. By introducing these newly defined documentation standards throughout the Jungheinrich Group, we are taking a further step towards bringing the Group's core processes in line with actual processes.

Environmental management

Jungheinrich views environmental protection as an important part of its business activity. Therefore, the company's production plants and some of its sales companies have already been certified to ISO 14001 for years and have consistently applied this standard to existing processes. Independent certification authorities constantly review and refine the high environmental standards in place throughout the Group.

As a company with global operations, Jungheinrich strives to fully tap the potential to protect the environment throughout the Group with a lasting effect and to help conserve natural resources. Instead of being limited to developing and manufacturing environmentally compatible and efficient material handling equipment, these environmental activities deal with the process of selling products to the customer as well. The appropriateness of these measures was confirmed by the receipt of ISO 14001 certification from Germanische Lloyd of one of our largest sales companies in France. Additional non-German sales companies will be certified to ISO 14001 over the next few years.

CO_2 emissions in various production areas were reduced even further by constantly monitoring and resolutely leveraging potential for improvement. This is another way in which Jungheinrich makes a contribution to lowering worldwide CO_2 emissions.

Data privacy

Jungheinrich ensures the privacy of personal customer and employee data by issuing comprehensive internal directives and security policies based on statutory regulations. Pursuant to these guidelines, the entire workforce is obligated to handle the personal data of customers, companies and co-workers responsibly. As in prior years, the Group's entire staff was reminded of this. Furthermore, all of the data privacy coordinators were made aware of possible changes in legislation and new problematic issues and trained to cope with them by the data privacy officer in good time. Existing process directories were updated accordingly and published. As in prior years, the Corporate Audit Department performed sample audits to ensure compliance with data privacy regulations in all sales companies, plants and centralized units in Germany and abroad. No major faults were found with the archiving of personal data.

Compliance

New legal compliance requirements were introduced in 2007. In the future, they will be adhered to more strictly when the Corporate Audit Department conducts its auditing activities. This ensures that compliance targets are taken into account in all areas within the Group. Furthermore, the Internal Audit Department revised the compliance system, with which all executives will be extensively familiarized in 2008.

Risk report

Due to its growing international business activities, the early detection of risks and the development of measures to counter them are an important element of Jungheinrich Group management. Basic principles and courses of action have been defined in a groupwide guideline within the scope of a risk management system. Jungheinrich’s early risk-detection system is examined for functionality and effectiveness as part of the audit of the financial statements at yearend. Findings derived from this audit are taken into account as the Jungheinrich-specific risk management system is continuously refined.

Risk management

The risk management system is an integral part of the company’s management, budgeting and controlling processes. At Jungheinrich, they consist of the following elements:

- Group Risk Management Guideline
- Group Risk Committee
- Operative inventory of opportunities and risks of the sales and production companies
- Central inventory of opportunities and risks of the people responsible for the divisions and the directors of the corporate functions
- General Group reporting structure

The managers of the operating companies are responsible for risk management within their units. Besides addressing risk-related issues at management board meetings, they are obliged to take inventory of risks three times a year as part of their reporting over the year. The inventories consider both risks and opportunities, which present a realistic picture of the most current risk situation. When taking inventory for the first time in a year, opportunities and risks are assessed based on planned results. Inventories taken thereafter are assessed on the basis of the latest forecast. These assessments are condensed to a Group risk inventory, taking appropriate threshold values into account. The Group Risk Committee, on which the Board of Management is represented and which convenes quarterly, discusses the Group risk inventory and develops suitable measures. A summary is made available to the Supervisory Board. Ad-hoc risk reports must be immediately submitted to the Group Risk Committee whenever risks exceeding certain threshold values are not covered by the risk inventories.

Risk categories

The analysis of the 2007 risk inventory by the Risk Committee revealed that there are still no risks that could jeopardize the Jungheinrich Group's continued existence. The following is an overview of the risk categories that are material to the Jungheinrich Group:

General economic risks

Contrary to Jungheinrich's diverse service business, the manufacture and sale of new trucks strongly depend on cyclical demand. The permanent adaptation of production schedules and capacities to expected incoming orders is key to reducing risk. The order trend is constantly monitored and evaluated based on regular estimates made concerning the material handling equipment market, the competitive environment and capital markets – especially with regard to fluctuations in currency exchange and interest rates – in order to detect indications of the market's future development. Also included in risk surveys are potential changes to the subsidiaries' financial situation stemming from market developments.

Fiscal 2007 was characterized by very strong market growth displayed by Europe and the rest of the world. Based on expectations, the size of the market for material handling equipment, warehousing and material flow technology is set to continue rising in 2008. However, since it is difficult to forecast the impact the global financial crisis will have on the real economy, the growth of many markets is expected to lose some of its momentum.

Sector-specific risks

The increase in the division of labour going hand in hand with globalization continues to create a setting that fosters sustainable growth in logistics. A rising number of countries has a mounting need for modern material handling technology and logistical systems. Thanks to its up-to-date and innovative range of products, its broad international customer base, and its positioning as a full-line supplier and intralogistics service provider, Jungheinrich is well equipped to significantly partake of this development as well.

Operational risks

The consolidation of demand witnessed for several years causes the pressure on prices on the market to rise and thus constitutes an ongoing risk, despite the fact that the market environment is favourable at present. The Jungheinrich Group reacts to this situation mainly by expanding its direct sales and service offerings. This improves its market penetration.

The trend toward customers increasingly leasing new trucks is persisting. Residual value risks that may arise from this are reviewed once a quarter. If the present market value is below the guaranteed residual value, this risk is covered by building suitable provisions and making valuation allowances on used equipment inventories when preparing the balance sheet.

In 2007, Jungheinrich had a short-term hire fleet of an average of approximately 22,000 trucks. The risk of prolonged standstill was minimized by constantly adapting the fleet's structure to customer requirements, thus ensuring a high degree of utilization.

Procurement and purchasing risks

Major risks may generally arise due to increases in the price of raw materials, quality-related problems or delivery shortfalls. Prices of raw materials that bear the highest significance for Jungheinrich products such as steel and copper were back on a marginal rise in 2007. The price of lead, which is used as a base material in all the batteries fitted to the company's trucks, more than doubled in 2007. Further price hikes are anticipated in 2008 as well, owing to strong demand on world markets. In common with the practice adopted by most competitors, Jungheinrich passes most of these raw material price increases through to its customers via escalator clauses. Major supply difficulties and quality-related problems were avoided by closely cooperating with key vendors.

Financial risks

Interest rate and currency risks are the major risks in this category. Changes in interest and currency exchange rates expose the Jungheinrich Group to operating risks which are controlled by a special risk management system. Jungheinrich makes use of financial instruments such as currency futures, currency swaps and interest rate swaps to control these risks. We have defined control mechanisms for the use of financial instruments in a procedural guideline based on the requirements imposed by the German Corporate Sector Control and Transparency Act (KonTraG) on company risk management systems. Among other things, it mandates the clear separation of trading, settlement, accounting and controlling.

The Group is exposed to a counterparty risk that arises from the non-fulfilment of contractual agreements by counterparties, which are generally international financial institutions. On the basis of their credit rating, which is determined by reputable rating agencies, no major risk ensues for Jungheinrich from the dependence on individual counterparties. The general credit risk from the derivative financial instruments used is considered to be negligible. Derivative financial instruments are exclusively used to hedge interest rate and currency risks. As of December 31, 2007, the Group had €109 million in currency hedges on its books (prior year: €152 million). Outstanding currency hedges largely have maturities of less than one year. As in the previous year, no interest rate hedges had been concluded as of December 31, 2007.

More detailed commentary on financial instruments can be found in Jungheinrich AG's consolidated financial statements.

Legal risks

General contract risks are largely eliminated by applying groupwide policies. In addition, material contracts are centrally managed and administered by the departments responsible for them. We have not yet been able to end all of the lawsuits pending in connection with the discontinuation of MIC S.A.'s operating activity. At present, the company is not facing any material risks associated with litigation with third parties.

Events after the close of fiscal 2007

No transactions or events of major importance to the Jungheinrich Group occurred after the end of the financial year.

Outlook and opportunities

Based on its economic assessment of the world markets and the year-on-year reduction in growth momentum, Jungheinrich expects overall economic growth in fiscal 2008 to be moderate. It is impossible to accurately quantify the effects the US mortgage crisis will have on the world economy's future development or the direct or indirect impact this may have on the material handling equipment sector.

Estimated economic growth (GDP[1]) in %

Region	2008
World	4.8
USA	1.8
China	10.5
Eurozone	1.8
Germany	1.8

1 Gross domestic product. Source: Commerzbank.

Based on assumed growth rates, the world market for material handling equipment is likely to expand to slightly more than 1 million trucks, despite the prevailing uncertainty. This unit increase will reflect growth on both the European and Asian markets. Once again, Eastern Europe and China will probably prove to be the growth drivers. This should open up further sales opportunities to the Jungheinrich Group. Therefore, the company expects to maintain its positive business performance in 2008 and achieve growth rates in the middle single-digit percent range for both incoming orders and sales. Factors contributing to this rise will include product novelties which Jungheinrich will present to an international specialist audience at triennial CeMAT, the world's largest sector trade show, which will take place in May 2008 in Hanover.

Stimulus for this expansion will also come from products that were only launched over the course of last year. Furthermore, the continued increase in the degree of penetration achieved by Jungheinrich trucks throughout Europe will have a positive effect on the after-sales business, which has less cyclical exposure, and contribute to growing sales. In 2008, the business trend will be determined by the anticipated rise in demand as well as the increased production capacity, which will be available for the full year for the first time.

Jungheinrich will adapt its production capacity in order to keep up with expected market growth and the resulting increase in incoming orders in the years to come. A decision was made to construct a new manufacturing plant in Landsberg, which is in the vicinity of Halle (Saxony-Anhalt), in order to provide relief for the plant in Norderstedt. This work will commence in the year underway and will continue into 2009. Similar steps are being considered for the Moosburg factory, which will be concretized over the course of this year. Moreover, Jungheinrich will continue to spend capital on the establishment and expansion of its global direct sales network. As a result of the expansion of production, the budget is likely to exceed the previous year's considerably.

The Jungheinrich Group will maintain its high level of development activity and provide proof of its potential in 2008. In the upcoming years, Jungheinrich will increasingly place its chips on drive trains with the utmost energy efficiency and increased performance. These environmentally friendly drive concepts will also make a contribution to lowering CO_2 emissions. Incessant updates and supplements to the wide-ranging product portfolio will set new technological standards and strengthen Jungheinrich's competitive position.

The Jungheinrich Group will stay the successful course it has been charting in recent years, while letting itself be guided by the world's long-term market trend. Establishing and expanding the global direct sales network will be a focal point of Jungheinrich's activity in this respect, which is tailored to Europe's and Asia's key growth regions. Moreover, the company is ready to expand its counterbalanced truck business in Europe. The development of a new IC engine-powered truck featuring a hydrostatic drive train is the first major step in this direction. Furthermore, the mail-order business will be expanded as well.

Our earnings trend in 2008 will primarily be determined by the progress in productivity made by the plants and the cyclically-induced rise in demand. The expansion of after-sales operations is also expected to make an important contribution. These gains in income will continue to be contrasted by the adverse effects of the persistently fierce crowding-out and price-based competition as well as of high raw material prices. Jungheinrich is gearing up for the possibility that the procurement market may not experience any significant relief in the next two years. Sales-side prices were increased at the beginning of 2008. This had an offsetting impact. Financial resources need to be set aside to fund the growth strategy and the expansion of manufacturing capacity. As in prior years, preparatory work must be done to tap growth markets, and this may cause returns to decline. Opportunities stemming from gains in market share and further enhancements in the efficiency of production processes will counter this. Overall, Jungheinrich anticipates that the 2008 financial year will produce a favourable business and earnings trend.

Taking account of the US mortgage crisis, as long as the basic economic and sectoral conditions do not change decisively beyond 2008, its is likely that our business volume will record further growth in 2009. Global distribution flows are anticipated to continue increasing and lead to a further expansion of the world market for material handling equipment. This applies above all to emerging markets in Eastern Europe and Asia as well as newly industrializing overseas nations. The Jungheinrich Group will benefit from this as well as from the continued expansion of the counterbalanced truck business. Mail-order operations will grow beyond Europe's German-speaking countries. All in all, Jungheinrich thus expects incoming order and net sales growth to remain stable. The material handling equipment sector will continue to be marked by fierce price-on-price competition. Nevertheless, the Jungheinrich Group's earnings trend should benefit from the positive stimuli injected by the additional production capacity available from the second half of 2009 onwards and the further progress in productivity ensuing from this.

Unforeseen developments may cause the actual business trend to deviate from expectations, which are based on assumptions and estimates made by Jungheinrich company management. Factors that can lead to such deviations include changes in the economic and business environment, exchange and interest rate fluctuations, and the introduction of competing products.

Group overview

Jungheinrich launches new diesel-powered forklift truck
Plant planned in Landsberg (Saxony-Anhalt)
New logistics centre for Central and Eastern Europe
"Jungheinrich PROFISHOP" mail-order business expanded

In focus: intelligent
minds for new solutions.

Jungheinrich is a logistics service provider with manufacturing operations, which offers its customers a comprehensive range of forklift trucks, shelving systems and services covering the entire field of intralogistics. The modernization of production lines at the manufacturing sites in Norderstedt, Lüneburg and Moosburg, which began in 2005, was completed in 2007. The company will expand its production capacity and build a new plant for the production of battery-powered low-platform trucks in Landsberg, which is in the vicinity of Halle in the state of Saxony-Anhalt. Production startup is scheduled for the middle of 2009. By reorganizing its corporate structure last fiscal year, Jungheinrich made it uniform, transparent, and future-oriented.

Jungheinrich's main aspiration is to make sure its customers are satisfied. It follows this principle by offering innovative products and convincing service. This is why the company constantly invests in research and development with a view to meeting customer demands in the future. With a product portfolio encompassing trucks, shelves and logistics systems, Jungheinrich has an attractive full-range offering, which enables it to provide clients with complete intralogistics solutions from a single source.

Jungheinrich is represented in some 100 countries worldwide, in 31 of which the company operates its own powerful direct sales and service networks.

Employees

Jungheinrich employed 10,178 people as of December 31, 2007. This includes about 500 staff members who were added to the scope of consolidation because 11 non-German sales companies were consolidated for the first time. Production had a workforce of 2,269 employees, and Sales and Administration had a personnel headcount of 7,909. Moreover, the company had nearly 600 temps on its payroll.

Training

Young adults receiving qualified training at Jungheinrich have an ideal point of entry into modern and attractive jobs. For example, the Norderstedt manufacturing site trains people to become versatile mechatronics professionals. The plant also offers training programs for machine and plant operators as well as electricians and industrial mechanics. Training provided in the field of administration and at our German sales locations covers a broad spectrum of commercial professions.

Courses of study bundled with on-the-job instruction are gaining significance. Students alternate between compact study units at a university and practical assignments in a company. This enables program participants to obtain an internationally recognized Bachelor's degree in business management, business computer sciences or economic engineering in a mere three years.

1. Basis for the future: Jungheinrich apprenticeships are modern and attractive.
2. Satisfied customers: Individualized advice makes the difference.
3. Boundless service: Jungheinrich’s after-sales service technicians are quick and competent.

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Trainees

Successful university graduates find a tailor-made career opener at Jungheinrich: Our internationally-oriented trainee program. For a period of 24 months, potential budding executives from Germany and abroad amass experience in various departments and locations within the Group, from project work and daily operations. Trainees in Russia, Spain and elsewhere got off to a successful start to their programs in 2007. Plans are in place to further expand the trainee program outside Germany in 2008.

Talent management

Executive development has always been accorded high significance at Jungheinrich: In 2007, the company launched three new programs designed to promote employees with promising potential. They are subsumed under the heading "talent management." Workshops and seminars on managerial topics of central importance held within the scope of these programs prepare participants for their next career phase, involving, for example, taking on key positions within the company.

Going Global

Cooperation among staff members across country borders creates the foundation for the success of companies with worldwide operations. Jungheinrich supports the close cooperation between its local companies via the "Going Global" program. It sends participants on foreign assignments for up to six months. This enables them to build networks and share knowledge.

Besides managerial and administrative staff, in 2007, the program was frequented above all by numerous technicians. They shared their experience with co-workers abroad and helped establish a worldwide "after-sales service engineer pool."

Thanks to our employees

Our employees' passion for innovation, performance and professionalism was instrumental in our achieving a positive result last fiscal year. Jungheinrich would like to express its gratitude to all its staff members for this success. Also deserving of appreciation are the employee representatives in Germany and abroad for their constructive cooperation.

Employees by function As of December 31	2007	2006
Mobile service engineers	3,337	3,055
Workshop technicians	222	237
Manufacturing	1,480	1,365
Technical consultants	806	696
Administration service	3,879	3,493
Temporary workers	187	184
Trainees and apprentices	267	244
Total	10,178	9,274

Technological innovations

Intralogistics undergo constant change. Increasing automation and mounting customer demands pose solutions providers with new challenges time and again. Today, material handling equipment must be a convincing profitability proposition in terms of both energy efficiency and operating costs as well as ergonomics and safety.

This is an area where Jungheinrich set new standards in 2007 with the market launch of a hydrostatic diesel and LPG-powered forklift. The truck has a very comfortable ride, is equipped with numerous safety features, and is capable of extremely high handling turnover rates, while keeping down fuel consumption. Thanks to its low emissions, the DFG/TFG 425s-435s ranks among the world’s most environmentally friendly IC engine-powered forklift trucks.

Working alongside the hydrostatic drive system, three-phase alternating current technology, which has been resolutely refined by Jungheinrich in recent years, guarantees substantial energy savings and long service lives.

Three-phase AC technology thus comes standard on the new ERE 225 low-platform truck. It is also equipped with an ergonomic platform as well as a battery-powered pedestrian steering system. The new seven ton EZS 570 tractor also has a high-performance three-phase AC drive engine, which saves energy despite its powerful acceleration.

One of the factors contributing to the rise in material handling equipment productivity is the innovative ”JetPilot“ system, a multi-functional steering wheel available from Jungheinrich as an option. The driver's cabin on a counterbalanced truck is thus becoming increasingly similar to a car driver's environment. The “JetPilot” went into series production less than two years after the engineering design was presented for the first time.

Jungheinrich dedicates a lot of its attention to data transmission systems for warehouse management and monitoring (radio communications) as well as to the widening range of applications for RFID (Radio Frequency Identification) technology in the material handling equipment environment. As consortium leader, the company spearheads the “IdentProlog” research project, which is subsidized by the German Federal Ministry of Education and Research. A test vehicle has already been fitted with a purpose-designed RFID read-write unit that communicates with “intelligent” payload carriers.

In addition, Jungheinrich conducts fundamental research in cooperation with the Jülich Research Centre. The objective is to determine the economic and technical feasibility of direct methanol fuel cells as drive concepts for certain material handling equipment.

High-tech made in Germany: forklifts with hydrostatic drives

Jungheinrich’s newly-developed diesel and LPG-powered DFG/TFG 425s-435s trucks are capable of handling payloads of up to 3,500 kilograms, stacking up to 7.00 meters high, and are equipped with hydrostatic drives made in Germany. These forklifts shine by virtue of their outstanding driving comfort as well as excellent handling turnover rates, especially when under intensive use involving numerous changes in direction. The strengths of the easily serviceable and low-maintenance hydrostatic drive technology fully come to play in such situations, for instance when loading and unloading lorries. At the push of a button, the driver can select the one of the five predefined programs that best suits the task at hand. At the heart of the new counterbalanced truck is a state-of-the-art engine by Volkswagen – a convincing offering thanks to its low fuel consumption and low noise and exhaust emissions. Available options include a three-way, computer-controlled catalytic converter on the LPG model and a new, high-performance particulate filter with automatic regeneration for the diesel-powered variant.

Jungheinrich’s hydrostatic drive DFG/TFG 425s-435s ensures a high degree of stationary and driving safety in daily use. Moreover, a generously and ergonomically designed workplace provides for a comfortable and relaxed ride as well as a high handling turnover rate. The new hydrostat from Jungheinrich is a convincing proposition, due to the well-struck balance between performance, safety and ergonomics.

New low-platform truck: comfortable, fast and efficient

Thanks to its firm operator platform for passengers, the new ERE 225 low-platform truck by Jungheinrich allows for speeds higher than those achievable with purely pedestrian equipment, which results in especially profitable product handling turnover and transport. This robust truck, which comes standard with a three-phase AC drive, was engineered specifically for loading and unloading lorries and transporting heavy payloads over long distances. The ERE 225 has a top speed of 12.5 kilometres per hour and can carry a maximum payload of 2,500 kilograms. The pedestrian-controlled hand pallet truck’s workplace was tailored precisely to suit the needs of the driver and specific applications. Thanks to the spacious driver’s cabin and the electric tiller control, which can be operated from both sides, the driver is always on comfortable and secure footing – both laterally and frontward. Additional protection comes courtesy of the high backrest which has an integrated handle. Besides the soft-sprung operator platform, the entire drive train is spring-mounted using the patented “ShockProtect” system, which prevents bumps from being passed on to the driver, thus preventing spine damage. Sprung and cushioned support wheels, connected via the “ProTracLink“ torsion bar further contribute to the ERE 225’s safe travel in all situations and complement Jungheinrich’s well-proven “Curve Control.” The latter automatically reduces truck speed in turns, depending on the steering angle.

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1. Going along for the drive instead of the walk: the ERE 225 low-platform truck
2. Solutions built to order: special equipment for the automotive industry
3. Convincing on the merits of performance: the new DFG/TFG 425s-435s diesel and LPG counterbalanced truck

Jungheinrich special solutions for the automotive industry

Jungheinrich has been running a manufacturing plant dedicated to special equipment in Lüneburg since 1990. Truck solutions are built to order at this production facility. Specialized trucks are blueprinted, built, tested, documented and shipped to the customer at quality and service levels matching those of series equipment.

Special applications demand special material handling equipment. This holds especially true for tasks involving plant-specific transports, for example in the automotive industry at General Motors Powertrain – Germany GmbH, headquartered in Rüsselsheim. This location is home to the production of transmissions and the development of engines and transmissions. Cars in which the various pieces of equipment are installed for test purposes must be driven through the production hall quickly, safely and with zero emissions. To this end, Jungheinrich engineered and built a customized car transporter based on a low-platform truck. The drive unit was taken from a conventional Jungheinrich EJE Series 2 low-platform truck. Using the newly developed special fork configuration, one can slide the fork underneath a car from the front, back or in the middle, secure both wheels, and lift the vehicle to transport it. Using a hydraulic length regulator, the EJE 218's special fork configuration (payload capacity: 1,800 kilograms) can be adjusted to suit the wheel overhangs of nearly all common cars and vans.

Logistics services

Logistics systems

Jungheinrich has been expanding its "Logistics Systems" Division for years. This company is active in the field of tailor-made solutions. They comprise manual storage systems with warehouse management systems and radio data transmission, fully automated warehousing systems with shelving and material handling equipment and combinations of the two. As general contractor, Jungheinrich stands by its customers' side every step of the way, from the first consulting session to the budgeting, planning and system integration phases and even once everything is up and running. Fiscal 2007 was an especially successful year for the "Logistics Systems" Division, in part due to two major contracts won in Germany and Greece.

The shelving and racking system businesses are also steering courses for growth. Drawing on its full-range offering of shelving systems, platform installations and integral warehouses, Jungheinrich provides its customers with turnkey solutions for storing pallets, containers and long items worldwide. Another success building block alongside its international orientation, which goes beyond Western and Central Europe to cover countries such as Russia, China and Turkey, is the introduction of new ways to serve the customer. A case in point are the Jungheinrich shelf inspections that are carried out by specially trained shelf inspectors. It is a useful means for warehouse operators to guarantee the safety of their warehouse staff. Shelf inspections by suitably trained experts are now required by law.

Used equipment

Jungheinrich boosted used equipment sales in 2007. The rise was primarily due to end customer sales. Additional capacity created to recondition and market used equipment as well as the streamlining of processes made a major contribution to the positive sales figures. This includes the introduction of Europe-wide uniform incoming and outgoing controls for returned material handling equipment, centralized inventory management, and industrial reconditioning techniques. At least of equal importance is the adherence to uniform reconditioning and shipping standards that satisfy customer quality requirements.

To ensure that Jungheinrich can meet the rising demand, the central reconditioning unit's production in the Dresden used equipment factory that was set up in 2006 was doubled in the financial year that just ended, while the workforce was tripled. These expansionary steps were taken primarily to lessen the workload of the decentralized workshops in Jungheinrich's branch establishments and strengthen the sales organizations over the long term.

Short-term hire

The short-term hire of material handling equipment through the transfer of usage rights remains a field of business experiencing dynamic growth the world over. The business trend witnessed in this sector is extremely gratifying for Jungheinrich. The hire station network and the truck fleet were expanded even further. Approximately 22,000 forklifts now ensure a level of availability that meets the market's needs. It receives additional support from well-suited transportation logistics as well as the equipment's user-oriented technology and features.

After-sales services

From a customer's point of view, the wide range of available services is one of the main criteria when deciding to buy a Jungheinrich truck. Therefore, the company invested heavily in the expansion of this division in the year under review as well. New scheduling software was introduced in various countries to make the deployment of after-sales engineers more efficient. It shortens turnaround times and improves punctuality levels for repair appointments.

The worldwide spare parts supply business was expanded as well. Eastern European countries have been supplied from a newly established logistics centre in Bratislava (Slovakia) since September 2007. This has decisively shortened delivery times and given Jungheinrich a competitive edge.

Financial services

In 2007, the financial services business grew substantially compared with the previous year. Most notably, there was increased demand for rental agreements. Rental contracts primarily target fleet operators. Most of them are international key accounts, which Jungheinrich serves as a single-source manufacturer, supplier, technical service provider and financer. Customer satisfaction can primarily be ensured by offering flexible contracts and approving rent instalments reflecting the customers' actual truck usage. The fourth financial services company, which was successfully established in the United Kingdom last year, will be followed by another one in Spain in 2008.

Mail-order business

The mail-order business is displaying very successful development. Jungheinrich Katalog GmbH & Co. KG entered the German market at the beginning of 2006. The Profishop catalogue now encompasses 1,000 pages and 28,000 items. The product range is constantly extended on the web at www.jh-profishop.de.

In 2007, Jungheinrich's mail-order subsidiary founded its first foreign branch establishment. Jungheinrich PROFISHOP GmbH, Vienna (Austria) published its first catalogue in September 2007. On 300 pages, it offers products in the fields of stacking & lifting, transportation, racking systems, factory equipment and environmental protection. Warehousing products, Jungheinrich's core business, are a focal point. The Austrian online store opened its doors to customers at www.jh-profishop.at simultaneously to the mail-order business.

International projects

Bosch banks on Jungheinrich in Thuringia

Headquartered in Gerlingen (Baden-Württemberg) the Bosch Group employs over 260,000 people worldwide. Bosch is a premier international technology and service company, specialized in vehicle and industrial engineering as well as commodities and building technology. The Bosch Group encompasses Robert Bosch GmbH and about 300 subsidiaries and regional companies in more than 50 countries.

Some 2,000 Jungheinrich trucks are currently being used at the company's various locations, including Robert Bosch Fahrzeugelektrik Eisenach GmbH in Thuringia (Germany). Today, on 53,000 square metres in Eisenach, 1,650 employees manufacture injection and safety systems that are shipped to various companies active in the automotive industry in numerous countries. Eisenach plays an important role among the 120 sites at which Bosch manufactures vehicle engineering equipment the world over. This is where the company's lead plant for sensor products, air flow gauges, engine speed sensors and engine speed governors is located. Therefore, Bosch recently invested more than ten million euros in a new logistics hall designed for process-oriented goods flow logistics. This is where raw materials and components are stored on a floor space of 8,000 square metres. The internal supply of parts is handled via a total of ten routes, with personnel working in three shifts. Every day, about 12,000 small-cargo carriers are in circulation on roughly 1,000 euro pallets. They are transported by Jungheinrich trucks, for which Bosch has concluded full-service agreements.

Automated high-rack warehouse for Häfele in the UK

Häfele GmbH & Co KG ranks among the world's leading companies in the fields of furniture fittings, building hardware, electronic locking systems and hardware-related facility consulting. The Häfele Group is domiciled in the Swabian town of Nagold (Baden-Württemberg). Customers include furniture outlets, furniture craftsmen factories, interior construction firms, fitting retailers, building investors, architects, planners and public authorities in over 150 countries. Häfele has 3,700 staff members on its payroll and 37 sales companies on five continents.

Häfele United Kingdom is one of the oldest foreign and highest-volume branch establishments. The operations of a distribution warehouse and the sales offices in London, Manchester, Bristol, Yorkshire, Wales and Scotland are coordinated from its head office in Rugby (England). Häfele has constantly expanded its warehouse capacity in Rugby, while optimizing its material flow systems through its long-standing collaboration with Jungheinrich. Four semi-automatic and eight fully automated shelving devices as well as sophisticated material handling systems for pallets and portable mobile boxes were installed for this purpose. The technical facilities are controlled by a computerized warehouse management system. A large amount of the most diverse types of Jungheinrich material handling equipment was delivered to Häfele UK in addition to the shelving and racking products.

CALM: Jungheinrich becomes active in Kazakhstan

Kazakhstan's economy has displayed rapid growth in recent years. Its consumer markets are booming, and companies are expanding. The Kazakh government reacted to the rise in demand for comprehensive logistics services. The geographical concentration of companies working closely together in significant branches of industry, including the transportation sector, was spurred substantially. Part of the government's extensive action plan consisted of a project spearheaded by Kazakh-based Central Asian Logistics Management (CALM). The company operates the CALM logistics park, which is located in the vicinity of Almaty International Airport in the southeast of Kazakhstan. With 48,500 square metres in storage space, the two distribution warehouses can accommodate a total of 70,000 pallets. The logistics park has very good road transport connections as well as its own container parking lot and a train connection. The terminals that have been set up thus far open the door to the possibility of storing everything under a single roof: a shelf warehouse, a floor warehouse, a small parts warehouse, a refrigerated warehouse and a customs warehouse. Goods stored there are imported from all over the world (mainly China, Russia and Europe) and then shipped throughout the country. With a view to becoming the market leader in logistics parks in Kazakhstan, CALM also relies on an expert to fulfil logistical tasks: Jungheinrich. More than 50 forklifts – predominantly reach trucks and battery-powered counterbalanced trucks – are currently in use at the logistics park. CALM intends to expand its business operations throughout Kazakhstan, for example to cover the capital city of Astana.

Production sites

In the financial year that just came to a close, Jungheinrich fully benefited from the far-reaching structural measures taken at its German production plants in Norderstedt, Lüneburg and Moosburg from 2005 to 2007.

The sustained growth displayed by the material handling equipment market presented Jungheinrich with a very positive order situation. The company is erecting a new plant in Landsberg in the vicinity of Halle (Saxony-Anhalt) to build up enough manufacturing capacity to handle the expected continued increase in unit output over the long term. Production of battery-powered low-platform trucks will be shifted there from Norderstedt. This will free up space at the old location, which will allow us to increase unit output for the remaining equipment.

By constructing the factory in Landsberg, Jungheinrich will create new jobs in the region. Production startup is scheduled for the middle of 2009.

Having set up an assembly plant in Qingpu, which is located close to Shanghai (China), Jungheinrich can meet demand for warehousing equipment in Asia. Low and high-platform trucks manufactured there will be supplied to Jungheinrich's Chinese sales organization, the rest of Asia, and overseas markets outside Europe. The company expects local production to result in further gains in the share it has of this growing market.

The European centre for reconditioning used equipment in Klipphausen in the vicinity of Dresden (Saxony) is on course for growth. Since production got underway in 2006, the number of material handling trucks reconditioned in the plant has risen considerably, and the employee headcount has been tripled to 75.

1. CALM in Kazakhstan: Jungheinrich forklifts tap markets of the future.
2. Bosch in Thüringen/Germany: Barge trains supply the production line.
3. Häfele in the UK: An automated shelf operating device is being installed.

Consolidated financial statements

2007: a convincing performance.

Consolidated statement of income

	Notes	2007 in thousand €	2006 in thousand €
Net sales	(3)	**2,000,692**	**1,748,075**
Cost of sales	(4)	1,420,982	1,229,449
Gross profit on sales		**579,710**	**518,626**
Selling expenses		368,847	334,130
Research and development costs	(12)	39,936	40,364
General administrative expenses		28,771	26,723
Other operating income	(7)	7,141	8,135
Other operating expenses	(8)	12,382	7,100
Income from associated companies		2,599	2,411
Other net income (loss) from investments	(9)	–	– 2,512
Earnings before interest and income taxes		**139,514**	**118,343**
Financial income (loss)	(10)	– 1,012	– 101
Earnings before taxes		**138,502**	**118,242**
Income taxes	(11)	56,910	51,662
Net income		**81,592**	**66,580**
Earnings per share in €	(38)	**2.40**	**1.96**

Consolidated balance sheet

Assets

	Notes	Dec. 31, 2007 in thousand €	Dec. 31, 2006 in thousand €
Non-current assets			
Intangible assets	(12)	42,570	41,287
Tangible assets	(13)	244,386	224,366
Trucks for short-term hire	(14)	200,405	149,168
Trucks for lease from financial services	(15)	166,155	147,348
Investments in associated companies	(16)	12,221	11,853
Other financial assets	(16)	572	2,431
Trade accounts receivable	(18)	9,003	9,067
Receivables from financial services	(19)	288,126	238,901
Other receivables and other assets	(20)	86	107
Deferred tax assets	(11)	49,889	57,887
		1,013,413	**882,415**
Current assets			
Inventories	(17)	243,282	203,677
Trade accounts receivable	(18)	413,523	361,459
Receivables from financial services	(19)	114,392	100,721
Income tax receivables		4,206	1,719
Other receivables and other assets	(20)	26,699	18,676
Securities	(21)	–	43,090
Liquid assets	(22)	250,923	192,420
Prepaid expenses	(23)	6,472	8,397
		1,059,497	**930,159**
		2,072,910	**1,812,574**

Consolidated balance sheet

Shareholders' equity and liabilities

	Notes	Dec. 31, 2007 in thousand €	Dec. 31, 2006 in thousand €
Shareholders' equity	(24)		
Subscribed capital		102,000	102,000
Capital reserve		78,385	78,385
Retained earnings		362,398	301,648
Accumulated other comprehensive income (loss)		10,888	2,831
		553,671	**484,864**
Non-current liabilites			
Provisions for pensions and similar obligations	(25)	163,775	160,635
Other non-current provisions	(26)	45,000	44,588
Deferred tax liabilities	(11)	26,621	21,193
Financial liabilities	(27)	144,287	134,787
Liabilities from financial services	(28)	390,257	300,655
Deferred income	(31)	73,836	73,660
		843,776	**735,518**
Current liabilities			
Income tax liabilities		16,643	19,491
Other current provisions	(26)	142,195	124,929
Financial liabilities	(27)	146,001	129,719
Liabilities from financial services	(28)	150,964	122,671
Trade accounts payable	(29)	109,485	98,588
Other current liabilities	(30)	66,817	51,504
Deferred income	(31)	43,358	45,290
		675,463	**592,192**
		2,072,910	**1,812,574**

Consolidated statement of cash flows

	2007 in thousand €	2006 in thousand €
Net income	81,592	66,580
Depreciation and amortization of tangible and intangible assets	40,195	39,062
Depreciation of trucks for short-term hire and lease	95,316	79,232
Write-downs of financial assets	8	2,519
Changes in provisions	19,147	10,216
Changes in trucks for short-term hire and trucks for lease (excl. depreciation)	– 155,445	– 92,474
Other non-cash changes in income and expenses	4,883	– 1,084
Income/loss from the disposal of tangible and intangible assets	347	– 806
Results from equity accounting	– 368	– 794
Changes in deferred tax assets and liabilities	13,514	9,972
Changes in other balance sheet items		
Inventories	– 26,275	– 42,624
Trade accounts receivable	– 45,518	– 39,391
Receivables from financial services	– 62,896	– 48,759
Trade accounts payable	8,071	23,955
Liabilities from financial services	117,896	44,325
Liabilities from financing of trucks for short-term hire	13,118	– 6,916
Other operating assets	4,694	1,614
Other operating liabilities	– 1,080	– 9,766
Cash flows from operating activities	**107,199**	**34,861**
Payments for investments in tangible and intangible assets	– 62,068	– 58,552
Proceeds from the disposal of tangible and intangible assets	2,074	5,100
Payments for investments in financial assets	–	– 1,717
Proceeds from the disposal of financial assets	37	–
Cash flows from investing activities	**– 59,957**	**– 55,169**
Dividends paid	– 17,280	– 16,260
Changes in short-term liabilities due to banks	– 19,909	– 10,355
Proceeds from obtaining long-term financial loans	6,930	10,005
Repayment of long-term financial loans	– 6,212	– 2,304
Cash flows from financing activities	**– 36,471**	**– 18,914**
Net cash changes in cash and cash equivalents	**10,771**	**– 39,222**
Changes in cash and cash equivalents due to changes in exchange rates and in the basis of consolidation	4,679	316
Changes in cash and cash equivalents	**15,450**	**– 38,906**
Cash and cash equivalents as of January 1	**235,473**	**274,379**
Cash and cash equivalents as of December 31	**250,923**	**235,473**

The consolidated statement of cash flows is commented on in note 33.

Consolidated statement of changes in shareholders' equity

	Subscribed capital	Capital reserve	Retained earnings	Accumulated other comprehensive income (loss)		**Total**
				Currency translation adjustment	Derivative financial instruments	
in thousand €						
As of January 1, 2007	**102,000**	**78,385**	**301,648**	**3,708**	**– 877**	**484,864**
Currency translation adjustment	–	–	–	5,642	–	5,642
Dividend for the prior year	–	–	– 17,280	–	–	– 17,280
Net income 2007	–	–	81,592	–	–	81,592
Other changes	–	–	– 3,562	–	2,415	– 1,147
As of December 31, 2007	**102,000**	**78,385**	**362,398**	**9,350**	**1,538**	**553,671**
As of January 1, 2006	**102,000**	**78,385**	**251,876**	**4,557**	**– 122**	**436,696**
Currency translation adjustment	–	–	–	– 849	–	– 849
Dividend for the prior year	–	–	– 16,260	–	–	– 16,260
Net income 2006	–	–	66,580	–	–	66,580
Other changes	–	–	– 548	–	– 755	– 1,303
As of December 31, 2006	**102,000**	**78,385**	**301,648**	**3,708**	**– 877**	**484,864**

The consolidated statement of changes in shareholders' equity is commented on in note 24.

Notes to the consolidated financial statements

(1) Purpose of the company

Jungheinrich AG is headquartered at the street address "Am Stadtrand 35" in Hamburg (Germany) and has an entry under HRB 44885 in the commercial register of the Hamburg District Court.

The Jungheinrich Group operates at the international level – with the main focus on Europe – as a manufacturer and supplier of products in the fields of material handling equipment and warehousing technology as well as of all services connected with these activities. These encompass the lease/short-term hire and sales financing of the products, the maintenance and repair of forklift trucks and equipment, the sale of used equipment as well as project planning and general contracting for complete logistics systems. The product range extends from simple hand pallet trucks to complex, integrated complete systems.

The main production pool still consists of the plants in Norderstedt, Moosburg and Lüneburg (all of which are located in Germany). Battery-powered pallet trucks for the East Asian market are manufactured in the factory in Qingpu/Shanghai (China). Hand pallet trucks are still sourced from third parties in China.

Used equipment is reconditioned in the used equipment centre in Klipphausen/Dresden (Germany).

Jungheinrich maintains a large and close-knit direct marketing network with 17 sales and distribution centres/branch establishments in Germany and 25 company-owned sales and service companies in other European countries. Further foreign companies are located in Brazil, China, Singapore, Thailand, and in the USA. In addition, overseas, Jungheinrich products are distributed via local dealers.

(2) Accounting principles

Basis

Jungheinrich AG prepared consolidated financial statements for the financial year ending on December 31, 2007, in compliance with International Financial Reporting Standards (IFRS). All standards and interpretations of the International Financial Reporting Interpretations Committee (IFRIC) endorsed by the EU effective as of the cut-off date were taken into account. The term 'IFRS' also encompasses the International Accounting Standards (IAS) that are still valid. Regulations under commercial law pursuant to Section 315a of the German Commercial Code (HGB) were complementarily taken into account.

The consolidated financial statements have been prepared in thousands of euros.

The statement of income has been prepared using the cost of sales accounting method.

Consolidation

Subsidiaries that are under the legal or factual control of Jungheinrich Aktiengesellschaft, Hamburg, are included in the consolidated financial statements. Active companies in which Jungheinrich holds a share of 20 to 50 per cent, and on which the Group exerts a significant influence without controlling them, are carried on the balance sheet in accordance with the equity method ('associated companies'). Other investments in other companies are carried at their acquisition cost.

Financial statements of Jungheinrich AG as the parent company and of included subsidiaries that are to be consolidated are prepared using uniform accounting and measurement methods as per the cut-off date of the parent company.

The same measurement methods are applied to determine the prorated shareholders' equity of companies accounted for using the equity method.

Assets and liabilities of subsidiaries consolidated for the first time are recognized at their fair values at the time of acquisition. In cases where the investment's acquisition costs exceed the recognized assets and liabilities, the difference on the assets side is capitalized as goodwill. Goodwill is tested for impairment at least once a year. If the fair value of acquired net assets exceeds the acquisition costs, negative goodwill is recognized. In such cases, negative goodwill is immediately recognized in the year of acquisition with an effect on net income.

All receivables and liabilities, all sales, expenses and income as well as intercompany results within the basis of consolidation are eliminated within the framework of the consolidation.

Investments in associated companies, including joint ventures, are accounted for using the equity method and initially recognized at their acquisition cost. Changes in the investments' prorated shareholders' equity following acquisition are offset against the investments' carrying amount. The Jungheinrich Group's investments in associated companies include goodwill arising at their time of the acquisition. Since this goodwill is not stated separately, it does not have to be separately tested for impairment pursuant to IAS 36. Instead, the entire carrying amount of the investment is tested for impairment in accordance with IAS 36 as soon as there are indications of the recoverable amount dropping below the investment's carrying amount.

Currency translation

Receivables and liabilities in foreign currency in the annual financial statements of the Group companies are translated at the exchange rate valid at the balance sheet date, and any differences resulting from such translation are stated affecting net income.

The annual financial statements of the foreign subsidiary companies included in the consolidated financial statements are translated according to the functional currency concept. This is in each case the local currency if the subsidiary companies are integrated into the currency area of the country in which they are domiciled as commercially independent entities. As regards the companies of the Jungheinrich Group, the functional currency is the local currency.

With the exception of shareholders' equity, all assets and liabilities in annual financial statements prepared in foreign currencies are translated at the exchange rate valid at the balance sheet date. Shareholders' equity is translated at historical rates. The statements of income are translated at the annual average exchange rates.

Differences deriving from foreign currency translation in the case of assets and liabilities as compared with the translation of the prior year or as regards shareholders' equity as against historical rates, as well as translation differences between the statement of income and the balance sheet are stated in shareholders' equity within the item 'Accumulated other comprehensive income (loss)' not affecting net income.

The exchange rates of major currencies for the Jungheinrich Group outside the European Monetary Union changed as follows:

		Exchange rate at the balance sheet date		**Annual average exchange rate**	
		12/31/2007	12/31/2006	2007	2006
Currency	Basis 1 €				
GBP		0.73335	0.67150	0.68434	0.68173
CHF		1.65470	1.60690	1.64270	1.57290
PLN		3.59350	3.83100	3.78370	3.89590
NOK		7.95800	8.23800	8.01650	8.04720
SEK		9.44150	9.04040	9.25010	9.25440
DKK		7.45830	7.45600	7.45060	7.45910
CZK		26.62800	27.48500	27.76600	28.34200
TRY		1.71700	1.86400	1.78650	1.80900
RUB		35.98600	34.68000	35.01830	34.11170
HUF		253.73000	251.77000	251.35000	264.26000
CNY		10.75240	10.27930	10.41780	10.00960
USD		1.47210	1.31700	1.37050	1.25560

Revenue recognition

Revenue is recognized after deduction of bonuses, discounts or rebates, when the ownership and price risk have been transferred to the customer. In general, this is the case when the delivery has been made or the service has been rendered, the selling price is fixed or determinable, and when the receipt of payment is reasonably certain.

When classifying contracts from financial service transactions as a 'finance lease,' revenue is recognized in the amount of the resale value of the leased item and, in the case of an 'operating lease,' revenue is recognized in the amount of the leasing rates. If a leasing company acts as an intermediary, for contracts with an agreed residual value guarantee that amounts to more than 10 per cent of the item's value, the proceeds from the sale are deferred and liquidated over time affecting sales until the residual value guarantee falls due.

Product-related expenses

Expenses for advertising and sales promotion as well as other sales-related expenses affect net income when they are incurred. Freight and dispatch costs are carried under the cost of sales.

Product-related expenses also include additions to provisions for warranty obligations as well as to provisions for impending losses from pending transactions.

Research expenses and uncapitalizable development costs are stated affecting net income in the period in which they are incurred.

Earnings per share

Earnings per share are based on the average number of shares outstanding during a fiscal year. In the 2007 and 2006 fiscal years, no shareholders' equity instruments existed that could potentially have diluted the earnings per share on the basis of shares issued.

Intangible and tangible assets

Purchased intangible assets are measured at acquisition costs and reduced by straight-line amortization over their useful lives of 3 to 5 years insofar as their useful lives are limited.

Development costs are capitalized as manufacturing costs if the manufacture of the developed products is expected to result in an economic benefit for the Jungheinrich Group and is technically feasible and if the costs can be determined reliably. Manufacturing costs comprise all costs directly allocable to the development process, including development-related overheads. From the beginning of production onwards, capitalized development costs are amortized using the straight-line method over the series production's expected duration, which is normally between 4 and 7 years.

Goodwill from consolidation is capitalized and allocated to intangible assets. Goodwill stemming from the acquisition of associated companies is included in the carrying amount of investments in associated companies.

Tangible assets are measured at historical acquisition or manufacturing costs, less accumulated depreciation. The manufacturing costs for self-produced equipment contain not only the direct material and manufacturing expenses, but also attributable material and production overheads as well as production-related administrative expenses and depreciation. Borrowing costs are not capitalized. Maintenance and repair expenses are stated as costs. All costs for measures that lead to an extension of the useful life or a widening of the future possibilities for use of the assets are capitalized. Depreciable objects are reduced by scheduled straight-line depreciation.

The following useful lives are taken as a basis for scheduled depreciation:

Buildings	10 – 50 years
Land improvements, improvements in buildings	10 – 50 years
Plant facilities	10 – 15 years
Technical equipment and machinery	5 – 10 years
Factory and office equipment	3 – 10 years

Intangible and tangible assets with undeterminable or unlimited useful lives are not reduced using scheduled depreciation or amortization.

All intangible and tangible assets are tested for impairment at least once a year and whenever there is an indication of a potential reduction in value. In such cases, the recoverable amount of the asset is compared with its carrying amount. The recoverable amount is the higher of the fair value of the asset less selling costs and the value in use, which is the estimated discounted cash flow. If the carrying amount exceeds the recoverable amount of the asset, an impairment is performed.

If the reason for an impairment carried out in previous years no longer exists, a write-up to amortized acquisition or manufacturing costs is performed. Impairment losses recorded for goodwill are not recovered in subsequent reporting periods.

If objects are sold or scrapped, tangible and intangible assets are retired; any resulting profits or losses are taken into account affecting net income.

Trucks for short-term hire

Jungheinrich hires trucks to customers on the basis of short-term agreements without conventional underlying lease transactions. Nevertheless, these contracts are accounted for as ‘operating lease’ agreements. The following commentary on the way in which leases are accounted for is thus referred to.

Leasing

Within the framework of their financial services business, Jungheinrich Group companies conclude contracts with customers either directly or with a leasing company acting as an intermediary.

The classification of the leasing transactions, and thus the way they are reported in the accounts, depends on the attribution of the economic ownership of the lease object. In the case of ‘finance lease’ contracts, the economic ownership lies with the lessee. At the Jungheinrich Group companies, as the lessor, this leads to a statement of leasing rates due in the future as receivables from financial services in the amount of their net investment value. Interest income realized in instalments over the term to maturity ensure that a stable return on outstanding net investments is achieved.

If economic ownership is attributed to Jungheinrich as the lessor, the agreement is classified as an 'operating lease,' so that the trucks are capitalized as 'trucks for lease from financial services' at acquisition or manufacturing costs. Financed trucks for lease using the sale and leaseback method are depreciated over the period of the underlying lease agreements. In all other cases, depending on the product group, trucks for lease are depreciated at 30 per cent or 20 per cent over the first two years, after which they are reduced using the straight-line method until the end of their useful lives. The economic useful lives of leased equipment were estimated anew taking the latest findings regarding the development of the fair value of certain product groups into account and established at six or nine years. This re-assessment does not have a material impact on the Jungheinrich Group's earnings situation since the product groups are evenly distributed throughout the Group. Lease income is recorded with an effect on results over the period of the contracts using the straight-line method.

These long-term customer contracts ('finance and operating leases') are financed by loans with maturities identical to those of the contracts. They are stated on the liabilities side under liabilities from financing in the item 'liabilities from financial services.' Proceeds from the sale of future leasing rates from intragroup usage right agreements in the Jungheinrich Group are deferred as liabilities from financing and dissolved over the period of the usage right using the effective interest method. Trucks for lease are also financed using the sale and leaseback method. Resulting gains from sales are deferred correspondingly and distributed over the period of the lease agreement with an effect on net income.

In the case of customer contracts with a leasing company acting as intermediary, the economic ownership lies with Jungheinrich Group companies due to the agreed residual value guarantee that accounts for more than 10 per cent of the value of the truck, so that according to IFRS, these trucks, which are sold to leasing companies, must be capitalized as 'trucks for lease from financial services.' When they are capitalized, sales proceeds are recorded as 'deferred sales from financial services' under deferred income on the liabilities side. Trucks for lease are depreciated over the term of the underlying leases between the leasing companies and the end customer. Deferred sales proceeds are dissolved using the straight-line method with an effect on sales until the residual value guarantee expires. Obligations from residual value guarantees are stated under the item 'Liabilities from financial services.'

Outside of their financial services business, acting as lessee, Jungheinrich Group companies lease tangible assets as well as customer trucks for short-term hire. In the event of a 'finance lease,' on conclusion of the contract, they capitalize the items as tangible assets or trucks for short-term hire and state leasing liabilities in the same amount as the cash value of the leasing rates. Leasing liabilities are carried in the item 'Financial liabilities.' Depreciation of tangible assets and trucks for short-term hire as well as the reversal of liabilities are effected over the basic period for which the contract is agreed. In the event of an 'operating lease,' rental and leasing rates paid by Jungheinrich are recorded as an expense over the contractual period using the straight-line method.

Financial instruments

In accordance with IAS 32 and IAS 39, financial instruments are defined as contracts that lead to financial assets in one company and financial liabilities or equity instruments in the other.

Pursuant to IAS 39, financial instruments are classified in the four following categories:

- Loans and receivables or liabilities
- Held-to-maturity financial investments
- Financial assets or liabilities at fair value through profit or loss
- Financial assets available for sale

Jungheinrich accounts for loans, receivables and liabilities at amortized acquisition costs. Financial instruments carried at amortized acquisition costs are primarily non-derivative financial instruments such as trade accounts receivable and payable, receivables and liabilities from financial services, other receivables and financial assets as well as liabilities, financial liabilities and investments in affiliated and associated companies.

Financial instruments classified as 'financial assets or liabilities at fair value through profit or loss' and held for trading are measured at fair value. These include derivative financial instruments and securities. If the value of an active market cannot be determined, the fair value is calculated using valuation methods, for example by discounting future cash flows with the market interest rate, or by applying generally accepted option price models verified by confirmations from the bank processing the transactions.

Receivables

Receivables are measured at amortized acquisition cost using the effective interest method.

Amortized acquisition costs for trade accounts receivable correspond to the nominal value after the deduction of bonuses, discounts and individual valuation allowances. Individual valuation allowances are only made if receivables are wholly or partially uncollectible or likely to be uncollectible, in which case it must be possible to determine the amount of the valuation allowances with sufficient accuracy.

The notes on the treatment of lease agreements contain further information on receivables from financial services.

Liabilities

Liabilities are measured at amortized acquisition cost using the effective interest method, whereby the interest cost is recognized according to the effective interest rate.

Liabilities from finance leases and financial services are measured at the cash value of the leasing rates. Please turn to the notes for the treatment of lease arrangements for further details.

Investments in affiliated and associated companies

Investments in affiliated companies stated under financial assets are accounted for at acquisition cost, since they do not have listed market prices and their fair value cannot be reliably determined. Investments in associated companies, including joint ventures, are accounted for using the equity method.

Securities

Securities held by Jungheinrich are intended to be sold. Therefore, they are measured at fair value on the balance sheet date. Furthermore, Jungheinrich holds securities that are not disposable in order to secure its obligations under the partial retirement plan. These securities are also measured at their fair value. Unrealized gains and losses resulting from changes in fair values are included in the result.

Derivative financial instruments

At Jungheinrich, derivative financial instruments are exclusively used for hedging purposes.

IAS 39 requires all derivative financial instruments to be accounted for at fair value as assets or liabilities. Depending on whether the derivative is a fair value hedge or a cash flow hedge, any change in the fair value of the derivative is taken into account in the result or in the shareholders' equity (as part of the 'accumulated other comprehensive income (loss)'). In the case of a fair value hedge, the results from changes in the fair value of derivative financial instruments are stated affecting net income. The changes in the fair value of derivatives that are to be classified as cash flow hedges are carried on the balance sheet under shareholders' equity in the amount of the hedge-effective part not affecting net income. These amounts are transferred to the statement of income at the same time as the effect on the result of the underlying transaction. The hedge-ineffective part is directly taken into account in the result.

Liquid assets

Liquid assets are cash balances, checks, and immediately available credit balances at banks with an original term of up to three months.

Inventories

Inventories are measured at acquisition cost or manufacturing cost or at lower net realizable value ('lower of cost and net realizable value'). Manufacturing costs include not only the direct material and manufacturing expenses, but also the attributable material and production overhead costs as well as production-related administrative expenses and depreciation. Borrowing costs are not capitalized. The average cost method is applied to calculate the acquisition or manufacturing costs of inventories of the same type.

Usage risks resulting from storage time are taken into account by way of value reductions on the basis of historical usage. Once the reason for the write-down ceases to exist, a reversal of the write-down is carried out.

Deferred taxes

Deferred tax assets and liabilities are stated in accordance with the balance sheet-oriented liability method for all temporary differences between group and tax-based valuation. This procedure is applied for all assets and liabilities with the exception of goodwill from the consolidation of investments. In addition, deferred tax assets are stated on the balance sheet to carry forward unused tax losses and unused tax credits if it is probable that they will be utilizable. Deferred taxes are valued at the current rates of taxation. If it is to be expected that the differences will be offset in years with different rates of taxation, then the latter rates valid at that time are applied. In case there are any changes in the tax rates, these changes will be taken into account in the years in which the relevant changes in tax rates are approved.

The carrying amounts of deferred tax assets are reduced if it is unlikely or cannot be expected that they can be recovered due to the respective company's long-term earnings forecasts.

Accumulated other comprehensive income (loss)

Stated in this item are changes in the shareholders' equity not affecting net income insofar as these are not based on capital transactions with shareholders. These include the currency translation adjustment and differences from the valuation of derivative financial instruments.

Provisions

Provisions for pensions and similar obligations are valued on the basis of actuarial calculations in accordance with IAS 19 by applying the projected unit credit method for defined benefit obligations from pensions. This method takes into account pensions and vested future benefits known as of the balance sheet date, expected increases in salaries and pensions as well as biometric accounting principles. Pension obligations and similar obligations of some foreign companies are covered by pension funds. These pension funds are qualifying plan assets pursuant to IAS 19.

Actuarial gains and losses are offset with an effect on results only once they exceed a corridor of 10 per cent of the higher of the obligation and fair value of the plan assets. In such cases, they are amortized over the employees' average expected remaining working lives.

All of the pension expense components arising from additions of amounts to provisions for pensions and similar obligations are included in the personnel expenses of the corresponding functional areas.

Furthermore, provisions have been accrued for claims of employees which fall due according to national regulations after the employees in question leave the company as well as for other short or long-term employee benefits. Obligations are accounted for in compliance with IAS 19.

Other provisions are accrued in accordance with IAS 37 if a past event results in a present obligation to third parties, it is probable that resources will be used to meet this obligation, and the anticipated amount of the required provision can be estimated reliably. Other provisions are accounted for based on the best possible estimate of costs required to meet the present obligation as of the balance sheet date. If the amount of the necessary provision can only be determined within a certain bandwidth, the most probable value is stated, and if all amounts are of equal probability, the mean value is stated.

Non-current provisions are discounted and stated at the cash value of the expected expense. Provisions are not offset against claims under rights of recourse.

Classification of accounts

Current and non-current assets as well as current and non-current liabilities are stated on the balance sheet as separate classification groups. Assets and liabilities are classified as being current if their realization or repayment is expected within 12 months from the balance sheet date. Accordingly, assets and liabilities are classified as being non-current if they have a remaining term to maturity of more than one year. Pension obligations are stated in line with their nature under non-current liabilities as benefits due to employees in the long term. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities.

Individual items in the statement of income as well as on the balance sheet are summarized. They are shown separately in the notes.

Estimates

In the consolidated financial statements, to a certain degree, it is necessary to make estimates and assumptions that have an impact on the assets and liabilities included in the balance sheet at the balance sheet date and on the statements of income and expenses during the reporting period. Estimates and assumptions must be made primarily to determine the economic useful lives of tangible assets and trucks for short-term hire and lease uniformly throughout the Group, to conduct impairment tests on assets, and to account for and measure provisions, including those for pensions, risks associated with residual value guarantees, warranty obligations and lawsuits. Estimates and assumptions are made on the basis of premises based on the latest knowledge available and on historical experience as well as on additional factors such as future expectations.

It is possible for the actual amounts to deviate from the estimates. When the actual course of events deviates from the expectations, the premises, and if necessary, the carrying amounts of the affected assets and liabilities are adjusted accordingly. No material risks were associated with the assumptions and estimates used as a basis when the consolidated financial statements were prepared.

Estimates of future costs for lawsuits and warranty obligations are subject to a number of uncertainties.

It is often impossible to predict the outcome of individual lawsuits with certainty. It cannot be ruled out that, due to the final ruling on some of the outstanding lawsuits, Jungheinrich may be faced with costs that exceed the provisions accrued for this purpose, the timing and extent of which cannot be predicted with certainty.

Warranty obligations are subject to uncertainties surrounding the enactment of new laws and regulations, the number of affected trucks and the nature of measures to be initiated. It cannot be ruled out that the expenses actually incurred for these measures may exceed the provisions accrued for them to an unpredictable extent.

Although the expenses resulting from a necessary adjustment in provisions in the period under review can have a significant impact on Jungheinrich's results, it is expected that – including provisions already accrued for this purpose – potentially ensuing obligations will not have a material effect on the Group's economic situation.

New accounting regulations

The provisions of IFRS 7 *(Financial Instruments: Disclosures)* and of the revised IAS 1 *(Presentation of Financial Statements)* became effective for the first time on January 1, 2007. Jungheinrich has provided all the additional commentary in the notes resulting from this, for example, with regard to the description of risk management relating to financial instruments and the objectives, policies and processes within the scope of managing capital.

In November of 2006, the IASB published the IFRS 8 Standard *(Operating Segments)*, which replaces the former IAS 14 *(Segment Reporting).* According to IFRS 8, reporting on group segments must adhere to the *management approach*. This standard becomes effective for fiscal years starting on January 1, 2009, or thereafter. The first-time application of the new standard is not likely to have an effect on Jungheinrich's reporting.

In March of 2007, the IASB published the revised IAS 23 Standard *(Borrowing costs)*. This standard prescribes that borrowing costs that can be directly assigned to the acquisition, construction or production of a qualified asset be capitalized, thus abolishing the discretionary right in this respect. The revised standard becomes effective for fiscal years starting on January 1, 2009, or thereafter. The first-time application of this standard is not expected to have a material impact on the consolidated financial statements.

In September of 2007, the IASB published a revised version of IAS 1 *(Presentation of Financial Statements)*, which is supposed to make it easier for users to analyze and compare financial statements. The revised standard becomes effective for fiscal years starting on January 1, 2009, or thereafter. When Jungheinrich applies this standard for the first time as of January 1, 2009, among other things, the company will expand the presentation of its consolidated financial statements by including the required *statement of comprehensive income*.

Basis of consolidation

The parent company Jungheinrich Aktiengesellschaft, Hamburg, and all its subsidiaries are included in the consolidated financial statements. The basis of consolidation was enlarged over the previous year and now encompasses 43 (prior year: 31) foreign and 12 (prior year: 8) domestic companies. Three companies have been stated on the balance sheet in accordance with the equity method.

The number of fully consolidated domestic companies increased due to Jungheinrich Vertrieb Deutschland AG & Co. KG, Jungheinrich Norderstedt AG & Co. KG, Jungheinrich Export AG & Co. KG and Jungheinrich Ersatzteillogistik AG & Co. KG (all based in Hamburg), four legally independent companies established in order to spin out assets from Jungheinrich AG. The spin-outs took retroactive commercial effect on January 1, 2007, without changing the assets and liabilities existing within the Group.

The full list of Jungheinrich Aktiengesellschaft's shareholdings is disclosed separately.

Changes in the basis of consolidation

The basis of fully consolidated companies was expanded by eleven foreign, previously unconsolidated, sales companies as of January 1, 2007. In light of the increasing importance of the business of some of these companies and the requirements imposed by the harmonization of internal and external reporting, all previously unconsolidated sales companies were included, regardless of their size.

The first-time inclusion of these sales companies:

- Jungheinrich Lift Truck OOO, Moscow (Russia),
- Jungheinrich Istif Makinalari San. ve. Tic. Ltd. Sti., Gebze-Kocaeli/Istanbul (Turkey),
- Jungheinrich Lift Truck SIA, Riga (Latvia) und
- Jungheinrich Lift Truck UAB, Vilnius (Lithuania)

in the basis of consolidation effective January 1, 2007, resulted in a total of €1,203 thousand in negative goodwill. The amount was recognized in other operating income with an effect on net income.

The first-time inclusion of these sales companies:

- Jungheinrich Lift Truck Comercio de. Empilhadeiras Ltda., Jundiai –SP (Brazil),
- Jungheinrich Lift Truck Singapore Pte Ltd., Singapore (Singapore),
- Jungheinrich Hellas EPE, Acharnes/Athens (Greece),
- Jungheinrich Lift Truck OY, Vantaa (Finland),
- Jungheinrich spol. s.r.o., Bratislava (Slovakia),
- Jungheinrich Lift Truck TOV, Kiev (Ukraine) und
- Jungheinrich Lift Truck Ltd., Samuthprakarn/Bangkok (Thailand)

in the basis of consolidation effective January 1, 2007, resulted in a total of €6,086 thousand in differences on the assets side. The amount was recognized in other operating expenses with an effect on net income. No goodwill had to be capitalized.

The following table shows the major effects on the Group's assets and liabilities when the eleven sales companies were consolidated for the first time:

in thousand €	
Tangible and intangible assets	2,950
Trucks for short-term hire	12,610
Inventories	13,331
Trade accounts receivable	18,463
Other receivables and other assets	2,849
Liquid assets	4,225
Financial liabilities	34,325

Jungheinrich Profishop GmbH, Vienna (Austria) was founded and included in the basis of consolidation for the first time in the second quarter of 2007 in order to expand the mail-order business in Austria.

Notes to the consolidated statement of income

(3) Net sales

Net sales are generated from the following business areas:

in thousand €	**2007**	**2006**
New truck business	1,109,541	933,058
Income from short-term hire, sale of used equipment	310,356	270,370
After-sales services	580,795	544,647
	2,000,692	**1,748,075**

(4) Cost of sales

The cost of sales includes the cost of materials consisting of expenses for raw materials and supplies as well as for purchased goods and services totalling €1,070,182 thousand (prior year: €885,517 thousand).

The cost of materials contains currency gains and losses amounting to €4,427 thousand (prior year: €1,579 thousand) and €6,443 thousand (prior year: €2,927 thousand) stemming from purchases made in foreign currencies.

(5) Personnel expenses

The following personnel expenses are included in the expense items of the statement of income:

in thousand €	**2007**	**2006**
Wages and salaries	451,972	419,876
Social security contributions	95,816	91,162
Costs for pensions and other benefits		
Defined benefit plans	14,086	4,978
Defined contribution plans	1,285	879
Other costs for pensions and other benefits	1,221	843
	564,380	**517,738**

Pension costs for defined-benefit plans in 2006 include €7,808 thousand in income from the amendment to the UK pension plans.

The average number of employees during the year was as follows:

	2007	**2006**
Hourly-paid employees	5,028	4,708
Salaried employees	4,632	4,189
Trainees and apprentices	247	231
	9,907	**9,128**

(6) Depreciation and amortization

Depreciation and amortization are shown in the development of intangible assets, tangible assets, trucks for short-term hire and lease, and other financial assets.

(7) Other operating income

Other operating income includes €755 thousand (prior year: €1,500 thousand) in income from the disposal of tangible and intangible assets as well as currency gains from financing in foreign currencies totalling €1,423 thousand (prior year: €2,400 thousand).

Other operating income earned in the year under review includes €1,203 thousand (prior year: €1,084 thousand) in income from the first-time inclusion of affiliated companies. The notes on the changes in the basis of consolidation provide further related information.

(8) Other operating expenses

Other operating expenses include €1,102 thousand (prior year: €693 thousand) in losses from the disposal of tangible and intangible assets as well as currency losses from financing in foreign currencies totalling €903 thousand (prior year: €1,788 thousand).

Other operating expenses incurred in the year under review include €6,086 thousand in expenses associated with the first-time inclusion of affiliated companies. The notes on the changes in the basis of consolidation provide further related information.

(9) Other net income (loss) from investments

The other net income (loss) in the previous year included €2,512 thousand in expenses incurred due to impairment losses recognized for investments in affiliated companies.

(10) Financial income (loss)

in thousand €	2007	2006
Interest and similar income	32,963	26,291
Interest and similar expenses	33,977	26,393
Income from securities and loans	2	1
	– 1,012	**– 101**

In the year under review, the financial services business generated €23,668 thousand in interest income (prior year: €18,702 thousand) and incurred €16,542 thousand in interest expenses (prior year: €12,943 thousand).

(11) Income taxes

The Group's income taxes break down as follows:

in thousand €	2007	2006
Current taxes		
Germany	27,757	24,993
Other countries	14,208	16,683
Deferred taxes		
Germany	10,420	5,956
Other countries	4,525	4,030
	56,910	**51,662**

The increase in the current tax expense in Germany is due to the substantially improved earnings situation.

The corporate income tax rate for the 2007 and 2006 financial years is 25 per cent, to which a solidarity surcharge of 5.5 per cent of the corporate income tax payment is added. Including the commercial tax rate, which was 12.325 per cent after accounting for the corporate income tax rate, the overall tax rate was 38.7 per cent. The overall tax rate will drop to 30 per cent owing to the German corporate tax reform, which will take effect in Germany on January 1, 2008. The reduction in the tax rate was taken into account when determining the Germany companies' deferred tax items and resulted in a deferred tax expense totalling €3.5 million.

The applied local income tax rates for foreign companies varied between 12.5 per cent and 40.0 per cent.

As of December 31, 2007, the Group had about €146 million in corporate tax loss carryforwards (prior year: €153 million) and about €7 million in commercial tax loss carryforwards (prior year: €5 million) on its books. The loss carryforwards can largely be carried forward without limitations. The reduction is primarily due to the usage of losses in Germany and France. €23.8 million (prior year: €25.2 million) in valuation allowances were recognized for deferred tax assets for these loss carryforwards.

When stating deferred tax assets on the balance sheet, one must assess the extent to which future effective tax relief might result from existing tax loss carryforwards and the differences in accounting and valuation. In this context, all positive and negative influential factors have been taken into account. Our present assessment of this point may alter depending on changes in our earnings position in future years and may necessitate a higher or lower valuation allowance.

Deferred tax assets and liabilities result from the accounting and valuation differences in the following balance sheet items:

in thousand €	**12/31/2007**	**12/31/2006**
Tangible and intangible assets	69,959	67,535
Inventories	6,413	7,708
Receivables	2,548	2,682
Tax loss carryforwards	46,678	49,164
Provisions for pensions	6,646	15,936
Other provisions	11,041	13,190
Liabilities	176,472	208,645
Deferred income	22,776	18,580
Other	8,170	10,914
Valuation allowances	(25,383)	(41,666)
Deferred tax assets	**325,320**	**352,688**
Tangible and intangible assets	82,224	88,486
Inventories	5,199	3,778
Receivables	171,536	199,960
Provisions for pensions	4,851	98
Other provisions	483	106
Liabilities	37,097	23,358
Other	662	208
Deferred tax liabilities	**302,052**	**315,994**
Net deferred taxes	**23,268**	**36,694**

After being offset against each other, deferred tax assets and deferred tax liabilities were as follows:

in thousand €	**12/31/2007**	**12/31/2006**
Deferred tax assets	49,889	57,887
Deferred tax liabilities	26,621	21,193
Net deferred taxes	**23,268**	**36,694**

The following table shows the reconciliation from the expected tax expenses to the disclosed tax expenses. The expected tax expenses reported are the sum resulting from applying the overall tax rate of 38.7 per cent (prior year: 38.7 per cent) applicable to the parent company to consolidated earnings before income taxes.

in thousand €	**2007**	**2006**
Expected tax expenses	53,600	45,760
Change in the tax rate	2,928	290
Foreign tax differentials	– 4,338	– 5,187
Change in valuation allowances	265	6,023
Non-deductible operating expenses and tax-free gains	2,605	3,868
Other	1,850	908
Actual income tax expense	**56,910**	**51,662**

In 2007, the Group's tax quota was 41.1 per cent (prior year: 43.7 per cent).

Notes to the consolidated balance sheet

(12) Intangible assets

In the year being reviewed, intangible assets developed as follows:

in thousand €	Licenses and software	Capitalized development costs	Goodwill	**Total**
Acquisition and manufacturing costs				
As of January 1, 2007	**21,077**	**53,424**	**6,181**	**80,682**
Changes in currency exchanges rates	– 54	–	–	– 54
Changes in the basis of consolidation	745	–	–	745
Additions	2,161	9,924	–	12,085
Disposals	2,057	–	–	2,057
Transfers	72	–	–	72
As of December 31, 2007	**21,944**	**63,348**	**6,181**	**91,473**
Amortization				
As of January 1, 2007	**17,330**	**20,782**	**1,283**	**39,395**
Changes in currency exchanges rates	– 41	–	–	– 41
Changes in the basis of consolidation	639	–	–	639
Amortization in the fiscal year	1,867	8,890	–	10,757
Accumulated amortization on disposals	1,847	–	–	1,847
As of December 31, 2007	**17,948**	**29,672**	**1,283**	**48,903**
Carrying amount December 31, 2007	**3,996**	**33,676**	**4,898**	**42,570**

In the previous year, intangible assets developed as follows:

in thousand €	Licenses and software	Capitalized development costs	Goodwill	**Total**
Acquisition and manufacturing costs				
As of January 1, 2006	**19,150**	**48,229**	**6,181**	**73,560**
Changes in currency exchanges rates	– 47	–	–	– 47
Changes in the basis of consolidation	46	–	–	46
Additions	1,760	10,447	–	12,207
Disposals	46	5,252	–	5,298
Transfers	214	–	–	214
As of December 31, 2006	**21,077**	**53,424**	**6,181**	**80,682**
Amortization				
As of January 1, 2006	**14,732**	**19,069**	**1,283**	**35,084**
Changes in currency exchanges rates	– 39	–	–	– 39
Changes in the basis of consolidation	27	–	–	27
Amortization in the fiscal year	2,633	6,951	–	9,584
Accumulated amortization on disposals	23	5,238	–	5,261
As of December 31, 2006	**17,330**	**20,782**	**1,283**	**39,395**
Carrying amount December 31, 2006	**3,747**	**32,642**	**4,898**	**41,287**

€2,161 thousand in additions to the item 'Licenses and software' of the year under review (prior year: €1,760 thousand) primarily relate to software purchased from third parties.

€3,015 thousand of the carrying amount of goodwill as of December 31, 2007, is allocable to the sales company in Dublin (Ireland), €1,772 thousand to the sales company in Vienna (Austria), and €111 thousand to other foreign companies.

Impairment tests carried out on goodwill were based on future estimated discounted cash flows derived from the multi-year budget. Impairment tests performed on goodwill in 2007 did not result in impairment losses.

In the year under review, development costs totalling €9,924 thousand (prior year: €10,447 thousand) met the capitalization criteria under IFRS.

The following research and development costs were recorded in the statement of income:

in thousand €	**2007**	**2006**
Research costs and uncapitalized development costs	31,046	33,413
Depreciation of capitalized development costs	8,890	6,951
	39,936	**40,364**

(13) Tangible assets

In the year being reviewed, tangible assets developed as follows:

in thousand €	Land, land rights and buildings including buildings on third-party land	Technical equipment and machinery	Factory and office equipment	Construction in progress	**Total**
Acquisition and manufacturing costs As of January 1, 2007	**218,447**	**69,452**	**140,358**	**5,723**	**433,980**
Changes in currency exchanges rates	– 622	– 102	– 461	10	– 1,175
Changes in the basis of consolidation	900	313	2,954	103	4,270
Additions	5,420	8,448	18,560	17,581	50,009
Disposals	15,191	6,108	17,574	–	38,873
Transfers	3,972	6,218	5,911	– 16,173	– 72
As of December 31, 2007	**212,926**	**78,221**	**149,748**	**7,244**	**448,139**
Depreciation As of January 1, 2007	**70,726**	**41,123**	**97,765**	**–**	**209,614**
Changes in currency exchanges rates	– 147	– 52	– 296	–	– 495
Changes in the basis of consolidation	81	73	1,272	–	1,426
Depreciation in the fiscal year	5,825	8,145	15,468	–	29,438
Accumulated depreciation on disposals	14,002	5,684	16,544	–	36,230
As of December 31, 2007	**62,483**	**43,605**	**97,665**	**–**	**203,753**
Carrying amount December 31, 2007	**150,443**	**34,616**	**52,083**	**7,244**	**244,386**

In the previous year, tangible assets developed as follows:

in thousand €	Land, land rights and buildings including buildings on third-party land	Technical equipment and machinery	Factory and office equipment	Construction in progress	**Total**
Acquisition and manufacturing costs					
As of January 1, 2006	**204,629**	**54,868**	**128,671**	**11,287**	**399,455**
Changes in currency exchanges rates	113	25	– 97	– 6	35
Changes in the basis of consolidation	–	–	211	–	211
Additions	6,371	5,240	16,615	22,184	50,410
Disposals	4,991	1,270	9,656	–	15,917
Transfers	12,325	10,589	4,614	– 27,742	– 214
As of December 31, 2006	**218,447**	**69,452**	**140,358**	**5,723**	**433,980**
Depreciation					
As of January 1, 2006	**62,832**	**36,337**	**92,021**	**–**	**191,190**
Changes in currency exchanges rates	– 89	20	– 17	–	– 86
Changes in the basis of consolidation	–	–	130	–	130
Depreciation in the fiscal year	9,212	5,886	14,380	–	29,478
Accumulated depreciation on disposals	1,229	1,120	8,749	–	11,098
As of December 31, 2006	**70,726**	**41,123**	**97,765**	**–**	**209,614**
Carrying amount December 31, 2006	**147,721**	**28,329**	**42,593**	**5,723**	**224,366**

Tangible assets include €33,919 thousand (prior year: €35,372 thousand) in leased real estate, which classify the Group as commercial owner due to the nature of the underlying leases (‘finance leases’). Depreciation on leased and rented property in the year under review totalled €804 thousand (prior year: €4,429 thousand). Depreciation in the previous year included €2,820 thousand in unscheduled depreciation.

In the year under review, land and buildings were put up as mortgage to back €42,323 thousand (prior year: €38,289 thousand) in liabilities due to banks.

(14) Trucks for short-term hire

Trucks for short-term hire developed as follows in the year under review and the prior year:

in thousand €	2007	2006
Acquisition and manufacturing costs		
As of January 1	**227,147**	**197,303**
Changes in currency exchanges rates	– 1,070	1,213
Changes in the basis of consolidation	18,360	1,142
Additions	125,547	87,004
Disposals	67,493	59,515
As of December 31	**302,491**	**227,147**
Depreciation		
As of January 1	**77,979**	**73,899**
Changes in currency exchanges rates	– 685	526
Changes in the basis of consolidation	5,750	389
Depreciation in the fiscal year	52,431	37,466
Accumulated depreciation on disposals	33,389	34,301
As of December 31	**102,086**	**77,979**
Carrying amount December 31	**200,405**	**149,168**

The fleet includes leased trucks for short-term hire with an aggregate value of €14,604 thousand (prior year: €16,271 thousand) which classify the Group as commercial owner due to the nature of the underlying leases ('finance leases'). Corresponding depreciation on these trucks in the fiscal year amounts to €4,883 thousand (prior year: €5,646 thousand). Trucks for short-term hire with a total carrying amount of €18,913 thousand were put up as collateral for their associated financial liabilities within the scope of sales of receivables from intragroup hire-purchase agreements.

(15) Trucks for lease from financial services

Trucks for lease from financial services developed as follows in the year under review and the prior year:

in thousand €	2007	2006
Acquisition and manufacturing costs		
As of January 1	**239,433**	**262,101**
Changes in currency exchanges rates	– 3,725	648
Additions	92,848	58,219
Disposals	65,827	81,535
As of December 31	**262,729**	**239,433**
Depreciation		
As of January 1	**92,085**	**104,035**
Changes in currency exchanges rates	– 1,415	284
Depreciation in the fiscal year	42,885	41,766
Accumulated depreciation on disposals	36,981	54,000
As of December 31	**96,574**	**92,085**
Carrying amount December 31	**166,155**	**147,348**

Trucks for lease from financial services are classified as follows:

in thousand €	12/31/2007	12/31/2006
'Operating lease' contracts with customers	80,609	53,393
Contracts concluded with a leasing company acting as an intermediary	85,546	93,955
	166,155	**147,348**

Within the framework of financial services offered by Jungheinrich Group companies acting as lessors, trucks for which a lease classified as an operating lease in accordance with IFRS has been concluded with the ultimate customer are capitalized as trucks for lease.

Customer contracts concluded with a leasing company acting as an intermediary are also capitalized under this item on the basis of the amount of an agreed residual value guarantee at more than 10 per cent of the fair value of the equipment for lease.

The following minimum lease payments will arise from 'operating lease' contracts with customers in the next few years over the non-cancellable terms of the contracts:

in thousand €	12/31/2007
Due within less than one year	29,626
Due in one to five years	46,168
Due in more than five years	57
	75,851

Trucks for lease with a carrying amount of €16,285 thousand (prior year: €10,015 thousand) are financed based on sale and leaseback agreements. Future minimum lease payments from sub-lease arrangements total €12,414 thousand (prior year: €7,516 thousand).

(16) Investments in associated companies/Other financial assets

Investments in associated companies and other financial assets developed as follows in the year under review:

		Other financial assets		
in thousand €	**Investments in associated companies**	Investments in affiliated companies	Other loans	**Total**
Acquisition and manufacturing costs As of January 1, 2007	**11,853**	**8,204**	**135**	**8,339**
Changes in the basis of consolidation	–	– 7,600	–	– 7,600
Additions	368	–	–	–
Disposals	–	–	–	–
As of December 31, 2007	**12,221**	**604**	**135**	**739**
Depreciation As of January 1, 2007	**–**	**5,878**	**30**	**5,908**
Depreciation in the fiscal year	–	–	8	8
Accumulated depreciation on disposals	–	– 5,749	–	– 5,749
As of December 31, 2007	**–**	**129**	**38**	**167**
Carrying amount December 31, 2007	**12,221**	**475**	**97**	**572**

Investments in associated companies and other financial assets developed as follows in the previous year:

		Other financial assets		
in thousand €	**Investments in associated companies**	Investments in affiliated companies	Other loans	**Total**
Acquisition and manufacturing costs As of January 1, 2006	**10,409**	**7,275**	**2,436**	**9,711**
Changes in the basis of consolidation	–	– 138	–	– 138
Additions	1,444	1,067	–	1,067
Disposals	–	–	2,301	2,301
As of December 31, 2006	**11,853**	**8,204**	**135**	**8,339**
Depreciation As of January 1, 2006	**–**	**3,366**	**2,324**	**5,690**
Depreciation in the fiscal year	–	2,512	7	2,519
Accumulated depreciation on disposals	–	–	2,301	2,301
As of December 31, 2006	**–**	**5,878**	**30**	**5,908**
Carrying amount December 31, 2006	**11,853**	**2,326**	**105**	**2,431**

The following figures are allocable to the Group due to the shares held in joint ventures:

in thousand €	**2007**	**2006**
Assets	24,380	22,821
Liabilities	15,754	13,648
Net sales	45,946	39,820
Net income	1,335	1,472

(17) Inventories

in thousand €	**12/31/2007**	**12/31/2006**
Raw materials and supplies	58,163	47,198
Work in process	15,362	17,720
Finished goods	75,686	68,325
Merchandise	48,287	37,287
Spare parts	36,614	29,615
Advance payments	9,170	3,532
	243,282	**203,677**

19,247 thousand (prior year: €23,269 thousand) of the inventories are measured at their net realizable value. Valuation allowances recognized for inventories as of the balance sheet date amounted to €27,796 thousand (prior year: €28,704 thousand).

(18) Trade accounts receivable

in thousand €	12/31/2007	12/31/2006
Trade accounts receivable	432,330	381,197
Valuation allowances	– 9,804	– 10,671
	422,526	**370,526**

Trade accounts receivable in the prior year include €12,379 thousand in receivables from affiliated companies.

Trade accounts receivable include notes receivable in the amount of €15,648 thousand (prior year: €9,884 thousand). Notes receivable in the amount of €6,823 thousand (prior year: €5,039 thousand) presented for a discount were not deleted from the accounts since the credit risk at the balance sheet date remained with Jungheinrich. The underlying notes payable are disclosed under financial liabilities.

Valuation allowances developed as follows in the year under review and the prior year:

in thousand €	2007	2006
Valuation allowances at the beginning of the year	10,671	8,791
Changes in currency exchange rates	– 108	37
Changes in the basis of consolidation	142	–
Utilizations	4,183	2,123
Releases	2,544	1,153
Additions	5,826	5,119
Valuation allowances at the end of the year	**9,804**	**10,671**

Of the trade accounts receivable as of the balance sheet date, for which no valuation allowances were recognized, the following receivables are overdue:

in thousand €	12/31/2007	12/31/2006
Less than 30 days overdue	67,552	53,958
Between 30 and 60 days overdue	20,851	16,050
Between 61 and 90 days overdue	9,506	5,268
Between 91 and 180 days overdue	6,599	9,281
More than 181 days overdue	954	1,003
Total overdue trade accounts receivable, for which no valuation allowances were recognized	**105,462**	**85,560**

As of the balance sheet date, no valuation allowances had been made for €293,736 thousand in trade accounts receivable (prior year: €256,153 thousand), nor were they overdue. As of the balance sheet date, there was no indication that the debtors could not meet their payment obligations.

(19) Receivables from financial services

Within the framework of the financial services business in which Jungheinrich Group companies act as lessors, the net investment values of customer leases classified as 'finance leases' in accordance with IFRS are capitalized as receivables from financial services.

Receivables from financial services are based on the following data:

in thousand €	12/31/2007	12/31/2006
Total minimum lease payments receivable	**456,463**	**380,154**
due within less than one year	136,316	117,796
due in one to five years	309,122	257,448
due in more than five years	11,025	4,910
Present value of minimum lease payments receivable	**402,518**	**339,622**
due within less than one year	114,392	100,721
due in one to five years	277,664	234,227
due in more than five years	10,462	4,674
Unearned interest income	**53,945**	**40,532**

Receivables from financial services include minimum lease payments from sublease arrangements amounting to €121,733 thousand (prior year: €99,973 thousand).

Receivables from financial services with a carrying amount of €285,872 thousand (prior year: €235,632 thousand) have been put up as collateral for the associated liabilities from financial services within the scope of the sale of future leasing rates from intragroup usage right agreements.

(20) Other receivables and other assets

in thousand €	12/31/2007	12/31/2006
Receivables from other taxes	15,171	9,587
Derivative financial assets	2,097	850
Receivables from loans and advances granted to employees	775	773
Other receivables from associated companies	182	70
Other receivables from affiliated companies	–	954
Other assets	8,560	6,549
	26,785	**18,783**

As of the balance sheet date, none of the other receivables or other assets were overdue or had a valuation allowance recognized for them. As of the balance sheet date, there was no indication that the debtors could not meet their payment obligations.

(21) Securities

As of the balance sheet date, Jungheinrich did not have any securities on its books (prior year: €43,090 thousand, €43,053 thousand of which were shares in money market funds).
A total of €5,666 thousand in gains were realized on the sale of securities in the year under review. €1,208 thousand (prior year: €1,223 thousand) in income from changes in fair values were recognized with an effect on net income.

(22) Liquid assets

Liquid assets include bank balances, cash balances, and checks. They have an original maturity of three months or less.

(23) Prepaid expenses

Prepaid expenses consist mainly of advance payments on rents, lease payments, interest and insurance premiums.

(24) Shareholders' equity

Number of shares issued

The capital stock is divided into 18,000,000 non-par-value ordinary shares and 16,000,000 non-voting non-par-value preferred shares.

Capital reserve

The capital reserve includes premiums from the issuance of shares and additional income from the sale of own shares in prior years.

Retained earnings

Retained earnings contain undistributed earnings generated by Jungheinrich AG and consolidated subsidiaries in preceding years as well as consolidated net income for the period under review. Furthermore, differential amounts resulting from the transition of accounting and measurement methods to IFRS effective January 1, 2004, were recognized in retained earnings without an effect on results.

The following transactions are reflected in other changes in retained earnings of the year under review.

The existing pension plans of Jungheinrich AG, Hirschthal (Switzerland) totalling €2,262 thousand were covered by the Group's provisions for pensions for the first time. Net of taxes, this addition resulted in a €1,732 thousand charge against retained earnings.

Due to the first-time inclusion of eleven foreign sales companies in the basis of consolidation effective January 1, 2007, €1,830 thousand net of taxes allocable to the consolidation measures were offset against the Group's retained earnings.

Dividend proposal

Jungheinrich AG pays its dividend from the distributable profit stated in the annual financial statements of Jungheinrich AG, which are prepared in accordance with the German Commercial Code. The Board of Management of Jungheinrich AG proposes to use the €20,913 thousand distributable profit for the 2007 financial year to pay a dividend of €0.52 per ordinary share and €0.58 per preferred share, amounting to a total dividend payment of €18,640 thousand, and transfer €2,273 thousand to other retained earnings.

Managing capital

The Group manages its capital, aiming to minimize the Group's cost of capital, while maintaining a balance between cash flow volatility and financial flexibility. To achieve this goal, the ratio of shareholders' equity to borrowings must be optimized accordingly, among other things.

The parameter used for the ratio between shareholders' equity and borrowings is referred to as 'net gearing.' Jungheinrich determines this key figure when preparing its quarterly financial statements. It is reported to the Board of Management once a quarter, in order to enable it to initiate measures if necessary.

'Net gearing' is defined as the ratio of net indebtedness to shareholders' equity, expressed as a percentage. Net indebtedness is the result of the Group's financial liabilities, minus notes receivable, liquid assets and securities, plus the balance of other liabilities and receivables vis-à-vis affiliated and associated companies. It is balanced against the shareholders' equity disclosed on the balance sheet:

in thousand €	**12/31/2007**	**12/31/2006**
Financial liabilities	290,288	264,506
Notes receivable	– 15,648	– 9,884
Liquid assets and securities	– 250,923	– 235,510
Other liabilities/receivables vis-à-vis affiliated and associated companies	568	– 248
Net indebtedness	**24,285**	**18,864**
Shareholders' equity	**553,671**	**484,864**
Net gearing (%) [1]	**4**	**4**

1 Net indebtedness : shareholders' equity x 100.

The Group's overall strategy for managing capital was unchanged compared with the previous year.

(25) Provisions for pensions and similar obligations

Pension plans

Jungheinrich Group company pension schemes are either defined contribution or defined benefit plans. In defined contribution plans, Jungheinrich does not assume any obligation in addition to the contributions made to state-owned or private pension insurers. Ongoing contributions are recorded as a pension cost of the corresponding year.

Provisions for pensions mainly include the commitments entered into in Germany and regulated in individual and collective agreements regarding defined benefit plans for members of the Board of Management, managing directors, and employees of Jungheinrich Aktiengesellschaft and its German subsidiaries as well as Jungheinrich Moosburg GmbH. When pension benefits are committed within the framework of collective agreements, the amount of the pension claim depends on the number of eligible years of service when the pension payment is scheduled to start as well as on the monthly average salary of the beneficiary. The company pension plans of Jungheinrich Aktiengesellschaft and of Jungheinrich Moosburg GmbH have been closed to wage earners and salaried employees since July 1, 1987, and April 14, 1994, respectively.

In countries outside Germany, several companies have pension plans for managing directors and employees. Material foreign pension claims are covered by separate funds.

UK pension plans were amended in the preceding year. Income from the amendment to the pension plans was included in pension costs for defined benefit plans in the previous year.

The pension obligations have been measured in accordance with IAS 19.

The following tables show the pension obligations stated on the consolidated balance sheet and the pension cost disclosed in the consolidated statement of income relating to defined-benefit pension commitments.

Actuarial gains and losses can arise owing to increases or decreases in the net present value of a defined benefit commitment or in the fair value of plan assets, in part stemming from changes in the parameters of actuarial calculations (both financial and biometric). Accumulated unrealized actuarial gains and losses exceeding 10 per cent of the higher of the pension obligation and the fair value of plan assets are amortized over the expected average service lives of the employees covered by the pension plan.

Pension obligations were calculated based on the following weighted average assumptions:

	12/31/2007	**12/31/2006**
Discount rate	5.4%	4.8%
Expected rate of compensation increase	3.8%	3.2%
Expected rate of pension increase	2.5%	2.3%

The net pension expense was calculated based on the following weighted average valuation factors:

	2007	**2006**
Discount rate	4.8%	4.6%
Expected long-term return on plan assets	6.5%	6.0%
Expected rate of compensation increase	3.2%	3.1%
Expected rate of pension increase	2.3%	2.0%

Funded status of defined benefit pension plans:

in thousand €	**12/31/2007**	**12/31/2006**
Present value of funded benefit obligations	173,634	161,275
Fair value of plan assets	123,174	114,942
Funding gap	50,460	46,333
Present value of unfunded benefit obligations	138,274	153,056
Net obligation	**188,734**	**199,389**
Unamortized actuarial gains (+)/losses (–)	– 24,959	– 38,754
Net amount recognized	**163,775**	**160,635**

The net amount recognized is only included in the balance sheet item ‘Provisions for pensions and similar obligations.’

Development of the defined benefit obligation:

in thousand €	2007	2006
Defined benefit obligation at the beginning of the year	314,331	286,731
Changes in the currency exchange rates	– 12,724	2,484
Current service cost	5,804	5,888
Interest cost	14,707	12,567
Employee contributions	1,606	1,695
Actuarial gains (–) and losses (+)	– 14,081	22,096
Benefits paid	– 10,273	– 9,230
Gains on amendments to plans	–	– 7,808
Other changes	12,538	– 92
Defined benefit obligation at the end of the year	**311,908**	**314,331**

The other changes to the defined benefit obligation in 2007 mainly stem from the fact that the pension plans in place at Jungheinrich AG, Hirschthal (Switzerland), had to be added for the first time to comply with IAS 19.

Plan assets

Plan assets largely comprise separate plans set up to cover pension obligations in the UK. The plan assets and income from the pension funds are exclusively earmarked for pension benefits and to cover the cost of administering the pension plans. Jungheinrich works with outside asset managers to invest in the plan assets.

Plan assets are distributed among various portfolios as of December 31, 2007, primarily consisting of shares in money market funds and fixed-interest securities.

Our long-term investment strategy complies with minimum capital cover requirements and the goal of maximizing income from the plan assets while keeping volatility at a reasonable level, in order to minimize the long-term costs of defined benefit pension plans.

Plan asset investments are made while ensuring that cash and cash equivalents are sufficient to cover pension benefits that come due.

Portfolio structure of plan assets:

	12/31/2007	12/31/2006
Shares in money market funds	60%	–
Fixed-interest securities	32%	27%
Real estate	5%	5%
Shares	1%	68%
Other	2%	–
	100%	**100%**

Development of plan assets:

in thousand €	2007	2006
Fair value of plan assets at the beginning of the year	114,942	101,488
Changes in currency exchange rates	– 9,066	1,895
Expected return on plan assets	7,481	6,186
Actuarial gains (+) and losses (–)	– 2,408	3,342
Employer contributions	3,971	3,740
Employee contributions	1,606	1,695
Benefits paid	– 4,081	– 3,404
Other changes	10,729	–
Fair value of plan assets at the end of the year	**123,174**	**114,942**

The other changes to the plan assets mainly stem from the fact that the pension plans in place at Jungheinrich AG, Hirschthal (Switzerland), had to be added for the first time to comply with IAS 19.

Jungheinrich expects cash contributions to plan assets to total about €4.4 million in fiscal 2008, in order to comply with minimum statutory and contractual requirements.

Composition of pension expenses for defined benefit plans in the statement of income:

in thousand €	2007	2006
Current service cost	5,804	5,888
Interest cost	14,707	12,567
Expected return on plan assets	– 7,481	– 6,186
Amortization of actuarial gains and losses	969	517
Gains and losses on amendments to plans	87	– 7,808
	14,086	**4,978**

In the year under review, the actual return on plan assets amounted to €5,073 thousand (prior year: €9,528 thousand).

All of the pension expense components are included in the functional areas' personnel expenses.

Five-year overview:

in thousand €	2007	2006	2005	2004	2003
Defined benefit obligation at the end of the year	311,908	314,331	286,731	239,054	216,382
Fair value of plan assets at the end of the year	123,174	114,942	101,488	76,601	59,354
Net obligation	**188,734**	**199,389**	**185,243**	**162,453**	**157,028**
Actuarial gains (–)/losses (+) for the year (defined benefit obligation)	– 14,081	22,096	32,780	3,094	–
Actuarial gains (–)/losses (+) for the year (plan assets)	2,408	– 3,342	– 14,064	– 1,777	–
Actuarial gains (–)/losses (+) for the year	**– 11,673**	**18,754**	**18,716**	**1,317**	**–**

(26) Other provisions

Other provisions are shown in the following table:

in thousand €	As of Jan. 1, 2007	Exchange rate differences	Changes in the basis of consolidation	Utilizations	Releases	Additions	**As of Dec. 31, 2007**
Provisions for personnel	97,975	– 288	664	60,575	2,779	68,914	103,911
Provisions for outstanding incoming invoices	21,338	– 417	4	20,168	366	30,455	30,846
Provisions for warranty obligations	21,226	– 153	508	43,080	544	47,639	25,596
Provisions for losses from pending transactions	20,986	– 195	167	11,084	1,239	10,144	18,779
Others	7,992	– 91	316	6,063	1,571	7,480	8,063
Other provisions	**169,517**	**– 1,144**	**1,659**	**140,970**	**6,499**	**164,632**	**187,195**

Provisions for personnel relate to provisions for vacation entitlements, early retirement arrangements, partial retirement agreements, anniversary obligations and other deferred personnel costs.

As of the balance sheet date, obligations from partial retirement agreements amounted to €17,402 thousand (prior year: €16,549 thousand), which were netted out against €7,255 thousand in securities (prior year: €6,793 thousand). These securities are exclusively held to secure benefits due to employees within the scope of partial retirement agreements in the long term and are classified as plan assets under IAS 19. These securities are money market fund shares which, however, are not freely available at present due to the role they play as back-up for these agreements. All partial retirement agreements are fully covered at present.

Additions to provisions for personnel include €1,576 thousand in interest accretions (prior year: €1,405 thousand). €39,071 thousand (prior year: €38,332 thousand) of the provisions for personnel have a remaining maturity of more than one year.

The Group recognizes provisions for product warranties based on past experience when products are sold or when new warranty measures are initiated. These provisions relate to the assessment of the extent to which warranty obligations must be met in the future and to the cost involved. Provisions for warranty obligations contain the expected expense of statutory and contractual warranty claims as well as the expected expense of voluntary concessions and recall actions. Additions to warranty obligations cover the product-related warranty expenses for fiscal 2007 for material handling equipment sold in the year under review.

Provisions for impending losses from pending transactions primarily relate to the provision for risks from residual value warranties issued within the scope of the financial services business above all to leasing companies. Impending losses from cancellations of contracts and other contractual risks are also recognized. €5,842 thousand (prior year: €6,242 thousand) of the provisions for impending losses from pending transactions have a remaining maturity of more than one year.

Other provisions include provisions for customer bonuses, lawsuits, environmental risks and other obligations.

(27) Financial liabilities

The contractually agreed (undiscounted) cash flows and underlying carrying amounts for financial liabilities are shown in the following table:

in thousand €	Liabilities due to banks	Promissory note bond	Liabilities from financing trucks for short-term hire	Leasing liabilities from tangible assets	Notes payable	**Financial liabilities**
12/31/2007						
Total future cash flows	**178,506**	**66,690**	**34,650**	**42,053**	**8,404**	**330,303**
due within less than one year	127,663	2,338	12,097	4,157	8,404	154,659
due in one to five years	20,972	64,352	20,408	17,617	–	123,349
due in more than five years	29,871	–	2,145	20,279	–	52,295
Present value of future cash flows	**167,290**	**54,794**	**29,545**	**30,255**	**8,404**	**290,288**
due within less than one year	124,981	–	9,969	2,647	8,404	146,001
due in one to five years	17,197	54,794	17,526	13,070	–	102,587
due in more than five years	25,112	–	2,050	14,538	–	41,700
Future interest expenses	**11,216**	**11,896**	**5,105**	**11,798**	**–**	**40,015**
12/31/2006						
Total future cash flows	**163,999**	**69,028**	**21,049**	**47,556**	**6,711**	**308,343**
due within less than one year	115,702	2,338	7,773	4,566	6,711	137,090
due in one to five years	20,980	66,690	13,276	18,882	–	119,828
due in more than five years	27,317	–	–	24,108	–	51,425
Present value of future cash flows	**152,969**	**54,741**	**15,717**	**34,368**	**6,711**	**264,506**
due within less than one year	113,795	–	6,230	2,983	6,711	129,719
due in one to five years	17,170	54,741	9,487	13,782	–	95,180
due in more than five years	22,004	–	–	17,603	–	39,607
Future interest expenses	**11,030**	**14,287**	**5,332**	**13,188**	**–**	**43,837**

Financial liabilities that can be repaid at any time are disclosed as being due within one year.

Liabilities from the financing of trucks for short-term hire include future minimum lease payments from financing under sale and leaseback agreements in the amount of €10,865 thousand (prior year: €21,049 thousand).

The following table provides details on liabilities due to banks:

Currency	Interest conditions	Remaining term of the interest conditions	Nominal volume in thousand €	Bandwidth of effective interest rates 2007	Carrying amounts as of 12/31/2007 in thousand €	Bandwidth of effective interest rates 2006	Carrying amounts as of 12/31/2006 in thousand €
EUR	variable	< 1 year	11,987	EURIBOR + margin	11,987	EURIBOR + margin	29,036
USD	variable	< 1 year	8,340	LIBOR + margin	8,340	LIBOR + margin	13,884
GBP	variable	< 1 year	57,156	LIBOR + margin	57,156	LIBOR + margin	62,836
Other	variable	< 1 year	41,653	LIBOR + margin	41,653	LIBOR + margin	6,438
EUR	fixed	1–19 years	41,120	4.5% – 5.3%	32,331	4.8% – 5.6%	34,364
GBP	fixed	3–9 years	7,342	6.3% – 7.0%	4,663	6.3% – 7.0%	5,540
Other	fixed	< 1–15 years	14,696	3.5% – 25.3%	11,160	3.5%	871
Total liabilities due to banks			**182,294**		**167,290**		**152,969**

The promissory note bond covers a nominal €55,000 thousand and has a maturity ending in 2011. The nominal interest rate is 4.25 per cent p.a. and the effective interest rate is 4.41 per cent p.a.

Liabilities from the financing of trucks for short-term hire amount to €20,965 thousand (prior year: €0 thousand) and result from the sale of receivables from intragroup hire-purchase agreements.

In addition, the company had €8,580 thousand (prior year: €15,717 thousand) in liabilities in connection with the financing of trucks for short-term hire via leases which are classified as 'finance leases' pursuant to IFRS. Thus, Jungheinrich must capitalize these assets in its capacity as lessee. Leasing liabilities are repaid over the leases' basic lease periods.

The aforementioned accounting method also applies to leasing liabilities from tangible assets, which are almost all based on real estate lease agreements.

(28) Liabilities from financial services

€36,441 thousand (prior year: €37,620 thousand) of the liabilities from financial services consisted of residual value guarantees relating to lease contracts with a leasing company acting as intermediary and with residual values exceeding 10 per cent of the truck value.

This item also contains €504,780 thousand (prior year: €385,706 thousand) in liabilities from financing. They result from the financing of long-term customer contracts with identical maturities. Depending on whether commercial ownership is attributed to Jungheinrich Group companies, these contracts are capitalized under receivables from financial services ('finance leases') or under trucks for lease from financial services ('operating leases').

Liabilities from financing, which are reduced over the term of the contracts, were due as of the balance sheet date as follows:

in thousand €	12/31/2007	12/31/2006
Total future cash flows	**559,093**	**419,940**
due within less than one year	164,404	128,934
due in one to five years	382,683	285,455
due in more than five years	12,006	5,551
Present value of future cash flows	**504,780**	**385,706**
due within less than one year	142,304	114,233
due in one to five years	350,935	266,096
due in more than five years	11,541	5,377
Future interest expenses	**54,313**	**34,234**

Liabilities from financing include future minimum lease payments from financing under sale and leaseback agreements in the amount of €140,420 thousand (prior year: €112,438 thousand).

(29) Trade accounts payable

Trade accounts payable include €30 thousand (prior year: €227 thousand) in payables to affiliated companies and €2,609 thousand (prior year: €2,962 thousand) in payables to associated companies. All trade accounts payable are accounted for at their repayment amounts and are due within one year.

(30) Other liabilities

All other liabilities are due within one year and break down as follows:

in thousand €	**12/31/2007**	**12/31/2006**
Advance payments received on orders	17,950	12,383
Liabilities from other taxes	30,430	20,927
Social security liabilities	7,843	7,963
Employee liabilities	2,001	1,360
Other liabilities to affiliated companies	750	776
Derivative financial liabilities	247	1,583
Other	7,596	6,512
	66,817	**51,504**

(31) Deferred income

in thousand €	**12/31/2007**	Thereof maturities of up to 1 year	Thereof maturities of more than 1 year	**12/31/2006**
Deferred sales from financial services	74,699	28,686	46,013	80,595
Deferred profit from financial services	31,273	9,725	21,548	29,419
Other deferrals	11,222	4,947	6,275	8,936
	117,194	**43,358**	**73,836**	**118,950**

Deferred sales from financial services relate to lease agreements concluded via a leasing company. In such cases, due to the agreed residual value guarantee of more than 10 per cent of the truck value, Jungheinrich Group companies have commercial ownership despite the sale of the trucks to the leasing company. The resultant obligation according to IFRS to capitalize this ownership leads to the deferral of the sales proceeds that have already been achieved through the leasing company. These deferred sales proceeds are reduced using the straight-line method over the terms affecting sales until the residual value guarantee falls due.

Deferred profit from financial services includes deferred profit from the financing of trucks for lease. Deferred income is reduced pro rata temporis over the terms of the leases.

(32) Additional disclosure on financial instruments

Carrying amounts, amounts recognized and fair values by valuation category for the year under review are shown in the following table:

in thousand €	Valuation category in acc. with IAS 39	**Carrying amount 12/31/2007**	**Amount recognized in acc. with IAS 39** Amortized acquisition costs	Fair value	**Amount recognized in acc. with IAS 17**	**Fair value 12/31/2007**
Assets						
Liquid assets	LaR	250,923	250,923	–	–	250,923
Trade accounts receivable	LaR	422,526	422,526	–	–	422,526
Receivables from financial services	n.a.	402,518	–	–	402,518	395,976
Other loans	LaR	97	97	–	–	97
Derivative financial assets	FAHfT	2,097	–	2,097	–	2,097
Other financial assets	LaR	775	775	–	–	775
Liabilities						
Trade accounts payable	FLAC	109,485	109,485	–	–	109,485
Liabilities due to banks	FLAC	167,290	167,290	–	–	168,848
Promissory note bond	FLAC	54,794	54,794	–	–	54,160
Liabilities from financing trucks for short-term hire	FLAC/n.a.	29,545	20,965	–	8,580	29,545
Leasing liabilities from tangible assets	n.a.	30,255	–	–	30,255	30,959
Other financial liabilities	FLAC	8,404	8,404	–	–	8,404
Liabilities from financial services	FLAC/n.a.	541,221	414,896	–	126,325	539,700
Derivative financial liabilities	FLHfT	247	–	247	–	247
Other financial liabilities	FLAC	598	598	–	–	598
Of which aggregated by valuation category in acc. with IAS 39:						
Loans and receivables (LaR)		674,321	674,321	–	–	674,321
Financial assets held for trading (FAHfT)		2,097	–	2,097	–	2,097
Financial liabilities measured at amortized costs (FLAC)		776,432	776,432	–	–	776,041
Financial liabilities held for trading (FLHfT)		247	–	247	–	247

Carrying amounts, amounts recognized and fair values by valuation category for the previous year are shown in the following table:

in thousand €	Valuation category in acc. with IAS 39	**Carrying amount 12/31/2006**	**Amount recognized in acc. with IAS 39** Amortized acquisition costs	Fair value	**Amount recognized in acc. with IAS 17**	**Fair value 12/31/2006**
Assets						
Liquid assets	LaR	192,420	192,420	–	–	192,420
Trade accounts receivable	LaR	370,526	370,526	–	–	370,526
Receivables from financial services	n.a.	339,622	–	–	339,622	333,449
Securities	FAHfT	43,090	–	43,090	–	43,090
Other loans	LaR	105	105	–	–	105
Derivative financial assets	FAHfT	850	–	850	–	850
Other financial assets	LaR	773	773	–	–	773
Liabilities						
Trade accounts payable	FLAC	98,588	98,588	–	–	98,588
Liabilities due to banks	FLAC	152,969	152,969	–	–	152,764
Promissory note bond	FLAC	54,741	54,741	–	–	53,306
Liabilities from financing trucks for short-term hire	n.a.	15,717	–	–	15,717	15,717
Leasing liabilities from tangible assets	n.a.	34,368	–	–	34,368	34,847
Other financial liabilities	FLAC	6,711	6,711	–	–	6,711
Liabilities from financial services	FLAC/n.a.	423,326	319,019	–	104,307	420,099
Derivative financial liabilities	FLHfT	1,583	–	1,583	–	1,583
Other financial liabilities	FLAC	526	526	–	–	526
Of which aggregated by valuation category in acc. with IAS 39:						
Loans and receivables (LaR)		563,824	563,824	–	–	563,824
Financial assets held for trading (FAHfT)		43,940	–	43,940	–	43,940
Financial liabilities measured at amortized costs (FLAC)		632,554	632,554	–	–	628,734
Financial liabilities held for trading (FLHfT)		1,583	–	1,583	–	1,583

The fair values were determined on the basis of market-related information available on the balance sheet date and using the methods and assumptions described below. Fair values are determined using generally accepted valuation methods based on discounted cash flow analyses and using current market prices observed for similar instruments.

Current interest rates at which comparable loans with identical maturities as of the balance sheet date could have been taken out are used to determine fair values of liabilities due to banks as well as of receivables and liabilities from financial services.

Liquid assets, trade account receivable and other financial assets largely have short maturities. Therefore, their carrying amounts as of the balance sheet date roughly correspond to their fair values.

It is assumed that the fair values of trade accounts payable and other financial liabilities correspond to the carrying amounts of these financial instruments owing to their short remaining terms to maturity.

As regards liabilities from the financing of trucks for short-term hire with variable interest rates, for reasons of simplicity, it is assumed that their fair values correspond to their carrying amounts since the interest rates agreed and realizable on the market are almost identical.

The carrying amounts of current, interest-bearing financial liabilities nearly correspond to their fair values.

The following table shows the net results by valuation category:

in thousand €	**From interest**	**From measurement** at fair value	Valuation allowances	**Net result 2007**	**Net result 2006**
Loans and receivables (LaR)	8,087	–	– 3,282	4,805	2,400
Financial instruments held for trading (FAHfT/FLHfT)	–	556	–	556	1,179
Financial liabilities measured at amortized costs (FLAC)	– 29,180	–	–	– 29,180	– 20,403

Interest from financial instruments is stated as part of the financial income (loss).

The net result from changes in fair values of securities (FAHfT) is stated in the financial income (loss).

The net result from changes in fair values of derivative financial instruments (FAHfT/FLHfT) is included in the cost of sales and in other operating income and expenses.

Additional information

(33) Consolidated statement of cash flows

The statement of cash flows presents cash flows independently of the balance sheet structure, breaking them down among cash flows from operating activities, investing activities and financing activities. Cash flows from investing and financing activities are directly attributed corresponding cash flows. Cash flows from operating activities are derived indirectly.

Cash flows from operating activities are derived from net income, which is adjusted to exclude non-cash income and expenses – mainly consisting of depreciation – and taking into account changes in working capital. Changes in working capital include changes in the carrying amounts of trucks for short-term hire and lease and of certain tangible assets from finance leases primarily consisting of real estate as well as liabilities and deferred sales and income stemming from the financing of these assets.

Cash flows from investing activities comprise additions and disposals of tangible and financial assets not financed via finance leases as well as of intangible assets, primarily consisting of additions to capitalized development costs.

Cash flows from financing activities include capital-related measures, dividend payments, cash flows from obtaining and repaying long-term financial loans, and changes in short-term liabilities due to banks.

Cash and cash equivalents at the end of the year correspond to the amount disclosed for liquid assets on the balance sheet. Cash and cash equivalents of the previous year additionally include €43,053 thousand in freely disposable securities with an original term to maturity of up to three months held by Jungheinrich Aktiengesellschaft, Hamburg, at the end of 2006.

Changes in cash and cash equivalents due to changes in exchange rates and the basis of consolidation include €4,225 thousand (prior year: €180 thousand) in net value added by first-time inclusion in the year under review. The notes on the changes in the basis of consolidation provide further related information.

The following items are included in cash flows from operating activities:

in thousand €	**2007**	**2006**
Interest paid	36,922	27,533
Interest received	32,963	26,278
Income taxes paid	42,475	31,022

(34) Litigation

In connection with the closure of Mécanique Industrie Chimie MIC S.A, Rungis (France) and the insolvency proceedings initiated at the end of 2005, various lawsuits filed above all by affected employees against Group companies are pending, or may be filed or asserted in the future. Since it is still impossible to predict the outcome of such litigation and its effect on Group companies, no provisions had to be recognized as a liability in the consolidated financial statements.

Furthermore, no Group companies are involved in ongoing legal or arbitration proceedings that could have a considerable impact on the Group’s economic situation, are likely to become involved in such litigation, or have done so within the last two years.

The respective Group companies have accrued provisions sufficient to cover financial burdens potentially resulting from other legal or arbitration proceedings.

(35) Contingent liabilities and other financial obligations

Contingent liabilities

There were no reportable contingent liabilities as of the balance sheet date.

Other financial obligations

Purchase commitments for capital expenditures totalled €6,129 thousand as of the balance sheet date (prior year: €3,964 thousand).

At its various locations, Group companies have entered into rental agreements and leases (‘operating leases’) for business premises, data processing equipment, office equipment and vehicles. Future minimum lease payments up to the first contractually agreed termination date are due as follows:

in thousand €	12/31/2007	12/31/2006
Due within less than one year	36,629	33,586
Due in one to five years	53,118	41,551
Due in more than five years	11,698	12,545
	101,445	**87,682**

Recognized expenses associated with operating leases in 2007 totalled €37,535 thousand (prior year: €36,110 thousand).

(36) Risk management and financial instruments

Risk management principles

The Jungheinrich Group’s risk management system is designed to enable the company to identify developments in financial price risks – resulting above all from interest rate and currency risks – early on and react to them via systematic courses of action both rapidly and effectively. Furthermore, it ensures that the Group only concludes financial transactions for which it possesses the necessary expertise and technical preconditions.

Financial markets afford one the opportunity to transfer risks to other market participants, who have a comparative advantage or a higher capacity for accepting risks. The Jungheinrich Group makes use of these opportunities solely to hedge risks arising from underlying operating transactions and to invest or raise liquid funds. Group guidelines do not allow the conclusion of financial transactions that are speculative in nature. As a rule, the Jungheinrich Group’s financial transactions may only be concluded with banks or leasing companies as contractual partners.

The Board of Management as a whole bears responsibility for the initiation of organizational measures required to limit financial price risks. Jungheinrich has established a risk controlling and risk management system that enables it to identify, measure, monitor and control its risk positions. Risk management encompasses the development and determination of methods to measure risk and performance, monitor established risk limits, and set up the associated reporting system.

Jungheinrich controls financial risks arising from its core business centrally as part of the Group strategy. Risks stemming from the Jungheinrich Group's financial services operations are subject to a separate risk management system.

Risks specific to the financial services business primarily arise from changes in interest rates, residual value guarantees granted to leasing companies, and break-of-contract clauses and other contractual arrangements agreed on with customers. Reference is made to the commentary on credit risks as regards general default risks in connection with customers.

Groupwide sales guidelines, which include key risk mitigation standards and thus sufficiently limit the freedom of the scope of contracts concluded with customers and financers, are a major component of the risk management system in place for the financial services business. Among the measures taken in this regard is the calculation of lease and rental agreements based on fixed interest rates over the entire contractual period, with identical periods and interest rates for customer and financing contracts.

Maximum values are defined for the residual value items that become negotiable once the contracts expire. They take the local situation into account, e.g., the inventory in stock in the relevant country and the market prices of used equipment. Cases where the maximum value of negotiable residual value items is exceeded are anticipated by carrying provisions as liabilities as part of the precautionary measures for risks. Break clauses in customer contracts are sufficiently limited in scope and bound to risk-mitigating requirements, e.g., minimum contractual periods and order volumes, cancellation periods, anti-competition covenants and customer use obligations that take precedence over the return of the equipment.

Market price risks

Market price risks are risks arising from changes in an item's realizable income or value, whereby the item is defined as an item on the assets or liabilities side of the balance sheet. These risks result from changes in interest rates, foreign exchange rates, share prices and other items and factors affecting the formation of prices. These parameters are used to determine the interest rate and currency risk exposure of the Jungheinrich Group. Changes in share prices do not constitute a risk for the Jungheinrich Group since the Group did not hold any shares in the period under review.

Interest rate risks

Interest rate risks result from the Group's financing and cash investment activity. Variable and fixed-interest items are regarded separately in order to determine this risk. Interest-bearing instruments on the assets and liabilities sides are aggregated to net positions and hedges are concluded to cover these net positions, if necessary. No derivatives were used to hedge interest rates in the period being reviewed.

The Jungheinrich Group's interest rate risks include cash flow risks arising from variable-interest financial instruments.

If going interest rates had been 100 basis points higher (lower) as of December 31, 2007, income would have been €1,372 thousand (December 31, 2006: €1,294 thousand) higher (lower). Since income and expenses associated with all of the financial instruments is considered in the statement of income, there is no additional effect on shareholders' equity.

Currency risks

When calculating this risk position, the Jungheinrich Group considers foreign currency inflows and outflows, primarily from sales and purchases based on firm and flexible contracts. This risk position reflects the net currency exposure resulting from balancing counteracting cash flows in individual currencies while taking hedges already concluded for the period in question into account. Jungheinrich used currency futures and currency swaps to manage risks in the period under review.

The Jungheinrich Group applies the Value at Risk approach to quantify the ‘currency risk’ position. The Value at Risk indicates the maximum loss that may not be exceeded before the end of a pre-determined holding period and with a certain probability (confidence interval). Parameters and market volatility, which are used to quantify risk, are calculated based on the standard deviation of logarithmized changes in the last 180 trading days and converted to a one-day holding period with a one-sided confidence interval of 95 per cent.

To manage risk, the Board of Management defines a loss limit for the entire Group. Furthermore, the risk exposure of individual Group companies is managed by pre-determined lower limits. These limits are compared to the Value at Risk quantified for all open positions as part of monthly reporting.

By applying the Value at Risk method, as of December 31, 2007, the maximum risk did not exceed €756 thousand (prior year: €727 thousand) based on a holding period of one day and a confidence interval of 95 per cent. In the period under review, the Value at Risk was between a minimum of €443 thousand (prior year: €243 thousand) and a maximum of €756 thousand (prior year: €727 thousand). The average for the year was €535 thousand (prior year: €389 thousand).

Credit risks

Jungheinrich’s exposure to credit risks nearly exclusively stems from its core business. Trade accounts receivable from operations are constantly monitored by the business units responsible for them. Credit risks are managed by recognizing valuation allowances triggered by events and also by recognizing general valuation allowances.

The entire business is constantly subjected to creditworthiness checks. Given the overall exposure to credit risks, accounts receivable from major customers are not substantial enough to give rise to extraordinary risk concentrations. Agreements struck with customers and measures taken within the scope of risk management that minimize the creditworthiness risk largely consist of agreements on pre-payments made by customers, the sharing of risks with financers, the permanent monitoring of customers via information portals and the purchase of credit insurance.

The maximum credit risk is reflected by the carrying amounts of the financial assets recognized on the balance sheet. As of the balance sheet date, there were no major agreements that reduced the maximum credit risk such as offsetting arrangements.

Liquidity risks

A liquidity reserve consisting of lines of credit and of cash is kept in order to ensure that the Jungheinrich Group can meet its payment obligations and maintain its financial flexibility at all times. For this purpose, Jungheinrich has appropriate lines of credit granted by the Group's main banks as well as the local banks of the individual Group companies.

The Group is exposed to a counterparty risk that arises from the non-fulfilment of contractual agreements by counterparties. The contractual partners concerned are generally international financial institutions. On the basis of their credit rating, which is determined by reputable rating agencies, no major risk ensues for Jungheinrich from its dependence on individual counterparties. The general credit risk from the financial instruments used is considered to be negligible.

Hedges

The Jungheinrich Group concludes cash flow hedges to secure future cash flows resulting from sales and purchases of materials that are partially realized and partially forecasted, but highly probable. Comprehensive documentation ensures the clear assignment of hedges and underlying transactions. No more than 75 per cent of the hedged amounts are designated as underlying transactions, which, in turn, are fully hedged. Therefore, the hedges can prospectively be classified as highly effective. An assessment of the retroactive effectiveness of hedges is conducted at the end of every month.

Nominal values of hedging instruments

The nominal value of currency hedging contracts as of the balance sheet date was €109,451 thousand (prior year: €151,699 thousand).

The currency hedging contracts contain forward exchange transactions that are used to hedge against rolling 12-month exposure in individual currencies. As a rule, the term of such contracts does not exceed a period of 12 months.

The contract volumes stated and the nominal values of derivative financial instruments do not always represent volumes that are exchanged by counterparties, and they are therefore not necessarily a yardstick for the risk to which Jungheinrich is exposed through their use.

Fair values of hedging instruments

The fair value of a hedging instrument is the price at which the instrument could have been sold on the market as of the balance sheet date. Fair values were calculated on the basis of market-related information available as of the balance sheet date and on the basis of valuation methods stated below that are based on specific prices. In view of the varying influencing factors, the values stated here may differ from the values realized on the market later on.

The fair value of forward exchange transactions is determined on the basis of current reference prices taking account of forward premiums and discounts.

The following table shows the fair values of currency forwards:

in thousand €	12/31/2007	12/31/2006
Other assets	2,097	850
Other liabilities	247	1,583

Gains on changes in the fair value of currency forwards realized and recognized in shareholders' equity in fiscal 2007 totalled €2,584 thousand (prior year: loss of €650 thousand). In the 2007 financial year, a net loss of €652 thousand (prior year: €44 thousand) which was recognized in shareholders' equity was transferred to the statement of income. Hedges concluded as of the balance sheet date did not display any material ineffectiveness.

In the year under review, no unrealized gains from changes in the fair value of derivative financial instruments resulting from the non-effectiveness of hedges or failure to examine hedges for their hedging effectiveness were included in the statement of income in accordance with IAS 39. Likewise, no profits or losses resulted from hedged transactions that became unlikely.

(37) Segment information

Jungheinrich operates at the international level – focussing mainly on Europe – as a manufacturer and supplier of products in the fields of material handling equipment, warehousing and material flow technology as well as of the full range of services related to these fields.

Jungheinrich's Board of Management assumes overall responsibility as it acts and makes decisions on behalf of all the Group's business areas. The economic key figures and reports submitted monthly to the entire Board of Management are oriented to inter-divisional control variables.

The Group defines itself as a single-product company since it classifies all its product ranges and services as a single business segment. None of the Group's business or geographical areas can be demarcated due to a difference in risks and returns, making Jungheinrich a single-segment group in its core business. Therefore, there is no need to present detailed information in the primary reporting format set forth in IAS 14.

The following tables show net sales by region as well as the assets, capital expenditures and depreciation attributable to intangible and tangible assets, also broken down by region.

Net sales by region

in thousand €	**2007**	**2006**
Germany	504,597	464,391
Rest of Europe	1,371,728	1,185,049
Other countries	124,367	98,635
	2,000,692	**1,748,075**

Further segment information by region:

		Germany	Rest of Europe	Other countries	Consoli-dation	**Total**
Assets as of 12/31/2007	in thousand €	202,705	78,246	2,879	3,126	**286,956**
Capital expenditures in 2007	in thousand €	49,851	10,891	1,352	–	**62,094**
Depreciation and amortization in 2007	in thousand €	30,585	8,753	857	–	**40,195**
Employees as of 12/31/2007		4,761	5,028	389	–	**10,178**
Assets as of 12/31/2006	in thousand €	184,746	75,648	2,133	3,126	**265,653**
Capital expenditures in 2006	in thousand €	52,384	8,710	1,522	–	**62,616**
Depreciation and amortization in 2006	in thousand €	30,082	8,479	501	–	**39,062**
Employees as of 12/31/2006		4,568	4,463	243	–	**9,274**

(38) Earnings per share

Consolidated earnings were not adjusted to calculate earnings per share. Consolidated earnings correspond to the stated net income.

		2007	**2006**
Consolidated earnings	in thousand €	81,592	66,580
Weighted average number of shares issued	in thousands	34,000	34,000
Earnings per share	in €	**2.40**	**1.96**

Earnings per share are based on the weighted average number of individual share certificates issued in the fiscal year (ordinary and preferred shares).

In fiscal 2007 and 2006, no shareholders' equity instruments existed that dilute the earnings per share on the basis of the shares issued.

(39) Events after the balance sheet date

No transactions or events of major importance to the Jungheinrich Group occurred after the end of the financial year.

(40) Fees for the auditor of the consolidated financial statements

A total of €433 thousand (prior year: €334 thousand) in fees for the auditor, Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, in fiscal 2007 were recorded as an expense, broken down into €390 thousand (prior year: €330 thousand) in fees for the audit of the annual financial statements, €23 thousand (prior year: €0 thousand) in fees for other audit services, and €20 thousand (prior year: €4 thousand) in fees for consulting.

(41) Related party disclosures

Related parties as defined in IAS 24 are individuals and enterprises that can be materially influenced by the reporting company or are capable of exerting a material influence on the company.

Jungheinrich AG's major ordinary shareholders are LJH-Holding GmbH and WJH-Holding GmbH, both of which are headquartered in Wohltorf (Germany).

In addition to the subsidiaries included in the consolidated financial statements, Jungheinrich Aktiengesellschaft has relations to joint ventures and other associated companies. All business relations with these companies are maintained at arm's length conditions.

Products and services traded between fully consolidated Jungheinrich Group companies and these related enterprises are shown in the following table.

Products and services received:

in thousand €	Share in %	**2007**	**2006**
JULI Motorenwerk s.r.o., Czech Republic	50	36,617	29,184
Supralift GmbH & Co. KG, Germany	50	218	266
Ningbo Ruyi Joint Stock Co. Ltd., China	25	9,778	11,575

Liabilities:

in thousand €	Share in %	**12/31/2007**	**12/31/2006**
JULI Motorenwerk s.r.o., Czech Republic	50	1,523	1,772
Ningbo Ruyi Joint Stock Co. Ltd., China	25	1,086	1,190

Members of the Board of Management and Supervisory Board of Jungheinrich AG are members of supervisory boards or comparable committees of other companies with which Jungheinrich AG has relations as part of its operating activities. All business transactions with these companies are carried out with third parties at arm's length conditions.

(42) Remuneration of the Board of Management and the Supervisory Board

Total remuneration of members of the Supervisory Board for fiscal 2007 amounted to €953 thousand (prior year: €766 thousand).

Total remuneration of members of the Board of Management for fiscal 2007 amounted to €2,918 thousand (prior year: €3,221 thousand).

Former members of the Board of Management received €623 thousand in compensation (prior year: €516 thousand).

No advances or loans to members of the Board of Management or Supervisory Board of Jungheinrich Aktiengesellschaft existed as of December 31, 2007.

As of December 31, 2007, Jungheinrich Aktiengesellschaft had accrued a €5,918 thousand (prior year: €5,832 thousand) provision for pensions for former members of the Board of Management.

(43) Issuance of the declaration regarding the German Corporate Governance Code in accordance with Sec. 161 of the German Stock Corporation Act

In December 2007, the Board of Management and the Supervisory Board issued a declaration of conformance with Sec. 161 of the German Stock Corporation Act and then made it permanently accessible to shareholders on the website of Jungheinrich Aktiengesellschaft.

Hamburg, March 5, 2008

Jungheinrich Aktiengesellschaft
The Board of Management

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Hamburg, March 5, 2008

Jungheinrich Aktiengesellschaft
The Board of Management

Hans-Georg Frey | Dr. Helmut Limberg | Dr. Michael Lüer | Dr. Klaus-Dieter Rosenbach

Independent Auditors' Report

We have audited the consolidated financial statements prepared by Jungheinrich Aktiengesellschaft, Hamburg – comprising the income statement, the balance sheet, cash flow statement, statement of changes in equity and the notes to the consolidated financial statements – and the group management report for the business year from January 1 to December 31, 2007. The preparation of the consolidated financial statements and the group management report in accordance with IFRS, as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315a Abs. 1 HGB are the responsibility of the Parent Company's management. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with § 317 HGB ("German Commercial Code") and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer. Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and the group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements of Jungheinrich Aktiengesellschaft, Hamburg, comply with IFRS, as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315a Abs. 1 HGB and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Hamburg, March 7, 2008

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft

Dinter	ppa. Reiher
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Report of the Supervisory Board

In the 2007 reporting year, the Supervisory Board performed the duties entrusted to it in accordance with the law, company statutes and internal rules of procedure. The Supervisory Board advised the Board of Management in matters concerning company management and constantly monitored the management of the company.

The Board of Management regularly provided the Supervisory Board with comprehensive and timely information in writing and orally about the business trend displayed by the Group's companies as well as about risk management and the Group's continued strategic development. Deviations in business trends from plans were presented to the Supervisory Board and reviewed by it on the basis of supporting documents. Special emphasis was placed on further strengthening the company's earning power. Draft resolutions tabled by the Board of Management concerning transactions subject to approval were extensively addressed, debated and decided on by the Supervisory Board in line with the provisions of the company statutes. The Chairman of the Supervisory Board also constantly discussed issues at hand with the Board of Management in between meetings of the Supervisory Board and its committees, expressed his views on them, and prepared the Supervisory Board's decision-making processes.

The Supervisory Board addressed the following ***focal points*** of activity in fiscal 2007 in five ordinary and one extraordinary session.

At the Supervisory Board's first extraordinary meeting in 2007, which took place on January 17, 2007, Mr. Hans-Georg Frey was appointed to the Board of Management as of May 1, 2007, and concurrently nominated its Chairman.

During the first regular session, a major investment in the Moosburg production site's last expansion phase was debated and approved, among other items.

The main focal point of the Supervisory Board's balance-sheet meeting on March 27, 2007, was the in-depth inspection and approval of Jungheinrich's parent company and consolidated financial statements for the period ended December 31, 2006, in the presence of the independent auditors. Another major topic was the draft resolution proposing a new corporate structure for Jungheinrich AG, including the spin-out of four sub-operations envisioned as part of it. The majority of the Supervisory Board considered the draft resolution as well as the related proposals made to the Annual General Meeting to amend the Articles of Incorporation to be forward-looking and passed it. At the same meeting, the members of the Board of Management were afforded the possibility of multiple representation, which became necessary in light of the new corporate structure. Furthermore, the invitation and the agenda for the Annual General Meeting on June 5, 2007, were adopted. Decisions were made to expand the used equipment reconditioning company in the vicinity of Dresden and to build a new regional branch establishment in the Czech Republic. The Supervisory Board concerned itself in depth with the further course of action on the US market. Finally, the Supervisory Board initiated its regular efficiency audit.

In its session immediately following the Annual General Meeting on June 5, 2007, the Supervisory Board largely debated real estate and construction projects.

At the September 25, 2007, meeting, Dr. Klaus-Dieter Rosenbach was appointed the member of the Board of Management responsible for technology effective January 1, 2008. The session's focal points were the detailed presentation of the Group's strategy by the Board of Management and the discussion of Jungheinrich's future presence in the USA.

On December 4, 2007, the 2008 budget was approved following extensive scrutiny and debates concerning the various approaches. Other major issues included the discussion of the results of the Supervisory Board's efficiency audit along with action derivable from them as well as the adoption of the Group strategy for 2008 through 2012. With a view to expanding production capacity in order to accommodate expected market growth, the Board approved the construction of a manufacturing plant for low-platform trucks in Saxony-Anhalt as well as additional technology-related investments at the Moosburg site. Moreover, in this meeting, the Supervisory Board concerned itself extensively with the recommendations of the revised German Corporate Governance Code and adopted its annual statement in this matter. An issue of mounting significance is compliance, which was included in the list of tasks charged to the Finance and Audit Committee per a resolution passed by the Supervisory Board and in line with the recommendation of the German Corporate Governance Code.

All of the debates held at Supervisory Board meetings were constructive and for the benefit of the company, and most of the decisions were made unanimously. All of the people involved are deserving of thanks for this.

One of the ***Supervisory Board committees*** is the Joint Committee, which is equally composed of shareholder and employee representatives and was not convened in 2007. Once again, the Finance and Audit Committee was very active in the year under review. In seven meetings, it performed all of the tasks entrusted to it in accordance with the company statutes and the internal rules of procedure with a high degree of efficiency, largely in preparation of decisions to be taken by the Supervisory Board in its plenary sessions.

Composed of five members, the Personnel Committee convened at five ordinary and two extraordinary meetings in 2007. The two committees put in charge of the construction of the new corporate headquarters and of the Group's strategy for the US market in December 2006 continued their work in 2007.

The parent company's ***financial statements*** for the period ended December 31, 2007, prepared by the Board of Management as well as the management report of Jungheinrich AG and the accounts for the 2007 fiscal year were audited by Hamburg-based Deloitte & Touche GmbH Wirtschaftsprüfunggesellschaft. The auditors did not express any reservations regarding the annual financial statements and confirmed this by issuing an unqualified auditor's certification.

The ***consolidated financial statements*** for the period ending on December 31, 2007, and the Group management report have also been confirmed by an unqualified auditor's certification.

The Finance and Audit Committee reviewed the documents supporting the financial statements taking account of the auditors' audit reports and by holding talks with the auditors and submitted a report to the Supervisory Board thereon. These documents had also been at the Supervisory Board's disposal and were reviewed by it along with the Board of Management's proposal for the appropriation of the balance sheet profit in full knowledge and consideration of the report of the Finance and Audit Committee. The auditors who signed the annual financial statements and the consolidated financial statements attended the March 27, 2008, Supervisory Board meeting on the relevant item on the agenda and submitted their detailed and final report on their audit of the annual financial statements and the consolidated financial statements.

On the basis of its own final examination of the parent company's financial statements, the management report, the consolidated financial statements, and of the Group management report, the Supervisory Board did not raise any objections and approved the result of the independent auditor's report. At its March 27, 2008, meeting, the Supervisory Board approved the annual financial statements and the consolidated financial statements for the period ending on December 31, 2007. The annual financial statements are thus adopted. The Supervisory Board agrees with the Board of Management's proposal for the appropriation of the balance sheet profit also with due consideration of the company's capital expenditure and financial planning for the coming years.

There are no ***personnel changes*** on the Supervisory Board in the period under review to report on. Of notable mention is the fact that Mr. Wolfgang Kiel suspended his mandate as member of the Supervisory Board for the duration of his interim assignment as Chairman of the Board of Management, which ended on April 30, 2007. As mentioned in last year's annual report, Mr. Hans-Georg Frey took office as Chairman of the Board of Management effective May 1, 2007. We had also reported that Dr. Helmut Limberg was put in charge of the sales mandate on the Board of Management from February 1, 2007, onwards. Dr. Erich Kirschneck retired from the Board of Management as of the end of 2007, and Dr. Klaus-Dieter Rosenbach assumed responsibility for the Board of Management's technology mandate effective January 1, 2008. The Supervisory Board thanks Dr. Kirschneck for his lengthy and successful work for the company and on the Board of Management and wishes Dr. Rosenbach all the best as he tackles his new demanding task.

Hamburg, March 27, 2008
On behalf of the Supervisory Board

Jürgen Peddinghaus
Chairman

Corporate governance report

Corporate governance at Jungheinrich

In accordance with Item 3.10 of the current version of the German Corporate Governance Code of June 14, 2007, the Supervisory Board submits the following report on corporate governance at Jungheinrich, and does this also on behalf of the Board of Management:

The term 'corporate governance' designates transparent, good and responsible business management and control of a company, oriented towards increasing value over the long term. The Board of Management and the Supervisory Board of Jungheinrich AG accord special importance to these principles, which are among the focal points of their activity. The Code, which was submitted by the "German Corporate Governance Code Government Commission" and most recently revised in June 2007, is an important guideline for efforts designed to enhance transparency in company management and control. In addition to the scope of action afforded to corporate bodies by the Code, this also affects investors and capital markets as well as our business partners, employees and the public at large, since they are strengthened in their conviction that the company is being run in both a transparent and value-oriented manner. The key element of corporate governance within the Jungheinrich Group is the clear distribution of tasks and responsibilities among the Board of Management, the Supervisory Board and the Annual General Meeting. This balanced reciprocal relationship concerning the company's governance between the Board of Management on the one hand and the Supervisory Board and the Annual General Meeting – supporting and monitoring the Board of Management – on the other hand, is stipulated by German stock corporation law and the German Corporate Governance Code. Compliance, i.e., adherence to statutory regulations and corporate guidelines, has become more prominent in the public's awareness. The Board of Management regularly submits comprehensive reports to the Supervisory Board on the manner and degree to which this is ensured in organizational terms. In accordance with the recommendation issued by the Corporate Governance Code, the Supervisory Board has delegated the required monitoring task to the Finance and Audit Committee. Other key elements of corporate governance in our company are proactive, open and transparent corporate communications as well as the responsible management of risks. In addition, significant importance is attached to the audit of our financial statements by an independent third party. Jungheinrich AG's corporate governance is in line with all statutory regulations and largely complies with the recommendations of the German Corporate Governance Code. Furthermore, we take up many of the suggestions included in the Code.

Jungheinrich AG's corporate governance practices were formally adopted by the Board of Management and the Supervisory Board in 2002. They are regularly adapted to changes in legal requirements as well as in corporate governance and control standards. The last update took place in December 2007.

We have summarized additional information on the activities of the Supervisory Board and its committees as well as on the cooperation between the Supervisory Board and the Board of Management in the Report of the Supervisory Board. In this regard, we would like to direct you to our website (www.jungheinrich.com). Besides information concerning corporate governance, our internet presence contains the company's financial publications, documents relating to the Annual General Meeting, a financial calendar with key dates, ad-hoc releases and other communications pursuant to the German Securities Trading Act primarily pertaining to reportable securities transactions, as well as press releases. Our website also features Jungheinrich AG's current articles of association as well as information on the composition of the Board of Management and the Supervisory Board.

In December 2007, the Board of Management and Supervisory Board of Jungheinrich AG issued their latest annual statement of compliance with the recommendations and suggestions of the German Corporate Governance Code Government Commission pursuant to Sec. 161 of the German Stock Corporation Act. This declaration has been published on our website and reads as follows:

"Valid for the past and future corporate governance of Jungheinrich AG is the following declaration, which relates to the requirements of the 'German Corporate Governance Code' in the versions dated June 12, 2006, and June 14, 2007 respectively.

Declaration according to Section 161 of the German Stock Corporation Act

The Board of Management and the Supervisory Board of Jungheinrich AG declare that the recommendations for behaviour of the 'German Corporate Governance Code Government Commission' in the versions dated June 12, 2006, and June 14, 2007 respectively, have been met and will be met in the future by Jungheinrich AG in accordance with this declaration.

The deviations from the individual recommendations of the Code relate to the fact that the D&O insurance policy of the company for the Board of Management and the Supervisory Board does not state any own-risk deductible, the fact that Jungheinrich does not run a stock option scheme so that the recommendations based on this are not relevant, the fact that the remuneration of the members of the Board of Management and of the Supervisory Board is not stated in the annex of the annual report or in the corporate governance report in an itemised and individualised manner, the fact that no age limit is set for the members of the Supervisory Board, the fact that we did not establish a Supervisory Board nomination committee, and the fact that the consolidated financial statements will not yet be made publicly accessible within the recommended period of 90 days.

Hamburg, December 2007."

All Jungheinrich AG shareholders are invited to exercise their rights at the Annual General Meeting. Holders of ordinary shares can exercise their voting rights at the Annual General Meeting in person, by proxy, or by a proxy appointed by the company.

Our company is active on an international market experiencing continued growth, which offers a variety of opportunities. However, sustainable, value-added growth can only be achieved if the risks of entrepreneurial action are identified and sufficiently taken into account alongside the opportunities. This is why effective risk management is among the core elements of our corporate governance practices. Details pertaining to this issue are included in the Group management report.

Shareholders, investors, analysts and the general public are equally and promptly informed by the company of developments in compliance with statutory regulations. The company's website, which we referenced earlier on, is gaining importance in this regard.

As in the past, an agreement was reached with the auditor of the financial statements for the 2007 financial year that the Chairman of the Supervisory Board be instantaneously informed of any grounds substantiating preclusion or prejudice if they are not cast aside immediately. In addition, an arrangement was struck, pursuant to which the auditor of the financial statements is obligated to immediately report on findings and events evidenced by the audit that are material to the tasks of the Supervisory Board. Furthermore, the auditor of the financial statements was obliged to report to the Supervisory Board and/or include a comment in the auditor's report on deviations from the statement concerning the German Corporate Governance Code by the Board of Management and the Supervisory Board, which were identified during the audit.

The Board of Management and Supervisory Board of Jungheinrich AG discuss at least once a year (most recently in the Board of Management and Supervisory Board meetings convened in December 2007) whether Jungheinrich AG's corporate governance practices have complied with the basic principles of the German Corporate Governance Code and whether they should be complied with in the future and determine the recommendations and suggestions of the Code that will be deviated from.

Furthermore, the Supervisory Board subjected its activity to an efficiency review in the reporting year.

Compensation report

The June 13, 2006, Annual General Meeting passed a resolution in favour of renouncing the publication of the Board of Management's remuneration broken down by member. Therefore, the following commentary is limited to the compensation model for the Board of Management.

The Supervisory Board's Personnel Committee is responsible for determining the remuneration of the members of the Board of Management. The Supervisory Board regularly reviews the compensation system as regards its composition and appropriateness. The remuneration of members of the Board of Management includes a fixed and a variable component. The Board of Management's compensation system is characterized by its performance orientation. This is reflected in the ratio of the variable to the fixed component. The variable component's success parameter is the EBIT return on sales (ROS) in line with the degree to which a target return established for several years is achieved in accordance with the company's strategic orientation, which is reviewed and can be adjusted on an annual basis. The variable component is paid retrospectively once a year, commensurate with the results achieved in the preceding fiscal year. In line with the recommendations of the Corporate Governance Code, when drawing up the contracts with the members of the Board of Management, care was taken to ensure that severance payments made in the event of an early termination of a mandate on the Board of Management do not exceed a certain limit without due cause and that such payments remain below the sum payable for the remainder of the employment agreement. Pensions for members of the Board of Management are calculated based on the individual's years of service at Jungheinrich with a lead-in period until the member has a right of non-forfeiture.

Hamburg, March 27, 2008.

Supervisory Board | The Board of Management

The Supervisory Board

Jürgen Peddinghaus
Chairman
Management Consultant

Further offices held
Supervisory Board:
Faber-Castell AG, Nuremberg (Chairman)
MAY-Holding GmbH & Co. KG, Erftstadt (Chairman)
Zwilling J.A. Henckels AG, Solingen
Schwarz-Pharma AG, Monheim (until January 2007)

Advisory Board:
Booz Allen Hamilton GmbH, Munich
Norddeutsche Private Equity GmbH, Hamburg (Chairman) (until September 2007)

Detlev Böger
Deputy Chairman
Labour Union Secretary

Further offices held
Supervisory Board:
Rheinmetall Defence Electronics GmbH, Bremen

Sedat Bodur
Chairman of the Works Council at the Norderstedt Plant

Klaus-Peter Butterweck
Chairman of the General Works Council (until November 30, 2007)
Chairman of the General Works Council of Jungheinrich Vertrieb Deutschland AG & Co. KG, Hamburg (from December 3, 2007)

Wolfgang Erdmann
Chairman of the Group Works Council

Birgit von Garrel
2nd Authorized Representative, IG Metall, Landshut

Wolfgang Kiel
(Mandate suspended until April 30, 2007)
Management Consultant

Wolff Lange
Managing Partner with
Lange Vermögensverwaltung GbR, Hamburg

Further offices held
Supervisory Board:
Kühlhaus Zentrum AG, Hamburg (Chairman)
Hansa-Heemann AG, Rellingen (Chairman)
Wintersteiger AG, Ried/Austria (Deputy Chairman)

Advisory Board:
WAGO Kontakttechnik GmbH & Co. KG, Minden

Dr. Albrecht Leuschner
Barrister

Further offices held
Supervisory Board:
Hagen Batterie AG, Soest (Chairman)
(until August 31, 2007)
Deutsche EXIDE GmbH, Büdingen (Chairman)
(until August 31, 2007)
CEAG AG, Bad Homburg (Deputy Chairman)
OEB Traktionsbatterien AG, Zurich/Switzerland
(until March 15, 2007)

Dr. Peter Schäfer
Business Manager

Further offices held
Advisory Board:
MAXINGVEST AG, Hamburg

Reinhard Skibbe
Executive employee

Franz Günter Wolf

Further offices held
Advisory Board:
LACKFA Isolierstoff GmbH & Co.,
Rellingen (Chairman)

The Board of Management

Besides having individual control functions in Group companies and associated companies, the members of the Board of Management of Jungheinrich Aktiengesellschaft are also members of the following supervisory boards and comparable German and foreign control bodies that are required to be formed by law:

Hans-Georg Frey
Chairman of the Board of Management
(from May 1, 2007)

Wolfgang Kiel
(until April 30, 2007)
Chairman of the Board of Management

Dr. Erich Kirschneck
Member of the Board of Management
(until December 31, 2007)

Other offices held within the Group:
Supervisory Board:
Jungheinrich Moosburg GmbH,
Moosburg (Chairman)
(until December 31, 2007)

Dr. Helmut Limberg
Member of the Board of Management
(from February 1, 2007)

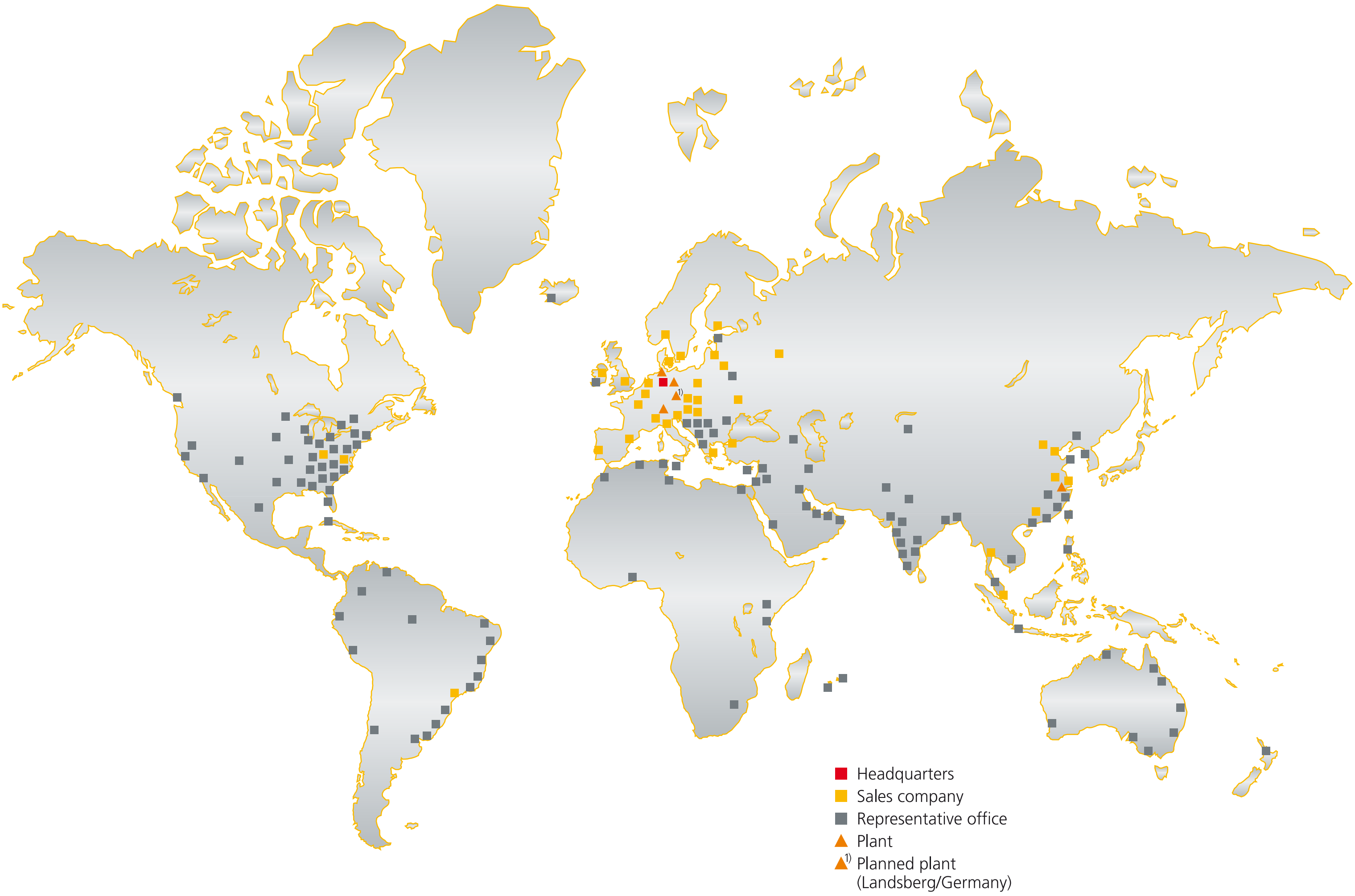
Dr. Michael Lüer
Member of the Board of Management

Other offices held within the Group:
Supervisory Board:
Jungheinrich Moosburg GmbH,
Moosburg (Deputy Chairman)

Dr. Klaus-Dieter Rosenbach
Member of the Board of Management
(from January 1, 2008)

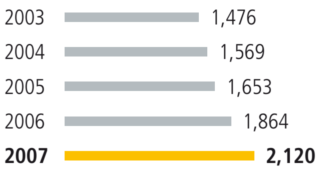
Other offices held within the Group:
Supervisory Board:
Jungheinrich Moosburg GmbH,
Moosburg (Chairman)
(from January 2, 2008)

Jungheinrich worldwide

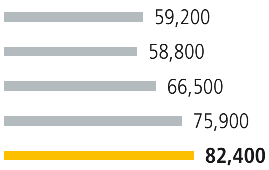


Addresses are available at www.jungheinrich.com

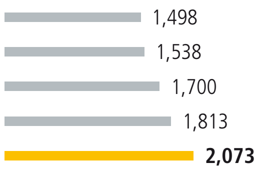
Incoming orders
in million €



Production
in units



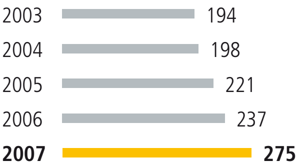
Total Assets
in million €



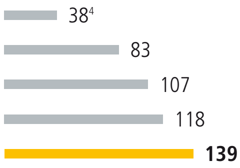
Jungheinrich Group		**2007**	**2006**	**2005**	**2004**	**2003**
Incoming orders, production and sales						
Incoming orders[1]	million €	2,120	1,864	1,653	1,569	1,476
Production of material handling equipment	units	82,400	75,900	66,500	58,800	59,200
Net sales	million €	2,001	1,748	1,645	1,531	1,471
thereof in Germany	million €	505	464	453	422	407
thereof abroad	million €	1,496	1,284	1,192	1,109	1,064
Foreign ratio	%	75	73	72	72	72
Employees						
Total	Dec. 31	10,178	9,274	8,998	9,008	9,233
thereof in Germany	Dec. 31	4,761	4,568	4,458	4,464	4,452
thereof abroad	Dec. 31	5,417	4,706	4,540	4,544	4,781
Capital expenditures						
Capital expenditures[2]	million €	52	52	42	33	61
Research and development	million €	41	44	40	38	33
Assets structure						
Fixed assets	million €	666	576	543	522	501
thereof trucks for lease from financial services	million €	166	147	158	167	178
Current assets	million €	1,407	1,237	1,157	1,016	997
thereof receivables from financial services	million €	403	340	291	229	202
thereof liquid assets and securities	million €	251	236	274	228	210
Total assets	million €	2,073	1,813	1,700	1,538	1,498
Capital structure						
Shareholders' equity	million €	554	485	437	384	358
thereof subscribed capital	million €	102	102	102	102	102
Provisions for pensions	million €	164	161	165	161	144
Other provisions	million €	187	170	155	158	208
Financial liabilities	million €	290	265	269	214	212
Liabilities from financial services	million €	541	423	379	316	410
Other liabilities	million €	337	309	295	305	166
Total capital	million €	2,073	1,813	1,700	1,538	1,498

1 New truck business, after-sales service, short-term hire and used equipment.
2 Not including trucks for short-term hire and lease, capitalized development costs and financial assets.

EBITDA
in million €



EBT
in million €



Net Gearing
in %

Jungheinrich Group		2007	2006	2005	2004	2003
Income statement						
Earnings before interest, taxes, depreciation and amortization (EBITDA)	million €	275	237	221	198	194
Earnings before interest and taxes	million €	140	118	107	87	78[3]
Earnings before taxes	million €	139	118	107	83	38[4]
Net income	million €	82	67	62	49	21[4]
Earnings per share	€	2.40	1.96	1.84	1.47	0.63[4]
Dividend per share – Ordinary shares	€	0.52[5]	0.48	0.45	0.42	0.39
– Preferred shares	€	0.58[5]	0.54	0.51	0.48	0.45
Key financial data						
Equity ratio	%	27	27	26	25	24
Equity to fixed assets ratio	%	111	113	114	108	111
EBIT return on sales (ROS)	%	7.0	6.8	6.5	5.7	5.3
EBIT return on capital employed (ROCE)	%	24	24	25	24	22
Return on equity after income taxes	%	16	14	15	13	6[4]
Return on total capital[6]	%	6	5	5	5	3[4]
Dynamic indebtedness ratio	years	0.1	0.1	–	–	–
Net gearing	%	4	4	–	–	–
Capital turnover	years	1.0	1.0	1.0	1.0	1.0

3 Not including expenses associated with the closure of MIC S.A.
4 Including expenses associated with the closure of MIC S.A.
5 Proposal.
6 Not including financial services.
7 Shareholders' equity + financial liabilities +/– other liabilities/receivables vis-à-vis affiliated and associated companies – notes receivable – liquid assets and securities.
8 Financial liabilities +/– other liabilities/receivables vis-à-vis affiliated and associated companies – notes receivable – liquid assets and securities.

Explanatory notes to the key financial data	
Equity ratio	Shareholders' equity : total capital x 100
Equity to fixed assets ratio	Shareholders' equity : fixed assets (not including trucks for lease from financial services) x 100
EBIT return on sales (ROS)	EBIT : net sales x 100
EBIT return on capital employed (ROCE)	EBIT : employed interest-bearing capital[7] x 100
Return on equity after income taxes	Net income : average shareholders' equity x 100
Return on total capital[6]	Net income + interest expenses : average total capital x 100
Dynamic indebtedness ratio	Net indebtedness[8] : EBITDA
Net gearing	Net indebtedness[8] : shareholders' equity x 100
Capital turnover	Net sales : average total capital

Dates 2008

Balance sheet press conference, Hamburg	April 9, 2008
Analyst conference, Frankfurt am Main	April 10, 2008
Interim report as of March 31, 2008	May 14, 2008
Annual General Meeting, Congress Centrum Hamburg	June 10, 2008
Dividend payment	June 11, 2008
Interim report as of June 30, 2008	August 14, 2008
Interim report as of September 30, 2008	November 13, 2008

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Corporate Communications

Am Stadtrand 35
22047 Hamburg
Telephone: +49 40 6948-0
Fax: +49 40 6948-1777
Internet: http://www.jungheinrich.com
E-mail: info@jungheinrich.com

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J. Scheffler

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JUNGHEINRICH
JUNGHEINRICH
80
62 km