

Annual Report **2000**



 **JUNGHEINRICH**
Jungheinrich Aktiengesellschaft · Hamburg

At a glance

Jungheinrich Group	1996	1997	1998	Accounting to US GAAP		
				1999	2000	1999/2000 Change
	million €	million €	million €	million €	million €	in %
Sales						
Germany	502	499	479	459	488	6.3
Abroad	729	809	867	894	1,027	14.9
Total	1,231	1,308	1,346	1,353	1,515	12.0
Foreign share in %	59	62	64	66	68	–
Production industrial trucks (units)	37,154	43,364	52,975	56,900	64,600	13.5
Employees ¹⁾ (on 31st Dec.)¹⁾						
Germany	4,551	3,783	4,094	4,287	4,436	3.5
Abroad	4,068	4,122	4,436	4,704	4,803	2.1
Total	8,619	7,905	8,530	8,991	9,239	2.8
Capital expenditure ²⁾	42	24	28	35	33	– 5.7
Research and development	33	32	30	27	28	3.7
Balance sheet total ¹⁾	704	760	805	1,344	1,395	3.8
Shareholders' equity ¹⁾	211	242	271	264	283	7.2
thereof subscribed capital	87	87	87	102	102	–
Earnings before interest and tax EBIT ³⁾	12	42	59	52	55	5.8
Return on capital in % ⁴⁾	3	10	14	13	15	–
Net income/deficit for the year	– 10	33	39	9	32	255.6
Result per share ⁵⁾ (in €)	– 0.30	0.55	1.14	0.25	0.94	276.0
Dividend per share – ordinary shares (€)	0.00	0.26	0.36	0.36	0.36 ^{*)}	–
– preferred shares (€)	0.10	0.31	0.41	0.42	0.42 ^{*)}	–

¹⁾ not including WAP as of 31.12.1997

²⁾ not including trucks for rentals and leasing and financial assets

³⁾ until 1998 before other taxes

⁴⁾ EBIT in % on employed interest-bearing capital

⁵⁾ not including extraordinary results

^{*)} Where reference is made in the text to **employees**, this is to be understood to include both **male and female employees**

^{*)} Proposal

ANNUAL REPORT 2000

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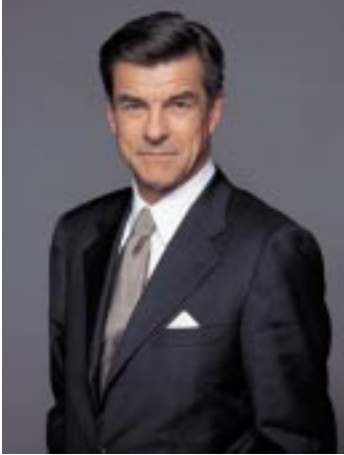
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Dear Shareholder!

The Jungheinrich Group was characterised by a large number of changes in the business year 2000. At the beginning of the year, a newly formed Board of Management took up its activities. The priority task consisted in achieving the improvement in the result of our operating business at the foreign subsidiary companies, above all in Britain and France, that was demanded by the shareholders and the capital market. Furthermore there was a need to revamp the company organisation and to define binding key data and control variables for the Group in order to make our operating business more profitable and to increase corporate value. The financial and operational parameter conditions were created to be able to meet the demands of the stock exchange operator, Deutsche Börse AG, for quarterly and half-yearly reports. This will make for greater transparency in the presentation of the figures and to fully up-to-date reporting. The on balance still positive overall economic situation in conjunction with renewed growth of the market for the industrial trucks, warehousing and material flow technology divisions in particular has lent support to the position-strengthening measures adopted in the year 2000. The Jungheinrich Group

was able to meet or exceed its ambitious operating business target figures in all divisions.

The switchover to accounting according to US GAAP has meant that the accrued liabilities for restructuring measures that were already included in the 1999 figures are again contained in the figures for the year 2000. Because of this, the improvement in operating performance of individual companies is not directly visible in the figures.

At our foreign associated company, MIC, France, all the parcels of measures that had been planned were implemented. MIC, France, enters the current business year with new structures. The situation at our company Boss in Britain has changed decisively. The closure of one segment at Boss, namely Heavy Truck, shuts off a big source of losses, and this together with the consolidation steps taken at Boss Volume Plant, the second loss-maker, means that, although the result was still negative, we have now embarked upon a positive course.

The management of all plants by one Board of Management member with special responsibility for

Engineering has strengthened inter-company development activities within the Group. In addition, the improvement of quality and the reliability and punctuality of delivery have given further support to the outstanding position of Jungheinrich on the technical front. This is underscored by, among other things, the market launch of a new four-wheel battery-powered counterbalanced forklift with a three-phase a.c. power system. An especially high-performance high-rack forklift with an entirely new workplace module for the driver supplies further proof of the innovative capacity of the Group.

To achieve further streamlining of the organisation, from the beginning of the year 2001 the sales and distribution areas of the Jungheinrich brand as well as those of the brands Steinbock, Boss and MIC were also combined in one area of responsibility headed by one member of the Board of Management. This and the adoption of a new sales and distribution strategy will be of assistance to the Jungheinrich Group in the international markets in Europe and overseas. Jungheinrich will in future orient itself above all to direct marketing and will work the market via only one sales and distribution organisation in each country. Within the framework of the expansion of our international sales and distribution operations, we set up our own subsidiary companies, including ones in the USA and Singapore.

The overriding and priority task of the Board of Management is to be able to deliver a better return on capital to our shareholders in the future. Through this

we expect to achieve an improvement in the development of the market price of the Jungheinrich share and thus a distinct improvement of the corporate value. The expansion of our business through new technical products as well as through a further process of internationalisation overseas demands not only an especially highly-qualified management team but also the provision of adequate financial resources to be able to follow this path. The Jungheinrich Group is well prepared for this and sees its position strengthened.

Our thanks go to our shareholders and our customers for their steadfast support of the company; similarly to our employees who, in a year full of changes, helped to strengthen Jungheinrich through their personal involvement and their hard work.



Dr. C. v. Pichler



- Jungheinrich share adversely affected by drop in 1999 result
- Share price recovery in the first quarter of 2001
- Dividend at previous year's level
- Investor Relations expanded



THE JUNGHEINRICH SHARE

Consolidation continued

After sharp price fluctuations in the past stock exchange year, the German stock market presented a mixed picture at the turn of the year. The German share price index (DAX) initially continued its price rally from the previous year and kept reaching new highs. It temporarily overstepped the limit of 8,000 points. This rise was again buttressed above all by the strong price gains achieved by technology and communications stocks. In the further course of the year, however, these growth stocks lost ground and pulled the DAX down with them. In a year-on-year comparison, after having reached 6,958.14 points on 30th December 1999, the DAX closed on 29th December 2000 with a minus of 7.5 per cent at 6,433.61 points. In contrast, performance of the MDAX, which is made up of medium-sized stocks (Midcaps), was positive with a plus of 13.9 per cent to reach 4,675.34 points (previous year: 4,103.82).

■ Jungheinrich share adversely affected by drop in 1999 result

The development of the Jungheinrich share price in the past year was burdened by the drop in the result for 1999 and by the uncertainties over the future outlook for earnings. Starting with the ad hoc report dated 22nd December 1999 concerning a revision of the results forecast, which took on a more concrete form on 14th March 2000, in the first half year of 2000 the Jungheinrich share continued the process of consolidation embarked upon in 1999. Positive stimuli came in May from the balance sheet press conference, from the annual analysts conference in Frankfurt and from the following Road Show in London. It was at these events that the Board of Management presented itself in its new formation for the first time. After the dividend distribution in June, the share fell to a low

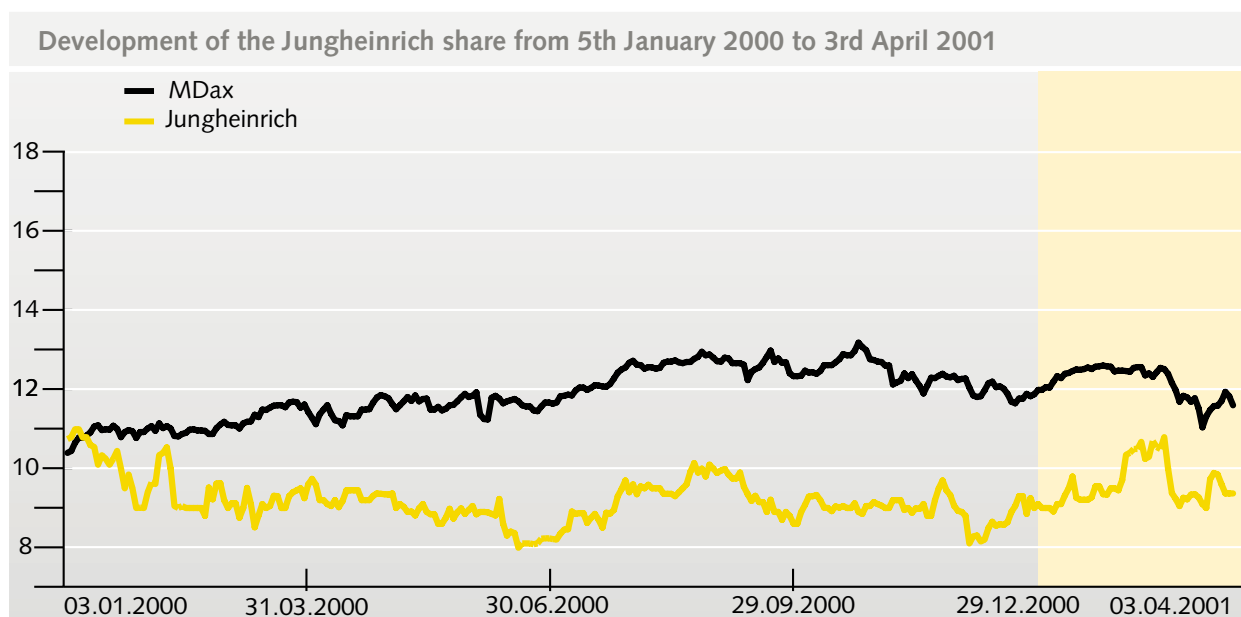
The Jungheinrich share

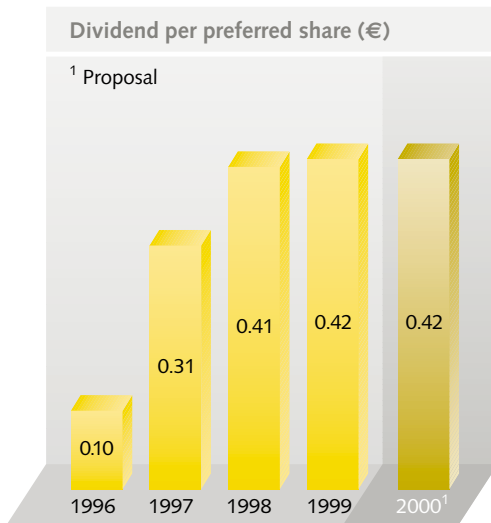
for the year of € 8.00 on 26th June due to profit-taking. At the beginning of the second half year, it was able to move away from this low and chalked up a strong price recovery. A contributing factor here was the publication of the interim report regarding the development of business in the first half of 2000. As profit-taking set in, it was not possible to keep the initial price gains. The scepticism of the investors over the further earnings prospects of the company still outweighed the positive signals, which lay in the continued rise in operating income of the Jungheinrich Group. A heavy burden proved to be delay in fulfilling result expectations at the foreign subsidiary companies in France and Britain. With an end-of-year price of € 8.50 (previous year: € 10.45) the Jungheinrich share lost 18.7 per cent of its value in the course of the year. This meant that performance was significantly lower than that of the MDax.

In trading with the Jungheinrich share, 10.7 million units (1999: 11.4 million units) changed hands at the German stock exchanges. The Jungheinrich share is listed for official trading at the securities exchanges in Frankfurt and Hamburg as well as for over-the-counter trading at the exchanges in Berlin, Bremen, Düsseldorf, Hannover, Munich and Stuttgart.

■ Share price recovery in the first quarter of 2001

The market price of the Jungheinrich share rose considerably in the first few weeks of 2001. At the end of March the share was quoted at € 9.37. As against the end-of-year price in December 2000, it recovered by 10.2 per cent. In the same period, the MDax noted a decline of 1.7 per cent to 4,584.12 points.





■ Unchanged dividend distribution to shareholders

For the year 2000, a proposal will be submitted to the Annual General Meeting held on 12th June 2001 that a dividend of € 0.36 be paid on each no-par-value ordinary share (previous year: € 0.36) and of € 0.42 be paid on each no-par-value preferred share (previous year: € 0.42). Thus, despite the heavy special burdens deriving from the restructuring measures in Britain and France, the dividend remains at the level of the previous year. It has therefore been possible to adhere to the principle of dividend continuity for the third year in succession. The constant dividend also reflects the confidence of the Board of Management in the future development of earnings of the company. The amount of the dividend is oriented to the medium-term smoothed trend of the consolidated results and to an expected substantial improvement in the result in the current business year. In view of the switchover to accounting in accordance with US GAAP and the resultant effect on net income for the year, the operating result before interest and tax (EBIT) has been taken as a yardstick for comparison. Relative to the market price on 29th December 2000, the net dividend yield of the Jungheinrich share works out to 4.9 per cent (previous year: 4.0 per cent).

■ Special tax aspects

If the Jungheinrich shares form part of the personal assets of an investor who is subject to unlimited tax liability, the dividend is largely free of income tax, as the dividend distributions are mostly paid from equity capital 04 and for tax purposes are treated as capital repayments. Beyond this the dividend payment is liable to tax and to this extent it gives rise to a tax credit for corporation tax. If the shares form part of the assets of a domestic business, the dividend distributions from equity capital 04 reduce the acquisition costs of the share for tax purposes. Dividend distributions from equity capital 04 to a shareholder with limited tax liability (foreign shareholder) are not subject to German capital gains tax.

■ Shares held by the company itself

The company holds own shares in a total volume of 2.25 per cent (or 360 thousand units) of the preferred share capital.

■ Growing number of Jungheinrich shareholders

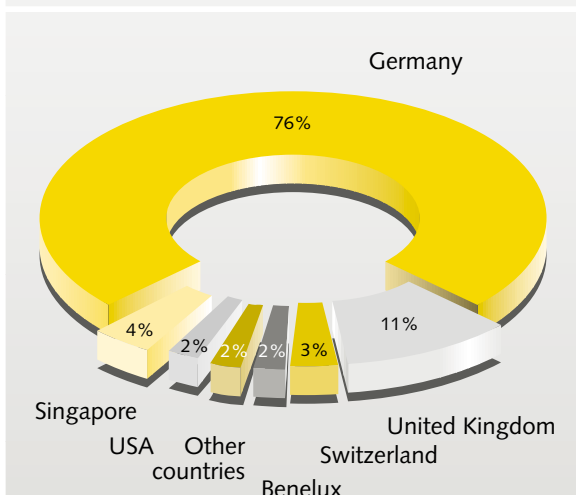
In December 2000, a survey was again carried out of the structure of the shareholders of our company, to which the ownership of 93 per cent of the preferred share capital was reported. In comparison with the last periodical review in December 1999, the following substantial changes emerged: of the preferred shares covered by the survey, 76 per cent (1999: 73 per cent)

The Jungheinrich share

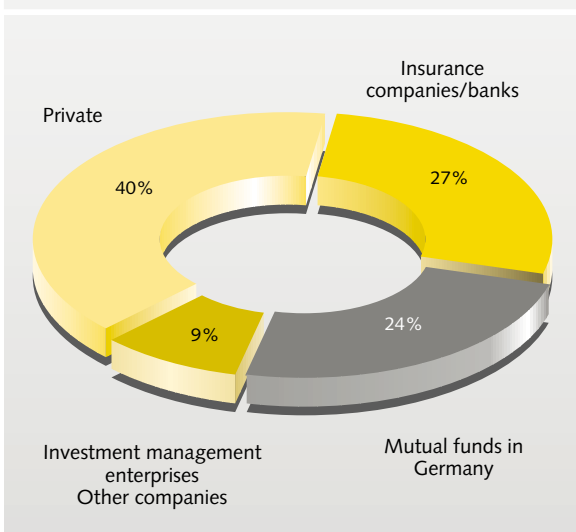
Structure of Jungheinrich shareholders (as of December 2000)

Preferred share capital in €	48,000,000
No. of preferred shares	16,000,000
Shareholders	12,000

Breakdown by countries



Investors



were held in German securities accounts and 24 per cent (1998: 27 per cent) in foreign securities accounts. A strong increase in the holdings of private investors, whose share went up from 30 to 40 per cent, compared with a decline among institutional investors in Germany and abroad. Their share decreased from 62 to 51 per cent. As a result of these regroupings, the number of Jungheinrich shareholders increased by one fifth to 12,000. Foreign shareholders were represented in a total of 46 countries (1999: 40 countries) in the world.

■ Investor Relations expanded

In the past year we expanded our measures aimed at maintaining and fostering our relationship with our domestic and foreign investors. The objective of our Investor Relations activities is to strengthen the confidence of our shareholders, of potential investors and of the financial analysts in Jungheinrich. One instrument for doing this is our continuous supply of information, which even in difficult times is open and comprehensive. In providing the information for analysts and investors, we follow the principle of equal treatment for all. In switching our accounting over to US GAAP, we increased the transparency and international comparability of our annual financial statements. We explained the course of business in periods of less than a full business year with detailed information in our interim reports. Over and above this, in telephone conferences the Board of Management answered the questions of the financial analysts seeking more in-depth analysis. In addition, contacts with German and foreign institutional investors and financial analysts were expanded at the Board of Management level. After the expansion of our communication measures in the Internet in 1999, company news (ad hoc reports and press releases) interim reports and

business reports were regularly published with minimum after-the-event delay under the address www.jungheinrich.com. Through our participation in the 5th Hamburger Stock Exchange Day on 21st October, we made it possible for private investors to take up direct contact with the company.

■ Concentration on value-oriented company management

The Jungheinrich management feels itself committed to a value-oriented style of company management. The remuneration system will therefore be more strongly oriented to value-creating variables and ratios such as return on sales and return on capital employed in order to achieved a sustained growth in value for the Jungheinrich Group and its shareholders.

■ Analysts conferences

On 4th May 2000, the traditional annual company presentation was given on the premises of Commerzbank AG in Frankfurt/Main before the members of the Deutsche Vereinigung für Finanzanalyse und Asset Management e.V. (DVFA). The new team of the Board of Management responded to their questions regarding the 1999 annual financial statements and the current trend of business. Attention focussed in particular on the development of the foreign subsidiary companies MIC S.A. (F) and Boss Manufacturing Ltd. (GB). Within the framework of the German Mid Cap Conference (GMCC 2000), organised by the DVFA on 22nd November 2000, also on the premises of Commerzbank AG in Frankfurt/Main, we took part with a presentation before the general assembly. Some 70 participants from the international capital market took advantage of the opportunity for a dialogue with the Board of Management.

■ Ad hoc reports

We report on especially important events in the form of ad hoc reports. In the period covered by the report, one ad hoc report was occasioned in March 2000 on the basis of the German Securities Trade Act (WpHG). This was in connection with the downward trend of the result in 1999.

Key data per share

			1999	2000
Dividend ¹⁾ (proposal)	Ordinary shares	€	0.36	0.36
	Preferred shares	€	0.42	0.42
Tax credit ²⁾			–	*
Dividend yield	Preferred shares	%	4.0	4.9
Earnings per share (balance sheet)		€	0.25	0.94
Earnings per share (DVFA/SG)		€	0.49	1.68
EBIT ³⁾ per share		€	1.55	1.63
EBITDA ⁴⁾ per share		€	4.04	4.94
Net cash flow per share		€	3.28	4.37
Equity capital per share		€	7.80	8.40
Stock market price ⁵⁾	Highest	€	16.00	10.00
	Lowest	€	9.25	8.00
	End-of-year price	€	10.45	8.50
No. of shares	Ordinary shares	million	18.0	18.0
	Preferred shares ⁶⁾	million	16.0	16.0
	Total ⁷⁾	million	33.82	33.64
Market capitalisation		million €	351.5	285.9
Stock exchange trading volume ⁸⁾	million shares		11.4	10.7

¹⁾ 1999 tax-free

²⁾ 1999 no distribution of corporation tax credit as distribution from equity capital 04

³⁾ earnings before interest and tax

⁴⁾ earnings before interest, tax, depreciation and amortisation

⁵⁾ closing prices at the Frankfurt Stock Exchange

⁶⁾ of which 2.25 per cent held by the company

⁷⁾ weighted average

⁸⁾ at all German stock exchanges, incl. XETRA

* some 15 % of the dividend liable to tax; a tax credit of 3/7 is granted on this



- General economic situation
- Business trend
- Financial position
- Research and development
- Supplier management
- Quality and Environmental management
- Risks and risk management
- Outlook



GROUP MANAGEMENT REPORT

■ General economic situation

■ Europe

Economic development in Europe in the year under review 2000 was characterised by vigorous growth. The growth rate of the gross domestic product (GDP) in real terms rose to 3.1 per cent in the EU after 2.3 per cent in the previous year. With a rise of 3.3 per cent (previous year: 2.3 per cent), Euroland was even a little higher. The mainstay of this growth was the good export economy and increasingly also robust domestic demand. In Euroland, investments in machinery and equipment exhibited the strongest growth at 7 per cent. The reform states of Central Europe were able to benefit from the dynamic development in Western Europe and to double their economic performance with a plus of some 4 per cent as compared with 1999.

■ Germany

The economic upswing in Germany that had begun in the second half of 1999 continued during the year under review. Economic performance increased with an almost doubled growth rate from 1.6 to 3.0 per cent. This was the biggest economic growth since German reunification. Strong stimuli to growth came in particular from brisk foreign demand. Domestic demand, on the other hand, developed moderately on the whole. Investments in machinery and equipment were a positive exception with an increase of 9 per cent.

After a weak business year 1999, the German mechanical engineering industry recorded overall growth in the order intake of 17 per cent in the year

2000. Orders from within Germany grew by 8 per cent and those from abroad increased by 24 per cent with the rises pertaining to all segments. The increase was favoured by a weak Euro. Production output in this branch of industry was some 6 per cent up on the previous year and was thus able to grow faster than the manufacturing industry as a whole.

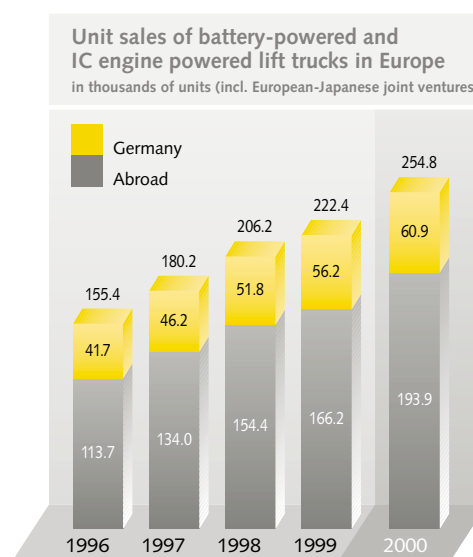
■ Development of the Market for Industrial Trucks

Economic growth in Europe led to a brisk demand for industrial trucks. This means that the upswing in this industry in Europe continued for the fourth year in succession. Unit sales of battery-powered and IC engine powered lift trucks in Europe again reached an all-time high at some 255 thousand trucks (previous year: 222 thousand units). The increase of 33 thousand units corresponds to a growth rate of 15 per cent (previous year: + 16 thousand units or 8 per cent). Unit sales in Germany, which account for about a quarter of the overall market in Europe, again grew as in 1999 by 8 per cent to reach 61 thousand trucks (previous year: 56 thousand units). In a comparison of the product segments, warehouse equipment again achieved the highest growth rate at 16 per cent. Warehousing technology thus again underscored its importance in respect of the optimisation of logistic processes. For the companies it is becoming increasingly difficult to hold their own in a changing competitive environment, which is being made even harder by market contenders in the global Internet. Fully exploiting rationalisation reserves in the in-house transport systems is one good possibility for securing competitive advantages for one's own company. Of the five biggest individual European markets (D, F, GB, I and E), which together make up more than 75 per cent of the overall European market, Britain and Spain as well as Germany can point to single-figure growth rates

while France and Italy achieved double-figure growth. Through the mergers of big companies or through mutual acquisitions of shares in rival enterprises, the process of concentration in the industrial trucks engineering business continued in 2000 and brought changes in the competitive situation.

■ Business trend

The business trend of the Jungheinrich Group in the year under review 2000 was characterised by a large number of individual developments. It was distinguished both by market growth, which turned out stronger than expected, and by efforts to improve the result situation, above all at the foreign companies Boss Manufacturing Ltd. in Britain and MIC S. A. in France. At the same time, a large number of operational focal points and measures to improvement efficiency were put into practice:



■ Besides stocking up our human resources in Sales & Distribution and in After-Sales Service, we pushed forward with the rapid expansion of our market and service presence throughout the Group

– by setting up the sales and distribution companies in Greece (Athens) and in Turkey (Istanbul) as well as by preparing the ground for setting up a new company in Ireland to open up further markets in Europe.

– by founding a sales and distribution company in the USA and making preparations for setting up a new company in Singapore to strengthen our market positions in North America and Asia.

– by spinning off our leasing business and bringing our financial services together under one roof in the company proFIS Finanzservice GmbH. In this way, the growth potentials in Europe can be better exploited and the strategically important financial services business can be intensified.

– by the expansion and restructuring of our international Key Account Management.

– by the further development of fleet management to implement fully integral material flow solutions on the basis of comprehensive restructuring analyses.

– by the modernisation and expansion of the central spare parts warehouse in Norderstedt.

– by the expansion of our business conducted via e-commerce through a newly developed distribution channel with the first comprehensive on-line shop of a European manufacturer of warehousing technology and industrial trucks.

– by preparations to open a joint Internet marketplace for used fork lifts and warehousing equipment in co-operation with Linde AG.

■ Of considerable importance for the Jungheinrich Group was the analysis of the market positioning of the four Group brands, Jungheinrich, Steinbock, Boss and MIC, which was completed in the fourth quarter of 2000 and which will result in a re-orientation of our sales strategy.

■ The development of new high-performance, products in three-phase a.c. technology, which were presented at the Hannover Fair, the most important industrial exhibition in the world, and met with a big response, and the launching of new trucks into the market that are ready for series production. These include not only the new low-lift trucks from the Swift series, currently the smallest three-phase current powered industrial truck in the world, but also new high-rack and battery-powered counterbalanced trucks as well as diesel and LPG powered trucks with hydrostatic drive in higher lifting capacity classes.

■ The continuation of the switchover to SAP R/3 throughout the Group to support the business processes with the latest standard software. This has created the basis for an information network within the Jungheinrich Group to span the whole of Europe.

■ The continuation of the result-improving measures at the production site in Leighton Buzzard (GB). During the past year it was possible to achieve further significant progress in reorganisation, which included above all substantial cuts in the cost of materials, a halving of the inventories and considerable improvements in quality. With the order intakes continuing to fall short of expectations and as a result of the unchanged high level of the exchange rate of the British pound in the

year under review, it was again unavoidable to book operating losses. Within the framework of the restructuring measures, the production of certain niche products that do not form part of our core business was ended on 31st March 2001. The successful implementation of this change in the first quarter of 2001 constitutes an important step on the way to reorganisation.

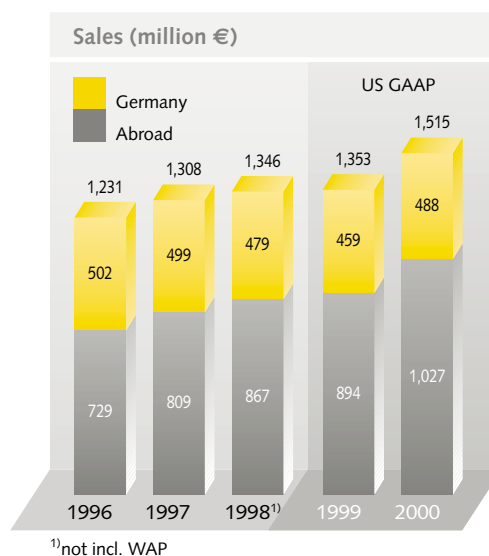
- The ongoing implementation of the restructuring measures at MIC S. A. (F) to improve the result situation. The negotiations with the representatives of the employees concerning the restructuring of the company were successfully completed at the end of the year. The parcel of measures that is being implemented in the year 2001 and that will involve a reduction of the workforce by 125 aims not only at the reorganisation of sales and distribution but also at a streamlining of production and the concentration on a small number of products with the focus on hand pallet trucks.
- Moreover, it was a question of reshaping the organisation of the company and of defining binding target ratios and control variables for the Group in order to make our operative business more profitable and to increase the corporate value.

The Jungheinrich Group noted rapidly rising order intakes both in Germany and abroad accompanied by unchanging pressure on prices. All product brands achieved double-figure growth. The order intake for industrial trucks throughout the Group increased during the year under review 2000 from some 57 thousand trucks to more than 66 thousand units. It was possible to maintain the market position in Europe. In

this context, the Group focussed on improving the quality of the result from these orders. All in all, it was possible to raise the order intake by 14 per cent to € 994 million (previous year: € 872 million). The ordering volume in Germany accounted for the greater part of this rise with a growth rate of 22 per cent.

The order book as of 31st December 2000 increased 28 per cent to € 236 million (previous year: € 184 million). Despite the adjustment of production capacities to the higher demand, the order horizon thus lengthened to a little more than three months.

Output rose 14 per cent in the year under review to almost 65 thousand lift trucks (previous year: 57 thousand lift trucks). Within this figure, more than 38 thousand warehouse trucks were produced at the biggest production plant in Norderstedt (previous year: 32 thousand units). Output at the Moosburg site exceeded 10 thousand battery-powered counter-balanced trucks and narrow-aisle trucks for the first time (previous year: 9 thousand units). In Argentan (France), the production volume increased to some 160 thousand hand pallet trucks (previous year: 146 thousand units). At the Leighton Buzzard plant, the production volume rose by some 10 per cent to almost 5,000 trucks.



Group sales increased in 2000 to € 1,515 million (previous year: € 1,353 million). This corresponds to a growth rate of 12 per cent. Due to the heavy demand, the biggest growth was recorded by new and used vehicles/rentals. The share of service business in the sales figures remained constant at 27 per cent. The after-sales sector benefited from the growing Jungheinrich truck population in the markets and will continue to grow steadily in the coming years. The foreign share went up from 66 to 68 per cent.

■ Switchover to US GAAP

The consolidated financial statements of Jungheinrich AG for the business year 2000 were for the first time prepared in accordance with the American accounting rules, the United States Generally Accepted Accounting Principles (US GAAP). The previous year figures for 1999 have been correspondingly adjusted and are thus suitable for comparison. Through application of § 292a German Commercial Code (HGB) we are exempted from the duty to prepare separate consolidated financial statements according to HGB.

The biggest changes as compared with previous accounting practice arise in the way financial services business is treated, which was previously presented outside of the balance sheet. The statement of income (profit and loss account) has been switched over to the cost-of-sales accounting format.

Through changing over to US GAAP reporting practice, Jungheinrich has responded to the growing demands of the capital market for greater transparency and international comparability. Furthermore, the simultaneous adjustment of our internal reporting resulted in a harmonisation of internal and external reporting practices.

■ Earnings position

The trend of earnings of the Jungheinrich Group again pointed upward in the period covered by this report. The decisive reason for this was the positive development of the operative business result. The high demand for our products and services led to substantial improvements in results in the Group. Increased special expenditure in connection with additionally resolved restructuring measures at our foreign subsidiary companies in Britain and France prevented an even greater improvement in the result. The progress achieved in reorganising the British production site in Leighton Buzzard but also the first restructuring successes at the French subsidiary company MIC S. A. have already led to a reduction of the operating losses in comparison with the previous year. MIC S. A. was able to reduce the loss from its operating business by € 4.0 million. Similarly, Boss Manufacturing Ltd. booked a € 5.3 million reduction of its operating losses. In this context it must be also be remembered that our British subsidiary also had to cope with the ongoing strength of the British pound, which had an overall negative effect on the English production site, as

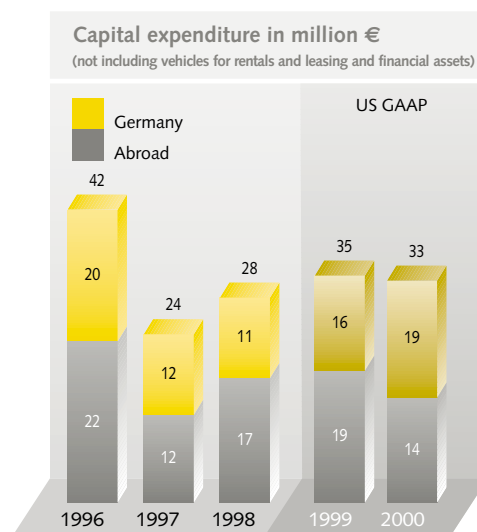
well as with the big drop in demand for heavy-lift trucks. The individual financial statements of the two foreign companies are negatively affected by the additional restructuring expenditure, so that the improvements achieved in the operating result are not directly visible. The restructuring measures will lead to positive contributions to the result in 2001.

In comparison with the previous year, it must moreover be taken into account that, as a result of switching the accounting methods over to US GAAP, major costs for the parcel of measures resolved upon for Boss Manufacturing Ltd. and MIC S. A., which had already appeared in the 1999 consolidated financial statements according to HGB, have to be stated again in the consolidated financial statements for 2000 according to US GAAP. The consolidated operating result before interest and tax (EBIT) increased to € 55 million (previous year: € 52 million).

Taxes on income and earnings of the Group in the past business year were negatively affected by a one-time effect deriving from the tax reform that came into force in Germany. The decrease in the rate of taxation effective in 2001 was already taken into account in the valuation of the deferred tax assets item as of 31.12.2000 and led to an additional one-time tax charge in the amount of some € 25 million. Net income improved as compared with the previous year from € 9 million to € 32 million.

■ Capital expenditure

Capital spending – not including additions to the fleet of vehicles for rentals and leasing – remained at the previous year's level at € 33 million. Major capital spending items in the past year, all of which related to the Norderstedt plant, included not only investment to improve productivity and in a new paint shop but also the continuation of the project to expand and optimise the central spare parts supply system throughout the Group. In addition, further progress was achieved in the expansion of the sales and service network in Europe. The capital spending quota decreased to 2.2 per cent of sales (previous year: 2.6 per cent).

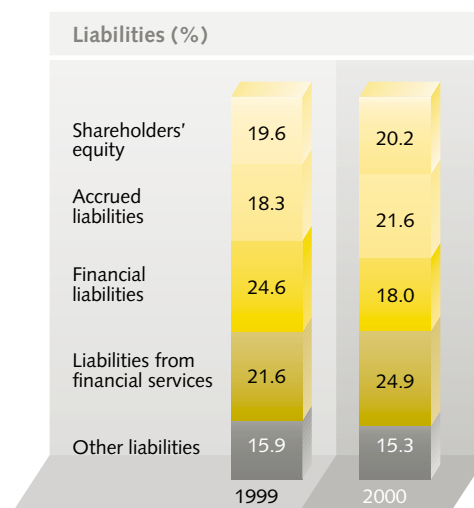
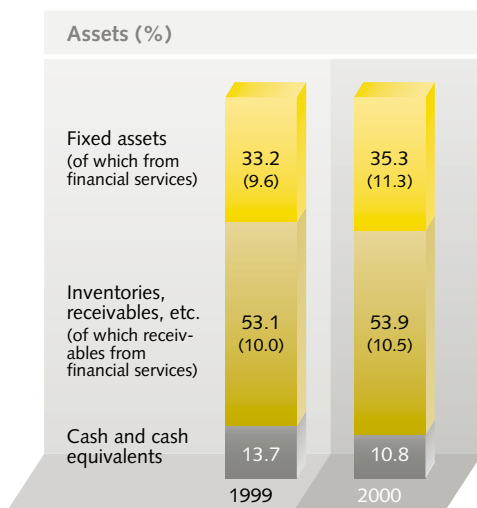


■ Financial and net worth position

The financial and net worth position of the Group was largely characterised by the first-time inclusion of our financial services business under US GAAP reporting rules. In comparison with the previous accounting system according to the German Commercial Code (HGB), this led to a substantial lengthening of the balance sheet. The balance sheet total increased to € 1,395 million at year-end (previous year: € 1,344 million). The rise is a result of the larger volume of business and includes an increase in capital tie-up due to higher receivables as well as due to the further expansion of financial services business. The volume of leasing-financed lift trucks grew rapidly in the year 2000 and in the whole of Europe it resulted in an increase in total contracts outstanding by 21 per cent to 40,000 trucks (previous year: 33,000 units) with a new truck value of more than € 700 million (previous year: € 600 million). Fixed assets increased by € 46 million to € 492 million (previous year: € 446 million) and besides the increase from financial services business from € 128 million to € 158 million this figure includes a sharp increase in the fleet of trucks for rentals and leasing throughout Europe by a further 3,000 trucks to more than 14,500 units.

Inventories were decreased in comparison with the previous year (€ 167 million) to € 151 million. Receivables for sales and services were, at € 328 million, significantly higher than the previous year's figure of € 291 million. This increase is due to the growth of business and to a higher volume of billing in December 2000 as against the end of 1999. Receivables from financial services increased from € 135 million to € 146 million.

Cash and cash equivalents were € 33 million lower at € 151 million (previous year: € 184 million). These were partially offset by a bigger decrease in indebtedness to banks as a result of debt retirements. All in all, this resulted in an improved financial position of the Group.



As a result of the higher net income, the equity capital of the Group increased from € 264 million in the previous year to € 283 million. The equity ratio remained constant at 20 per cent. Fixed assets – not including trucks leased within the framework of financial services – were covered by equity capital to an extent of 84 per cent at the balance sheet date (previous year: 83 per cent). Accruals increased as against the previous year's figure (€ 246 million) by € 55 million to € 301 million. The increase resulted mainly from the expansion of the business volume and from the formation of accruals in connection with the discontinuation of business with niche products at the Leighton Buzzard site (GB) and in connection with the restructuring at MIC S.A. (F). Altogether, there was a cut-back of some 230 jobs at the two sites. The share of accruals in the balance sheet total consequently increased from 18 to 22 per cent.

Total liabilities at € 747 million were € 26 million lower than the previous year's volume (€ 773 million). A € 56 million rise in liabilities deriving from financial services to € 347 million (previous year: € 291 million) compared with an € 82 million reduction in the Group figure for indebtedness to banks to € 161 million (previous year: € 243 million). Trade liabilities were unchanged as against the previous year at € 108 million.

We use derivative financing instruments exclusively to hedge against interest and currency risks. As at 31st December 2000, hedges against interest rate exposure on underlying business transactions in the Jungheinrich Group had a total volume of € 31.5 million while foreign exchange hedging transactions totalled € 11.0 million. All existing foreign exchange hedging transactions have a term of less than one year.

■ Cash flow / return on capital

Net cash flow increased by € 37 million to € 150 million (previous year: € 113 million). Investments – with the exception of leasing trucks from financial services – were fully financed from the net cash flow. The indebtedness ratio of the Jungheinrich Group – measured as the relationship between effective debt and net cash flow – improved from 1.3 to 0.7 years.

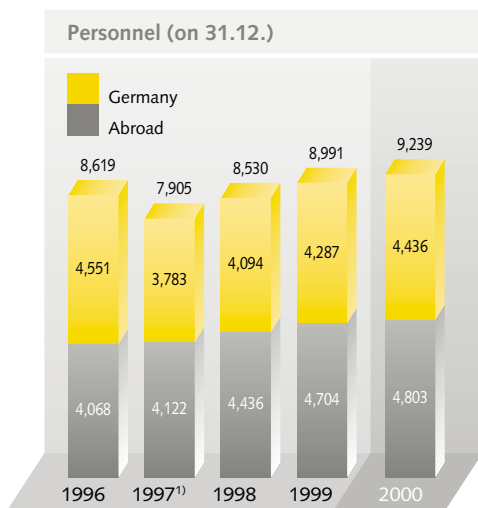
EBIT return on sales (ROS) was lower at 3.6 per cent (previous year: 3.9 per cent) despite an improvement in the operating result. In this connection, attention must be paid to the special effect from the repeated statement of expenditure due to the changeover in the accounting principles from HGB to US GAAP.

EBIT return on utilised interest-bearing capital achieved an improvement despite the still unsatisfactory development of the result at Boss Manufacturing Ltd. (GB) and MIC S. A. (F). At 14.6 per cent (previous year: 12.9 per cent), the medium-term Group target figure of 15 per cent has thus almost been reached. The Group division Jungheinrich including the Moosburg production plant was already well over the long-term return on capital target of 20 per cent.

■ Personnel

As at 31st December 2000, the number of employees throughout the Group was 9,239 (previous year: 8,991). This figure includes 290 trainees and apprentices (previous year: 246). 4,803 employees or 52.0 per cent (previous year: 52.3 per cent) worked abroad and 4,436 in Germany. Some 90 per cent of the 250 jobs that were newly created last year were for the further expansion of the workforce to strengthen the European direct marketing and service network. The number of personnel with temporary employment contracts remained at the previous year's level of 200. The number of hourly-paid agency personnel increased by 30 compared with the previous year to reach 200. In this way it was possible to adjust capacity at the plants in Germany and abroad flexibly to the high level of demand.

As a member of the employers' association, in the year 2000 we adopted the collective wage agreements for Germany. The validity period of the collective agreement runs until 28th February 2002.



¹⁾not incl. WAP

■ Research and development

The Research and Development division (R&D) is divided into fundamental research for the whole Group and departments for trucks development and components development. The number of persons employed for research and development tasks in the Group in the year 2000 averaged 322 employees (previous year: 298 employees). Comparable R & D expenditure (including R & D-related production scheduling) in the financial year amounted to € 28 million (previous year: € 27 million). This corresponds to 3.8 per cent (previous year: 4.0 per cent) of sales of new trucks.

To ensure an unvarying high quality standard in the Group and to exploit synergies between the development departments, uniform R&D principles were defined last year that are applicable throughout the Group. In the year under review, 32 applications for patents were filed in the Group and 11 patents were granted. In this way it was possible to safeguard major product improvements for the Group. Work in the individual R & D sectors was focussed mainly on the following projects:

■ Fundamental research

In preparation for new truck development projects, preliminary development work was carried out on new types of hydraulic and braking systems. The objective of this development work is to create sub-systems that reduce the energy consumption of industrial trucks further and that improve safety. Moreover, the new systems are to contribute to a reduction of the cost of production.

In methods development, a new CAD system of the latest generation was selected for uniform use throughout the Group.

With the aid of the truck study Future Truck, it was possible to check out new approaches to the development of industrial trucks in dialogue with the customers. The reaction of the customers to certain technical features of the concept lift truck that was successfully presented at CeMAT 2000 in Hannover was very positive. These new technical features will be reflected in coming truck generations in a further developed form.

■ Components development

In the development of electronic components, work was started on the concept of the next generation of three-phase a.c. technology. This will be distinguished by further improved control technology. This in turn will mean lower energy consumption and better handling properties of the industrial trucks. Furthermore, the electronic controls will also be more robust. This development project is destined to expand the technical lead of Jungheinrich in drive technology yet further.

Another major development project concerned the mast carriages for counterbalanced trucks from 3 t upwards. The production-oriented design was optimised and manufacturing costs were reduced by a higher level of automation in the production process for the mast carriages.

■ Trucks development

In the year under review, development work on the battery-powered low platform trucks from the Swift series was completed at the Norderstedt plant. In the low-lift and high-lift truck segment, new development projects were started with the aim of achieving further reductions in the cost of production of the trucks. To this end, new undercarriage technologies and special three-phase a.c. drives are being developed. In the field of reach trucks, work has begun on the development of a new truck.

Development work at the Leighton Buzzard plant (GB) focussed on improvements in the quality and the production sequence for the existing series of IC engine powered lift trucks. A further major aim here too was to reduce the cost of production.

At the plant in Argentan, a start was made on the development of scissors lift trucks and on a rustless finish for new hand pallet trucks.

At the Moosburg plant, development work on the battery-powered counterbalanced trucks in the higher lifting capacity classes up to 3 t was completed in the year 2000. These trucks are distinguished by a very powerful three-phase a.c. drive. With this drive technology the trucks achieve a driving performance level that is comparable to that of corresponding IC engine powered lift trucks. In the product segment of warehouse system trucks, the development work for new high-rack lift trucks was completed.

■ Supplier management

In the past business year, the volume of Group purchasing for production material, services, capital spending items and merchandise amounted to some € 970 million. Supported by systematic inventories management, the purchasing volume grew less fast than sales. The cost reductions on the purchasing front contributed to the improvement of the operating result of the Group. As in 1999, due to the strong British pound the major part of the improvement in the result was achieved at the plant in Leighton Buzzard (GB). Through buying parts and assemblies from Eastern Europe it was possible to reduce the purchasing prices and the delivery costs.

A large proportion of the production material is delivered to the plants on a just-in-time basis. In recent years, it has been possible to steadily improve handling frequency. This has meanwhile reached the index figure 12. The most important quality ratios are acquired directly in the system and evaluated with the support of SAP software.

Direct dependence on the trend of raw materials prices has diminished as the depth of production has been reduced. Long-term-oriented co-operations and early consultation and co-ordination with the most important suppliers made it possible to achieve a steady increase in productivity.

Implementation of the inventories management system has created the basis for an international and Group-wide purchasing organisation. Now a virtual team defines the purchasing requirements for each product category to cover all the production sites and invites tenders accordingly. The international Product Category Teams are answerable to and co-ordinated by the Central Purchasing and Logistics Division. Through this change in the organisation, the Group achieves positive volume-consolidating and synergetic effects as well as the necessary internationalisation of purchasing activities.

Together with the most important forwarders, direct deliveries of fork lift trucks to our ultimate customers without additional intermediate storage have been introduced in the big sales markets in Europe. Through optimising the logistics chain in close consultation and agreement with the forwarders and co-ordination with their technical equipment it was possible to shorten the delivery times by several days, to improve transparency and to reduce overall costs.

■ Quality management

In order to improve the quality of the Group products and customer satisfaction yet further, a Working Group Quality (Arbeitskreis Qualität = AKQ) was set up in spring 2000. On the basis of defined key data, the quality situation in the product lines is evaluated every month and the results are published within the Group. For further development in the Group, long-term target values are defined and progress is monitored on the basis of derived intermediate values for periods of less than a year.

Within the framework of the Group audit that was further developed and continued in the year 2000, Group units were again audited and evaluated in random examinations. As regards its content, the Group audit is oriented to the proven elements of the EFQM model (European Foundation for Quality Management). This includes among other things the factors of process orientation and customer satisfaction, which are very relevant for the Jungheinrich Group.

■ Environmental management

Spring 2000 saw the certification of the Moosburg plant to ISO 14001 by the technical control board TÜV Süddeutschland. This means that the environmental management system that is prescribed throughout the Group has now been successfully implemented at all production and marketing sites in Germany. At the Argentan plant in France, a first comprehensive internal investigation of environmental aspects at this production site was followed by the initiation of measures to create the basis for an environmental management system that will be eligible for certification.

Investments to improve environmental protection in the year 2000 amounted to some € 0.9 million (previous year: € 0.5 million). A sum of approx. € 0.75 million of this figure was spent on a new emissions-free electrostatic powder coating plant at the Norderstedt plant for the manufacturing of components with the associated, resources-thrifty washing, effluent treatment and drying plants.

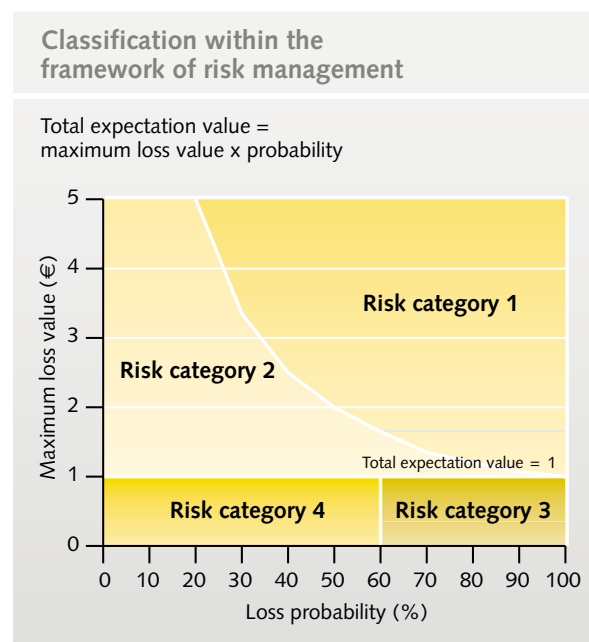
At the site in Hamburg-Wandsbek, soil air rehabilitation measures were carried out in the year 2000 in close co-operation with the competent environmental authority. The successfully completed rehabilitation was carried out after preceding investigations of the whole of the surrounding industrial area by the authorities.

■ Risks and risk management

Within the framework of its activities in the field of industrial trucks, warehousing and materials flow technology, the Jungheinrich Group is naturally exposed to a large number of risks that are inseparably connected with its business activities. It was not least for this reason that the risk management system set up in 1999 was systematically developed further in 2000. Leadership of the Group Risk Committee was placed under the responsibility of Group Controlling. This ensures close intermeshing between Group reporting and risk management. Group accounting control is a monitoring instance in our risk management system. Besides the tasks allotted within the framework of the annual audit planning resolved by the Board of Management, it is also obliged to conduct so-called ad hoc audits. The fact that Group accounting control forms part of the Group Risk Committee ensures the finely-intermeshed co-ordination of planning and control within the risk management system. Regular management meetings between the Board of Management and the next level in the management hierarchy make sure that there is an intensive exchange of information in all the processes.

The operating units are also competent and responsible for risk management within their respective spheres of responsibility. As a major core element of the system, these are obliged to carry out a risk inventory four times a year which comprises a systematic review and assessment of all individual risks both for the current business year and for the two years following. The results are consolidated and summarised at Group level by the Risk Committee. The criteria for

the assessment of the individual risks are the potential maximum value of any loss and the probability of this being incurred. Multiplying these two values by each other produces the total expectation value. The threshold values of the operating units were determined as 0.1 per cent of sales in each case. The risk inventory is supplemented by ad hoc reports to the Risk Committee if individual risks should arise that



exceed the fixed threshold values of the operating units by more than double. For such cases special measures have been defined that can lead to the immediate convening of the Group Risk Committee, in which all the members of the Board of Management are represented. Thus a fine-meshed net spans the whole of the Group for detecting and assessing risks.

Within the framework of our service offerings, we lease and finance in particular lift trucks to or for our customers and finance these activities to a substantial extent via the external capital markets. Besides credit risks, this also exposes the Group to residual value risks for the trucks which are handed back to us for further marketing when the leasing agreements expire. We ascertain these risks by means of an annual individual examination of all leasing contracts involving residual value guarantees that exist for us throughout Europe. In comparison with the volume of guaranteed residual values, these risks amount to less than one per cent and are covered through the formation of reasonable accruals.

Risks deriving from other contracts are largely excluded through the definition of corresponding standards prescribed throughout the Group. The central collec-

tion and ongoing maintenance of all major contracts by means of a documents management system is the second important tool to minimise risks. Neither the Group nor individual subsidiary companies are currently involved in any major litigation. This applies in particular with regard to claims for damages filed by third parties.

In the business year 2000, the economic problems of our subsidiary companies Boss Manufacturing Ltd. (GB) and MIC S. A. (F) and the possible effects of the restructuring measures must still be seen as exceptional risk areas. However, as against 1999 both companies, which are a special focus of attention at the regular meeting of the Group Risk Committee, were able to seize the opportunities associated with the restructuring and to achieve substantial progress on the path to reorganisation.

At the end of the year 2000, a risk inventory was carried out throughout the Group. There are still no developments at this time which could endanger the continued existence of the Jungheinrich Group.

The Jungheinrich Group will complete all the necessary preparations for a smooth transition from the DM to the Euro as the in-house currency in the year 2001.

Besides the range of very diverse and largely cyclically-independent services offered, it is the manufacturing and marketing of Group products that makes up our core business. As these activities are to a large

extent characterised by cyclically-dependent demand trends, we keep a very watchful eye on the overall development of the economy in Europe. Both information from the decentralised European units and centrally collected data concerning among other things the general social environment and developments in the international capital markets form the basis for our assessments of the relevant sales markets. Despite a weakening of the pace of growth, we still regard the outlook for the overall economic environment as positive. We are keeping a careful watch on the development of the economy in the USA. Changes in the competitive environment with a trend towards larger companies and the resultant increase in the pressure on prices on the demand side constitute direct risks. We are countering these both by the ongoing expansion of our highly efficient direct marketing system in the existing sales and distribution companies and by setting up new companies in other European countries as well as by intensifying our R&D activities. The Jungheinrich Group is in a good position to meet the challenges of the market, of competition and of the parameter conditions, both now and in the future.

■ Events after the close of the business year 2000

As a result of the review of our sales and distribution strategy in 2000, which looked among other things at the positioning of the four product brands, the Jungheinrich Group will this year adopt a new orientation to the market. The core element is the merging of the sales and distribution forces into one Jungheinrich sales and distribution organisation per country under which all Group products will be offered. This concentration on direct marketing serves the purpose of being able to expand the range of services offered for and in connection with the lift truck and of strengthening earning power on a sustained basis through structural streamlining. To streamline the organisation, at the beginning of the year 2001 the sales and distribution activities of the Jungheinrich brand as well as of the Steinbock, Boss and MIC brands were brought together into one organisational unit under the responsibility of one member of the Board of Management. The two-channel sales and distribution networks in Britain, France and Spain will each be combined into one Jungheinrich sales and distribution organisation per country. Sales and distribution via dealers will in future still be practised in those countries in which this is an economically sensible proposition.

■ Development in the first two months of 2001

The Jungheinrich Group made a good start into the new business year. In the months of January and February the order intake of the Group, in terms of the number of units and not including additions to the fleet of trucks for rentals and leasing, achieved a plus of 14 per cent compared with the same period in the previous year. Foreign demand played the biggest part in this increase. Group sales increased by 6 per cent. Orders on hand rose 10 per cent to € 249 million.

■ Outlook

For the year 2001, we are acting on the assumption of a continuing favourable overall economic environment in Europe. At the same time a weakening pace of economic growth is to be expected for the current year, the result of rising oil prices and of the less auspicious picture presented by the world economic environment due to the slowdown in the US economy. Positive stimuli are to be expected for domestic demand in the wake of the tax reform but these will be partly balanced out by the flagging pace of foreign demand growth. For 2001, the economic research institutes expect to see GDP growth of around 3 per cent for Euroland, while the expectations for Germany are about 2 per cent. A stabilisation of growth is being predicted for the year 2002. The development of the economy in Euroland will not remain without influence on the countries of Central and Eastern Europe.

The business prospects for the German mechanical engineering industry in the period until 2002 will depend to a special degree on how the Euro develops vis-à-vis the US dollar. Positive influences are to be expected from the recovery of the markets in Asia and South America. For the year 2001, the German Engineering Federation (VDMA) is reckoning with a production plus of 5 per cent.

Apart from an increase in the volume of transport due to the economic upswing, the development of the industrial trucks industry will benefit from structural stimuli deriving from the rapidly expanding trade in electronic products and from the optimisation of logistic chains. This will lead to a further increase in unit sales of industrial trucks in Europe to some 270 thousand units. The competitive situation in the industrial trucks industry will continue to be governed by the ongoing process of concentration in the world markets. We will closely monitor the activities of our competitors and, as a leading supplier of in-house logistics, we will take advantage of the opportunities to optimise our world-wide competitive position.

To this end, supported by the positive economic environment, we will be widening our world-wide market presence further and improving our market posture through the re-orientation of our sales and distribution in Europe. In addition, we will be further expanding the existing Jungheinrich sales and distribution organisation.

Within the framework of our Group-wide e-business activities, in the second quarter of 2001, in co-operation with Linde AG in Wiesbaden, we will be opening a European internet marketplace for used industrial trucks that is to be rapidly expanded throughout Europe. The objective is to establish the biggest Internet offering of used industrial trucks of all product brands anywhere in Europe. The jointly-owned company Supralift GmbH & Co. KG i. G., Hofheim, has already been founded for this purpose.

Capital expenditure – not including additions to the fleet of vehicles for rentals and leasing as well as financial assets – will, at a planned figure of € 60 million, substantially exceed the investment volume of the previous year. The greater part of the capital spending budget, namely just under € 40 million, will be accounted for by the sales and service sector. Among the larger projects foreseen in the budget are the new building of a branch establishment in Warsaw (PL) and further work on the extension of the central spare parts store in Norderstedt. The expansion of the production operations for warehousing system trucks caters for the brisk demand for these products and again strengthens the importance of the Moosburg site.

For 2001, we are assuming a further improvement in the financial position. Our good liquidity and a higher net cash flow in comparison with the previous year will from today's viewpoint be sufficient to finance all the planned investments – not including trucks for leasing within the framework of financial services – as well as the further growth of business. Within the context of a balanced financing policy, we attach great importance to a wide spectrum of financing resources as well as to the flexibility and economic efficiency of the various types of financing.

Group-wide purchasing will continue to gain in importance in view of an overall purchasing volume of about € 1 billion and will make a vital contribution to the development of the result. The share of deliveries from Eastern Europe will grow by 10–15 per cent next year. The material is increasingly being delivered directly to the components suppliers, who are assuming more and more responsibility for complete assemblies and from whose favourable sources of supply Jungheinrich also benefits.

Envisioned for the year 2001 is the introduction of direct deliveries to the ultimate customers without additional intermediate storage in further countries. To achieve this, the procurement logistics for all cus-

tomised parts, such as for example battery logistics, have been fundamentally revamped. Attention will also be focussed on an expansion of e-procurement activities. Consistent utilisation of the possibilities offered by the global Internet offer will contribute to further cost reductions. These include hooking up the data processing systems between the production plants and the biggest suppliers, a move which results in a substantial decrease in manual work as well as shorter delivery times.

With our new products that we launched onto the market in December 2000 or in the first quarter of 2001 we have been able to strengthen our outstanding position as a logistics supplier. Besides the changeover of production to the new series of trucks, the plants of the Group have also prepared themselves for a higher production volume. A start has already been made on the shifts of production activities of specific truck types between Argentan and Norderstedt that have been decided upon in order to implement the structural measures in France.

With our comprehensive product range, the close-knit direct sales and service network throughout Europe and an extensive and flexible offering in the strategically important sector of financial services, we are well positioned to operate successfully in an intensive competitive environment. For the business year 2001, we expect to see an order intake of some 70,000 industrial trucks. This heavy demand for logistics facilities and the further expansion of the services sector form the basis for renewed profitable sales growth to more than € 1.6 billion.

The expansion of the European sales and service networks will necessitate the recruiting of some 400 new employees. In the Engineering Division, on the other hand personnel will be reduced abroad as a consequence of the restructuring measures. Altogether we are reckoning with a workforce of more than 9,500 employees at the end of the year.

In the research and development field, the development projects started in the past year will be continued and new truck development work will be started. To improve the efficiency of the development process, among other things further effort will be put into the standardisation of the project structures and CAD systems and the requirements profiles and test criteria will also be standardised.

Within the framework of our environmental management, in the year 2001 we will be expanding the internal investigation of environmental aspects at the operating sites to the European sales and distribution organisation. Here too, the test criterion will be the international standard ISO 14001. Within the framework of the further development of the uniform environmental management system throughout the Group, the objective is to achieve further improvements in the environmentally-relevant process steps and to save resources through an intensification of the planning and pursuance of environmental targets as well as through the introduction of key environmental ratios.

The development of the result in 2001 will on the one hand be positively influenced by the good order book and the successes achieved in the reorganisation of our foreign subsidiary companies, but will on the other hand initially be negatively affected by the costs connected with the re-orientation of our sales and distribution strategy. The implementation of the reorganisation concept for MIC S. A. (F) that was agreed with the representatives of the employees will in future lead to positive contributions to the result from our French company. Although the ongoing reorganisation measures in the production plant for IC engine powered lift trucks in Leighton Buzzard (GB) and the discontinuation of the Heavy Trucks segment in the first quarter of 2001, which means stopping a big source of losses, still involve a negative result here, nevertheless it was also possible to achieve a significant improvement in the earnings position. In the context of our reinforced efforts that are oriented to sustainable cost reductions and effective manufacturing structures, the development of the British pound is still a factor of major importance for the production site in Leighton Buzzard (GB). The re-orientation of the sales and distribution organisation, which entails substantial streamlining of the sales and distribution structures, will involve high non-recurring costs that will have a negative impact on the result. The Jungheinrich Group will largely be able to provide the necessary funds for this important, future-oriented project from the positive contributions to the result from our operating business. The operating result for 2001 will therefore not be substantially improved.

Apart from the developments already described, no other events or changed parameter conditions have arisen since the end of the business year 2000 that are

of major importance for the Jungheinrich Group and that could lead to a different assessment of the company's position.

In determining the future dividend, which is oriented to the medium-term smoothed trend of earnings, special importance attaches to the development of the result in the current year.

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

Forecast for 2001

		2000	Trend 2001
Sales	million €	1,515	↗
Earnings before interest and tax (EBIT)	million €	55	↗
Result before income taxes (EBT)	million €	47	↗
Return on employed interest-bearing capital	%	14.6	↗



- The Group brands
- International activities
- Production sites



GROUP OVERVIEW

With innovations in all matters concerning pallet trucks, forklifts and warehousing technology, the Jungheinrich Group strengthened its outstanding position in today's market for logistic solutions yet further. In the research and development process as well as in the production of these innovative solutions, the Jungheinrich Group relies on the use of modern technologies and methods. The overriding objective for the further optimisation of the Jungheinrich products and the development of innovation platforms is to achieve greater customer benefit.

The year 2000 saw the completion of development work on the battery-powered counterbalanced forklifts in the higher lifting capacity classes up to 3 t. These are distinguished by a very powerful and efficient three-phase a.c. power system. With this drive the trucks achieve driving properties that are comparable to those of corresponding IC engine powered forklifts. Besides these development activities, the new development of the high-rack trucks made further progress. These vehicles have an especially ergonomic driver's workplace with a rotating seat. This makes it possible to achieve high handling turnover rates without driver fatigue.

The new battery-powered low-lift truck Swift closes the gap that previously existed between the manual hand pallet truck and the more powerful battery-powered pallet trucks. With this, Jungheinrich has opened up a new market segment and offers a convincing alternative to the conventional hand pallet truck. An absolute novelty in this class of truck – the Swift is fitted with efficient three-phase a.c. technology, which was hitherto exclusively reserved for bigger trucks.

The electronic components development division made a start on the concept planning for the next three-phase a.c. generation. This will be distinguished by further improvements in control technology. As a result, the energy consumption and driving performance of the industrial trucks will be further optimised. This development project will mark a further expansion of Jungheinrich's competence in drive technology.



■ Expansion of international activities: growth market USA

In the year under review, the Jungheinrich Group expanded its activities in the USA and strengthened its market presence in the North American market. On 1st December 2000, the Jungheinrich Lift Truck Corporation, which was founded in the year under review, moved into its new quarters in Richmond, Virginia.

In this sales and distribution centre, the whole Jungheinrich product spectrum under the Jungheinrich brand and pedestrian battery-powered trucks and hand pallet trucks under the Multiton brand are all offered under one roof.

The expansion of business activities in the USA opens up big growth potential for our subsidiary companies. The market for industrial trucks in North America has a volume of some 200,000 vehicles.

■ New media

The Internet grew in importance for international business and the international exchange of goods. The Jungheinrich Group has seized the opportunities which this offered and has systematically and successfully expanded its activities in the new media.

■ New Internet portal

A further Internet portal was created in the year 2000 with the Internet address www.jungheinrich.com. Here it is possible to call up comprehensive information about the Group, branch establishments, dealer offices as well as on-line offers of the individual countries.

■ e-procurement

In the procurement sector, the first building blocks of the Group-wide e-procurement strategy for worldwide supplier management were put in place.

These include:

– Suppliers Database

The suppliers database was integrated into the Group presentation in the 2nd quarter of the year 2000.

Potential suppliers can now enter their offers under www.globalsourcing.jungheinrich.de and pick up information about current invitations to tender.

– Desktop Purchasing System

By analogy with the well-known Internet portals for buying books, CDs etc. office requirements can now also be ordered via the Internet from any computer work station.

– Auctions

The intensive preparation of pricing via auctions has standardised the manner of working in the purchasing sector yet further and has opened up new possibilities for intensive and fast price setting.



■ e-commerce platform

October 2000 saw the opening of the first comprehensive on-line shop of a European manufacturer of warehousing technology and industrial trucks in the World Wide Web under the Web address www.jungheinrich-shop.de. The Jungheinrich homepage www.jungheinrich.de is also directly connected with the Cybershop via a link. To be found there are some 6,000 different products from the Jungheinrich product range – a selection from the hand pallet truck up to the battery-powered pedestrian truck – with little need for explanation.

■ On-line marketplace for used forklifts

In co-operation with Linde AG, Wiesbaden, a European Internet marketplace for used industrial trucks will be set up in the 2nd quarter of 2001. This will permit customers in Europe, the most important industrial trucks market in the world, to order used trucks and additional services on-line. The objective of the co-operation with Linde is to establish the biggest Europe-wide offering of used industrial trucks of all product brands. For this purpose, we are co-founding a joint e-commerce company, Supralift GmbH & Co. KG in Hofheim near Frankfurt.

■ Intranet expansion

In the year 2000, the Jungheinrich Intranet was made available to the employees in a test operation. This professionally designed information medium met with a very good reception from the employees. Via the Intranet, general information is accessible to the employees of the Group within a few minutes and specialist departments at all sites have the possibility to present their service offerings.

■ Success factor financial services

The Financial Services division numbers among the core competences of the Jungheinrich Group and is an important factor for positioning the group as a full-range supplier of logistic solutions. The comprehensive spectrum of services ranges from sales financing via leasing through to long-term rentals. Sales in this sector grew yet again in the year 2000. The Group-wide volume of contracts now numbers some 40,000 vehicles throughout Europe.

Within the framework of the optimisation of our market orientation, the increasing importance of the financial services was taken into account by setting up the Group's own inter-brand financial services company, pro FIS Finanz Service GmbH. This operates



independently in the German market for the Jungheinrich and Steinbock brands. Our customers can have a solution made to measure to cover their individual requirements by the specialist counsellor of the particular brand. This flexibility in its financing models makes Jungheinrich the market leader in the sector of product-related financial services in Germany.

■ FUTURE TRUCK

In the year under review, the concept study Future Truck that was launched under the lead management of the fundamental research division was successfully presented at the Hannover Fair 2000 with two concept forklifts. These vehicles feature technical innovations to increase customer benefit that can in future be fitted to the industrial trucks of the Jungheinrich Group.

Outstanding features besides a functional design and the modular construction of the truck are the rotating driver's seat and controls module for ergonomic operation of the truck when driving in reverse. The residual lifting capacity and thus also the economic efficiency of the forklift are increased by a special design of the load axle. A new type of steering axle combines the advantages of a three-wheel forklift with those of a four-wheel truck and thus makes for improved floor-space utilisation in the warehouse.



These approaches to new developments in the industrial trucks field were checked out in dialogue with the customers. The positive response of the customers to certain technical features of the Future Truck convinced Jungheinrich that it should introduce these further developments as standard features in upcoming industrial trucks.

The Future Truck as a presentation platform for new technology was put on show at various events throughout Europe. Field interviews of interested customers that were conducted in parallel with these presentations indicated the need to integrate the individual functions and systems into the series-built forklifts of the Jungheinrich Group.

The approach of producing concept trucks to check out market response has proved advantageous, especially as a preliminary step in the development of new types of functions and vehicles. On the one hand, the discussion based on a concrete functional example ensures well-founded results from customer polls, and on the other hand important findings and insights are gained from the early stages of translating a concept study into practice. Both reduce the risks inherent in new developments.



THE JUNGHEINRICH BRAND

■ Technical innovations

An example of the innovative capacity of the Jungheinrich brand is the battery-powered low-lift truck Swift with a three-phase a.c. power system that was presented in 2000. This truck, which is to be had for an attractive first-time buyer price, also features the compact dimensions of a hand pallet truck and carries out all functions electrically. This means that even heavily laden pallets can be moved easily, fast and thus economically with this unit. What is more, the three-phase a.c. technology that is usually reserved for bigger forklifts offers a series of advantages, such as the maintenance-free drive system as well as energy recovery through regenerative braking. The user-friendly, battery-powered low-lift truck, which transports loads up to 1.2 t, is mainly used in the retail trade and in small and medium-sized businesses.

As an economical solution for the handling of special goods, Jungheinrich presented the battery-powered wide-track lift truck. This unit, which is designed for loads up to 1.6 t, can transport, store and retrieve closed pallets and individual goods that cannot be driv-

en under. Jungheinrich created this special customer benefit through broadened wheel support arms that are adjustable to different distances apart. The panorama mast carriage of the robust and especially stable battery-powered wide-track unit provides for a largely unobstructed view of the load, the route and the racks. Sensitive control of the lifting functions is possible from the control handle, so that the operative can remain standing in the driving position. Further advantages of the truck are the efficient energy management, the easy-steer manoeuvrability in confined spaces and the definable driving parameters. Moreover, the truck maintains the pre-set speed even under varying load or driving conditions.

The high-rack forklifts from Jungheinrich are fitted with three-phase a.c. motors. The resultant advantages lie in higher driving and lifting speeds, in an up to 30 per cent longer operating time without intermediate charging as well as in the reduced service input. A highlight of the man-down trucks for loads of up to 1.25 t or 1.5 t is the electrically-powered rotating driver's stand module. This rotates the operator together with the pedals, the control panel and the seat up to



10° in the direction of the power aggregate or 30° in the direction of the mast. The driver therefore always works without fatigue.

The new battery-powered four-wheel forklifts from Jungheinrich achieve higher performance than those of the preceding generation due to the further developed three-phase a.c. technology. Other outstanding properties of the trucks are their reduced energy requirements and open-loop control software that can be adapted to growing requirements by updates. These forklifts, which are suitable for indoor or outdoor operation, can be matched exactly to the job in hand through the combination of different motor and chassis versions as well as an option between two operation concepts. Safety is also catered for; for example, at wide-deflection steering angles these trucks, which are designed for loads of up to 3 t, automatically drive more slowly. A mast dampening system that comes into action when the maximum lifting height is reached reduces stress on both the load and the truck material.

Since 2000, the Jungheinrich product spectrum has also included diesel and LPG powered forklifts in higher lifting capacity classes with hydrostatic drive systems. As a result, the full series of models is available for loads of 1.6 to 5 t with a choice of either hydrodynamic or hydrostatic drives. Special features of these trucks are high handling turnover rates, good

acceleration, lower aisle width requirements, pro-environmental behaviour and the ergonomically designed, very quiet driver's workplace. A driver retaining system that reacts to longitudinal and transverse movements protects against injury in case of an accident. Another feature that aims at health preservation is the damper-mounted driver's stand module. With the aid of a wide range of variant equipment options, the service-friendly diesel and LPG powered trucks can be tailored to the customers' specific needs.

■ Information systems for intra-company logistics

The requirements that have to be fulfilled by today's data processing systems for intra-company logistics are optimum utilisation of the warehousing and transport capacities, constant transparency regarding the inventories, up-to-the-minute data and the fastest processing of information.

The Jungheinrich Group offers a wide spectrum of services and software solutions. Standard software solutions have been successfully developed and planned for lift truck controls and warehouse management systems. For complex procedural sequence organisations and project-specific parameter conditions (e. g. special interfaces to surrounding systems), Jungheinrich works out customised software solutions.



Some of the tools used in implementing projects are warehouse management systems, transport control systems (lift truck controls), material flow control consoles for automatic systems, radio data transmission system terminals and bar code systems.

Any logistical system is only as good as the way it is tailored to the needs of the operation. It is only the well-founded concept developed by a specialist that combines individual components to form an overall solution and thus a corresponding rationalisation potential. A core element in the realisation of data processing solutions for the warehouse is service packages. Here the Jungheinrich Group offers logistics consulting and the drafting of a concept study as well as project management and maintenance of the existing systems.

■ Expansion of international Key Account Management

After the successful reorganisation of our international Key Account Management in 1999, during the year under review relations with our big international customers were further expanded and intensified. The objective of the re-orientation was to strengthen our on-the-spot sales efforts by a central Key Account

Manager. With this cross-frontier form of organisation, Jungheinrich meets the demands of increasing internationalisation within the customer / supplier relationship. The success of this customer support activity is reflected in new framework agreements that have been concluded with companies operating at the international level. For example, it was possible to sign a framework agreement with Henkel KGaA, Düsseldorf, which operates worldwide. The objective of this company to reduce the number of suppliers and to streamline the procurement process through uniform parameter conditions led to an intensive co-operation in the year under review. Today, Henkel is comprehensively serviced throughout Europe by one central Key Account Manager. The pivotal factor for the decision in favour of Jungheinrich was the international positioning of the Jungheinrich brand with its close-knit sales and distribution network in Europe.

■ Further development of fleet management

In 2000, fleet management worked on the further development of the service idea. The development of complete solutions to logistical problems in the year under review set important new signals for the future.



Oriented to the requirements of users with relatively large fleets of forklifts, for the first time restructuring analyses were carried out for customers in order to identify possible potential within the existing material flow.

When it is a question of drafting suitable instruments to ensure the profit-enhancing exploitation of possible savings potentials, Jungheinrich benefits from the broad spectrum of its products and services. By taking an all-comprehensive view of the processes it is possible to work out made-to-measure solutions for a large number of conceivable logistics tasks.

The positive acclaim from the market during the pilot phase was for Jungheinrich substantial confirmation of the need to intensify this new understanding of the service idea in this industry. The focus of activity in this sphere in the year 2001 will therefore be on an expansion of suitable software and communications tools.

■ Investment in the future: modernisation and extension of the central spare parts warehouse

To cater for the increasing demand for spare parts and the need for high availability also at peak times, the existing central spare parts warehouse in Norderstedt, Germany, was comprehensively modernised and extended through the addition of a new storage building.

With the latest technology, among other things in the form of new high-rack storage and retrieval units in the high-rack warehouse, the installation of a new warehouse management system as well as the use of radio data transmission terminals, Jungheinrich has created the basis for a further improvement in availability to the satisfaction of the customers.

■ Further expansion of financial services

The share of long-term financial services in our overall new sales business, the so-called ComFOUR quota, reached its highest level to date in Germany at some 30 per cent. In the period covered by the report, the total volume of contracts outstanding grew by more than 14 per cent to some 14,000 vehicles, thus reaching a new record. The driving force behind this



growth with a share of 54 per cent within ComFOUR was again the rental variant.

Rental combines the service modules of financing, service, security and contract management to form a complete overall package and is mainly used by fleet customers. The focus here is on truck utilisation. The customers pay a fixed, monthly flat charge for the use of the truck for the whole term of the contract. Maintenance, repairs and spare parts are included. More and more customers in Germany and abroad are opting for this financial services model in conjunction with all-in support for the whole fleet of trucks.

With the charter service introduced at the beginning of the year 2000, the Group brand Jungheinrich closes the gap between the classic short-term hire and the rental option. Charter is a flexible offer for the medium-term utilisation of industrial trucks. The new service is based on a contract with fixed basic term. After the basic term of at least 12 months, customers can terminate the contract at any time in compliance with the agreed period of notice. With charter, Jungheinrich offers the customers a reliable basis for planning as well as greater cost predictability. They bear no residual value risk and on termination of the

contract they also pay no truck return charge. Full service as a constituent part of this service package ensures the availability of the chartered vehicles.

■ Full Service in the year 2000

In the Full Service segment, it proved possible to achieve sales increases of more than 19 per cent in the year under review. The Jungheinrich brand meanwhile looks after nearly 20,000 industrial trucks in Full Service in Germany and some 37,500 in other European countries. As a result of the close-knit network of after-sales service engineers, the intensified expansion of personnel capacity and the use of modern technology, the Group brand Jungheinrich is well equipped for further growth in this field.

■ Truck hire and used vehicle business growing apace

In Europe, the Jungheinrich brand has been operating successfully in the truck hire and used vehicle business for more than 26 years. In Germany alone, rental stations and depots are available to the customers at 53 sites. In other European countries, there are 44 rental stations to serve and support our international customers.



Special successes were achieved in the year 2000 in the short-term hire division in Europe. With a double-figure growth rate, business in this sector reached new highs. In view of the ongoing build-up of hire and leasing business at the newly founded foreign companies in Slovakia and Turkey, in Portugal, Ireland, Greece and Singapore, we expect to see a further positive development of this field of business in the coming years.

A novelty was added to the fleet of trucks for hire and leasing in Germany: with 4WD telescopic forklifts, Jungheinrich as a full-range supplier, now also covers the short-term off-road segment. These trucks are used in particular in uneven terrain, e. g. in the construction industry or for assembly and installation companies.

■ **ABX Logistics (Germany) GmbH and Jungheinrich: services determine the efficiency of intra-company logistics**

To concentrate on its core business – this was the target that occasioned the logistics service provider ABX Logistics (Deutschland) GmbH, to conclude a rental contract with Jungheinrich. Through this contract, the

operator secures the permanent availability of his industrial trucks for a flat monthly charge.

As one of the leading general freight forwarders in Germany, ABX Logistics (Deutschland) GmbH in Duisburg stands for transport services to every last corner of Germany and Europe. The range of services covers grouped consignments, part loads and full loads as well as the whole spectrum of procurement and distribution logistics including warehousing. These are supplemented by standardised express and courier services. The company, a member of the ABX Logistics Group, Belgium, handles 30,000 consignments a day.

■ **High availability absolutely indispensable**

The co-operation with Jungheinrich began in 1996. Today the operator uses 550 industrial trucks from Jungheinrich at 34 sites. Some 45 per cent of these are LPG powered trucks forklifts, and the rest are battery-powered. The vehicles are primarily used for indoor handling tasks, so-called cross docking. In order to be able to offer his services at a favourable



price, the user aims on the one hand to achieve the best capacity utilisation of the trucks, which are frequently deployed in triple-shift operation, while on the other hand he forgoes holding trucks in reserve. Consequently, high availability of the fleet is absolutely indispensable.

ABX Logistics (Deutschland) GmbH safeguards this with the rental agreement which it concluded in April 1999 and which guarantees permanent readiness for operation of the industrial trucks covered by the contract for a fixed monthly charge. This includes all maintenance and service costs as well as spare parts, the hours worked by the after-sales service and the yearly exchange of tyres and batteries.

■ Rentals with a broad benefits spectrum

From July 1999, Jungheinrich successively equipped the branch establishments of the customer with new trucks or bought back old trucks and incorporated these into the contract.

On the basis of its professional service network, Jungheinrich guarantees that, if any report of a malfunction is received between 6.00 a.m. and 6.00 p.m., a service engineer will call at the customer's premises within four hours.

It was also especially important for the operator that, in the case of any malfunction that cannot be remedied within 48 hours, a replacement truck would be provided at the relevant site free of charge.

Further advantages of the rental arrangement lie for the user in the reliable framework for planning and in cost savings due to minimised administrative expenses. Because ABX Logistics (Deutschland) GmbH has deliberately limited the selection of industrial trucks to only a few types, it also cuts down on extensive instruction of the drivers in the operation of the trucks. This in turn reduces expenditures for damage to the equipment and the goods so that it is possible to save a substantial sum every year.

For ABX Logistics (Deutschland) GmbH, the made-to-measure solutions provided by Jungheinrich are of decisive importance for the efficiency of its intra-company material flow. ABX Logistics is planning to expand the concept to all of Europe in order to exploit the close-knit Jungheinrich network throughout the continent.



■ International projects

■ Logistics centre TAISUGAR LOGISTICS PARK

Taking shape in the south of Taiwan, in Kaohsiung, is one of the biggest logistics centres in the Asian area, the Taisugar Logistics Park (TSLP) - favourably located for traffic connections near the seaport of Kaohsiung and the airport.

In the first construction phase, a high-rack warehouse is being built with an overall height of 34 m for 22,000 pallet slots. Jungheinrich delivered the racks, rack transport systems, industrial trucks, conveying technology, goods lifts and the warehouse software. The concept development work for the logistics park was carried out by the Taiwan Sugar Corporation, our partner in Taiwan (China President Logistics) as the general contractor, by Metroplan (logistics) and by the Jungheinrich Group as the general supplier for the warehouse systems.

The warehouse is operated with the aid of five high-rack storage and retrieval units of tandem design (Doppomabil) that are capable of negotiating curves. All the organisational units are accommodated in a U-shaped building complex (height 25 m) that enfolds the high-rack warehouse. Located in the entrance area are a conference room, a restaurant, offices and the central data processing office as well as two levels for

loading and unloading, for standby storage, palletising and order picking.

The operating activities (order picking, palletising etc.) are carried out on three levels each in two side tracts of the building. In use on a total of eight levels in the building are Jungheinrich industrial trucks – battery-powered counterbalanced forklifts, battery-powered Retrak® reach trucks, battery-powered pedestrian-controlled pallet trucks, battery-powered pedestrian-controlled lift trucks and battery-powered vertical order pickers. From each of these levels, several fully-automatic conveyors (incoming goods – outgoing goods) connect the high-rack warehouse with the processing zones. The levels themselves supply each other with material by means of additional vertical conveyors on either side.

Big HGVs dock on at ground level, while smaller transport vehicles drive up to the corresponding loading stations on the first level. Ramps located to the left and right of the entrance area give access to the docking stations and the additional parking decks.

When completed, the Taisugar Logistics Park will number among the biggest building complexes in Taiwan.



■ Jungheinrich lift trucks at DaimlerChrysler in South Africa

DaimlerChrysler produces some 40,000 limousines a year at its site in East London, South Africa. Approx. 70 per cent of these go for export.

Jungheinrich, together with its dealers, Barloworld Equipment, has been involved in the development of the intra-company transport system over the last seven years. In the year under review, battery-powered Retrak reach trucks were delivered for the new warehouse of the body shop. To cope with the increased handling volume in the high-rack warehouse for equipment, two further battery-powered high-rack order pickers were deployed, so that now a total of seven high-rack forklifts work in this warehouse to supply the parts for assembly. The components are transported to the assembly lines by six battery-powered tractors. The scope of supply here also included several battery-powered counterbalanced forklifts, which are used in various sectors of the body shop and the assembly operation.

■ Laserlite, Australia, swears by Jungheinrich multi-way fork lifts

Laserlite manufactures transparent roofing panels in standard lengths of 6 – 8 m. However, lengths up to max. 15 m are also produced. For years, four-way fork lifts of various manufacturers were rented to handle these bulky components. After the company was taken over by Bayer AG, the distribution operation was reorganised and a permanent fleet of Jungheinrich lift trucks was purchased for the distribution warehouses in the five biggest cities in Australia.

Experience with the unique manoeuvrability of the Jungheinrich battery-powered multi-way lift truck Retrak tipped the scales for awarding the contract to the Jungheinrich representative office RED Australia Equipment Pty. Ltd., which has branch establishments in 16 cities in Australia.



THE STEINBOCK BRAND

■ Technical innovations

In the year 2000, the Steinbock brand presented battery-powered four-wheel forklifts that work with a new generation of three-phase a.c. technology. These powerful trucks, which are available in lifting capacity classes up to 3 t, consume even less energy than their predecessors and are fitted with updatable control software. Suitable for both indoor and outdoor use, these fork lifts can be exactly matched to the specific requirements by combining different motor and chassis versions. Integrated driving controls guarantee active safety; for example, the trucks automatically reduce speed when the steering wheel is turned to wide steering angles. Steinbock created the basis for greater speed and economic efficiency with the Master Pilot, a multi-function lever that concentrates all the most important functions in one hand. A further highlight is the dampening of the mast movement when it reaches the maximum lifting height; this decreases stress on both the load and the truck material.

The new high-rack forklifts from Steinbock speed up the working cycles in the warehouse. The man-down trucks for loads of 1.25 or 1.5 t are now equipped with sensitively adjustable three-phase a.c. motors for

driving and lifting. These ensure higher driving and lifting speeds as compared with the predecessor models as well as an up to 30 per cent longer operating time per battery charge. To make sure that the driver can also easily control this plus in performance, for the first time the high-rack lift trucks have been fitted with an electrically-powered rotating driver's seat and controls module. The pedals, the control panel and the seat rotate together up to 10° in the direction of the power aggregate or 30° in the direction of the mast. In every working situation, the driver therefore looks straight ahead in the desired direction of travel, which reduces fatigue. A height pre-selection facility for fast storage and retrieval is another standard feature of these high-rack trucks. Moreover, the three-phase a.c. technology with its practically maintenance-free motors substantially reduces the necessary service work on a long-term basis.

The reach trucks from Steinbock also come with powerful three-phase a.c. motors in conjunction with lower energy requirements. Furthermore, via the microprocessor control of these new trucks it is possible to determine the acceleration and braking characteristics as well as to recover energy through regenerative braking. Through the use of standardised assemblies, Steinbock has also improved the ease of servicing of these reach trucks, which are designed for loads up to 1.6 t.



■ **fair – financial service
with high flexibility**

The financial services of the Steinbock brand again expanded substantially in the year under review. For example, the volume of contracts of the financial service fair grew by some 28 per cent to 2,300 vehicles. In the period covered by the report, 885 vehicles with a value of € 14.9 million were marketed via financial services. This corresponds to almost a doubling of the volume of new orders.

This contract form, which models itself closely on the success of the financial service ComFOUR, was individually tailored and modified to match the dealer structure of the Steinbock brand. The main element in this variant is the possibility for the customer to choose from among the three contract types hire purchase, leasing and rental. It is also possible to switch from one financing mode to another during the validity of the contract.

■ **Würth and Steinbock:
forklifts for the assembly professional**

The Würth Group with its group headquarters in Künzelsau in Baden-Württemberg relies on industrial trucks from Steinbock all over Europe. The fleet of forklifts supports the assembly and installation professionals in putting components into storage or retrieving them, in order picking as well as in loading and unloading HGVs.

Würth is the world biggest trading company in the field of connection systems, assembly and fastening technology. Proof of its success is the sales figure, which has risen considerably of late. The group, which numbers 236 legally independent sales companies in 76 countries, has a workforce of more than 36,000 employees worldwide. The selling programme of around 50,000 products ranges from screws, screw plugs and standardised parts via tools to parts inventory systems and protective clothing for industrial safety.



■ Narrow-aisle trucks tailored to the task in hand

Würth companies in Ireland, Austria, Switzerland and Slovakia work with narrow-aisle trucks from Steinbock, which for example have been customised through inductive or rail guide systems and through varying safety concepts. Each site was furnished with an individual material flow solution.

The decisive factors for choosing trucks from Steinbock were the pioneering, economical three-phase a.c. technology of the narrow-aisle trucks which makes for noteworthy handling turnover rates, the high availability and the ergonomically and comfortably equipped driver's cab of the trucks. Other factors were competent consulting and extensive support during the project planning phase.

■ Forklifts for made-to-measure logistics concepts

In Germany, Würth uses industrial trucks from Steinbock at its sites in Künzelsau and Bad Mergentheim. In Bad Mergentheim, the company Würth Industrie

Service GmbH & Co. KG, which develops made-to-measure logistics and scheduling concepts for industrial customers, bought up a 115-hectare former barracks, turned it into the Industriepark Würth and there opened its central warehouse, of which the Kanban division is the core element. With this supply strategy, Würth assumes the responsibility for the punctual supply of material to the assembly lines of its customers. The link between the incoming and outgoing HGVs, the pallet stores and the automatic container transport system is provided by the industrial trucks from Steinbock.

The decision in Bad Mergentheim was based on good past experience, on the convincing technology of the trucks and on a sensible price-performance ratio. As far as the choice of the truck types was concerned, Würth largely had to make allowance for the conditions found in the existing buildings. Steinbock delivered three-phase a.c. forklifts, battery-powered three-wheel forklifts, reach trucks and various centre-mast order pickers, battery-powered low-lift and high-lift trucks as well as hand pallet trucks. To ensure the permanent readiness for operation of the industrial trucks, a maintenance contract was concluded which prescribes correspondingly short response times.



THE BOSS BRAND

■ Technical innovations

In the year under review the Boss brand presented a new generation of diesel and LPG powered forklifts with hydrostatic drive. The compact trucks with lifting capacities from 4 to 5 t are designed for the highest handling turnover rates; an advantage which shows itself above all when it is a question of short transport distances, such as in the case of loading and unloading HGVs. The attention of the design engineers was here focussed on, among other things, proenvironmental behaviour of the fork lifts. Special attention was also paid to the ergonomically optimised and very quiet driver's stand. An automatic seat belt that reacts to longitudinal and transverse movements holds the driver firmly in the seat in any precarious situation; the spring-mounted rotating driver's seat and controls module protects him from vibrations and the panorama mast carriage ensures a good overview. In the lifting capacity classes from 1.6 to 5 t, the full range of trucks now offers the choice between hydrodynamic and hydrostatic transmission units.

Boss now also delivers reach trucks with three-phase a.c. motors that are distinguished by higher performance and reduced energy requirements. Via the adjustable acceleration and braking characteristic it is possible to match the industrial trucks exactly to the customer's requirements. At the same time, the use of standardised assemblies makes these trucks for loads up to 1.6 t easier to service.

The new battery-powered wide-track lift truck from Boss transports special goods, such as closed pallets and individual goods that cannot be driven under, up to a weight of 1.6 t. In addition, the robust and especially stable battery-powered wide-track truck, which is easy to manoeuvre even in confined spaces, offers a good overview, sensitive control of the lifting functions, efficient energy management, definable driving parameters and load-independent travel speeds.



■ Carlsberg and Boss: drivers pick their favourite

Carlsberg-Tetley, the UK subsidiary of Danish brewing company Carlsberg, has opted for Boss' LPG powered trucks for its internal logistics. Carlsberg-Tetley's drivers, who put the Boss unit through its paces in an internal trial and unanimously gave it the thumbs-up, had a decisive influence on the decision.

Today, the Carlsberg Group, established in 1847, markets its products under the well-known Carlsberg and Tuborg brands worldwide in over 140 countries.

Licensed breweries in 40 countries supply Carlsberg's global clientele. Carlsberg's international beer sales are impressive: the company is the sixth largest brewing group in the world. Some 100 subsidiaries and partner companies belong to Carlsberg A/S, which also produces soft drinks. Its headquarters are in Copenhagen — in the same location where, more than 150 years ago, Carlsberg's first brewery was established.

The Danes have been exporting their beer to Great Britain since 1968. Carlsberg set up three separate trading companies in the United Kingdom in response to strongly growing demand for its products in the 40s and 50s. In 1974, the Carlsberg Brewery in Northampton became the base for Carlsberg's UK marketing drive. In 1993, the merger of Carlsberg and Allied Breweries created today's Carlsberg-Tetley, now a wholly-owned subsidiary of Carlsberg A/S since 1997.



■ LPG powered trucks for internal logistics

In the spring of 2000, Boss LPG powered trucks were commissioned for intra-company transport at Carlsberg-Tetley's Leeds site. Carlsberg-Tetley leased the vehicles, painted in 'Carlsberg green', for a period of five years. This contract was preceded by a similar one also running for five years, adding up to a six-year relationship between the two companies.

Since the forklifts have to accommodate barrels as well as beer crates on pallets, they can be equipped with a barrel clamp, normal fork tines, or a double pallet clamp, depending on the job at hand. The LPG powered trucks remove the beer from the receiving station of a packaging line, and transport it to bulk storage locations, where it is stacked to a height of four metres. Beer is sorted by brand and production date. A paperless warehouse management system relays the data for individual jobs to the truck drivers via radio transmission. Each day the fleet processes around 10,000 units with a maximum weight of 2.3 t each.

■ Internal test results and a service agreement clinch the deal

Two companies made the final round of the tender. Both companies' trucks were tested by Carlsberg-Tetley drivers at the same time. Key selection criteria were performance, ergonomics and comfort.

Carlsberg-Tetley ended up deciding for Boss. The decision was based on the favourable test results as well as the tailored service and maintenance agreement offered by Boss.



THE MIC BRAND

■ Technical innovations

The new battery-powered horizontal order pickers of the MIC brand designed for multiple-shift operation in industrial applications combine versatility with the advantages of a high-performance pulse control and optimum braking characteristics. The load-dependent braking system of the order picker automatically adjusts the braking force to the current load and stops the truck as soon as the driver leaves the standing platform. The industrial truck is characterised by flexible operation, either from the roomy driver's cab or – with automatically reduced speed – from the outside so that it is not necessary to climb on board for short-distance movements. The second order picking level is easily reached from the standing surface on the battery compartment. The shaft steering is designed in line with the latest scientific findings and the control shaft itself features all the operation controls twice so that they are equally accessible for right-handed or left-handed operators.

Manoeuvrable over short distances and fast over long ones: those are the outstanding characteristics of the new battery-powered pedestrian pallet trucks with a fold-down standing platform. Besides loading and unloading HGVs, the pallet truck, which is designed for continuous industrial operation, is pre-destined for long travel distances because the travel speed can be pushed quite high, with safety aspects being catered for by the fold-down standing platform and the side protection bars. The pallet truck is distinguished by excellent braking behaviour and is fitted with an anti-rollback function. It can be moved with millimetre accuracy, has a low energy consumption, permits adjustment of the driving parameters and also reaches its maximum travel speed under full load. At the same time, the design concept of the truck guarantees high stability as well as excellent traction on uneven ground surfaces.

MIC now delivers the battery-powered low-lift truck Swift with a three-phase a.c. drive system. As compact as a hand pallet truck, but equipped with electri-



cal functions, this truck is an economical alternative when it is a question of the simple, speedy transport of heavily laden pallets. This low-lift truck is predominantly used in small and medium-sized businesses.

■ Hays Logistique and MIC: partners at 16 sites

Hays Logistique offers the full bandwidth of logistics services and is therefore dependent on efficient material flow sequences. At 16 sites, it is industrial trucks from MIC, all of which run under a rental contract, that help to ensure that these requirements of the French company are met.

Logistics is the main money-spinner of the parent company, the British service provider group Hays plc in London. In France, Hays has bought up various logistics companies since 1992 and has united these to form Hays Logistique France. Parallel to this, the

British group also founded subsidiary companies in the Benelux countries, Germany and Italy as well as recently setting up new companies in Poland, Greece and Spain. The Group, which occupies a leading market position both in Britain and in France, today has a workforce of some 25,000 employees, about 14,000 of whom work in the logistics sector.

■ Accent on value-added services

Hays Logistique employs nearly 4,500 people in this sector in France. The company offers comprehensive logistic services, from warehousing and order picking via transport and consignment tracking through to the implementation of complete outsourcing projects. A speciality here is a varied range of value-added services; these include for example the co-ordination, dosing, packaging and labelling of merchandise, or putting together sales kits as well as the visually attractive palletising of the products for the point of sale. Altogether, Hays Logistique runs 67 warehouses with a total floorspace of about one million square metres.



MIC has been a partner of the Hays Group for two-and-a-half years. In Savigny-le-Temple alone, the number of delivered industrial trucks adds up to a fleet of some 90 units. This includes horizontal and vertical order pickers, reach trucks and battery-powered counterbalanced forklifts, battery-powered low-lift and high-lift trucks as well as hand pallet trucks. This mix, which is exactly tailored to the customer's requirements, permanently supports the activities of order picking, handling within the warehouse, so-called cross docking, as well as the loading and unloading of HGVs.

■ **Close-knit sales and service networks tipped the scales**

The factors that swayed the decision in favour of the supplier MIC were the technology of the industrial trucks, their sensible price-performance ratio and above all the close-knit sales and service networks of MIC in France, which for Hays hold the promise of efficient after-sales service. Over and above this, the operator sees a major advantage in the direct marketing system of MIC, from which he expects especially intensive support.

As Hays Logistique had the size of the fleet tailored to the normal capacity utilisation level and consequently this usually leaves no reserves to fall back on, a very high availability level of each individual truck is of paramount importance. If the volume of merchandise to be handled grows beyond capacity during seasonal peak times, the customer additionally resorts to rental trucks from the corresponding MIC pool.

The partners have concluded a rental agreement within the framework of this co-operation. The monthly rate of the contract includes the standard components of leasing, financing and full service as well as insurance coverage for material damage.

The positive result of the direct co-operation is reflected in the following figures: from March 1999 up to the end of 2000, the share of MIC trucks in the whole fleet trebled from some five per cent to approx. fifteen per cent.



PRODUCTION SITES

■ The Norderstedt plant

For the Norderstedt plant incl. Lüneburg, Germany, the year 2000 was characterised by an ongoing positive economic trend. For the first time more than 40,000 units were produced at the two sites. These increases in output were achieved in conjunction with further improvements in quality, punctuality of delivery and reduced cost. Moreover, it was possible to expand the position as a central supplier for components in the Group yet further.

The classic manufacturing site in Norderstedt produces battery-powered low-lift and high-lift trucks of the Junior and Swift series as well as the battery-powered reach truck Retrak. In addition to these, the Norderstedt plant manufactures mast carriages, truck components and truck controls that are also delivered to other plants of the company in the production pool.

The year 2000 saw the commissioning of a new paint shop for the autonomous mast carriage centre. This facility corresponds to the state of the art in its field. The automatic, zero-personnel powder coating process is a big step forwards in the direction of a more

humane working environment. At the same time, it gives due consideration to all the requirements of environmental protection. For example, among the systems integrated into the plant are the water-free pre-treatment of the components as well as heat recovery from the process heat.

Implementation of the overall concept secures not only cost reductions deriving from an optimisation of the logistics and an increase in productivity but also a further improvement in quality.

The capacities created with the new paint shop are also used to process additional components. The rise in the figure for units processed from 10,000 mast carriages in 1996 to the planned figure of 23,000 mast carriages for the year 2001 underlines the successful implementation of this component strategy.

Besides the differentiation of existing vehicle groups according to their specific applications, the market launch of the battery-powered low-lift truck Swift was a highlight in the year under review.

Group overview

A further focus of activity was the optimisation of the whole logistics set-up. Of outstanding significance here is the changeover from dealer logistics to direct deliveries from Norderstedt to the customer. It was not until the trucks were being completely fitted out with batteries and battery chargers in the Norderstedt plant that it became possible to deliver directly to the customer without the cost-intensive intermediate steps that had been necessary until then.

■ The Moosburg plant

The production site in Moosburg, Germany, manufactures battery-powered counterbalanced trucks (EFG) as well as warehouse and system trucks for the Jungheinrich Group. In the year 2000, truck production topped 10,000 units for the first time.

At the beginning of 2000, a second modern test stand for the 48 V trucks came on stream in the EFG production operation. Since then, the testing processes are continuously polled, test records are automatically prepared and the testing times have been significantly shortened. For the first time, the lifting mast function has been integrated into the equipment testing stand. The manufacturing operation for lift mast rails was improved in both quality and capacity through a new machining centre. These measures made it possible to complete the expansion of capacity of the production facilities to an output figure of 10,000 units that was started in 1999.

The data processing systems were switched over to Euro in mid-2000. In February 2000, Moosburg installed the so-called KVP scheme (continuous improvement process [CIP]) in order to exploit the potentials of the employees for a further increase in efficiency. The targets associated with this include,

among others, improvements in the quality of the trucks, a minimisation of cost, an increase in output and a shortening of the time to delivery.

The battery-powered counterbalanced truck forklift segment in Moosburg achieved a production plus of some 14 per cent in comparison with the previous year. In the period covered by the report, the output of warehouse and system trucks was increased by some 19 per cent.

■ The Leighton Buzzard plant

The restructuring measures initiated in the past year at the production site for IC engine powered forklifts in Leighton Buzzard, Britain, were continued during the year under review.

By means of the turnaround project initiated in the year 2000, the management succeeded in raising productivity by 40 per cent and reducing inventories by 50 per cent. It was also possible to increase the order intake.

The start-up phase of the Customisation project – involving the adaptation of the trucks to comply with customers' wishes – made further progress. As a result, the major prerequisites for the viable customisation of all sales brands of the Group have now been fulfilled. After a project time of only three months, the SAP/R3 system was successfully introduced at plant level so that now the data of all procedures are being acquired with the aid of SAP.

■ The Argentan plant

The plant in Argentan, France, produces hand pallet trucks and battery-powered pallet trucks. Restructuring measures were initiated here in the year under

review. Substantial improvements in productivity must now be realised. 160,000 hand pallet trucks and 6,000 battery-powered pallet trucks were produced in the year 2000.

The hand pallet truck, made in Argentan, has now been the market leader worldwide for more than 20 years. The fully automatic production facility with optimised production sequences is designed for a capacity of some 1,000 units a day. A highly complex production process allows one completely assembled hand pallet truck to leave the assembly line every minute; and that in a large number of variant forms with regard to size, equipment options or additional features with unvarying high quality. A special semi-automatic handling system for container packing was introduced to optimise the general flow of production.

A new production concept for two separate assembly lines was developed for the manufacture of the battery-powered pallet trucks. A Kanban system is in preparation to improve the material flow between the central warehouse and the production lines.

■ MIC S.A., Spain

Manutención Industrial de Cargas, S.A. (MIC) again managed to expand its market position in Spain in comparison with the previous year faster than the volume growth rate of the Spanish market. The order intake in the year under review was upped a further 30 per cent as against the year before.

This Jungheinrich subsidiary is the Spanish market leader in the segments of hand pallet trucks, high-lift and low-lift trucks as well as driver-controlled trucks, and since last year it has also been tending the market as a full range supplier.

Also produced for the Group at this site are hand pallet trucks and high-lift trucks with a lifting capacity up to 1.2 t. With the introduction of a customer-oriented, dynamic production strategy in the year 2000, MIC S.A. is the first company in the Spanish industrial trucks market to manufacture in a customer-oriented and flexible manner with this strategy, which was designed on the basis of Japanese manufacturing philosophies. This programme is supported by an exhibition area that is integrated into the plant.

Here, customers and potential buyers not only have the product presented to them, but they can simultaneously gain an insight into the production operation and individual manufacturing processes. This makes for high transparency from the viewpoint of the customers. Furthermore, thanks to the further development of the rolling work system in 2000, it was possible to expand production capacity flexibly and in line with the current orders situation by up to 25 per cent without increasing the workforce.

The success achieved here speaks for itself: production was again raised as compared with the previous year, this time by 17 per cent, and delivery deadlines were also met with greater reliability.

In the second half of the year 2000, MIC started its co-operation in the field of industrial safety with the *Fraternidad Mutua*, one of the leading state-approved employer's liability insurance associations for occupational accidents in Spain. *Mutua* insures some 10,000 member companies with approx. 2.5 million employees. The corresponds to about 6.3 per cent of the total population of Spain. As a result of restrictive legislation and an increase in social awareness, there has been a rise in the demand for training measures. MIC Spain supplies *Fraternidad Mutua* with its product range and with the technical know-how for the forklift driver examination.



- New jobs
- Personnel development
- Thanks to our employees



Human resources

The hard work and personal involvement, creativity and motivation of our employees form the basis for the long-term success of our company. In a motivating environment with qualified employees we manufacture high-quality products and work out customer-oriented solutions. The willingness of our employees to shoulder responsibility and to think in terms of the interests of the company make a major contribution to the economic success and the competitive ability of our company.

■ New jobs

Through the further expansion and the strengthening of our sales and distribution network and of the service organisations, we were able to create some 250 new jobs in the year under review.

The number of persons employed in sales and distribution increased by some 300. The number of service engineers in the Group rose in the same period to just under 2,500. This corresponds to a share of 27 per cent of the whole workforce of the Jungheinrich Group.

Wide-ranging restructuring measures at our production sites in Leighton Buzzard, Britain, and Argentan, France, made it necessary to reduce personnel there by nearly 125 employees. At our plants in Norderstedt and Moosburg, Germany, rising production figures led to the recruiting of 85 new employees.

Development of personnel figures – by companies –

	1998 31.12.	1999 31.12.	2000 31.12.
Jungheinrich AG	3,174	3,237	3,358
Jungheinrich (GB) Ltd.	543	570	614
Jungheinrich France SARL	525	568	625
Jungheinrich Italiana S.r.l.	420	460	522
Other foreign sales and distribution companies	1,046	1,189	1,301
MIC SA	864	890	786
Steinbock GmbH	873	939	954
Boss Group	904	883	835
Other companies	181	255	244
Total – Group	8,530	8,991	9,239

We were able to increase the number of openings for trainees and apprentices by almost 17 per cent in the year 2000 to an end-of-year level of 290. The trainee personnel quota in Germany is meanwhile some 4.3 per cent higher than the comparable value for companies with more than more 1,000 employees.

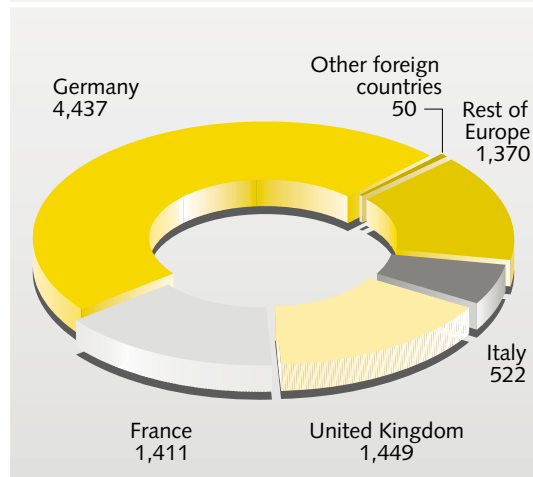
Development of personnel figures – by functions –

	1998 31.12.	1999 31.12.	2000 31.12.
Service engineers	2,128	2,324	2,473
Workshop technicians	338	341	376
Manufacturing	1,885	1,961	1,907
Technical consultants	541	582	622
Administration service	3,124	3,348	3,375
Temporary workers	277	189	196
Trainees and apprentices	237	246	290
Total – Group	8,530	8,991	9,239

■ Personnel development

Personnel development activities are gaining more and more in importance in the companies. The Jungheinrich Group recognised this trend at an early date and expanded in particular the sectors of further training and the promotion of future personnel internationally and at all levels.

Employees (as of 31.12)



The increasing internationalisation of our Group entails a greater need for employees who think globally and who can adjust flexibly to different situations and cultures.

This process is supported within the framework of our personnel development activities by means of group-wide, internationally focussed measures and programmes.

■ JUMP

In the year under review, the Jungheinrich management programme JUMP was started for the first time as an English-language training measure with an international group of participants. In this two-year programme, personnel with the corresponding potential are systematically and comprehensively prepared for later management tasks. As well as the personal further development of the trainees, this project also focuses in particular on promoting communications at Group level.

■ Project management

Through more intensive work in projects it is possible to develop innovative and economical solutions for complex problem profiles within a short time.

In the wake of the internationalisation of our business activities, Group Personnel Development conducts project management qualification modules and start workshops for specific target groups in our foreign units. The objective - namely successful implementation at the international level - necessitates not only compliance with valid project management standards but also the adaptation of the concepts to the particular situation and requirements of the relevant foreign company.

With a well-founded qualification programme in the form of training sessions and seminars on the topics of leadership and management, it was possible to upgrade the technical and personal competence of our international managers.

■ Programme for short-term practical trainees and diploma undergraduates

The market for qualified university-level graduates changed in the year 2000. It is now no longer the case that the applicants contact the companies; instead the companies present themselves to the applicants as attractive prospective employers.

For this reason, besides permanent direct contacts with schools, technical colleges and universities, establishing contact with the students at an early stage is of great importance to secure suitable applicants. Jungheinrich has therefore developed a new programme for short-term practical trainees and diploma undergraduates. In this context, an international slant is of great strategic importance – this is reflected

in the fact that during the year under review over 10 per cent of the short-term practical trainees were deployed in our foreign subsidiary companies. Last year, 180 students attended short-term practical training courses at our companies, about half of these in technical sectors.

An informative platform was created on the Jungheinrich homepage under the address www.jungheinrich.com under the heading of Job and Career. Here, potential applicants obtain information about current vacancies and detailed career information on such specific topics as direct entry, training, trainee programmes and short-term practical training courses as well as the possibility of submitting their application on-line.

■ Hamburg Chamber of Commerce award

This year for the first time, trainees for the professions of computer scientist (technical information) and computer scientist with diploma (business economics) started their training at Jungheinrich. The self-perceived role of our company to ensure the ongoing improvement of training quality led to our being awarded a certificate of the Hamburg Chamber of Commerce for "Outstanding Achievement in Vocational Training".

■ Thanks to our employees

We wish to thank all our personnel for their personal commitment and hard work on behalf of the company. It is they who made possible the successful course of our business in the year 2000. We also wish to express our thanks to the employees' representative bodies in Germany and abroad for their constructive collaboration.



- Statement of the Board of Management
- Auditor's certification of the financial statement
- Consolidated statement of income
- Consolidated balance sheet
- Consolidated flow-of-funds analysis
- Development of Group equity capital
- Development of Group fixed assets
- Notes to the financial statements of the Group



CONSOLIDATED FINANCIAL STATEMENT

Statement of the Board of Management

The responsibility for preparing the consolidated financial statement rests with the Board of Management of Jungheinrich Aktiengesellschaft.

In order to ensure compliance with the pertinent accounting principles as well as the adequacy of corporate reporting we implement effective internal active and passive control systems. These involve the application of uniform standards throughout the Group, the use of reliable software, the selection and training of suitably qualified personnel as well as ongoing audits by our internal accounting control.

The existing early warning systems correspond to the requirements of the German Law regarding Controls and Transparency in the Corporate Sector (KonTraG).

This places the Board of Management in a position to recognise possible risks at an early stage and to initiate corresponding countermeasures.

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, has examined the consolidated financial statement prepared in accordance with United States accounting principles and has issued the certification of the financial statement printed opposite.

The Supervisory Board has discussed the consolidated financial statement, the Group management report as well as the audit report in detail together with the auditors.

Jungheinrich Aktiengesellschaft
The Board of Management

Dr. von Pichler

Dr. Helmke

Dr. Kirschneck

Dr. Lüer

Stocker

Auditor's Report

We have audited the attached consolidated financial statements of Jungheinrich Aktiengesellschaft, Hamburg, including its subsidiary companies, as of 31st December 2000, consisting of the balance sheet, the income statement and the statements of changes in equity and cash flows as well as the notes to the financial statements for the business year from 1st January to 31st December 2000. The preparation and the content of the consolidated financial statements according to the United States Generally Accepted Accounting Principles (US-GAAP) are the responsibility of the Company's Board of Managing Directors. Our responsibility is to express an opinion, based on our audit, whether the consolidated financial statements are in accordance with US-GAAP.

We conducted our audit of the consolidated financial statements in accordance with German auditing regulations and generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer in Deutschland (IDW). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatements. The evidence supporting the amounts and disclosures in the consolidated financial statements are examined on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by the Board of Managing Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on our audit, the consolidated financial statements give a true and fair view of the net assets, financial position, results of operations and

cash flows of the Jungheinrich Group for the business year in accordance with US-GAAP.

Our audit, which according to German auditing regulations also extends to the group management report prepared by the Board of Managing Directors for the business year from 1st January to 31st December 2000, has not led to any reservations. In our opinion, on the whole the group management report provides a suitable understanding of the Group's position and suitably presents the risks of future development. In addition, we confirm that the consolidated financial statements and the group management report for the business year from 1st January to 31st December 2000 satisfy the conditions required for the Company's exemption from its duty to prepare consolidated financial statements and the group management report in accordance with German accounting law. We conducted our audit of the consistency of the group accounting with the 7th EU Directive required for the exemption from the duty for consolidated accounting pursuant German commercial law on the basis of the interpretation of the Directive by the German Accounting Standards Committee (DRS 1).

Hamburg, 30th March 2001

Pricewaterhouse Coopers GmbH
Wirtschaftsprüfungsgesellschaft



Dr. Schlüter
Wirtschaftsprüfer¹



Schütte
Wirtschaftsprüfer¹

Consolidated statement of income

	Notes	2000 thousand €	1999 thousand €
Sales revenues	(29)	1,514,596	1,352,639
Cost of sales		1,122,802	1,007,448
Gross margin		391,794	345,191
Selling expenses		280,650	241,729
Research and development expenses		28,476	26,824
General administrative expenses		26,386	24,969
Other operating income	(2)	6,036	10,882
Other operating expenses		8,737	11,760
Operating income		53,581	50,791
Net income from investments in other companies	(3)	1,202	1,486
Income before financial result and income taxes		54,783	52,277
Financial result	(4)	- 8,008	- 11,447
Income taxes	(5)	15,073	32,263
Group net income		31,702	8,567
Earnings per share (in €)	(30)	0.94	0.25

The accompanying notes to the financial statements of the Group are an integral part of the consolidated financial statements

Consolidated balance sheet

ASSETS	Notes	31st Dec. 2000 thousand €	31st Dec. 1999 thousand €
Fixed assets			
Intangible assets	(6)	6,383	6,379
Tangible assets	(7)	183,993	187,746
Rental trucks		134,522	114,746
Trucks for leasing from financial services	(8)	157,553	128,486
Financial assets	(9)	9,595	8,235
		492,046	445,592
Current assets			
Inventories	(10)	151,166	166,952
Trade receivables	(11)	327,894	291,417
Receivables from financial services	(12)	146,231	134,843
Other receivables and other assets	(13)	71,145	77,095
Securities	(14)	1,323	–
Cash and cash equivalents	(15)	150,896	184,229
		848,655	854,536
Deferred tax assets	(5)	46,011	35,354
Prepaid expenses	(17)	8,717	8,060
		1,395,429	1,343,542

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	31st Dec. 2000 thousand €	31st Dec. 1999 thousand €
Shareholders' equity	(18)		
Subscribed capital		102,000	102,000
– ordinary shares (T€ 54,000)			
– preferred shares (T€ 48,000)			
Capital reserves		76,952	76,952
Revenue reserves		124,326	105,577
Other changes in shareholders' equity		(15,044)	(15,198)
Own shares		(5,687)	(5,687)
		282,547	263,644
Accrued liabilities			
Accrued liabilities for pensions and similar obligations	(19)	122,613	116,086
Other accrued liabilities	(20)	178,756	129,938
		301,369	246,024
Liabilities			
Financial liabilities	(21)	251,434	330,862
Liabilities from financial services	(22)	347,439	290,859
Trade liabilities	(23)	107,890	107,879
Other liabilities	(24)	40,335	43,468
		747,098	773,068
Deferred income	(25)	64,415	60,806
		1,395,429	1,343,542

The accompanying notes to the financial statements of the Group are an integral part
of the consolidated financial statements

Consolidated flow-of-funds analysis

	2000	1999
	thousand €	thousand €
Net income	31,702	8,567
Depreciation of trucks for hire and leasing	75,197	54,628
Depreciation of other fixed assets	36,268	30,412
Changes in accrued liabilities	55,345	34,018
Other expenses and income without effect on payments	239	– 430
Gains/losses on disposals of fixed assets	3	– 46
Change in the item deferred taxes	– 10,657	21,902
<i>Changes in items held as current assets and in other operating assets and liabilities:</i>		
– Inventories	15,786	– 1,456
– Trade receivables	– 36,477	– 30,577
– Trade liabilities	– 1,074	11,667
– Other operating assets	– 5,818	– 48,283
– Other operating liabilities	115	– 3,344
Cash provided by operating activities	160,629	77,058
Proceeds from disposals of tangible and intangible fixed asset items	34,630	60,032
Payments for investments in trucks for hire and leasing	– 158,120	– 137,799
Payments for investments in other tangible and intangible fixed assets	– 31,732	– 34,794
Payments for investments in financial assets	– 1,602	– 129
Proceeds from disposals of financial assets	1	1,244
Change in other cash investments of current assets	– 1,323	–
Cash used for investing activities	– 158,146	– 111,446
Dividends paid	– 13,049	– 12,987
Payments for purchase of our own shares	–	– 5,687
Change in short-term indebtedness to banks	– 71,156	29,593
Proceeds from long-term financial loans	2,911	34,720
Repayment of long-term financial loans	– 14,288	– 6,169
Change in leasing liabilities	60,046	44,959
Cash provided by (used for) financing activities	– 35,536	84,429
Change in available financial resources with effect on payments	– 33,053	50,041
Changes in exchange rates and other changes in value of available financial resources	– 280	– 682
Change in cash and cash equivalents	– 33,333	49,359
Cash and cash equivalents at the beginning of the year	184,229	134,870
Cash and cash equivalents at the end of the year	150,896	184,229

The accompanying notes to the financial statements of the Group are an integral part of the consolidated financial statements

Development of Group equity capital

	Subscribed capital	Capital reserve	Revenue reserve	Other changes in shareholders' equity		Own shares	Total
				Difference from translation of foreign currency	Difference from valuation of pensions		
	thousand €	thousand €	thousand €	thousand €	thousand €	thousand €	thousand €
As of 31st December 1998	86,920	92,032	109,728	- 108	-	-	288,572
Capital increase from corporate funds	15,080	- 15,080	-	-	-	-	-
Purchase of own shares	-	-	-	-	-	- 5,687	- 5,687
Difference from translation of foreign currency	-	-	-	- 4,249	-	-	- 4,249
Dividend for the previous year	-	-	- 12,987	-	-	-	- 12,987
Group net income 1999	-	-	8,567	-	-	-	8,567
Other changes	-	-	269	-	- 10,841	-	- 10,572
As of 31st December 1999	102,000	76,952	105,577	- 4,357	- 10,841	- 5,687	263,644
Difference from translation of foreign currency	-	-	-	1,075	-	-	1,075
Dividend for the previous year	-	-	- 13,049	-	-	-	- 13,049
Group net income 2000	-	-	31,702	-	-	-	31,702
Other changes	-	-	96	-	- 921*	-	- 825
As of 31st December 2000	102,000	76,952	124,326	- 3,282	- 11,762	- 5,687	282,547

* After deduction of the taxes payable on the gross figure in the amount of € 423 thousand

The following notes to the financial statements of the Group form an integral part of the consolidated financial statements

Development of Group fixed assets

	Acquisition and manufacturing costs					As of 31st Dec. 2000 thousand €
	As of 1st Jan. 2000 thousand €	Changes and adjustments thousand €	Additions thousand €	Retirements thousand €	Transfers thousand €	
Intangible assets						
Rights of usage and software	8,394	36	2,488	392	44	10,570
Goodwill	41,663	–	–	–	–	41,663
	50,057	36	2,488	392	44	52,233
Tangible assets						
Land, land rights and buildings including buildings on land owned by others	171,756	287	5,584	539	2,623	179,711
Technical equipment and machinery	69,588	52	3,721	5,114	1,793	70,040
Other equipment, factory and office equipment	104,486	234	15,202	8,176	1,613	113,359
Advance payments and construction in progress	1,987	–	5,822	204	(6,103)	1,502
	347,817	573	30,329	14,033	(74)	364,612
Rental trucks	159,785	286	78,949	47,701	30	191,349
Trucks for leasing from financial services	192,680	(777)	79,171	37,786	–	233,288
Financial assets						
Investments in affiliated companies	228	–	1,591	–	–	1,819
Investments in associated companies	7,390	–	–	239	–	7,151
Securities held as current assets	540	–	4	–	–	544
Other loans	3,499	–	7	1,079	–	2,427
	11,657	–	1,602	1,318	–	11,941
Total fixed assets	761,996	118	192,539	101,230	–	853,423

			Depreciation						
Cumulative depreciation 31st Dec. 2000 thousand €	Net carrying value 31st Dec. 1999 thousand €	Net carrying value 31st Dec. 1999 thousand €	Cumulative depreciation 1st Jan. 2000 thousand €	Changes and adjustments thousand €	Depreciation in the business year thousand €	Cumulative depreciation on retirements thousand €	Transfers	Cumulative depreciation 31st Dec. 2000 thousand €	
7,508	3,062	2,570	5,824	14	2,091	332	(89)	7,508	
38,342	3,321	3,809	37,854	–	488	–	–	38,342	
45,850	6,383	6,379	43,678	14	2,579	332	(89)	45,850	
52,426	127,285	129,633	42,123	13	10,608	326	8	52,426	
53,413	16,627	19,186	50,402	(4)	8,192	5,634	457	53,413	
74,780	38,579	37,095	67,391	86	14,887	7,208	(376)	74,780	
–	1,502	1,832	155	–	–	155	–	–	
180,619	183,993	187,746	160,071	95	33,687	13,323	89	180,619	
56,827	134,522	114,746	45,038	34	37,035	25,280	–	56,827	
75,735	157,553	128,486	64,195	(278)	38,162	26,344	–	75,735	
–	1,819	228	–	–	–	–	–	–	
–	7,151	7,390	–	–	–	–	–	–	
25	519	515	25	–	–	–	–	25	
2,321	106	102	3,397	–	2	1,078	–	2,321	
2,346	9,595	8,235	3,422	–	2	1,078	–	2,346	
361,377	492,046	445,592	316,404	(135)	111,465	66,357	–	361,377	

The accompanying notes to the financial statements of the Group are an integral part of the consolidated financial statements

Notes to the financial statements of the Group

Basis and methods

(1) Object of the company

The company operates at the international level – with the main focus on Europe – as a manufacturer and supplier of products in the fields of industrial trucks and warehousing technology as well as of all services connected with these activities. These include the leasing/rental and sales financing of the products, the maintenance and repair of trucks and equipment and the sale of used trucks. The product range extends from the simple hand pallet truck through to complex, integrated complete systems.

Within the framework of a production pool consisting of the four brand-independent core plants in Norderstedt and Moosburg, both in Germany, Leighton Buzzard in Britain, and Argentan in France, deliveries are carried out for sales and distribution areas of the product brand Jungheinrich as well as of the product brands Steinbock, Boss and MIC; these sales areas are grouped together in one Sales & Distribution Division.

For the product brand Jungheinrich the company maintains a large and close-knit direct marketing network with 21 sales and distribution centres/branch establishments in Germany and 22 company-owned sales and service companies in other countries. Besides this, for sales of the other product brands there is a Europe-wide distribution system offering a limited quantity via a dealer network.

(2) Accounting principles

Consolidation

All the major subsidiary companies that are under the legal or factual control of Jungheinrich Aktiengesell-

schaft are included in the consolidated financial statements. Active companies in which Jungheinrich holds a share of 20 % to 50 % are carried in the balance sheet in accordance with the equity method (“associated companies”). Other investments in other companies are carried at their acquisition cost.

The consolidation of capital has been carried out by the book value method by setting off the acquisition cost against that share of the equity capital held by the parent company at the time of the acquisition. Any difference between the acquisition cost and the prorated equity capital is attributed in whole or in part to the assets of the subsidiary company. Any remaining differential amount on the assets side is carried as goodwill and written down over the probable asset lifetime with effect on the result.

All receivables and accounts payable, all sales, expenditures and income as well as intra-group results within the group of consolidated companies are eliminated within the framework of the consolidation.

Foreign currency translation

Receivables and accounts payable in foreign currency in the annual financial statements of the Group companies are translated at the exchange rate valid on the closing date of accounts and any differences resulting from such translation are stated with effect on net income. Rate-hedged foreign currency items are valued at the corresponding hedging rate.

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

With the exception of capital, all assets and debts in annual financial statements prepared in foreign currencies are translated at the exchange rate valid on the closing day of accounts. Capital is translated at historic 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 debts as compared with the translation in the previous year or in the case of capital as against translation at historic rates, as well as translation differences between the statement of income and the balance sheet are stated in equity capital within the item “Other changes in shareholders’ equity” with a neutral effect on net income.

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

Currency	Average rate on the closing date of accounts		Annual average rate	
	31.12.2000 €1 =	31.12.1999 €1 =	2000 €1 =	1999 €1 =
GBP	0.6241	0.6217	0.6096	0.6588
CHF	1.5232	1.6051	1.5579	1.6003
PLZ	3.8498	4.1587	4.0086	4.2274
NOK	8.2335	8.0765	8.1138	8.3104
SEK	8.8313	8.5625	8.4459	8.8075
DKK	7.4631	7.4433	7.4538	7.4355
CZK	35.0470	36.1030	35.6062	36.8840
HUF	265.0000	254.7000	260.0290	252.7700
USD	0.9305	1.0046	0.9239	1.0658

Notes to the financial statements of the Group

Basis of the sales figures

Sales are stated in the accounts after deduction of reductions of proceeds such as bonuses, discounts or rebates at the time of the passage of risk or at the time of performance of the service.

Sales from financial services transactions are stated in the amount of the selling value of the leased object if the contract is classified as a so-called “capital lease” and in the amount of the leasing rates in the case of a so-called “operating lease”. If a leasing company acts as an intermediary, the proceeds from the sale are deferred and liquidated over the term of the contract with effect on sales.

Product-related expenditure

Expenditure for advertising and sales promotion as well as other sales-related expenditures have effect on the net result at the time when they are incurred. We form accruals for warranties at the time of selling the products. Expenditure for research and development is stated with effect on the net result at the time when it is incurred.

Earnings per share

Group net income per share is based on the average number of the individual share certificates issued during a business year. In the business years 2000 and 1999, no equity capital instruments existed that could potentially have diluted the earnings per share on the basis of the issued shares.

Intangible assets

Purchased intangible assets are valued at acquisition cost and reduced by standard straight-line depreciation over their useful life expectancy of 3 to 5 years. Goodwill deriving from acquisitions is reduced by ordinary depreciation with effect on the net result

over a period of 8 years (sales and distribution) or 15 years (plants) respectively. Goodwill is regularly checked to verify its value.

Tangible assets

Tangible assets are stated at historical acquisition cost or at manufacturing cost less cumulative depreciation. The manufacturing costs for self-produced equipment contain not only the direct material and manufacturing expense but also attributable material and production overhead. Administrative expenses are only reported on the assets side insofar as a direct connection to production exists. Maintenance and repair expenses are stated as cost. 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 stated on the assets side. Depreciable objects are reduced by standard straight-line depreciation. If objects are sold or scrapped, the relevant items are retired from the fixed assets; any resulting profits or losses are taken into account with effect on the net result.

The following useful lifetimes are taken as the basis for scheduled depreciation:

Buildings	10–50 years
Land improvements, improvements in buildings	10–50 years
Plant facilities	10–15 years
Technical equipment and machines	5–10 years
Office and factory equipment	4–10 years

Leasing

Within the framework of their financial services business, Jungheinrich Group companies conclude contracts with the customers either directly or through the agency of leasing companies.

The classification of the leasing transactions and thus the way they are reported in the accounting are in line with the attribution of the economic ownership of the leased object as set forth in FAS 13. If the economic ownership lies with the lessee (so-called “capital leases”), for the Jungheinrich Group companies as the lessors this leads to receivables from financial services. If the economic ownership lies with the Jungheinrich Group companies (so-called “operating leases”), the vehicles are carried on the assets side as lease equipment from financial services.

As lessees, Jungheinrich Group companies lease tangible assets and leased equipment and, if it is a case of a so-called “capital lease”, they carry the objects as fixed assets and state leasing liabilities in the same amount at the cash value of the leasing rates. Depreciation of the fixed assets and reversal of the liabilities are effected over the term of the contract.

Financial assets

Major investments in other companies in which a decisive degree of influence is exerted are valued by applying the equity method. All other investments in other companies are stated at the depreciated acquisition cost.

Extraordinary depreciation of fixed assets

On every closing date of accounts or whenever there are indications that a loss of value may have been incurred, the value of the fixed assets in question is subjected to an examination. In this case, the estimated future undiscounted cash flow is compared with the remaining carrying value of the asset item. If it is found that the remaining carrying value exceeds the amount of the undiscounted cash flow, the market value or the value of the discounted cash flow is calculated and if necessary the value of the asset item is reduced by depreciation to one of these values. At the same time, the remaining useful lifetime is correspondingly adjusted.

Current assets

Current assets cover inventories, receivables, and cash and cash equivalents. Amounts with a probable remaining lifetime of more than a year that are contained in the current assets are stated separately in the corresponding items.

Inventories

Inventories are valued at acquisition cost or at manufacturing cost or at lower market prices. On the basis of historical consumption quantities, valuation allowances are made for inventories that exhibit a low turnover or are outdated. Manufacturing costs include not only the direct material and manufacturing expense but also those shares of material and production overhead that are occasioned by the production process, as well as manufacturing-related administrative expenses and depreciation. The average cost method is applied to calculate the acquisition or manufacturing costs of inventories of the same type.

Receivables

Receivables are stated at their nominal value after the deduction of bonuses, discounts and individual valuation allowances (“net realisable value”). Individual valuation allowances are only made if receivables are wholly or partially uncollectable or likely to be uncollectable, in which case it must be possible to determine the amount of the valuation allowances with sufficient accuracy.

Cash and cash equivalents

Cash and cash equivalents are cash balances, cheques, Bundesbank balances and immediately available credit balances at banks with an original term of up to three months.

Deferred taxes

Deferred taxes are stated in accordance with the liability method. Deferred tax assets and deferred tax liabilities are stated when it can be assumed that the difference between commercial and tax-based valuation will in the future be balanced out with an effect on taxes. This procedure is applied for all assets and debt items with the exception of goodwill from the capital consolidation. Deferred taxes are valued at the current rates of taxation. If it is to be expected that the differences will be compensated 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 laws, these changes will be taken into account in the years in which the relevant amendments to the law are enacted.

Valuation allowances are made in respect of deferred tax assets if the tax-reducing effect is unlikely or not to be expected on the basis of the longer-term expectations with regard to the result of the company in question.

Other changes in shareholders' equity

Stated in this item are changes in the equity capital without effect on the net result insofar as these are not based on capital transactions with shareholders. These include the differences deriving from foreign currency translation and from the valuation of pensions.

Accrued liabilities

The accrued liabilities for pensions and similar obligations are valued on the basis of actuarial calculations in accordance with FAS 87 by applying the projected benefit obligation method taking account of the trends of salaries and pensions as well as of fluctuation; the interest rate applied is oriented to the conditions obtaining in the respective capital market.

Pension obligations and similar obligations of some foreign companies are covered by pension funds. Furthermore, claims of employees have been correspondingly deferred which fall due according to national regulations after the employees in question leave the company.

Accruals for taxes and other accruals are formed when an obligation exists vis-à-vis third parties which is likely to be enforced and for which the probable amount of the necessary accrual can be reliably estimated. If the amount of the necessary accrual can only be determined within a certain bandwidth, the most probable value is stated, and if all amounts are of equal probability then the lowest value is stated. In calculating the other accruals – especially in the case of warranties as well as anticipated losses related to incomplete contracts – in all cases all the cost ingredients are taken into account that are also carried on the assets side under inventories.

Structural accruals

Structural accruals are formed if a formally approved plan regarding a measure that is to be implemented exists prior to the closing day of accounts, if this plan contains the necessary data, if the measures are implemented as quickly as possible taking account of the legal regulations of the particular country and if the company has passed on the necessary information.

Financial instruments

Derivative financial instruments are used at Jungheinrich only for hedging purposes. If there is a direct connection and correlation between a derivative financial instrument and an underlying business transaction, a separate valuation unit is formed. Gains and losses from these separate valuation units that serve to hedge against interest rate and currency risks of exactly attributed assets or liabilities or orders only have effect on the net result after attribution when the underlying business transaction is realised. The financial derivative is not carried in the balance sheet.

Classification of accounts

Individual items in the statement of income as well as in the balance sheet are summarised. 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, on the statement of contingent liabilities on the closing date of accounts and on the statements of income and expenditure during the period covered by the report. It is possible for the actual amounts to deviate from the estimates.

New accounting rules

In the switchover to US GAAP, Jungheinrich has implemented the latest updates.

FAS 133 supplemented by FAS 137 and FAS 138 demands that derivative financial instruments be stated under assets and liabilities and that they be valued at their current market value. The accounting of the gains and losses from changes in the fair value of a derivative depends on the intended use of the derivative and the resultant designation. The application of this statement is prescribed for the business years that start after 15th June 2000. Jungheinrich plans the first-time application of this standard in the business year 2001 but expects no major effects of this first-time application on the consolidated financial statements.

Group of consolidated companies

The group of consolidated companies includes Jungheinrich Aktiengesellschaft, Hamburg, as the parent company, and all major subsidiary companies. The consolidated group of fully consolidated companies is unchanged as compared with the previous year and comprises 25 foreign and 8 German companies.

Two companies have been stated in the balance sheet through application of the equity method.

Eleven companies have not been included in the consolidated financial statements as their influence on the net worth, financial and earnings position is immaterial in every respect.

Notes to the financial statements of the Group

■ Notes to the consolidated statement of income

(1) Personnel expenses

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

(thousand €)	2000	1999
Wages and salaries	381,436	334,587
Social security contributions	76,656	76,203
Pension and welfare costs	14,864	14,175
	472,956	424,965

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

	2000	1999
Hourly-paid employees	4,834	4,552
Salaried staff	4,024	3,958
Trainees and apprentices	249	219
	9,107	8,729

The total remuneration of the members of the Board of Management of Jungheinrich AG in the business year 2000 amounted to € 2,227 thousand and that of the members of the Supervisory Board of Jungheinrich AG was € 757 thousand.

Former members of the Board of Management received remuneration in the total amount of € 404 thousand.

As of 31st December 2000, no advances and loans to members of the Board of Management and of the Supervisory Board of Jungheinrich AG existed.

As of 31st December 2000, Jungheinrich AG had formed an accrual for pensions for former members of the Board of Management in an amount of € 4,506 thousand.

(2) Other operating income

Other operating income includes income from the sale of fixed asset items in an amount of € 1,258 thousand and income from the dissolution of accrued liabilities in an amount of € 359 thousand.

(3) Net income from investments in other companies

Net income from investments in other companies contains exclusively the result from associated companies.

(4) Financial result

(thousand €)	2000	1999
Other interest and similar income	17,285	13,498
Interest and similar expenses	25,363	24,296
Net interest	- 8,078	- 10,798
Income from securities and loans	70	93
Depreciation of securities and loans	-	742
Other financial result	70	- 649
	- 8,008	- 11,447

(5) Income taxes

The income taxes of the Group are divided between Germany and other countries as follows:

(thousand €)	2000	1999
Current taxes		
Germany	12,144	4,143
Other countries	11,917	8,476
Deferred taxes		
Germany	- 10,335	17,625
Other countries	1,347	2,019
	15,073	32,263

The current taxes on income in Germany increased in 2000 because Jungheinrich AG has used up its corporate income tax loss carryforwards and has for the first time to pay corporate income tax on part of its income earned in the year 2000. Furthermore, the assumed application of corporate income tax to the dividend payable by Jungheinrich AG for 2000 has a tax-increasing effect.

The effective tax burden in Germany continues to be characterised by the fact that an additional volume of depreciation for tax purposes exists at Jungheinrich AG in contrast to the consolidated balance sheet as a result of the reorganisation process in 1989. This can still be used until the year 2004 (inclusive) in an annual amount of approx. € 24 million.

In connection with the goodwill disclosed for tax purposes only within the framework of the 1989 reorganisation, no deferred taxes are taken into account.

Under German corporate income tax law, the so-called imputation system has been applied in respect of the taxation of companies and shareholders for the last time as of 31.12.2000. According to the tax laws applicable for the business year 2000, retained profits are initially taxed at a corporate income tax rate of 40 % plus the solidarity tax surcharge of 5.5 % on the corporate income tax debt. This results in an effective corporate income tax rate of 42.2 % (previous year: 42.2 %).

As regards the dividend of Jungheinrich AG for the business year 2000, for the first time corporate income tax at a rate of 30 % will in some cases be applicable to the dividend distribution (plus the solidarity tax surcharge of 5.5 % on the paid corporate income tax debt of 30 %). Apart from this, for tax purposes the dividend is regarded as a capital repayment that thus does not give rise to a tax levy on the distributed amount.

Within the framework of the tax reform in Germany that is effective from 01.01.2001, among other things the corporate income tax rate on retained profits was reduced from 40 % and on distributed profits from 30 % to the uniform rate of 25 % with effect from 01.01.2001. Consequently, the tax items relating to Germany as of 31.12.2000 had to be valued taking account of the changed tax rate. Including the solidarity tax surcharge and the trade tax on earnings, the overall tax rate for the Germany companies works out to 38 % (1999: 51.53 %).

Within the framework of the tax reform in Germany that came into effect as from 01.01.1999, among other things the corporate income tax rate on retained profits was reduced from 45 % to 40 %. As a result, the tax items relating to Germany as of 31.12.2000 had

Notes to the financial statements of the Group

to be valued taking account of the changed tax rate. Including the solidarity tax surcharge and the trade tax on earnings, the overall tax rate for the Germany companies as of 31.12.1999 was 51.53 % (1998: 55.954 %).

The effects from the changes in tax rates in Germany involve a non-recurring negative impact on the result, since on balance tax items exist on the assets side. The effects are stated in the transitional calculations.

To be seen from the following table is the transition from expected tax expenditure to reported tax expenditure. Shown as expected tax expenditure is the amount arrived at when the overall tax rate of 51,326 % (1999: 51,53 %) that is valid for the controlling company of the Group is applied to the Group result before income taxes.

(thousand €)	2000	1999
Expected tax expenditure	24,008	19,723
Change in the tax rate in Germany	24,901	8,001
Taxation difference in other countries	4,212	- 873
Tax on the dividend distribution	372	-
Change in the valuation allowances	7,120	28,652
Income corrections	- 48,485	- 25,411
Other	2,945	2,171
	15,073	32,263

The income corrections show among other things the tax-reducing effect deriving from the reorganisation process in 1989. This amounts to some € 12.6 million (previous year: € 12.6 million). Also included are effects that derive for the most part from changes in amounts stated for investments in other companies.

The deferred tax assets and deferred tax liabilities result from differences in the amounts booked in the following balance sheet items:

(thousand €)	2000	1999
Fixed assets	6,632	5,953
Inventories	690	847
Receivables	5,700	436
Tax loss carryforward	95,560	77,235
Accrued liabilities for pensions	8,701	8,720
Other accrued liabilities	20,069	12,742
Liabilities	141,176	129,223
Other	15,526	29,723
Valuation allowances	(69,434)	(62,927)
Deferred tax assets	224,620	201,952
Fixed assets	139,713	84,610
Inventories	5,322	2,594
Receivables	24,523	64,075
Tax loss carryforward	-	2,124
Accrued liabilities for pensions	4,871	3,980
Other accrued liabilities	5,268	775
Other	3,973	12,401
Deferred tax liabilities	183,670	170,559
Net amount of deferred taxes	40,950	31,393

As at 31st December 2000, corporate income tax loss carryforwards of € 289 million (1999: € 198 million) existed in the Group as well as trade tax loss carryforwards of € 95 million (1999: € 61 million). The greater part of the loss carryforwards can be carried forward without limitation.

In the case of the statement of deferred tax assets in the balance sheet it must be estimated to what extent effective reductions in the tax burden will probably result in the future from existing tax loss carryforwards and the differences in the amounts booked. In this connection all the positive and negative influencing factors – such as for example time limits for the eligibility of tax loss carryforwards to be carried forward – have been taken into account. The present assessment regarding this point may alter depending on changes in the earnings position in future years and may necessitate a higher or lower valuation allowance.

After setting off against each other, the deferred tax assets and deferred tax liabilities are shown as follows:

(thousand €)	31.12.2000		31.12.1999	
	Total	> 1 year	Total	> 1 year
Deferred tax assets	46,011	37,031	35,354	24,399
Deferred tax liabilities	5,061	662	3,961	2,447
Net amount of deferred taxes	40,950	36,369	31,393	21,952

■ Notes to the consolidated balance sheet

As regards the changes in intangible assets, in tangible assets, in rental trucks and trucks for leasing from financial services as well in the financial assets, we refer to the development of Group fixed assets.

The summary of all shareholdings of Jungheinrich Aktiengesellschaft has been separately deposited with the Amtsgericht (District Court) in Hamburg, in the Commercial Register, Department B, under No. 44885.

(6) Intangible assets

The intangible assets include in particular the goodwill from the acquisition of Steinbock GmbH, Moosburg, in 1994. The additions of € 2,488 thousand relate above all to software purchased from outside sources.

(7) Tangible assets

Most of the additions are in connection with the improvement of productivity and the replacement investments of the German plants as well as with the expansion of the sales and service network.

The tangible assets include rented buildings in the total amount of € 35,605 thousand (previous year: € 36,810 thousand), which, by virtue of the form of the leasing contracts on which the rental relationships (so-called “capital leases”) are based, are attributed to the Group as the economic owner. Depreciation on

rented buildings over the year amounted to € 1,839 thousand (previous year: € 1,846 thousand).

The ongoing high losses of Boss Manufacturing Ltd., Britain, were the occasion for an Impairment Test to be carried out. On the basis of the expected future cash flows from the production plant, extraordinary depreciation was charged for land and buildings, for technical equipment and machines as well as for office and factory equipment in the amount of € 6,042 thousand. The amount is contained in the cost of sales.

(8) Trucks for leasing from financial services

Within the framework of financial services business in which Jungheinrich Group companies act as lessors, those industrial trucks are carried under assets as trucks for leasing for which a leasing contract has been concluded with the ultimate customer that is classified as an “operating lease” in accordance with the US GAAP accounting principles. Contracts with customers concluded through the agency of a leasing company are also carried as assets under this item due to the amount of the agreed residual value guarantee.

Depreciation on the trucks for leasing for which Jungheinrich is not a lessee is charged over the useful economic life of the trucks.

Depreciation on the trucks for leasing for which Jungheinrich is a lessee is charged over the term of the leasing contracts.

(9) Financial assets

The securities held as financial assets are above all fixed-income investment government securities that serve to cover the accrued liabilities included in Austrian balance sheets for claims of employees at the time of their leaving the company. Lendings are mainly accounted for by residential housing loans to employees.

(10) Inventories

(thousand €)	31.12.2000	31.12.1999
Raw materials and consumables	38,205	42,264
Work in process	18,545	27,343
Finished products and goods	61,926	65,160
Spare parts	32,793	35,986
Own payments on account	13,391	3,338
Received payments on account	- 13,694	- 7,139
	151,166	166,952

The received payments on account are due within one year.

Due to restructuring measures, depreciation has been charged on the inventories in the amount of € 2,862 thousand.

(11) Receivables for sales and services

(thousand €)	31.12.2000	31.12.1999
Receivables for sales and services	335,372	297,756
Valuation allowances	- 7,478	- 6,339
	327,894	291,417

Of the receivables for sales and services, a total amount of € 5,738 thousand (previous year € 7,116 thousand) is due after one year.

(12) Receivables from financial services

Within the framework of the financial services business in which Jungheinrich Group companies act as lessors, receivables from financial services are carried as assets if a leasing contract exists with the customer that is classified as a "capital lease" in accordance with the US GAAP accounting principles.

Of the receivables from financial services, an amount of € 102,651 thousand (previous year € 100,846 thousand) is due after one year.

Notes to the financial statements of the Group

As of 31st December 2000, the following amounts fall due in the coming years for receivables – including the interest income of following business years in the amount of € 18,580 thousand (previous year: € 16,396 thousand):

(thousand €)						
2001	2002	2003	2004	2005	thereafter	Total
51,772	42,801	32,077	23,170	14,933	58	164,811

(13) Other receivables and other assets

(thousand €)	31.12.2000	31.12.1999
Receivables from affiliated companies	3,925	3,010
Receivables from companies in which a participating interest is held	1,539	1,864
Other assets	65,681	72,221
	71,145	77,095

Of the other receivables and other assets, an amount of € 41,603 thousand (previous year: € 45,395 thousand) is due after one year. The other assets include tax receivables from consolidation measures in the amount of € 46,257 thousand (previous year € 49,725 thousand) and receivables from current taxes in the amount of € 6,676 thousand (previous year € 7,812 thousand).

(14) Securities

At Jungheinrich AG, securities are held on the basis of an agreement to secure obligations under the age-related part-time working scheme and are thus currently not freely available.

(15) Cash and cash equivalents

Cash and cash equivalents cover credit balances at banks, cash balances, Bundesbank balances and cheques. They have an original term of max. three months.

(16) Consolidated flow-of-funds analysis

The financial resources correspond to the item stated in the balance sheet for cash and cash equivalents.

The following payments are included in the cash flow from current business activities:

(thousand €)	2000	1999
Interest paid	26,969	24,644
Income taxes paid	7,789	5,300

(17) Prepaid expenses

The prepaid expenses consist mainly of advance payments on rents, leasing fees, interest and insurance premiums. The previous year's figure still included costs for tools at the plants of upstream suppliers, which were carried as assets in the year under review.

Of the prepaid expenses, an amount of € 575 thousand (previous year € 1,488 thousand) is due after one year.

(18) Equity capital

Number of shares issued

The subscribed capital is divided into 18,000,000 no-par-value ordinary shares and 16,000,000 no-par-value preferred shares without voting rights. The preferred shares bear special profit participation rights that derive from the Articles of Incorporation of Jungheinrich Aktiengesellschaft.

The subscribed capital has been switched over to Euro in accordance with the authorisation issued by the general meeting on 30th June 1998 and in accordance with a motion passed by the Supervisory Board on 21st April 1999.

Own shares

In accordance with the authorisation issued by the general meeting on 22nd June 1999 and with the consent of the Supervisory Board, the Board of Management has purchased own shares of Jungheinrich Aktiengesellschaft in order to re-sell same.

On the closing date of accounts, the 360,000 preferred shares that had been purchased on 2nd July 1999 at a price of € 15.75 per share were still held by the

company. The amount of the share capital accounted for by own shares is € 1,080 thousand or 1.06 per cent of the share capital.

Approved capital

On the basis of a motion passed by the general meeting and with the consent of the separate meeting of the preferred shareholders, both of which meetings were held on 19th June 2000, approved capital has been created in the amount of € 6,000,000.

Under the Articles of Incorporation of the company and with the consent of the Supervisory Board, in the period up to 30th June 2005 the Board of Management is now empowered to increase the share capital of the company by up to a total of € 6,000,000 by the issue of new bearer shares for cash by means of either a single issue or repeat issues (approved capital). The shares issued shall in each case be non-voting preferred shares. The Supervisory Board is empowered to revise the corresponding provisions of the Articles of Incorporation of the company following a total or partial implementation of the increase in the share capital or after the time limit of the authorisation has expired.

Dividends

According to the German Stock Corporation Law, the amount of the dividends that can be distributed to the shareholders depends on the balance sheet profit stated in the annual financial statements of Jungheinrich AG according to HGB. The Board of Management of Jungheinrich AG proposes that from the balance sheet profit of Jungheinrich AG for business year 2000 a dividend in the amount of € 6,480 thousand (€ 0,36 per share) be distributed to the ordinary shareholders and in the amount of € 6,569 (€ 0,42 per share) be distributed to the preferred shareholders.

Notes to the financial statements of the Group

Other changes in shareholders' equity

Stated in this item are the differences deriving from foreign currency translation and from the valuation of pensions.

(19) Accrued liabilities for pensions and similar obligations

Pension schemes

The accrued liabilities for pensions mainly include the commitments entered into in Germany and regulated in individual and collective agreements regarding performance-oriented pension schemes for members of the Board of Management, managers and employees of Jungheinrich AG and Steinbock GmbH. In the case of commitments entered into within the framework of collective agreements, the amount of the pension entitlement depends on the number of eligible years of service at the time when the payment of termination benefits is to start as well as on the monthly average income of the beneficiary. Since 1st July 1987, the company pension system of Jungheinrich AG and since 14th April 1994 that of Steinbock GmbH have been closed to hourly employees and salaried employees.

In countries outside Germany, pension schemes for managers and employees exist at several companies. The major part of the pension claims is covered by separately set up funds.

The pension obligations have been valued in accordance with the regulations of FAS 87.

The following tables show the net pension expenditure and the pension commitments stated in the consolidated balance sheet:

Composition of net pension expenditure:

(thousand €)	31.12.2000	31.12.1999
Actuarial present value of the claims founded in the year under review	7,082	6,101
Interest accruing on the expected pension obligations	9,781	8,800
Expected earnings of fund assets	- 4,688	- 4,555
Discharge of obligations deriving from the changeover to FAS 87	197	503
Discharge of the actuarial losses carried forward	413	1,811
Net pension expenditure	12,785	12,660

Changes in the projected benefit obligation (PBO):

(thousand €)	31.12.2000	31.12.1999
Projected benefit obligation (PBO) at the beginning of the year under review	169,510	145,198
Foreign currency exchange rate changes	- 302	6,314
Actuarial present value of the claims founded in the year under review	7,082	6,101
Interest accruing on the expected pension obligations	9,781	8,800
Employee contributions	1,496	1,456
Actuarial gains and losses	4,534	5,068
Benefits paid for pension commitments	- 5,036	-3,427
Projected benefit obligation (PBO) at the end of the year under review	187,065	169,510

Changes in fund assets:

thousand €)	31.12.2000	31.12.1999
Current market value of the fund assets at the beginning of the year under review	52,014	36,602
Foreign currency exchange rate changes	- 217	4,528
Actual earnings of the fund assets	8,872	7,342
Employer contributions	3,603	2,446
Employee contributions	1,595	1,991
Benefits paid for pension commitments	- 811	- 895
Current market value of the fund assets at the end of the year under review	65,056	52,014

Calculation of the final accrued liability for pensions for statement in the balance sheet:

(thousand €)	31.12.2000	31.12.1999
Funded status of the fund assets ¹⁾	122,009	117,496
Unrecognised actuarial gains/losses	- 11,187	- 11,657
Unrecognised net liabilities at the date of transition to FAS 87	- 394	- 594
Balance sheet figure	110,428	105,245

¹⁾ Difference between the projected benefit obligation (PBO) and the current market value of the fund assets

The balance sheet figure is included in the following balance sheet items:

(thousand €)	31.12.2000	31.12.1999
Accrued liabilities for pensions	122,613	116,086
Other changes in shareholders' equity	- 12,185	- 10,841
Balance sheet figure	110,428	105,245

The calculations of pension obligations were based on the following weighted average assumptions:

	31.12.2000	31.12.1999
Discount rate	5.8 %	5.8 %
Expected long-term return on fund assets	7.0 %	7.0 %
Expected increases in salaries	3.4 %	3.3 %

Notes to the financial statements of the Group

(20) Other accrued liabilities

The other accrued liabilities consist of the following:

(thousand €)	31.12.2000	31.12.1999
Accruals for taxes	23,408	14,786
Accrued personnel and social costs	65,550	53,165
Structural accruals	9,369	–
Accruals for sales not yet billed	20,886	12,794
Accruals for warranty obligations	22,911	20,330
Miscellaneous accrued liabilities	36,632	28,863
	178,756	129,938

Of the accrued liabilities, an amount of € 10,916 (previous year € 9,866 thousand) is probably due after one year.

The accrued personnel and social costs relate to accruals for holiday entitlements, to early retirement

arrangements, to age-related part-time working agreements, to jubilee obligations and to other deferred personnel costs.

The accrued liabilities for sales not yet billed represent obligations in respect of products or services that have already been delivered or rendered but for which no invoices have yet been received.

The other accrued liabilities comprise accruals for impending losses on unfilled orders, environmental risks and miscellaneous contingent liabilities.

The structural accruals in the amount of € 9,369 thousand mainly include severance and reallocation measures for some 220 employees from the plants and sales and distribution within the framework of the closure of the Heavy Truck division at Boss Manufacturing Ltd. and Boss Group Ltd. in Britain as well as the restructuring measures at MIC S.A. in France. The expenditures are included in the cost of sales in an amount of € 7,439 thousand and in the sales and distribution costs in an amount of € 1,930 thousand.

(21) Financial liabilities

(thousand €)	31.12.2000	thereof maturities		31.12.1999
		up to 1 year	more than 5 years	
Amounts due to financial institutions	160,830	135,157	3,910	243,364
Leasing liabilities	82,006	16,881	22,844	78,539
Liabilities from acceptance of drawn bills and from issue of own bills	8,598	8,598	–	8,959
	251,434	160,636	26,754	330,862

As of 31st December 2000, Jungheinrich has unused short-term credit lines at various banks in the amount of € 132,474 thousand (previous year: € 212,603 thousand).

The credit lines, which are predominantly utilised in the form of a Group credit line, include revolving credit facilities in an amount of € 256,954 thousand. There are no restrictions on the use to which the loans are put.

Of the amounts due to financial institutions, an amount of € 14,320 thousand (previous year: € 13,983 thousand) is secured by mortgages.

The leasing liabilities are in connection with the financing of tangible assets and trucks for hire and

leasing via leasing contracts which according to US GAAP are to be classified as “capital lease” contracts and under which the assets are to be carried as fixed assets by Jungheinrich as the lessor. The leasing liabilities are reduced over the term of the leasing contracts.

The financial liabilities fall due in the next 5 years and thereafter as follows:

(thousand €)						
2001	2002	2003	2004	2005	thereafter	Total
160,636	29,389	14,152	16,275	4,228	26,754	251,434

(22) Liabilities from financial services

(thousand €)	thereof maturities			31.12.1999
	31.12.2000	up to 1 year	more than 5 years	
Liabilities from financing	199,287	59,036	59	174,913
Liabilities from sales deferrals	148,152	40,892	1,997	115,946
	347,439	99,928	2,056	290,859

Notes to the financial statements of the Group

The liabilities from financing result from the financing of industrial trucks within the framework of financial services business with banks and leasing companies.

The liabilities are reduced over the term of the leasing contracts.

The liabilities from financing are due in the next five years and thereafter as follows:

(thousand €)						
2001	2002	2003	2004	2005	thereafter	Total
59,036	53,310	41,227	30,157	15,498	59	199,287

The liabilities from financing the industrial trucks are partially offset by leasing contracts with ultimate customers, which lead to receivables from financial services for Jungheinrich as the lessor.

Furthermore, the liabilities from financing are partially offset by leasing contracts that must be classified as “operating leases” and are carried on the assets side as trucks for leasing from financial services.

(thousand €)

2001	2002	2003	2004	2005	thereafter	Total
15,421	12,094	7,713	3,337	376	–	38,941

As of 31st December 2000, the future proceeds from these “operating lease” contracts are due as follows: The liabilities from sales deferrals include the deferrals of the proceeds from sales that come about through the agency of a leasing company. The corresponding trucks are carried on the assets side as trucks for leasing from financial services. The liabilities are reduced over the term of the contract with effect on sales.

(23) Trade liabilities

All trade liabilities are due within one year.

(24) Other liabilities

(thousand €)	thereof maturities			31.12.1999
	31.12.2000	up to 1 year	more than 5 years	
Liabilities to affiliated companies	746	718	–	372
Liabilities to companies in which an equity interest is held	1,249	1,249	–	938
Other liabilities	38,340	38,293	–	42,158
	40,335	40,260	–	43,468

Included in other liabilities are amounts from taxes of € 16,037 thousand (previous year: € 16,233 thousand) and liabilities within the framework of social security in the amount of € 12,976 (previous year: € 13,931).

(25) Deferred income

The item deferred income mainly includes profit deferrals from the financing of financial services business.

The profit deferrals are reduced pro rata temporis over the term of the leasing contracts.

Of deferred income, amounts totalling € 38,438 thousand (previous year: € 35,152 thousand) are due after one year.

(26) Litigation and claims

Various lawsuits, investigations by public authorities as well as other claims against Group companies are pending or could be initiated or asserted in the future that could lead to unscheduled expenditures.

Litigation is subject to many uncertainties so that the outcome of individual proceedings cannot be predicted with certainty. It cannot be excluded that Jungheinrich may on the basis of definitive judgments in some of these cases incur expenditures that exceed the accruals formed for this purpose and the timing and scope of which cannot be predicted with any certainty. Due to the provision made for such eventualities, the resultant contingent obligations will, however, in our estimation have no major impact on the financial and earnings position of the Group.

(27) Contingent liabilities and other financial obligations

(thousand €)	31.12.2000	31.12.1999
Contingent liabilities from discounted bills of exchange	10,878	14,133
Liabilities from warranties	7,670	4,624
	18,548	18,757

Insofar as is prescribed by law or is considered to be necessary and reasonable, Jungheinrich initiates voluntary exchange actions and recall actions for the products it sells in order to ensure customer satisfaction and compliance with its own safety standards. The Group establishes reserves for product warranty, which also cover the anticipated cost of such actions. The estimates of the scope of the anticipated expenditures are based above all on past experience. Estimates of the future cost of such actions are inevitably subject to numerous uncertainties, e. g. in respect of the introduction of new laws and regulations, in respect of the number of products sold or the nature of the measures to be initiated, which may result in adjustments to the established reserves. It cannot be excluded that the ultimate cost of these actions may exceed the reserves established for this purpose in a manner that cannot be foreseen. The obligations that could possibly ensue from such a situation will, however, in our estimation have no major impact on the financial and earnings position of the Group.

Rental and leasing contracts

At its various sites, the Group has concluded rental and leasing contracts ("operating leases") for business premises, data processing systems, office equipment

and vehicles. The future minimum payments up to the first contractually agreed termination date are due as follows:

(thousand €)							
2001	2002	2003	2004	2005	thereafter	Total	
24,665	18,720	14,395	8,274	5,354	13,690	85,098	

Total expenditures from this for the year 2000 amount to € 33,381 (previous year: € 29,721 thousand).

(28) Financial instruments

a) Use of financial instruments

Changes in interest rates and currency exchange rates entail risks for the Jungheinrich Group that are actively controlled in the course of risk management.

Jungheinrich uses the following financial instruments to control these risks: call money and time deposits, spot exchange transactions and forward exchange dealings as well as interest rate swaps. Based on the requirements which the German Law regarding Controls and Transparency in the Corporate Sector (KonTraG) imposes on the risk management of a company, in a procedural guideline we have defined control mechanisms for the use of financial instruments. These include among other things a clear segregation of function with regard to trading, settlement and accounting.

b) Nominal values and counterparty risk

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

The nominal values of derivative financial instruments amount to:

(thousand €)	31.12.2000	31.12.1999
Currency hedging contracts	11,020	11,233
Interest rate hedging contracts	31,500	31,500

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

In interest rate management of the Jungheinrich Group, derivative interest rate instruments as mentioned above are used above all to hedge against the risks of changes in interest rates and to reduce the cost of financing.

The Group is exposed to a counterparty risk which arises through the non-fulfilment of contractual agreements on the part of the counterparties. The contract partners concerned are generally international financial institutions. On the basis of their rating, which is determined by reputable rating agencies, no major risk ensues for Jungheinrich from dependence

on individual counterparties. The general credit risk from the derivative financial instruments used is considered to be negligible.

c) Market values of financial instruments

The market value of a financial instrument is the price at which the particular instrument could have been sold in the market on the closing date of accounts. The market values were calculated on the basis of the market information available on the closing date of accounts and on the basis of the valuation methods stated below that are based on certain prices. In view of varying influencing factors, the values stated here may differ from the values later realised in the market.

As of 31st December 2000, open currency hedging transactions existed with a market value of € 281 thousand. Interest rate hedging transactions existed with a positive market value of € 605 thousand.

In the case of cash and cash equivalents as well as other receivables and liabilities, due to the short maturities of these financial instruments the carrying values approximately correspond to the market values.

(29) Segment reporting

Jungheinrich operates at the international level – with the main focus on Europe – as a manufacturer and supplier of products in the fields of industrial trucks, warehousing and material flow technology as well as of all services connected with these activities.

The Board of Management at Jungheinrich acts and makes decisions with overall responsibility for all divisions of the Group. The economic ratios and reports submitted monthly to the entire managing

Notes to the financial statements of the Group

board are oriented to inter-divisional control variables. Consequently, in accordance with the “Management Approach” Jungheinrich is in its core business a single-segment company.

Sales revenues are shown according to consignee regions and product groups. Total assets comprise the fixed assets and current assets before the elimination of intercompany results and receivables as well as prepaid expenses within the Group.

The capital expenditures and depreciation relate in each case to the tangible fixed assets without the trucks for hire and leasing.

Sales by regions

(thousand €)	2000	1999
Germany	487,837	459,260
Rest of Europe	934,353	836,660
Other countries	92,406	56,719
	1,514,596	1,352,639

Sales by product groups

(thousand €)	2000	1999
New products	958,523	847,745
Income from rentals and from sales of used vehicles	212,286	181,292
After-sales service	410,634	372,145
	1,581,443	1,401,182
Adjustments for financial services, discounts paid and miscellaneous	– 66,847	– 48,543
	1,514,596	1,352,639

Further segment information by regions:

	Germany	Rest of Europe	Other countries	Consolidation	Total
Total assets as of 31.12.2000 (thousand €)	740,352	799,347	6,529	– 150,799	1,395,429
Capital expenditures (thousand €)	15,819	14,248	262	–	30,329
Depreciation (thousand €)	13,234	20,163	290	–	33,687
Personnel as of 31.12.2000 (No. of employees)	4,436	4,753	50	–	9,239

(30) Earnings per share

For the purpose of calculating the earnings per share, no adjustments have been made to the consolidated earnings. The consolidated earnings correspond to the stated Group net income.

	2000	1999
Consolidated earnings (thousand €)	31,702	8,567
Weighted average of the issued shares (thousand shares)	33,640	33,820
Earnings per share (€)	0.94	0.25

Earnings per share are based on the weighted average of the number of the issued individual share certificates (ordinary and preferred shares). The weighted number of the individual share certificates is calculated as follows:

Thousand shares	2000	1999
Initial position January	33,640	34,000
less repurchase of 360 thousand own shares (pro rata temporis 6/12 for 1999)	–	– 180
Final position December	33,640	33,820

In the business years 2000 and 1999, no equity capital instruments existed that dilute the earnings per share on the basis of the shares issued.

(31) Events after the closing date of accounts

As a result of the review of our sales and distribution strategy in 2000, which looked among other things at the positioning of the four product brands, the Jungheinrich Group will this year adopt a new orientation to the market. The core element is the merging of the sales and distribution forces into one Jungheinrich sales and distribution organisation per country under which all Group products will be offered. This concentration on direct marketing serves the purpose of being able to expand the range of services offered for and in connection with the lift truck and of strengthening earning power on a sustained basis through structural streamlining.

To streamline the organisation, at the beginning of the year 2001 the sales and distribution activities of the Jungheinrich brand as well as of the Steinbock, Boss and MIC brands were brought together into one organisational unit under the responsibility of one member of the Board of Management. The two-channel sales and distribution networks in Britain, France and Spain will each be combined into one Jungheinrich sales and distribution organisation per country.

Sales and distribution via dealers will in future still be practised in those countries in which this is an economically sensible proposition.

- Explanatory comments to the major accounting, valuation and consolidation methods applied in the Jungheinrich Group and contained in the prescribed consolidated financial statements and that deviate from German law

Fundamental differences

German accounting and US American accounting are each based on fundamentally different approaches. Whereas accounting according to German commercial law puts the principle of caution and the protection of creditors in the foreground, the priority objective of US accounting is the provision of information that is relevant to shareholder decision-making. For this reason, US GAAP attaches greater importance to the comparability of the annual financial statements – both over a number of years and from different companies – as well as to the determination of earnings on an accrual basis than is the case with German commercial law.

Currency gains

According to HGB, short-term receivables or liabilities in foreign currency must be stated at the exchange rates valid on the day on which they come into being. Currency gains at the closing date of accounts must not be taken into account. According to US GAAP, currency gains are to be realised.

Goodwill

According to the US regulations, acquired goodwill must be written down over its probable useful economic lifetime with effect on the net result. Direct offsetting against equity capital as is possible under German commercial law is not permissible.

Leasing

The carrying of leased objects as assets is not treated in a fundamentally different way under US GAAP to that practised in accordance with the regulations of German commercial law. Such objects are not attributed to the assets of the legal owner but to those of the economic owner. However, the criteria for attributing a leased item of economic value differ in detail. In the case of financing leasing (“capital lease”), the risks and opportunities deriving from ownership of the leased asset lie predominantly with the lessee without legal ownership being simultaneously transferred to the latter. According to US GAAP, such financing arrangements are treated as a purchase. Consequently, the lessee books the leased object as an asset and enters a corresponding liability on the liabilities side.

Deferred taxes

According to HGB, only residual credit and debit balances are entered into the consolidated financial statements as tax deferrals. Furthermore, it is not permissible to book deferred taxes on the assets side that derive from tax losses carried forward. According to US GAAP, deferred taxes are calculated on temporary valuation differences between the statements of assets and debts in the tax balance sheet and the consolidated financial statements, based on the expected rate of taxation at the end of the period covered by the report in accordance with the enacted tax law, for the time when the differences are reversed. According to US GAAP, deferred tax assets are also calculated on tax loss carryforwards. If the sustained value of deferred tax assets is not assured, then a valuation allowance must be made in respect of these. The decisive criterion for assessing the sustained value is whether it is “more likely than not” that this asset will actually be realised in the future.

Own shares

According to HGB, own shares are stated on the assets side of the balance sheet under a separate item. Corresponding to this, a reserve is formed in the equity capital. According to US GAAP, own shares are set off against the equity capital.

Accruals for pensions

In contrast to the German tax-related lower partial value method, accruals for pensions are calculated taking account of expected increases in wages and salaries. The calculation is not based on a taxation-oriented discount rate of 6 % but on a capital market interest rate for long-term bonds.

Fundamental differences exist between German and other European companies with regard to the form and financing of company retirement schemes. Whereas e. g. in Britain the company pensions scheme is usually organised via external pension funds, German companies make provision for retirement benefits in their balance sheet by forming accruals for future pensions payments. These structural differences, due above all to different tax legislation, are also reflected in the consolidated financial statements.

Other accruals

The regulations regarding the possibilities for forming accruals are substantially more restrictive in US accounting than is the case under German commercial law. According to the latter, accruals are to be formed if an obligation exists vis-à-vis a third party, if the corresponding claim is likely to be asserted and if the probable amount of the necessary accrual can be reliably estimated. Accruals for expenditures and for omitted maintenance expenses are not permissible according to US GAAP.



REPORT OF THE SUPERVISORY BOARD

During the year under review, the Supervisory Board constantly supervised the management of the company and assisted in an advisory capacity. At five meetings, the Supervisory Board received detailed verbal and written reports about the course of the affairs and the development of the company and the Group as well as the earnings position and the strategic orientation and discussed these in depth with the Board of Management as well as dealing with all other matters which according to the law or the Articles of Association of the company require the consent of the Supervisory Board. There are four committees of the Supervisory Board. The personnel committee of the Supervisory Board met six times in the business year 2000. The finance committee held three meetings. The committee for the affairs of the Boss companies in the United Kingdom came together four times. The joint committee with equal representation between employers and employees did not meet during the period under review.

In addition, outside of the meetings of the Supervisory Board the Chairman of the Supervisory Board was in regular contact with the Chairman of the Board of Management and discussed important business transac-

tions with the him at numerous informal meetings.

Within the framework of the regular reports of the Board of Management at meetings of the Supervisory Board and of the monthly written reports, the Supervisory Board was informed about the risks pertaining to the development of the company. Risk management was expanded and substantially improved.

The Supervisory Board kept a special watch on the Boss companies in the United Kingdom and the company MIC in France in view of the ongoing difficult situation there, and these companies were the subject of detailed discussion and consultation. Attention here was focussed in particular on the implementation of the measures to improve the economic position as well as on the structural adjustments. The Supervisory Board concerned itself closely with the optimisation of the sales and distribution strategy and organisation as a project of special importance. Debate here centred especially on the question of the economic efficiency of the multi-brand strategy. As a result of these deliberations, at its meeting on 15th February 2001, the Supervisory Board passed a motion regarding a reorganisation of sales and distribution.

Within the framework of building up and expanding the Group's international business, the Supervisory Board gave its consent to the founding of a number of foreign companies in Europe and overseas.

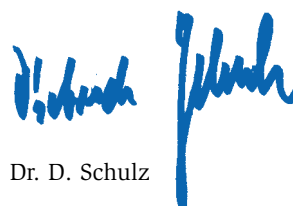
The annual financial statement prepared by the Board of Management and the management report of Jungheinrich AG as well as the accounting documents for the business year 2000 have been audited by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Hamburg. The auditors stated no reservations and confirmed this by issuing an unqualified auditor's certification of the financial statement. The annual financial statement, the management report and the auditor's report have been presented to the Supervisory Board and were examined by the board, including the proposal regarding the appropriation of the profit for the year. Also with regard to the final result of its own examination, the board fully endorses the result of the examination by the auditors. The consolidated financial statement as of 31st December 2000 and the Group management report including the unqualified auditor's certification of the financial statement as well as the corresponding consolidated audit report have been presented to the Supervisory Board. The Supervisory Board approves the result of the audit.

At the meeting at which the annual financial statement was finalised, the Wirtschaftsprüfer² who signed the annual financial statement and the consolidated financial statement took part in the corresponding point on the agenda and submitted their final report on their audit of the annual financial statement and the consolidated financial statement.

During its meeting on 19th April 2001, the Supervisory Board approved the annual financial statement prepared by the Board of Management as of 31st December 2000, which is thereby finalised. The Supervisory Board endorses the proposal of the Board of Management regarding the appropriation of the balance sheet profit.

The appointment of Mrs Karin Martin as a member of the Board of Management ended with effect from the end of the annual general meeting on 19th June 2000. The Supervisory Board thanks Mrs Martin, who has gone into retirement, for her many years of very committed work to the benefit of the company. Dr. Werner Marnette resigned from office as a member of the Supervisory Board in September. Mr Wolfgang Kiel was then appointed a further member of the Supervisory Board in accordance with § 104 Section (1) of the German Stock Corporation Law [AktG]. With effect from 20th June 2000, the Supervisory Board appointed Dr. Michael Lüer as the Human Resources Director besides his other special responsibilities as a member of the Board of Management.

The Supervisory Board gave its consent to the amalgamation of the sales and distribution activities of Jungheinrich and MSB under one Board of Management sphere of responsibility under the leadership of Dr. Dieter Helmke with effect from 1st January 2001. The Supervisory Board thanks all employees as well as the Board of Management for their hard work on behalf of the company, its customers and shareholders.



Dr. D. Schulz

19th April 2001

² German equivalent of Chartered Accountant/
Certified Public Accountant

THE SUPERVISORY BOARD

Consul Dr. Dietrich Schulz

Chairman

Businessman

Further offices held

Supervisory Board:

L. Possehl & Co. mbH, Lübeck (Chairman)

Deutsche Bank Lübeck AG, Lübeck

Süd-Chemie AG, Munich (Deputy Chairman)

Drägerwerk AG, Lübeck

AdCapital AG, Berlin (Chairman)

Detlev Böger

Deputy Chairman

Labour Union Secretary

Sedat Bodur

Member of the Works Council at the Norderstedt Plant

Dr. Henning J. Brandes

Member of the Board of Management of

Robert Leicht AG, Stuttgart

Further offices held

Supervisory Board:

Dinkelacker-Schwabenbräu AG, Stuttgart

Advisory Board:

Niehoff's Vaihinger Fruchtsäfte GmbH,

Gronau (Deputy Chairman)

Dr. Heinrich Döring

Management Consultant

Wolfgang Erdmann

Chairman of the Works Council
at the Norderstedt Plant

Rolf Haucke

1st Proxy, Chief Executive IG Metall
Administrative Agency in Landshut

Further offices held

Supervisory Board:

Starkstromanlagengesellschaft mbH, Frankfurt am Main
SAG Netztechnik GmbH, Frankfurt am Main

Wolfgang Kiel

(since 30.10.2000)
Management Consultant

Further offices held

Supervisory Board:

Schoenbach AG, Hamburg

Advisory Board:

Weier Electric GmbH, Eutin

Klaus-Dieter von Killisch-Horn

Senior Executive

Karl-Helmut Lechner

Chairman of the Works Council at the Hamburg Plant

Dr. Werner Marnette

(until the end of 08.09.2000)

Chairman of the Board of Management of
Norddeutsche Affinerie AG, Hamburg

Further offices held

Supervisory Board:

Hamburgische Landesbank Girozentrale, Hamburg

Dr. Jürgen Westphal

Practising Lawyer

Further offices held

Supervisory Board:

Treugarant – Treuhand- und Beratungsgesellschaft
Steuerberatungsgesellschaft AG, Hamburg (Chairman)

DePfa Deutsche Pfandbrief Bank AG, Wiesbaden
(Chairman)

DePfa Bank AG Bau Boden, Wiesbaden (Chairman)

Board of Directors:

Berenberg Bank, Hamburg

Advisory Board:

Bauunternehmung Gebr. Echterhoff GmbH & Co. KG,
Osnabrück and Westerkappeln (Chairman)

Franz Günter Wolf

Chairman of the Advisory Board of
LACKFA Isolierstoff GmbH & Co., Rellingen

THE BOARD OF MANAGEMENT

Dr. Cletus von Pichler

Chairman of the Board of Management

External office held

Supervisory Board:

ultrafilter international AG

Dr. Dieter Helmke

Member of the Board of Management

Dr. Erich Kirschneck

Member of the Board of Management

(from 18.05.2000)

Other office held within the Group:

Steinbock GmbH, Moosburg

Dr. Michael Lüer

Member of the Board of Management

Karin Martin

(until 19.06.2000)

Member of the Board of Management

External office held

Supervisory Board:

Hamburg Messe und Congress GmbH

(until 17.05.2000)

Other office held within the Group

Steinbock GmbH, Moosburg

Gerold Stocker

Member of the Board of Management

Other office held within the Group

Steinbock GmbH, Moosburg (Chairman)

Major companies of the Jungheinrich Group

Name and Corporate Seat of the Company	Share in capital %	Sales 2000 (million €)	Result after tax 2000 (million €)	Employees (31.12.2000)
Affiliated Companies				
Jungheinrich Aktiengesellschaft, Hamburg	–	700.6	57.8	3,358
pro FIS Finanz Service GmbH, Hamburg	100	62.2	0.1	9
Jungheinrich Finance KG (AG & Co.), Hamburg	100	27.5	– 7.2	–
Jungheinrich (GB) Ltd., Manchester, United Kingdom	100	144.6	1.9	614
Jungheinrich France SARL, Vélizy-Villacoublay, France	100	170.5	1.8	625
Jungheinrich Italiana S.r.l., Trezzano, Milan, Italy	100	127.2	1.8	522
Jungheinrich de España SA, Abrera, Barcelona, Spain	100	38.5	0.6	192
Jungheinrich GmbH, Hirschthal, Switzerland	100	50.2	2.9	150
Jungheinrich Austria Vertriebsges.m.b.H., Vienna, Austria	100	37.2	2.6	163
Jungheinrich (ČR) k.s., Prague, Czech Republic	100	18.2	0.3	63
Jungheinrich Polska Sp. z.o.o., Warsaw, Poland	100	27.9	2.9	126
Jungheinrich Nederland BV, Alphen a.d. Rijn, Netherlands	100	58.3	3.9	200
Jungheinrich n.v./s.a., Leuven, Belgium	100	45.7	1.7	160
Jungheinrich Norge A/S, Oslo, Norway	100	22.7	0.4	86
Jungheinrich Svenska AB, Malmö, Sweden	100	15.5	1.4	70
Jungheinrich Danmark A/S, Tåstrup, Denmark	100	15.2	0.3	49
Mécanique Industrie Chimie MIC SA, Rungis, France	100	132.4	– 23.4	786
Manutención Industrial de Cargas S.A. (MIC S.A.), Leganes, Madrid, Spain	100	28.2	0.4	70
Multiton MIC Corporation, Richmond, Virginia, USA	100	15.2	– 0.5	49
Steinbock GmbH, Moosburg	100	281.5	24.6	954
Steinbock Südwest GmbH, Karlsruhe	100	13.3	– 0.3	69
Boss Manufacturing Ltd., Leighton Buzzard, United Kingdom	100	116.6	– 31.4	438
Boss Group Ltd., Leighton Buzzard, United Kingdom	100	89.5	– 0.5	93
Boss Handling (Northern) Ltd., Normanton, United Kingdom	100	25.8	0.3	116
Boss Handling (Mercia) Ltd., Birmingham, United Kingdom	100	19.5	– 0.8	89
Boss Handling (South East) Ltd., Leighton Buzzard, United Kingdom	100	27.2	– 0.4	99
Associated Company				
JULI Motorenwerk k.s., Moravany/Brno, Czech Republic	50	50.1	2.4	409

Listed here are the Group companies with minimum sales of € 10.0 million.
Sales and the result are based on the annual financial statements prepared in accordance with the laws of the particular country.
Sales and the result after tax are converted at the annual average exchange rate.

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RESULT ACCORDING TO DVFA/SG

The result according to DVFA/SG¹⁾ does not in any way impinge upon tax situations. The effects of changes in tax rates therefore directly impact the result and are not adjusted. This manner of proceeding is in line with accounting according to US GAAP.

However, the lowering of the rate of income tax deriving from the reform of corporate taxation in 1999 can involve substantial effects on the net income stated in the annual financial statements via the amounts stated for deferred taxes. According to the recommendation of the Methods Committee of the DVFA, this effect constitutes a special influence that impairs the comparison of time periods and companies and that therefore has to be adjusted in the result according to DVFA/SG.

Since such a special influence had a substantial negative effect on net income of the Jungheinrich Group in the business year 2000, an adjustment for the result according to DVFA/SG was carried out as shown below.

¹⁾ Deutsche Vereinigung für Finanzanalyse und Assetmanagement/Schmalenbachgesellschaft

The earnings per share are based on an average number of issued individual share certificates of 33,640 thousand (previous year: 33,820 thousand).

Adjustment	2000 million €	1999 million €
Net income	31.7	8.6
Effects of the 1999 tax reform on deferred taxes from reductions of tax rates:	24.9	8.0
Result according to DVFA/SG	56.6	16.6
Earnings per share (€)	1.68	0.49

TRANSITION FROM HGB TO US GAAP 1999

For the sake of the comparability of the information with the Jungheinrich consolidated financial statements of the previous year, the following overview sets forth the consolidated financial statements according to German

commercial law (HGB) alongside the American accounting rules (US GAAP) as of 31.12.1999. Major differences result from the first-time inclusion of financial services business in the balance sheet.

Balance sheet transition

	HGB 31.12.1999 million €	US GAAP adjustment million €	US GAAP 31.12.1999 million €
Assets			
Fixed assets			
Fixed assets (not including trucks for hire and leasing)	161	42	203
Rental trucks	78	37	115
Trucks for leasing from financial services	–	128	128
	239	207	446
Current assets			
Inventories	162	5	167
Receivables and other assets (not including financial services business)	305	64	369
Receivables from financial services	–	135	135
Cash and cash equivalents	184	–	184
	651	204	855
Deferred tax assets/ prepaid expenses	9	34	43
	899	445	1,344
Liabilities and shareholders' equity			
Shareholders' equity	274	–10	264
Accrued liabilities	230	16	246
Liabilities			
Financial liabilities	238	93	331
Liabilities from financial services	–	291	291
Other liabilities	153	–2	151
	391	388	773
Deferred tax liabilities/deferred income	4	57	61
	899	445	1,344

The transition of the statement of income (profit and loss account) from HGB to US GAAP is largely determined by reclassifications and changes in valuation. The reclassifications include the attributing of other taxes and net income from investments in other companies to the result before interest and tax (EBIT).

The substantially higher result before interest and tax (EBIT) according to US GAAP in the 1999 consolidated financial statements results above all from the fact that, according to US GAAP rules, a substantial share of the parcel of measures resolved upon for Boss Manufacturing Ltd. and MIC S. A. that was already contained in the consolidated financial statements for 1999 according to HGB had to be included in the consolidated financial statements for 2000.

The financial result according to US GAAP contains the interest charges from the leasing financing of owner-used tangible assets and rental trucks that are carried as fixed assets.

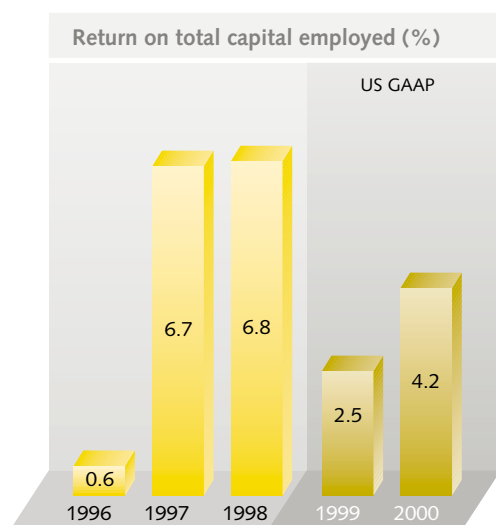
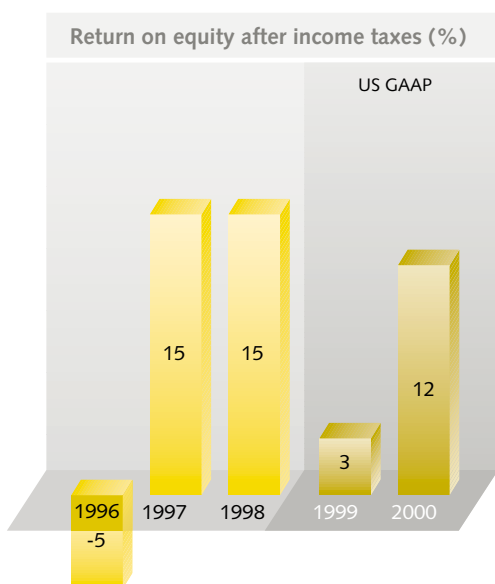
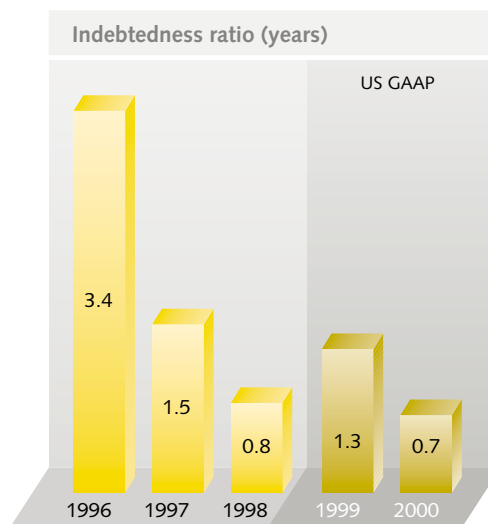
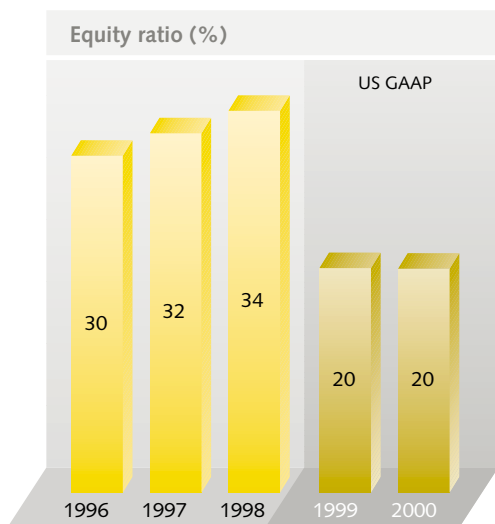
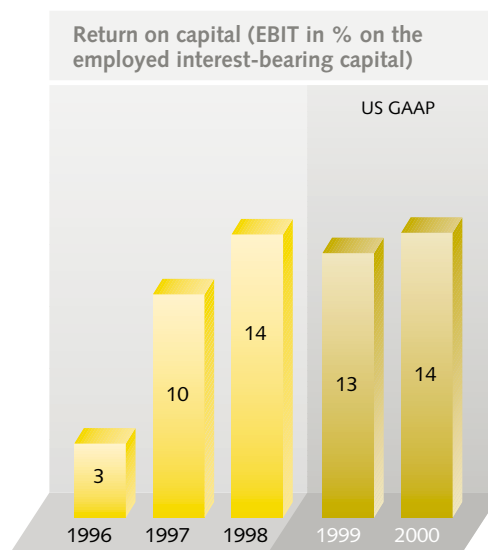
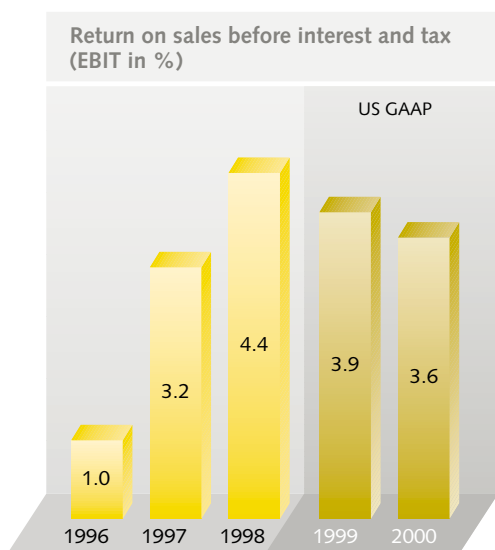
Also included is interest expenditure from financial services business (capital lease), which is offset by corresponding interest income from the receivables from financial services.

The deviation in income taxes mainly results from the statement of tax deferrals according to US GAAP in respect of loss carryforwards and in respect of changes in rates of taxation due to the 1999 tax reform.

Statement of income transition

	HGB 1999 million €	US GAAP adjustment million €	US GAAP 1999 million €
Sales revenues	1,435	- 82	1,353
Cost of sales and other expenditures and revenues	- 1,391	93	- 1,298
Other taxes	see below	- 4	- 4
Net income from investments in other companies	see below	1	1
Earnings before interest and tax (EBIT)	44	8	52
Financial result	- 10	- 1	- 11
Net income from investments in other companies	1	- 1	s. o.
Result of ordinary business activity	35		-
Other taxes	- 4	4	s. o.
Result before income taxes (EBT)	-		41
Income taxes	- 15	- 17	- 32
Group net income	16	- 7	9

Key financial data of the Jungheinrich Group



Five-year overview of the Jungheinrich Group

		1996	1997	1998	Accounting according to US GAAP		
					1999	2000	1999/00 change in %
Order intake, production and sales							
Order intake	million €	729	806	813	872	994	14
Production of industrial trucks	units	37,154	43,364	52,975	56,900	64,600	14
Sales	million €	1,231	1,308	1,346	1,353	1,515	12
– thereof in Germany	million €	502	499	479	459	488	6
– thereof abroad	million €	729	809	867	894	1,027	15
Foreign share	%	59	62	64	66	68	–
No. of employees							
	31.12.	8,619	7,905	8,530	8,991	9,239	3
– thereof in Germany	31.12.	4,551	3,783	4,094	4,287	4,436	3
– thereof abroad	31.12.	4,068	4,122	4,436	4,704	4,803	2
Capital spending							
Capital spending ¹⁾	million €	42	24	28	35	33	– 6
Research and development	million €	33	32	30	27	28	4
Assets and liabilities structure							
Fixed assets	million €	224	207	225	446	492	10
– thereof trucks for leasing from financial services					128	158	23
Current assets	million €	480	552	580	898	903	1
– thereof receivables from financial services					135	146	8
Total assets	million €	704	760	805	1,344	1,395	4
Capital structure							
Shareholders' equity	million €	211	242	271	264	282	7
– thereof subscribed capital	million €	87	87	87	102	102	–
Accrued liabilities for pensions	million €	71	74	79	116	123	6
Other accrued liabilities	million €	114	111	128	130	178	37
Financial liabilities	million €	181	195	168	331	251	– 24
Liabilities from financial services	million €				291	347	19
Other liabilities	million €	127	138	159	212	214	1
Total capital	million €	704	760	805	1,344	1,395	4
Income statement							
Earnings before interest, tax and depreciation (EBITDA) ²⁾	million €	53	86	104	137	166	21
Earnings before interest and tax (EBIT) ²⁾	million €	12	42	59	52	55	6
Earnings before tax (EBT) ²⁾	million €	2	32	51	41	47	15
Net income / deficit for the year	million €	– 10	33	39	9	32	256
Earnings per share ³⁾	€	– 0.30	0.55	1.14	0.25	0.94	276
Dividend per share – Ordinary	€	0.00	0.26	0.36	0.36	0.36	–
– Preferred	€	0.10	0.31	0.41	0.42	0.42	–
Key financial data							
Equity ratio	%	30	32	34	20	20	
Equity to fixed assets ratio ⁴⁾	%	94	117	121	83	84	
Return on capital before interest and tax (EBIT)	%	1	3	4	4	4	
Return on capital employed (EBIT in % on the employed, interest-bearing capital)	%	3	10	14	13	15	
Return on equity after income taxes	%	– 5	15	15	3	12	
Return on total capital employed	%	1	7	7	3	4	
Dynamic indebtedness ratio ⁵⁾	years	3.4	1.5	0.8	1.3	0.7	
Net gearing (net indebtedness/equity)	%	48	47	22	54	32	
Equity turnover	years	1.8	1.8	1.7	1.0	1.1	

¹⁾ Not including trucks for hire and leasing and financial assets

³⁾ Not including extraordinary results

⁵⁾ Ratio: effective indebtedness to net cash flow

²⁾ Up to 1998: before other taxes

⁴⁾ Not including trucks for leasing from financial services

DATES 2001

Balance sheet press conference Hamburg	3rd May 2001, 10.00 a.m.
DVFA Analysts Conference Frankfurt am Main	4th May 2001, 10.00 a.m.
Quarterly report as of 31st March 2001	May 2001
Annual General Meeting Congress Centrum Hamburg (CCH)	12th June 2001, 10.00 a.m.
Dividend payment	13th June 2001
Interim report (1st half-year 2001)	August 2001
Quarterly report as of 30th September 2001	November 2001



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