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JUNGHEINRICH 4.0

Interim report

as of 30 June 2019

JUNGHEINRICH

Key figures at a glance

The modified retrospective transition method was chosen for the first-time application of IFRS 16 “Leases” as of 1 January 2019. The comparative figures of the previous year were therefore not adjusted.

Jungheinrich Group		Q2 2019	Q2 2018	Change %	H1 2019	H1 2018	Change %	FY 2018
Incoming orders	units	33,700	34,900	−3.4	67,000	67,400	−0.6	131,000
	€ million	1,044	1,024	2.0	2,065	1,946	6.1	3,971
Orders on hand 30 June/31 December	€ million				1,015	897	13.2	907
Production of material handling equipment	units	29,700	28,900	2.8	58,800	58,900	−0.2	121,000
Revenue	€ million	1,008	912	10.5	1,956	1,784	9.6	3,796
thereof Germany	€ million	n/a	n/a	–	465	434	7.1	900
thereof abroad	€ million	n/a	n/a	–	1,491	1,350	10.4	2,896
Foreign ratio	%	n/a	n/a	–	76	76	–	76
Earnings before interest and taxes (EBIT)	€ million	67.2	69.2	−2.9	126.8	127.1	−0.2	275
EBIT return on sales (EBIT ROS)	%	6.7	7.6	–	6.5	7.1	–	7.2
EBIT return on capital employed (ROCE)[1]	%	n/a	n/a	–	13.0	15.3	–	16.0
Earnings before taxes (EBT)	€ million	61.7	64.1	−3.7	118.2	115.3	2.5	249
EBT return on sales (EBT ROS)	%	6.1	7.0	–	6.0	6.5	–	6.6
Profit or loss	€ million	44.4	45.0	−1.3	85.2	82.4	3.4	176
Capital expenditure[2]	€ million	n/a	n/a	–	65	41	58.5	106
Research and development expenditure	€ million	n/a	n/a	–	43	41	4.9	84
Balance sheet total 30 June/31 December	€ million				5,045	4,321	16.8	4,746
Shareholders’ equity 30 June/31 December	€ million				1,390	1,284	8.3	1,362
thereof subscribed capital	€ million				102	102	–	102
Employees 30 June/31 December	FTE[3]				18,221	17,293	5.4	17,877
thereof Germany	FTE[3]				7,469	7,164	4.3	7,378
thereof abroad	FTE[3]				10,752	10,129	6.2	10,499

Jungheinrich share		30/06/2019	30/06/2018	31/12/2018
Earnings per preferred share	€	0.85	0.82	1.73
Shareholders’ equity per share	€	13.63	12.59	13.35
Share price[4]				
High	€	32.06	41.06	41.60
Low	€	21.48	30.40	22.34
Close	€	27.10	31.76	22.84
Market capitalisation	€ million	2,764	3,240	2,330
Stock exchange trading volume[5]	€ million	385	578	1.136
P/E ratio[6]	factor	15.9	19.4	13.2
Number of shares[7]	million shares	102	102	102

1 EBIT as a percentage of interest-bearing capital employed[8] (cut-off date), EBIT annualised
2 Property, plant and equipment and intangible assets without capitalised development expenditure
3 FTE = full-time equivalents
4 Xetra closing price
5 Xetra and Frankfurt
6 P/E ratio = closing price/earnings per preferred share annualised
7 Divided into 54.0 million ordinary shares and 48.0 million preferred shares
8 Shareholders’ equity + Financial liabilities – Cash and cash equivalents and securities + Provisions for pensions and long-term personnel obligations

NB: The tables in this report may contain rounding differeneces.

Jungheinrich share

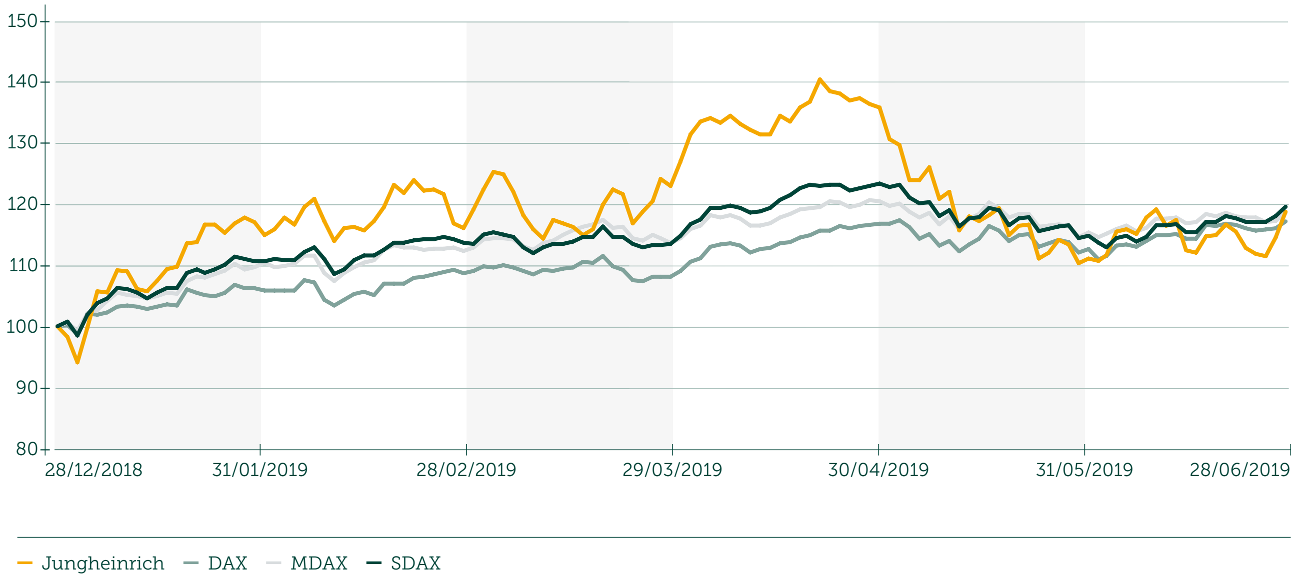
International capital markets were subject to numerous geopolitical and economic uncertainties in the first half of 2019. Nevertheless, the stock markets developed well despite these, in some cases very significant, conflicts. The relevant domestic share indices were buoyant between January and June 2019. The DAX climbed 17.4 per cent, while the SDAX gained 19.7 per cent.

The Jungheinrich share rose in line with these indices and grew a significant 18.7 per cent. Following a low of €21.48 on 3 January 2019, the share reached €27.10 by the end of the first half of the year. Market capitalisation amounted to €2,764 million (31/12/2018: €2,330 million). The Jungheinrich share recorded its highest value for the first half of 2019 on 18 April 2019 at €32.06.

A resolution was passed at the Annual General Meeting of Jungheinrich AG to pay a stable dividend for the 2018 financial year of €0.50 per preferred share and €0.48 per ordinary share. The dividend payment thus remained unchanged against the previous year and a total of €50 million was paid out for 2018.

Share price performance H1 2019

in %



Interim Group management report

- Noticeable downturn in global market and core market of Europe
- Incoming orders (by value) and revenue up
- Forecast adjusted

Economic and sector environment

Growth rates for selected economic regions

Gross domestic product in %	Forecast 2019	2018
World	3.2	3.6
USA	2.6	2.9
China	6.2	6.6
Eurozone	1.3	1.9
Germany	0.7	1.4

Source: IMF (July 2019 with updated prior-year figures)

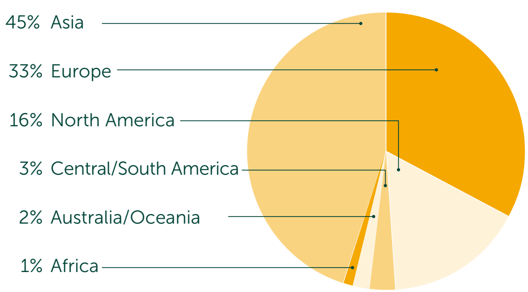
Macroeconomic situation

The International Monetary Fund (IMF) adjusted its global growth expectations for the full year 2019 slightly downwards in July 2019 from the estimates published in April 2019. However, it still expects solid growth for the global economy of 3.2 per cent despite the uncertainty surrounding the course that the trade dispute between the USA and China will take (2018: 3.6 per cent). In light of the uncertainties resulting from political conflicts, GDP in the USA is expected to record reasonable growth of 2.6 per cent, but weaker than the figure recorded in the previous year (2018: 2.9 per cent). Due to the previously mentioned trade conflict, less dynamic development than in the previous year is anticipated for the Chinese economy (6.2 per cent; 2018: 6.6 per cent). Current expectations for economic development in the eurozone indicate growth of 1.3 per cent, which has not changed from the figures published in April 2019. The German economy is likely to show significantly more muted growth in 2019 than in 2018. Jungheinrich generates around a quarter of its Group revenue in Germany. In June 2019, the ifo business climate index, which is considered to be a leading indicator for Germany's domestic economic performance, came to 97.4 points. This is the lowest figure since November 2014. The Deutscher Maschinen- und Anlagenbau e.V. trade association (VDMA) corrected its forecast for the year of 5 per cent growth for real engineering production in Germany at the beginning of July 2019 and now expects a reduction of 2 per cent.

Development of the market for material handling equipment

The market volume for material handling equipment declined 5 per cent across the globe in the first half of 2019 in comparison with the same period of the previous year. This corresponds to almost 42 thousand units. The downturn in the second quarter of 2019 was more significant than in the first quarter of 2019, particularly in Europe. Looking at June on its own, the European market actually declined by 16 per cent. This downturn in the reporting period is by and large due to the steep decline in orders in the North American and European markets. In contrast, the increase in market volume in China resulted from solid demand for warehousing equipment, which was, however, largely cancelled out by

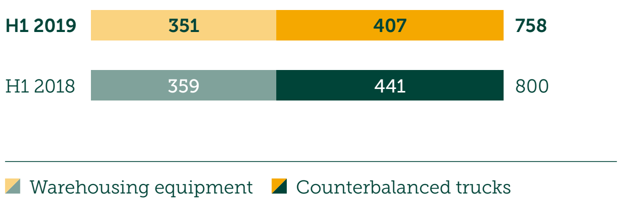
Global market for material handling equipment H1 2019 by region



Incoming orders in thousand units	H1 2019	H1 2018	Change %
World	758	800	–5.3
Europe	254	273	–7.0
thereof Eastern Europe	43	46	–6.5
Asia	340	335	1.5
thereof China	240	233	3.0
North America	120	142	–15.5
Other regions	44	50	–12.0

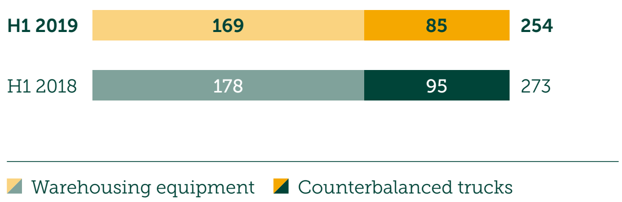
Sources: WITS (World Industrial Truck Statistics), SIMHEM (Society of Indian Materials Handling Equipment Manufacturers)

Market volume by product segment (world)
Incoming orders in thousand units



Sources: WITS (World Industrial Truck Statistics),
SIMHEM (Society of Indian Materials Handling Equipment Manufacturers)

Market volume by product segment (Europe)
Incoming orders in thousand units



Source: WITS (World Industrial Truck Statistics)

the negative market development for IC engine-powered forklift trucks. A little more than half of the steep decline in demand in North America resulted from fewer orders for warehousing equipment.

The global market volume for the warehousing equipment product segment declined 2 per cent against the same period of the previous year. In this environment, the robust growth on the Chinese market was largely cancelled out by the negative market developments in North America. The 4 per cent lower global market volume for battery-powered counterbalanced trucks was mainly based on declining demand in Europe. The significant decline in demand of 9 per cent around the globe for IC engine-powered forklift trucks was due to a drop in orders from Asia, North America and Europe.

Business trend and earnings position

Key figures on the business trend

		H1 2019	H1 2018	Change %
Incoming orders	units	67,000	67,400	–0.6
	€ million	2,065	1,946	6.1
Orders on hand 30 June	€ million	1,015	897	13.2
Production	units	58,800	58,900	–0.2
Revenue	€ million	1,956	1,784	9.6

Incoming orders and orders on hand

Incoming orders in the new truck business, based on units, which includes orders for both new forklifts and trucks for short-term rental, totalled 67.0 thousand units in the first half of 2019 and were thus on a par with the same period of the previous year (67.4 thousand units), despite noticeable downturn in the core market. The proportion of truck orders for the short-term rental fleet was below the previous year's figure.

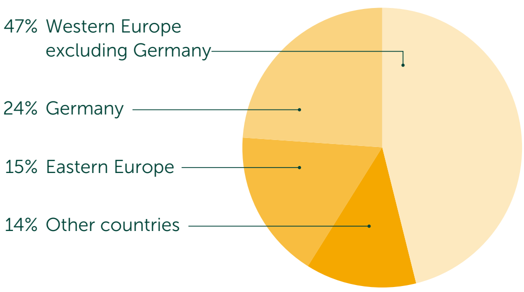
At €2,065 million, the value of incoming orders, which covers all business fields – new truck business, short-term rental, used equipment and after-sales services – exceeded the previous year's figure of €1,946 million by 6 per cent in the reporting period.

Orders on hand for new truck business came to €1,015 million as of 30 June 2019, which is €118 million or 13 per cent higher than the previous-year figure (€897 million). Compared with orders on hand of €907 million as of year-end 2018, it represents an increase of €108 million or 12 per cent. Orders therefore accounted for five months of production.

Production and revenue

58.8 thousand trucks were produced in the first six months of the current year. This is roughly the same as in the previous year (58.9 thousand units). Group revenue of €1,956 million in the first half of 2019 was 10 per cent higher than in the previous-year period (€1,784 million). Revenue in Germany, the largest single market, rose by 7 per cent in the reporting period to €465 million (previous year: €434 million). Foreign revenue increased by 10 per cent to €1,491 million (previous year: €1,350 million). The foreign ratio thus remained constant (76 per cent). Revenue from outside Europe reached €274 million (previous year: €232 million). This represents 14 per cent of Group revenue (previous year: 13 per cent).

Revenue H1 2019 by region



in € million	H1 2019	H1 2018	Change %
Germany	465	434	7.1
Western Europe	921	825	11.6
Eastern Europe	296	293	1.0
Other countries	274	232	18.1
Total	1,956	1,784	9.6

New truck business was the main driver of the higher Group revenue in the first half of 2019. At €1,164 million, it was €145 million or 14 per cent higher than in the same period last year (€1,019 million). New truck business included €295 million of revenue from the "Logistics Systems" division, an increase of 10 per cent (previous year: €268 million) and €64 million from the "Mail Order" division, an increase of 21 per cent (previous year: €53 million). Revenue from short-term rental and used equipment came to €317 million (previous year: €305 million). After-sales services and financial services contributed substantially to the Group's revenue growth with increases of 8 per cent and 26 per cent respectively.

Breakdown of revenue

in € million	H1 2019	H1 2018	Change %
New truck business	1,164	1,019	14.2
Short-term rental and used equipment	317	305	3.9
After-sales services	525	487	7.8
"Intralogistics" segment	2,006	1,812	10.7
"Financial Services" segment	573	454	26.2
Reconciliation	–623	–481	29.5
Jungheinrich Group	1,956	1,784	9.6

Earnings position

Earnings trend

in € million	H1 2019	H1 2018	Change %
Earnings before interest and taxes (EBIT)	126.8	127.1	–0.2
Financial income (expense)	–8.6	–11.8	27.1
Earnings before taxes (EBT)	118.2	115.3	2.5
Income tax expense	33.0	32.9	0.3
Profit or loss	85.2	82.4	3.4

In light of the negative effects from pricing pressure on the market, the start of a decline in capacity utilisation in individual plants, and the consequential effects of the increase in raw materials prices in the previous year, we were only able to generate earnings before interest and taxes (EBIT) of €127 million in the first half of 2019, which was on a par with the previous year's figure (€127 million). The EBIT return on sales (EBIT ROS) was 6.5 per cent, compared with 7.1 per cent in the previous-year period.

As a result of the initial application of IFRS 16 "Leases" and the ensuing strong increase in interest-bearing capital combined with stable EBIT, return on capital employed (ROCE) was 13.0 per cent in the first half of 2019. Without the effects caused by the application of IFRS 16, ROCE would have amounted to 14.1 per cent (previous year: 15.3 per cent).

The financial loss came to €9 million in the half-year under review (previous year: loss of €12 million) and was influenced in particular by the results from measurement of the securities and derivatives in the special fund. Profit was recorded here in the first half of 2019, while a loss was recorded in the same period of the previous year.

Earnings before taxes (EBT) reached €118 million at the end of the first six months (previous year: €115 million). As a result, EBT return on sales (EBT ROS) came to 6.0 per cent (previous year: 6.5 per cent). With a Group tax rate of 28.0 per cent (previous year: 28.5 per cent), profit or loss in the first half of 2019 was €85 million (previous year: €82 million). Earnings per preferred share in the reporting period were therefore €0.85 (previous year: €0.82).

Financial and asset position

Capital structure

Overview of the capital structure

in € million	30/06/2019	31/12/2018	Change %
Shareholders' equity	**1,390**	**1,362**	**2.1**
Non-current liabilities	**2,147**	**1,907**	**12.6**
Provisions for pensions and similar obligations	232	219	5.9
Financial liabilities	563	473	19.0
Liabilities from financial services	1,174	1,048	12.0
Other liabilities	178	167	6.6
Current liabilities	**1,508**	**1,477**	**2.1**
Other provisions	189	185	2.2
Financial liabilities	197	153	28.8
Liabilities from financial services	453	478	–5.2
Trade accounts payable	390	400	–2.5
Other liabilities	279	261	6.9
Balance sheet total	**5,045**	**4,746**	**6.3**

Shareholders' equity increased by €28 million to €1,390 million as of 30 June 2019 (31/12/2018: €1,362 million). This increase was largely due to profit or loss in the reporting period, which was offset mainly by the €50 million dividend payment. A dividend of €0.48 was paid per ordinary share for the 2018 financial year in the second quarter of 2019 (previous year: €0.48) and a dividend of €0.50 per preferred share (previous year: €0.50). The equity ratio amounted to 28 per cent (31/12/2018: 29 per cent).

Provisions for pensions and similar obligations were €13 million higher than at year-end 2018 at €232 million (31/12/2018: €219 million). The increase resulted to a significant extent from the effects of the remeasurement of obligations outside profit or loss, which in turn were the result of a drop in the discount rate in Germany from 1.9 per cent at the end of 2018 to 1.3 per cent as at the balance sheet date.

The Group's non-current and current financial liabilities were increased by €134 million to €760 million (31/12/2018: €626 million). The increase was due solely to the initial application of IFRS 16 "Leases" as of 1 January 2019. As of 30 June 2019, the lease liabilities which are now recognised increased financial liabilities by €154 million compared with 31 December 2018. Non-current and current liabilities from financial services of €1,627 million were up by €101 million on the 31 December 2018 figure (€1,526 million) due to the increase in financing for new contracts. Other current liabilities increased by €18 million to €279 million (31/12/2018: €261 million). This was primarily caused by an increase in contract liabilities in accordance with IFRS 15.

As of the reporting date, net debt amounted to €298 million. Adjusted for lease liabilities resulting from the initial application of IFRS 16 "Leases" in the amount of €154 million, net debt would have amounted to €144 million. The €36 million increase against the end of 2018 (€108 million) was primarily due to payments for investments in major construction projects.

Financial position

Statement of cash flows

in € million	H1 2019	H1 2018
Profit or loss	85	82
Depreciation, amortisation and impairment losses	186	151
Changes in trucks for short-term rental and trucks for lease (excluding depreciation) and receivables from financial services	–245	–226
Changes in liabilities from financing trucks for short-term rental and financial services	74	85
Changes in working capital	–39	–80
Other changes	38	–29
Cash flow from operating activities	**99**	**–17**
Cash flow from investing activities[1]	**–92**	**–70**
Cash flow from financing activities	**–66**	**–2**
Net cash changes in cash and cash equivalents[1]	**–59**	**–89**

1 Excluding the balance of payments for the purchase/proceeds from the sale of securities of €–4 million (previous year: €+5 million).

As a result of the initial application of IFRS 16 "Leases" as of 1 January 2019, there was an increase in cash flow from operating activities of €23 million regarding the presentation of the statement of cash flows in the reporting period compared to the non-adjusted values of the previous year resulting from the repayment portion of the lease instalments for those contracts which are now stated in cash flow from financing activities.

Cash flow from operating activities came to €99 million for the period of January to June 2019, thus a significant increase of €116 million compared with the previous-year period (€–17 million). Cash flows from profit or loss plus depreciation, amortisation and impairment losses were €38 million higher than in the same period last year. Depreciation, amortisation and impairment losses included depreciation and amortisation of €24 million for the right-of-use assets capitalised in accordance with IFRS 16. Higher positive effects of €67 million resulted from other changes which were mainly characterised by higher payments of VAT credits, repayment of short-term loans to external entities and lower utilisation of provisions in the reporting period. Further positive effects of €41 million came from markedly lower growth in working capital than a year ago. Cash payments, including financing, for additional trucks for short-term rental and trucks for lease and receivables from financial services had an offsetting effect and were €30 million higher than in the same period of the previous year.

Cash flow from investing activities was adjusted for the payments for the purchase of and proceeds from the sale of securities totalling €–4 million (previous year: €+5 million) that are included in this item. At €–92 million, the resulting cash flow from investing activities in the reporting period was therefore €22 million higher than in the same period last year (€–70 million). This was primarily due to the increase in capital expenditure on major construction projects.

Cash flow from financing activities of €–66 million in the reporting period declined by €64 million compared to the same period last year (€–2 million). In addition to the change in presentation relating to the initial application of IFRS 16, as previously explained, this was primarily caused by the lower increase in short-term liabilities due to banks compared with the previous year. Cash flow in the previous year was also positively influenced by the net issuance of promissory notes amounting to €25 million.

Asset position

Overview of the asset structure

in € million	30/06/2019	31/12/2018	Change %
Non-current assets	**2,854**	**2,514**	**13.5**
Intangible assets and property, plant and equipment	868	670	29.6
Trucks for short-term rental and lease	922	909	1.4
Receivables from financial services	866	769	12.6
Other assets (including financial assets)	172	164	4.9
Securities	26	2	>100
Current assets	**2,191**	**2,232**	**–1.8**
Inventories	689	615	12.0
Trade accounts receivable	697	722	–3.5
Receivables from financial services	295	275	7.3
Other assets	75	105	–28.6
Cash and cash equivalents and securities	436	515	–15.3
Balance sheet total	**5,045**	**4,746**	**6.3**

The balance sheet total increased by €299 million to €5,045 million as of 30 June 2019 (31/12/2018: €4,746 million).

The increase in intangible assets and property, plant and equipment was mainly a result of the initial application of IFRS 16 "Leases" as of 1 January 2019. The carrying amounts of the right-of-use assets which are now recognised increased property, plant and equipment as at the balance sheet date by €153 million compared with 31 December 2018. Large construction projects, such as the plant for producing lithium-ion batteries, the extensions of the plant in Degernpoint as well as the Paris branch and the expansion of the head office in Hamburg, were also reflected in this item.

The value of trucks for short-term rental fell by €9 million to €372 million (31/12/2018: €381 million). As a result of the significant increase in the financial services business, the value of trucks for lease climbed €22 million to €550 million (31/12/2018: €528 million). Non-current and current receivables from financial services were up €117 million on the previous year at €1,161 million (31/12/2018: €1,044 million).

Inventories increased by €74 million due to the balance sheet date, taking the figure to €689 million (31/12/2018: €615 million). The increase of €27 million in finished products, goods and down payments relating to the sales organisation was primarily due to customer orders that had not yet been invoiced. Current trade accounts receivable sank by €25 million to €697 million (31/12/2018: €722 million). The decrease in cash and cash equivalents and current securities of €79 million to €436 million (31/12/2018: €515 million) was linked to the capital expenditure on major construction projects financed by cash flow.

Research and development

Key figures for research and development

in € million	H1 2019	H1 2018	Change %
Total R&D[1] expenditures	43	41	4.9
thereof capitalised development expenditures	16	12	33.3
Capitalisation ratio in %	37	29	–
Amortisation and impairment losses of capitalised development expenditures	5	5	–
R&D[1] costs according to the statement of profit or loss	33	34	–2.9

1 R&D = research and development

In the current financial year, the Jungheinrich Group has expanded its research and development activities. The main focus was on expanding market leadership in the field of energy storage systems based on lithium-ion technology and the expansion of the product portfolio for stacker cranes and stationary conveyor systems.

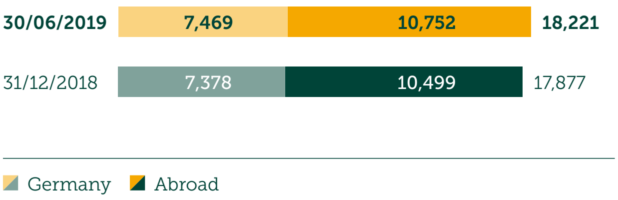
Total research and development expenditures came to €43 million in the first half of 2019 (previous year: €41 million), exceeding the previous year by 5 per cent. The increase in important product development work meant that the capitalisation ratio rose to 37 per cent (previous year: 29 per cent). Research and development costs reported in the statement of profit or loss were €33 million (previous year: €34 million).

The number of employees involved in development projects across the Group went up to an average of 646 in the reporting period (previous year: 595 employees).

Employees

Employees

in FTE



The workforce increased by 344 employees in the first half of 2019 compared with the end of December 2018. This increase was largely attributable to the sales organisation. Jungheinrich employed a total of 18,221 people as of 30 June 2019, of which 41 per cent worked in Germany and 59 per cent abroad. Throughout the Group, Jungheinrich also employed 527 temporary staff (31/12/2018: 711) as of 30 June 2019, almost all of whom worked in production plants in Germany.

Financial Services

For a general description of the “Financial Services” segment we refer to the detailed comments in the Group management report of the 2018 annual report.

Key figures for financial services

in € million	30/06/2019	30/06/2018	Change %
Original value of new contracts[1]	439	360	21.9
Original value of contracts on hand	3,008	2,617	14.9
Trucks for lease from financial services	659	567	16.2
Receivables from financial services	1,161	947	22.6
Shareholders’ equity	89	92	–3.3
Liabilities	2,060	1,730	19.1
Revenue[1]	573	454	26.2
EBIT[1]	4.8	4.2	14.3

1 1 January to 30 June

New long-term financial service agreements for €439 million were acquired in the first half of 2019 (previous year: €360 million). The eight countries with Jungheinrich financial services companies accounted for 68 per cent of the total by value (previous year: 71 per cent).

As of 30 June 2019, the volume of contracts on hand was up by 12 per cent to 181.2 thousand units (previous year: 161.9 thousand units). This represents an original value of €3,008 million (previous year: €2,617 million). Relative to the number of new trucks sold, 41 per cent was sold via financial service agreements. Revenue was up by €119 million from €454 million in the first half of 2018 to €573 million in the first half of 2019. EBIT for the segment came to €4.8 million (previous year: €4.2 million).

Risk report

The early identification of risks and opportunities and the steps to be taken in response are an important element of corporate governance. The company uses a comprehensive system of risk management for its assessment of risk. The corresponding principles and procedures are defined in guidelines applicable across the Group. The functionality and effectiveness of the early-warning system for risks are an established part of regular reviews by the Corporate Audit department and the annual audits of the financial statements. Findings from these audits are reflected in the continuous development work on Jungheinrich's specific risk management system.

Since the 2018 annual report was published, no other significant risks have arisen beyond those described in detail there.

Future development of the Jungheinrich Group

As a result of the significant drop in demand for material handling equipment in the first half of 2019 both worldwide and in Europe, we have adjusted our forecast for the ongoing development of the market. We are now expecting to see a lasting and noticeable decline in our European core market and worldwide in 2019. Market volume could reach the same level as in the previous year in Asia.

In light of the significant decline in the market, and in the absence of any positive economic and market signals, the Board of Management anticipates that this trend will continue for the remainder of the year. This will result in lower production figures in the second half of 2019. We therefore adjusted our forecast for 2019 by issuing an ad hoc release on 22 July 2019.

We now expect incoming orders to be worth between €3.80 billion and €4.05 billion (previous forecast: €4.05 billion to €4.20 billion). Group revenue is expected to remain within the previous forecast range of €3.85 billion to €4.05 billion.

According to current estimates, EBIT should be between €240 million and €260 million in 2019 (previous forecast: €275 million to €295 million). A range of 6.0 per cent to 6.7 per cent is expected for the EBIT return on sales (previous forecast: 7.0 per cent to 7.4 per cent). EBT is expected to amount to between €215 million and €235 million (previous forecast: €250 million to €270 million). EBT return on sales should come to 5.4 per cent to 6.1 per cent (previous forecast: 6.4 per cent to 6.8 per cent).

The forecast figures submitted with the publication of the 2018 annual report in March 2019 for net debt and ROCE do not take into consideration effects from the initial application of the new IFRS 16 "Leases" accounting standard in the 2019 financial year. The resulting additional financial liabilities have not been considered relevant for management purposes thus far. However, Jungheinrich has since decided to include these financial liabilities in both key figures – in line with the reporting practices currently emerging. Accordingly, the forecast ranges for ROCE and net debt will be adjusted as follows:

In light of the downward adjustment of the EBIT forecast, ROCE is expected to range between 12 per cent and 14 per cent (previously: 15 per cent to 16 per cent).

We expect net debt at the end of 2019 to be between €230 million and €260 million (previously: between €90 million and €120 million).

Unforeseeable developments may cause the actual business trend to differ from expectations, assumptions and estimates by the management of Jungheinrich that are reproduced in this interim report. Factors that may lead to such deviations include changes in the economic environment, within the material handling equipment sector as well as to exchange and interest rates. No responsibility is therefore taken for the forward-looking statements in this interim report.

Interim consolidated financial statements

The modified retrospective transition method was chosen for the first-time application of IFRS 16 "Leases" as of 1 January 2019. The comparative figures of the previous year were therefore not adjusted.

Consolidated statement of profit or loss

in € million	H1 2019	H1 2018
Revenue	**1,955.8**	**1,784.2**
Cost of sales	1,389.8	1,243.9
Gross profit on sales	**566.0**	**540.3**
Selling expenses	355.4	333.9
Research and development costs	32.6	34.0
General administrative expenses	52.2	49.1
Other operating income (expense)	1.0	3.8
Earnings before interest and income taxes	**126.8**	**127.1**
Financial income (expense)	–8.6	–11.8
Earnings before taxes	**118.2**	**115.3**
Income tax expense	33.0	32.9
Profit or loss	**85.2**	**82.4**
thereof attributable to non-controlling interests	–0.1	–
thereof attributable to the shareholders of Jungheinrich AG	85.3	82.4
Earnings per share in € (diluted/undiluted) based on share of earnings attributable to the shareholders of Jungheinrich AG		
Ordinary shares	**0.83**	**0.80**
Preferred shares	**0.85**	**0.82**

Consolidated statement of comprehensive income

in € million	H1 2019	H1 2018
Profit or loss	**85.2**	**82.4**
Items which may be reclassified to the consolidated statement of profit or loss in the future		
Income (expense) from the measurement of financial instruments with a hedging relationship	–1.2	0.7
Income (expense) from currency translation	5.8	–6.5
Items which will not be reclassified to the consolidated statement of profit or loss		
Income (expense) from the measurement of pensions	–13.2	12.6
Other comprehensive income (expense)	**–8.6**	**6.8**
Comprehensive income (expense)	**76.6**	**89.2**
thereof attributable to non-controlling interests	–0.1	–
thereof attributable to the shareholders of Jungheinrich AG	76.7	89.2

Consolidated statement of financial position

Assets

in € million	30/06/2019	31/12/2018
Non-current assets		
Intangible assets and property, plant and equipment	868.1	670.1
Trucks for short-term rental	372.1	380.5
Trucks for lease from financial services	549.7	528.4
Receivables from financial services	866.3	768.8
Financial and other assets	56.8	52.1
Securities	26.0	2.5
Deferred tax assets	114.9	111.8
	2,853.9	**2,514.2**
Current assets		
Inventories	688.9	615.2
Trade accounts receivable and contract assets	696.6	722.1
Receivables from financial services	295.0	275.5
Other assets	75.0	104.1
Securities	166.0	182.2
Cash and cash equivalents	269.6	332.9
	2,191.1	**2,232.0**
	5,045.0	**4,746.2**

Shareholders' equity and liabilities

in € million	30/06/2019	31/12/2018
Shareholders' equity		
Equity attributable to the shareholders of Jungheinrich AG	1,388.9	1,362.1
Non-controlling interests	0.8	–
	1,389.7	**1,362.1**
Non-current liabilities		
Provisions for pensions and similar obligations	232.4	218.8
Financial liabilities	562.9	472.6
Liabilities from financial services	1,173.7	1,047.8
Deferred income	94.8	88.4
Other liabilities	83.5	79.5
	2,147.3	**1,907.1**
Current liabilities		
Other provisions	188.5	185.2
Financial liabilities	197.1	153.4
Liabilities from financial services	453.0	478.3
Trade accounts payable	390.3	400.1
Deferred income	45.6	40.4
Other liabilities	233.5	219.6
	1,508.0	**1,477.0**
	5,045.0	**4,746.2**

Consolidated statement of cash flows

in € million	H1 2019	H1 2018
Profit or loss	85.2	82.4
Depreciation, amortisation and impairment losses	186.4	151.3
Changes in provisions	16.5	–21.3
Changes in trucks for short-term rental and trucks for lease (excluding depreciation)	–128.0	–169.3
Changes in deferred tax assets and liabilities	–3.2	4.8
Changes in		
Inventories	–72.7	–109.3
Trade accounts receivable and contract assets	24.7	13.1
Receivables from financial services	–117.0	–56.3
Trade accounts payable	–9.8	7.4
Liabilities from financial services	100.7	83.0
Liabilities from financing trucks for short-term rental	–27.1	1.8
Other changes	43.6	–4.2
Cash flow from operating activities	**99.3**	**–16.6**
Payments for investments in property, plant and equipment and intangible assets	–81.6	–53.0
Proceeds from the disposal of property, plant and equipment and intangible assets	1.9	1.1
Payments for investments in companies accounted for using the equity method and other financial assets	–7.6	–
Payments for the acquisition of companies and business areas, net of acquired cash and cash equivalents	–4.7	–18.0
Payments for the purchase of securities	–76.8	–51.6
Proceeds from the sale/maturity of securities	72.6	56.2
Cash flow from investing activities	**–96.2**	**–65.3**
Dividends paid to the shareholders of Jungheinrich AG	–49.9	–49.9
Changes in liabilities due to banks and financial loans	6.7	47.7
Cash payments for the reduction of outstanding liabilities relating to leases for property, plant and equipment and intangible assets	–23.2	n/a
Cash flow from financing activities	**–66.4**	**–2.2**
Net cash changes in cash and cash equivalents	**–63.3**	**–84.1**
Changes in cash and cash equivalents due to changes in exchange rates	–0.7	0.3
Changes in cash and cash equivalents	**–64.0**	**–83.8**
Cash and cash equivalents on 01/01	**323.0**	**263.6**
Cash and cash equivalents on 30/06	**259.0**	**179.8**

Consolidated statement of changes in equity

in € million	Subscribed capital	Capital reserves	Retained earnings	Accumulated other comprehensive income (expense): Currency translation	Accumulated other comprehensive income (expense): Remeasurement of pensions	Accumulated other comprehensive income (expense): Measurement of financial instruments with a hedging relationship	Equity attributable to shareholders of Jungheinrich AG	Non-controlling interests	Total
Balance on 01/01/2019	102.0	78.4	1,265.5	−10.9	−72.4	−0.5	1,362.1	–	1,362.1
Profit or loss	–	–	85.3	–	–	–	85.3	−0.1	85.2
Other comprehensive income (expense)	–	–	–	5.8	−13.2	−1.2	−8.6	–	−8.6
Comprehensive income (expense)	–	–	85.3	5.8	−13.2	−1.2	76.7	−0.1	76.6
Dividend for the previous year	–	–	−49.9	–	–	–	−49.9	–	−49.9
Non-controlling interests from business combinations	–	–	–	–	–	–	–	0.9	0.9
Balance on 30/06/2019	**102.0**	**78.4**	**1,300.9**	**−5.1**	**−85.6**	**−1.7**	**1,.388.9**	**0.8**	**1,389.7**
Balance on 01/01/2018	102.0	78.4	1,139.7	0.3	−74.4	−1.2	1,244.8	–	1,244.8
Profit or loss	–	–	82.4	–	–	–	82.4	–	82.4
Other comprehensive income (expense)	–	–	–	−6.5	12.6	0.7	6.8	–	6.8
Comprehensive income (expense)	–	–	82.4	−6.5	12.6	0.7	89.2	–	89.2
Dividend for the previous year	–	–	−49.9	–	–	–	−49.9	–	−49.9
Balance on 30/06/2018	**102.0**	**78.4**	**1,172.2**	**−6.2**	**−61.8**	**−0.5**	**1,284.1**	**–**	**1,284.1**

Notes to the consolidated financial statements

Accounting principles

The consolidated financial statements of Jungheinrich AG as of 31 December 2018 were prepared in accordance with the International Financial Reporting Standards (IFRS) applicable on the balance sheet date. All standards and interpretations of the IFRS Interpretations Committee endorsed by the EU and effective as of 31 December 2018 were applied. These interim consolidated financial statements as of 30 June 2019 were also prepared in accordance with IAS 34. This interim report has not been audited or reviewed by auditors.

The interim financial statements as of 30 June 2019 were prepared in euros (€). Unless indicated otherwise, disclosure is in millions of euros. The statement of profit or loss has been prepared using the cost of sales accounting method.

The accounting principles applied to prepare the interim financial statements as of 30 June 2019 and calculate comparative figures for the previous year are the same as those applied to the consolidated financial statements as of 31 December 2018. These principles are described in detail in the notes to the consolidated financial statements in the 2018 annual report.

There were changes in the accounting principles for reporting in the year 2019, in particular due to the first-time application of IFRS 16 "Leases". This standard replaces the regulations for the accounting of leases in IAS 17 "Leases" and in the associated interpretations IFRIC 4, SIC-15 and SIC-27. Application became mandatory for Jungheinrich for the first time as of 1 January 2019.

Jungheinrich chose the modified retrospective transition method for the initial application of this standard. The comparative figures of the previous year were not adjusted retrospectively as a result. Adjustments from the initial application of IFRS 16 were recorded in the opening statement of financial position as of 1 January 2019.

The changes relating to the initial application of IFRS 16 primarily concern the accounting of lessees, who have been required to record all leases, including all associated rights and liabilities, on their statements of financial position since 1 January 2019.

Jungheinrich has opted to forego the recognition of right-of-use assets and lease liabilities for leases with a maximum term of twelve months, provided it does not contain a purchase option, and for low-value leased items, as permitted by IFRS 16. These agreements will continue to be accounted for as "operating leases".

The initial application of IFRS 16 in the Jungheinrich Group primarily affected the accounting and measurement of contracts relating to the renting of properties and the leasing of vehicles, which had previously been classified as "operating leases" in accordance with IAS 17.

For the contracts previously classified as "operating leases", Jungheinrich has recognised lease liabilities as of 1 January 2019 equal to the present value of the outstanding lease instalments while using the incremental borrowing rate at the time of initial application. These lease liabilities are recognised under financial liabilities. The incremental borrowing rates used on 1 January 2019 take the leases' underlying maturities and currencies into consideration. The weighted average incremental borrowing rate was 1.96 per cent. Following the first-time recognition of the lease liabilities, they will be recognised at amortised cost using the effective interest method.

Jungheinrich has opted to measure the right-of-use assets resulting from the initial application of IFRS 16 in the same amount as the discounted lease liabilities, as permitted by IFRS 16. There were therefore no transition effects to be recognised in retained earnings with no effect on profit or loss. The initially recognised right-of-use assets were recorded in property, plant and equipment and will be reduced by straight-line depreciation over the remaining term of the lease.

There was no change to the accounting of lease contracts which were capitalised under property, plant and equipment as "finance leases" pursuant to IAS 17 and recognised as financial liabilities.

As a result of the transition to IFRS 16, assets recognised for right-of-use assets granted and the corresponding lease liabilities in the opening balance as of 1 January 2019 increased by €152.8 million each.

IFRS 16: Reconciliation to lease liabilities as of 1 January 2019

in € million	
Other financial obligations from short-term rental and lease agreements in accordance with IAS 17 as of 31 December 2018	**162.2**
Payments for reasonably certain extension and termination options	22.1
Payments for non-lease components (service components)	–18.2
Other	1.2
Lease obligations from "operating leases" (undiscounted)	**167.3**
Effect from discounting using the incremental borrowing rate as of 1 January 2019	–14.5
Carrying amount of additional lease liabilities from initial application of IFRS 16 as of 1 January 2019	**152.8**
Carrying amount of lease liabilities from "finance leases" in accordance with IAS 17 as of 31 December 2018	12.5
Carrying amount of lease liabilities in accordance with IFRS 16 as of 1 January 2019	**165.3**

Furthermore, the recognition of expenses associated with these leases is changing as of the 2019 financial year. Pursuant to IFRS 16, the depreciation of right-of-use assets is classified as a functional cost and therefore forms part of EBIT. Expenses from accrued interest on lease liabilities are now recognised as financial income (expense). Previously, short-term rental and lease instalments from "operating lease" agreements were fully recognised under EBIT as expenses over the term of the lease using the straight-line method. The changes had no material impact on the Jungheinrich Group's EBIT in the first half of 2019.

In the consolidated statement of cash flows, from 1 January 2019 the cash payment for the reduction of the outstanding lease liability reduces the cash flow from financing activities and not the cash flow from operating activities, as was the case previously. As a result, cash flow from operating activities improved by €23.2 million in the first half of 2019, while cash flow from financing activities declined by the corresponding amount.

Scope of consolidation

In addition to the parent company, Jungheinrich AG, Hamburg, a total of 79 foreign and 25 domestic companies were included in the interim consolidated financial statements. The scope of consolidation comprises 91 fully consolidated subsidiaries, including one structured entity, which are directly or indirectly controlled by Jungheinrich AG. Twelve joint ventures and one associated company are accounted for using the equity method.

On 1 January 2019, Jungheinrich gained control over ISI Automation GmbH & Co. KG, Extertal (Germany), for a purchase price of €3.4 million in order to strengthen its logistics systems business and since then has held 70 per cent of the voting rights and capital in this company. The purchase price was provided in the form of cash and cash equivalents.

As part of the acquisition of 70 per cent of the shares, the minority shareholder also received a right to tender and Jungheinrich received a purchase option on the remaining 30 per cent. The right to tender can be exercised by the minority shareholder for a minority share of 15 per cent at a time on 1 January 2022, 1 January 2023 or 1 January 2024. The option includes fixed purchase prices for the individual dates of around €0.7 million each for a minority share of 15 per cent. The purchase price for a minority share of 15 per cent is linked to EBIT ROS development at ISI Automation GmbH & Co. KG, and contractually restricted to a minimum of €0.5 million and a maximum of €1.0 million.

Jungheinrich was granted a purchase option that allows it to purchase shares not yet tendered on 1 January 2024. The purchase prices are the same as those in the right to tender. Due to the form that the right to tender takes and the purchase option, ISI Automation GmbH & Co. KG was fully consolidated at the date of acquisition. The put options mentioned were discounted to the present value of €1.3 million and accounted for in other liabilities as a purchase price liability. The transaction-related costs of €0.1 million were recognised in profit or loss in 2018.

There was not sufficient time to finish the analysis of the acquired assets and the liabilities prior to publication of the interim financial statements. The first-time consolidation is to be considered preliminary in view of the fair value measurement of the net assets acquired.

The table below shows the preliminary allocation of the purchase price to the net assets acquired.

Purchase price allocation at the date of acquisition: ISI Automation

in € million	Carrying amounts	Fair values
Assets		
Intangible assets and property, plant and equipment	1.4	6.5
Inventories	1.0	1.0
Trade accounts receivable	0.3	0.3
Other assets	0.2	0.2
	2.9	**8.0**
Liabilities		
Other provisions	0.2	0.2
Financial liabilities	1.5	1.5
Deferred tax liabilities	0.0	1.5
Other liabilities	1.0	1.0
	2.7	**4.2**
Net assets acquired	**0.2**	**3.8**
Transferred consideration		4.7
Goodwill		**0.9**

Intangible assets in the amount of €5.1 million and goodwill totalling €0.9 million were identified as part of the purchase price allocation. The identified recognisable intangible assets related to acquired customer relationships and technological expertise. The goodwill is primarily based on the well-trained workforce and expected advantages from future growth in the market and revenue as well as the resulting positive earnings position of the logistics systems business. These benefits were not recognised separately from goodwill as they do not fulfil the criteria for the recognition of intangible assets. No part of the goodwill is expected to be deductible for income tax purposes.

The purchase price allocation for Grupo Agencia Alemana, which was acquired in January 2018, was completed in the fourth quarter of 2018. It had no material impact on the interim financial statements as of 30 June 2018. The comparative figures for the first half of 2018 were therefore not adjusted.

In the first quarter of 2019, Jungheinrich and Triathlon Holding GmbH, Fürth (Germany), founded JT Energy Systems GmbH, Glauchau (Germany). The purpose of the company is to hold and manage commercial properties and protective rights, and hold interest in companies involved in the development, manufacturing and reconditioning of lithium-ion battery systems. Jungheinrich holds a share of 70 per cent in the subsidiary. Triathlon Holding GmbH, Fürth, holds the other 30 per cent.

JT mopro GmbH, Glauchau (Germany), was established in the first quarter of 2019 for the production and sale of, primarily, lithium-ion batteries. As of 30 June 2019, the construction of the plant had not yet been completed.

Hemmdal GmbH, Hamburg (Germany), was established in the second quarter of 2019 in order to expand mail order activities.

The first-time consolidation of the three newly established companies did not result in any differences.

Effective 1 January 2019, Jungheinrich acquired 40 per cent of the shares in Cebalog GmbH, Pyrbaum (Germany), for a purchase price of €2.6 million, and gained a significant amount of influence on the company's business and financial policies. The company is consolidated as of the date of acquisition as an associated company and accounted for using the equity method.

Revenue

Jungheinrich generates revenue from contracts with customers by providing goods and services both at a specific point in time and over time. The Group also generates revenue from short-term rental and lease contracts whereby Jungheinrich is the lessor.

Composition of revenue

in € million	H1 2019 Intralogistics	H1 2019 Financial services	H1 2019 Jungheinrich Group	H1 2018 Intralogistics	H1 2018 Financial services	H1 2018 Jungheinrich Group
Revenue recognition at a certain point in time	1,013.9	–	1,013.9	972.8	0.0	972.8
Revenue recognition over a period of time	277.9	77.1	355.0	250.5	70.6	321.1
Revenue from contracts with customers	**1,291.8**	**77.1**	**1,368.9**	**1,223.3**	**70.6**	**1,293.9**
Revenue from short-term rental and lease agreements	**170.9**	**416.0**	**586.9**	**168.5**	**321.8**	**490.3**
Total revenue	**1,462.7**	**493.1**	**1,955.8**	**1,391.8**	**392.4**	**1,784.2**

Revenue from contracts with customers is broken down by region and reportable segment in the following table.

Revenue from contracts with customers by region and segment

in € million	H1 2019 Intralogistics	H1 2019 Financial services	H1 2019 Jungheinrich Group	H1 2018 Intralogistics	H1 2018 Financial services	H1 2018 Jungheinrich Group
Germany	339.5	21.0	360.5	325.6	19.4	345.0
France	93.6	10.4	104.0	92.3	10.3	102.6
United Kingdom	52.0	10.6	62.6	49.2	9.4	58.6
Italy	82.3	21.2	103.5	79.0	19.7	98.7
Other Europe	515.3	12.2	527.5	492.6	10.2	502.8
Other countries	209.1	1.7	210.8	184.6	1.6	186.2
Revenue from contracts with customers	**1,291.8**	**77.1**	**1,368.9**	**1,223.3**	**70.6**	**1,293.9**

Segment reporting

The segment reporting comprises the reportable segments "Intralogistics" and "Financial Services". Detailed segment information can be found in the notes to the consolidated financial statements in the 2018 annual report.

The reconciliation items include the intragroup revenue, interest and interim profits as well as receivables and liabilities that must be eliminated within the scope of consolidation.

Segment information for H1 2019

in € million	Intralogistics	Financial Services	Segment total	Reconciliation	Jungheinrich Group
External revenue	1,462.7	493.1	1,955.8	–	1,955.8
Intersegment revenue	543.2	80.1	623.3	–623.3	–
Total revenue	2,005.9	573.2	2,579.1	–623.3	1,955.8
Segment income (expense) (EBIT)	**141.2**	**4.8**	**146.0**	**–19.2**	**126.8**
Financial income (expense)	–8.1	–0.5	–8.6	–	–8.6
Earnings before taxes (EBT)	133.1	4.3	137.4	–19.2	118.2
Intangible assets and property, plant and equipment	866.0	2.1	868.1	–	868.1
Trucks for short-term rental	372.1	–	372.1	–	372.1
Trucks for lease from financial services	–	659.5	659.5	–109.8	549.7
Receivables from financial services	–	1,161.3	1,161.3	–	1,161.3
Cash and cash equivalents and securities	441.6	20.0	461.6	–	461.6
Other assets	1,802.4	306.6	2,109.0	–476.8	1,632.2
Assets on 30/06	**3,482.1**	**2,149.5**	**5,631.6**	**–586.6**	**5,045.0**
Shareholders' equity on 30/06	1,542.1	89.5	1,631.6	–241.9	1,389.7
Provisions for pensions and similar obligations	232.3	0.1	232.4	–	232.4
Financial liabilities	753.6	6.4	760.0	–	760.0
Liabilities from financial services	–	1,626.7	1,626.7	–	1,626.7
Other liabilities	954.1	426.8	1.380.9	–344.7	1,036.2
Liabilities on 30/06	1,940.0	2,060.0	4,000.0	–344.7	3,655.3
Shareholders' equity and liabilities on 30/06	**3,482.1**	**2,149.5**	**5,631.6**	**–586.6**	**5,045.0**

Segment information for H1 2018

in € million	Intralogistics	Financial Services	Segment total	Reconciliation	Jungheinrich Group
External revenue	1,391.8	392.4	1,784.2	–	1.784.2
Intersegment revenue	420.1	61.4	481.5	–481.5	–
Total revenue	1,811.9	453.8	2,265.7	–481.5	1,784.2
Segment income (expense) (EBIT)	**134.8**	**4.2**	**139.0**	**–11.9**	**127.1**
Financial income (expense)	–11.4	–0.4	–11.8	–	–11.8
Earnings before taxes (EBT)	123.4	3.8	127.2	–11.9	115.3
Intangible assets and property, plant and equipment	633.6	8.3	641.9	–7.4	634.5
Trucks for short-term rental	404.9	–	404.9	–	404.9
Trucks for lease from financial services	–	566.6	566.6	–95.4	471.2
Receivables from financial services	–	947.0	947.0	–	947.0
Cash and cash equivalents and securities	338.1	16.7	354.8	–	354.8
Other assets	1,606.4	283.7	1,890.1	–381.7	1,508.4
Assets on 30/06	**2,983.0**	**1,822.3**	**4,805.3**	**–484.5**	**4,320.8**
Shareholders' equity on 30/06	1,406.9	92.1	1,499.0	–214.9	1,284.1
Provisions for pensions and similar obligations	216.6	0.1	216.7	–	216.7
Financial liabilities	495.4	4.8	500.2	–	500.2
Liabilities from financial services	–	1,398.1	1,398.1	–	1,398.1
Other liabilities	864.1	327.2	1,191.3	–269.6	921.7
Liabilities on 30/06	1,576.1	1,730.2	3,306.3	–269.6	3,036.7
Shareholders' equity and liabilities on 30/06	**2,983.0**	**1,822.3**	**4,805.3**	**–484.5**	**4,320.8**

Additional disclosures on financial instruments

A detailed description of the individual financial instruments, their valuation, the valuation methods and inputs for the calculation of fair value can be found in the notes to the consolidated financial statements in the 2018 annual report.

Additional disclosures on financial instruments that must be provided in the interim financial statements are shown below.

The following table shows the carrying amounts and fair values of the Group's financial instruments as at the balance sheet date. Financial assets and liabilities not measured at fair value in the consolidated statement of financial position and for which the carrying amount is a reasonable approximation of fair value are not included in the table, nor are financial assets of €0.3 million (31 December 2018: €0.3 million) for which fair value cannot be reliably determined.

Carrying amounts and fair value of financial instruments

	30/06/2019		31/12/2018	
in € million	Carrying amount	Fair value	Carrying amount	Fair value
Assets				
Receivables from financial services	1,161.3	1,173.0	1,044.3	1,056.1
Securities[1]	126.0	126.0	119.8	119.8
Derivative financial assets	2.5	2.5	4.9	4.9
Shareholders' equity and liabilities				
Liabilities from financial services	1,626.7	1,636.3	1,526.1	1,536.2
Financial liabilities	760.0	768.7	626.0	631.4
Derivative financial liabilities	6.5	6.5	3.5	3.5
Other financial liabilities[1]	1.3	1.3	–	–

1 Assigned to the valuation category "at fair value through profit or loss"

The carrying amounts of the financial instruments regularly measured at fair value in the consolidated financial statements have been categorised in the table below by their fair value hierarchy level pursuant to IFRS 13 and based on the information and input factors used to determine them.

The fair value hierarchy is based on the input factors used:

Level 1 – (unchanged) market prices quoted on active markets for identical assets or liabilities,

Level 2 – input data other than listed market prices, which can be observed either directly (as a price) or indirectly (derived from prices) for the asset or liability,

Level 3 – referenced input factors used for the measurement of the asset or liability that are not based on observable market data.

Hierarchy levels for financial instruments measured at fair value

	30/06/2019				31/12/2018		
in € million	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Total
Assets							
Securities[1]	126.0	–	–	126.0	119.8	–	119.8
Derivative financial assets	0.5	2.0	–	2.5	0.7	4.2	4.9
Shareholders' equity and liabilities							
Derivative financial liabilities	–	6.5	–	6.5	0.1	3.4	3.5
Other financial liabilities[1]	–	–	1.3	1.3	–	–	–

1 Assigned to the valuation category "at fair value through profit or loss"

The fair value of Level 1 financial instruments was determined on the basis of stock market quotations as at the balance sheet date.

The fair value of Level 2 financial instruments was determined in line with generally acknowledged valuation models based on discounted cash flow analyses and using observable current market prices for similar instruments. The fair value of currency forwards is determined using the mean spot rate on the balance sheet date, adjusted up or down to reflect the remaining term of the futures contract. The fair value of interest rate derivatives is determined on the basis of the market interest rates and interest rate curves on the balance sheet date, taking their maturities into account. Jungheinrich has taken counterparty risks into consideration when measuring fair value.

Put options accounted for as purchase price liabilities as part of company acquisitions are shown in Level 3. Please see the notes to changes in the scope of consolidation.

No transfers between Levels 1 and 2 took place in the reporting period.

Events after the close of the first half of 2019

There were no transactions or events of material importance after the close of the first half of 2019.

Related party disclosures

Jungheinrich AG's major ordinary shareholders are LJH-Holding GmbH, Wohltorf, and WJH-Holding GmbH, Aumühle.

In addition to the subsidiaries included in the consolidated financial statements, Jungheinrich has business relationships with joint ventures, associated companies and affiliated, non-consolidated subsidiaries. All the relationships with these companies are the result of normal business activities and are conducted on arm's length terms. The transactions with non-consolidated subsidiaries were of minor amounts.

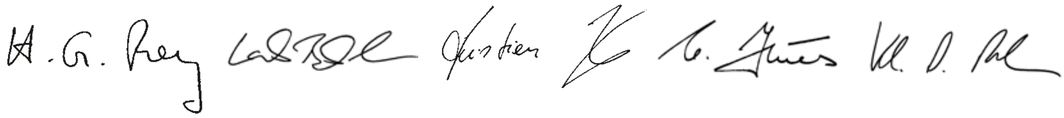
Members of the Board of Management or Supervisory Board of Jungheinrich AG are members of supervisory boards or comparable committees of other companies with which Jungheinrich AG has relationships as part of its operating activities. All transactions with these companies are conducted on arm's length terms.

Responsibility statement

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

Hamburg, 8 August 2019

Jungheinrich Aktiengesellschaft
The Board of Management



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Securities identification numbers:
ISIN DE0006219934, WKN 621993

Financial calendar

8 AUGUST 2019
Interim report as of 30 June 2019

7 NOVEMBER 2019
Interim statement as of 30 September 2019

This interim report is available in both German and English. The German version shall always prevail. The report will only be provided in electronic form on the company's website.