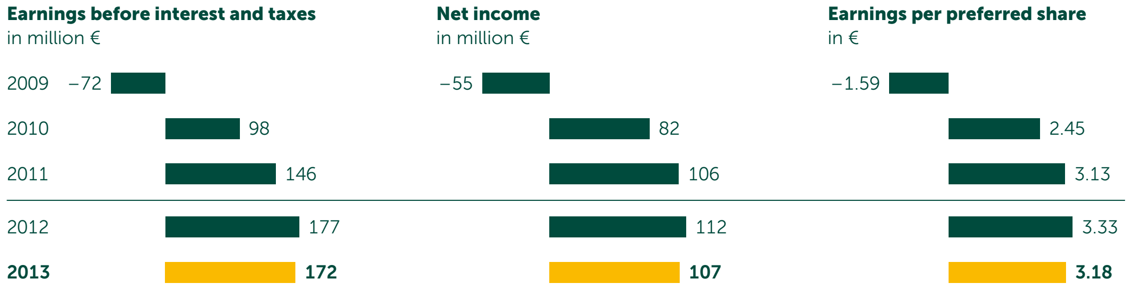
60 Years of Passion for Logistics
Annual Report 2013

JUNGHEINRICH
Machines. Ideas. Solutions.



Change in accounting treatment as of January 1, 2013.
Figures for 2012 adjusted.[1]

At a glance

Jungheinrich Group		2013	2012[1]	Change in %
Incoming orders	million €	**2,357**	2,251	4.7
Net sales				
Germany	million €	**613**	607	1.2
Abroad	million €	**1,677**	1,663	0.8
Total	million €	**2,290**	2,270	0.9
Foreign ratio	%	**73**	73	–
Orders on hand 12/31	million €	**366**	298[2]	22.8
Production of material handling equipment	units	**72,500**	73,200	−1.0
Balance sheet total	million €	**2,751**	2,759	−0.3
Shareholders' equity	million €	**831**	754	10.2
thereof subscribed capital	million €	**102**	102	–
Capital expenditures[3]	million €	**91**	78	16.7
Research and development expenditures	million €	**45**	44	–
Earnings before interest and taxes (EBIT)	million €	**172**	177	−2.8
EBIT return on sales (EBIT-ROS)	%	**7.5**	7.8	–
EBIT return on capital employed (ROCE)[4]	%	**18.7**	21.6	–
Earnings before taxes (EBT)	million €	**150**	156	−3.8
EBT return on sales (EBT-ROS)	%	**6.6**	6.9	–
Net income	million €	**107**	112	−4.5
Employees 12/31				
Germany	FTE[5]	**5,356**	5,167	3.7
Abroad	FTE[5]	**6,484**	6,094	6.4
Total	FTE[5]	**11,840**	11,261	5.1
Earnings per preferred share	€	**3.18**	3.33	−4.5
Dividend per share – ordinary share	€	**0.80**[6]	0.80	–
– preferred share	€	**0.86**[6]	0.86	–

1 Figures for 2012 were adjusted due to changes in accounting treatment as of January 1, 2013.
Information on changes in accounting treatment is included in the notes to the consolidated financial statements.
2 Including €24 million in adjustments made to the value of orders in preceding years.
3 Tangible and intangible assets excluding capitalized development expenditures.
4 EBIT as a percentage of employed interest-bearing capital.
5 FTE = full-time equivalents.
6 Proposal.

Cover photo:
Frank Schwingshandl, Project Manager Engineering for IC-Engine Powered Forklifts, presenting Jungheinrich's new DFG 430 diesel forklift truck with hydrodynamic drive.

Annual Report 2013

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Ladies and Gentlemen,

Fiscal 2013 was a special year for Jungheinrich. Under the motto "60 Years of Passion for Logistics," the company celebrated its 60th anniversary with its employees, customers and business partners at numerous events. At the same time, the financial year was marked by major forward-looking steps that established the basis for the Jungheinrich Group's course for growth in the years ahead.

In its anniversary year, the company followed the moderate start in the first quarter with decent figures for incoming orders, net sales and EBIT—although the environment on the market remained difficult. Despite the fact that the Western European market stagnated last year and remained below the pre-crisis level witnessed in 2007, we achieved record incoming orders and posted a slight increase in consolidated net sales. EBIT in 2013 was marginally lower than the record figures recorded in the previous year. It is also very pleasing that we were able to increase truck sales considerably in our growth markets, with Asia leading the way and China as the main driver.

Financially, our company continues to have a robust and solid basis. We have an equity ratio which—excluding the 'Financial Services' segment—amounts to 47 per cent, an exemplary figure for the mechanical engineering sector.

At the same time, we implemented a series of measures which will ensure that the company is positioned to take on the future, although they will not have an immediate effect on net sales and earnings. For instance, the new responsibilities of the Board of Management for divisions and regions adopted by the Supervisory Board in 2012 were rapidly implemented in the year under review and have begun to take effect.

This involves the intensified development of the sales market, tailored to each region. The new Board-level responsibilities for Asia and the Americas as well as the strengthening of regional management do justice to this cause. We will continue to expand our sales organization in theses growth markets.

By introducing a division dedicated to logistics systems, we want to set the stage for the future in this fast-growing field of business today. Combining the logistics systems business with the production of warehousing and system equipment and placing them under single management puts us in a position to act more entrepreneurially and quickly.

Last but not least, we successfully completed our three large-scale capital expenditure projects in the financial year that just ended. By setting up the new spare parts logistics centre in Kaltenkirchen, we optimized the processes of our worldwide spare parts logistics operations and have prepared ourselves for further growth in this business. The completion of the production plants in Degernpoint (warehousing and system equipment) and Qingpu in China (forklift trucks for the Asian market) makes us even more competitive. All in all, we invested about 100 million euros in our company's future viability in 2012 and 2013.

At the same time, we maintained our high level of activity in the field of research and development.

The development of new trucks and logistics solutions is pivotal to our company's continued growth. Therefore, we will step up our efforts in this field yet again.

We will showcase the results of our current engineering work at CeMAT in Hanover, the lead trade show for our sector, in May 2014, including a brand-new generation of IC engine-powered trucks and the first piece of material handling equipment completely developed and produced in China. In so doing, we will underscore our position as one of the world's premier providers of logistics solutions and material handling equipment. The expert world can look forward to our presentation!

To sum up its jubilee year, Jungheinrich posted decent figures while implementing a large number of projects which will have a positive effect on the way in which the company is perceived on the market. Let me take this occasion to mention the 1st Hamburg Intralogistics Summit: On the occasion of its 60th year of existence, the company created an international trade convention that will address the future prospects of the intralogistics business once every two years.

Overall, we have laid a good foundation for a successful 2014. The marked rise in incoming orders during the closing weeks of last year and the positive economic indicators in all of the world's major economic regions make us confident that we will achieve the goals we have set ourselves for 2014.

We want to drive our business forward with passion—also in terms of our ambitious growth targets. This is why we introduced a new compensation system for our executives which is in line with the company's objectives. Furthermore, we increased our workforce substantially once again. This means that in the growth regions, we have to integrate many new employees from growth markets into our organization and convey the 'Jungheinrich identity' to them.

We would like to express our gratitude to our employees in Germany and abroad for the work they did last year and and their strong commitment. Our thanks also go out to our customers, suppliers, business partners and our shareholders for the trust they have placed in us. The support provided by the Supervisory Board and—in particular—our family shareholders, who have stood by our side constructively in the last 60 years, made a key contribution to Jungheinrich's success last year once again.

We look forward to continuing the journey on which we embarked together with you in 2014 with a view to making Jungheinrich progress even further.

Hamburg, March 18, 2014

H. G. Frey

Hans-Georg Frey
Chairman of the Board of Management

Report of the Supervisory Board

Following substantial uncertainty and fears about the Eurozone's survival and potential global recessionary tendencies in 2012, the market for material handling equipment posted tangible growth in the year under review, against the backdrop of the recovery of the world economy. In the period under review, global market volume actually surpassed the one million truck mark for the first time. Major growth stimuli were injected by China, North America and Eastern Europe.

Europe continues to be Jungheinrich's main sales market, but Asia has become the world's largest material handling equipment market, making it increasingly important for players in the sector including Jungheinrich. However, the North American market also recorded a strong rise in volume.

These developments, the concrete prospects of a further stabilization of the world economy in the next few years, and additional factors were reflected in the work done by the Board of Management and the Supervisory Board in the year being reviewed. In particular, the task at hand was to prepare the Group for this market and company growth from a structural perspective. Serving this purpose were several measures and decisions which have been summarized below.

The strategic capital expenditure projects in the field of central spare parts management, namely the new spare parts centre in Kaltenkirchen near Hamburg and production capacity—in the new factories in Qingpu (China) and Degernpoint (Bavaria)—were completed and commissioned in the year under review. These large-scale projects, which required a huge amount of funds and personal dedication from the employees in the areas affected to be implemented, are an expression of the company's quest to play a pioneering role in production in terms of quality, processes and cost optimization as well as to render the fastest service possible on an international scale by providing spare parts.

In addition, new accountabilities for regions and divisions were introduced to the Board of Management. Against the backdrop of the requirements imposed by the progressive internationalization of the business, the members of the Board of Management were assigned responsibilities for geographically delimited, regional markets on top of the functional accountabilities they have for their legacy business lines. Furthermore, independent divisions were created from individual sales and technology business fields and the responsibility for them was assigned either to the Board of Management as a whole or specifically to individual members of the Board of Management. This gave rise to cross-functional matrix-based accountabilities on the Board of Management.

Moreover, the Board of Management reorganized the sales accountabilities for regional markets—especially in Europe—at the first management level.

The Supervisory Board and the Board of Management expect the measures mentioned above to provide additional stimulus that will intensify business activity and market development even further.

The change to the sales mandate on the Board of Management will present opportunities to improve the position of the Jungheinrich sales organization in its legacy markets even further and to increase the value of the work done by the Board of Management by drawing on external experience—above all from an international perspective.

Another focal point of the Supervisory Board's activity in the financial year that just ended was the review of the compensation systems for the Board of Management and the Supervisory Board in order to increase transparency and sustainability. In this respect, the Supervisory Board concerned itself in depth with the demands placed on the compensation systems and their objectives by the German Stock Corporation Act and the German Corporate Governance Code. After thorough preparations by a Supervisory Board task force and discussions in a plenary session, this resulted in adjustments to the variable remuneration of the Board of Management, which entered into force on January 1, 2014, and the decision to propose to the Annual General Meeting that the variable compensation of the Supervisory Board be adjusted, which—if approved—would also take effect as of January 1, 2014.

The compensation system for the Board of Management was adjusted by changing the per cent weighting of the individual performance parameters relative to the overall target parameter, lowering the floor to the level customary in other companies, and limiting the degree to which partial sums paid in subsequent years can change to a more realistic range. In sum, these amendments offset the disadvantages of the former system, while using the same target parameters.

The adjustment of the compensation system for the Supervisory Board that will be proposed to the Annual General Meeting on May 15, 2014 for the passage of a resolution was occasioned by changes in the accounting policies applicable to the Jungheinrich Group which have a significant effect on the EBIT return on capital employed to date. The realignment envisages the introduction of the 'return on equity' (ROE) as a new basis of assessment, which now reflects the Group's entire business activity in a simple ratio. Furthermore, the sustainability of the variable compensation system is to be underscored by using the ratio's three-year average as a basis of assessment.

Once again, in the year under review, the Supervisory Board regularly and thoroughly fulfilled the task of monitoring the work of the Board of Management entrusted to it by the law, Articles of Association and the Bylaws during its plenary sessions, meetings of its committees and when it was out of session. Yet again, the Supervisory Board thoroughly advised the Board of Management on matters concerning company management while monitoring the management of the company by the Board of Management. The yardsticks for this monitoring work were matters concerning the legality, orderliness, suitability and profitability of business management and Group leadership. This was done based on detailed and regular reports by the Board of

Management which were presented orally and in writing.

As before, the Supervisory Board was extensively involved in all of the major decisions made by the Board of Management—especially regarding the Group's continued strategic development. The reports of the Board of Management addressed the development of business in the Group companies, the financial position, the headcount trend, and the status of major investment undertakings and projects. In addition, the Supervisory Board and its Finance and Audit Committee concerned themselves with the company's opportunity and risk management, internal control system and compliance. All of the members of the Board of Management delivered detailed reports on their areas of responsibility at the meetings of the Supervisory Board and its committees. They were supplemented by written reports by the Board of Management on a monthly, quarterly and semi-annual basis, in accordance with the rules of information for the Board of Management. The Chairman of the Supervisory Board and the Chairman of the Finance and Audit Committee discussed matters with the Board of Management and prepared the associated debates and decisions of the plenary session between meetings as well.

In the 2013 reporting period, the Supervisory Board discussed the strategic and commercial development of the Group, its business fields and divisions as well as of its subsidiaries and associated companies in Germany and abroad in all four of its sessions. Besides these and the overarching topics mentioned at the beginning of this report, the following issues were the main objects of the discussions and resolutions passed by the Supervisory Board at its meetings following the written procedure:

A resolution passed using the written procedure in January 2013 related to the acquisition of intellectual property rights to components of a major new development in the field of counterbalanced trucks.

In the balance sheet session on March 15, 2013, Jungheinrich AG's financial statements for the parent company and the Group as of December 31, 2012 were discussed and approved in the presence of the independent auditors after the Finance and Audit Committee had presented the results of its preliminary audit and the independent auditors had presented the results of their audit to the Supervisory Board. A further item on the agenda was the re-appointment of Dr. Rosenbach as the member of the Board of Management in charge of technology as of January 1, 2014 for another three years. Moreover, the agenda of the Annual General Meeting was approved.

At the Supervisory Board meeting on the day of the Annual General Meeting, i.e. on June 11, 2013, among other things, the construction of the new corporate headquarters in Hamburg-Wandsbek was approved following a detailed presentation of the key parameters.

Dr. Limberg's retirement from his position as member of the Board of Management in charge of sales was approved in the session on September 17, 2013. The Supervisory Board expressed its sincere gratitude to Dr. Limberg for his work. Furthermore, the updated personnel strategy was presented, and a decision was made to establish a division in the form of a company. In addition, the Deputy Chairman of the Finance and Audit Committee reported on the encouraging results of the efficiency audit of the Supervisory Board.

The last meeting in 2013 took place on December 10, at which the new member of the Board of Management in charge of sales, Dr. Lars Brzoska, was appointed. The entire Supervisory Board had thoroughly made Dr. Brzoska's acquaintance by then. He will take office as member of the Board of Management responsible for sales as of April 1, 2014. Moreover, the budget for the 2014 financial year was discussed and approved. The revised system governing the variable compensation of the Board of Management was approved as was the corresponding draft resolution for submission to the Annual General Meeting concerning the revision of the system governing the variable compensation of the Supervisory Board. Last but not least, a statement of compliance by the Supervisory Board in accordance with Section 161 of the German

Stock Corporation Act ('Corporate Governance Code Declaration') was adopted.

Once again, the activities of the Finance and Audit Committee were the main highlight of the work done by the committees of the Supervisory Board. This committee convened five times during the year being reviewed. The Committee concerned itself with all matters relating to the financial statements and the independent auditors (results of the independent auditors' audits of the annual financial statements, determination of the focal points of the audits, fees and preparation of the appointment), the audit of the efficiency of the Supervisory Board, the state of the foreign pension fund, Jungheinrich's risk management and compliance system, and the Corporate Audit Department's work.

In 2013, the Personnel Committee, which is composed of five members, convened at four meetings and prepared all relevant topics for the plenary session.

The Construction Committee, which deals with the planning and design of the construction of the new corporate headquarters, was formed anew and was in session twice in the year being reviewed.

Committee chairmen submitted detailed reports on the discussions and the process of developing recommendations and resolutions for all committee meetings in the subsequent Supervisory Board sessions.

The parent company's financial statements for the period ended December 31, 2013 prepared by the Board of Management as well as the management report of Jungheinrich AG and the accounts for the 2013 fiscal year were again audited by Hamburg-based Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft. The auditors did not express any reservations regarding the parent company's financial statements and confirmed this in their unqualified auditor's certification. The consolidated financial statements for the period ending on December 31, 2013 and the Group management report were also audited and issued an unqualified auditor's certification by Deloitte. The Finance and Audit Committee analyzed the documents supporting the annual financial statements and Deloitte's audit reports in depth and submitted a report to the Supervisory Board thereon. The members of the Supervisory Board acknowledged the audit reports of the independent auditors. The same applies to the Board of Management's proposal for the appropriation of the balance sheet profit for the 2013 financial year. The certified public auditors who signed the financial statements of the parent company and the Group attended the Supervisory Board's balance sheet meeting on March 18, 2014 when the corresponding item was on the agenda. The independent auditors found that the internal control system, the risk management system and the compliance system were not objectionable and that there were no observations concerning the declaration of compliance in accordance with Section 161 of the German Stock Corporation Act.

On the basis of the in-depth examination of the parent company's financial statements, the management report, the consolidated financial statements, and the Group management report by the Supervisory Board, the Supervisory Board did not raise any objections to these financial statements, approved the result of the audit conducted by the independent auditor at its meeting on March 18, 2014, and thus adopted the parent company and consolidated financial statements as of December 31, 2013.

The parent company financial statements are thus adopted. The Supervisory Board endorses the Board of Management's proposal for the appropriation of the balance sheet profit for the 2013 financial year.

The Supervisory Board thanks the Board of Management and the workforce for the work they did last year.

Hamburg, March 18, 2014
On behalf of the Supervisory Board

Jürgen Peddinghaus
Chairman

Corporate governance report

Corporate governance at Jungheinrich

In accordance with Item 3.10 of the current version of the German Corporate Governance Code of May 15, 2013, the Supervisory Board and the Board of Management hereby report on corporate governance at Jungheinrich:

Good and responsible business management and control oriented towards increasing value over the long term is extremely important at Jungheinrich. The Board of Management and the Supervisory Board of Jungheinrich AG consider the Code, which was most recently amended by the 'German Corporate Governance Code Government Commission' in May 2013, to be a model for the transparency of the legal framework for business management and control for the company's domestic and foreign investors, business partners and employees as well as for the public. As the Code serves as a point of reference, Jungheinrich AG's corporate bodies took a critical approach to determining which of the Code's recommendations and suggestions are followed entirely, to a limited extent, or not at all. This is an ongoing process, the results of which are constantly reviewed and—if necessary—adjusted for the future. It is important that the reviews be thorough, self-critical and tailored to the circumstances actually prevailing within the company as well as that their results be communicated externally in a clear fashion.

The Supervisory Board and the Board of Management believe that the basis for Jungheinrich's success lies in the company's orientation towards creating value as a family-run business, the clear distribution of tasks, authorities and responsibilities among the company's corporate bodies, the trusting and efficient cooperation between the Board of Management and the Supervisory Board, open corporate communications, orderly accounting and audits of the financial statements, and responsible risk management. The Board of Management runs the company's operations autonomously and assumes responsibility for this. Composed of six shareholder representatives and six employee representatives, the Supervisory Board monitors business management by the Board of Management and advises the Board of Management in the Group's continuous strategic and operational development. The Annual General Meeting is the company's highest corporate body—a forum for the shareholders to exercise their rights. By performing in-depth reviews within the scope of their annual audits of the financial statements, the independent auditors support the monitoring activities of the Supervisory Board and are of assistance to the company in making decisions regarding the annual financial statements. Compliance with statutory regulations and internal guidelines is also gaining significance for the company and its committees. The Board of Management regularly reports to the Finance and Audit Committee on the compliance organization and its work. The internal compliance organization is being expanded even further. It proved itself yet again in the year under review. The company uses a conservative and cautious yardstick to asses risks. This is why addressing this issue within the Group with a view to increasing the company's value lastingly is also an element of Jungheinrich's opportunity and risk management system. Corporate governance at Jungheinrich satisfies all legal requirements.

In this context, reference is made to the report of the Supervisory Board in this annual report as well as to the corporate governance declaration, which has been published on the company's website (www.jungheinrich.com). Jungheinrich's website also includes financial publications, documents and commentary on the Annual General Meeting, the annual financial calendar containing all of the major dates and publications, ad-hoc and press releases and notifications pursuant to the German Securities Trading Act—primarily regarding reportable securities transactions (directors' dealings)—as well as further information on the company.

In December 2013, the Board of Management and Supervisory Board of Jungheinrich AG issued their annual statement of compliance with the recommendations and suggestions of the German Corporate Governance Code Government Commission pursuant to Sec. 161 of the German Stock Corporation Act. The Finance and Audit Committee had prepared the Supervisory Board's corresponding resolution. The statements of compliance by the Board of Management and the Supervisory Board are identical and have been published on the company's website as follows:

"Jungheinrich AG has complied with the recommendations of the German Corporate Governance Code Government Commission in the May 13, 2013 version of the Code published in the official section of the German Federal Gazette on June 10, 2013 by the German Federal Ministry of Justice since its last declaration of compliance in December 2012 and will continue to do so, excluding the following recommendations.

The deviations follow and are commented below:

1. The company's D&O insurance policy does not include a deductible for the members of the Supervisory Board (Item 3.8 of the Code).

   The D&O insurance policy is a group insurance policy for the company's board members (Board of Management and Supervisory Board) as well as for a large number of the Group's employees in Germany and abroad. Differentiating between employees and board members in principle was deemed improper in the past. However, in view of the German law on the appropriateness of management board compensation, the company's insurance policy was supplemented by a deductible for the members of the Board of Management in line with the sum specified by the law and the Code. However, the legislator expressly renounced mandating the introduction of a corresponding deductible for Supervisory Board members. Only the Code includes a recommendation to this effect. Therefore, the Supervisory Board still does not see any reason to deviate from its current practice. The Supervisory Board's deliberations in this connection are based on the conviction that the prime objective is to recruit to the Supervisory Board suitable individuals whose experience is beneficial to the Supervisory Board's work in the company's interest. These goals would be counteracted if the recruited Supervisory

Board members satisfying these requirements merely had limited insurance coverage for their activity.

2. The Supervisory Board will concern itself with the task of taking into account the relation of the compensation of the Board of Management to that of senior executives and the non-executive workforce (Item 4.2.2 of the Code).

3. The Supervisory Board pays attention to diversity with respect to the composition of the Board of Management. However, appropriate female representation does not take centre stage in the Supervisory Board's deliberations (Item 5.1.2 of the Code).

   Naturally, female candidates are given consideration equal to male candidates by the Supervisory Board when staffing positions on the Board of Management. However, the individual's professional and personal suitability with respect to the position on the Board of Management in question are the focal point. The Supervisory Board does not believe that a female quota irrespective of each candidate's suitability would lead to the desired results or comply with the asset management duties which the Supervisory Board, among others, is obliged to fulfill.

4. The compensation of the members of the Board of Management and Supervisory Board is not published in itemized or individualized form (Items 4.2.4, 4.2.5 and 5.4.6 of the Code).

   The company is still not implementing the Code's recommendation to present the emoluments of the members of the Board of Management or Supervisory Board in itemized or individualized form in the notes or the management report. These corporate bodies are boards, which makes disclosure by board member irrelevant in principle. Furthermore, the company believes that the benefits of such disclosure for the public and investors are not significant enough to disregard the associated disadvantages—also as regards each of the board members' right to privacy. After all, per its resolution dated June 15, 2011, the Annual General Meeting again waived the obligation of the members of the Board of Management to provide individualized disclosure over a period of five years.

5. A nomination committee for proposing suitable Supervisory Board candidates to the Annual General Meeting has not been established (Item 5.3.3 of the Code).

   In light of the nature of a family-owned company, the Supervisory Board believes that such a committee is dispensable. Two Supervisory Board members are seconded by the registered shareholders. The candidates for the four remaining shareholder representatives, which are proposed to the Annual General Meeting, are chosen in close coordination with the holders of ordinary shares.

6. The Supervisory Board has not yet stated any specific goals with respect to its composition (Item 5.4.1 of the Code).

   Over the course of 2012, the Supervisory Board debated whether the Code's recommendation can be followed appropriately given the company's background. This debate resulted in the resolution to consider this issue and possibly a determination of specific goals again in good time before the next Supervisory Board elections in 2016.

7. The company renounces the determination of an age limit for Supervisory Board members (Item 5.4.1 of the Code).

   An age limit can lead to rigid rules, which may counteract the company's goal of recruiting extremely experienced individuals to work on the Supervisory Board. Therefore, increased flexibility when making decisions on a case-by-case basis has been given preference over a rigid limit.

8. The Supervisory Board's composition may not meet the criteria set forth in Item 5.4.2 of the Code regarding the number of independent Supervisory Board members.

   The Supervisory Board of Jungheinrich AG consists of a total of twelve members, six of whom are elected by the employees. Two shareholder representatives are seconded to the Supervisory Board by the ordinary shareholders who own registered shares. The four remaining shareholder representatives are elected by the Annual General Meeting. The candidates for these four remaining shareholder representatives, which are proposed to the Annual General Meeting, are already being chosen in close coordination with the holders of ordinary shares. In turn, only the ordinary shareholders are entitled to cast votes at the Annual General Meeting. The system for staffing the shareholder representative positions reflects the fact that the nature of the company is that of a family-owned business.

Hamburg, December 2013."

Jungheinrich AG's Annual General Meeting is the platform for all shareholders to meet, inform themselves of the past financial year as well as to conduct debates with the company's corporate bodies and employees and make suggestions, ask questions and voice criticism. Voting rights are only exercised by ordinary shareholders.

Shareholders, investors, analysts and the public receive important information pertaining to the company promptly and in the same manner. The company makes considerable use of the internet for this purpose.

The Chairman of the Supervisory Board was not notified by the commissioned independent auditor of any grounds for disqualification or partiality identified by the independent auditor during the audit of the annual financial statements. Moreover, the auditor of the financial statements is obliged to instantaneously report on all findings and events material to the Supervisory Board fulfilling its tasks which come to the auditor's attention when performing the audits. This obligation also applies to deviations of company practice from the principles adopted by the Board of Management and Supervisory Board within the scope of the statement issued concerning the German Corporate Governance Code. The independent auditor confirmed that Jungheinrich adhered to its declaration of compliance.

Compensation report

As regards the current remuneration system for the Board of Management and the Supervisory Board, reference is made to the presentation in the Group management report.

Hamburg, March 18, 2014

Supervisory Board   Board of Management

The Supervisory Board

Jürgen Peddinghaus
Chairman
Management Consultant

Further offices held
Supervisory Board:
Zwilling J. A. Henckels AG, Solingen
Drägerwerk AG & Co. KGaA, Lübeck
(until May 3, 2013)

Detlev Böger
Deputy Chairman
IG Metall Labour Union Secretary,
Hamburg Region

Dipl.-Ing. Antoinette P. Aris, MBA
Honorary Professor of Strategy at INSEAD
(Fontainebleau/France)

Further offices held
Supervisory Board:
Hansa-Heemann AG, Rellingen
(Deputy Chairwoman)
Kabel Deutschland Holding AG, Unterföhring
Tomorrow Focus AG, Munich

Similar control body:
Sanoma Group, Helsinki/Finland
ASR Nederland N.V., Utrecht/the Netherlands

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

Markus Haase
Chairman of the Group Works Council

Rolf Uwe Haschke
Member of the General Works Council of
Jungheinrich AG

Joachim Kiel
Executive Employee of Jungheinrich AG

Wolff Lange
Managing Director of LJH-Holding GmbH, Wohltorf

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

Similar control body:
WAGO Kontakttechnik GmbH & Co. KG, Minden

Hubertus Freiherr von der Recke
Barrister, Certified Public Accountant and Tax Consultant

Further offices held
Similar control body:
„Der Lachs" Branntwein- und Liqueur-Fabrik GmbH & Co. KG, Nörten-Hardenberg

Dr. Peter Schäfer
Business Manager

Steffen Schwarz
Deputy Chairman of the Group Works Council

Franz Günter Wolf
Managing Director of WJH-Holding GmbH, Wohltorf

Further offices held
Similar control body:
LACKFA Isolierstoff GmbH & Co., Rellingen (Chairman)

The Board of Management

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


The Board of Management of Jungheinrich AG (from left): Dr. Klaus-Dieter Rosenbach, Hans-Georg Frey, Dr. Volker Hues.

Hans-Georg Frey
Chairman of the Board of Management
Labour Director
Marketing & Sales
(interim, as of November 15, 2013)

Further offices held
Supervisory Board:
Fielmann AG, Hamburg

Dr. Volker Hues
Member of the Board of Management
Finance

Group-level office
Supervisory Board:
Jungheinrich Moosburg GmbH,
Moosburg (Deputy Chairman)

Dr. Helmut Limberg
Member of the Board of Management
Marketing & Sales (until November 15, 2013)

Dr. Klaus-Dieter Rosenbach
Member of the Board of Management
Engineering

Group-level office
Supervisory Board:
Jungheinrich Moosburg GmbH,
Moosburg (Chairman)

Group overview

>>> Strategic positioning for further growth >>> Logistics systems business realigned >>> New factories inaugurated >>> Spare parts centre commissioned >>> 1st Hamburg Intralogistics Summit held

Dr. Stefan Seemüller, Head of Project Sales at Jungheinrich, and Dr. Tobias Harzer, Head of the Bavarian Sales Centre, at Martin Hartl Elektrofachgroßhandel GmbH in Freising. The planning and implementation of an automatic small parts warehouse and of a warehouse management system for the customer are good examples of the close cooperation between Jungheinrich's 'Logistics Systems' division and direct sales organization.

Worldwide spare part logistics: Jens Ringeling, Group Manager Quality and Facility Management, in front of the high-rack warehouse in the new spare parts centre in Kaltenkirchen. Since August 2013, this has been the point of departure for spare parts shipped to the Americas, Europe and Asia.

For the Jungheinrich Group, 2013 was dominated by the company's 60th anniversary under the motto "60 Years of Passion for Logistics." However, the company also looked forward. By taking a series of strategic measures, Jungheinrich positioned itself for further growth.

Strategic alignment

In the financial year that just ended, major prerequisites were established with a view to keeping the Jungheinrich Group on course for growth. The mandates of the Board of Management were expanded to include regional and divisional responsibilities primarily in order to enable expansion in growth regions and operations with future promise to be managed even better. In light of its major significance, the logistics systems business is now being overseen by the Board of Management as a whole.

Large-scale projects successfully completed

As planned, the recently built factories in Degernpoint near Moosburg (Germany) and in Qingpu (China) began production last year. The spare parts centre in Kaltenkirchen in the vicinity of Hamburg also took up operation. Our modern production plants designed for warehousing and system equipment (Degernpoint) and forklift trucks for the Asian market (Qingpu) serve Jungheinrich's strategic growth markets. By setting up the new spare parts centre, we have created the preconditions for making our global spare parts logistics activities both faster and more efficient.

Growth markets in focus

Jungheinrich is concentrating on expanding its sales operations in the Asia-Pacific, Eastern Europe and Americas growth regions in order to increase its share of these markets. To this end, new sales staff was recruited in these regions last year. Following the shrinkage of the West European market caused by the financial crisis, this region continues to harbour potential for

Forklifts for the Asian market: Since August 2013, modern, energy-efficient Jungheinrich material handling equipment manufactured to European quality standards has been rolling off the production lines of the new factory in Qingpu (China).

recovery. We intend to further consolidate our position in this market, which has a tradition of being important to Jungheinrich.

Logistics systems business realigned

One of the key elements of our growth strategy is the sale of logistics systems which gives us a unique selling proposition that sets us apart from our competitors. In the year that just came to a close, the company pooled its expertise in the 'Logistics Systems' division and placed the former 'Logistics Systems Sales' and 'Warehousing and System Equipment' Business Lines under one roof and joint management. Jungheinrich Logistiksysteme GmbH, based in Moosburg, was established as of January 1, 2014 for this purpose.

The full acquisition of ISA – Innovative Systemlösungen für die Automation GmbH, headquartered in Graz (Austria) which was completed as of January 1, 2013, was implemented successfully in the year being reviewed. As part of the integration of the warehousing and material flow equipment software firm, ISA GmbH was renamed Jungheinrich Systemlösungen GmbH with effect from January 1, 2014.

'IC engine power' campaign launched

The product segment occupied by forklift trucks powered by internal combustion (IC) engines continues to account for the largest share of the world market, or nearly 50 per cent. We intend to partake of this even more in the future. By introducing new forklifts powered by diesel and liquefied petroleum gas (LPG) engines featuring hydrodynamic drives—referred to as 'converters'—Jungheinrich now offers a fleet of IC engine-powered trucks capable of handling virtually any application and payload. The market launch is being flanked by an extensive marketing campaign titled 'Trust your Machine,' which disseminates information on the advantages of IC engine-powered trucks in various branches of industry and applications. One of the campaign's highlights is the presentation of the new 'converters' at the world lead trade show CeMAT in May 2014.

Mail-order business reassigned

The trading company Jungheinrich Katalog GmbH & Co. KG, which includes Jungheinrich PROFISHOP, was assigned to the Finance

Powerful and efficient: The new generation of reach trucks handles lifting heights of up to 13 metres with an improved handling turnover rate and significant increase in energy efficiency.

mandate as a division. The mail-order business has been posting strong growth for years. After entering the Dutch market in 2012 (following Germany and Austria) our mail-order operations put in an encouraging performance in the financial year under review. In the future, centre stage will be taken by the development of further markets and the expansion of e-business.

New division: ‘Energy and Drive Systems’

The new ‘Energy and Drive Systems’ division was created as part of the Technology mandate in order to do justice to the rising significance of alternative drives and innovative energy systems. Jungheinrich has a wealth of know-how in the development and production of electronic components, control and drive systems as well as chargers and batteries. An important area of the company’s business is the further development of lithium-ion technology, in which Jungheinrich reached the stage of mass production in forklifts as early as 2011.

Technological innovations

DFG/TFG 316–320 and DFG/TFG 425–435: new generation of IC engine-powered trucks

A major strategic objective is to continue expanding business with IC engine-powered forklift trucks. We rounded off the offering in this field by introducing two newly developed model series. Featuring hydrodynamic drives, these model DFG/TFG 316–320 and DFG/TFG 425–435 ‘converters’ will be launched in the spring of 2014 and showcased before the expert public in May 2014 at CeMAT, the world’s lead trade show for the sector. Manufactured in Germany, these forklift trucks are both robust and reliable, suitable for universal use and achieve above-average handling turnover rates for their class, while keeping energy consumption low.

The forklifts can transport payloads of up to 3,500 kilograms and stack them at heights of up to 7.50 metres. They feature extremely durable

Robust powerhouse: The new type EFG S50 electric forklift truck flexes its muscles especially in heavy-duty indoor and outdoor applications.

high-quality components. This makes them outstanding performers in extreme applications in various climate zones. Jungheinrich engineered the key components of the new 'converters'—including the mast, frame and steering axle—in-house in its very own factory in Moosburg.

EFG 540–550/S40–S50: energy-efficient battery-powered forklift trucks

Last year, Jungheinrich presented battery-powered counterbalanced trucks which have been newly engineered from the ground up for especially demanding indoor and outdoor deployment and belong to the 5 Series as well as the newly introduced 'S Line' (EFG S40–S50). The new forklifts have a payload capacity of up to five metric tons and feature the 'Pure Energy' technology concept which is based on the use of the newest generation of Jungheinrich's environmentally friendly three-phase alternate current technology. Energy consumption was reduced by up to 20 per cent compared to the previous generation. Five different operating and drive programs enable the trucks to be adapted to any application while ensuring optimal energy consumption at all times.

ETM/ETV318/320/325: reach truck with increased residual weight capacity

Jungheinrich has completely revamped its 3 Series reach trucks with payload capacities of up to 2,500 kilograms. The launch period began in the spring of 2013 and will end in the spring of 2014. One of the new forklift trucks' main features is their maximum reach of up to 13 metres and residual weight capacity of 1,000 kilograms. A new panorama protective operator roof made of safety glass and tinted windows significantly improves visibility during slotting-in and retrieval operations—especially when working at great heights—while protecting the operator from falling loads. What also distinguishes the new forklifts is the improved handling turnover rate and substantial increase in energy efficiency.


Material handling equipment for the North American market: Dr. Carsten Harnisch is the Director of the Jungheinrich Design Center in Houston (USA).

Auto pallet movers: product range expanded

Last year, we extended our offering of driverless transportation systems even further. The company now offers two additional auto pallet movers based on mass-produced Jungheinrich forklift trucks: the ERC 215a pedestrian-controlled truck and the ERE 225a electric low-lift truck. These forklifts have been designed especially for indoor transport and boast flexibility and high efficiency when used in the most diverse branches of industry.

Auto pallet movers can be integrated into existing IT infrastructure such as the Jungheinrich WMS (Warehouse Management System) and third-party warehouse management systems. Moreover, the trucks can be used as a stand-alone solution, without being connected to a warehouse management system.

The ERE 225a electric low-lift truck has been designed to handle payloads of up to 2,500 kilograms and to be deployed in both automated warehouses and mixed environments. The truck is controlled by laser navigation. The ERC 215a pedestrian-controlled truck can lift, transport and deposit loads of up to 1,500 kilograms.

EFX 410–413: narrow-aisle stacker with warehouse navigation

The EFX 410–413 electric front-seat trilateral stacker, which has a maximum lifting height of seven metres, can fully capitalize on the advantages of warehouse navigation—just like the larger EKX 513–515 variant. The forklift truck can communicate with customer-specific warehouse management systems via Jungheinrich’s proprietary logistics interface. Optimizing in-plant processes can increase handling turnover rates by as much as 25 per cent. The EFX 410–413 is flexible in terms of deployment, as it can be guided through narrow aisles or move freely in wide aisles.

Proprietary engineering in Jungheinrich’s Houston Design Center

Jungheinrich develops warehousing equipment designed specifically for the North American market in its Design Center in Houston (USA). The company has a regional partnership with Mitsubishi Caterpillar Forklift America Inc. (MCFA) in the fields of production and sales. In the future, this equipment will also be sold in growth

Efficient narrow-aisle forklift: The battery-powered, tri-lateral EFX 410–413 stacker can be operated freely in wide aisles and even unload lorries if necessary.

markets such as South America, Asia and the Middle East within the scope of this collaborative endeavour.

The type ECR 327/336 end rider pallet truck, which was launched in 2012, was followed by another truck that was fully engineered in Houston: the type ETR reach truck. The ETR will be presented to an international audience of experts for the first time at CeMAT 2014 in Hanover.

Recognition for innovative truck solutions

Our company maintained its high level of research and development activity last year. The drivers of our work in this field are current and future trends in intralogistics, including reducing energy consumption, customized automated solutions for warehouses and decreasing the total cost of ownership of a forklift truck. Centre stage in research and development is taken by the refinement of IC engine-powered trucks, solutions in the field of alternative drive technologies, and the ergonomic optimization of the operator's environment.

Jungheinrich was recognized for its outstanding dedication to research and development at the International Forklift Truck of the Year (IFOY) Awards ceremony, which was held for the first time in 2013. The only manufacturer nominated for all four categories, Jungheinrich earned distinctions in the "Warehousing Equipment" category with the ETM/ETV 216 reach truck and in the "Counterbalanced Trucks" category with the diesel/LPG-powered DFG/TFG 540s forklift truck.

We also won an award for readying lithium-ion technology for deployment in mass-produced material handling equipment. As the sole representative of the intralogistics sector, Jungheinrich was nominated for the German 'Ecodesign 2013' award conferred by the German Ministry of the Environment and the Federal Environment Agency on the basis of the EJE 112i, the world's first piece of material handling equipment that comes standard with lithium-ion technology.

Worldwide service logistics: Eiko Matthias controls spare part supplies for Jungheinrich dealers around the globe from his workplace in the Kaltenkirchen Spare Parts Centre.

Intralogistics services

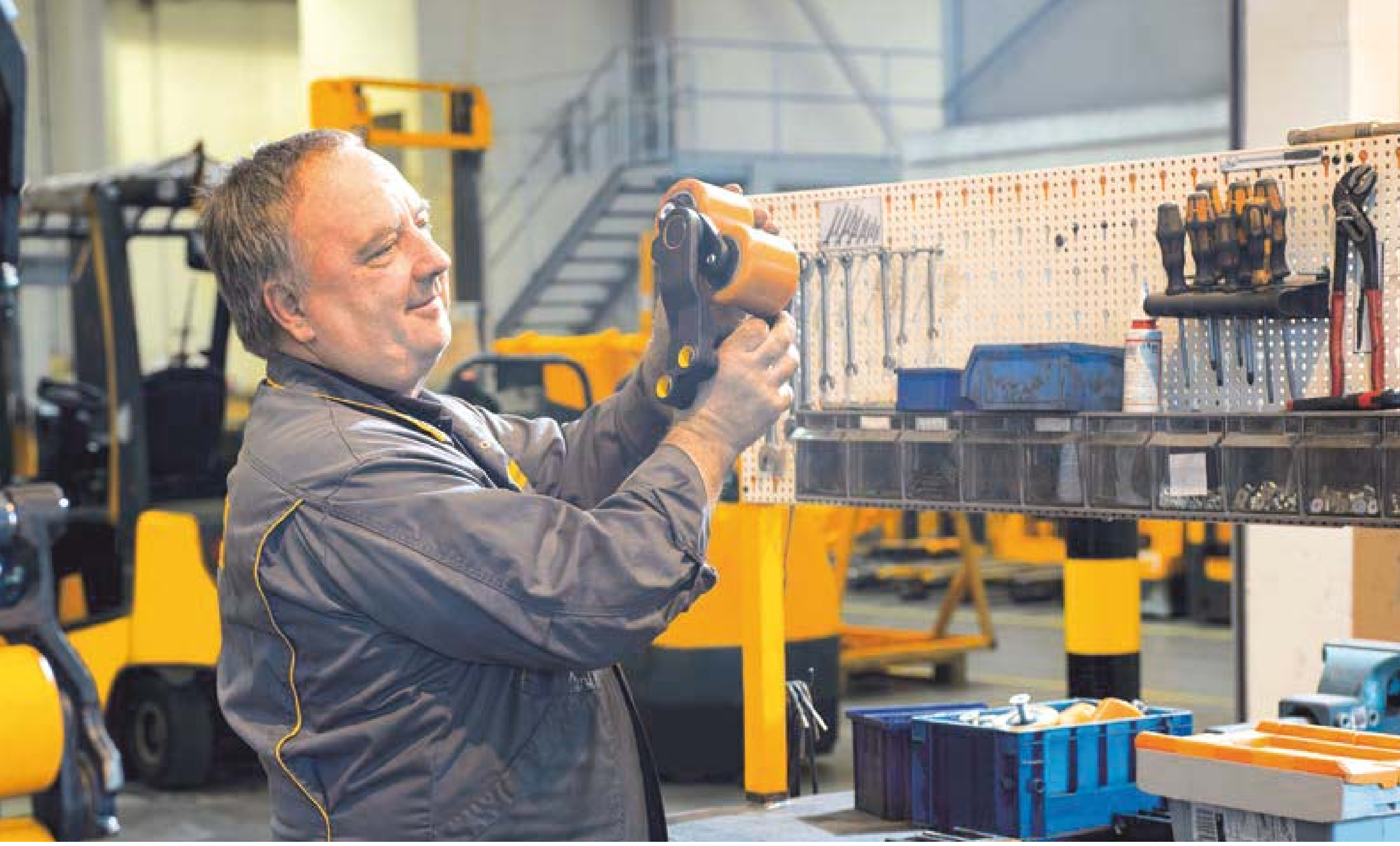
Short-term hire and used equipment: Jungheinrich JungSTARs from Klipphausen

When the used equipment centre was opened in Dresden in 2006, Jungheinrich launched its 4-star quality reconditioning of used forklifts. Today, every second incoming truck either stems from an expired financial service agreement or a terminated short-term hire arrangement. Jungheinrich equipment purchased is picked carefully and returned to the used stacker market under the 'Jungheinrich JungSTARs' label once it has been reconditioned. Reconditioning at Klipphausen, situated in the vicinity of Dresden, is performed adhering to a uniform and high standard of quality which meets predefined safety, technical, visual and reliability criteria.

Jungheinrich satisfies demand for used equipment in Europe, Asia and South America from Klipphausen. Mounting and market-conform availability drove the rise in incoming orders as did the expansion of the range of as-new equipment on offer. Forklifts, the reconditioning of which would not be economically feasible, are disassembled to recycle spare parts or are professionally disposed of in an environmentally friendly manner.

Reconditioning is conducted in six standard steps. Once a truck has been subjected to a check, which is uniform groupwide, it is dismantled right down to its individual components and cleaned thoroughly. If necessary, the components are disassembled as well. All parts crucial to safety as well as worn parts are replaced. After the painting process, the components, body and mast are reassembled. Pre-delivery inspection rounds off the premium-quality industrial reconditioning process with functional tests and the issuance of a safety certificate.

In 2013, Jungheinrich began expanding the Klipphausen factory site with a view to keeping up with the significant growth in demand in the used forklift business in the future as well. Production floorspace will be enlarged considerably by 2018. At the end of this capex project, which



As-new reconditioning: Frank Fuhrmann in the Dresden Used Equipment Centre, refurbishing components for a stacker truck.

is going hand in hand with the optimization of processes, the plant will be able to recondition 8,000 forklift trucks every year—nearly twice as many as in the past.

After-sales services:
outstanding worldwide service logistics

Jungheinrich's after-sales service organization sees to it that the Jungheinrich material handling equipment and logistics systems located the world over remain operational, while minimizing customer operation downtime. A key prerequisite for this is efficient service logistics with highly professional employees and processes as well as the harmonized dispatch of service engineers and spare part shipments.

Optimal service logistics is made up of several factors: Nearly 4,000 mobile Jungheinrich service engineers worldwide are dispatched to minimize turnaround times and maximize the first-response job completion rate. Another precondition is an efficient spare parts logistics chain that ensures that requisite parts are delivered right to the service engineer's workplace overnight or soon thereafter—selected from a list of more than 250,000, some of which are for truck models that are over 20 years old. The two process chains, i.e. 'service engineers' and 'spare parts' are matched to the customer's forklift on site. The goal is to provide the customer with the best possible service solution based on the principle of just-in-time availability.

By commissioning the spare parts centre in Kaltenkirchen in 2013, Jungheinrich passed a major milestone en route to further optimizing its service logistics. In our quest to expand our supply of spare parts to growth markets such as Russia and Asia (focusing on China) we are gradually enlarging the regional warehouse structure by adding new sites in these regions. They will supplement our existing regional warehouses in Europe, where 98 per cent of the spare part shipments are overnight, and in the USA.

Another point of focus in terms of improving the quality of service logistics is the equipment and qualification of personnel. The software

Factory equipment en route to the customer: Jungheinrich PROFISHOP offers 36,000 articles to industrial, trade, skilled crafts and commercial customers.

developed for service engineers in 2013 will be rolled out internationally in 2014, contributing to improving service processes even more. At the same time, the Jungheinrich Training Centre in Norderstedt ensures that the Group's service staff constantly receives advanced training, for instance via certified programs on site or through e-learning modules.

Mail-order business: e-procurement increasingly sought after

The factory equipment mail-order business is characterized by an unfettered trend towards e-procurement solutions tailored to suit each customer's individual needs. By contrast, classical order channels including written mail-orders are losing significance. Jungheinrich PROFISHOP sales based on customized e-business solutions drawing on its 36,000-item offering are rising.

E-procurement is the sourcing of goods and services in a closed electronic ordering system. This entails linking the corporate networks of suppliers and customers to each other via secure connections as well as creating interfaces between their IT systems. Jungheinrich PROFISHOP compiles electronic catalogues based on its customers' wishes, with which shipment addresses, order corrections, watch lists and shopping carts can be managed.

Our customers benefit enormously from e-procurement through Jungheinrich PROFISHOP thanks to the complete transparency it offers in terms of both order volume and costs. Streamlining order and payment transactions provides companies with a simple and efficient way of achieving long-term cost savings in purchasing by optimizing processes, in turn gaining a competitive advantage. Therefore, Jungheinrich

Customized financing concepts: Patrick Sarau and Barbara Wirth create financing solutions tailored to suit customer needs.

PROFISHOP will further expand and diversify its offering in this field.

Financial services further expanded

As a one-stop-shop for intralogistics, Jungheinrich offers its customers manufacturer-direct tailor-made financial services. This gives customers just one point of contact—be it for forklifts, financing or service. They benefit from a reduction in overhead costs, more reliable planning, and cost transparency. As a rule, the financial service contracts offered are connected to full-service or maintenance agreements and ensure that the customer's trucks are deployable around the clock. This allows our customers to focus on their core business.

Jungheinrich has proprietary financial services companies in seven European countries. Acting as a holding company, Jungheinrich Financial Services International GmbH oversees all of the sales and commercial processes of our financial services business.

We build long-term partnerships with this business model, which enables us to quickly react to changes in customer demands. Our financial service advisors support the direct sales network and join the customer on-site whenever large-scale projects are carried out.

The 'Financial Services' segment is still being expanded with resolve by the 'Push FS' project, which was launched in 2013. To this end, we are stepping up cooperation between our financial service advisors and sales units. In so doing, we can do an even better job of communicating Jungheinrich's financing offers on the market. We aim to address additional target groups and sectors by offering new, tailor-made products.

Demanding mission: A Jungheinrich diesel forklift transports barrels of beer at the Russian brewery Tomskoje Pivo in Tomsk.

International projects

Tomskoje Pivo: forklifts for extreme conditions

Jungheinrich forklift trucks put their ability to perform to the test the world over—even in places as remote as Tomsk, Siberia, 3,500 kilometres from the Russian capital Moscow. To transport barrels of beer and crates of beverages under extreme conditions—with winterly temperatures going as far down as 30 degrees below zero and hot and humid summers—the Tomskoje Pivo brewery uses Jungheinrich diesel-powered forklifts featuring hydrodynamic drives. The robust industrial engines are specifically designed to be used in high-performance forklift trucks and are a guarantor of high reliability as well as long service lives when handling extremely demanding logistics tasks.

Besides robust and powerful trucks, Siberia's extreme weather conditions require ergonomic operator working environments. The Jungheinrich 'converter's' drive unit is oscillatingly mounted, which has various advantages, including a significant reduction in vibrations affecting the operator.

Moreover, extremely compact Jungheinrich battery-powered forklift trucks with very small turning circles are used in the area of the brewery in which filled barrels are prepared for shipment. Several stackers are operated simultaneously in very small quarters, loading pallets which are then transported to customers by road or rail.

PT Enseval: pharmaceutical logistics for the island nation

Headquartered in Jakarta, PT Enseval has been selling pharmaceutical and medical products as well as food in Indonesia since 1973. The country's 7,000 islands pose a logistical challenge of unique dimensions. Furthermore, the company, which has been listed on the stock exchange since 1994, also trades in raw materials for the pharmaceuticals and cosmetics industries. In 2012, PT Enseval generated some

High handling turnover rate: The Indonesian pharmaceutical logistics specialist PT Enseval uses Jungheinrich forklift trucks to manage intralogistics in its distribution centre in Jakarta.

120 million US dollars in sales with just over 5,000 employees in 42 branch offices spread throughout the island nation.

Centre stage in the company's complex logistics infrastructure is taken by two regional distribution centres on Java, Indonesia's largest island: in Jakarta in the west and in Surabaya in the east. Approximately 80 per cent of the goods are handled in the Indonesian capital, resulting in about 40 trucks being loaded and unloaded there every day. The distribution centre has a space of 12,000 square metres and 16,000 pallet slots.

For 15 years, PT Enseval has relied on Jungheinrich's professional support for all the intralogistic processes in its warehouse—especially as regards after-sales services. In the distribution centre in Jakarta, a fleet of diesel-powered forklifts, low-platform trucks as well as reach and narrow-aisle stackers ensure no-hitch logistic processes. Our after-sales services see to it that truck downtime is avoided or minimized. Nearly 150 Jungheinrich forklift trucks have been deployed throughout the company.

Streng Plastic: higher process safety with Jungheinrich WMS

Established in 1954, Streng Plastic AG, domiciled in Niederhasli, Switzerland, produces and markets a wide range of plastic piping systems for customers in the fields of wastewater engineering, water and gas supply as well as cable protection.

With 120 employees and annual sales of just over 50 million Swiss francs, the company commissioned the construction of a warehouse for its assortment of between 500 and 700 items in 2012. Thanks to a holistic intralogistics solution offered by Jungheinrich, the core of which is a warehouse management system (WMS) with a logistics interface and warehouse navigation, Streng Plastic lastingly increased process and occupational safety as well as profitability. Further advantages include the high transparency of inventory and a minimized error rate.

Jungheinrich analyzed the company's intralogistics processes, established a workflow, and provided everything from a single source as

Optimized material flows: A Streng Plastic employee controls the Jungheinrich Warehouse Management System via a screen on the stacker.

general contractor. Streng Plastic uses a legacy ERP system for resource planning. Therefore, the company had its intralogistics processes connected to its in-house IT system via the Jungheinrich WMS using a predefined interface. The project was completed with us implementing an intralogistics solution for Streng Plastic after a mere 22 weeks.

Jungheinrich's modular WMS was configured to Streng Plastic's specifications before being installed. The system is used, for example, to control material flows for incoming and outgoing goods, in the warehouse and in the reserve and order-picking areas. As a result of this all-round logistics solution, Streng Plastic increased its storage placement and removal turnover rate by up to 25 per cent, while reducing its error rate. Added benefits were a tangible drop in energy consumption, a reduction in ergonomic strain on the operator and time savings as search and corrective runs as well as manual checks have become obsolete.

60 Years of Passion for Logistics

Last year, Jungheinrich employees, customers and business partners celebrated our company's 60th anniversary, which was under the motto "60 Years of Passion for Logistics," at numerous plant and sales sites the world over.

1st Hamburg Intralogistics Summit

The celebrations culminated in the 1st Hamburg Intralogistics Summit. This convention of high-calibre European logistics experts kicked off a new series of events on the future of intralogistics and related sectors.

More than 400 logistics professionals from the whole of Europe discussed trends in intralogistics as well as social megatrends under the motto "The Future in Stock" from October 14 to 16, 2013 in the Atlantic Hotel in Hamburg. Industry experts, customers, business partners

High-calibre event: The 1st Hamburg Intralogistics Summit with a host of logistics experts was the culmination of the celebration of the company's 60th anniversary.

and friends of the company listened to expert speeches on a variety of future scenarios and their implications for commerce and the economy as well as on the rules of the global networked society. Dr. Klaus-Dieter Rosenbach, the member of the Board of Management in charge of technology, and Dirk Schulz, Head of Central After-Sales Services, presented product developments and service concepts in the field of intralogistics reflecting both current and future trends.

On conclusion of the event, conference attendees learned how the fundamental trends that had been discussed at the Intralogistics Summit can be put into practice by taking a tour of the spare parts centre that we had just commissioned in Kaltenkirchen.

Employees

Jungheinrich incessantly works on being an attractive employer. To this end, we create an environment that promotes employee satisfaction and, in turn, their innovative prowess. In light of the increasingly fierce competition for skilled labour in the international arena, Jungheinrich took a series of personnel recruitment, development and qualification measures in 2013.

Excellent training

Jungheinrich's training concept banks on involving up-and-coming professionals directly in the company's work processes. The objective is to give our young staff a permanent position once they have completed their training. In 2013, Jungheinrich's successful vocational training received several awards. A team of apprentices from the Moosburg factory won the national 'playbizz' contest, an economic simulation based on a business game. Furthermore, a number of

Dedicated training: Ronny Kroes, responsible for commercial training at the Landsberg factory, goes through the basics of welding technology with the up-and-coming industrial mechanics.

apprentices from our Norderstedt plant successfully participated in the 'Youngsters Weld' contest.

The Landsberg factory started offering basic professional training in 2013 and took this occasion to present itself on 'Apprenticeship Day,' an initiative of the German Federal Employment Agency. In August 2013, the first three budding industrial mechanics began their training in Landsberg.

Modern advanced training concept meets high quality standards

The outstanding qualifications of our labour force are a major asset for our company in the face of international competition. Our extensive range of training programs, which are adapted to local and sector-specific circumstances, ensure that our employees' qualifications satisfy high quality standards throughout the Group.

The basic and advanced training offering for professionals in sales and after-sales services distinguishes itself through modern learning methods and high practical relevance. In 2013, our training centre in Norderstedt developed new training concepts and revised existing ones for service engineers as well as for logistic system and IC engine-powered truck salespeople.

International HR development gains significance

Personnel development work in the Jungheinrich Group is doing justice to the company's rising internationalization. Central resource and employee deployment scheduling is increasingly being flanked by HR measures in our country operations the world over. The International Management Trainee Program, which has been an integral component of our in-house talent and young professional promotion system for over 40 years, was expanded and internationalized in 2013. Trainee figures were increased by nearly 50 per cent, and traineeships were created in our sales companies in the United Kingdom, France, Italy and Spain for the first time.

International promotion of budding professionals: Khairuldin Mohamed Sediek training in the sales company in Singapore to become a project engineer for logistic systems.

Another building block in our global networking is the 'Going Global' exchange program. Worldwide intragroup job postings afford our employees the opportunity to switch organizational units for a limited period of time, after which they can draw on the experience gained in their usual working environment. Central HR Development constantly strives to further intensify job rotation among the Group's companies. The internal job bourse, which will be expanded in 2014, also serves this purpose, as it will provide every staff member with a full list of vacancies on the intranet.

New executive compensation system

In 2013, Jungheinrich introduced a new compensation system for its executives that bases the variable components on the key figures for the remuneration of the Board of Management as regards the company's growth targets. The major indicators in respect of earnings, sales growth and market share in all of the Group's organizational units are in line with the company's objectives.

Employee surveying continues

More than 700 measures were developed based on the results of the 2011 and 2012 groupwide 'Jungheinrich ECHO' employee opinion polls—most of which have already been implemented. This is evidence of the entire staff's strong willingness to shape the company. As planned, ECHO will be repeated in the autumn of 2014. Our entire workforce will be able to participate, with the personnel of our companies in France, China, India and Brazil joining in for the first time.

Successful cooperation: The Jungheinrich Group and its employees have supported a large number of projects carried out by the pharmaceutical aid organization action medeor.

Social responsibility

As a listed stock corporation with the character traits of a family-owned company, assuming social responsibility is part of our corporate culture. We do charitable work especially in fields that relate to our business activity, i.e. intralogistics. These mainly include education, science and environmental protection. Another way in which Jungheinrich's social engagement is manifested is the assistance provided by the company to aid organizations by supplying them with material handling equipment, intralogistics expertise and cash donations.

Cooperation with action medeor bears fruit

Jungheinrich has been working with the non-profit organization action medeor since 2011. Europe's largest pharmaceuticals aid organization teams up with local partners to supply about 10,000 medical units with pharmaceuticals and medical supplies in 140 countries. In the world's poorest regions, health units are often non-existent or very difficult to reach. To this very day, many people in these regions die from infectious diseases that are easy to treat. It would be extremely difficult for action medeor to provide rapid emergency and disaster aid without dedicated cooperation partners. We support the pharmaceuticals aid organization with forklift trucks and intralogistics services as well as cash donations.

Last year, Jungheinrich helped to build a pharmaceuticals warehouse in the East African country of Tanzania. Action medeor has been supplying healthcare establishments in Tanzania directly from Dar es Salaam for nearly a decade. Seeking to shorten routes and satisfy the strong demand for medication more than before, a second branch office was established in 2013 in Masasi, in the southeastern part of the country. Jungheinrich donated just under 12,000 euros in warehousing equipment required on the premises.

In 2013, coworkers in our Spanish, Portuguese and Austrian sales units joined the 'loose change' campaign which involves employees voluntarily

Joy of learning: Jungheinrich supports 'Kinder-Uni Hamburg' which offers an annual lecture series for little students.

renouncing the cents behind the decimal point of their monthly wage or salary. The sum total was doubled by Jungheinrich once again last year. Staff members and the company combined for a donation of 23,054 euros via the 'loose change' initiative. These funds went to three aid projects in Atmah (Syria), in the border region between Rwanda and the Democratic Republic of Congo, and in the Philippines.

Jungheinrich made a cash donation to help provide immediate medical aid after the 'Hayian' typhoon in the Philippines. The families of the company's owners also donated a sizable sum from their personal assets to this cause.

Partnership with 'Kinder-Uni Hamburg'

Since 2002, 'Kinder-Uni Hamburg' has been hosting a series of lectures for children in order to convey to them the joy of learning. Every year, lecturers from the University of Hamburg organize six events on topics in the fields of natural sciences, technology and economics for 'little' students aged eight to twelve.

We forged a partnership with 'Kinder-Uni Hamburg' in June 2013. In so doing, we are safeguarding the project's future together with four other partners.

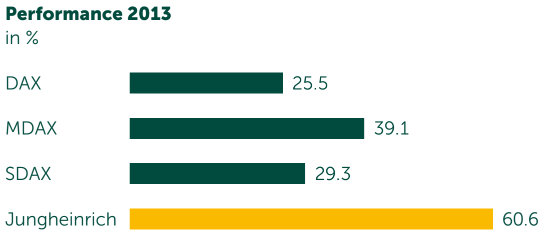
Commitment to NaT initiative intensified

Against the backdrop of the fierce competition for well trained professionals, Jungheinrich is supporting charitable projects for educational advancement in 'MINT' subjects (mathematics, information technology, natural sciences and technology). Our company has been a partner of the Natural Sciences & Technology (NaT) initiative since 2007. NaT aims to make young adults passionate about natural sciences and technology with a view to reducing the lack of engineers in Germany over the long term. As part of our partnership, we cooperate with several Hamburg high schools with curricula that place emphasis on natural sciences. Coppernicus-Gymnasium, a high school in Norderstedt in the vicinity of Hamburg, joined our collaborative efforts in 2013.

The Jungheinrich share

>>> Year-end share price of €47.30 about 61 per cent up year on year
>>> Share clearly outperforms German stock indices
>>> Dividend unchanged

Martin Herbrich, Managing Director at Jungheinrich Singapore and Regional Director Asia-Pacific (excluding China), with Desmond Lam, Head of Dealer Sales Southeast Asia, in front of the monumental backdrop of the Marina Bay Sands Hotel in Singapore. Jungheinrich will continue to drive the expansion of dealer sales in this growing economic region in the years ahead.



The 2013 stock trading year was exceptionally successful for the Jungheinrich share. Our share price rose—especially in the second half of the year. The 61 per cent jump in price reflected the robust business trend and the positive development of Germany's major indices over the course of the year. The quotation hit its all-time high of €49.40 in the closing quarter. Our shareholders will partake of the company's success by receiving a dividend that is essentially unchanged compared to last year.

German share indices post strong growth in 2013

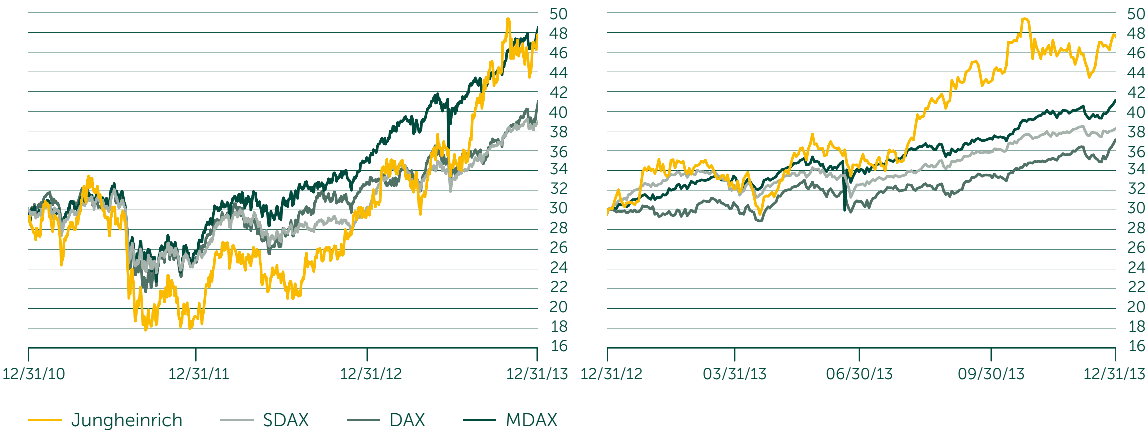
Both domestic and international stock markets got off to an extremely positive start to 2013. At the beginning, the share price benefited from the fact that the US fiscal cliff was avoided in the last minute. Democrats and Republicans had been under pressure to agree on a budget in order to prevent the US economy from suffering under a combination of spending cuts and massive tax hikes. Basic sentiment on the capital market brightened in part owing to the successful issuances of long-term Spanish, Italian and Portuguese government bonds. Towards the end of the first quarter of 2013, the sobering effect of the result of the general elections in Italy and the ensuing difficulty in forming the country's government as well as the negotiations on the rescue package for Cyprus weighed on basic sentiment, which had been cautiously optimistic until then. Stock markets lost momentum in the second quarter of 2013. This was primarily due to the sluggish recovery of the global economy. In addition, there were occasional fears of the Eurozone's failure to revitalize its economy as expected in the second half of the year. Conversely, positive stimulus was injected into the stock markets by the expansionary monetary policy of major central banks in Europe and the USA. June 2013 saw stock markets briefly come under pressure after the Federal Reserve had signalled that it would reduce its bond purchases over the remaining course of the year in the event of a continued recovery of the US economy. The main drivers of the upward trend on stock markets in the third quarter of 2013 were the positive outlook on the global economy's continued development, the stabilization of the Chinese economy, and the strategies of the relevant central banks. The European Central Bank maintained its policy of low prime rates, whereas the US Federal Reserve continued to purchase $85 billion in bonds a month. September 2013 saw prices on the German stock market rally thereafter—despite potential risks such as the crisis in Syria as well as uncertainty concerning the US Federal Reserve's future policy and the outcome of the German Lower House elections. The promise of the capital markets' lasting and good supply of liquidity from the central banks reinvigorated stock markets in the closing quarter of 2013. December 2013 saw the DAX hitting record highs. This development benefited from the US Federal Reserve's announcement that it would reduce its monthly bond purchases to $75 billion from January 2014 onwards. Another positive effect was felt from the agreement by the Democrats and Republicans on a budget plan valid through 2015 which allowed the US Congress to put an end to the long dispute over the country's budget.

During the course of the year, Germany's lead indices displayed the following developments: The DAX recorded an increase of 25.5 per cent to 9,552 points (prior year: 7,612 points). The MDAX posted an even stronger gain, climbing by 39.1 per cent, from 11,914 points to 16,574 points. In the period under review, the SDAX, in which the Jungheinrich share is also quoted, advanced by 29.3 per cent, closing at 6,789 points (prior year: 5,249 points).

Jungheinrich share hits all-time high

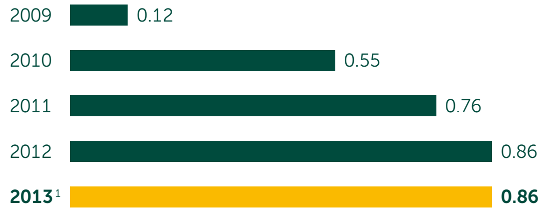
In the 2013 stock trading year, the Jungheinrich share easily bested the strong performance put in by the German share indices DAX, MDAX and SDAX, posting a price increase of 61 per cent compared to the preceding year. At the end of the first quarter of 2013, the Jungheinrich share was quoted at €32.79, representing a gain of 11 per cent vis-à-vis the 2012 year-end share price (€29.46). Its lowest listing for the year of €29.55 occurred on April 19, 2013. Nevertheless, it had appreciated by 16 per cent by the end of the first six months. The share price's upward trend accelerated considerably in the second half of 2013. Following the publication of the key financials for the first half of the year on

Share price development over time
in €[1]



1 All figures are indexed to Jungheinrich's share price.

Dividend
per preferred share in €



1 Proposal.

August 8, 2013, the Jungheinrich share surpassed the 40-euro mark for the first time in mid-August, rising steadily as the year progressed, before hitting a new all-time high of €49.40 on October 22, 2013. Our share closed the year's last trading day at €47.30.

Based on 34.0 million shares, the company's market capitalization increased from €1,002 million to €1,608 million, driven by the outstanding development of the share price. In terms of market capitalization, the position of Jungheinrich's preferred share was 52nd in Deutsche Börse AG's ranking of listed companies, which encompasses a total of 100 companies included in the MDAX and SDAX (2012: 53rd). As regards stock market turnover, it was ranked 60th, as in the previous year.

In 2013, the Jungheinrich share's turnover on the Xetra system and the Frankfurt Stock Exchange amounted to 9.9 million—slightly exceeding the 9.8 million in trading volume recorded in 2012. On average, the share achieved a turnover of 39,021 per trading day as opposed to 38,577 in the preceding year. The highest monthly volume of trading was recorded in October, amounting to €53.6 million (prior year: February, €31.1 million) or 49,850 shares per trading day (prior year: 58,151 shares).

Board of Management and Supervisory Board propose unchanged dividend

We would like our shareholders to benefit appropriately from the decent performance delivered in 2013. Therefore, the Board of Management and the Supervisory Board of Jungheinrich AG will propose to the Annual General Meeting on May 15, 2014 that, as last year, dividends of €0.86 and €0.80 be paid per no-par-value preferred share and no-par-value ordinary share, respectively. Subject to the approval of the Annual General Meeting, this would result in a dividend payment of €28.2 million. The payout ratio, which reflects the relation of the dividend payment to net income, would rise from 25.2 per cent for 2012 to 26.4 per cent for 2013. Relative to the closing quotation on December 30, 2013, due to the substantial rise in share price, this would result in a dividend yield of 1.8 per cent for the preferred share (prior year: 2.9 per cent).

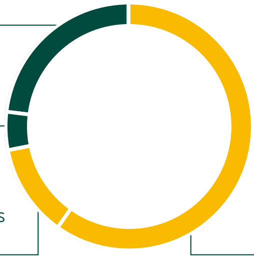
Development of the value of the Jungheinrich share bests German share indices

The Jungheinrich share proved to be a robust capital investment for long-term investors yet again in the 2013 stock trading year. The following table shows how a sample Jungheinrich

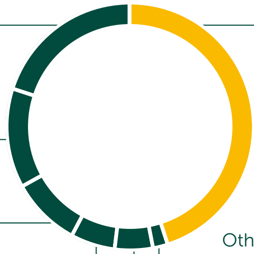
Jungheinrich share profile

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

Investors



Shareholder structure by country



custodian account would have developed over a period of five or ten years. Based on an initial investment of €10,000 it was assumed that the annual dividends received were reinvested in additional preferred shares. Over the five-year period, Jungheinrich's share posted a development significantly exceeding that of the three reference indices. The main reason for this accomplishment is the considerable improvement in the development of Jungheinrich's share price in the 2013 stock trading year. Over the ten-year period, the Jungheinrich share outperformed the DAX and SDAX, slightly besting the development of the return of the MDAX.

Long-term performance of the Jungheinrich share

Investment period	10 years	5 years
Date of investment	01/01/2004	01/01/2009
Portfolio value at the end of 2013	€37,745	€56,476
Average annual return	14.2 %	41.4 %
Comparable return of German share indices		
DAX	9.0 %	14.0 %
MDAX	13.9 %	23.6 %
SDAX	9.9 %	19.1 %

Please note: €10,000 invested in each case.

Shareholder base

The 18.0 million ordinary shares in Jungheinrich AG are held by the families of the two daughters of the company's founder, Dr. Friedrich Jungheinrich, at a ratio of 50:50. The total of 16.0 million non-voting preferred shares are widely held.

As in the preceding years, Jungheinrich conducted a shareholder structure survey with respect to its preferred shares in November 2013. The turnout represented 85 per cent (prior year: 87 per cent) of Jungheinrich's preferred share capital. The number of Jungheinrich shareholders rose by 2 per cent, reflected in 9,500 custodian accounts (prior year: 9.300 custodian accounts). The geographical distribution of the Jungheinrich preferred shares surveyed shifted abroad. Foreign countries accounted for 55 per cent (prior year: 51 per cent), while the domestic share dropped to 45 per cent from 49 per cent in the preceding year. Driven by the rise in the number of foreign institutional investors, institutional share ownership experienced a strong rise, accounting for 72 per cent (prior year: 64 per cent), whereas the proportion held by private investors dropped from 25 per cent in the preceding year to 23 per cent in 2013. Companies, asset management firms and other investors accounted for 5 per cent (prior year: 11 per cent). Foreign shareholders were distributed among 48 countries (prior year: 44 countries).

Analyst recommendations
As of 12/31/2013

Analyst coverage

By the end of the year being reviewed, the Jungheinrich share had been tracked and evaluated by a total of 18 financial institutions. The number of analysts covering our share thus remains high. In light of the positive business performance and the development prospects, by the end of the reporting period, twelve analysts had recommended that the share be bought, while four ranked it a "hold" and two issued a "neutral" recommendation.

Based on the underlying evaluations, the average target share price was €51. The lowest projected target was €34, and the highest was €60.

Analyst coverage in 2013

Baader Bank	Hauck & Aufhäuser
Bankhaus Lampe	HSBC Trinkaus & Burkhardt
Berenberg Bank	Kepler Cheuvreux
BHF-Bank	Landesbank Baden-Württemberg
Commerzbank	MM Warburg
Deutsche Bank	Montega
DZ Bank	Nord LB
Goldman Sachs	SRH Alsterresearch
Hamburger Sparkasse	Steubing

Communication on the capital market

Jungheinrich's investor relations work involves communicating with the capital market both openly and in depth. The Board of Management and the Investor Relations Department were in personal dialogue with a large number of capital market participants to give them comprehensive updates on the company's business model and its value drivers as well as on its business trend, prospects and strategic positioning.

As before, one-on-ones, meetings and conference calls with investors and analysts took centre stage. Jungheinrich provided detailed information on the Group's current business trend in conference calls on each of its interim reports. In addition, the Board of Management held presentations on road shows and at capital market conferences in numerous financial centres in Germany and abroad.

Moreover, the investor relations team was always available to respond to written and telephone inquiries. Jungheinrich AG's website (www.jungheinrich.com) features the presentations relating to the analyst conference calls on the company's interim reports.

Capital market-oriented key data

			2013	2012[1]
Dividend per share	Ordinary share	€	**0.80**[2]	0.80
	Preferred share	€	**0.86**[2]	0.86
Dividend yield	Preferred share	%	**1.8**	2.9
Earnings per share	Ordinary share	€	**3.12**	3.27
	Preferred share	€	**3.18**	3.33
Shareholders' equity per share		€	**24.46**	22.18
Share price[3]	High	€	**49.40**	30.29
	Low	€	**29.55**	18.42
	End-of-year	€	**47.30**	29.46
Performance over the year		%	**60.6**	55.5
Market capitalization		million €	**1,608.2**	1,001.6
Stock exchange trading volume[4]		million €	**381.1**	241.2
Average daily turnover		thousand shares	**39.0**	38.6
P/E ratio[5]		factor	**14.9**	8.8
Number of shares	Ordinary share	million shares	**18.0**	18.0
	Preferred share	million shares	**16.0**	16.0
	Total	million shares	**34.0**	34.0

1 Figures for 2012 were adjusted due to changes in accounting treatment as of January 1, 2013.
Information on changes in accounting treatment is included in the notes to the consolidated financial statements.
2 Proposal.
3 Xetra closing prices.
4 Xetra and Frankfurt.
5 Closing price : Earnings per preferred share

Group management report

>>> World material handling equipment market grows by 7 per cent
>>> Incoming orders hit record high >>> Net sales slightly higher year on year
>>> Decent EBIT achieved >>> Strategic large-scale projects completed
>>> High level of research and development expenditures maintained

Hykmete Meta, Head of Sales and Key Accounts at Jungheinrich Katalog GmbH & Co. KG, presents the Jungheinrich PROFISHOP e-procurement application. Mail-order customers are increasingly calling for integrated holistic solutions to process their purchases.

In the year being reviewed, the Jungheinrich Group generated decent EBIT of €172 million against the backdrop of the decline in economic output. Incoming orders in terms of both units and value surpassed the year-earlier figures, and net sales were slightly up on fiscal 2012. Following the stable lateral movement witnessed in 2012, the world material handling equipment market demonstrated a significant upward trend, rising by 7 per cent. Europe, Jungheinrich's core market, posted a 2 per cent increase in volume. Against this backdrop, the Group succeeded in further consolidating its share of the market. Research and development expenditures remained high in 2013. The strategic investment projects for the expansion of the spare parts logistics business and manufacturing capacity, which had a total capex volume of approximately €100 million, were concluded on schedule.

Business activity and organizational structure

Business model

An intralogistics specialist, Jungheinrich ranks among the world's leading companies in the material handling equipment, warehousing and material flow engineering sectors. Relative to its sector, the company ranks second in Europe and third worldwide among producers of material handling equipment in terms of net sales. Jungheinrich is an intralogistics service and solution provider with manufacturing operations which offers its customers a comprehensive range of forklift trucks, logistics systems, services and advice. The services primarily encompass the short-term hire and sales financing of products, equipment maintenance and repair as well as the reconditioning and sale of used equipment.

Jungheinrich operates an efficient, global direct sales and service network with its own sales centres and branch offices in Germany and proprietary sales and service companies in the rest of Europe and the world. In addition, Jungheinrich products are distributed via local dealers—primarily overseas. In North America, Jungheinrich relies on its strong sales partner Mitsubishi Caterpillar Forklift America Inc. (MCFA), which has a large dealership footprint. Its operations are rounded off by a catalogue-based mail-order business, which is run as an online store.

Jungheinrich's integrated business model encompasses the new truck business, short-term hire and used equipment as well as after-sales services business fields, combined with strong financial service operations. Besides promoting sales when marketing new trucks, financial service activities can help adapt customer truck fleets to suit their needs both flexibly and rapidly by working closely together with the short-term hire and used equipment and after-sales services business fields. Jungheinrich's business model is designed to serve customers from a single source over a product's entire life cycle.

Factories and product portfolio

Most of our engine-powered material handling equipment is manufactured in five factories in Germany. A selection of low-lift trucks, stacker trucks, battery-powered counterbalanced trucks and reach trucks is produced for the Asian market in Qingpu (China). Moreover, used equipment is industrially reconditioned for the European market in a dedicated facility near Dresden. The following is an overview of the products produced and reconditioned at our various sites.

Plants	Germany						China
	Norderstedt	Lüneburg	Moosburg	Degernpoint[1]	Landsberg	Dresden	Qingpu
Low-lift trucks					•		•
Stacker trucks	•						•
Battery-powered counterbalanced trucks			•				•
IC engine-powered counterbalanced trucks			•				
Reach trucks	•						•
Order pickers	•	•		•			
High-rack stackers				•			
Tow tractors		•					
Small-series and customized trucks		•					
Control units, batteries and chargers	•						
Reconditioning of used equipment						•	

1 as of September 1, 2013.

Group structure

Jungheinrich AG primarily operates as a management holding company while being active in the fields of corporate research and development as well as facility management. As the Group's parent company, Jungheinrich AG holds direct and indirect stakes in subsidiaries and joint ventures in Germany and abroad. The Board of Management assumes overall responsibility as it acts and makes decisions regarding all the Group's activities. Operational management is entrusted to the subsidiaries' managing bodies, which are supported by corporate headquarters in fulfilling their tasks. This constellation allows the Group companies retain their legal autonomy. The consolidated financial statements include Jungheinrich AG along with 65 Group companies, all of which are fully consolidated.

As the Jungheinrich Group's management company, Jungheinrich AG is responsible for the Group's strategic orientation as well as determining and monitoring corporate goals. In addition, the parent company handles management, steering and controlling processes as well as risk management and resource allocation. The economic ratios and reports submitted regularly to the entire Board of Management are oriented to business-management control variables applicable to all business lines.

The new responsibilities of the Board of Management for divisions and regions adopted by the Supervisory Board in 2012 were rapidly implemented in the year under review. In sales, this included intensified market development activities tailored to each individual region, which were covered by the new responsibilities assigned to the Board of Management for Asia and the Americas. A division dedicated to logistics systems under the responsibility of the Board of Management as a whole was introduced in order to position this rapidly growing business for the future. Combining the logistics systems business with the production of warehousing and system equipment and placing them under single management lays the foundation for swifter entrepreneurial action. The mail-order business was assigned to the finance mandate as a separate division. A division dedicated to business with electronic control units, batteries and chargers was created under the technology mandate.

The 'Intralogistics' and 'Financial Services' segments

The Jungheinrich Group's operating activities are divided between the 'Intralogistics' and 'Financial Services' segments. The 'Intralogistics' segment encompasses the following business fields:

- New truck business: development, production and sale of new trucks including logistics systems as well as the mail-order business;
- Short-term hire: rental of new and used material handling equipment;
- Used equipment: reconditioning and sale of used equipment and
- After-sales services: the maintenance, repair and spare parts businesses.

Activities undertaken by the 'Financial Services' segment encompass the usage transfer and sales financing of material handling equipment and warehousing technology products. Financial Services support the operating sales units in accordance with Jungheinrich's business model. The 'Financial Services' segment finances itself autonomously.

Goals and strategy

Part of Jungheinrich's corporate strategy is to achieve profitable growth throughout the Group and to permanently rank among the world's three leading intralogistics service and solution providers in terms of net sales.

The net sales target underlying this corporate vision exceeds the 3 billion-euro mark over the medium term. We aim to achieve a share of significantly more than 20 per cent of the

European market (based on incoming orders in terms of units). Long-term earnings expectations are primarily oriented towards the EBIT return on sales, which is intended to be above the competition's average. Strategically, the company's main focus is on direct sales, which are supplemented by sales activities conducted via dealerships in certain countries. Furthermore, Jungheinrich pursues a single-brand strategy focussing on products and services in the premium segment of the global material handling equipment market.

Jungheinrich aims to achieve organic growth, without ruling out purposeful acquisitions to round off the product portfolio.

In the year being reviewed, the Jungheinrich Group further developed its corporate strategy through 2020. Major milestones en route to expanding manufacturing capacity and spare parts logistics have already been passed on schedule by completing the large-scale capital expenditure projects.

Jungheinrich is primarily taking the following measures with a view to achieving its long-term growth objective:

1. Expansion of the core business in Europe

Jungheinrich has long commanded leading positions on the European markets—above all in the warehouse technology product segment. In 2013, European market volume was 23 per cent lower than the pre-crisis level in 2007, and it harbours potential for recovery. Moreover, current trends in intralogistics present new prospects for growth. Significant pressure on costs, consumer behaviour characterized by the increasing diversity of variants and rising product customization, mounting customer expectations regarding the reliability and quality of deliveries, the expansion of Internet commerce and the high volume of mail-order business require innovative solutions to manage increasingly complex logistics processes. Driven by the ever-stronger desire for process reliability with reduced human resources, the need for automated solutions is increasing steadily. The Russian and Polish sales markets play an important role besides Germany, France, Italy and the United Kingdom.

In the period under review, headcount was further increased in Europe.

2. Expansion of the strategic position in the logistics systems business

With its logistics systems business, the full scope of which encompasses the planning, project engineering and implementation of complete warehouses, the company pursues a strategy that sets it apart from the competition in the material handling equipment business. Going beyond Europe as the point of focus, centres of excellence have been planned in Asia and Russia in this field. Jungheinrich made major progress in the 2013 financial year.

A significant step was the acquisition of the remaining 75 per cent of the shares in Jungheinrich Systemlösungen GmbH (formerly ISA – Innovative Systemlösungen für die Automation GmbH) based in Graz (Austria) as of January 1, 2013. Among the company's offerings are software for integrated, holistic material flow and warehouse logistics solutions as well as associated services such as project planning, implementation, training and service. In the year being reviewed, the company was integrated into the Jungheinrich Group, and its workforce was increased by more than 30 per cent.

Another step taken in 2013 was the creation of a division dedicated to logistics systems, which set a key course for the future. Together with the combination of the logistics systems business and the production of warehousing and system equipment under uniform management implemented at the beginning of 2014, this establishes the prerequisite for acting more swiftly and efficiently on the market.

The warehousing and system equipment production plant in Degernpoint (Bavaria) was commissioned in September 2013, following 16 months of construction. Since then, all of the trucks that used to be manufactured at the Moosburg site (Bavaria) have been produced in the new factory, which will be capable of producing over 3,000 pieces of warehousing and system equipment every year.

3. Increase of the share of the IC engine-powered counterbalanced truck market

At about 46 per cent, or some 468,000 trucks in 2013, the IC engine-powered truck product segment accounts for the single-largest share of the world market. In the year under review, Jungheinrich manufactured approximately 4,000 trucks of this category and thus has substantial potential for growth in this product segment. Jungheinrich aims to gain market share—initially in select European markets—with its product portfolio, which has been enlarged by the introduction of its newly developed generation of IC engine-powered forklifts with hydrodynamic drives.

The production space required for this was freed up by transferring the warehousing and system equipment production lines from the main factory in Moosburg where production is being modernized to Degernpoint. The plant will be equipped with new machines and facilities until mass production of the new counterbalanced trucks is ramped up in the second quarter of 2014.

4. Expansion in Asia's growth markets, focussing on China

Jungheinrich is enlarging its sales footprint in Asia. In the year under review, Jungheinrich had eight branch offices in China. Furthermore, sales agencies were added to the existing dealership base.

Concurrently the Asian sales force was enlarged by 30 per cent year on year to just under 600 employees. The sales company established in India in July 2012 had more than 40 people on its payroll be the end of the reporting year.

Moreover, production in the newly built factory in Qingpu (China) commenced in August 2013. It has the capacity to produce more than 10,000 pieces of material handling equipment per year. The new production site replaces the former plant, which could not be expanded any further. The workshop for reconditioning used equipment set up in the vicinity of the factory site in 2012 will be integrated into the new plant in the year underway.

Business lines that will continue to grow and are being expanded besides the strategic points of focus are after-sales services, short-term hire and used equipment as well as our mail-order operations.

By commissioning the new spare parts centre in Kaltenkirchen in the third quarter of 2013, we mainly did justice to the extension of the Group's international reach, the growth of its product range spurred by the enlarged truck portfolio, as well as the mounting demands placed on the sales organization and the dealership business. This establishes the preconditions for satisfying the market's requirements such as 24-hour readiness to ship 365 days a year, even better in the future. Spare parts are shipped from the new warehouse to the Americas, Central Europe and Asia. Jungheinrich has thus increased spare part availability to over 98 per cent.

Averaged for the year, in 2013, Jungheinrich maintained a short-term hire fleet of approximately 33,600 forklift trucks (prior year: about 30,700 units). A significant rise in demand for trucks for short-term hire was recorded in Russia, Asia and in the core markets of Central Europe.

Expansion work on the used equipment centre in Dresden, which has been in existence since 2006, began in the year being reviewed. The two halls are to be unified and substantially expanded in the next two years. Manufacturing capacity will rise from 4,500 pieces of equipment at present to some 8,000 forklifts per year. Material handling equipment from throughout Europe is reconditioned in the Dresden Used Equipment Centre, after which it is sold worldwide either directly or through the dealer network. In the year under review, reconditioning operations were launched in Itupeva in the vicinity of São Paulo (Brazil), after having set up a workshop for reconditioning used equipment in Qingpu (China) in 2012.

Our mail-order business has grown considerably since it was established in 2006. Products in the stacking and hoisting, transportation, warehousing, operation, occupational safety and environment categories are offered via online stores and a catalogue of more than 1,000 pages for factory equipment. In 2012, the business model was introduced in the Netherlands, following Germany and Austria. In the year being reviewed, this activity was set up as a division and assigned to the finance mandate on the Board of Management.

Business activities regarding control units, chargers and batteries were also combined to form a division, called 'Energy and Drive Systems,' and placed under the responsibility of the member of the Board of Management in charge of technology. These steps were taken in view of the mounting significance of alternative drive trains and innovative energy systems. The objective is to sell the products we develop to third parties as well.

Management system

Jungheinrich defines its budgetary goals and the company's medium to long-term objectives based on select key performance indicators (KPIs). The Board of Management primarily benchmarks corporate management against key financial data. Besides net sales, earnings before taxes (EBT), earnings before interest and taxes (EBIT), the EBT return on sales (EBT-ROS) and the EBIT return on sales (EBIT-ROS), net debt as well as the return on capital employed

(ROCE) are particularly used for management purposes.

Net debt is the result of the subtraction of liquid assets and securities from financial liabilities. Financial liabilities include liabilities due to banks, the promissory note bond, liabilities from financing trucks for short-term hire, leasing liabilities associated with tangible assets, and notes payable, but do not include liabilities from financial services.

ROCE is the relation of EBIT to interest-bearing capital (as of the balance sheet date). In the past, interest-bearing capital merely consisted of shareholders' equity and financial liabilities minus liquid assets and securities. EBIT included the interest on pension obligations and for non-current provisions for personnel. For reasons of transparency, as of January 1, 2013, the net interest on defined-benefit pension plans and the interest accretions to non-current provisions for personnel were reclassified to financial income, resulting in an increase in EBIT. This required interest-bearing capital to be redefined: It now also includes provisions for pensions and similar obligations as well as non-current provisions for personnel. Due to the redefinition of interest-bearing capital, ROCE in the year under review was 18.7 per cent. Applying the same method of calculation, ROCE in the 2012 fiscal year amounted to 21.6 per cent.

The key non-financial performance indicator is the share of the European market in terms of unit-based incoming orders.

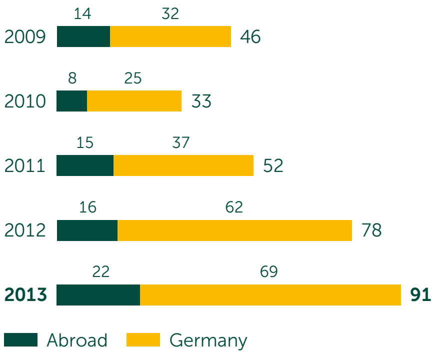
The Board of Management monitors these KPIs based on regular reporting. Appropriate measures are taken whenever material deviations are identified by the permanent monitoring of actual and target figures.

Changes in various leading indicators are monitored and analyzed in order to predict the company's potential future developments early on and to establish a further basis for making decisions regarding business policy. The main leading indicators are unit-based incoming orders, orders on hand, and the forecasts of economic experts relating to the development of the gross domestic products of Jungheinrich's key markets. Prognoses regarding the development of incoming orders made by the company's own sales organization are also taken into account.

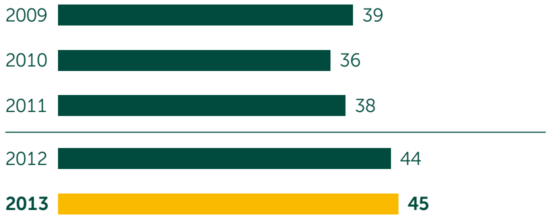
Research and development

In the year being reviewed, Jungheinrich made further inroads in research and development activities designed to increase its technological expertise and set itself apart from the competition. Expenditures on research and development (R&D) including work performed by third parties were high yet again, totalling €44.9 million (prior year: €44.0 million). This represented 5.1 per cent (prior year: 5.1 per cent) of net sales generated with new trucks of relevance to R&D. Last year, an average of 400 employees (prior year: 378) worked in R&D throughout the Group, an area in which manpower was increased once again.

Capital expenditures
in million € (tangible and intangible assets without capitalized development expenditures)



Research and development expenditures
in million €



Change in accounting treatment as of January 1, 2013.
Figures for 2012 adjusted.

Research and development

in million €	**2013**	**2012**	**2011**	**2010**	**2009**
Total research and development expenditures	**44.9**	44.0 [1]	37.6	36.3	38.7
thereof capitalized development expenditures	**12.1**	5.5	5.4	8.8	6.5
Capitalization ratio	**26.9 %**	12.5 % [1]	14.4 %	24.2 %	16.8 %
Amortization [2] of capitalized development expenditures	**5.4**	5.2	4.6	8.1	16.5
R&D costs according to the income statement	**38.1**	43.8 [1]	36.8	35.6	48.7
Ratio of R&D expenditures to net sales from new trucks	**5.1 %**	5.1 % [1]	4.4 %	5.3 %	6.5 %
Ø R&D personnel (in FTEs)	**400**	378	342	322	339
Number of IPR filings	**53**	65	80	64	77
Number of patents granted	**158**	172	47	66	80

Figures may differ due to rounding.
1 Adjusted.
2 Figures for 2009 and 2010 include amortization and impairment losses.

The increase in major product developments caused the capitalization ratio to rise to 26.9 per cent (prior year: 12.5 per cent). As a result, research and development costs reported on the income statement dropped from €44 million to €38 million.

In the 2013 financial year, 53 (prior year: 65) applications were filed to protect industrial property rights, and 158 (prior year: 172) patents were granted. Jungheinrich protects its innovations and its products' distinguishing features through patents.

Focal points and organization

The focal points of our development work are tightly intermeshed with the technology strategy. In addition to the energy efficiency of drive systems, the automation of material handling equipment and processes as well as the development of platforms and shared parts, these include the international networking of engineering sites and innovation management, supported by a technology roadmap with a ten-year horizon. Besides the development of new forklift trucks, the primary objectives are reducing energy consumption and production costs as well as lowering life cycle costs.

Product development is distributed and assigned to individual product lines, while fundamental research is centralized. Decentralized core competencies include the engineering of hardware and software for control systems. Furthermore, our products benefit from the extensive expertise of suppliers and partners. Fundamental research pools the engineering of technologies, the engineering of components, a central testing department, product design, standardization and central innovation management.

Fundamental research is centralized. The company is a member in the Drive Technology Research Association (FVA) and the Intralogistics Research Association (IFL) which enables it to evaluate new technologies in a timely manner and explore opportunities for promising innovations.

Fundamental research

In the field of fundamental research, the company primarily explored techniques for increasing the energy efficiency of material handling equipment. The focal points of work in the year under review were a new motor technology for electric motors, improvements predominantly of drive system control units through the use of new sensors, and the replacement of lead batteries with lithium-ion batteries. A lithium-ion strategy was developed to launch lithium-ion batteries for various products over the long term. Lithium-ion batteries distinguish themselves from conventional lead batteries by virtue of their longer lives, higher performance and zero maintenance requirement, while being relatively safe.

Image processing, which has progressed in recent years with the introduction of new camera and computing technologies, was explored in depth to identify its potential for improving assistance and automation systems. The use of these systems in material handling equipment causes customer productivity to rise significantly. In this context, Jungheinrich is involved in the 'FTF out of the box' research project, which is subsidized by the German Ministry of Economics and Technology. The project aims to develop cognitive technologies for interactive automated guided vehicles. Prototypes are to be tested by the project's application partners under real-life conditions. Jungheinrich is in charge of the overall coordination of the project, in which two other companies, the Institute for Technical Information Technology of the University of Lübeck, and a service provider in the field of production technology are involved. The project started on October 1, 2013 and will run for three years. Jungheinrich's contribution is a system for automated pallet storage and retrieval.

Structural engineering work benefits from a new large-scale 3D projection system that creates virtual reality settings in the project engineering phase. The system has already been tested in a pilot project.

In the year being reviewed, the first few components resulting from the Group's component development operations, including a universal operator display, were readied for mass production and deployed in various forklift variants throughout the Group.

Taking the new Group components into account, the Corporate Design Department developed a new truck design in order to strengthen the products' brand identity.

Product engineering

Jungheinrich will present a generation of IC engine-powered trucks that has been newly developed from the ground up at CeMAT, the lead trade show for material handling equipment, which will take place in May 2014. Featuring hydrodynamic drives, the type DFG/TFG 316–320 and DFG/TFG 425–435 forklift trucks are robust and extremely stable, making them suitable for extreme applications in the most diverse of climatic conditions. Their main components such as the mast, frame and steering axle were developed by Jungheinrich in-house. High importance was accorded to ensuring the ease of maintenance and the comfort of the operator's cabin of the new forklift truck generation. A new mast carriage provides for the driver's excellent view of the payload, forks and working environment.

The new Series 5 battery-powered counterbalanced trucks and the 'S Line' (EFG 540–550/S40–S50) feature further improved handling turnover rates while reducing energy consumption by up to 20 per cent compared to the predecessor models. The energy efficiency of this generation of stackers is outstanding compared to the competition.

The use of the newly developed platform for warehousing and system equipment for producing the front-seat trilateral EFX 410–413 stacker marked the completion of the shared use of this platform for all relevant types of forklifts in the period under review. This goes hand in hand with the availability of RFID technology and Jungheinrich's warehouse navigation. As a result, the forklift truck has a handling turnover rate that is 25 per cent higher than that of its predecessor.

By using automated guided transportation systems, efficiency can be increased in branches of industry in which transportation routines are recurrent and similar. In the year under review, the ERE 225 low-lift truck was fitted with an automated solution. This resulted in the range of mass-produced auto pallet movers (EKXa, EKS 210a and ERC 215a) being supplemented by the ERE 225a low-lift truck.

In the future, besides being used in the company's own products, control units, chargers and batteries are to be marketed to third parties. In 2013, new and larger lithium-ion battery prototypes were developed together with the associated charging technology and tested in extreme customer applications. The tests revealed that the newly engineered batteries working in tandem with the powerful charging devices significantly reduced operating costs thanks to the rapid and booster charging concepts.

Economic, sectoral and regulatory environment

Economic environment

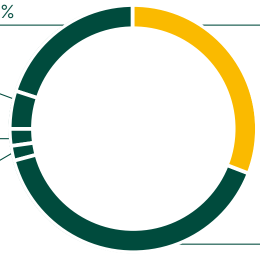
As an indicator of economic growth, the development of gross domestic product plays a pivotal role for Jungheinrich in assessing the development of its business.

The recovery of the world economy in 2013 was rather moderate. Economic growth in the USA was mediocre. This was mainly due to the tax hikes effective as of January 1, 2013 in the USA, sustained uncertainty concerning the nation's budgetary policy, and the US Federal Reserve's announcement to scale down the government bond purchase program.

At the beginning of 2013, the Chinese economy appeared to have exited the trough. China's economic growth stabilized over the course of the year. Efforts undertaken by the Chinese government to bring the domestic economy more in line with the principles of the free market made a contribution to this cause.

Uncertainty surrounding the sovereign debt crisis had largely been dissipated in the Eurozone, but the persistent recession in the countries of Southern Europe prevented the Eurozone from recovering.

Global market for material handling equipment by region in 2013



Source: WITS (World Industrial Truck Statistics).

After a disappointing start to 2013, the German economy embarked on a moderate upward trend. As the year progressed, the ifo Business Climate Index, which is considered a leading indicator for Germany's economic development, improved, reaching its high for the year of 109.5 points in December.

Growth rates of selected economic regions
Gross domestic product in %

Region	2013	2012
World	**2.9**	3.2
USA	**1.9**	2.8
China	**7.7**	7.8
Eurozone	**–0.4**	–0.6
Germany	**0.4**	0.7

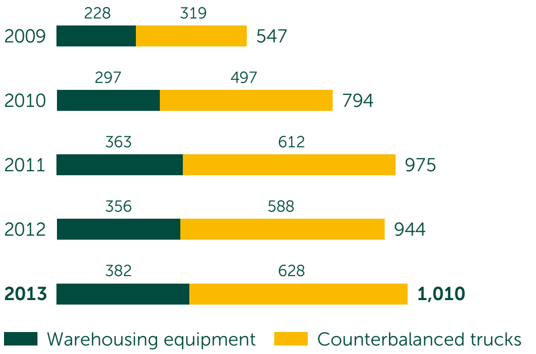
Source: Commerzbank (as of February 2014).

The world's gross domestic product climbed by 2.9 per cent in 2013 (prior year: 3.2 per cent) with growth losing momentum. The rate of increase in the USA dropped to 1.9 per cent from 2.8 per cent in 2012. Asia posted strong economic growth, with China and India continuing to record substantial gains. China posted a rate of increase of 7.7 per cent (prior year: 7.8 per cent) and India's economy expanded by 4.9 per cent (prior year: 5.0 per cent). Economies in Eurozone countries contracted by 0.4 per cent (prior year: down 0.6 per cent). After stagnating in the preceding year, economic output in France rose by 0.2 per cent in the year being reviewed. In Italy, economic output declined by 1.9 per cent, falling less than in 2012 (down 2.4 per cent). Economic output in the United Kingdom increased by 1.9 per cent compared to the 0.2 per cent rise recorded in the previous year. Jungheinrich generates about 30 per cent of its consolidated net sales in these three European countries. Growth stimuli were injected by Eastern Europe—namely Poland and Russia—but were weaker than in the preceding year. In Poland, gross domestic product advanced by 1.5 per cent (prior year: 1.9 per cent) and Russia's economy expanded by 1.3 per cent (prior year: 3.4 per cent). Recording a mere 0.4 per cent economic growth, Germany's performance in the period being reviewed was down on the previous year's level (0.7 per cent).

Sectoral environment

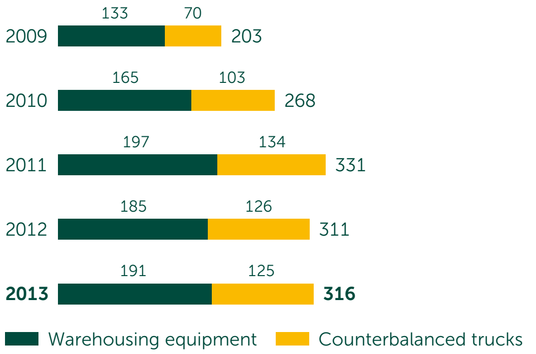
The global material handling equipment market posted tangible growth in the year under review. The main growth stimuli stemmed from China, North America and Eastern Europe.

Worldwide market volume of material handling equipment
in thousand units



Source: WITS (World Industrial Truck Statistics).

Market volume of material handling equipment in Europe
in thousand units



Source: WITS (World Industrial Truck Statistics).

Market volume of material handling equipment
in thousand units

Region	2013	2012
World	**1,009.8**	944.4
Europe	**315.5**	310.5
thereof Eastern Europe	**57.7**	53.5
Asia	**401.3**	362.9
thereof China	**248.0**	216.7
North America	**200.9**	181.2
Other regions	**92.1**	89.8

Source: WITS (World Industrial Truck Statistics).

In the period being reviewed, the size of the world market surpassed the one-million mark for the first time, expanding by 7 per cent from 944.4 thousand units in 2012 to 1,009.8 thousand pieces of material handling equipment. Europe, Jungheinrich's main sales market, recorded a rise of 2 per cent to 315.5 thousand units (prior year: 310.5 thousand units). Whereas demand stagnated in Western Europe, market volume in Eastern Europe grew by 8 per cent. Market volume in Asia increased by 11 per cent to 401.3 thousand forklifts (prior year: 362.9 thousand units). This figure includes China, which posted a considerable gain, enlarging its market by 14 per cent to 248.0 thousand forklifts (prior year: 216.7 thousand units). The North American market also experienced a marked increase, expanding by 11 per cent to 200.9 thousand trucks (prior year: 181.2 thousand units).

Developments by product segment were extremely disparate. The size of the world market for warehousing equipment rose by 7 per cent, to which Europe contributed a gain of 3 per cent. In the counterbalanced truck segment, IC engine-powered forklifts were more in demand worldwide, enlarging the size of that market by 8 per cent. Battery-powerd counterbalanced trucks posted 4 per cent worldwide growth year on year. This truck segment experienced a decline of 2 per cent in Europe, whereas the size of the IC engine-powered truck market was essentially unchanged in Europe.

Regulatory environment

Jungheinrich's products and services have to comply with certain regulatory requirements both in Germany and abroad. These requirements are primarily imposed to limit hazards to operators, other individuals, facilities and the environment. Product and service compliance with the provisions of these regulations must be verified via suitable internal control mechanisms or certified by an authority. A large number of statutory regulations are laid out in product-specific norms and other standards (for example EN, ISO or DIN). Jungheinrich's primary objective is to ensure that it complies with the minimal regulatory requirements applicable to its products and services.

Jungheinrich's processes guarantee that statutory regulations of this nature are adhered to efficiently. For instance, changes in legislature can be called up via a database application early on in order to be able to react to changes in the regulatory framework affecting environmental issues and occupational safety in the early stages of development and to implement the requisite measures in a purposeful and timely fashion throughout the Group.

Jungheinrich duly reacts to the further development of standards as part of its product engineering process. For example, the latest stringent emission thresholds for IC engine-powered forklifts were considered in the early stages of developing the new generation of IC engine-powered counterbalanced trucks. These forklift trucks already satisfy future requirements and remain below the prescribed limits—considerably in some cases.

Furthermore, Jungheinrich is proactively involved in research projects and the task forces of various associations. Work done with associations includes developing and/or refining proposals for standards and regulations. A task force of the German Engineering Federation is currently working on a new energy efficiency standard.

The construction and operation of production plants are also subject to specific statutory regulations addressing various issues including the avoidance of air pollution, noise abatement, waste production and disposal as well as safety and health protection. Professional support and advice concerning the construction of new sales centres and the planned new corporate headquarters in Hamburg are ensured via Jungheinrich's in-house Corporate Real estate Management Unit and external partners.

Business trend and earnings position

The amended version of IAS 19 "Employee Benefits" was applied for the first time as of January 1, 2013. In addition, income statement items were reclassified primarily in the 'Financial Services' segment in order to make the presentation more transparent. They have an increasing effect above all on net sales and earnings before interest and taxes (EBIT). Income before tax and net income are hardly affected by these changes.

Figures for last year were adjusted in line with the aforementioned changes in accounting treatment for reasons of comparability. The changes in disclosure affected interest income as well as interest expenses relating to finance lease customer contracts in the 'Financial Services' segment, interest expenses resulting from interest accrued for the net pension obligation and non-current provisions for personnel as well as for the financing of trucks for short-term hire. The major consequences of the amendment to IAS 19 was the re-measurement of the net pension obligations.

Reclassifying interest and similar income on finance lease customer contracts from the financial income (loss) to net sales led to a €41.8 million increase in net sales at the Group level as well as in the 'Financial Services' segment in 2012.

As a result of all these adjustments, 2012 EBIT rose by a total of €26.5 million, whereas the financial income (loss) dropped by €24.5 million. Earnings before taxes advanced by €2.0 million, and net income was up €1.8 million. The impact of the adjustment on the income statement for the 2012 financial year has been presented in the notes to the consolidated financial statements.

Business trend—key figures

		2013	2012
Incoming orders	units	**78,200**	73,200
Incoming orders	million €	**2,357**	2,251
Production	units	**72,500**	73,200
Orders on hand 12/31	million €	**366**	298[1]
Net sales	million €	**2,290**	2,270[2]

1 Including €24 million in corrections to orders made in preceding years.
2 Adjusted to the change in the statement of interest income from financial services (finance lease customer contracts).

Incoming orders and orders on hand

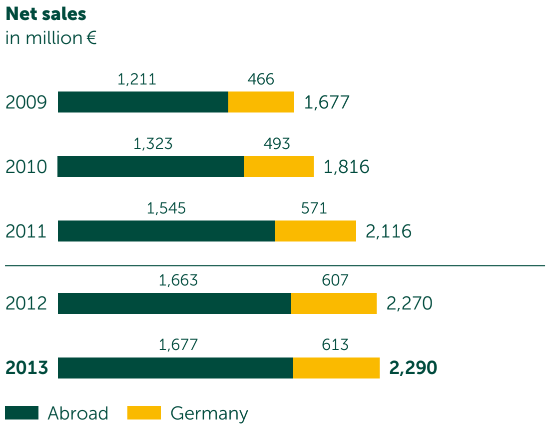
Incoming orders in terms of units in new truck business, which include orders placed for new trucks and trucks for short-term hire, increased by 7 per cent from 73.2 thousand units to 78.2 thousand units. In addition to the cyclically-driven rise in demand—which had the strongest momentum in the fourth quarter of 2013—account should be taken of the fact that a major order of new trucks and bring-forward effects triggered by the price increase announced for January 2014 came to bear. Furthermore, a larger number of forklift trucks was added to the short-term hire fleet in 2013 following the much smaller expansion in the preceding year. All in all, incoming orders were up 32 per cent in the fourth quarter of 2013.

The value of incoming orders encompassing all business fields—new truck business, short-term hire and used equipment as well as after-sales services—was up 5 per cent year on year to €2,357 million (prior year: €2,251 million). Just over 60 per cent of the rise stemmed from the significant growth of incoming orders in new truck business.

Orders on hand in new truck business totalled €366 million as of December 31, 2013 (December 31, 2012: €298 million). As in the previous year, the order reach exceeded three months.

Production

Production output tracks the development of incoming orders with a time lag. In the period under review, it amounted to 72.5 thousand units—slightly less than the 73.2 thousand units recorded in the preceding year. This was principally due to the reduction in the number of units of warehousing equipment, which is the company's largest product segment in terms of units by far. By contrast, the considerable 21 per cent rise in the number of IC engine-powered counterbalanced trucks manufactured to approximately 4,000 units had a positive effect.



Change in accounting treatment as of January 1, 2013.
Figures for 2012 adjusted.

Net sales

Net sales by region

in million €	2013	2012[1]
Germany	**613**	607
Rest of Europe	**1,493**	1,481
Other countries	**184**	182
Total	**2,290**	2,270

1 Adjusted to the change in the statement of interest income from financial services (finance lease customer contracts).

In the reporting year, net sales were up €20 million, or 1 per cent, to €2,290 million (prior year: €2,270 million). At 92 per cent, the share of consolidated net sales generated by Jungheinrich in Europe was unchanged. Net sales in Germany, the single-most important market, rose by 1 per cent to €613 million (prior year: €607 million) although the German material handling equipment market shrank by 4 per cent. Foreign net sales also advanced by 1 per cent, to €1,677 million (prior year: €1,663 million).

As in the previous year, the foreign ratio was 73 per cent. Growth in net sales in Eastern Europe—with Russia, Poland and Hungary leading the way—more than offset the slight downward trend in Western Europe. At €184 million, net sales generated outside Europe were of an order similar to that of the preceding year (€182 million). The portion of consolidated net sales accounted for by countries outside Europe remained at 8 per cent. Net sales achieved in China displayed a disproportionately strong gain.

Breakdown of net sales

in million €	2013	2012
New truck business	**1,213**	1,230
Short-term hire and used equipment	**397**	378
After-sales services	**705**	680
'Intralogistics' segment	**2,315**	**2,288**
'Financial Services' segment	**547**	**539**[1]
Reconciliation	**–572**	–557
Jungheinrich Group	**2,290**	**2,270**[1]

Figures may differ due to rounding.
1 Adjusted to the change in the statement of interest income from financial services (finance lease customer contracts).

All business fields contributed to the rise in net sales—with the exception of new truck business, which experienced a decline of €17 million, or 1 per cent, to €1,213 million (prior year: €1,230 million). Net sales in this business field included €288 million in sales from the 'Logistics Systems' division (prior year: €283 million) and €42 million in sales from the 'Mail-Order' division (prior year: €38 million). Overall, the short-term hire and used equipment business grew by 5 per cent or €19 million to €397 million (prior year: €378 million). The two business activities made equal contributions to the increase. The rise in net sales in the short-term hire equipment business stemmed from the expansion of the short-term hire fleet by an average of 2.9 thousand trucks to 33.6 thousand forklifts (prior year: 30.7 thousand trucks). After-sales services lifted their net sales by 4 per cent to €705 million (prior year: €680 million), posting steady growth. The share of total net sales accounted for by after-sales services thus advanced from 30 per cent to 31 per cent. Net sales generated by the financial services business amounted to €547 million (prior year: €539 million).

Cost structure according to the income statement

in million €	2013	2012[1]
Cost of sales	**1,586**	1,579
Selling expenses	**433**	415
Research and development costs	**38**	44
General administrative expenses	**65**	64

1 Adjusted.

The cost of sales recorded a marginal rise, advancing to €1,586 million (prior year: €1,579 million). The share of the Group's net sales accounted for by the cost of sales was thus 69 per cent, following 70 per cent in the preceding year. This was primarily due to the rise in the proportion of net sales accounted for by the high-margin short-term hire and used equipment and after-sales services operations. By contrast, process-induced disruptions encountered when ramping up the production of warehousing and system equipment in the new factory in Degernpoint had an adverse effect. Selling expenses were up 4 per cent to €433 million (prior year: €415 million), rising more than consolidated net sales. The share of consolidated net sales accounted for by selling expenses increased accordingly, from 18 per cent to 19 per cent. The strengthening of the sales network—particularly in the growth regions—came to bear. Among the contributing factors were the establishment and expansion of the Indian sales company (founded in July 2012) and the expansion of sales structures in China. The increase in headcount, which primarily served to strengthen the logistics system business, also left its mark. In the year being reviewed, the Jungheinrich Group maintained its high level of capital expenditures on the development of its products. However, as a result of the considerable rise in the capitalization ratio, research and development costs reported on the income statement dropped just as clearly, declining by €6 million to €38 million from €44 million. General administrative expenses amounted to €65 million and were thus virtually on par year on year (prior year: €64 million).

The company closed the 2013 financial year with €172 million in earnings before interest and taxes, only just falling short of the record level of an adjusted €177 million achieved in the previous year. Earnings continued to benefit above all from the growth of the high-margin short-term hire and after-sales services businesses.

Earnings trend

in million €	2013	2012[1]
Gross profit on sales	**703**	692
EBIT before depreciation, amortization and write-ups (EBITDA)	**347**	351
Earnings before interest and taxes (EBIT)	**172**	177
Financial income (loss)	**–22**	–21
Earnings before taxes (EBT)	**150**	156
Income taxes	**43**	44
Net income	**107**	112

1 Adjusted.

The gross profit on sales rose by €11 million, or 2 per cent, to €703 million (prior year: €692 million).

EBITDA (earnings before interest, taxes, depreciation and amortization) which reflects operating income affecting liquidity, was marginally down, decreasing by €4 million to €347 million in the year being reviewed (prior year: €351 million). Earnings before interest and taxes (EBIT) dropped slightly, declining by €5 million, or 3 per cent, to €172 million (prior year: €177 million). The EBIT return on sales (EBIT-ROS) was 7.5 per cent (prior year: 7.8 per cent). A financial loss of €22 million was incurred (prior year: loss of €21 million). Besides interest income (loss), the financial loss in the period under review primarily included €6.9 million in interest expenses resulting from interest accrued for the net pension obligation (prior year: €7.4 million). Earnings before taxes (EBT) fell to €150 million (prior year: €156 million). The slightly more pronounced decrease in EBT compared to EBIT was due to the reduction in interest income caused by the continued drop in market interest rates. Accordingly, the EBT return on sales (EBT-ROS) was 6.6 per cent (prior year: 6.9 per cent).

At €43 million, the Jungheinrich Group's income tax burden nearly matched the year-earlier level (€44 million). The Group's tax quota was thus 29 per cent, following 28 percent in the preceding year. Net income decreased by €5 million to €107 million (prior year: €112 million). Accordingly, earnings per preferred share totalled €3.18 (prior year: €3.33).

In view of the earnings trend, the Board of Management of Jungheinrich AG proposes an unchanged dividend of €0.80 per ordinary share and of €0.86 per preferred share. This corresponds to a dividend payment of €28.2 million.

Value added

The following value added statement shows the work performed by the Jungheinrich Group in the 2013 financial year, minus all advance work and depreciation as well as its usage.

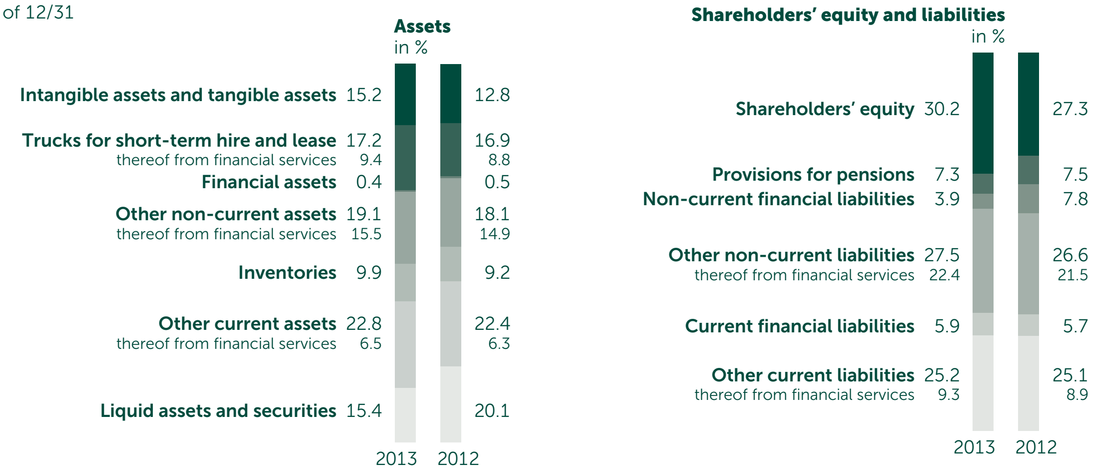
Value added statement

in million €	2013	%	2012[1]	%
Source				
Total Group output[2]	**2,297**	100.0	2,285	100.0
Cost of materials and equipment	**1,217**	53.0	1,230	53.8
Depreciation	**175**	7.6	174	7.6
Net value added	**905**	**39.4**	**881**	**38.6**
Usage				
Employees	**707**	78.1	672	76.3
Public sector	**43**	4.8	44	5.0
Lenders	**48**	5.3	52	5.9
Shareholders	**28**	3.1	25	2.8
Company	**79**	8.7	88	10.0
Net value added	**905**	**100.0**	**881**	**100.0**

1 Adjusted.
2 Including interest income, other operating income and income from investments.

Net value added created by the Group amounted to €905 million (prior year: €881 million)—3 per cent more than in the preceding year. The usage statement shows that, as before, the lion's share of net value added (€707 million, or 78 per cent) was used for employees (prior year: €672 million, or 76 per cent). The public sector received €43 million, representing 5 per cent (prior year: €44 million, or 5 per cent). Lenders partook of €48 million, or 5 per cent (prior year: €52 million, or 6 per cent). Ordinary and preferred shareholders received some €28 million, or 3 per cent (prior year: about €25 million, or 3 per cent). The company had €79 million, or 9 per cent, of net value added at its disposal for internal business financing (prior year: €88 million, or 10 per cent).

Balance sheet structure
As of 12/31



Change in accounting treatment in 2012

Financial position, capital structure and liquidity

Financial position and capital structure

In its role as Group holding company, Jungheinrich AG is responsible for the Jungheinrich Group's corporate operational and strategic financial management. Financial management primarily entails managing cash and currencies to optimize interest and currency conditions when raising funds as well as managing the cash flows of the German and foreign Group companies. The procurement of funds required in the short, medium and long term is ensured by exhausting all possible financing options on international money and capital markets. Jungheinrich attaches special importance to keeping a sufficient level of liquidity in reserve, in order to be able to implement necessary strategic measures and safeguard the Group's financial independence at all times—even during periods that are economically difficult.

The primary objectives of the financial management system are safeguarding the Jungheinrich Group's liquidity and creditworthiness while ensuring access to the money and capital market at all times and increasing the company's value over the long term. A conservative policy is pursued when investing surplus liquidity reserves that focuses on preserving assets instead of maximizing profits, in light of the uncertainty prevailing on financial markets.

Corporate cash management ensures that the needs for payment instruments and surplus payment instruments are identified. An internal netting mechanism is used to optimize liquidity management and reduce the number of external bank transactions. Furthermore, a cash pooling system is in place for making optimal use of the surplus liquidity of the domestic and foreign Group companies within the Group.

To further strengthen internal financing power, a centralized working capital management system is employed, which is designed to optimize and standardize major processes and systems.

Off-balance-sheet financial instruments such as sales of receivables were not made use of in the year being reviewed or in the preceding financial years.

The need for capital is covered by operating cash flows as well as through short and long-term financing. Committed medium-term credit lines total approximately €300 million. These are supplemented by short-term, bilateral lines of credit taken out by individual foreign subsidiaries. Furthermore, a €46.5 million fixed-interest tranche of a promissory note bond issue in 2009 is on the books. The €53.5 million variable-interest tranche of this promissory note bond was redeemed prematurely in the year under review in light of the persistently strong liquidity position. This step reduces the interest expense associated with this portion until the end of the original term in December 2014. As in the previous year, the financial covenants established in the promissory note bond agreement were complied with. In addition, €100 million was invested in a special fund with a value guarantee mandate in order to optimize the return.

Jungheinrich is not issued a public corporate rating by internationally renowned rating agencies.

The application of the rules introduced by the amendment to IAS 19 from January 1, 2013 onwards primarily to the measurement of pension plans resulted in substantial changes—above all in shareholders' equity and in provisions for pensions and similar obligations. According to the corridor method previously used by Jungheinrich, actuarial gains and losses on defined benefit plans within the corridor did not have to be recognized at all, whereas the recognition of those outside of the corridor did not have to be immediate and could be postponed to subsequent periods. From 2013 onwards, actuarial gains and losses have to be fully stated on the balance sheet immediately, as soon as they are incurred, resulting in the losses on Jungheinrich's books leading to a significant, one-time reduction in shareholders' equity and a considerable increase in provisions for pensions and similar obligations as of January 1, 2013. Furthermore, non-current provisions for personnel were adjusted as a result of a minor change in the measurement of partial retirement obligations in Germany. The main consequence of these adjustments was that comparable equity as of December 31, 2012 declined by €53 million and provisions for pensions and similar obligations rose by €61 million. The notes to the consolidated financial statements contain the presentation of these effects.

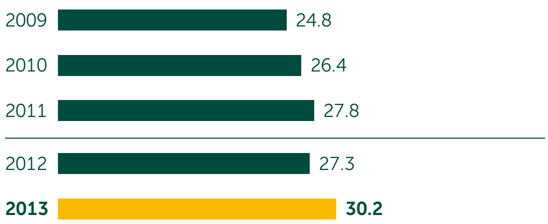
Capital structure

in million €	12/31/2013	12/31/2012[1]
Shareholders' equity	**831**	**754**
Non-current liabilities	**1,063**	**1,157**
Provisions for pensions and similar obligations	201	208
Financial liabilities	107	216
Liabilities from financial services	616	594
Other non-current liabilities	139	139
Current liabilities	**857**	**848**
Other provisions	145	153
Financial liabilities	163	156
Liabilities from financial services	255	246
Trade accounts payable	160	158
Other current liabilities	134	135
Balance sheet total	**2,751**	**2,759**

1 Adjusted.

On a like-for-like basis, shareholders' equity increased by €77 million to €831 million (prior year: €754 million) driven by the persistently good net income in the period under review. This was mainly contrasted by the €28 million dividend payment for fiscal 2012 (prior year:

Equity ratio
in %



Change in accounting treatment as of January 1, 2013. Figures for 2012 adjusted.

€25 million). The equity ratio improved tangibly, rising from 27.3 per cent to 30.2 per cent. Provisions for pensions dropped to €201 million (prior year: €208 million) principally due to the positive effects of their re-measurement as of the balance sheet date. Other non-current and current provisions decreased by a total of €5 million to €204 million (prior year: €209 million). The decline was primarily caused by the reduction in warranty obligations and provisions for personnel. The Group's non-current and current financial liabilities were down €102 million to €270 million (prior year: €372 million). This was largely due to the premature redemption of the variable interest-bearing portion of the promissory note bond (€54 million) and the redemption of external financing for the short-term hire fleet (€28 million). At €871 million, non-current and current liabilities from financial services were €31 million up on the €840 million recorded a year earlier due to the expansion of business. Trade accounts payable were on par year on year, amounting to €160 million (prior year: €158 million).

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

Liquidity

Statement of cash flows

in million €	**2013**	**2012**[1]
Net income	**107**	112
Depreciation/write-ups	**175**	174
Changes in trucks for short-term hire and trucks for lease (excluding depreciation) and receivables from financial services	**–167**	–207
Changes in liabilities from financing trucks for short-term hire and financial services	**–3**	76
Changes in working capital	**–26**	–11
Other changes	**–19**	–16
Cash flows from operating activities	**67**	**128**
Cash flows from investing activities[2]	**–101**	**–84**
Cash flows from financing activities	**–93**	**–2**
Net cash changes in cash and cash equivalents[2]	**–127**	**42**

1 Adjusted.
2 Excluding the balance of payments made to purchase/proceeds from the sale of securities amounting to a negative €72 million (prior year: –€25 million).

Cash flows from operating activities in the year being reviewed totalled €67 million (prior year: €128 million). The year-on-year decrease in the number of additional trucks for short-term hire and lease and in receivables from financial services in the period under review (up €40 million) due to the decline in demand on the market and a change in the truck mix was contrasted by an even steeper drop in associated financing (down €79 million). This decline was mainly a result of the redemption of external financing for the short-term hire fleet. Furthermore, at €26 million, the need for working capital was greater than a year earlier (€11 million) primarily due to the business-driven increase in stockpiling and trade accounts receivable.

Cash flows from investing activities were adjusted to exclude payments made for the purchase and proceeds from the sale of securities included in this item totalling –€72 million (prior year: –€25 million). At –€101 million, the resulting comparable cash flows from investing activities were €17 million, or 20 per cent, up on the year-earlier level (–€84 million). The change resulted from the cash outflows allocated to the three large-scale strategic investment projects and the two sales centres in Germany (see the section on capital expenditures on page 70).

Cash flows from financing activities amounted to –€93 million compared to –€2 million a year earlier. The premature redemption of the variable interest-bearing portion of the promissory note bond (€54 million) and the reduction in non-current liabilities to banks clearly came to bear here.

In sum, net cash changes in cash and cash equivalents totalled –€127 million (prior year: +€42 million). Taking the purchase and sale of securities into account, net cash changes in cash and cash equivalents amounted to –€199 million (prior year: +€17 million).

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

Asset position

Asset structure

in million €	12/31/2013	12/31/2012 [1]
Non-current assets	**1,472**	**1,404**
Intangible and tangible assets	418	354
Trucks for short-term hire and lease	473	467
Receivables from financial services	427	410
Other non-current assets (including financial assets)	109	103
Securities	45	70
Current assets	**1,279**	**1,355**
Inventories	271	254
Trade accounts receivable	407	397
Receivables from financial services	179	174
Other current assets	43	45
Liquid assets and securities	379	485
Balance sheet total	**2,751**	**2,759**

1 Adjusted.

By the end of 2013, the balance sheet total had decreased marginally, from €2,759 million to €2,751 million.

Intangible and tangible assets rose by €64 million to €418 million (prior year: €354 million). The increase in intangible assets reflected the €11 million impact of the first-time consolidation of Jungheinrich Systemlösungen GmbH (formerly ISA – Innovative Systemlösungen für die Automation GmbH), Graz (Austria). By acquiring the remaining 75 per cent of the company, the Jungheinrich Group further strengthened its expertise as a provider of logistics systems. The growth of tangible assets mainly reflected the capital spent on the three strategic projects: the warehousing and system equipment factory in Degernpoint, the production plant in Qingpu (China), and the spare parts centre in Kaltenkirchen.

The value of trucks for short-term hire and lease on hand dropped by a mere €6 million to €473 million (prior year: €467 million). The value of trucks for short-term hire dropped by €9 million to €214 million (prior year: €223 million) owing to the progressive change of the mix of forklift trucks in the short-term hire fleet. The increase in contracts on hand caused the value of trucks for lease from financial services to rise by €15 million to €259 million (prior year: €244 million) and of non-current and current receivables from financial services to post even stronger growth, advancing by €22 million to €606 million (prior year: €584 million).

Other non-current assets were up €6 million to €109 million (prior year: €103 million)—above all due to a rise in deferred tax assets. Inventories grew by €17 million to €271 million owing to cut-off date effects (prior year: €254 million). Current trade accounts receivable increased by €10 million to €407 million (prior year: €397 million) owing to the marginal year-on-year rise in net sales by the end of the financial year.

Liquid assets and short-term securities were down €106 million to €379 million (prior year: €485 million). The main reason for this besides the redemption of external financing for the short-term hire fleet (€28 million) was the premature repayment of the variable interest-bearing portion of the promissory note bond (€54 million).

Capital expenditures

The three major strategic investment projects for the expansion of spare parts logistics and manufacturing capacity were completed on schedule in the year being reviewed.

Based on a new logistics concept, construction of a new spare parts centre in Kaltenkirchen commenced in the autumn of 2011. Nearly a quarter of the €35 million capex volume was attributable to 2013. As planned, it became fully operational in the third quarter of 2013.

The cornerstone for the new warehousing and system equipment plant at the Degernpoint (Bavaria) site was laid in July of 2012. System trucks started rolling off the production line in September 2013. Annual production capacity amounts to 3,000 units. Slightly more than half of the capex volume of approximately €40 million was allocable to the year under review.

Production at the new factory in Qingpu (China) started in July 2013, as planned. Over

40 per cent of the capex volume, which totalled about €18 million, was attributable to the period being reviewed. The plant has the capacity to produce more than 10,000 pieces of material handling equipment per year. The new production site replaces the plant premises which had been rented thus far and could not be expanded any further.

Moreover, two new buildings that will house sales centres in Germany were completed.

Accordingly, capital spent by the Jungheinrich Group on tangible and intangible assets excluding capitalized development expenditures was amounted to €91 million (prior year: €78 million).

General information provided by the Board of Management on the development of business in 2013

In light of the negative economic growth recorded in the Eurozone countries, our assessment of the business trend in the year being reviewed is positive. Demand for material handling equipment in Europe initially lagged behind the prior year considerably and grew by 2 per cent thanks to a strong fourth quarter in 2013. However, developments in Western and Eastern Europe differed greatly from each other. Whereas demand in the Western European market was unchanged compared to the preceding year, it increased by 8 per cent in the countries of Eastern Europe. As before, more than 90 per cent of consolidated sales are generated in Europe. Our incoming orders in terms of units were 7 per cent up year on year, rising from 73.2 thousand to 78.2 thousand trucks. The company thus consolidated its number two position on the market among manufacturers of material handling equipment in Europe.

Since we expected that Jungheinrich's business trend would gain momentum especially in the second half of 2013, we had forecast a range of between €2.1 billion to €2.3 billion for both incoming orders and net sales.

Within the scope of our half-year reporting in August 2013, we expressed our expectations of these two key financials more precisely, forecasting a figure of about €2.3 billion for both of them. Incoming orders surged unexpectedly towards the end of the year for cyclical reasons as well as due to a very large order of new trucks received in the fourth quarter of 2013 and a price increase announced with effect from January 2014. The rise of incoming orders based on units in the fourth quarter of 2013 amounted to 32 per cent. By posting €2,357 million in incoming orders (prior year: €2,251 million) we surpassed our target by some €60 million and achieved a new record high.

Our €2,290 million in net sales (prior year: €2,270 million) were in line with the forecast figure despite the difficulty experienced in starting production at the new factory in Degernpoint. Due to the reporting on the third quarter of 2013, we saw the need to adjust our forecast for earnings before interest and taxes, which was between €165 million and €175 million at the beginning of the year. Process-induced disruptions occurring during the start of

EBIT return on sales
in % (ROS)

EBIT return on capital employed
in % (ROCE)

Change in accounting treatment as of January 1, 2013.
Figures for 2012 adjusted.

production at the new warehousing and system equipment plant had a negative effect on EBIT. Therefore, we adjusted our EBIT forecast to between €165 million and €170 million. Against this backdrop, although the €172 million in EBIT recorded fell shy of the good level achieved in the previous year (€177 million), we believe that this is a decent result.

Net income at the Group level amounted to €107 million. Compared to the record €112 million achieved in the preceding year, given the circumstances, this is also a decent figure. Shareholders' equity climbed to €831 million (prior year: €754 million) due to the good earnings position. The equity ratio rose considerably, advancing to 30.2 per cent (prior year: 27.3 per cent). As in the previous year and in line with expectations, instead of having net debt, we had a substantial net credit of €154 million (prior year: €183 million). The Group's liquidity was secured at all times.

As regards our research and development expenditures, which we wanted to keep at the preceding year's high level, we achieved our goal, as they totalled €45 million. We implemented our overall program for investing approximately €90 million in tangible and intangible assets as planned. The three large-scale strategic projects were carried out on schedule and in line with the envisaged budgets. The expansion of capacity in the spare parts business and for the production of forklift trucks as a basis for the Jungheinrich Group's future strategic positioning has thus been completed.

Key financials

Given its assets and associated liabilities, the 'Financial Services' segment (see the section on financial services on page 73) exerts significant influence on the Jungheinrich Group's balance sheet structure. Therefore, the effects of the 'Financial Services' segment are eliminated from certain key figures, in order to improve informational value and comparability to other companies. In consequence, as regards key performance indicators of relevance to creditworthiness and credit ratings, the Group manages its finances in line with the principles and objects of the 'captive finance' approach.

Specifically, the 'Financial Services' segment is excluded from Group figures relating to the capital structure.

Owing to the increase in shareholders' equity driven by earnings and the essentially unchanged balance sheet total, the Group's equity ratio improved from 27.3 per cent to 30.2 per cent. Adjusting the consolidated figures to exclude all of the effects of the 'Financial Services' segment results in an equity ratio relative to the 'Intralogistics' segment of 47.1 per cent (prior year: 42.4 per cent).

In the year under review, the company still had no net debt on its books. Instead, it had a net credit of €154 million (prior year: €183 million). The decline resulted from the capital expenditures on large-scale strategic projects and the increase in working capital.

In consequence, the degree of indebtedness, defined as the ratio of net debt to EBITDA was

Return on equity after income taxes
in % (ROE)

Change in accounting treatment as of January 1, 2013. Figures for 2012 adjusted.

negative, as in the preceding year. Underlying EBITDA is adjusted to exclude the depreciation of trucks for lease from financial services and amounted to €283 million in the year being reviewed (prior year: €293 million).

ROCE is the benchmark for determining the profitability of capital employed. This key figure was redefined for the first time for the 2013 financial year in order to do justice to the changes in accounting treatment (see the section on the management system on page 53). Contrary to the former approach, provisions for pensions and non-current provisions for personnel are now taken into account when calculating interest-bearing capital.

In the year under review, ROCE (based on the new definition) dropped from an adjusted 21.6 per cent to 18.7 per cent. The reason for the decline was the strengthening of the equity position resulting from the development of earnings.

The return on equity (ROE), which is the percent ratio of net income to average shareholders' equity, amounted to 13.5 per cent in fiscal 2013 (prior year: 15.4 per cent).

Financial services

Organization and business model

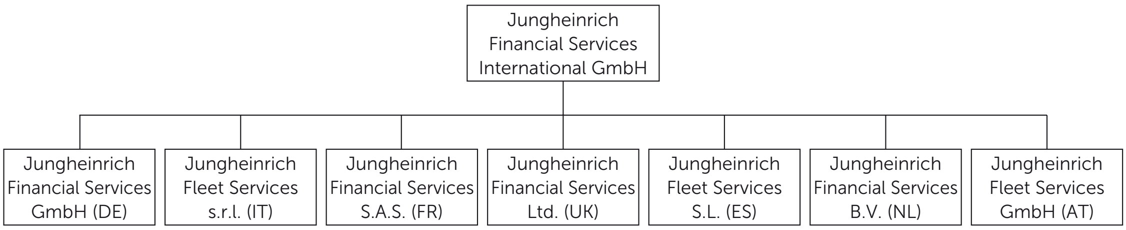
All of the Jungheinrich Group's financial service activities are pooled in the 'Financial Services' segment and are managed centrally via Jungheinrich Financial Services International GmbH and Jungheinrich Rental International AG & Co. KG (formerly Jungheinrich Finance AG & Co. KG). Within the Jungheinrich Group, the 'Financial Services' segment acts as a non-profit centre, rendering services to Jungheinrich's sales operations without generating profits. By offering a range of individual, flexible and competitive financial services and drawing on its pan-European direct sales network and in-house service operations, the sales organization can meet customer expectations—also with respect to providing forklift truck support across country borders. The financing offering covers all of the products within Jungheinrich's product portfolio, which includes new and used material handling equipment, racking systems, warehousing equipment and system solutions.

Jungheinrich has proprietary financial services companies in its key markets in Europe, i.e. Germany, Italy, France, the United Kingdom, Spain, the Netherlands and Austria. Continuous expansion is envisaged in further European countries over the medium term.

The 'Financial Services' segment's standard groupwide organizational structure and procedures ensure that the structure and provisions of finance agreements entered into with powerful domestic and foreign refinancing banks are uniform throughout Europe. Moreover, refinancing on the capital market was facilitated by virtue of Luxembourg-based Elbe River Capital S.A., a company established in 2010 solely for refinancing purposes. Since then, more than €200 million has been paid into the financing platform.

Jungheinrich's business model is designed to serve customers over a product's entire life

Financial services companies in Europe



cycle. As a rule, the financial service agreements offered are connected to a full-service or maintenance contract. Against this backdrop, the individualized usage transfer and sales financing offers serve the purpose of promoting sales and retaining customers over the long term. With the exception of counterparty default and refinancing risks, all income and risks resulting from financial service agreements entered into with customers are assigned to the operating sales units.

Types of contracts and accounting

In compliance with IFRS accounting policies, financial service agreements concluded directly between customers and Jungheinrich companies or between customers and Jungheinrich with an external leasing company or bank as intermediary (referred to as vendor agreements) are recognized in assets as leased equipment ('operating leases') or as receivables from financial services ('finance leases'). The average maturity of the financial service agreements is five years. Due to the strategic focus, about three-quarters of all contracts are 'finance leases.'

These long-term customer agreements are refinanced with identical maturities and interest rates and disclosed as liabilities from financial services. Cash flows from customer contracts usually at least cover refinancing instalments paid to lending institutions for this business. Furthermore, deferred sales stemming from sales proceeds already generated with an intermediate leasing company are stated under deferred income.

Business trend

With a view to increasing transparency, interest income on finance lease customer agreements in the 'Financial Services' segment was reclassified from financial income (loss) to net sales at the beginning of the 2013 fiscal year. Accordingly, the year-earlier figure was increased by €41.8 million. At the same time, interest expenses associated with financing 'finance lease' customer agreements were reclassified from financial income (loss) to the cost of sales and thus to operating income. The reason for this was that this financing does not fall under classical credit financing. In sum, this resulted in a €17.7 million rise in EBIT for 2012.

Financial services—key figures

in million €	2013	2012
Original value of new contracts	**415**	431
Original value of contracts on hand 12/31	**1,745**	1,719
Trucks for lease from financial services	**319**	302
Receivables from financial services	**605**	584
Shareholders' equity	**40**	35
Liabilities	**1,069**	1,023
Net sales	**547**	539[1]
EBIT	**9**	10[1]

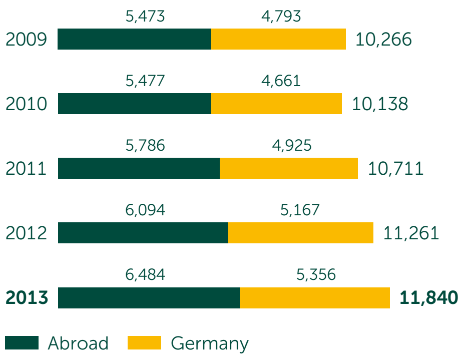
1 Adjusted.

€415 million in long-term financial service agreements were concluded in fiscal 2013 (prior year: €431 million). The €16 million decrease was due to the rise in demand for financial services in connection with used equipment, which have a lower value than new trucks. From a regional perspective, the highlights in Western Europe were France and Spain, which recorded a rise in the value of forklifts added of 14 per cent and 11 per cent, respectively.

Seventy-eight per cent of the new contract volume in terms of value (prior year: 77 per cent) was allocable to the seven countries in which Jungheinrich has proprietary financial services companies. By the end of 2013, the volume of contracts on hand had risen by a total of 3 per cent to 109.0 thousand forklift trucks (prior year: 105.5 thousand units). This corresponded to an original value of €1,745 million (prior year: €1,719 million). Due to the change in the truck mix, the rise in value amounted to a mere 26 million. Relative to the number of new trucks sold, more than one in three new trucks was sold as part of a financial service transaction. The leasing ratios vary from one country to the next. Jungheinrich had leasing ratios of more than 60 per cent in Italy, the United Kingdom and Norway.

Net sales were up €8 million to €547 million from €539 million. Business continued to focus on 'finance lease' transactions. EBIT dropped to €9 million (prior year: €10 million). As before, the 'Financial Services' segment is a provider of services to Jungheinrich's sales organization and does not have a right to generate profits.

Employees
As of 12/31



Employees

In the period under review, the Jungheinrich Group enlarged its workforce, primarily strengthening its sales operations. Groupwide headcount (in terms of full-time equivalents—FTEs) was up by 579 staff members, or 5 per cent, to 11,840 (prior year: 11,261) by the end of 2013. Sales accounted for 501 of them, while 53 worked in the field of technology. The rise in employee figures in sales includes 76 staff members of Jungheinrich Systemlösungen GmbH (formerly ISA – Innovative Systemlösungen für die Automation GmbH), Graz (Austria) which was fully consolidated as of January 1, 2013. A total of 137 employees were hired by the Asian sales operations, while the sales workforce in Germany was strengthened by 133.

Personnel expenses rose by €35 million to €707 million (prior year: €672 million). Of this sum, €570 million (prior year: €542 million) was allocable to wages and salaries, while €119 million (prior year: €113 million) was allocable to social security contributions.

Since Jungheinrich AG is a member of the German Employers Association, the collective bargaining agreements reached in 2013 were adopted for our German business. The collective bargaining agreement expires on December 31, 2014.

If bargaining partners or comparable stakeholder representations exist outside Germany, they are considered when determining compensation.

Expansion in growth markets and in the logistics systems and mail-order businesses

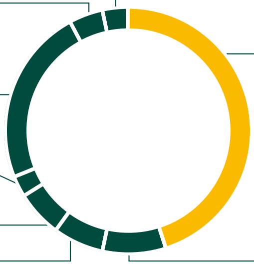
As part of the growth strategy pursued in Asia, the labour force of Jungheinrich sales companies in the region was enlarged by more than 30 per cent to 592 employees. The focus was on China where the workforce was increased by 74 staff members, or 28 per cent. In India, headcount was up by 29 in the year under review. By year-end, 43 employees were working for the sales company founded in India in the middle of 2012. Personnel figures in the Russian sales company rose by 15 per cent, or 42.

Furthermore, the logistics system and mail-order businesses also increased manpower in order to set them further apart from the competition. To expand the logistics systems business, the labour force was expanded by 31 staff members, corresponding to an increase of over 40 per cent. Headcount thus totalled 104. Personnel figures in the mail-order business grew by 24, or 26 per cent, to 115.

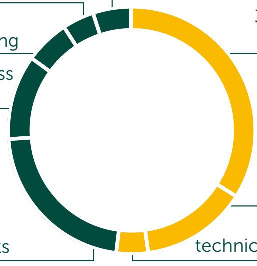
Employees by function

Of the permanent staff (excluding temporary workers) 79 per cent were in sales and administration (prior year: 78 per cent) and 21 per cent were active in manufacturing (prior year: 22 per cent). As in the preceding year, 46 per cent of the workforce was allocable to the after-sales services organization, accounting for 5,451 (prior year: 5,216) employees. Worldwide, 3,875 (prior year: 3,735) after-sales service engineers were active in the service organization.

Employees by region
As of 12/31/2013 (12/31/2012)



Apprenticeable professions[1]
As of 12/31/2013



1 Basis: 246 apprentices in Germany.

Employees by function

in FTEs	12/31/2013	12/31/2012
After-sales service engineers	**3,875**	3,735
Factory engineers	**209**	228
Production	**1,517**	1,451
Sales agents	**938**	877
Office staff	**4,817**	4,497
Temporary workers	**139**	143
Apprentices	**346**	330
Jungheinrich Group	**11,840**	**11,261**

Figures may differ due to rounding.

In the period being reviewed, temporary personnel was again used to offset capacity fluctuations in manufacturing operations. Averaged for the year, they decreased in number by just under 21 per cent to 378. About 70 per cent of them worked in domestic plants (prior year: 69 per cent). As of December 31, 2013, 454 (prior year: 405) temporary staff were active within the Group.

Regional distribution

Effective on December 31, 2013, 6,484 (prior year: 6,094) employees, or 55 per cent of the labour force, worked abroad. Germany accounted for 5,356 (prior year: 5,167) staff members. This corresponded to 45 per cent of the workforce.

Abroad, France represented the biggest share of total headcount, or 8.2 per cent, followed by Italy and the United Kingdom, with 6.7 per cent and 6.2 per cent, respectively. The proportion of the headcount active in Asia and the Americas rose from 6.7 per cent to 7.7 per cent.

Changes in personnel

The member of the Board of Management responsible for sales, Dr. Helmut Limberg, stepped down as member of the Board of Management of Jungheinrich AG with effect as of November 15, 2013. Dr. Lars Brzoska will become the member of the Board of Management in charge of sales at Jungheinrich AG as of April 1, 2014. The Chairman of the Board of Management, Mr. Hans-Georg Frey, assumed the position of interim head of the sales mandate for the transitional period.

Training in the Jungheinrich Group

As of December 31, 2013, the Jungheinrich Group employed 346 (prior year: 330) apprentices, 246 (prior year: 225) of whom worked in Germany, where the company offers training for twelve apprenticeable professions.

In addition, a selection of collaborative courses of study is offered. Jungheinrich provides young adults with a variety of points of entry to the company via collaborative courses of study, while covering its need for budding professionals in the commercial and technical fields with qualified employees from within its own ranks. This educational model alternates between compact units at universities and assignments in companies. This enables program participants to obtain an internationally recognized Bachelor of Science in business management, business computer sciences or economic engineering in a mere six to seven semesters. In 2013, the share of apprentices pursuing collaborative courses of study rose from 16 per cent to 19 per cent relative to the number of apprentices in Germany.

Social data

Employee data

		12/31/2013	12/31/2012
Average age	years	**41.1**	41.2
Years of service	years	**11.4**	11.4
Turnover	%	**3.5**	3.6
Sickness rate [1]	%	**5.4**	5.1
Reportable working and commuting accidents [1, 2]	number	**35**	29
Women quota	%	**19.6**	19.5

1 Relative to employees in Germany.
2 For every 1,000 employees.

The average age of the Jungheinrich Group's workforce was 41, which was slightly below the 42 year average representative of our branch of industry (source: German Engineering Federation). Years of service—an indicator of employee satisfaction with their company—averaged just over eleven years, matching the previous year's level. In Germany, the staff's average years of service were even higher, at 14 years. Turnover in the period being reviewed was 3.5 per cent, which was roughly on par year on year. In Germany, turnover was 1 per cent—another indication of the high level of employee satisfaction at Jungheinrich. The sickness rate, which only relates to domestic staff members, rose from 5.1 percent in 2012 to 5.4 per cent in 2013. This was due to the increase in the sickness rate of industrial employees. The sector average for comparable companies that are members in the Nordmetall employer association was 5.0 per cent in the year under review. The number of reportable working and commuting accidents for every 1,000 employees in Germany increased from 29 in the previous year to 35. At 19.6 per cent, the women quota remained above the 16.1 per cent yardstick commonly applied to our branch of industry (source: German Engineering Federation).

Social engagement

As a listed stock corporation that has the traits of a family-run company, the Jungheinrich Group is characterized by a significant degree of value orientation, which goes above and beyond its business operations to encompass entrepreneurial commitment. This goes hand in hand with an approach to running the company that aims for continuity, creating lasting added value and responsible action as well as maintaining strong ties to its domestic base.

This ambition to create value is manifested by the work down by the Dr. Friedrich Jungheinrich Foundation, which raises and spends funds on causes of social relevance. It works closely together with public training and educational institutions to strategically promote the excellence of young talented individuals in technical matters in the field of natural sciences. The Foundation focuses on 'MINT' subjects (mathematics, information technology, natural sciences and technology). In October 2014, the Dr. Friedrich Jungheinrich Foundation's scholarship holders and award winners as well as select Jungheinrich AG employees will be honoured at the Excellence Awards ceremony. The award ceremony takes place once every two years.

Jungheinrich AG is also driving forward MINT projects in light of the increasing scarcity of skilled labour. The company has been involved in the NaT initiative since 2007. NaT aims to make young adults passionate about natural sciences and technology with a view to reducing the lack of engineers in Germany over the long term. To this end, Jungheinrich cooperates with high schools in Hamburg and Norderstedt.

Furthermore, the traditional Hamburg company has pledged allegiance to the University of Hamburg and succeeded in ensuring the long-term survival of the 'Kinder-Uni Hamburg' project in 2013, working in concert with several partners. The project consists of a lecture series for children aged eight to twelve.

Moreover, since 2011 the Jungheinrich Group has been assisting Europe's largest pharmaceutical aid organization action medeor, which is based in Tönisvorst (North Rhine-Westphalia), by providing intralogistics expertise and warehousing equipment for the logistical implementation of aid activities. In the period under review, the company donated just under €12 thousand in warehousing equipment for a new pharmaceuticals distribution centre in Tanzania and a pallet racking system worth about €18 thousand for use in action medeor's main warehouse, which is located in Tönisvorst. In addition, employee and company donations made via the 'loose change' initiative introduced by Jungheinrich, under which staff members voluntarily renounce the cents behind the decimal point of their monthly wage or salary, combined for about €23 thousand (prior year: about €15 thousand). These funds went to aid projects with various objectives, including the performance of reconstruction work in the aftermath of the severe typhoon in the Philippines and the provision of basic healthcare services for an orphanage in Rwanda.

Compensation report

Jungheinrich's management pursues the principle of value-oriented management that aims to make the company increasingly successful over the long term. The latter forms the basis for the remuneration schemes, which are linked to key value-added indicators. These are made up of growth, market share and earnings components, with the focus lying on the earnings component.

Board of Management compensation

In 2010, the Supervisory Board revised the system for remunerating the Board of Management for various reasons, including the German law on the appropriateness of management board compensation. Remuneration of members of the Board of Management includes a fixed and a variable component and, since the revision of the compensation system, it has taken into account the legally required compensation components having a basis of assessment of several years. The Board of Management's compensation system is performance-oriented. This is reflected in the ratio of the variable to the fixed component. If a very good performance is achieved, the variable remuneration component can account for more than 50 per cent of total emoluments. However, it should generally be in line with the fixed component. The variable element's success parameters are the Jungheinrich Group's earnings before tax (EBT) and net sales growth as well as the increase in market share for individual product groups relating to Europe, the core market. The performance targets are reviewed annually in accordance with the company's strategic orientation and adjusted in line with the multi-year goals. The variable component is paid in instalments over three years, with the annual instalments being determined based on the degree to which the member has achieved his or her goals and coming due once the financial statements of the preceding year are adopted. The variable compensation system was refined as of January 1, 2014 by changing the percent weighting of the individual performance parameters relative to the overall target parameter, lowering the lower threshold to the level customary in other companies, and limiting the degree to which partial sums paid in subsequent years can change to a more realistic range. Pensions for members of the Board of Management are calculated based on the individual's years of service with a lead-in period until the member has a right of non-forfeiture.

Supervisory Board compensation

The compensation system in place for the Supervisory Board since 2012 includes a significantly reduced share of total remuneration accounted for by the variable component and an orientation towards the EBIT return on capital employed (ROCE) as the forward-oriented basis of assessment. According to these rules, in addition to the reimbursement of out-of-pocket expenses, each Supervisory Board member receives €20,000 in fixed annual compensation as well as a variable annual compensation, which depends on the EBIT return on capital employed achieved by the Jungheinrich Group. The targeted EBIT return on capital employed is oriented towards the Jungheinrich Group's medium-term strategic objectives and amounts to 20 per cent. If this goal is achieved, annual variable compensation is €20,000. Variable annual compensation is reduced by €4,000 for every full percentage point by which the achieved ROCE is below the target and is increased by €4,000 for every full percentage point by which the target is exceeded, the maximum annual variable compensation being capped at €40,000. The Chairman receives three times and the Deputy Chairman one-and-a-half times the aforementioned sums. Furthermore, members of Supervisory Board committees receive an additional fixed annual compensation amounting to €25,000 for every member of the Personnel Committee and of the Ad-hoc Committees of the Supervisory Board. The chairmen of these committees receive twice this remuneration. Every member of the Finance and Audit Committee receives €30,000. The Chairman of the Finance and Audit Committee receives two-and-a-half times this compensation.

A proposal is to be submitted to the Annual General Meeting on May 15, 2014, envisaging an adjustment of the basis of assessment for the variable compensation of the Supervisory Board with effect from January 1, 2014. The adjustment was occasioned by changes in the accounting policies applicable to the Jungheinrich Group resulting from the first-time adoption of the amended version of IAS 19 as of January 1, 2013 as well as by reclassifications for reasons of transparency—in particular in the 'Financial Services' segment—which had a material effect on the EBIT return on capital employed. The realignment envisages the introduction of the return on equity (ROE) as a new basis of assessment, which now reflects the Group's entire business activity in a simple ratio. Furthermore, the sustainability of the variable compensation system is to be underscored by using the ratio's three-year average as a basis of assessment.

Executive compensation

A new remuneration system was introduced for executives in the year being reviewed. Its variable components are generally based on the key performance indicators applicable to the compensation of the Board of Management.

Purchasing

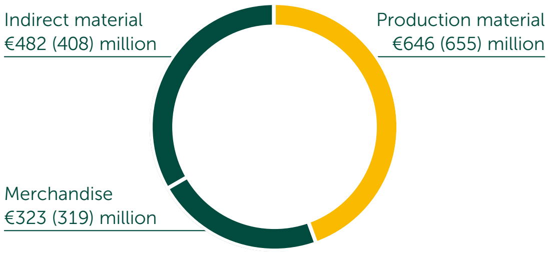
Sourcing needs for serial and non-serial production operations are managed by the groupwide product group management system.

In 2013, purchasing volume totalled €1.45 billion (prior year: €1.38 billion) and broke down into

- production material and post-serial material,
- merchandise and
- indirect material.

The product groups with the largest shares in purchasing volume were batteries, accounting for €131 million (prior year: €133 million); facility management, accounting for €107 million (prior year: €53 million); steel assemblies, accounting for €83 million (prior year: €87 million) and electric drive trains, accounting for €80 million (prior year: €90 million). In the year being reviewed, the 'facility management' product group included

Breakdown of purchasing volume
Total €1.45 (2012: €1.38) billion



the award of construction contracts for the factories in Degernpoint and China as well as for the new sales centres in Germany.

Building a cost engineering system

Mounting customer price sensitivity and rising pressure on manufacturing costs are increasing the need to reduce costs. Making strategic use of cost engineering methods enables competitive advantages to be achieved in purchasing.

In the year under review, Jungheinrich began to build up its own competence in cost engineering. This enables in-house expertise in production processes and technologies to be obtained from suppliers and cooperation to be intensified. The objective is to identify cost-cutting potential in the procurement process early on.

Supplier manual

Communication channels and tools used when working with suppliers of production material are being improved even further through the introduction of a supplier manual. This central reference is the first compilation of requirements established by Jungheinrich that suppliers of serial material have to meet. Product group related minimum requirements were defined and corresponding approval criteria were established regarding the qualification of new suppliers.

Information technology

The increasing standardization and convergence of IT and business processes is one of the key IT-related issues in the Jungheinrich Group. Advantages resulting from centralization and standardization must be leveraged, and account must be taken of the regions' specific needs.

The standardization of groupwide solutions has progressed as a result of the continued introduction of SAP in both sales and production. Some 6,500 of the Group's 11,840 employees work with SAP.

IT organization

Jungheinrich's IT organization in Germany employs more than 200 people, whose main tasks consist of software consulting, engineering and support, the provision of data infrastructure, and the operation of a state-of-the-art computing centre. About 100 additional IT personnel work for Jungheinrich the world over, providing on-site support at local sales and production sites.

A twelve member-strong IT Board staffed with executives from the fields of technology, finance, sales and IT assesses the projects and decides on whether to implement them.

Major IT projects

Within the scope of the construction of the new factory at the Degernpoint site, the support provided by the IT department focused mainly on logistics and production processes relating to warehousing and system equipment.

Established Group standards were introduced and synergies stemming from merging the technical systems of all sites were tapped on the basis of the processes in place in the Norderstedt and

Landsberg factories. This enabled production sequences to be optimized and throughput times and inventories to be reduced.

During the entire construction and relocation phase of the establishment of the new spare parts centre in Kaltenkirchen, in-house IT specialists provided assistance and advice as IT infrastructure was built to work with state-of-the-art material handling technology, taking account of the newest warehouse management strategies, while helping to ensure an efficient move from Norderstedt. As a result, the plant became fully operational on schedule and without a hitch in September 2013.

The construction of the new factory in Qingpu also received IT support. The new IT infrastructure and its connection to the computing centre in Hamburg were provided just in time for the move and commissioning of the plant. SAP processes relating to the new factory's manufacturing and assembly operations in place at the previously rented production premises were taken over without having to be adapted.

Given the strategic importance of China as a growth market, the local sales organization was substantially expanded to encompass significantly more than 300 staff members. In the year being reviewed, the local IT system was replaced by the Group's SAP solution and it was integrated into Jungheinrich's internal reporting. The Chinese company is the 19th of a total of 32 sales companies using SAP. Another major milestone en route to making sales processes in the Jungheinrich Group uniform was thus passed. The introduction of SAP in the companies in Singapore and Malaysia is scheduled to follow in 2014 as part of the Asian in expansion strategy.

The introduction of the 'Dispute & Collections Management' SAP module laid the cornerstone for optimizing the groupwide management of accounts receivable as early as 2012. The objective is to significantly reduce overdue receivables while ensuring shorter processing times. It was first implemented in the Swiss sales company in 2012, followed by a rollout in Germany. The pan-European rollout for the sales companies in the Netherlands began in the year under review, followed by Ireland, the United Kingdom and Italy. By the end of 2013, over half of the Group's receivables were thus being managed by SAP-supported processes.

Jungheinrich's IT organization developed new software for mobile service applications as service engineers were equipped with touch screen notebooks. An electronic signature enables a completely paperless workflow and faster order processing.

Data security

Jungheinrich has tried-and-tested data security structures and processes in place in order to protect IT-based business processes against data security risks. Existing measures are constantly reviewed as part of the company's data security management system and adjusted if necessary. Data security management and security techniques employed were refined yet again in the year being reviewed. One of the focal points was the implementation of measures to raise the staff's awareness of the importance of handling information of relevance to the business properly. Furthermore, critical business processes throughout the Group were examined for potential risks of failure. The IT emergency management system was expanded to include appropriate security concepts with a view to keeping these processes up and running even in the event of a significant failure of IT operations and minimizing potential consequential damage.

Environment

Jungheinrich strives to engineer efficient and environmentally friendly products and manufacture then in an environmentally compatible manner. In its quest to reduce ensuing effects on the environment, the company adheres to the basic principle of the continual improvement process (CIP), an indispensable component of ISO 9001 and ISO 14001, as part of its quality and environmental management work.

When producing, using and reconditioning products as well as developing and providing services, Jungheinrich sees to it that resources are used efficiently and that environmental management is constantly improved.

The production plants in Norderstedt, Lüneburg, Moosburg, Degernpoint (all in Germany) and Qingpu (China) have a quality management system that is certified to ISO 9001 and an environmental management system certified to ISO 14001. The factory in Landsberg (Germany) also has a quality management system complying with ISO 9001. Its environmental management system is scheduled to be introduced and certified in 2015.

Product eco balance refined

One piece of documentation of the Jungheinrich Group's environmentally aware actions is the material handling equipment sector's first product eco balance certified by the German Technical Inspection Authority (TÜV). In 2011, the northern division of the German Technical Inspection Authority TÜV Nord had systematically analyzed the balance—a systematic analysis of the environmental impact of products over their entire lifecycle—and certified it in accordance with DIN EN ISO 14040. Carbon dioxide emissions were reduced by 25 per cent between 2000 and 2010. This makes Jungheinrich the first—and to date only—material handling equipment manufacturer to bear the 'Audited Product Eco Balance' seal of approval.

The original version of the balance consisted of the analysis of the environmental impact of Jungheinrich's material handling equipment fleet (excluding high-rack stackers and vertical order stackers) in the period from 2000 to 2010. It covered

- the use of commodities, production and transportation during the manufacturing phase,
- energy usage in the usage phase and
- the reconditioning of equipment for a second period of use.

In 2012, the number of forklift series covered by the survey was increased to include high-rack stackers and vertical order stackers, resulting in the entire range of mass-produced forklift trucks being covered ever since. By reducing carbon dioxide emissions by 7 per cent from 2010 to 2013, Jungheinrich is on track to achieving the goal of lowering them by another 20 per cent by 2020 (compared to the 2010 level).

Innovative measures for reducing carbon dioxide are of importance to the entire Jungheinrich product cycle. High-tech solutions developed in-house serve as a dual yardstick with respect to the competition—especially in the usage phase, during which 80 to 90 per cent of the emissions occur. The significant reduction in carbon emissions despite high handling turnover rates minimizes the effects on the environment, and customers benefit from permanently low energy costs.

Environmental indicators

Internal KPI systems are used to benchmark the environmental performance of the Group's individual units. Jungheinrich collects key figures of relevance to the environment for its domestic plants based on the specifications and recommendations of the Global Reporting Initiative (GRI), the de-facto global standard for sustainability reporting.

Usage, emissions and waste volume at the individual sites are primarily determined by the number of units manufactured, the product itself, and the degree of vertical integration.

Environmental indicators[2]

		2013[1]	2012
Electricity	MWh	**32,067**	32,187
Natural gas/district heat/oil	MWh	**41,471**	39,700
Carbon dioxide emissions	t	**27,888**	27,570
Water consumption	cubic metres	**30,121**	31,767
Wastewater	cubic metres	**27,942**	29,363
Waste	t	**8,006**	8,636

1 Pro-forma figures. Figures for December 2013 are based on extrapolations and empirical values.
2 For the Norderstedt, Moosburg (including Degernpoint as of its date of commissioning), Landsberg and Lüneburg sites as well as for the Dresden Used Equipment Centre.

Electricity consumption at the five locations hardly changed as there was only a slight decline in units year on year. Overall, usage of the energy sources natural gas, district heat and oil rose by 4.5 per cent. This was predominantly due to the start of production at the new Degernpoint plant in the third quarter of 2013.

Carbon emissions at the factories rose somewhat. This only has a marginal impact on the eco balance, which can be seen in the emissions figures pertaining to the manufacturing phase.

Water and wastewater consumption both declined by about 5 per cent, partially owing to the more efficient use of water used to wash the powder coating facility in Norderstedt. Various environmental measures taken at other sites also had a positive effect on usage. For instance, at the used equipment centre in Dresden, rainwater is collected in cisterns and used to wash forklifts and parts. Only during seasons with low precipitation is drinking water used. This allows for approximately 400 litres of potable water to be saved for every reconditioned forklift truck.

Waste volume was reduced by a total of 7 per cent despite the increase in waste volume resulting from the refurbishment of a hall at the Moosburg site and the expansion of production through the addition of the manufacturing capacity available in Degernpoint. This was due to the substantial decrease in waste volume in Norderstedt.

Energy concept for newly built factory in China

The new production plant in Qingpu (China) has a sophisticated energy concept. The cooling circuit for the air conditioning system used in the summer is mainly water-driven. Ninety per cent less coolant is used than in similar buildings, resulting in the added benefit of a significant reduction in greenhouse gases. In the winter, the factory is heated using a geothermal system. Unused geothermal heat is fed back into the ground. Moreover, all the offices are supplied with conditioned and fully filtered air via an energy saving system that reduces air humidity throughout the building as well. When the production plant was opened, it received silver Leed certification. This is a system used to classify ecological construction, developed by the U.S. Green Building Council. It defines a series of standards for environmentally friendly, resource conserving and sustainable building designs.

Compliance and data privacy

To Jungheinrich, compliance consists of adherence to statutory regulations and all the company's internal guidelines. The objective is to stave off potential danger and risks for the company. From an organizational point of view, the compliance function has been assigned to the Corporate Audit Department. The building blocks of the compliance system are the groupwide Code of Conduct, an internal whistle blower system and regular investigations conducted by the Corporate Audit Department. All of the executives were requested by the Board of Management and the Compliance Officer (CO) to adhere to the internal rules and external statutory regulations at work once again in the year being reviewed. Notifications of misconduct were primarily received from internal sources in all divisions. External parties can file confidential notifications of potential compliance violations via the Internet. As in the preceding year, in the year being reviewed, matters of relevance to compliance in all of the Group's audited companies and divisions were investigated within the scope of review inspections. Delicate topics were analyzed within the scope of special inspections and handled confidentially. The Board of Management as well as the Supervisory Board's Finance and Audit Committee were constantly and extensively kept abreast of potential compliance incidents and the status of investigations and informed of this in one committee meeting.

Pursuant to comprehensive statutory regulations, all of the Group's executives and employees throughout the world are obliged to handle the personal data of customers and staff members responsibly, while complying with the

EU data privacy regulations in effect and applicable local legislation. In 2013, as in the preceding years, the entire workforce was advised of its obligation to comply with applicable data privacy policies and the ensuing duties comprehensively by the Group's Data Privacy Officer. Furthermore, additional notifications and information that is constantly updated can be accessed by all employees on the intranet.

In the year being reviewed, the data privacy guideline was updated and distributed to all staff members for their information. It contains commentary on rights and obligations of relevance to data privacy.

Numerous inquiries relating to issues of data privacy law concerning the storage and transmission of data, the introduction of new software and security matters were received by the Group's data privacy officers. They were discussed with the relevant departments and reviewed in accordance with statutory regulations.

Individual data privacy coordinators assisted the data privacy officers of the departments, e.g. the Personnel and IT Departments, in their advisory sessions. Internet commerce regulations are considered in matters relating to the web-based mail-order business. In the year under review, the mail-order business successfully subjected itself to an external certification process (Trusted Shops® seal of approval) which attests to compliance with data privacy and data security standards, among other things. Furthermore, additional legal requirements with respect to data privacy such as the maintenance of process registers documenting the data stored in each of the IT systems were satisfied.

In the year being reviewed, there were no contraventions of in-house data privacy policies. However, there is still a need for regular and comprehensive advice.

Supplementary report

There were no reportable events after the balance sheet date.

Internal control and risk management system regarding the consolidated accounting process

The Jungheinrich Group's risk management system encompasses principles, methods and measures for ensuring the effectiveness of management decisions, the economic viability of business activities and the correctness of accounting as well as for ensuring compliance with applicable statutory regulations and in-house policies.

The following is a description of the key features of the internal control and risk management system institutionalized within the Jungheinrich Group with respect to the consolidated accounting process:

- The Jungheinrich Group has a diverse organizational and corporate structure that ensures appropriate performance checks.
- The holistic analysis and management of earnings-critical risk factors and risks jeopardizing the company's subsistence are handled by groupwide governance, budgeting and controlling processes as well as an early risk detection system.
- Functions of all Group accounting process areas (e.g. financial accounting, controlling and the treasury) are clearly assigned.
- IT systems employed in accounting are protected from unauthorized access and are largely off-the-shelf software (essentially SAP systems).
- The Jungheinrich Group has policies in place regulating accountabilities, workflows and controls for all material processes. The policies can be accessed by the entire workforce on the intranet.
- A comprehensive Group accounting manual regulates the Group accounting process of the individual companies and consolidation at the Group level, ensuring that business transactions are accounted for, measured and reported uniformly throughout the Group. The manual is updated once a year and made available to the areas involved in the Group accounting process. Regular sample inspections and plausibility checks are performed to verify the completeness and correctness of Group accounting data. This can be done either manually or using software.
- Material processes of relevance to accounting are subjected to regular analytical reviews. Our early risk-detection system is examined for functionality and effectiveness by the independent auditor as part of the audit of the financial statements at year-end. Findings derived from this audit are taken into account as the groupwide, Jungheinrich-specific system is continuously refined. The Group Audit Department also reviews the effectiveness of the Group accounting-related internal controls.
- As a rule, the security principle is applied to all accounting-critical processes.
- Among other things, the Supervisory Board and its Finance and Audit Committee concern themselves with material issues pertaining to Group accounting and risk management as well as the audit assignments and focal points of audits conducted by the independent auditors and the Group Audit Department.

There is no absolute certainty that incorrect information and misstatements are avoided in Group accounting, that erroneous assessments are identified or that all statutory regulations and internal policies are complied with.

Risk and opportunity report

Since the Jungheinrich Group operates on a global basis, the early detection of risks and opportunities as well as the measures derivable therefrom are key elements of corporate governance. Basic principles and courses of action have been defined in a groupwide guideline within the scope of a risk management system.

Risk and opportunity management

Jungheinrich's risk management system is an integral part of the company's management, budgeting and controlling processes. All measures for mitigating risks are incorporated in the Jungheinrich Group's risk management system. Precautionary risk measures are duly identified and reported to the Group Controlling Department as part of the risk reporting procedure. This ensures that Group reporting and risk management are tightly intermeshed with each other. The groupwide risk management system is constantly adapted and refined, involving the constant review of the risk management process. Adjustments consist of organizational measures, changes in risk quantification methods and constant updates of relevant parameters. The risk management system comprises the following elements:

- the Group Risk Management Policy,
- the Group Risk Committee,
- the operative risk inventories of the sales and production companies,
- the central risk inventories of the people responsible for the business fields and the directors of the corporate functions,
- the general Group reporting structure and
- the Corporate Audit Department.

The managers of the local operating companies are responsible for risk management within their units. Besides addressing issues pertaining to risks and opportunities at regular management board meetings, the unit managers are obliged to take inventory of risks three times a year as part of the risk management process. The goal is to identify and assess the risk position as realistically as possible. When taking inventory for the first time in a year, opportunities and risks are assessed based on the planned business trend. Inventories taken thereafter are assessed on the basis of the latest forecast. These resulting figures are condensed to two aggregated figures—one for risks and one for opportunities—in a Group risk inventory, taking appropriate threshold values and their probability of occurrence into account. The Group risk inventory is discussed and suitable measures are developed in the quarterly meetings of the Group Risk Committee, in which the Board of Management participates. A summary is regularly made available to the Supervisory Board. Ad-hoc risk reports must be immediately submitted to the Group Risk Committee whenever risks or opportunities exceeding certain threshold values are identified between the inventory cut-off dates. The Group Audit Department is also involved in the risk management process through its regular audits and special audits performed on a case by case basis. An additional, stringent risk management system specifically designed for financial services is in place in order to be able to identify the financial services business' potential risk exposure and assess it on an ongoing basis. A centralized pan-European lease database running on SAP

ERP software enables financial service agreements to be recorded and the risks arising from them to be assessed uniformly throughout the Group.

Risks and opportunities

The analysis of the most recent risk inventory, compiled in 2013 by the Group Risk Committee, revealed that there are currently no risks that could jeopardize the Jungheinrich Group's continued existence. Risks and opportunities that are most important to the Jungheinrich Group are listed below.

General risks and sector-specific risks

The Jungheinrich Group is exposed to general risks arising above all from the development of the world economy. Cyclical fluctuations subject the business trend to risks above all in key European markets. Experts currently expect the global economy to grow by more than 3 per cent and the Eurozone to post a moderate expansion in 2014. However, the economy's stability may be curtailed by the problems associated with the sovereign debt crises in some European countries, which have not been resolved so far, although positive developments have been observed in the meantime. Whether some countries become faced with a crisis situation and the degree to which initial success starts having a lasting effect in other countries remains to be seen. The politically unstable situation in the Ukraine may also have an effect on the development of the economy.

In the year being reviewed, the material handling equipment market advanced by nearly 7 per cent worldwide and grew marginally in Europe. Another economic downturn—especially in Europe—could result in a significant reduction in the number of forklift trucks produced or realizable margins. However, if the economy develops positively, market volume may rise—especially in Europe—presenting opportunities for the Jungheinrich Group to grow.

Furthermore, the material handling equipment market is characterized by fierce competition and increasing consolidation tendencies.

Therefore, the economy's development—focussing on Europe—is constantly monitored and evaluated based on regular estimates made concerning the material handling equipment market, the competitive environment and capital markets—especially with regard to fluctuations in currency exchange and interest rates. The objective is to detect indications of the future order trend. Production schedules are constantly brought in line with the forecast level of incoming orders. This reduces the risk of plant capacity under-utilization. Also included in risk surveys are potential changes to the subsidiaries' financial situation stemming from market developments.

Furthermore, the risk of losing market share is mitigated by the company constantly expanding its product range and service offering as well as further increasing its sales workforce, providing attractive financing solutions, and further intensifying its differentiation strategy, for example by expanding the logistics systems business. In sum, the product portfolio will be enlarged by 20 new products in 2014.

Operational risks

Operational risks originate from the business model, for example from the range of new trucks as well as short-term hire and used equipment on offer, and from the company's back-office functions such as purchasing, IT and human resources.

The consolidation of demand witnessed for several years is causing the pressure on prices on the market to rise and thus constitutes an operational risk. The Group reacts to this risk mainly by expanding its product and service offerings by way of tailor-made customer solutions based on its existing platform strategy. This improves its market penetration and customer loyalty.

Jungheinrich protects itself from the general bad debt risk by using a computerized system to constantly monitor outstanding receivables and their structure and regularly analyzing them. The lion's share of the foreign net sales we generate from business with third parties is covered by credit insurance policies.

The rising trend among customers to hire and lease new trucks for extended periods of time will continue again in the year underway. The financial crisis and the mounting demands placed on the financial environment (as a result of the planned introduction of the 'Basel III' set of banking regulations, among other things) will make it more difficult for customers to self-finance investments and obtain financial leeway. Jungheinrich's range of financial services offers customers a sensible alternative against this backdrop. Risks potentially arising from such transactions are mitigated by a risk management system tailored to suit the needs specific to the financial services business. A summary presentation of these risks can be found under 'Risks associated with financial services.'

In 2013, the average size of Jungheinrich's short-term hire fleet was 33.6 thousand trucks (prior year: 30.7 thousand units). The risk of prolonged standstill is minimized by constantly adapting the fleet's size and structure to market needs and customer requirements, thus ensuring a high degree of utilization.

Purchasing risks that may arise from increasing commodity and material costs, disruptions in the supply chain and quality-related problems are managed by the company through its risk management system. Among other things, the company employs control systems to monitor and analyze the development of the price of relevant commodities. These systems help management detect developments significantly affecting procurement prices early on and act accordingly. No unusual risks are currently expected to arise in 2014 from the development of the prices of commodities.

Information technology systems are constantly reviewed and refined in order to limit IT risks and ensure that business processes are carried out securely, reliably and efficiently. Jungheinrich uses industry standards, redundant network connections and a mirror computing centre with a view to limiting failures of application-critical systems and infrastructure components. Jungheinrich mitigates the risk of unauthorized access to corporate data with groupwide information security standards and the use of modern backup systems, whereby the Group's information security management system uses the international ISO/IEC 27001 standard as a reference.

Highly qualified personnel are the basis for a company's success. Personnel risks may arise in the event of a failure to recruit or retain them in sufficient numbers—especially those in managerial and key positions. As part of its university marketing campaigns, Jungheinrich nurtures close ties to, and works closely together with, technical universities with a view to recruiting the young engineering talent that is important to the company. The company reacts to the fierce competition for skilled labour and executives and mitigates the associated risk of a loss of know-how caused by staff turnover by offering attractive qualification options and a performance-oriented compensation system. For instance, executives and employees with special skill sets are identified, promoted and put to the test within the scope of our talent management program. This enables us to staff key functions at various management levels from within our own ranks. The company is increasing its number of apprentices in order to create a pool of skilled workers large enough to meet its needs. However, it remains difficult to recruit engineers—above all for development assignments, because they are highly sought after in the industry. Nevertheless, all vacant development engineer positions in the year under review were filled with qualified professionals.

The way in which a product performs in terms of safety can present a major risk. Service data and accident-related information including information on product performance in terms of safety are evaluated in order to minimize product risks. Irregularities are immediately examined together with the people responsible for the product line, after-sales services, the legal department and the quality assurance unit. The process in place for this is supported by specific groupwide guidelines and the direct sales organization via a rapid notification system. In cases requiring action, corrective measures such as precautionary alterations are adopted immediately and implemented worldwide. Furthermore, pilot customers are involved in product and truck tests in order to prevent risks associated with the lack of acceptance of product developments. Of course, we also protect our product know-how by filing patents.

Risks associated with financial services

Risk management has to address residual value, refinancing and counterparty default risks due to the business and risk policies of Jungheinrich's financial services business. Detailed rules governing the identification and assessment of risks are documented in groupwide guidelines and the financial services companies' internal process descriptions.

Residual value risks

The internal residual value guarantee offered by Sales to the 'Financial Services' segment gives rise to opportunities and risks from the resale of truck returns by the operating sales units. These residual value guarantees are calculated by the used equipment business field, which is assigned to Sales, on the basis of a conservative groupwide standard for maximum allowable residual values. All financial service agreements are subjected to a risk assessment from the perspective of the Jungheinrich Group and of the 'Financial

Services' segment. The residual values of all individual contracts are subjected to a quarterly evaluation using the central financial services contractual database on the basis of their going fair value. In cases where the going fair value is lower than the residual value of a contract, a suitable provision for this risk is recognized on the balance sheet. Other cases in which the going fair value exceeds the residual value of a contract present an economic opportunity. The potential gain on the economic exploitation is also regularly calculated internally.

Refinancing risks

The refinancing risk is limited by resolutely applying the principle of matching maturities and interest rates for customer and refinancing agreements (no risk of a change in interest rates during the term of the contract) when refinancing financial service contracts. The 'Financial Services' segment's standard groupwide organizational structure and procedures ensure that the structure and provisions of finance agreements entered into with powerful domestic and foreign refinancing banks are highly uniform throughout Europe. Moreover, the financing platform created in 2010 also enables us to obtain refinancing on the capital market. Sufficient lines of credit are at the company's disposal for financing the growing new truck business.

Counterparty default risks

Comprehensive computerized creditworthiness checks performed before contracts are concluded as well as revolving inspections during the terms of agreements contribute to keeping defaults on receivables from customers at a very low level. Jungheinrich's counterparty default risk exposure again remained far below the sector average in the year being reviewed, despite the difficult conditions prevailing on the market. Forklift trucks recovered from customers prematurely are handed over to the operational sales units. The return conditions are determined by the 'Financial Services' segment. The professional external marketing of used equipment within the Jungheinrich organization via the pan-European direct sales network and the supplementary 'Supralift' web-based platform minimize risks related to economic exploitation.

Financial risks

Financial risks primarily consist of interest rate and currency risks. They are monitored regularly. Changes in interest and currency exchange rates expose the Jungheinrich Group to operating risks which are controlled by a special risk management system. Jungheinrich makes use of financial instruments such as currency futures, currency swaps, currency options and interest rate swaps to control these risks. We have defined control mechanisms for the use of financial instruments in a procedural guideline based on the legal requirements imposed on company risk management systems. Among other things, it mandates the clear separation of trading, settlement, accounting and controlling.

As in the preceding year, the Eurozone's sovereign debt crisis, which has largely subsided, did not have a material effect on securing Jungheinrich's financial room for manoeuvre. Despite the stricter risk standards of lending institutions, the company's good creditworthiness and robust positioning were valuable assets in securing credit financing for the years ahead. Jungheinrich has a committed, medium-term line of credit of nearly €300 million with evenly distributed maturities at its disposal to finance its business operations.

It also has a €46.5 million promissory note bond with a tenor expiring in early December 2014. No risks are presently expected with respect to existing financial covenants.

As there is still a high level of liquid assets, which the Group can use to meet its payment obligations at all times, there is no liquidity risk exposure. Financial resources and payment flows of domestic and foreign Group companies are optimized across companies and countries as regards interest and currency aspects via a central cash and currency management system for the Jungheinrich Group.

Jungheinrich continues to pursue a conservative investment policy throughout the Group, exclusively spending capital on select asset classes of outstanding creditworthiness. In the year being reviewed, €100 million was invested in a special fund established with a value guarantee in order to limit risks associated with fluctuations in market prices primarily resulting from changes in interest rates and share prices.

The Jungheinrich Group is exposed to a counterparty risk that arises from the non-fulfilment of contractual agreements by counterparties, which are generally international financial institutions. On the basis of the risk indicators used in the Jungheinrich Group—in particular the credit ratings of contractual partners, which are determined and regularly updated by reputable rating agencies—as well as the spreads of credit default insurance policies (credit default swaps) no major risk ensues from the dependence on individual counterparties. The general credit risk from the derivative financial instruments used is considered to be negligible. Derivative financial instruments are exclusively used to hedge existing underlying transactions against interest rate and currency risks. More detailed commentary on financial instruments can be found in Jungheinrich AG's consolidated financial statements.

Legal risks

The Group is exposed to the legal risks customary in its branch of industry, in particular as regards the liability for alleged non-compliance with contractual obligations and for allegedly faulty products. General material contract risks are eliminated by applying groupwide policies whenever possible. In addition, material contracts and other transactions of legal importance are centrally managed and administered by the departments responsible for them, which also provide the legal advice pertaining to them. Some Group companies are parties to or involved in legal or out-of-court disputes to a normal extent, the outcomes of which cannot be predicted with certainty. Appropriate provisions have been built to cover potential financial burdens resulting from risks relating to lawsuits. The Group has adequate insurance coverage against claims filed against Group companies on grounds of allegedly faulty products.

General opportunities and opportunities resulting from sectoral developments

The general economic environment and the development of the material handling equipment market affect the Jungheinrich Group's earnings and financial positions. Therefore, the greatest opportunity for Jungheinrich would present itself if Europe's economy developed much better than currently expected.

Our outlook for 2014 is based on available expert assessments of the economic trend and our own assessments of the market. Should the recovery of the world economy—in particular of the European economy—be faster, stronger and more sustainable than anticipated by the current GDP forecasts and the development of market volume be more positive as a result, incoming orders, net sales and EBIT could exceed the company's forecast.

Operational business opportunities

New products may present Jungheinrich with opportunities in the financial year underway. The launch of the new generation of IC engine-powered trucks with hydrodynamic drive trains presents the company with an opportunity to strengthen its position in this segment of the market. Furthermore, new service offerings in the field of fleet management and the expansion of business activities in the field of integrated holistic solutions for intralogistics may present additional opportunities.

Overall assessment of the risk situation and opportunities by company management

Material and controllable risks have been identified and evaluated based on our risk management system. They are limited to the extent possible by taking appropriate measures. The development of material risks over time is regularly tracked at the Group level.

At present, no risks are discernible which could tangibly or sustainably jeopardize our earnings, financial or asset positions either individually or in combination with other risks. In addition, no risks are currently discernible which could jeopardize the existence of the Jungheinrich Group. This applies to the reporting period as well as to activities that have been planned or initiated.

All risks—with the exception of cyclical and sectoral risks—are considered to be controllable and manageable.

Forecast report

Jungheinrich's strategy focuses on sustainably profitable and organically generated growth. We do not envisage changing our proven business model or strategic orientation. Our financing policy remains conservative especially as regards our liquidity position, enabling us to maintain our operational and strategic flexibility.

Economic and sector outlook

The world economy is likely to continue recovering and display tangible growth in 2014. North America, China and the Eurozone countries are expected to make the largest contributions to this growth. Experts anticipate an increase in global growth of 3.5 per cent in 2014 following 2.9 per cent last year. US GDP will probably rise by 2.8 per cent after growing by 1.9 per cent last year. The Chinese economy is forecast to maintain its high growth rate, expanding by 7.3 per cent (2013: 7.7 per cent). India should see its economy increase by 5.8 per cent, gaining momentum over last year (4.9 per cent).

After experiencing its gross domestic product decline by 0.4 per cent in 2013, the Eurozone is expected to post economic growth of 0.9 per cent this year. Among the countries expected to make a positive contribution are those in Southern Europe. Jungheinrich's core European markets besides Germany, namely France and the United Kingdom, have brighter growth prognoses for the current year than for 2013. Following last year's recession, Italy—another of Jungheinrich's core markets—is expected to record a marginal rise in economic output. Growth rates in the key countries of Eastern Europe, such as Poland and Russia, should improve significantly. Germany is expected to post 1.7 per cent growth in 2014 after 0.4 per cent in the year under review. The German Engineering Federation anticipates a 3 per cent increase in production.

Growth rates of selected economic regions
Gross domestic product in %

Region	Forecast for 2014
World	3.5
USA	2.8
China	7.3
Eurozone	0.9
Germany	1.7

Source: Commerzbank (as of February 2014).

Against the backdrop of the forecast world economic growth—including the much more positive assessment of the development of the Eurozone's economy—we currently expect the world material handling equipment market to continue to expand and European market volume to display positive development as well. Demand in Eastern Europe should continue to rise and the recovery of the Western European economy should present opportunities for growth. We anticipate that the Asian market will record further growth if the good development of the Chinese market persists. The North American market should also continue to grow.

Future development of the Jungheinrich Group

In light of the positive economic forecasts across the board—especially for the Eurozone—and the positive development of market volume in Europe, Jungheinrich expects incoming orders in 2014 to range between €2.4 billion and €2.5 billion (2013: €2.36 billion). Consolidated net sales should amount to between €2.3 billion and €2.4 billion (2013: €2.29 billion). As in the preceding years, our focus will be on organic growth, to which all three business fields are expected to contribute. Net sales in the high-margin after-sales services business should be of an order similar to that of last year. The 'Logistics Systems' division is anticipated to display disproportionately strong growth as part of new truck business.

Current estimates have earnings before interest and taxes (EBIT) amounting to between €170 million and €180 million (2013: €172 million). The corresponding EBIT-ROS would be at least 7 per cent. Earnings before taxes should total between €150 million and €160 million (2013: €150 million) resulting in an EBT-ROS of at least 6 per cent. These figures consider the high level of orders on hand as of December 31, 2013 and the continued increase in personnel. The strengths of Jungheinrich's products, such as energy efficiency, are based on innovation. Therefore, we plan to spend about €45 million on research and development once again in the year underway. We do not expect the cost of materials or personnel expenses to experience unusual changes exceeding its budget.

Now that our large-scale strategic projects have been completed, we plan to have another large capex volume in 2014. Besides the normal level of capital expenditures on maintenance and expansion, the focus in the current financial year is on the following investment projects:

- the construction of new corporate headquarters in Hamburg,
- the construction of a training centre at the Norderstedt factory,
- the construction or acquisition of sales offices in Asia,
- the modernization of production facilities in the Moosburg plant, and
- the expansion of the used equipment centre in Dresden.

In sum, this will cause the amount of capital spent on tangible assets in 2014 to amount to between €85 million and €95 million.

As regards the product portfolio, plans envisage launching about 20 new products on the market this year.

We plan to increase headcount even more than in 2013, in order to strengthen our sales organization. The expansion of our worldwide sales organization combined with the introduction of new products will enable us to increase our market penetration, gain market share and further enlarge our share of the European market.

Since our capital structure remains conservative, our Group's financial position should prove to be extremely robust. We will maintain our high level of liquidity with a view to remaining financially independent and keeping an appropriate degree of financial room for manoeuvre. The remaining €46.5 million of the promissory note bond is scheduled to be redeemed as planned during the financial year underway. We are aiming for a net credit exceeding last year's level by the end of 2014.

As shareholders' equity increases, the return on capital employed (ROCE) should be between 15 per cent and 20 per cent.

We generally pursue a policy of paying steady, attractive dividends. As usual, the level of the dividend will be in line with the development of consolidated net income.

In 2014, the focal points of the financial services business are the expansion of business with IC engine-powered counterbalanced trucks and logistics systems. All in all, we expect the number of new trucks and pieces of used equipment sold via financial services to rise continuously.

Since developments cannot be foreseen, the actual business trend may deviate from the expectations based on assumptions and estimates made by Jungheinrich company management. Factors that may lead to such deviations include changes in the economic environment, changes within the material handling equipment sector as well as exchange and interest rate fluctuations. Therefore, no responsibility is taken for forward-looking statements made in this Group management report.

General statement concerning the Jungheinrich Group's anticipated development

The financial year that just ended was marked by the slow recovery of the global economy and the recession in countries belonging to the Eurozone. The European material handling equipment market posted a marginal gain, growing by 2 per cent. The momentum leading to this development did not occur until towards the end of fiscal 2013. Demand in Europe in the fourth quarter of 2013 was up nearly 11 per cent on the level experienced in the fourth quarter of 2012. Against this backdrop, we had a very good level of incoming orders at the end of 2013, enabling us to get off to a good start to the new financial year in terms of production figures. Problems encountered in commencing production in the new warehousing and system equipment factors in the third quarter of 2013 have since been resolved entirely.

We will continue to work on structural improvements within the Group and press ahead with the refinement of our strategy. We will invest in employees, in tangible assets in line with our strategic positioning, and in our short-term hire fleet. Our integrated business model including the new truck, short-term hire, used equipment and after-sales services business fields along with our strong financial services operations form a robust basis for this. The successful conclusion of the strategic capex projects in 2013 established the prerequisites for capitalizing on the positive development of the market expected to occur in 2014 and subsequent years. In 2014, we will step up our efforts to strengthen our presence on the Asian market, successfully launch the new generation of IC-engine powered trucks on the market, and further develop the logistics systems business in a focussed manner.

We anticipate that the framework conditions regarding the development of economic output—especially in Europe—will improve markedly and that the world material handling equipment market will grow in the 2014 financial year. Against this backdrop, we expect both incoming orders and net sales to post substantial gains. The preconditions for this are that the economy develops in line with our assumptions and our sales markets do not display drastic recessionary developments. The global trends in the field of intralogistics, such as the trend to professionalizing and modernizing warehouses, the trend towards automated solutions, and customers' focus on intralogistics as a core competence continue to provide our integrated business model with huge opportunities.

Jungheinrich has a robust balance sheet and enough liquidity to implement measures required to position itself strategically over the long term even in the event that the development of the economy and market fails to meet our expectations. Thanks to an equity ratio of about 30 per cent and a constantly high net credit, our financial position is extremely solid. We will continue to attach high importance to this in the future as well.

We are confident of being able to achieve our goals this year.

Consolidated financial statements

>>> Consolidated statement of income >>> Consolidated statement of comprehensive income (loss) >>> Consolidated balance sheet >>> Consolidated statement of cash flows >>> Consolidated statement of changes in shareholders' equity >>> Notes to the consolidated financial statements

Dietrich Vahldiek, Sales Engineer Energy and Drive Systems, performing the final check on a lithium-ion battery. As project manager in the field of electronics engineering, he was instrumental in readying lithium-ion technology for mass deployment in Jungheinrich forklifts.

Consolidated statement of income

in thousand €	Notes	Jungheinrich Group 2013	Jungheinrich Group 2012 (adjusted)[3]	Intralogistics[1, 2] 2013	Intralogistics[1, 2] 2012 (adjusted)	Financial Services[2] 2013	Financial Services[2] 2012 (adjusted)
Net sales	(3)	**2,289,783**	**2,270,490**	**1,743,088**	**1,731,715**	**546,695**	**538,775**
Cost of sales	(4)	**1,586,429**	1,578,658	**1,056,937**	1,058,032	**529,492**	520,626
Gross profit on sales		**703,354**	**691,832**	**686,151**	**673,683**	**17,203**	**18,149**
Selling expenses		**432,925**	415,172	**424,940**	407,342	**7,985**	7,830
Research and development costs	(12)	**38,149**	43,782	**38,149**	43,782	**–**	–
General administrative expenses		**65,229**	63,745	**65,229**	63,745	**–**	–
Other operating income	(7)	**3,801**	3,175	**3,799**	3,175	**2**	–
Other operating expenses	(8)	**881**	1,736	**881**	1,679	**–**	57
Income (loss) from companies accounted for using the equity method	(16)	**2,398**	6,250	**2,398**	6,250	**–**	–
Earnings before interest and income taxes		**172,369**	**176,822**	**163,149**	**166,560**	**9,220**	**10,262**
Interest income	(9)	**2,186**	4,416	**2,083**	4,374	**103**	42
Interest expenses	(9)	**13,115**	14,949	**12,189**	14,340	**926**	609
Other financial income (loss)	(10)	**–11,092**	–10,144	**–11,082**	–10,138	**–10**	–6
Financial income (loss)		**–22,021**	**–20,677**	**–21,188**	**–20,104**	**–833**	**–573**
Earnings before taxes		**150,348**	**156,145**	**141,961**	**146,456**	**8,387**	**9,689**
Income taxes	(11)	**43,419**	44,050				
Net income		**106,929**	**112,095**				
Earnings per share in € (diluted/undiluted)	(38)						
Ordinary shares		**3.12**	**3.27**				
Preferred shares		**3.18**	**3.33**				

1 Including the assignment of consolidation between the 'Intralogistics' and 'Financial Services' segments.
2 The breakdown is not mandated by IFRS and was thus not audited.
3 Information on adjustments to prior-year figures is included in the notes to the consolidated financial statements.

Consolidated statement of comprehensive income (loss)

in thousand €	2013	2012 (adjusted)[1]
Net income	**106,929**	**112,095**
Income from the measurement of financial instruments with a hedging relationship	**2,093**	**1,209**
Unrealized income (loss)	1,535	–2,659
Realized income (loss)	1,413	4,241
Deferred taxes	–855	–373
Income from the measurement of financial instruments available for sale	**58**	**–**
Unrealized income (loss)	79	–
Realized income (loss)	5	–
Deferred taxes	–26	–
Income (loss) from currency translation	**–6,821**	**2,327**
Unrealized income (loss)	–6,821	1,812
Realized income (loss)	–	515
Items which may be reclassified to the consolidated statement of income in the future	**–4,670**	**3,536**
Income (loss) from the measurement of pensions	**3,143**	**–37,887**
Income (loss) from the remeasurement of defined benefit pension plans	5,144	–48,239
Deferred taxes	–2,001	10,352
Items which will not be reclassified to the consolidated statement of income	**3,143**	**–37,887**
Other comprehensive income (loss)	**–1,527**	**–34,351**
Comprehensive income (loss)	**105,402**	**77,744**

1 Information on adjustments to prior-year figures is included in the notes to the consolidated financial statements.

Consolidated balance sheet

Assets

in thousand €	Notes	Jungheinrich Group 12/31/2013	Jungheinrich Group 12/31/2012 (adjusted)[3]	Jungheinrich Group 01/01/2012 (adjusted)[3]	Intralogistics[1, 2] 12/31/2013	Intralogistics[1, 2] 12/31/2012 (adjusted)	Financial Services[2] 12/31/2013	Financial Services[2] 12/31/2012 (adjusted)
Non-current assets								
Intangible assets	(12)	**53,552**	31,994	31,681	**53,540**	31,984	**12**	10
Tangible assets	(13)	**364,742**	321,838	283,724	**364,722**	321,807	**20**	31
Trucks for short-term hire	(14)	**214,331**	222,715	220,569	**214,331**	222,715	**–**	–
Trucks for lease from financial services	(15)	**258,389**	243,974	210,995	**(60,453)**	(57,997)	**318,842**	301,971
Investments in companies accounted for using the equity method	(16)	**12,143**	13,709	13,708	**12,143**	13,709	**–**	–
Other financial assets	(16)	**103**	106	163	**103**	106	**–**	–
Trade accounts receivable	(18)	**9,601**	9,023	8,378	**9,601**	9,023	**–**	–
Receivables from financial services	(19)	**426,539**	409,900	371,721	**–**	–	**426,539**	409,900
Derivative financial assets	(36)	**212**	65	68	**4**	22	**208**	43
Other receivables and other assets	(20)	**295**	347	7,193	**295**	347	**–**	–
Securities	(21)	**44,993**	69,508	111,949	**44,993**	69,508	**–**	–
Prepaid expenses	(23)	**9**	11	161	**(10,862)**	(8,402)	**10,871**	8,413
Deferred tax assets	(11)	**87,466**	80,716	68,483	**87,275**	80,299	**191**	417
		1,472,375	**1,403,906**	**1,328,793**	**715,692**	**683,121**	**756,683**	**720,785**
Current assets								
Inventories	(17)	**271,430**	254,346	248,038	**242,263**	230,103	**29,167**	24,243
Trade accounts receivable	(18)	**407,565**	396,589	406,578	**338,644**	330,504	**68,921**	66,085
Receivables from financial services	(19)	**178,632**	173,919	163,403	**–**	–	**178,632**	173,919
Income tax receivables		**6,244**	2,007	869	**6,155**	1,928	**89**	79
Derivative financial assets	(36)	**894**	508	1,130	**894**	508	**–**	–
Other receivables and other assets	(20)	**26,070**	33,892	24,144	**(27,055)**	(16,667)	**53,125**	50,559
Securities	(21)	**178,604**	81,651	14,563	**178,604**	81,651	**–**	–
Liquid assets	(22)	**200,603**	403,351	382,815	**186,344**	387,178	**14,259**	16,173
Prepaid expenses	(23)	**8,748**	8,916	9,211	**243**	2,396	**8,505**	6,520
		1,278,790	**1,355,179**	**1,250,751**	**926,092**	**1,017,601**	**352,698**	**337,578**
		2,751,165	**2,759,085**	**2,579,544**	**1,641,784**	**1,700,722**	**1,109,381**	**1,058,363**

1 Including the assignment of consolidation between the 'Intralogistics' and 'Financial Services' segments.
2 The breakdown is not mandated by IFRS and was thus not audited.
3 Information on adjustments to prior-year figures is included in the notes to the consolidated financial statements.

Consolidated balance sheet

Shareholders' equity and liabilities

in thousand €	Notes	Jungheinrich Group 12/31/2013	Jungheinrich Group 12/31/2012 (adjusted)[3]	Jungheinrich Group 01/01/2012 (adjusted)[3]	Intralogistics[1, 2] 12/31/2013	Intralogistics[1, 2] 12/31/2012 (adjusted)	Financial Services[2] 12/31/2013	Financial Services[2] 12/31/2012 (adjusted)
Shareholders' equity	(24)							
Subscribed capital		**102,000**	102,000	102,000	**89,851**	89,851	**12,149**	12,149
Capital reserve		**78,385**	78,385	78,385	**78,350**	78,350	**35**	35
Retained earnings		**683,815**	605,046	517,711	**655,622**	581,961	**28,193**	23,085
Accumulated other comprehensive income (loss)		**(32,712)**	(31,185)	3,166	**(32,723)**	(30,634)	**11**	(551)
		831,488	**754,246**	**701,262**	**791,100**	**719,528**	**40,388**	**34,718**
Non-current liabilities								
Provisions for pensions and similar obligations	(25)	**201,234**	207,517	168,668	**201,163**	207,444	**71**	73
Other provisions	(26)	**59,129**	56,526	53,257	**57,919**	54,780	**1,210**	1,746
Deferred tax liabilities	(11)	**10,615**	6,570	8,412	**8,690**	3,944	**1,925**	2,626
Financial liabilities	(27)	**107,157**	216,031	216,023	**107,157**	216,031	**–**	–
Liabilities from financial services	(28)	**616,555**	593,634	533,884	**–**	–	**616,555**	593,634
Derivative financial liabilities	(36)	**799**	3,961	3,550	**22**	2,522	**777**	1,439
Deferred income	(31)	**67,616**	72,190	72,470	**33,983**	35,773	**33,633**	36,417
		1,063,105	**1,156,429**	**1,056,264**	**408,934**	**520,494**	**654,171**	**635,935**
Current liabilities								
Income tax liabilities		**6,986**	11,997	9,499	**6,789**	11,324	**197**	673
Other provisions	(26)	**145,060**	152,766	153,846	**140,847**	151,116	**4,213**	1,650
Financial liabilities	(27)	**163,423**	155,936	131,540	**160,460**	152,807	**2,963**	3,129
Liabilities from financial services	(28)	**254,725**	246,417	232,748	**–**	–	**254,725**	246,417
Trade accounts payable	(29)	**159,924**	158,103	172,111	**55,775**	72,456	**104,149**	85,647
Derivative financial liabilities	(36)	**869**	1,348	3,146	**869**	1,348	**–**	–
Other liabilities	(30)	**91,091**	85,731	83,152	**59,950**	54,888	**31,141**	30,843
Deferred income	(31)	**34,494**	36,112	35,976	**17,060**	16,761	**17,434**	19,351
		856,572	**848,410**	**822,018**	**441,750**	**460,700**	**414,822**	**387,710**
		2,751,165	**2,759,085**	**2,579,544**	**1,641,784**	**1,700,722**	**1,109,381**	**1,058,363**

1 Including the assignment of consolidation between the 'Intralogistics' and 'Financial Services' segments.
2 The breakdown is not mandated by IFRS and was thus not audited.
3 Information on adjustments to prior-year figures is included in the notes to the consolidated financial statements.

Consolidated statement of cash flows

in thousand €	2013	2012 (adjusted)[1]
Net income	**106,929**	112,095
Depreciation and amortization of and write-ups on tangible and intangible assets	**45,639**	45,213
Depreciation of trucks for short-term hire and lease	**129,245**	129,091
Changes in provisions	**–11,385**	41,038
Changes in trucks for short-term hire and trucks for lease (excluding depreciation)	**–146,191**	–158,853
Income (loss) from the disposal of tangible and financial as well as intangible assets	**–354**	–245
Income (loss) from/changes deriving from companies accounted for using the equity method and of other financial assets	**–761**	–4,273
Changes in deferred tax assets and liabilities	**–2,705**	–14,075
Changes in other balance sheet items		
Inventories	**–17,084**	–6,307
Trade accounts receivable	**–11,554**	9,344
Receivables from financial services	**–21,352**	–48,696
Trade accounts payable	**1,821**	–14,008
Liabilities from financial services	**31,229**	73,418
Liabilities from financing trucks for short-term hire	**–34,294**	2,942
Other operating assets	**11,273**	–6,541
Other operating liabilities	**–12,993**	–32,193
Cash flows from operating activities	**67,463**	**127,950**
Payments for investments in tangible and intangible assets	**–102,768**	–82,978
Proceeds from the disposal of tangible and intangible assets	**1,926**	990
Payments for the purchase/proceeds from the disposal of financial assets	**10**	–2,667
Payments for the purchase/proceeds from the sale of securities	**–72,438**	–24,647
Cash flows from investing activities	**–173,270**	**–109,302**
Dividends paid	**–28,160**	–24,760
Changes in short-term liabilities due to banks	**–28,708**	20,700
Proceeds from obtaining long-term financial loans	**31,202**	8,332
Repayment of long-term financial loans	**–67,606**	–6,181
Cash flows from financing activities	**–93,272**	**–1,909**
Net cash changes in cash and cash equivalents	**–199,079**	**16,739**
Changes in cash and cash equivalents due to changes in exchange rates	**–1,341**	624
Changes in cash and cash equivalents	**–200,420**	**17,363**
Cash and cash equivalents on 01/01	**396,102**	**378,739**
Cash and cash equivalents on 12/31	**195,682**	**396,102**

1 Information on adjustments to prior-year figures is included in the notes to the consolidated financial statements.

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

in thousand €	2013	2012
Interest paid	**45,541**	51,025
Interest received	**45,005**	46,819
Dividends received	**1,737**	1,919
Income taxes	**61,473**	46,306

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

Consolidated statement of changes in shareholders' equity

in thousand €	Subscribed capital	Capital reserve	Retained earnings[1]	Accumulated other comprehensive income (loss): Currency translation[1]	Remeasurement of pensions[1]	Measurement of financial instruments: available for sale	Measurement of financial instruments: with a hedging relationship	Total[1]
As of 01/01/2013 (before adjustments)	**102,000**	**78,385**	**601,569**	**27,668**	**–**	**–**	**–2,711**	**806,911**
Effects of the adjustment—pension obligations	–	–	1,783	–63	–56,079	–	–	–54,359
Effects of the adjustment—partial retirement obligations	–	–	1,694	–	–	–	–	1,694
As of 01/01/2013 (adjusted)	**102,000**	**78,385**	**605,046**	**27,605**	**–56,079**	**–**	**–2,711**	**754,246**
Dividend for the prior year	–	–	–28,160	–	–	–	–	–28,160
Comprehensive income (loss) in 2013	–	–	106,929	–6,821	3,143	58	2,093	105,402
As of 12/31/2013	**102,000**	**78,385**	**683,815**	**20,784**	**–52,936**	**58**	**–618**	**831,488**
As of 01/01/2012 (before adjustments)	102,000	78,385	516,017	25,278	–	–	–3,920	717,760
Effects of the adjustment—pension obligations	–	–	–	–	–18,192	–	–	–18,192
Effects of the adjustment—partial retirement obligations	–	–	1,694	–	–	–	–	1,694
As of 01/01/2012 (adjusted)	102,000	78,385	517,711	25,278	–18,192	–	–3,920	701,262
Dividend for the prior year	–	–	–24,760	–	–	–	–	–24,760
Comprehensive income (loss) in 2012	–	–	112,095	2,327	–37,887	–	1,209	77,744
As of 12/31/2012 (adjusted)	102,000	78,385	605,046	27,605	–56,079	–	–2,711	754,246

1 Information on adjustments to prior-year figures is included in the notes to the consolidated financial statements.

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

Notes to the consolidated financial statements

(1) Purpose of the company

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

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

The production pool consists of the plants in Norderstedt, Moosburg, Degernpoint, Landsberg and Lüneburg (all of which are located in Germany). Production for the east Asian market takes place in the plant in Qingpu/Shanghai (China). Hand pallet trucks are still sourced from third parties in China.

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

Jungheinrich still maintains a large and close-knit direct marketing network with 17 sales and distribution centres/branch establishments in Germany and 25 proprietary sales companies in other European countries. Further foreign companies are located in Brazil, China, India, Singapore and Thailand. Jungheinrich product distribution in North America is handled by an exclusive distribution partner. In addition, Jungheinrich products are also distributed via local dealers—especially overseas.

(2) Accounting principles

Basis

Jungheinrich AG prepared consolidated financial statements for the financial year ending on December 31, 2013 in compliance with International Financial Reporting Standards (IFRS). All standards and interpretations of the International Financial Reporting Interpretations Committee (IFRIC) endorsed by the EU effective as of the cut-off date were taken into account. Regulations under commercial law pursuant to Section 315a of the German Commercial Code (HGB) were complementarily taken into account.

The consolidated financial statements have been prepared in thousands of euros. The statement of income has been prepared using the cost of sales accounting method.

The consolidated financial statements for the period ended December 31, 2013 were approved for publication by the Board of Management on March 5, 2014.

Consolidation

Subsidiaries that are under the legal or factual control of Jungheinrich AG, Hamburg, are included in the consolidated financial statements. Shares in a special fund are included in the consolidated financial statements based on the rules set forth in IAS 27 in conjunction with SIC 12. Active companies in which Jungheinrich holds a share of 20 to 50 per cent, and on which the Group exerts a significant influence without controlling them, are carried on the balance sheet in accordance with the equity method. In the year under review, companies accounted for using the equity method only included joint ventures. Other investments in other companies are carried at their acquisition cost since they do not have a quoted market price and their fair value cannot be determined reliably.

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

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

Assets and liabilities of subsidiaries consolidated for the first time are recognized at their fair values at the time of acquisition. In cases where an investment's acquisition costs exceed the recognized assets and liabilities, the difference on the assets side is capitalized as goodwill. Goodwill is tested for impairment at least once a year. The impairment test for goodwill is performed on the basis of the determined value in use of a cash generating unit under application of the discounted cash flow method. The cash generating units generally correspond to the legal Group units. In principle, the planned cash flows of the bottom-up five-year budget plausibilized by Jungheinrich AG management are used. The last budgeted year is beyond the budget horizon for cash flows as well. A pretax interest rate in line with market conditions is used as the discount rate. The weighted average cost of capital (WACC) is based on the risk-free interest rate as well as the Group unit and country-specific risk premia for equity and debt. If the fair value of acquired net assets exceeds the acquisition costs, negative goodwill is recognized. In such cases, negative goodwill is immediately recognized in the year of acquisition with an effect on net income.

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

Shares in companies accounted for using the equity method are initially recognized at their acquisition cost. Changes in the investments' prorated shareholders' equity following acquisition are offset against the investments' carrying amount. The Jungheinrich Group's investments in companies accounted for using the equity method include goodwill arising at the time of their acquisition. Since this goodwill is not stated separately, it does not have to be separately tested for impairment pursuant to IAS 36. Instead, the investment's entire carrying amount is tested for impairment in accordance with IAS 36 as soon as there are indications of the recoverable amount dropping below the investment's carrying amount. If the realizable amount is lower than the carrying amount of a company accounted for using the equity method, an impairment loss in the amount of the difference is recognized. Write-ups in subsequent reporting periods are recognized with an effect on profit or loss.

Currency translation

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

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

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

Differences deriving from foreign currency translation in the case of assets and liabilities as compared with the translation of the prior year or as regards shareholders' equity as against historical rates as well as translation differences between the statement of income and the balance sheet are stated in shareholders' equity within the item 'accumulated other comprehensive income (loss)' not affecting net income until the disposal of the subsidiary. The respective cumulative translation differences are reversed with an effect on profit or loss when Group companies are deconsolidated.

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

		Exchange rate at the balance sheet date		Annual average exchange rate	
Currency	Basis 1 €	**12/31/2013**	**12/31/2012**	**2013**	**2012**
GBP		**0.83370**	0.81610	**0.84926**	0.81087
CHF		**1.22760**	1.20720	**1.23110**	1.20530
PLN		**4.15430**	4.07400	**4.19750**	4.18470
NOK		**8.36300**	7.34830	**7.80670**	7.47510
SEK		**8.85910**	8.58200	**8.65150**	8.70410
DKK		**7.45930**	7.46100	**7.45790**	7.44370
CZK		**27.42700**	25.15100	**25.98000**	25.14900
TRY		**2.96050**	2.35510	**2.53350**	2.31350
RUB		**45.32460**	40.32950	**42.33700**	39.92620
HUF		**297.04000**	292.30000	**296.87000**	289.25000
CNY		**8.34910**	8.22070	**8.16460**	8.10520
USD		**1.37910**	1.31940	**1.32810**	1.28480
BRL		**3.25760**	2.70360	**2.86870**	2.50840
SGD		**1.74140**	1.61110	**1.66190**	1.60550

Revenue recognition

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

If the result of long-term constuction contracts can be estimated reliably, revenue and costs associated with these production orders are recognized under net sales and the cost of sales in accordance with their degree of completion (referred to as the 'percentage of completion' method). Revenue realized corresponds to the sum of the costs incurred for the contracts and the prorated profit achieved due to the percentage of completion. If the result of a constuction contract cannot be determined reliably, contract revenue is only recognized to match the contract-related costs incurred that are probably profitable. Contract-related costs are recognized as an expense in the period in which they are incurred.

When classifying contracts from financial service transactions as an 'operating lease,' revenue is recognized in the amount of the lease instalments over the terms of the contracts using the straight-line method. For contracts classified as a 'finance lease,' revenue is recognized in the amount of the sales value of the leased item at the beginning of the contract, and interest income is realized over the terms of the contracts using the effective interest method. If a leasing company acts as an intermediary, for contracts with an agreed residual value guarantee that amounts to more than 10 per cent of the sales value, the proceeds from the sale are deferred and recognized over time affecting sales until the residual value guarantee falls due.

Product-related expenses

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

Product-related expenses also include additions to provisions for warranty obligations as well as to provisions for onerous contracts.

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

Government grants—investment allowances and investment subsidies

Investment allowances and subsidies are recognized if there is sufficient certainty that Jungheinrich can satisfy the attached conditions and that the grants are given. They do not reduce the assets' acquisition or manufacturing costs. Instead, they are generally recognized as deferred income and distributed on schedule over the subsidized assets' economic useful lives. The reversals are recognized as other operating income on a pro rata temporis basis with an effect on net income.

Earnings per share

Earnings per share are based on the average number of the respective shares outstanding during a fiscal year. In the 2013 and 2012 fiscal years, no shareholders' equity instruments diluted the earnings per share on the basis of the respective shares issued.

Intangible and tangible assets

Purchased intangible assets are measured at acquisition costs and reduced by straight-line amortization over their useful lives insofar as their useful lives are limited. The useful lives used as a basis for software licenses are 3 to 8 years. The useful lives of customer relationships obtained as a result of a business combination and purchased technological know-how are 15 years each. The right to use a Chinese property is limited to 50 years.

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

Goodwill from consolidation is capitalized and allocated to intangible assets. It is subjected to an impairment test at least once a year.

Tangible assets are measured at historical acquisition or manufacturing costs, less accumulated depreciation. The manufacturing costs for self-produced equipment contain not only the direct material and manufacturing expenses, but also attributable material and production overheads as well as production-related administrative expenses and depreciation. Maintenance and repair expenses are stated as costs. All costs for measures that lead to an extension of the useful life or a widening of the future possibilities for use of the assets are capitalized. Depreciable objects are reduced by scheduled straight-line depreciation. If objects are sold or scrapped, tangible and intangible assets are retired; any resulting profits or losses are taken into account affecting net income.

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

Buildings	10–50 years
Land improvements, improvements in buildings	10–50 years
Plant facilities	8–15 years
Technical equipment and machinery	5–10 years
Factory and office equipment	3–10 years

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

Trucks for short-term hire

Jungheinrich hires trucks to customers on the basis of short-term agreements. These trucks for short-term hire are measured at historical acquisition or manufacturing costs, less accumulated depreciation. Depending on the product group, they are depreciated at 30 or 20 per cent in each of the first two years, after which they are reduced using the straight-line method until the end of their useful lives. Their economic useful lives are set at 6 and 9 years, respectively.

Impairments for intangible assets, tangible assets and trucks for short-term hire

All intangible assets, tangible assets and trucks for short-term hire are tested for impairment at least once a year or whenever there is an indication of a potential reduction in value. In such cases, the recoverable amount of the asset is compared with its residual carrying amount. The recoverable amount is determined for each individual asset unless an asset generates cash that is not largely independent of that of other assets or other groups of assets (cash generating units). The recoverable amount is the higher of the fair value of the asset less selling costs and the useful value, which is the estimated discounted future cash flow. If the residual carrying amount exceeds the recoverable amount of the asset, an impairment is performed.

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

Leasing and financial services

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

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

If economic ownership is attributed to Jungheinrich as the lessor, the agreement is classified as an 'operating lease,' so that the trucks are capitalized as 'trucks for lease from financial services' at acquisition or manufacturing costs. Financed trucks for lease using the sale and leaseback method are depreciated over the period of the underlying lease agreements. In all other cases, depending on the product group, trucks for lease are depreciated at 30 or 20 per cent in each of the first two years, after which they are reduced using the straight-line method until the end of their useful lives. The economic useful life of leased equipment was established at 6 or 9 years. Lease income is recorded with an effect on net income over the period of the contracts using the straight-line method.

These long-term customer contracts ('finance leases' and 'operating leases') are financed by loans with maturities identical to those of the contracts. They are stated on the liabilities side under liabilities from financing in the item 'liabilities from financial services.' Besides truck-related loan financing, proceeds from the sale of future lease instalments from intragroup usage right agreements in the Jungheinrich Group are deferred as liabilities from financing and dissolved over the period of the usage right using the effective interest method. In addition, Jungheinrich finances itself via Elbe River Capital S.A., Luxembourg, a company established exclusively for this purpose. This refinancing firm buys all lease instalments from intragroup usage transfer agreements that fall due in the future and refinances itself through issuance of promissory notes. Furthermore, trucks for lease are financed using the sale and leaseback method. Resulting gains from sales are deferred correspondingly and distributed over the period of the lease agreement with an effect on net income.

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

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

Financial instruments

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

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

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

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

Securities classified as 'held-to-maturity financial investments' are accounted for at amortized acquisition costs using the effective interest method or, in the event of an impairment, at the present value of their expected future cash flows. Differences between the original amount and the amount repayable at maturity are distributed over their terms and recognized in financial income (loss). If there are material objective indications of an impairment, the impairment expenses calculated are recognized in financial income (loss).

Securities classified as 'financial assets available for sale' at initial recognition are measured at fair value. The fair value corresponds to the market prices quoted on active markets. Unrealized gains and losses on changes in fair value are recognized in shareholders' equity (accumulated other comprehensive income [loss]) without an effect on net income until the securities are removed from the books. The accumulated gains and losses generated by shareholders' equity previously recognized in other comprehensive income (loss) are transferred to the statement of income at the time of sale of the securities. If the decline in the fair value is significant or lasts for an extended period of time, the impairment of the underlying asset is recognized with an effect on net income even if the security has not been taken off the books. Write-ups of debt instruments in subsequent reporting periods are recognized with an effect on earnings.

Receivables

Receivables are measured at amortized acquisition cost using the effective interest method. Amortized acquisition costs for trade accounts receivable correspond to the nominal value after the deduction of individual valuation allowances. Individual valuation allowances are only made if receivables are wholly or partially uncollectible or likely to be uncollectible, in which case it must be possible to determine the amount of the valuation allowances with sufficient accuracy. The notes on the treatment of lease agreements contain further information on receivables from financial services.

Liabilities

Liabilities are measured at amortized acquisition cost using the effective interest method, where by the interest cost is recognized according to the effective interest rate. Liabilities from finance leases and financial services are measured at the cash value of the lease instalments. Please turn to the notes on the treatment of lease arrangements for further details.

Investments in affiliated companies and in companies accounted for using the equity method

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

Securities

Financial investments classified as securities include all 'held-to-maturity financial investments.' Since 2013, this item has also included securities in the special fund, all of which are classified as 'available for sale' at their time of purchase. Furthermore, Jungheinrich holds securities that are not disposable in order to secure its obligations under the partial retirement plan. Gains and losses from the measurement of these securities stated at fair value are recognized with an effect on earnings.

Derivative financial instruments

At Jungheinrich, derivative financial instruments are mainly used for hedging purposes. IAS 39 requires all derivative financial instruments to be accounted for at fair value as assets or liabilities. Depending on whether the derivative is a fair value hedge or a cash flow hedge, gains and losses on changes in the fair value of the derivative are taken into account in the result or—without affecting net income—in shareholders' equity (as part of the 'accumulated other comprehensive income [loss]'). In the case of a fair value hedge, the results from changes in the fair value of derivative financial instruments are recognized affecting net income. The changes in the fair value of derivatives that are to be classified as cash flow hedges are carried on the balance sheet under shareholders' equity in the amount of the hedge-effective part not affecting net income. These amounts are transferred to the statement of income at the same time as the effect on the result of the underlying transaction. The hedge-ineffective part is directly recognized in the financial result.

Derivative financial instruments that are not designated as hedges are classified as 'financial assets and liabilities at fair value through profit or loss.' Gains and losses from these derivative financial instruments resulting from fair valuation are directly recognized in the result.

Financial instruments measured at fair value are classified and assigned to measurement categories according to the significance of the factors considered in their measurement. Financial instruments are assigned to levels depending on the significance their input factors have for their overall measurement. Assignments are based on the lowest level of substantial or main relevance for the measurement. Measurement levels are put in hierarchical order by input factors:

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

Level 2—input data other than listed market prices observable for the asset or liability either directly (i.e. as a price) or indirectly (i.e. derived from prices)

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

Liquid assets

Liquid assets are cash balances, checks, and immediately available credit balances at banks with an original term of up to 3 months.

Inventories

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

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

Deferred taxes

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

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

Accumulated other comprehensive income (loss)

Stated in this item are changes in the shareholders' equity not affecting net income insofar as these are not based on capital transactions with shareholders. These include the currency translation adjustment as well as differences resulting from the remeasurement of defined benefit pension obligations and from the measurement of financial instruments. Changes in the year under review are presented in the statement of comprehensive income (loss).

Provisions

Provisions for pensions and similar obligations are valued on the basis of actuarial calculations in accordance with IAS 19 by applying the projected unit credit method for defined benefit obligations from pensions. This method takes into account pensions and vested future benefits known as of the balance sheet date, expected increases in salaries and pensions as well as demographic calculation principles. Remeasurements relating to actuarial gains and losses and the return on plan assets at Jungheinrich (excluding amounts included in the net interest on the net defined benefit liability) are recognized in other comprehensive income (loss) as soon as they occur and are thus disclosed directly on the balance sheet. Remeasurements recognized in other comprehensive income (loss) are a component of accumulated other comprehensive income (loss) and are not transferred to the statement of income in subsequent periods. The cost component 'service cost' is recognized in the personnel costs of the corresponding functional areas with an effect on earnings. Net interest on the net defined benefit liability from defined benefit pension plans is recognized in financial income (loss) with an effect on earnings. Pension obligations and similar obligations of some foreign companies are covered by pension funds. These pension funds are qualifying plan assets pursuant to IAS 19.

The defined benefit obligation stated on the consolidated balance sheet represents the current funding gap of the Jungheinrich Group's defined benefit pension plans.

Termination benefits are recognized if the employee's employment contract is terminated before reaching the normal pension age or if an employee volunteers to terminate the employment contract in exchange for severance benefits. The Group recognizes such benefits only if Jungheinrich is obliged to terminate the employment contract and provide the benefits due to a detailed formal plan, which cannot be revised, or if there is an individual agreement. Termination benefits are accounted for in accordance with IAS 19.

Furthermore, provisions have been accrued to cover employee benefits due pursuant to local statutory regulations in the event of their departure as well as other employee benefits due over the short or long term. These obligations are accounted for in accordance with IAS 19.

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

Provisions for restructuring measures are accrued pursuant to IAS 37 if a detailed, formal plan has been established and all involved parties have been informed of said plan. The measures are implemented without undue delay.

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

Classification of accounts

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

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

Estimates

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

It is possible for the actual amounts to deviate from the estimates. When the actual course of events deviates from the expectations, the premises, and if necessary, the carrying amounts of the affected assets and liabilities are adjusted accordingly. Underlying assumptions and estimates were not exposed to any material risks when the consolidated financial statements were prepared.

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

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

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

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

Published IFRSs adopted by the EU and applied for the first time in the 2013 financial year

The revised version of IAS 1 "Presentation of Financial Statements" mandates a change in the statement of other comprehensive income (loss). Items included in other comprehensive income (loss) which may be transferred to the consolidated statement of income in subsequent periods with an effect on earnings must be reported separately from items that are not transferred to the consolidated statement of income. Jungheinrich has classified and grouped other comprehensive income (loss) items accordingly.

IFRS 13 "Fair Value Measurement" defines fair value, describes how to determine fair values and expands related disclosure on measuring fair value. In accordance with the transitional provisions of IFRS 13, Jungheinrich applied the rules of this standard prospectively from January 1, 2013 onwards. The first-time application of IFRS 13 to the measurement of assets and liabilities did not have a material impact on the consolidated financial statements. Jungheinrich has made the required expanded disclosure in the notes.

The revised version of IFRS 7 "Financial Instruments: Disclosures" stipulates the provision of information on offsetting rights for financial instruments and thus the related agreement in an enforceable master offsetting contract or a corresponding agreement. Since the Jungheinrich Group has not concluded any offsetting agreements, the adoption of this standard does not affect the disclosure or amounts reported in the consolidated financial statements.

The revised version of IAS 19 "Employee Benefits" introduced fundamental changes to the accounting treatment of defined benefit pension plans. The recognition of actuarial gains and losses using the corridor method was abolished. Actuarial gains and losses must now be recognized directly in other comprehensive income (loss) and may not be transferred to the statement of income with an effect on earnings in subsequent periods. Furthermore, the introduction of net interest on the net liability from defined benefit pension plans, which replaces the interest expense associated with the defined benefit obligation and the expected return on plan assets, results in another change in the measurement of pension costs. Returns on plan assets are now recognized in the statement of income based on the discount rate applied when measuring defined benefit obligations. Jungheinrich previously used the corridor method. The first-time application of the amended version of IAS 19 in the 2013 reporting year had a material effect on the consolidated balance sheet. The recognition of the balance of actuarial gains and losses formerly not accounted for on the consolidated balance sheet led to an increase in provisions for pensions and similar obligations as well as to a decrease in shareholders' equity. The revised version of IAS 19 "Employee Benefits" changed the definition of termination benefits. Supplementary payments within the scope of old-age part-time employment are now classified as other long-term employee benefits. Supplementary payments are thus no longer fully accounted for as a liability at cash value and are instead accrued in instalments during the active years of service of the employees under old-age part-time employment contracts, which are referred to as the vesting period. The change in the classification and accounting treatment of supplementary payments resulting from the revised version of IAS 19 led to a reduction in provisions for personnel and to an increase in shareholders' equity. The amendments to IAS 19 must generally be applied retrospectively.

The effects of the application of the amended version of IAS 19 on the individual items of the consolidated balance sheet as of January 1, 2012 and as of December 31, 2012 are presented below:

in thousand €	12/31/2012	01/01/2012
Other assets	–10,683	–2,032
Deferred tax assets	13,229	1,576
Shareholders' equity	–52,665	–16,498
Provisions for pensions and similar obligations	60,776	23,037
Provisions for personnel	–2,437	–2,437
Deferred tax liabilities	–3,128	–4,558

The effects of the application of the amended version of IAS 19 on the individual items of the consolidated statement of income for 2012 are presented in the following table:

in thousand €	2012
Cost of sales	–965
Selling expenses	–876
Research and development costs	–17
Other operating expenses	–94
Earnings before interest and income taxes	**1,952**
Earnings before taxes	**1,952**
Income taxes	169
Net income	**1,783**

Diluted and undiluted earnings per preferred and ordinary share for 2012 each increased by €0.06.

Applying the rules of the unamended version of IAS 19 as well as the corridor method when accounting for defined benefit pension obligations would have caused provisions for pensions to be €61.0 million lower and shareholders' equity to be €47.3 million higher. Net income for 2013 would have been €3.4 million lower and total comprehensive income would have been €6.6 million lower. Diluted and undiluted earnings per preferred and ordinary share for 2013 would each have been €0.10 lower.

Within the scope of the improvement process, the IASB published "Annual Improvements to IFRS—2009–2011 Cycle," which mainly includes editorial amendments to five existing standards and aims to remove existing ambiguities and inconsistencies.

The improvements of relevance to the Group are the amendments to IAS 1 "Presentation of Financial Statements" determining when a third balance sheet as of the beginning of the period being compared and the related disclosure in the notes are required. In the 2013 financial year, Jungheinrich applied the amended version of IAS 19 for the first time, which had a material effect on the individual items of the consolidated balance sheet as of January 1, 2012. In compliance with the amended version of IAS 1, the Group thus prepared a third balance sheet as of January 1, 2012. No disclosure was made in the notes going above and beyond the requirements of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors." The application of the other revised standards did not have a material effect on the consolidated financial statements.

All of the standards became mandatory for Jungheinrich for the first time as of January 1, 2013.

The remaining standards which became mandatory in the EU for the first time as of January 1, 2013 did not have a material effect on the consolidated financial statements.

Published IFRSs adopted by the EU and not yet applied

The following standards published by the IASB and adopted by the EU are relevant to Jungheinrich and were not yet mandatory in the year under review.

In May 2011, the IASB published three new standards as well as two revised standards, namely IAS 27 "Separate Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" governing the presentation of consolidation, joint agreements and disclosure on investments in other companies on the balance sheet. IFRS 10 "Consolidated Financial Statements" introduces a uniform consolidation model for all companies on the basis of control. The new standard replaces the control and consolidation regulations of the former version of IAS 27 "Consolidated and Separate Financial Statements." The new version of IAS 27 "Separate Financial Statements" now only includes the former rules for separate financial statements. IFRS 11 "Joint Arrangements" includes new rules for the accounting treatment of jointly conducted activities. In the future, a distinction will have to be made between a joint operation and a joint venture. The equity method is the mandatory accounting treatment for joint ventures, abolishing the former discretionary right to make use of proportionate consolidation. However, proportionate consolidation is applied when accounting for joint operations. The former version of IAS 28 "Investments in Associates" was adapted in view of the publication of IFRS 10 and IFRS 11. IFRS 12 "Disclosure of Interests in Other Entities" combines the disclosure obligations for investments in subsidiaries, joint arrangements, associates and non-consolidated structured entities in a single, comprehensive standard. To this end, many of the disclosure obligations of the former versions of IAS 27, IAS 31 and IAS 28 were included and supplemented by new disclosure obligations. The five standards become effective for the first time for fiscal years beginning on or after January 1, 2014. Jungheinrich examined the classification of the Group's involvement in joint arrangements and re-evaluated it in accordance with the rules set forth in IFRS 11. Based on current knowledge, joint ventures previously accounted for at equity are classified by IFRS 11 as joint ventures and will thus continue to be accounted for using the equity method in the future.

Jungheinrich will apply the new consolidation standards as of their date of first mandatory application, i.e. January 1, 2014, with retroactive effect.

The other amended standards and interpretations are not expected to have a material effect on the Jungheinrich Group's asset, financial and earnings position.

Published IFRSs not yet adopted by the EU and not yet applied

Within the scope of a project for revising the accounting policies applicable to financial instruments, in November 2009, the IASB published IFRS 9 "Financial Instruments," which related to financial assets. In October 2010, the regulations of IAS 39 were adopted unamended for financial liabilities, with the exception of new rules for considering one's own credit risk when exercising the fair value option. The new standard regulates the accounting treatment of financial assets and financial liabilities with respect to their classification and measurement. General hedge accounting rules were established in November 2013. The regulations issued in IFRS 9 take new approaches to and facilitate designation options, effectiveness checks and the termination of hedging relationships. The amendment to IFRS 9 published in November 2013 removed the January 1, 2015 mandatory effective date. A new effective date will be determined once the standard has been finalized and is not expected to be before January 1, 2017. We are still examining the effects that the application of IFRS 9 will have on the consolidated financial statements. However, the first-time application of the standard is not expected to have a material effect on the consolidated financial statements.

The other published amended standards that have not yet been adopted by the EU are not expected to have a material impact on the Jungheinrich Group's asset, financial and earnings position. Once they have been adopted by the EU, Jungheinrich does not currently plan to apply these standards early, which do not become mandatory until later financial years.

Change in the presentation of interest income and interest expenses

From the 2013 reporting year onwards, Jungheinrich has changed the presentation of interest income and interest expenses in the consolidated statement of income for the following cases:

a) So far, the net interest on defined benefit plans has been reported as part of the personnel costs of the functional areas in addition to the service cost. Defined benefit pension obligations are non-current liabilities. Due to its financing character, net interest will be recognized in financial income (loss) from the 2013 reporting year onwards.

b) Expenses resulting from the interest portion of long-term employee benefits have been reported as part of the personnel costs of the functional areas as well. Due to their financing character, analogously to net interest, the interest accretions to non-current provisions for personnel will be stated in financial income (loss) from the 2013 reporting year onwards.

c) So far, interest income realized pro rata over the terms of 'finance lease' customer contracts within the scope of the financial services business have been reported in financial income (loss). From the 2013 reporting year onwards, this interest income will be stated as a component of net sales realized from 'finance lease' customer contracts according to the effective interest method and will thus be classified as net sales and allocated to the operating income (loss).

d) Expenses resulting from the financing of 'finance lease' customer contracts with matching terms within the scope of the financial services business have also been reported in financial income (loss) so far. These financings are not a component of classical loan financing. Interest expenses from the financing of 'finance lease' customer contracts will be recognized in the cost of sales from the 2013 reporting year onwards and will thus also be allocated to the operating income (loss).

e) Previously, interest expenses resulting from the financing of trucks for short-term hire through the sale of receivables from intragroup hire-purchase agreements and the sale-and-lease-back method were also reported in financial income (loss). These financings are not a component of classical loan financing, either. Interest expenses from the financing of trucks for short-term hire will be recognized in the cost of sales from the 2013 reporting year onwards and will thus be allocated to the operating income (loss).

The effects of the adjustments pursuant to IAS 8 regarding the presentation of interest income and interest expenses on the individual items of the consolidated statement of income for fiscal 2012 are presented below:

in thousand €	a)[1]	b)	c), d)	e)	**Total**
Net sales	–	–	41,776	–	**41,776**
Cost of sales	–4,438	–499	24,120	2,673	**21,856**
Selling expenses	–1,331	–782	–	–	**–2,113**
Research and development costs	–572	–56	–	–	**–628**
General administrative expenses	–1,406	–69	–	–	**–1,475**
Other operating expenses	–403	–	–	–	**–403**
Earnings before interest and income taxes	**8,150**	**1,406**	**17,656**	**–2,673**	**24,539**
Financial income (loss)	–8,150	–1,406	–17,656	2,673	**–24,539**
Earnings before taxes/net income	**–**	**–**	**–**	**–**	**–**

1 Figures for the reclassification have been presented after making adjustments to reflect the effects of the application of the revised version of IAS 19.

Basis of consolidation

Besides the parent company, Jungheinrich AG, Hamburg, the consolidated financial statements include 51 (prior year: 51) foreign and 15 (prior year: 13) domestic companies. The basis of consolidation includes 64 (prior year: 61) fully consolidated subsidiaries which are directly or indirectly controlled by Jungheinrich AG. Two (prior year: 3) companies have been stated on the balance sheet through application of the equity method.

All of the shareholdings of Jungheinrich AG, Hamburg, are disclosed in note 43.

Changes in the basis of consolidation

The remaining 75 per cent of Jungheinrich Systemlösungen GmbH (formerly ISA – Innovative Systemlösungen für die Automation GmbH), Graz (Austria) were acquired with legal effect as of January 1, 2013 to strengthen the logistics systems business. The purchase price was already paid using liquid assets in fiscal 2012. The acquisition did not entail any material ancillary acquisition costs. The company, which has been accounted for using the equity method so far, was included in the basis of consolidation as a fully consolidated subsidiary for the first time at the time of its acquisition. The 25 per cent stake held in the company so far was remeasured at the fair value it had at the acquisition date. The resulting gain of €0.1 million was recognized in the other operating income.

The allocation of the purchase price among the acquired identifiable assets and liabilities at the date of acquisition is presented below:

in million €	Carrying amounts on the acquisition date	Purchase price allocation	Fair values on the acquisition date
Assets			
Intangible assets	–	10.7	10.7
Tangible assets	0.1	–	0.1
Inventories	1.2	–	1.2
Trade accounts receivable	0.8	–	0.8
Liquid assets	0.7	–	0.7
	2.8	**10.7**	**13.5**
Liabilities			
Other provisions	0.5	–	0.5
Trade accounts payable	0.6	–	0.6
Other liabilities	0.5	–	0.5
Deferred tax liabilities	–	2.7	2.7
	1.6	**2.7**	**4.3**
Acquired net assets	**1.2**	**8.0**	**9.2**
Purchase price			9.3
Goodwill			**0.1**

€10.7 million in intangible assets and €0.1 million in goodwill were capitalized in particular within the scope of the purchase price allocation. The intangible assets are identifiable recognizable customer relationships and technological know-how.

Jungheinrich Logistiksysteme GmbH, Moosburg (Germany) was established in the fourth quarter of 2013 to expand the logistics systems business. The first-time consolidation of this company did not result in a differential amount.

In the fourth quarter of 2013, €100.0 million in liquid assets were invested in the special fund Universal-FORMICA-Fonds. The purpose of investments in funds is to take advantage of opportunities to earn returns on the capital market while limiting risk. The special fund, in which Jungheinrich holds 100 per cent of the shares, was included in the consolidated financial statements based on the rules set forth in IAS 27 in conjunction with SIC 12.

Notes to the consolidated statement of income

(3) Net sales

The Jungheinrich Group's net sales are made up of the following components:

in thousand €	2013	2012
New truck business	**1,212,703**	1,230,119
Short-term hire and used equipment	**397,018**	377,582
After-sales services	**704,803**	680,558
Intralogistics	**2,314,524**	**2,288,259**
Financial services	**546,695**	**538,775**
Segments total	**2,861,219**	**2,827,034**
Reconciliation	**–571,436**	**–556,544**
Jungheinrich Group	**2,289,783**	**2,270,490**

Net sales generated by the 'Intralogistics' segment include €20,993 thousand in contract revenue calculated using the 'percentage of completion' method (prior year: €4,230 thousand).

From the 2013 reporting year onwards, interest income on finance lease customer contracts will be stated as part of net sales. It amounted to €42,819 thousand (prior year: €41,776 thousand) and was included in net sales generated by the 'Financial Services' segment.

Intragroup net sales achieved in the reporting year which have to be eliminated include €9,635 thousand (prior year: €25,607 thousand) in truck sales by the 'Intralogistics' segment to the 'Financial Services' segment relating to truck fleets, the capacities of which are made available to key accounts for extended periods of time so that they can use them flexibly. As scheduled, these truck fleets were refinanced with matching maturities and interest rates by the 'Financial Services' segment.

(4) Cost of sales

The cost of sales includes the cost of materials consisting of expenses for raw materials and supplies as well as for purchased goods and services totalling €1,087,435 thousand (prior year: €1,107,797 thousand).

The cost of materials includes €941 thousand in currency losses (prior year: €4,532 thousand) primarily stemming from purchases by non-German sales companies in Group currency and the associated currency hedges.

The cost of sales includes €30,791 thousand (prior year: €33,158 thousand) in interest expenses associated with the matching-term refinancing of long-term customer contracts in the 'Financial Services' segment.

(5) Personnel expenses

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

in thousand €	2013	2012
Salaries	**569,826**	542,053
Social security contributions	**119,368**	112,810
Cost of pensions and other benefits		
Defined benefit plans	**14,354**	13,325[1]
Defined contribution plans	**3,017**	2,891
Other costs for pensions and other benefits	**479**	645
	707,044	**671,724**

1 Including adjustments resulting from the application of the amended version of IAS 19.

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

	2013	2012
Hourly-paid employees	5,552	5,369
Salaried employees	5,681	5,347
Trainees and apprentices	311	296
	11,544	11,012

Besides personnel expenses, functional costs include the cost of temporary workers amounting to €16,874 thousand (prior year: €19,449 thousand).

(6) Depreciation, amortization, impairment losses and write-ups

Depreciation, amortization, impairment losses and write-ups are shown in the development of intangible assets, tangible assets, trucks for short-term hire and lease, investments in companies accounted for using the equity method and other financial assets. All the depreciation, amortization, impairment losses and write-ups are included in the functional costs.

(7) Other operating income

Other operating income of the year being reviewed includes €981 thousand (prior year: €837 thousand) in income from the disposal of tangible and intangible assets as well as €768 thousand (prior year: €778 thousand) in reversals of deferred government grants.

(8) Other operating expenses

Other operating expenses in the reporting year include €627 thousand (prior year: €593 thousand) in losses from the disposal of tangible and intangible assets.

Other operating expenses incurred in 2012 include expenses associated with the deconsolidation of Jungheinrich Lift Truck Corp., Richmond (USA) amounting to €515 thousand.

(9) Net interest

The Jungheinrich Group's net interest is made up of the following components:

in thousand €	2013	2012[1]
Interest and similar income on securities	735	1,785
Other interest and similar income	1,451	2,631
Interest income	**2,186**	**4,416**
Interest expenses	**13,115**	**14,949**
Net interest	**–10,929**	**–10,533**

1 Adjusted to the change in the statement of interest income and interest expenses.

At –€371 thousand (prior year: €– thousand), net interest in 2013 is allocable to the 'Financial Services' segment.

(10) Other financial income (loss)

The Jungheinrich Group's other financial income (loss) is made up of the following components:

in thousand €	2013	2012[1]
Income (loss) from derivatives	–2,428	–589
Net interest on defined benefit pension plans	–6,893	–7,394
Sundry financial income (loss)	–1,771	–2,161
Other financial income (loss)	**–11,092**	**–10,144**

1 Adjusted to the change in the statement of interest income and interest expenses.

Income (loss) from derivatives includes all income (loss) from derivative financial instruments that do not relate to supplies and services and were not designated as hedges on the balance sheet date. These primarily include derivative financial instruments used to hedge foreign exchange rates when concluding intragroup financial transactions as well as derivatives in the special fund. Income (loss) from derivatives also include currency translation differences pertaining to intragroup financing. Income (loss) from derivatives in connection with supplies and services is stated as part of the cost of sales.

Income (loss) from derivatives in the reporting year incudes €2,041 thousand in expenses associated with the early redemption of an interest hedge for the variable interest-bearing tranche of the promissory note bond. This portion of the promissory note bond was redeemed early in the third quarter of 2013.

Sundry financial income (loss) includes €1,066 thousand (prior year: €1,406 thousand) in interest accretions to non-current provisions for personnel.

Other financial income (loss) amounts to –€10 thousand (prior year: –€6 thousand) and is allocable to the 'Financial Services' segment.

(11) Income taxes

The Group's income tax breaks down as follows:

in thousand €	2013	2012
Current taxes		
Germany	**24,253**	24,880
Other countries	**27,931**	23,053
Deferred taxes [1]		
Germany	**–1,715**	–409
Other countries	**–7,050**	–3,474
Tax expense	**43,419**	**44,050**

1 Deferred taxes for 2012 were adjusted to reflect the effect of the application of the amended version of IAS 19.

The current tax expense in Germany was essentially unchanged compared to the previous year. The expense associated with the preceding year's taxes in 2013 amounted to €3.8 million (prior year: €0.5 million). In 2013, there was €1.7 million in deferred tax income in Germany (prior year: €0.5 million). The year-on-year increase in deferred tax income is mainly due to deferred tax income from consolidations.

The rise in the current tax expense in other countries compared to 2012 is a consequence of the increase in profits generated by the sales companies in the year being reviewed. The rise in deferred tax income compared to 2012 was caused by changes in the assumptions regarding the recoverability of deferred tax receivables from losses carried forward, from declines in tax rates applied when calculating deferred tax liabilities and from deferred tax income in connection with consolidations.

The domestic corporate income tax rate for fiscal 2013 was 30.0 per cent (prior year: €30.5 per cent). As before, it is made up of the corporate income tax burden of 15.0 per cent plus the solidarity surcharge of 5.5 per cent of the corporate income tax burden and a trade tax rate of 14.2 per cent (prior year: 14.7 per cent).

The applied local income tax rates for foreign companies varied between 12.5 per cent (prior year: 12.5 per cent) and 36.1 per cent (prior year: 35.9 per cent).

As of December 31, 2013, the Group had about €33 million in corporate tax loss carryforwards (prior year: €47 million). The trade tax loss carryforwards were fully used in 2013 (December 31, 2012: €0.7 million). The loss carryforwards can largely be carried forward without limitations. The reduction in the corporate tax loss carryforwards is largely attributable to the usage of losses carried forward in France and Brazil. €1.1 million (prior year: €1.9 million) in valuation allowances were recognized for deferred tax assets for these loss carryforwards.

When stating deferred tax assets on the balance sheet, one must assess the extent to which future effective tax relief might result from existing tax loss carryforwards and the differences in accounting and valuation. In this context, all positive and negative influential factors have been taken into account. Compared to the preceding year, our assessment has changed, leading to €0.3 million in additional deferred tax income (prior year: deferred tax expense of €0.1 million). Our present assessment of this point may alter depending on changes in our earnings position in future years and may necessitate a higher or lower valuation allowance.

Deferred tax assets and liabilities result from accounting and valuation differences as well as tax loss carryforwards that have not yet been used as follows:

in thousand €	12/31/2013	12/31/2012[1]
Tangible and intangible assets	**136,356**	135,362
Inventories	**17,288**	9,704
Receivables and other assets	**41,952**	28,865
Tax loss carryforwards	**11,080**	15,589
Provisions for pensions	**22,801**	24,525
Other provisions	**15,307**	15,889
Liabilities	**154,271**	212,937
Deferred income	**10,597**	12,072
Other	**6,320**	6,115
Valuation allowances	**–11,639**	–15,527
Deferred tax assets	**404,333**	**445,531**
Tangible and intangible assets	**50,519**	58,165
Inventories	**9,425**	5,534
Receivables	**234,407**	213,897
Provisions for pensions	**494**	29
Other provisions	**387**	731
Liabilities	**28,226**	87,068
Other	**4,024**	5,961
Deferred tax liabilities	**327,482**	**371,385**
Net deferred taxes	**76,851**	**74,146**

1 Including adjustments reflecting the application of the amended version of IAS 19.

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

in thousand €	12/31/2013	12/31/2012[1]
Deferred tax assets	**87,466**	80,716
Deferred tax liabilities	**10,615**	6,570
Net deferred taxes	**76,851**	**74,146**
thereof: netting against shareholders' equity	**15,369**	18,251

1 Including adjustments reflecting the application of the amended version of IAS 19.

The following table shows the reconciliation from the expected to the disclosed tax expense. The expected tax expense reported is the sum resulting from applying the overall tax rate of 30.0 per cent (prior year: 30.5 per cent) applicable to the parent company to consolidated earnings before income taxes.

in thousand €	2013	2012[1]
Expected tax expense	**45,104**	47,624
Change in the tax rate	**1,478**	62
Foreign tax differentials	**–5,926**	–3,888
Change in valuation allowances	**–324**	91
Changes in taxes from the previous year	**2,131**	–1,804
Non-deductible operating expenses and tax-free gains	**838**	1,528
Other	**118**	437
Actual tax expense	**43,419**	**44,050**

1 Including adjustments reflecting the application of the amended version of IAS 19.

In 2013, the Group's tax quota was 28.9 per cent (prior year: 28.2 per cent).

Notes to the consolidated balance sheet

(12) Intangible assets

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

in thousand €	Acquired intangible assets	Internally generated intangible assets	Goodwill	Total
Acquisition and manufacturing costs				
Balance on 01/01/2013	**32,579**	**74,503**	**4,897**	**111,979**
Changes in currency exchange rates	–278	–	–	**–278**
Changes in the scope of consolidation	10,874	–	102	**10,976**
Additions	6,438	12,147	–	**18,585**
Disposals	911	9,635	–	**10,546**
Transfers	1,256	–	–	**1,256**
Balance on 12/31/2013	**49,958**	**77,015**	**4,999**	**131,972**
Amortization and impairment losses				
Balance on 01/01/2013	**24,680**	**52,290**	**3,015**	**79,985**
Changes in currency exchange rates	–182	–	–	**–182**
Changes in the scope of consolidation	127	–	–	**127**
Amortization in the fiscal year	3,671	5,361	–	**9,032**
Accumulated amortization on disposals	907	9,635	–	**10,542**
Balance on 12/31/2013	**27,389**	**48,016**	**3,015**	**78,420**
Carrying amount on 12/31/2013	**22,569**	**28,999**	**1,984**	**53,552**

In the prior year, intangible assets developed as follows:

in thousand €	Acquired intangible assets	Internally generated intangible assets	Goodwill	**Total**
Acquisition and manufacturing costs Balance on 01/01/2012	**30,840**	**79,911**	**6,181**	**116,932**
Changes in currency exchange rates	67	–	–	**67**
Additions	2,564	5,464	–	**8,028**
Disposals	892	10,872	1,284	**13,048**
Balance on 12/31/2012	**32,579**	**74,503**	**4,897**	**111,979**
Amortization and impairment losses Balance on 01/01/2012	**23,025**	**57,927**	**4,299**	**85,251**
Changes in currency exchange rates	69	–	–	**69**
Amortization in the fiscal year	2,468	5,235	–	**7,703**
Accumulated amortization and impairment losses on disposals	882	10,872	1,284	**13,038**
Balance on 12/31/2012	**24,680**	**52,290**	**3,015**	**79,985**
Carrying amount on 12/31/2012	**7,899**	**22,213**	**1,882**	**31,994**

Additions resulting from changes in the scope of consolidation concerning acquired intangible assets in the year being reviewed primarily relate to technological know-how. The remaining €7,694 thousand in additions and transfers (prior year: 2,564 thousand) mainly related to software and software licenses. The rise in additions compared to the preceding year predominantly resulted from the commissioning of warehouse management software in the new spare parts centre in Kaltenkirchen (Germany).

Internally generated intangible assets include the Jungheinrich Group's capitalized development expenditures. €12,147 thousand in development expenditures (prior year: €5,464 thousand) met the capitalization criteria under IFRS.

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

in thousand €	**2013**	2012
Research costs and uncapitalized development expenditures	**32,788**	38,547
Amortization of capitalized development expenditures	**5,361**	5,235
	38,149	**43,782**

The impairment test performed on the residual carrying amounts of capitalized development expenditures is broken down by product line on the basis of estimated discounted future cash flows. The impairment test conducted in 2013 did not result in an impairment expense.

€1,771 thousand, €111 thousand and €102 thousand in residual carrying amounts of goodwill on December 31, 2013 are allocable to the sales company in Vienna (Austria), the sales company in Warsaw (Poland) and Jungheinrich Systemlösungen GmbH in Graz (Austria) which was acquired in 2013, respectively.

A discount rate of 6.3 per cent (prior year: 7.1 per cent) was applied to the impairment tests performed on goodwill on the balance sheet date. The test did not result in impairment losses.

(13) Tangible assets

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

in thousand €	Land, land rights and buildings including buildings on third-party land	Technical equipment and machinery	Factory and office equipment	Construction in progress	**Total**
Acquisition and manufacturing costs Balance on 01/01/2013	**279,395**	**118,897**	**202,275**	**47,172**	**647,739**
Changes in currency exchange rates	–1,633	–345	–1,703	37	**–3,644**
Changes in the scope of consolidation	–	93	312	–	**405**
Additions	38,405	13,877	25,409	6,492	**84,183**
Disposals	777	4,899	19,634	–	**25,310**
Transfers	35,739	3,765	5,509	–46,269	**–1,256**
Balance on 12/31/2013	**351,129**	**131,388**	**212,168**	**7,432**	**702,117**
Depreciation Balance on 01/01/2013	**102,067**	**83,614**	**140,220**	**–**	**325,901**
Changes in currency exchange rates	–488	–170	–1,083	–	**–1,741**
Changes in the scope of consolidation	–	92	259		**351**
Depreciation in the fiscal year	10,383	9,518	17,348	–	**37,249**
Write-ups in the fiscal year	–	642	–	–	**642**
Accumulated depreciation of disposals	440	4,779	18,524	–	**23,743**
Transfers	321	89	–410	–	**–**
Balance on 12/31/2013	**111,843**	**87,722**	**137,810**	**–**	**337,375**
Carrying amount on 12/31/2013	**239,286**	**43,666**	**74,358**	**7,432**	**364,742**

In the prior year, tangible assets developed as follows:

in thousand €	Land, land rights and buildings including buildings on third-party land	Technical equipment and machinery	Factory and office equipment	Construction in progress	**Total**
Acquisition and manufacturing costs Balance on 01/01/2012	**271,954**	**111,660**	**187,739**	**11,730**	**583,083**
Changes in currency exchange rates	1,051	38	475	–88	**1,476**
Additions	2,808	5,800	22,167	44,823	**75,598**
Disposals	1,830	1,764	8,824	–	**12,418**
Transfers	5,412	3,163	718	–9,293	**–**
Balance on 12/31/2012	**279,395**	**118,897**	**202,275**	**47,172**	**647,739**
Depreciation Balance on 01/01/2012	**94,996**	**74,164**	**130,199**	**–**	**299,359**
Changes in currency exchange rates	282	47	388	–	**717**
Depreciation in the fiscal year	8,607	11,124	17,778	–	**37,509**
Accumulated depreciation of disposals	1,818	1,721	8,145	–	**11,684**
Balance on 12/31/2012	**102,067**	**83,614**	**140,220**	**–**	**325,901**
Carrying amount on 12/31/2012	**177,328**	**35,283**	**62,055**	**47,172**	**321,838**

Additions and transfers in 2013 mainly related to the strategic large-scale capital expenditure projects designed to increase capacity: the warehousing and system equipment plant in Degernpoint (Germany), the factory in Qingpu (China) and the spare parts centre in Kaltenkirchen (Germany).

Tangible assets include €14,126 thousand (prior year: €25,228 thousand) in leased real estate, which classify the Group as commercial owner due to the nature of the underlying leases ('finance leases'). Depreciation on leased property in the year under review totalled €761 thousand (prior year: €862 thousand).

On the balance sheet date, land and buildings were put up as mortgage to back €45,436 thousand (prior year: €30,379 thousand) in liabilities due to banks.

(14) Trucks for short-term hire

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

in thousand €	2013	2012
Acquisition and manufacturing costs Balance on 01/01	**393,761**	**378,643**
Changes in currency exchange rates	**–14,161**	5,158
Additions	**101,888**	132,213
Disposals	**74,030**	89,573
Transfers	**–10,226**	–32,680
Balance on 12/31	**397,232**	**393,761**
Depreciation Balance on 01/01	**171,046**	**158,074**
Changes in currency exchange rates	**–6,387**	1,645
Depreciation in the fiscal year	**65,080**	70,827
Accumulated depreciation on disposals	**45,041**	49,304
Transfers	**–1,797**	**–10,196**
Balance on 12/31	**182,901**	**171,046**
Carrying amount on 12/31	**214,331**	**222,715**

Trucks for short-term hire, the capacities of which are made available to key accounts for extended periods of time so that they can make flexible use of them, are refinanced by the 'Financial Services' segment with matching maturities and interest rates. In the reporting year, these trucks were reclassified to trucks for lease from financial services at their residual value of €8,429 thousand (prior year: €22,484 thousand).

The fleet of trucks for short-term hire includes leased trucks for short-term hire with an aggregate value of €5,614 thousand (prior year: €5,080 thousand) which classify the Group as commercial owner due to the nature of the underlying leases ('finance leases'). Corresponding depreciation on these trucks in the fiscal year amounts to €1,823 thousand (prior year: €1,417 thousand).

Trucks for short-term hire with a total carrying amount of €55,865 thousand (prior year: €83,761 thousand) were put up as collateral for their associated financial liabilities within the scope of sales of receivables from intragroup hire-purchase agreements.

(15) Trucks for lease from financial services

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

in thousand €	2013	2012
Acquisition and manufacturing costs Balance on 01/01	**387,220**	**338,024**
Changes in currency exchange rates	**–4,901**	2,848
Additions	**108,804**	97,362
Disposals	**95,453**	83,694
Transfers	**10,226**	32,680
Balance on 12/31	**405,896**	**387,220**
Depreciation Balance on 01/01	**143,246**	**127,029**
Changes in currency exchange rates	**–1,760**	998
Depreciation in the fiscal year	**64,165**	58,264
Accumulated depreciation on disposals	**59,941**	53,241
Transfers	**1,797**	**10,196**
Balance on 12/31	**147,507**	**143,246**
Carrying amount on 12/31	**258,389**	**243,974**

Transfers have been commented on in note 14.

Trucks for lease from financial services are classified as follows:

in thousand €	12/31/2013	12/31/2012
'Operating lease' contracts with customers	**215,513**	195,053
Contracts concluded with a leasing company acting as an intermediary	**42,876**	48,921
	258,389	**243,974**

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

By the balance sheet date, trucks for lease with a residual carrying amount of €150,244 thousand (prior year: €130,798 thousand) had been pledged as collateral for liabilities from financial services.

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

The 'operating leases' existing on the balance sheet date include €32,020 thousand (prior year: €21,198 thousand) in truck fleets, which are made available to key accounts so that they can make flexible use of them.

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

in thousand €	12/31/2013	12/31/2012
Due within less than one year	**66,692**	65,282
Due in one to five years	**112,727**	103,018
Due in more than five years	**796**	559
	180,215	**168,859**

Trucks for lease with a carrying amount of €36,325 thousand (prior year: €37,574 thousand) are financed based on sale and leaseback agreements. Future minimum lease payments from sublease arrangements total €26,880 thousand (prior year: €28,948 thousand).

(16) Investments in companies accounted for using the equity method/ Other financial assets

Investments in companies accounted for using the equity method and other financial assets developed as follows in the year under review:

in thousand €	Investments in companies accounted for using the equity method	Other financial assets		
		Investments in affiliated companies	Other loans	Total
Acquisition costs As of 01/01/2013	**13,709**	**75**	**52**	**127**
Additions	764	–	–	–
Disposals	2,330	–	–	–
As of 12/31/2013	**12,143**	**75**	**52**	**127**
Impairment losses As of 01/01/2013	–	–	**21**	**21**
Impairment losses in the fiscal year	–	–	3	3
As of 12/31/2013	–	–	**24**	**24**
Carrying amount on 12/31/2013	**12,143**	**75**	**28**	**103**

€2,320 thousand in disposals in the 'investments in companies accounted for using the equity method' item relate to the carrying amount of the 25 per cent stake formerly held in Jungheinrich Systemlösungen GmbH, Graz (Austria). The company has been included in the consolidated financial statements as a fully consolidated company since January 1, 2013. In this context, reference is made to the changes in the basis of consolidation.

The impairment test performed on investments in companies accounted for using the equity method as of the balance sheet date in 2013 did not result in any impairment losses.

Investments in companies accounted for using the equity method and other financial assets developed as follows in the prior year:

in thousand €	Investments in companies accounted for using the equity method	Other financial assets		
		Investments in affiliated companies	Other loans	Total
Acquisition costs As of 01/01/2012	**16,208**	**75**	**139**	**214**
Additions	2,717	–	–	–
Disposals	5,216	–	87	87
As of 12/31/2012	**13,709**	**75**	**52**	**127**
Impairment losses As of 01/01/2012	**2,500**	–	**51**	**51**
Impairment losses in the fiscal year	–	–	57	57
Write-ups in the fiscal year	2,500	–	–	–
Accumulated impairment losses on disposals	–	–	87	87
As of 12/31/2012	–	–	**21**	**21**
Carrying amount on 12/31/2012	**13,709**	**75**	**31**	**106**

The disposals and write-ups in the 'investments in companies accounted for using the equity method' item related to the sale of the shares in Ningbo Ruyi Joint Stock Co., Ltd., Ninghai, Zhejang (China) in 2012.

The following figures are allocable to the Group due to the investments held in companies accounted for using the equity method:

in thousand €	2013	2012
Assets	**22,979**	24,152
Liabilities	**10,255**	10,806
Net sales	**50,537**	51,858
Net income	**2,398**	2,760

The financial investments stated in the 'investments in companies accounted for using the equity method' item on December 31, 2013 exclusively relate to joint ventures.

(17) Inventories

in thousand €	12/31/2013	12/31/2012
Raw materials and supplies	**55,243**	60,613
Work in process	**21,535**	14,163
Finished goods	**81,321**	62,173
Merchandise	**66,136**	70,625
Spare parts	**40,391**	37,198
Advance payments	**6,804**	9,574
	271,430	**254,346**

€28,914 thousand (prior year: €28,542 thousand) of the inventories are measured at their net realizable value. Write-downs recognized for inventories as of the balance sheet date amounted to €35,923 thousand (prior year: €34,106 thousand).

(18) Trade accounts receivable

in thousand €	12/31/2013	12/31/2012
Trade accounts receivable (excluding receivables from construction contracts)	**429,688**	416,190
Receivables from construction contracts	**2,250**	4,230
Valuation allowances	**–14,772**	–14,808
	417,166	**405,612**

Trade accounts receivable include notes receivable in the amount of €4,020 thousand (prior year: €6,774 thousand). €374 thousand in notes receivable presented for a discount (prior year: €687 thousand) were not derecognized from the accounts because Jungheinrich was exposed to the risk of default on the balance sheet date. The related notes payable are recognized as financial liabilities.

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

in thousand €	2013	2012
Valuation allowances on 01/01	**14,808**	15,548
Changes in currency exchange rates	**–173**	54
Changes in the scope of consolidation	**26**	–
Utilizations	**2,902**	2,441
Releases	**1,327**	1,323
Additions	**4,340**	2,970
Valuation allowances on 12/31	**14,772**	**14,808**

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

in thousand €	12/31/2013	12/31/2012
Less than 30 days overdue	**51,183**	51,346
Between 30 and 60 days overdue	**11,893**	13,513
Between 61 and 90 days overdue	**4,640**	5,043
Between 91 and 180 days overdue	**3,486**	3,331
More than 180 days overdue	**563**	63
Total overdue trade accounts receivable, for which no valuation allowances were recognized	**71,765**	**73,296**

As of the balance sheet date, no valuation allowances had been made for €326,110 thousand in trade accounts receivable (prior year: €309,998 thousand), nor were they overdue. As of the balance sheet date, there was no indication that the debtors could not meet their payment obligations.

Credit insurance policies had been taken out for a portion of the trade accounts receivable as of the balance sheet date.

The receivables resulting from long-term construction contracts broke down as follows on the balance sheet date:

in thousand €	12/31/2013	12/31/2012
Costs incurred and profits stated (minus losses stated)	**3,050**	4,230
Advance payments received	**–800**	–
Receivables from construction contracts	**2,250**	**4,230**

(19) Receivables from financial services

Within the framework of the financial services business in which Jungheinrich Group companies act as lessors, the net investment values of customer leases classified as 'finance leases' in accordance with IFRS are capitalized as receivables from financial services from the beginning of the lease onwards. Only lease payments due in the future are stated as receivables from financial services. Therefore, amounts overdue and valuation allowances for amounts transferred to trade accounts receivable when the lease payments fall due are recognized in note 18.

Receivables from financial services are based on the following data:

in thousand €	12/31/2013	12/31/2012
Total receivable minimum lease payments	**693,007**	**669,316**
Due within less than one year	**215,516**	209,621
Due in one to five years	**459,112**	441,065
Due in more than five years	**18,379**	18,630
Present value of receivable minimum lease payments	**605,171**	**583,819**
Due within less than one year	**178,632**	173,919
Due in one to five years	**409,076**	392,172
Due in more than five years	**17,463**	17,728
Unrealized interest income	**87,836**	**85,497**

Receivables from financial services include minimum lease payments from sublease arrangements amounting to €164,232 thousand (prior year: €167,216 thousand).

By the balance sheet date, receivables from financial services with a carrying amount of €354,653 thousand (prior year: €339,153 thousand) had been put up as collateral for liabilities from financial services.

(20) Other receivables and other assets

in thousand €	12/31/2013	12/31/2012
Receivables from other taxes	**16,863**	16,366
Receivables from loans and advances granted to employees	**444**	809
Other receivables from companies accounted for using the equity method	**–**	41
Other receivables from affiliated companies	**–**	1
Other assets	**9,058**	17,022
	26,365	**34,239**

Other assets in 2012 contain the single-digit million euro preliminary purchase price which had already been paid for this acquisition of the remaining 75 per cent of Jungheinrich Systemlösungen GmbH, Graz (Austria) at the end of 2012.

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

(21) Securities

Securities on the company's books broke down as follows:

in thousand €	12/31/2013	12/31/2012
Debenture bonds	**137,076**	61,650
Bonds	**39,993**	34,984
Promissory notes	**30,249**	44,525
Covered bonds	**6,652**	10,000
Investment funds	**6,905**	–
Shares	**2,722**	–
Securities	**223,597**	**151,159**

€135,243 thousand (prior year: €151,159 thousand) of the securities are financial instruments classified as 'financial assets held to maturity.' Jungheinrich intends to, and can, hold these securities until they mature. The securities on Jungheinrich's books on December 31, 2013 will mature from 2014 to 2016. The impairment test carried out on the securities as of the balance sheet date did not result in any impairment expenses in 2013. All of the securities which were on Jungheinrich's books on December 31, 2012 and matured in 2013 were redeemed when they matured.

In the year under review, €100,000 in liquid assets were invested in a special fund. The securities held in the fund on December 31, 2013 had a carrying amount of €88,354 thousand (prior year: €– thousand) and were designated as 'available for sale.'

(22) Liquid assets

Liquid assets include bank balances, cash balances, and checks. They have an original maturity of 3 months or less. Liquid assets include €11,521 thousand (prior year: €– thousand) in bank balances of the special fund. As of the balance sheet date, the Jungheinrich Group's bank balances totalled €4,921 thousand (prior year: €7,249 thousand), which were pledged to banks.

(23) Prepaid expenses

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

(24) Shareholders' equity

Subscribed capital

The subscribed capital of Jungheinrich AG, Hamburg (Germany) was fully paid up as of the balance sheet date and amounted to €102,000 thousand (prior year: €102,000 thousand). As in the preceding year, it was divided among 18,000,000 ordinary shares and 16,000,000 preferred shares, each accounting for an imputed €3.00 share of the subscribed capital. All of the shares had been issued as of the balance sheet date.

Holders of non-voting preferred stock will receive a preferential share of the profit of €0.12 per preferred share from the distributable profit which is distributed. On payment of a €0.12 share of the profit per ordinary share, the distributable profit remaining for distribution will be distributed among ordinary and preferred shareholders in line with the prorated share of subscribed capital attributable to their shares, whereby unlike ordinary shareholders, preferred shareholders are entitled to an additional dividend of €0.06 per preferred share.

Capital reserve

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

Retained earnings

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

Dividend proposal

Jungheinrich AG pays its dividend from the distributable profit stated in the annual financial statements of Jungheinrich AG, which are prepared in accordance with the German Commercial Code. The Board of Management of Jungheinrich AG proposes to use the €56,444 thousand distributable profit for the 2013 financial year to make a dividend payment of €28,160 thousand, corresponding to a dividend of €0.80 per ordinary share and a dividend of €0.86 per preferred share, and to transfer €28,284 thousand to other retained earnings.

Managing capital

Jungheinrich is not subject to any minimum capital requirements pursuant to its articles of association. The capital management strategy was adjusted in line with the change in the presentation of interest income and interest expenses in the consolidated statement of income from the 2013 reporting year onwards. The Group manages the way in which its capital is used commercially via the return on interest-bearing capital employed (ROCE).

Due to the changes in accounting treatment, interest-bearing capital was redefined as it now also includes provisions for pensions and similar obligations as well as non-current provisions for personnel. Taking account of the new definition of interest-bearing capital, ROCE in the year under review was 18.7 per cent (prior year: 21.6 per cent).

in thousand €		12/31/2013	12/31/2012
Interest-bearing capital		**919,983**	817,843
EBIT		**172,369**	176,822
ROCE	in %	**18.7**	**21.6**

The capital and finance structure of the Group and its companies is managed primarily using the 'indebtedness ratio' as a key ratio. The 'indebtedness ratio' is defined as the ratio of net indebtedness to earnings before interest, taxes, depreciation and amortization (EBITDA) adjusted to exclude deprecation on trucks for lease from financial services.

Net indebtedness equals the Group's financial liabilities minus liquid assets and securities.

in thousand €	12/31/2013	12/31/2012
Financial liabilities	**270,580**	371,967
Liquid assets and securities	**–424,200**	–554,510
Net indebtedness	**–153,620**	**–182,543**

The good indebtedness ratio of the preceding years was maintained.

in thousand €		12/31/2013	12/31/2012
Net indebtedness		**–153,620**	–182,543
EBITDA (adjusted to exclude depreciation on trucks for lease from financial services)		**283,091**	292,918
Indebtedness ratio	in years	**< 0**	**< 0**

Jungheinrich determines the key ratios when preparing its quarterly financial statements. They are reported to the Board of Management once a quarter, in order to enable it to initiate measures if necessary.

(25) Provisions for pensions and similar obligations

Pension plans

Information on the first-time application of the revised version of IAS 19 can be found in note 2.

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

In Germany, major obligations have been assumed for defined benefit pension commitments regulated in individual and collective agreements for members of the Board of Management, managing directors, and employees of Jungheinrich AG and its German subsidiaries as well as Jungheinrich Moosburg GmbH. When pension benefits are committed within the framework of collective agreements, the amount of the pension claim depends on the number of eligible years of service when the pension payment is scheduled to start as well as on the monthly average salary of the beneficiary. German pension plans are funded by provisions. The company pension plans of Jungheinrich AG and of Jungheinrich Moosburg GmbH have been closed to employees since July 1, 1987, and April 14, 1994, respectively.

In the United Kingdom, major obligations have been assumed to fulfil defined benefit pension commitments regulated in shop agreements to employees of Jungheinrich UK Ltd. and former employees of the Boss Manufacturing Ltd. production pant which was closed in 2004. The pension plans of these companies were merged in 2003. The level of the committed benefits depends on the average compensation received by the beneficiaries during their years of service. The pension plan is funded by an externalized fund and has been closed to new employees since October 1, 2002 and January 18, 2003, respectively. Jungheinrich UK Ltd. and employee contributions are still being paid for beneficiaries of the pension plan.

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

The net liability resulting from defined benefit pension plans carried on the balance sheet is made up of the following components:

in thousand €	12/31/2013	12/31/2012 (adjusted)[1]
Present value of funded defined benefit obligations	**242,042**	235,542
Fair value of plan assets	**226,040**	218,343
Funding gap	**16,002**	17,199
Present value of unfunded defined benefit obligations	**185,232**	190,318
Net defined benefit liability	**201,234**	**207,517**
Germany	**182,714**	187,596
United Kingdom	**3,838**	3,157
Other countries	**14,682**	16,764

1 Information on prior-year adjustments can be found in note 2.

The net defined benefit liability is fully included in the 'provisions for pensions and similar obligations' item on the balance sheet.

The present value of defined benefit obligations developed as follows in the year under review and in the preceding year:

in thousand €	2013	2012 (adjusted)[1]
Present value of defined benefit obligations on 01/01	**425,860**	362,810
Changes in currency exchange rates	**–5,025**	4,193
Current service cost	**6,756**	5,755
Gains (–)/losses (+) on settlements	**–**	–580
Interest cost	**15,695**	17,185
Actuarial gains (–)/losses (+) on		
changes in demographic assumptions	**–5,398**	–623
changes in financial assumptions	**–1,299**	50,288
experience adjustments	**1,954**	–1,035
Employee contributions	**2,185**	2,258
Pension payments made using company assets	**–8,762**	–8,496
Pension payments made using plan assets	**–4,360**	–5,224
Payments made for settlements	**–**	–288
Other changes	**–332**	–383
Present value of defined benefit obligations on 12/31	**427,274**	**425,860**
Germany	**182,714**	187,596
United Kingdom	**177,236**	172,193
Other countries	**67,324**	66,071

1 Information on prior-year adjustments can be found in note 2.

The following major financial assumptions (weighted average) were used to determine the present value of defined benefit obligations:

	Germany		United Kingdom		Other countries	
in %	12/31/2013	12/31/2012	12/31/2013	12/31/2012	12/31/2013	12/31/2012
Discount rate	**3.7**	3.5	**4.6**	4.6	**3.1**	2.7
Expected rate of pension in-crease	**2.0**	2.0	**3.3**	2.9	**0.5**	0.5

In fiscal 2013 and 2012, demographic assumptions for Germany were based on Prof. Klaus Heubeck's 2005G reference tables. The life expectancies used to measure plans in the United Kingdom and other countries were based on local mortality tables.

Jungheinrich primarily derives the interest-rate risk, the pension increase risk and the longevity risk from the pension plans. The sensitivity analyses presented below were performed on the basis of reasonable potential changes in the assumptions as of the balance sheet date, with the other assumptions remaining unchanged.

A change in the material financial assumptions used as of the balance sheet date would have affected the present value of defined benefit obligations as follows:

in thousand €	12/31/2013
Discount rate 0.5 % higher	**–34,786**
Discount rate 0.5 % lower	**38,772**
Expected rate of pension increase 0.5 % higher	**25,064**

A one-year increase in life expectancy would cause the present value of the defined benefit obligations in Germany and the United Kingdom to rise by about 4.0 per cent and 2.5 per cent, respectively.

The actual change in defined benefit obligations cannot be derived from the aforementioned sensitivity analysis. One cannot expect the deviations to occur in isolation from one another as some of the assumptions are related to each other.

Otherwise, Jungheinrich is not exposed to any material risks arising from pension obligations.

The weighted average duration of defined benefit obligations on the balance sheet date was about 13 years in Germany (prior year: 12 years), about 22 years in the United Kingdom (prior year: 22 years) and about 20 years in other countries (prior year: 21 years).

Jungheinrich expects to make some €8.9 million (prior year: €8.5 million) in pension payments using company assets in the 2014 financial year.

The fair value of plan assets developed as follows in the year under review and in the preceding year:

in thousand €	**2013**	**2012 (adjusted)** [1]
Fair value of plan assets on 01/01	**218,343**	201,335
Changes in currency exchange rates	**–4,524**	4,269
Interest income	**8,802**	9,790
Actuarial gains (+) and losses (–)	**401**	391
Employer contributions	**6,230**	6,950
Employee contributions	**2,185**	2,258
Pension payments made	**–4,360**	–5,224
Payments made for settlements	**–**	–288
Other changes	**–1,037**	–1,138
Fair value of plan assets on 12/31	**226,040**	**218,343**
United Kingdom	**173,398**	169,036
Other countries	**52,642**	49,307

1 Information on prior-year adjustments can be found in note 2.

In the year being reviewed, the actual return on plan assets amounted to €8,498 thousand (prior year: €9,426 thousand). As in the previous year, there were no effects from the limitation to the asset ceiling.

Plan assets largely comprise the externalized fund set up to cover pension obligations in the UK. The plan assets and income from the pension fund are available to be used only for benefits and to cover the cost of administering the pension plans. Jungheinrich works with outside asset managers to invest in the plan assets.

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

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

The fair value of the assets of the pension plan in the United Kingdom was made up of the following components:

in thousand €	12/31/2013	12/31/2012
Cash and cash equivalents	**293**	**257**
Equity instruments	**35,769**	**34,322**
Stock index funds in the United Kingdom	**21,357**	20,292
Stock index funds in Europe (excluding the UK)	**14,412**	14,030
Debt instruments	**137,336**	**134,457**
UK government bonds	**119,476**	116,201
Corporate bonds	**17,860**	18,256
Fair value on 12/31	**173,398**	**169,036**

The fair values of the aforementioned equity and debt instruments were determined on the basis of prices quoted on active markets.

The fair value of plan assets in the Netherlands, Norway and Switzerland totalled €52,642 thousand (prior year: €49,307 thousand) and cannot be broken down into asset classes as these plan assets are qualifying insurance policies.

As in the preceding year, externalized pension funds did not include any own financial instruments or real estate used by Group companies as of the balance sheet date.

Jungheinrich expects to make cash-effective employer contributions totalling approximately €7.0 million for the 2014 financial year (prior year: €7.3 million) in order to comply with minimum statutory requirements.

The following costs incurred in connection with defined benefit pension plans were recognized in the statement of comprehensive income:

in thousand €	2013	2012 (adjusted)[1]
Service cost	**–6,756**	–5,755
Gains (+)/losses (–) on settlements	**–**	580
Net interest	**–6,893**	–7,395
Plan administration costs	**–705**	–755
Income (loss) before taxes	**–14,354**	**–13,325**
Remeasurement of defined benefit obligations	**4,743**	–48,630
Remeasurement of plan assets	**401**	391
Other comprehensive income (loss) before taxes	**5,144**	**–48,239**
Comprehensive income (loss) before taxes from defined benefit pension plans	**–9,210**	**–61,564**

1 Information on prior-year adjustments can be found in note 2.

The ‘service cost’ and ‘gains/losses on settlements’ components were included in the personnel costs of the functional areas. Net interest and the plan administration costs were recognized in financial income (loss).

(26) Other provisions

The development of other provisions in the year under review is shown in the following table:

in thousand €	As of 01/01/2013	Exchange rate differences	Changes in the scope of consoli-dation	Additions	Utilizations	Releases	**As of 12/31/2013**
Provisions for personnel[1]	128,755	–984	374	80,061	72,467	8,720	**127,019**
Provisions for warranty obligations	27,208	–319	–	24,733	23,033	6,520	**22,069**
Provisions for onerous contracts	34,855	–328	–	7,933	2,070	4,401	**35,989**
Others	18,474	–316	9	10,938	7,235	2,758	**19,112**
Other provisions	**209,292**	**–1,947**	**383**	**123,665**	**104,805**	**22,399**	**204,189**

1 Provisions for partial retirement obligations on January 1, 2013 were adjusted to reflect the effects of the application of the amended version of IAS 19.

Provisions for personnel primarily relate to provisions for obligations arising from partial retirement agreements, anniversary obligations, performance-based compensation and vacation entitlements.

As of the balance sheet date, obligations arising from partial retirement agreements amounted to €13,867 thousand (prior year: €15,113 thousand), which were netted against €6,262 thousand in securities (prior year: €9,725 thousand). These securities are exclusively held to secure benefits due to employees within the scope of partial retirement agreements in the long term and are qualified as plan assets under IAS 19. These securities are money market fund shares which, however, are not freely available at present due to the role they play as back-up for these agreements. All partial retirement agreements are fully covered at present. Furthermore, €6,694 thousand in provisions were accrued to cover the claims of candidates potentially qualifying for partial retirement arrangements commensurate to their probability of occurrence (prior year: €9,227 thousand).

Additions to provisions for personnel include a total of €1,066 thousand in interest accretions (prior year: €1,406 thousand). €40,881 thousand (prior year: €38,623 thousand) of the provisions for personnel have a remaining maturity of more than one year.

The Group recognizes provisions for product warranties based on past experience when products are sold or when new warranty measures are initiated. These provisions relate to the assessment of the extent to which warranty obligations must be met in the future and to the cost involved. Provisions for warranty obligations contain the expected expense of statutory and contractual warranty claims as well as the expected expense of voluntary concessions and recall actions. Additions to warranty obligations cover the product-related warranty expenses for fiscal 2013 for material handling equipment sold in the year under review.

Provisions for onerous contracts primarily relate to the provision for risks from residual value warranties issued within the scope of the financial services business above all to leasing companies. Impending losses from cancellations of contracts and other contractual risks are also recognized. €17,214 thousand (prior year: €15,138 thousand) of the provisions for onerous contracts have a remaining maturity of more than one year.

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

(27) Financial liabilities

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

in thousand €	Liabilities due to banks	Promissory notes	Liabilities from financing trucks for short-term hire	Leasing liabilities from tangible assets	Notes payable	**Financial liabilities**
12/31/2013						
Total future cash flows	**163,883**	**49,022**	**63,811**	**18,559**	**1,560**	**296,835**
Due within less than one year	98,115	49,022	20,835	1,513	1,560	**171,045**
Due in one to five years	39,346	–	35,802	6,219	–	**81,367**
Due in more than five years	26,422	–	7,174	10,827	–	**44,423**
Present value of future cash flows	**148,637**	**46,500**	**60,468**	**13,415**	**1,560**	**270,580**
Due within less than one year	94,940	46,500	19,608	815	1,560	**163,423**
Due in one to five years	32,181	–	33,869	3,883	–	**69,933**
Due in more than five years	21,516	–	6,991	8,717	–	**37,224**
Future interest expenses	**15,246**	**2,522**	**3,343**	**5,144**	**–**	**26,255**
12/31/2012						
Total future cash flows	**169,244**	**110,897**	**100,062**	**21,373**	**1,612**	**403,188**
Due within less than one year	122,597	5,449	33,975	2,883	1,612	**166,516**
Due in one to five years	31,064	105,448	54,163	6,542	–	**197,217**
Due in more than five years	15,583	–	11,924	11,948	–	**39,455**
Present value of future cash flows	**160,249**	**100,000**	**94,763**	**15,343**	**1,612**	**371,967**
Due within less than one year	120,205	–	32,048	2,071	1,612	**155,936**
Due in one to five years	25,905	100,000	51,123	3,905	–	**180,933**
Due in more than five years	14,139	–	11,592	9,367	–	**35,098**
Future interest expenses	**8,995**	**10,897**	**5,299**	**6,030**	**–**	**31,221**

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

The following table provides details on liabilities due to banks:

Currency	Interest condi-tions	Remaining term of the interest conditions as of 12/31/2013	Nominal volume as of 12/31/2013 in thousand €	Bandwidth of effective interest rates 2013	Carrying amounts as of 12/31/2013 in thousand €	Nominal volume as of 12/31/2012 in thousand €	Bandwidth of effective interest rates 2012	Carrying amounts as of 12/31/2012 in thousand €
EUR	variable	< 1 year	23,410	EURIBOR + margin	**23,410**	34,656	EURIBOR + margin	34,656
GBP	variable	< 1 year	4,634	LIBOR + margin	**4,634**	7,240	LIBOR + margin	7,240
CNY	variable	< 1 year	19,109	LIBOR + margin	**19,109**	24,102	LIBOR + margin	24,102
SGD	variable	< 1 year	11,720	LIBOR + margin	**11,720**	14,034	LIBOR + margin	14,034
PLN	variable	< 1 year	16,455	LIBOR + margin	**16,455**	16,922	LIBOR + margin	16,922
Other	variable	< 1 year	9,027	LIBOR + margin	**9,027**	16,109	LIBOR + margin	16,109
EUR	fixed	6–15 years	57,613	3.1 %–5.3 %	**50,930**	46,624	3.1 %–5.3 %	36,494
BRL	fixed	< 1–3 years	4,859	14.74 %–16.75 %	**3,502**	4,052	15.9 %–19.3 %	3,780
CNY	fixed	3–4 years	6,108	6.4 %	**5,860**	3,006	6.15 %–6.4 %	3,006
Other	fixed	< 1–9 years	9,218	5.2 %–14.8 %	**3,990**	7,746	5.2 %–14.8 %	3,906
Total liabilities due to banks			**162,153**		**148,637**	**174,491**		**160,249**

The promissory note has a nominal volume of €46,500 thousand (prior year: €100,000 thousand) and matures in 2014. In 2013, the €53,500 thousand variable interest-bearing tranche of the promissory note was redeemed prematurely. The interest-rate hedge for the variable interest was also redeemed early in the year under review. Expenses incurred for the early redemption of the interest-rate swap totalled €2,041 thousand and were recognized in other financial income (loss). The nominal interest rate of the fixed interest-bearing promissory note tranche amounting to €46,500 thousand was fixed when the note was taken out in 2009 based on the interest level prevailing on the capital market at the time plus a margin. The nominal volume of this loan corresponds to its carrying amount.

Liabilities from the financing of trucks for short-term hire amount to €53,820 thousand (prior year: €88,705 thousand) and result from the sale of receivables from intragroup hire-purchase agreements.

Furthermore, €6,648 thousand (prior year: €6,058 thousand) in liabilities relate to the refinancing of trucks for short-term hire based on sale and leaseback agreements. €7,209 thousand (prior year: €6,679 thousand) in future minimum lease payments for these leases classified as 'finance lease' agreements under IFRS are included in cash flows for liabilities from the financing of trucks for short-term hire. Thus, Jungheinrich must capitalize these assets in its capacity as lessee. Leasing liabilities are repaid over the non-cancellable lease periods.

The aforementioned accounting method also applies to leasing liabilities from 'tangible assets,' which are almost all based on real estate lease agreements. Some of the real estate lease agreements include purchase options at agreed residual values.

(28) Liabilities from financial services

€20,309 thousand (prior year: €23,079 thousand) of the liabilities from financial services consisted of residual value guarantees relating to lease contracts with a leasing company acting as intermediary and with residual values exceeding 10 per cent of the truck value.

This item also contains €850,971 thousand (prior year: €816,972 thousand) in liabilities from financing. They result from the financing of long-term customer contracts with identical maturities. Depending on whether commercial ownership is attributed to Jungheinrich Group companies, these contracts are capitalized under receivables from financial services ('finance leases') or under trucks for lease from financial services ('operating leases'). Liabilities from financing include €119,395 thousand (prior year: €82,228 thousand) in liabilities from the issuance of promissory notes via the consolidated securitization vehicle in Luxembourg.

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

in thousand €	12/31/2013	12/31/2012
Total future cash flows	**912,982**	**882,895**
Due within less than one year	276,829	269,223
Due in one to five years	617,578	594,255
Due in more than five years	18,575	19,417
Present value of future cash flows	**850,971**	**816,972**
Due within less than one year	249,746	240,701
Due in one to five years	583,112	557,291
Due in more than five years	18,113	18,980
Future interest expenses	**62,011**	**65,923**

Liabilities from financing include future minimum lease payments from financing under sale and leaseback agreements in the amount of €202,214 thousand (prior year: €207,903 thousand).

(29) Trade accounts payable

Trade accounts payable include €62 thousand (prior year: €31 thousand) in payables to affiliated companies and €2,297 thousand (prior year: €2,384 thousand) in payables to companies accounted for using the equity method.

All trade accounts payable are due within one year.

(30) Other liabilities

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

in thousand €	12/31/2013	12/31/2012
Liabilities from other taxes	**43,522**	37,124
Advance payments received on orders	**26,513**	26,092
Social security liabilities	**10,838**	12,647
Employee liabilities	**1,906**	1,663
Liabilities to companies accounted for using the equity method	**335**	335
Liabilities from construction contracts	**1,083**	331
Other liabilities	**6,894**	7,539
	91,091	**85,731**

Liabilities resulting from the accounting treatment of construction contracts break down as follows:

in thousand €	12/31/2013	12/31/2012
Costs incurred and profits stated (minus losses stated)	**17,943**	–
Advance payments received	**–19,026**	–331
Liabilities from construction contracts	**–1,083**	**– 331**

(31) Deferred income

in thousand €	Deferred sales from financial services	Deferred profit from financial services	Other deferrals	Deferred income
12/31/2013	**37,095**	**44,497**	**20,518**	**102,110**
Thereof maturities of up to one year	14,064	14,133	6,297	**34,494**
Thereof maturities of more than one year	23,031	30,364	14,221	**67,616**
12/31/2012	**42,020**	**45,146**	**21,136**	**108,302**
Thereof maturities of up to one year	16,084	13,601	6,427	**36,112**
Thereof maturities of more than one year	25,936	31,545	14,709	**72,190**

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

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

Other deferrals in the reporting year include €4,711 thousand (prior year: €5,479 thousand) in government grants.

(32) Additional disclosure on financial instruments

The carrying amounts and fair values of financial instruments by valuation category for the year under review and the preceding year are shown in the following table:

in thousand €	Valuation category in acc. with IAS 39	12/31/2013 Carrying amount	12/31/2013 Fair value	12/31/2012 Carrying amount	12/31/2012 Fair value
Assets					
Liquid assets	LaR	200,603	200,603	403,351	403,351
Trade accounts receivable	LaR	417,166	417,166	405,612	405,612
Receivables from financial services	n.a.	605,171	617,342	583,819	601,075
Securities	HtM	135,243	135,227	151,159	151,090
Securities	AfS	88,354	88,354	–	–
Investments in affiliated companies	AfS	75	75	75	75
Investments in companies accounted for using the equity method	AfS	12,143	12,143	13,709	13,709
Other loans	LaR	28	28	31	31
Derivative financial assets					
Derivatives without a hedging relationship	FAHfT	778	778	185	185
Derivatives with a hedging relationship	n.a.	328	328	388	388
Other financial assets	LaR	444	444	850	850
Liabilities					
Trade accounts payable	FLAC	159,924	159,924	158,103	158,103
Liabilities due to banks	FLAC	148,637	152,736	160,249	162,907
Promissory note	FLAC	46,500	48,038	100,000	102,901
Liabilities from financing trucks for short-term hire	FLAC	53,820	53,820	88,705	88,705
Liabilities from financing trucks for short-term hire	n.a.	6,648	6,648	6,058	6,058
Leasing liabilities from tangible assets	n.a.	13,415	15,043	15,343	17,491
Notes payable	FLAC	1,560	1,560	1,612	1,612
Liabilities from financial services	FLAC	684,050	692,671	648,834	666,868
Liabilities from financial services	n.a.	187,230	191,167	191,217	197,016
Derivative financial liabilities					
Derivatives without a hedging relationship	FLHfT	554	554	1,187	1,187
Derivatives with a hedging relationship	n.a.	1,114	1,114	4,122	4,122
Other financial liabilities	FLAC	1,101	1,101	821	821
Of which aggregated by valuation category in acc. with IAS 39:					
Loans and Receivables (LaR)		618,241	618,241	809,844	809,844
Financial Investments Held to Maturity (HtM)		135,243	135,227	151,159	151,090
Financial Assets Available for Sale (AfS)[1]		100,572	100,572	13,784	13,784
Financial Assets Held for Trading (FAHfT)		778	778	185	185
Financial Liabilities Measured at Amortized Costs (FLAC)		1,095,592	1,114,262	1,158,324	1,181,917
Financial Liabilities Held for Trading (FLHfT)		554	554	1,187	1,187

1 Includes €75 thousand in equity interests measured at acquisition costs and €12,143 thousand in equity interests accounted for using the equity method (prior year: €13,709 thousand), for which fair values cannot be determined reliably.

The carrying amounts of the financial instruments measured at fair value in the consolidated financial statements as of December 31, 2013 have been categorized by their fair value hierarchy level pursuant to IFRS 13 based on the information and input factors used to determine them:

in thousand €	Level 1	Level 2	Total
Assets			
Securities (AfS)	88,354	–	**88,354**
Derivatives without a hedging relationship (FAHfT)	226	552	**778**
Derivatives with a hedging relationship (n.a.)	–	328	**328**
Liabilities			
Derivatives without a hedging relationship (FLHfT)	59	495	**554**
Derivatives with a hedging relationship (n.a.)	–	1,114	**1,114**

As of December 31, 2012 the carrying amounts of the financial instruments measured at fair value were determined solely based on level 2 information and input factors.

No transfers were made between levels 1 and 2 during the period under review.

The fair values of level 1 financial instruments are determined based on exchange quotations as of the balance sheet date.

In accordance with generally accepted valuation models, the fair value of level 2 financial instruments is determined based on discounted cash flow analyses using observable current market prices of similar instruments. Fair values of currency forwards are determined based on the mean spot rates valid as of the balance sheet date, taking account of forward surcharges and discounts on the transactions' remaining terms. Fair values of interest-rate derivatives are determined based on the market interest rates and interest-rate curves valid on the balance sheet date, taking account of their maturities. Jungheinrich considers counterparty risks when determining fair values.

Further information on measurement levels is provided in the chapter on accounting principles.

The fair values of the financial instruments measured at amortized acquisition costs or in accordance with IAS 17 were determined on the basis of market-related information available on the balance sheet date and using the methods and assumptions described below. Fair values are determined using generally accepted valuation methods based on discounted cash flow analyses and using current market prices observed for similar instruments.

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

The fair values of interest-bearing securities with maturities designated as 'financial investments held to maturity' correspond to the fair values available as of the balance sheet date.

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

Investments in affiliated companies are measured at acquisition costs in the consolidated financial statements. They do not have a listed market price and their fair value cannot be determined reliably.

Investments in companies accounted for at equity are measured using the equity method. They do not have a listed market price and their fair value cannot be determined reliably.

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

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

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

The following table shows the levels of the IFRS 13 fair value hierarchy assigned to financial instruments that are not measured at fair value in the consolidated financial statements and the carrying amounts of which are not assumed to be close to their fair values:

in thousand €	Level 1	Level 2	Total
Assets			
Receivables from financial services		617,342	**617,342**
Securities (HtM)	135,227		**135,227**
Liabilities			
Liabilities due to banks		152,736	**152,736**
Promissory notes		48,038	**48,038**
Leasing liabilities from tangible assets		15,043	**15,043**
Liabilities from financial services		883,838	**883,838**

Net results by valuation category:

The net results of financial instruments recognized in the statement of income are presented by valuation category in the following table:

in thousand €	from interest and dividends	from subsequent measurement		Net result 2013	Net result 2012
		at fair value	Valuation allowances		
Loans and Receivables (LaR)	1,451		–3,013	**–1,562**	984
Financial Invesments Held to Maturity (HtM)	857			**857**	1,710
Financial Assets Available for Sale (AfS)	–17	–5		**–22**	–
Financial Instruments Held for Trading (FAHfT/FLHfT)		–1,469		**–1,469**	–4,241
Financial Liabilities Measured at Amortized Costs (FLAC)	–36,308			**–36,308**	–40,468

Interest and dividends from financial instruments are stated as part of interest income in financial income (loss).

Net results from the subsequent measurement of securities classified as 'financial assets available for sale' (AfS) recognized at fair value are reclassified from shareholders' equity to the statement of income on the date of their sale. These net results are recognized as part of interest income in financial income (loss).

Net results from the subsequent measurement of derivative financial instruments (FAHfT/FLHfT) recognized at fair value are included in the cost of sales and in other financial income (loss).

Valuation allowances recognized for loans and receivables (LaR) are stated as part of the cost of sales.

Additional information

(33) Consolidated statement of cash flows

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

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

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

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

Cash and cash equivalents at the end of the year correspond to the amount disclosed for liquid assets on the balance sheet, minus the liquid assets not freely available to Jungheinrich. As of the balance sheet date, €4,921 thousand (prior year: €7,249 thousand) in bank credit balances were pledged to banks. As before, cash and cash equivalents in the period under review nearly exclusively consisted of bank credit balances.

(34) Contingent liabilities

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

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

There were no reportable contingencies as of the balance sheet date.

(35) Other financial obligations

Capital commitments for capital expenditures exclusively on tangible assets totalled €6 million as of the balance sheet date (prior year: €26 million).

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

in thousand €	12/31/2013	12/31/2012
Due within less than one year	37,777	37,375
Due in one to five years	59,212	51,664
Due in more than five years	29,348	13,806
	126,337	102,845

Recognized expenses associated with 'operating leases' in 2013 totalled €44,338 thousand (prior year: €45,404 thousand).

(36) Risk management and financial instruments

Risk management principles

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

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

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

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

Risks specific to the financial services business are determined by residual value risks, refinancing risks and counterparty default risks.

A pan-European contract database running on an SAP platform enabling the uniform recording, analysis and measurement of risks associated with financial service agreements throughout the Group is a key element of risk management in the financial services business.

Financial service contracts are refinanced in accordance with the principle of matching maturities and interest rates for customer and refinancing contracts.

Reference is made to the commentary on credit risks as regards general creditworthiness and contingent loss risks in connection with customers.

Groupwide sales guidelines are applied to establish groupwide parameters concerning maximal allowable residual values for calculating residual value guarantees. Financial service contracts on hand are subjected to a risk assessment once a quarter. This mainly involves measuring all individual agreements at residual value based on current market prices. If a residual value exceeds the current market price, an appropriate provision is accrued to cover the associated risk.

Break clauses agreed on in customer contracts are limited by central parameters and linked to risk-minimizing performance targets. The earnings risk potentially resulting from break clauses is also covered by accruing suitable provisions.

Market price risks

Market price risks are risks arising from changes in an item's realizable income or value, whereby the item is defined as an item on the assets or liabilities side of the balance sheet. These risks result from changes in interest rates, foreign exchange rates, share prices and other items and factors affecting the formation of prices. These parameters are used to determine the interest rate risk, the currency risk and the share price risk exposure of the Jungheinrich Group.

Interest rate risks

Interest rate risks result from the Group's financing and cash investment activity. Fixed and variable-interest items are regarded separately in order to determine this risk. Interest-bearing instruments on the assets and liabilities sides are aggregated to net positions, and hedges are concluded to cover these net positions, if necessary. Interest-rate swaps were used to hedge interest rates in the period being reviewed.

The Jungheinrich Group's interest-rate risks include cash flow risks arising from variable-interest financial instruments for which no interest-rate hedges have been concluded. These financial risks were analyzed as follows based on the assumption that the amount of liabilities outstanding at the end of the reporting period was outstanding for the full year.

If going interest rates had been 100 basis points higher (lower) on December 31, 2013, income would have been €844 thousand (prior year: €1,131 thousand) lower (higher).

Currency risks

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

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

To manage risk, a loss limit for the entire Group is determined based on the company's planning. Furthermore, corresponding lower limits are determined at the individual Group company level. These limits are compared to the current Value at Risk for all open positions as part of monthly reporting.

By applying the Value at Risk method, as of December 31, 2013, the maximum risk did not exceed €568 thousand (prior year: €593 thousand) based on a holding period of one day and a confidence interval of 95 per cent. In the period under review, the Value at Risk was between a minimum of €440 thousand (prior year: €541 thousand) and a maximum of €721 thousand (prior year: €807 thousand). The average for the year was €603 thousand (prior year: €638 thousand).

Share price risks

In the year being reviewed, Jungheinrich invested €100,000 thousand in liquid assets in a special fund. Shares, stock index funds and share derivatives held in this fund expose the Jungheinrich Group to share price risks. On December 31, 2013, the fund contained a total share exposure of €11,051 thousand (prior year: €– thousand). If the share price had been 10 per cent higher (lower) on December 31, 2013, shareholders' equity would have been €1,105 thousand (prior year: €– thousand) higher (lower).

The special fund is managed to maintain value in order to limit share price risks.

Credit risks

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

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

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

Liquidity risks

A liquidity reserve consisting of lines of credit and of cash is kept in order to ensure that the Jungheinrich Group can meet its payment obligations and maintain its financial flexibility at all times. Medium-term credit lines have been granted by the Group's principal banks and are supplemented by an existing promissory note and short-term credit lines of individual Group companies awarded by local banks.

Counterparty risks

The Group is exposed to counterparty risks that arise from the non-fulfilment of contractual agreements by counterparties. To mitigate these risks, such contracts are only concluded with selected financial institutions, which meet the internal demands placed on the creditworthiness of business partners. The creditworthiness of contractual partners is constantly monitored on the basis of their credit rating, which is determined by reputable rating agencies, as well as of additional risk indicators. No major risks ensued for Jungheinrich from its dependence on individual counterparties as of the balance sheet date. The fair values of derivative financial instruments are adjusted by the risk values calculated using analytical tools (credit value adjustment/debit value adjustment).

The general liquidity risk from the financial instruments used, which arises if a counterparty fails to meet its payment obligations or only meets them to a limited extent, is considered to be negligible.

Hedging relationships

The Jungheinrich Group concludes cash flow hedges to secure future cash flows resulting from sales and purchases of materials that are partially realized and partially forecasted, but highly probable, among other things. Comprehensive documentation ensures the clear assignment of hedges and underlying transactions. No more than 75 per cent of the hedged amounts are designated as underlying transactions, which, in turn, can be fully hedged.

To hedge against interest rate risks, cash flows from variable-interest non-current liabilities due to banks and promissory notes are hedged via corresponding interest-rate swaps with identical maturities and in line with the payment schedule.

Furthermore, the variable-interest liabilities existing for the purpose of financing the financial services business via the Group's financing company Elbe River Capital S.A., Luxembourg, are hedged against interest-rate risks via interest-rate swaps.

The hedging relationships can prospectively be classified as highly effective. An assessment of the retrospective effectiveness of hedging relationships is conducted at the end of every quarter.

Nominal values of derivative financial instruments

The nominal volume of derivative financial instruments had the following maturities as of the balance sheet date:

in thousand €	Nominal volume of hedging instruments for cash flow hedges: Currency hedges	Nominal volume of hedging instruments for cash flow hedges: Interest-rate swaps	Nominal volume of other derivatives: Currency hedges	Nominal volume of other derivatives: Other
12/31/2013				
Total nominal volume	**48,792**	**127,421**	**95,448**	**10,531**
Maturities of up to one year	45,130	31,341	95,448	10,531
Maturities of between one and five years	3,662	96,080	–	–
Maturities of more than five years	–	–	–	–
12/31/2012				
Total nominal volume	**47,503**	**138,416**	**91,074**	**–**
Maturities of up to one year	43,557	19,444	91,074	–
Maturities of between one and five years	3,946	118,972	–	–
Maturities of more than five years	–	–	–	–

The nominal values of the currency hedging contracts primarily contain forward exchange transactions that are used to hedge against rolling twelve-month exposure in individual currencies.

The nominal values of the interest hedges include interest-rate hedges concluded to hedge long-term interest rates for variable-interest financing.

The nominal volumes of other derivative financial instruments as of December 31, 2013 exclusively include futures held in the special fund.

The transactions underlying the cash flow hedges are expected to be realized in line with the maturities of the hedges shown in the table.

Hedging measures were not associated with any material ineffectiveness until the balance sheet date.

Fair values of derivative financial instruments

The fair value of a derivative financial instrument is the price at which the instrument could have been sold on the market as of the balance sheet date. Fair values were calculated on the basis of market-related information available as of the balance sheet date and on the basis of valuation methods stated in note 32 that are based on specific prices. In view of the varying influencing factors, the values stated here may differ from the values realized on the market later on.

The following table shows the fair values of derivative financial instruments:

in thousand €	12/31/2013	12/31/2012
Derivative financial assets	**1,106**	**573**
Derivatives with a hedging relationship	**328**	**388**
Foreign exchange forwards/currency swaps	120	345
Interest rate swaps	208	43
Derivatives without a hedging relationship	**778**	**185**
Foreign exchange forwards/currency swaps	552	185
Futures	226	–
Derivative financial liabilities	**1,668**	**5,309**
Derivatives with a hedging relationship	**1,114**	**4,122**
Foreign exchange forwards/currency swaps	337	174
Interest rate swaps	777	3,948
Derivatives without a hedging relationship	**554**	**1,187**
Foreign exchange forwards/currency swaps	495	1,187
Futures	59	–

(37) Segment information

The Jungheinrich Group operates at the international level—with the main focus on Europe—as a manufacturer and supplier of products in the fields of material handling equipment and warehousing technology as well as of all services connected with these activities.

The Board of Management of Jungheinrich AG acts and makes decisions with overall responsibility for all the business areas of the Group. Jungheinrich's business model is designed to serve customers from a single source over a product's entire life cycle. In pursuing this goal, Jungheinrich defines itself as a single-product material handling equipment and warehousing technology company.

Segment reporting is in line with the internal organizational and reporting structure, thus encompassing the two reportable segments, i.e. 'Intralogistics' and 'Financial Services.'

The 'Intralogistics' segment encompasses the development, production, sale and short-term hire of new material handling equipment and warehousing technology products including logistics systems as well as the sale and short-term hire of used equipment and after-sales services, consisting of maintenance, repair and spare parts.

Activities undertaken by the 'Financial Services' segment encompass the pan-European sales financing and usage transfer of material handling equipment and warehousing technology products. In line with Jungheinrich's business model, this independent business area supports the operating sales units of the 'Intralogistics' segment. In this context, the 'Financial Services' segment finances itself autonomously.

Segment information is generally subject to the disclosure and measurement methods applied in the consolidated financial statements. Business segments were not aggregated.

The segment income (loss) is presented as earnings before interest and taxes (EBIT). The reconciliation to consolidated earnings before taxes is an integral part of the presentation. Earnings generated by the 'Intralogistics' segment include all of the prorated earnings for the year of companies accounted for using the equity method, amounting to €2,398 thousand (prior year: €2,777 thousand). Income taxes are not included in the presentation since they are not reported or managed by segment at

Jungheinrich. Therefore, income taxes are only stated as a summarized item at the Group level. Accordingly, net income is only stated for the Jungheinrich Group.

Capital expenditures, depreciation and amortization concern tangible and intangible assets, excluding capitalized development expenses. Segment assets and segment liabilities encompass all assets and liabilities allocable to the segment in question and correspond to the balance sheet total. All balance sheet items relating to current and deferred income taxes are thus also included.

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

The following table displays the segment information valid as of December 31, 2013:

in thousand €	Intralogistics	Financial Services	Segment total	Reconciliation	**Jungheinrich Group**
External net sales	1,816,756	473,027	2,289,783	–	**2,289,783**
Intersegment net sales	497,768	73,668	571,436	–571,436	**–**
Total net sales	2,314,524	546,695	2,861,219	–571,436	**2,289,783**
Segment income (loss) (EBIT)	**169,895**	**9,220**	**179,115**	**–6,746**	**172,369**
Interest income	2,629	103	2,732	–546	**2,186**
Interest expenses	12,735	926	13,661	–546	**13,115**
Other financial income (loss)	–11,082	–10	–11,092	–	**–11,092**
Earnings before taxes (EBT)	148,707	8,387	157,094	–6,746	**150,348**
Income taxes					**43,419**
Net income					**106,929**
Non-current assets					
Capital expenditures	90,613	8	90,621	–	**90,621**
Depreciation and amortization/write-ups	40,267	11	40,278	–	**40,278**
Segment assets	1,897,232	1,109,381	3,006,613	–255,448	**2,751,165**
Shareholders' equity	894,160	40,388	934,548	–103,060	**831,488**
Liabilities	1,003,072	1,068,993	2,072,065	–152,388	**1,919,677**
Segment liabilities	1,897,232	1,109,381	3,006,613	–255,448	**2,751,165**

The following table displays the segment information valid as of December 31, 2012 (adjusted)[1]:

in thousand €	Intralogistics	Financial Services	Segment total	Reconciliation	**Jungheinrich Group**
External net sales	1,792,117	478,373	2,270,490	–	**2,270,490**
Intersegment net sales	496,142	60,402	556,544	−556,544	**–**
Total net sales	2,288,259	538,775	2,827,034	−556,544	**2,270,490**
Segment income (loss) (EBIT)	**174,644**	**10,262**	**184,906**	**−8,084**	**176,822**
Interest income	5,022	42	5,064	−648	**4,416**
Interest expenses	14,988	609	15,597	−648	**14,949**
Other financial income (loss)	−10,138	−6	−10,144	–	**−10,144**
Earnings before taxes (EBT)	154,540	9,689	164,229	−8,084	**156,145**
Income taxes					**44,050**
Net income					**112,095**
Non-current assets					
Capital expenditures	78,132	30	78,162	–	**78,162**
Depreciation and amortization	39,966	11	39,977	–	**39,977**
Segment assets	1,930,141	1,058,363	2,988,504	−229,419	**2,759,085**
Shareholders' equity	819,237	34,718	853,955	−99,709	**754,246**
Liabilities	1,110,904	1,023,645	2,134,549	−129,710	**2,004,839**
Segment liabilities	1,930,141	1,058,363	2,988,504	−229,419	**2,759,085**

1 Information on prior-year adjustments can be found in note 2.

Besides the scheduled depreciation of tangible assets as well as trucks for short-term hire, the main non-cash items stated as part of 'Intralogistics' segment income are changes in provisions for pensions and provisions for personnel with an effect on net income.

The following tables report net sales by region and show non-current assets regarding intangible and tangible assets, broken down by region.

Net sales by region

in thousand €	**2013**	**2012**
Germany	**613,473**	607,412
France	**269,366**	259,262
Italy	**226,252**	235,142
United Kingdom	**162,615**	160,199
Rest of Europe	**833,709**	826,906
Other countries	**184,368**	181,569
	2,289,783	2,270,490

Non-current assets by region

in thousand €	12/31/2013	12/31/2012
Germany	**302,059**	254,968
Rest of Europe	**93,901**	85,392
Other countries	**22,121**	13,361
Consolidation	**213**	111
	418,294	**353,832**

There were no relations with individual external customers accounting for a material share of sales with respect to consolidated sales in the 2013 or 2012 fiscal years.

(38) Earnings per share

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

		2013	2012
Consolidated earnings	in thousand €	**106,929**	112,095
Shares outstanding			
Ordinary shares	in thousands	**18,000**	18,000
Preferred shares	in thousands	**16,000**	16,000
Earnings per share (diluted/undiluted)			
Earnings per ordinary share	in €	**3.12**	**3.27**
Earnings per preferred share	in €	**3.18**	**3.33**

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

In fiscal 2013 and 2012, no shareholders' equity instruments existed that dilute the earnings per share on the basis of the respective shares issued.

(39) Events after the close of fiscal 2013

There were no transactions or events of material importance after the close of fiscal 2013.

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

Fees charged by the auditors of the consolidated financial statements, Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, for the year being reviewed and the preceding year break down as follows:

in thousand €	2013	2012
Audit of the consolidated financial statements	**454**	466
Other assurance services	**30**	66
Tax services	**44**	41
Other services	**29**	90
	557	**663**

(41) Related party disclosures

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

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

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

Products and services received:

in thousand €	Share in %	2013	2012
JULI Motorenwerk s.r.o., Czech Republic	50	**37,497**	37,309
Supralift GmbH & Co. KG, Germany	50	**220**	220
JULI Motor (Putian) Co. Ltd., China	50[1]	**425**	–

1 Indirect.

On December 31, 2013, trade accounts payable to JULI Motorenwerk s.r.o. (Czech Republic) amounted to €2,297 thousand (prior year: €1,747 thousand).

On December 31, 2013, other liabilities from financing vis-à-vis Supralift GmbH & Co. KG (Germany) amounted to €335 thousand (prior year: €335 thousand).

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

(42) Total remuneration of the Supervisory Board and the Board of Management

Total remuneration of members of the Supervisory Board for fiscal 2013 amounted to €907 thousand (prior year: €1,172 thousand).

Total remuneration of members of the Board of Management for fiscal 2013 amounted to €4,523 thousand (prior year: €3,756 thousand). Furthermore, in fiscal 2013, €465 thousand (prior year: €357 thousand) were added to provisions for pensions for members of the Board of Management. Remuneration of the Board of Management itemized by member, basic and performance-related components in accordance with Sec. 314, Para. 1, Item 6a, Sentences 5 to 8 of the German Commercial Code (HGB) has not been disclosed because the Annual General Meeting on June 15, 2011, passed a resolution to this effect for a period of 5 years.

Emoluments of former members of the Board of Management amounted to €2,082 thousand (prior year: €649 thousand) and were recognized as an expense.

No advances or loans to members of the Board of Management or Supervisory Board of Jungheinrich AG existed on December 31, 2013.

As of December 31, 2013, Jungheinrich AG had accrued a €13,049 thousand (prior year: €12,542 thousand) provision for pensions for former members of the Board of Management.

(43) List of equity stakes held by Jungheinrich AG, Hamburg, in accordance with Section 313 (2) of the German Commercial Code

As of December 31, 2013, the following companies were included in the consolidated financial statements of Jungheinrich AG, Hamburg, by way of full consolidation:

Name and domicile	Share of capital %
Jungheinrich Vertrieb Deutschland AG & Co. KG, Hamburg	100
Jungheinrich Norderstedt AG & Co. KG, Hamburg	100
Jungheinrich Export AG & Co. KG, Hamburg	100
Jungheinrich Ersatzteilmanagement AG & Co. KG (formerly Jungheinrich Ersatzteillogistik AG & Co. KG), Hamburg	100
Jungheinrich Beteiligungs-GmbH, Hamburg	100
Jungheinrich Moosburg GmbH, Moosburg	100
Jungheinrich Logistiksysteme GmbH, Moosburg	100
Jungheinrich Landsberg AG & Co. KG, Landsberg/Saalekreis	100
Jungheinrich Financial Services GmbH, Hamburg	100
Jungheinrich Rental International AG & Co. KG (formerly Jungheinrich Finance AG & Co. KG), Hamburg	100
Jungheinrich Financial Services International GmbH, Hamburg	100
Elbe River Capital S.A., Luxembourg	100
Jungheinrich Katalog GmbH & Co. KG, Hamburg	100
Jungheinrich Profishop GmbH, Vienna, Austria	100
Gebrauchtgeräte-Zentrum Dresden GmbH & Co. KG, Klipphausen/Dresden	100
Jungheinrich Finances Holding SAS, Vélizy-Villacoublay, France	100
Jungheinrich France SAS, Vélizy-Villacoublay, France	100
Jungheinrich Finance France SAS, Vélizy-Villacoublay, France	100
Jungheinrich Financial Services SAS, Vélizy-Villacoublay, France	100
Jungheinrich UK Holdings Ltd., Milton Keynes, United Kingdom	100
Jungheinrich UK Ltd., Milton Keynes, United Kingdom	100
Boss Manufacturing Ltd., Leighton Buzzard, United Kingdom	100
Jungheinrich Lift Truck Finance Ltd., Milton Keynes, United Kingdom	100
Jungheinrich Financial Services Ltd., Milton Keynes, United Kingdom	100

Name and domicile	**Share of capital %**
Jungheinrich Italiana S.r.l., Rosate/Milan, Italy	100
Jungheinrich Rental S.r.l., Rosate/Milan, Italy	100
Jungheinrich Fleet Services S.r.l., Rosate/Milan, Italy	100
Jungheinrich de España S.A.U., Abrera/Barcelona, Spain	100
Jungheinrich Rental S.L., Abrera/Barcelona, Spain	100
Jungheinrich Fleet Services S.L., Abrera/Barcelona, Spain	100
Jungheinrich Nederland B.V., Alphen a. d. Rijn, Netherlands	100
Jungheinrich Finance B.V., Alphen a. d. Rijn, Netherlands	100
Jungheinrich Financial Services B.V., Alphen a. d. Rijn, Netherlands	100
Jungheinrich AG, Hirschthal, Switzerland	100
Jungheinrich n.v./s.a., Leuven, Belgium	100
Jungheinrich Austria Vertriebsges. m.b.H., Vienna, Austria	100
Jungheinrich Fleet Services GmbH, Vienna, Austria	100
Jungheinrich Finance Austria GmbH, Vienna, Austria	100
Jungheinrich Polska Sp. z o.o., Ozarow Mazowiecki/Warsaw, Poland	100
Jungheinrich Norge AS, Oslo, Norway	100
Jungheinrich (ČR) s.r.o., Říčany/Prague, Czech Republic	100
Jungheinrich Svenska AB, Arlöv, Sweden	100
Jungheinrich Hungária Kft., Biatorbágy/Budapest, Hungary	100
Jungheinrich Danmark A/S, Tåstrup, Denmark	100
Jungheinrich d.o.o., Trzin, Slovenia	100
Jungheinrich Portugal Equipamentos de Transporte, Lda., Rio de Mouro/Lisbon, Portugal	100
Jungheinrich Lift Truck Ltd., Maynooth, Co. Kildare, Ireland	100
Jungheinrich Hellas EPE, Acharnes/Athens, Greece	100
Jungheinrich İstif Makinaları San. ve Tic. Ltd. Şti., Alemdağ/Istanbul, Turkey	100
Jungheinrich spol. s.r.o., Senec, Slovakia	100
Jungheinrich Lift Truck Singapore Pte Ltd., Singapore	100
Jungheinrich Lift Truck Comercio de Empilhadeiras Ltda., Itupeva – SP, Brazil	100
Jungheinrich Lift Truck OOO, Moscow, Russia	100
Jungheinrich Lift Truck TOV, Kiev, Ukraine	100
Jungheinrich Lift Truck SIA, Riga, Latvia	100
Jungheinrich Lift Truck UAB, Vilnius, Lithuania	100
Jungheinrich Lift Truck Oy, Kerava, Finland	100
Jungheinrich Lift Truck (Shanghai) Co., Ltd., Shanghai, China	100
Jungheinrich Lift Truck Manufacturing (Shanghai) Co., Ltd., Qingpu/Shanghai, China	100
Jungheinrich Lift Truck Ltd., Samuthprakarn/Bangkok, Thailand	100
Jungheinrich Lift Truck India Private Ltd., Mumbai, India	100
Jungheinrich Design Center Houston Corporation, Houston/Texas, USA	100
Jungheinrich Systemlösungen GmbH (formerly ISA – Innovative Systemlösungen für die Automation GmbH), Graz, Austria	100
Universal-FORMICA-Fonds[1]	0

1 Included as a special-purpose vehicle in accordance with SIC 12.

As of December 31, 2013, the following companies were included in the consolidated financial statements of Jungheinrich AG, Hamburg, at equity:

Name and domicile	Share of capital %
JULI Motorenwerk s.r.o., Moravany, Czech Republic	50
Supralift GmbH & Co. KG, Hofheim am Taunus	50
JULI Motor (Putian) Co. Ltd., Putian, China	50[1]

1 Indirectly via JULI Motorenwerk s.r.o., Moravany, Czech Republic.

As of December 31, 2013, the following companies were not included in the consolidated financial statements of Jungheinrich AG, Hamburg:

Name and domicile	Share of capital %
Jungheinrich Katalog Verwaltungs-GmbH, Hamburg[1]	100
Gebrauchtgeräte-Zentrum Dresden Verwaltungs-GmbH, Klipphausen/Dresden[1]	100
Mécanique Industrie Chimie MIC S.A., Rungis, France[2]	100
Multiton MIC Corporation, Richmond, Virginia, USA[1]	100
Jungheinrich Lift Truck Corp., Richmond, Virginia, USA[1]	100
Jungheinrich Unterstützungskasse GmbH, Hamburg[1]	100
FORTAL Administracào e Participacoes S.A., Rio des Janeiro, Brazil[1]	100
Motorenwerk JULI CZ s.r.o., Moravany, Czech Republic[1]	50
Supralift Beteiligungs- und Kommunikations-Gesellschaft mbH, Hofheim am Taunus[1]	50

1 Not included due to its subordinate importance.
2 Not included due to its insolvency as of December 14, 2005.

(44) Application of Section 264, Paragraph 3 and Section 264b of the German Commercial Code

The following domestic subsidiaries included in the consolidated financial statements of Jungheinrich AG made use of the waiver pursuant to Section 264, Paragraph 3 and Section 264b of the German Commercial Code to a certain extent:

- Jungheinrich Vertrieb Deutschland AG & Co. KG, Hamburg
- Jungheinrich Norderstedt AG & Co. KG, Hamburg
- Jungheinrich Export AG & Co. KG, Hamburg
- Jungheinrich Ersatzteilmanagement AG & Co. KG, Hamburg
- Jungheinrich Landsberg AG & Co. KG, Landsberg/Saalekreis
- Jungheinrich Rental International AG & Co. KG, Hamburg
- Jungheinrich Beteiligungs-GmbH, Hamburg
- Jungheinrich Financial Services GmbH, Hamburg
- Jungheinrich Financial Services International GmbH, Hamburg
- Jungheinrich Katalog GmbH & Co. KG, Hamburg
- Gebrauchtgeräte-Zentrum Dresden GmbH & Co. KG, Klipphausen/Dresden

(45) Issuance of the declaration regarding the German Corporate Governance Code in accordance with Section 161 of the German Stock Corporation Act

In December 2013, the Board of Management and the Supervisory Board issued a declaration of conformance with Section 161 of the German Stock Corporation Act and made it permanently and publicly accessible on the website of Jungheinrich Aktiengesellschaft.

Hamburg, March 5, 2014

Jungheinrich Aktiengesellschaft
The Board of Management

Responsibility statement

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

Hamburg, March 5, 2014

Jungheinrich Aktiengesellschaft
The Board of Management

Hans-Georg Frey   Dr. Volker Hues   Dr. Klaus-Dieter Rosenbach

Independent auditor's report

We have audited the consolidated financial statements prepared by Jungheinrich Aktiengesellschaft, Hamburg—comprising the income statement, the statement of comprehensive income (loss), the balance sheet, cash flow statement, the statement of changes in equity and the notes to the consolidated financial statements—and the group management report for the business year from January 1 to December 31, 2013. The preparation of the consolidated financial statements and the group management report in accordance with IFRS, as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315a Abs. 1 HGB ('German Commercial Code') are the responsibility of the Company's management. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

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

Our audit has not led to any reservations.

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

Hamburg, March 5, 2014

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft

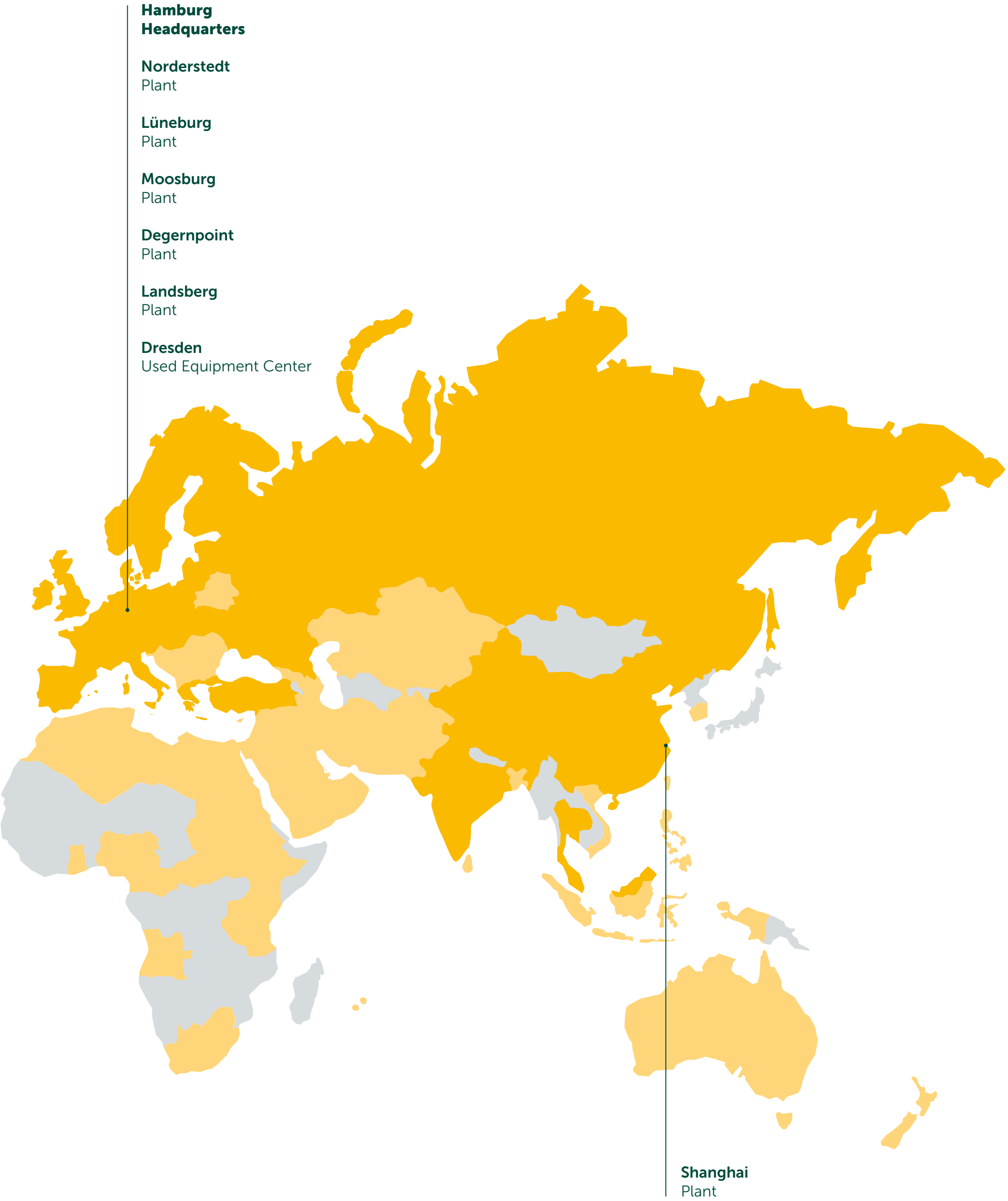
(Reiher)
Wirtschaftsprüfer
(German Public Auditor)

(ppa. Deutsch)
Wirtschaftsprüferin
(German Public Auditor)

Jungheinrich worldwide

Sales companies
Representative offices

Addresses are available at www.jungheinrich.com


Hamburg
Headquarters
Norderstedt
Plant
Lüneburg
Plant
Moosburg
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Degernpoint
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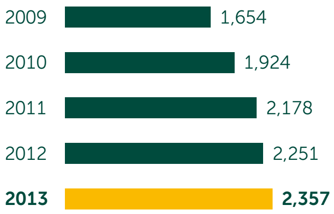
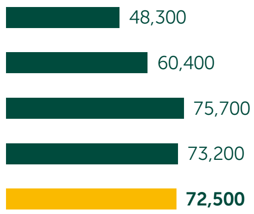
Landsberg
Plant
Dresden
Used Equipment Center
Shanghai
Plant

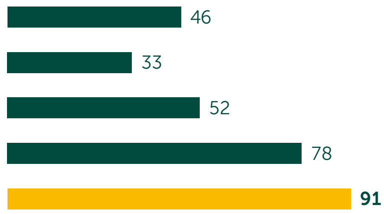
Incoming orders
in million €



Production
in units



Capital expenditures
in million €

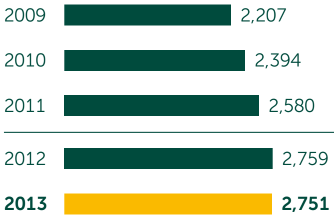


Five-year overview

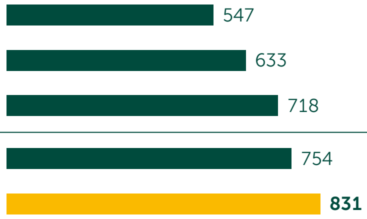
			Change in accounting policies[1]			
Jungheinrich Group		**2013**	**2012**	**2011**	**2010**	**2009**
Incoming orders[2]	million €	**2,357**	2,251	2,178	1,924	1,654
Production of material handling equipment	units	**72,500**	73,200	75,700	60,400	48,300
Net sales	million €	**2,290**	2,270	2,116	1,816	1,677
thereof in Germany	million €	**613**	607	571	493	466
thereof abroad	million €	**1,677**	1,663	1,545	1,323	1,211
Foreign ratio	%	**73**	73	73	73	72
Capital expenditures[3]	million €	**91**	78	52	33	46
Research and development expenditures	million €	**45**	44	38	36	39
Earnings before interest, taxes, depreciation and amortization (EBITDA)	million €	**347**	351	298	239	100
Earnings before interest and taxes (EBIT)	million €	**172**	177	146	98	–72
Earnings before taxes (EBT)	million €	**150**	156	148	96	–74
Net income	million €	**107**	112	106	82	–55
Earnings per preferred share	€	**3.18**	3.33	3.13	2.45	–1.59
Dividend per share – ordinary share	€	**0.80**[4]	0.80	0.70	0.49	–
– preferred share	€	**0.86**[4]	0.86	0.76	0.55	0.12
Employees 12/31	FTE[5]	**11,840**	11,261	10,711	10,138	10,266
thereof in Germany	FTE[5]	**5,356**	5,167	4,925	4,661	4,793
thereof abroad	FTE[5]	**6,484**	6,094	5,786	5,477	5,473

1 Figures for 2012 were adjusted due to changes in accounting treatment as of January 1, 2013.
Information on changes in accounting treatment is included in the notes to the consolidated financial statements.
2 New truck business, short-term-hire and used equipment and after-sales services.
3 Tangible and intangible assets without capitalized development expenditures.
4 Proposal.
5 FTE = full-time equivalents.

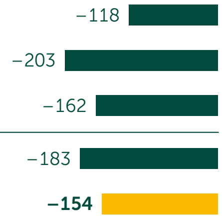
Total assets
in million €



Shareholders' equity
in million €



Net indebtedness
in million €



Change in accounting treatment as of January 1, 2013.
Figures for 2012 adjusted.[1]

Jungheinrich Group		2013	2012 (Change in accounting policies[1])	2011	2010	2009
Balance sheet total	million €	**2,751**	2,759	2,580	2,394	2,207
Trucks for short-term hire	million €	**214**	223	221	159	141
Trucks for lease from FS[6]	million €	**259**	244	211	204	200
Receivables from FS[6]	million €	**605**	584	535	496	477
Liabilities from FS[6]	million €	**871**	840	767	715	668
Shareholders' equity	million €	**831**	754	718	633	547
thereof subscribed capital	million €	**102**	102	102	102	102
Equity ratio (Group)	%	**30**	27	28	26	25
Equity ratio (Intralogistics)	%	**47**	42	43	41	39
EBIT return on sales (EBIT-ROS)	%	**7.5**	7.8	6.9	5.4	–4.3
EBT return on sales (EBT-ROS)	%	**6.6**	6.9	7.0	5.3	–4.4
EBIT return on capital employed (ROCE)	%	**19**	22	26	23	–17
Return on equity after income taxes (ROE)	%	**14**	15	16	14	–9
Net indebtedness	million €	**–154**	–183	–162	–203	–118
Indebtedness ratio	years	**< 0**	< 0	< 0	< 0	< 0

Explanatory notes to the key financial data

Equity ratio	Shareholders' equity : Total capital x 100
EBIT return on sales (EBIT-ROS)	EBIT : Net sales x 100
EBT return on sales (EBT-ROS)	EBT : Net sales x 100
EBIT return on capital employed (ROCE)	Employed interest-bearing capital[7] x 100
Return on equity after income taxes (ROE)	Net income : Average shareholders' equity x 100
Net indebtedness	Financial liabilities – Liquid assets and securities
Indebtedness ratio	Net indebtedness : EBITDA (excluding the depreciation of trucks for lease from FS[6])

6 FS = financial services.
7 Shareholders' equity + Financial liabilities – Liquid assets and securities, from 2012 onwards + provisions for pensions and long-term personnel obligations.

Financial calendar

Balance sheet press conference, Hamburg, publication of the 2013 Annual Report	March 26, 2014
Analyst conference, Frankfurt am Main	March 27, 2014
Interim report as of March 31, 2014	May 8, 2014
2014 Annual General Meeting, Congress Center Hamburg	May 15, 2014
Dividend payment	May 16, 2014
Interim report as of June 30, 2014	August 11, 2014
Interim report as of September 30, 2014	November 6, 2014

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