

Act

HALF-YEAR REPORT AS OF JUNE 30, 2010



Key Figures

EUR million	Q1-Q2/2010	Q1-Q2/2009	Q2/2010	Q2/2009
Sales	287.5	213.3	162.2	101.2
Cost of sales	-232.3	-178.7	-130.7	-85.6
Gross profit	55.2	34.6	31.5	15.6
Adjusted result for the period	-0.6	-9.9	1.0	-4.6
Adjusted EPS in Euro ¹⁾	-0.03	-0.48	0.05	-0.22
Adjusted EBITDA	22.3	6.1	13.7	3.0
Adjusted EBIT	14.6	-1.3	9.8	-0.8
Operating cash flow ²⁾	19.7	21.0	12.5	15.5

1) Adjusted net profit of the year/weighted average number of ordinary shares outstanding as of the reporting day.

2) The operating cash flow is the cash flow from operating activities before income tax payments.

Sales by Region

EUR million	Q1-Q2/2010	Q1-Q2/2009	Q2/2010	Q2/2009
Europe	135.6	104.9	76.8	47.8
North America	133.7	98.3	74.7	47.8
Other	18.2	10.1	10.7	5.6
Total	287.5	213.3	162.2	101.2

Sales by Business Unit

EUR million	Q1-Q2/2010	Q1-Q2/2009	Q2/2010	Q2/2009
Trailer Systems	136.0	89.5	79.3	42.3
Powered Vehicle Systems	61.5	48.9	34.0	22.2
Aftermarket	90.0	74.9	48.9	36.7
Total	287.5	213.3	162.2	101.2

Other Financial Information

	06/30/2010	03/31/2010	12/31/2009
Total assets (EUR million)	506.0	477.9	458.1
Equity ratio (%)	5.4	4.9	5.2
	Q1-Q2/2010	Q1-Q2/2009	
Employees (average)	2,480	2,291	
Sales per employee (kEUR)	115.9	93.1	

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Foreword from the Management Board

Dear shareholders, ladies and gentlemen,

The positive start to 2010 has continued. The recovery that began at the beginning of the year has continued over the past months, giving us a positive outlook for the rest of the year. SAF-HOLLAND's sales and earnings will grow further as long as the market recovery continues.

As the backbone of the international economy, the transport industry has profited from the economic upswing and provided our company with new momentum. As a result of positive developments, we have been able to end the shortened work hours at our German locations. In the course of an expansion in German production in July, we increased the number of industrial employees by 83. In North America, the number of industrial employees grew by 100 over the course of the first six months of 2010.

Compared to the same period in the previous year, sales rose by 34.8% to EUR 287.5 million for the SAF-HOLLAND Group. Every region played a part in this success. The trailer markets are currently displaying a more dynamic recovery than the truck area. This applies to both core markets of Europe and North America. Despite this positive background, market levels remain low. As a historical comparison, current sales of our Group remain below those of 2004 and 2005, and well below the boom years of 2006 to 2008.

Nevertheless, we succeeded in doubling operating earnings in the second quarter. This demonstrates the success of measures taken to increase efficiency as well as our company's strategic focus. The rapid improvement reflects the interplay of lean cost structures and a recovery in sales.

Once again this year, we will achieve about EUR 10 million in savings through process optimization. At the same time, we continue to pursue measures for the improvement of our inventory management.

We are also seeing positive developments in liquidity. Even amidst the crisis of 2009, our systematic management of current assets aided in maintaining stable cash flow. Inventory management is an especially important component in controlling liquidity. Our goal is to

reduce inventory turnover to 45 days in the mid term, and we are making good progress. As a result, our operating cash flow rose strongly as compared to the first quarter despite the increase in business volume.

Increasing the efficiency of our company is one priority, positioning our company for growth is another. Our mid-term goal is to generate annual sales of one billion Euro in connection with an adjusted EBIT margin of 10%. We believe we are well prepared to meet this goal. As a result of the merger between SAF and Holland in 2006, we are globally positioned as a full-service provider for the truck and trailer sector. China and Brazil will be focal points for investment in order to take part in the growth of these regions. In this connection, we began our own axle production in Xiamen, China, in June. Further measures are planned to expand capacity and develop the sales and service network in China. In Brazil, we are constantly adapting our product range and production processes to market needs. At the same time we are developing innovative products that aide in continuing our reputation as a trend setter: we have recently introduced an innovation that reduces European trailer weight by about 100 kg. Our clients benefit from a greater load capacity or lower operating costs.

Market conditions and our results have improved considerably. This year we expect to see sales of more than EUR 550 million for the SAF-HOLLAND Group. This increase in sales will sustainably improve our earnings.



Rudi Ludwig
Chief Executive Officer (CEO)

First Half-Year of 2010 at a Glance

- >> **Group sales increase by 34.8% to EUR 287.5 million**
 - Trailer Systems Business Unit sees significant sales growth
 - Stable development of Powered Vehicle Systems Business Unit
 - New projects for Aftermarket Business Unit

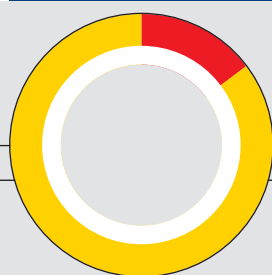
- >> **Operating result doubles compared to first quarter**
 - Earnings benefit from growth in sales
 - Further efficiency improvements for 2010

- >> **SAF-HOLLAND invests in growth markets**
 - In-house axle production in China begun
 - New structure for Brazilian location

- >> **Cutting edge technology with weight-reduced products**
 - Innovative braking system provides safety and helps reduce consumption
 - IAA product innovation presented to the press

The Share

Shareholder Structure Figures in %



● Non-free float	14.6
● Free float	85.4

As of 06/30/2010

SAF-HOLLAND share price increases significantly

The price of SAF-HOLLAND's ordinary shares increased sharply in the second quarter of 2010. Starting at EUR 1.97 on March 31, 2010, it peaked on June 21 at EUR 5.70 (Xetra) and closed the quarter on June 30 at EUR 5.25. Our share price has also held its value of over EUR 5 since the end of the reporting period. Positive economic news and signs of recovery in commercial vehicle markets contributed equally to the increase in the value of the share. In addition, on May 12, there was a change in SAF-HOLLAND's shareholder structure. The former major shareholder, Pamplona Capital Partners I, LP, London, sold its 34.5% stake in the Company to 14 institutional investors from Germany, the United Kingdom and the USA. With the departure of Pamplona, the free float and liquidity of the share increased significantly, which had a positive effect on price development. Since then, five shareholders, including two members of the Management, have held more than 5% of voting shares each. Nevertheless, members of Management and the Board of Directors hold a total of 4,172,429 shares, representing 20.2% of voting rights.

Group Interim Management Report

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Group Interim Management Report

for the First Half of 2010 of SAF-HOLLAND S.A.

I BUSINESS AND FRAMEWORK CONDITIONS

SAF-HOLLAND S.A., hereinafter also referred to as SAF-HOLLAND, the Group, or the Company, is one of the world's leading manufacturers and providers of premium systems and components for commercial vehicles (trucks and trailers) as well as buses and recreational vehicles. The product range encompasses axle and suspension systems, fifth wheels, coupling devices, kingpins, and landing legs. The Group, with its three Business Units – Trailer Systems, Powered Vehicle Systems, and Aftermarket – currently utilizes 18 production sites in Europe, North America, Brazil, Australia, China, and India. In addition, the Company benefits from a worldwide service and distribution network.

The Company was founded in December 2005 for the purpose of acquiring SAF Group, a European market leader in the manufacture and sale of axles and axle systems for the trailer industry. The acquisition was carried out indirectly via two intermediaries on March 31, 2006. Similarly, the acquisition of the US-based Holland Group, an American market leader in the components and systems segment for the truck and trailer industry, was executed via an intermediary on December 18, 2006.

II OVERVIEW OF BUSINESS DEVELOPMENT

II.1 Overall Economic Environment

The world economy is currently growing faster than originally expected. According to the latest figures from July 2010, the International Monetary Fund now forecasts growth of 4.6% for 2010, having previously raised the forecast in April from 3.9% to 4.2%. The expected growth in German economic activity of 1.4% is also greater than recently anticipated. An increase of 1.0% is forecast for the Euro zone, while the US economy is expected to grow by 3.3%. Emerging economies, which also developed better than expected, continue to be the primary growth drivers of the world economy: China is expected to grow 10.5%, India 9.4%, Brazil 7.1% and Russia 4.3%. Global trading volume is also projected to increase. According to the IMF, it will see growth of 9.0% after a decline of 11.3% in 2009.

As a result of this economic recovery, demand for commercial vehicles is increasing. "Truck sector climbs out of the valley of tears" headlined a July edition of the *Börsen-Zeitung* (German financial newspaper). Although the number of new registrations of trucks over 16 tons decreased slightly in Germany from January to June by 5.9%, growth returned in June, with an increase of 43.7% over the previous year. On a Europe-wide basis, the number of new registrations increased in June for the first time in two years: In the EU27, the increase was 17.3% while the figure for the entire first half of 2010 was lower by 15.9%¹⁾. In North America, the general recovery continued; in June, truck production rose (class 8) by 21%, trailer production increased by 28%²⁾.

1) ACEA, July 2010

2) ACT, July 2010

II.2 Significant Events in the First Half of the Year

SAF-HOLLAND is recovering faster than expected. Backed by continuing growth in production figures for the truck and trailer industry worldwide, we significantly increased sales and operating earnings in the second quarter compared to the first three months of the year. All three Business Units benefited from growth in transport and freight volumes as a result of improved economic activity in our core markets.

With EUR 287.5 million, (previous year: EUR 213.3 million), SAF-HOLLAND exceeded sales achieved in the January to June period of 2009 by 34.8%. Compared to the first quarter of 2010, sales from April to June saw an increase of 29.4%. At the same time, our adjusted operating earnings before interest and taxes (EBIT) reached EUR 9.8 million in the second quarter of 2010. This corresponds to an increase of EUR 5.0 million, a doubling of earnings as compared to the first quarter. Our adjusted profit for the period once again recorded a positive result of EUR 1.0 million (previous year: -4.6) in the second quarter.

Due to increasing utilization of capacities, SAF-HOLLAND has increased the number of industrial employees at its locations in North America and Germany. In North America alone, 131 new employees have been hired since the beginning of the year. In Germany, 83 industrial employees were hired due to the introduction of an additional work shift. These are mainly former employees who are already familiar with the Company and its work processes.

The global economic recovery is significantly influenced by the growth of emerging economic regions. Whether China, India or Brazil – the significance of these regions occupies an important place in our corporate strategy. In-house axle production at our Xiamen location in China got underway as planned in June. We have increased capacity at the location and have equipped it for the Asian market and for export. During the course of the year, we will move production from our facility in Jinan to Xiamen and thus consolidate the facilities into one location. Xiamen will serve as a hub for our Asian business. Even though the share of China production as compared to total company volume remains small, we nevertheless see good growth opportunities in this region. Capacity in Xiamen will be gradually expanded. This applies to the new axle production as well as the landing gear business. Here we have seen a clear increase in demand in recent months. We are also focusing on the expansion of our sales and service network.

Brazil has the highest growth rates in the truck and trailer area. This is due in part to the country's modern infrastructure, which supports high transport and freight volumes. In the first half of the year, SAF-HOLLAND focused on restructuring our facility and strengthening it with a competent management team. In Brazil, we currently supply the trailer market

with axle systems and fifth wheels. Our goal is to begin supplying truck manufacturers with a range of products adapted to the needs of the Brazilian market. At the same time, we are currently optimizing our local production processes through the integration of additional manufacturing competences.

SAF-HOLLAND is an industry leader in weight-reduced components for the truck and trailer industry. As testament to our competitive edge, we recently launched a product innovation. This product is a weight-reduced wheel end combined with a braking system developed in cooperation with the company Haldex. For European trailer customers, using these new SAF-HOLLAND's systems results in a weight reduction of up to 32 kg per axle. A truck and trailer combination equipped with an average of three SAF-HOLLAND axles is thus roughly 96 kg lighter than comparable products, and uses a correspondingly lower amount of fuel. In combination with aluminum rims, the savings potential is up to 204 kg.

Despite the encouraging market development, the continued reduction of cost structures remains one of our priorities. At the German locations in particular, we will continually increase productivity and thus contribute to the planned cost reductions of EUR 10 million.

At the same time, we are maintaining our focus on inventory management in the Group. It is our intention to reduce inventories to the equivalent of 45 days of inventory outstanding in the mid-term. In the second quarter of 2010, the turnover period improved considerably to 47 days (Q1 2010: 58 days).

II.3 Sales Development

The increase in sales recorded in the first quarter continued in the months from April to June. In total, sales in the second quarter exceeded the previous quarter by EUR 36.9 million or 29.4%. All Business Units contributed to this positive development. In the first six months of 2010, sales increased to EUR 287.5 million (previous year: EUR 213.3 million), adjusted for exchange rate effects to EUR 286.7 million. The share of sales accounted for by the European business amounted to 47.2% (previous year: 49.2%). The share of sales accounted for by the North American business remained stable at 46.5% (previous year: 46.1%) and that of other regions increased to 6.3% (previous year: 4.7%).

Sales Development by Region (First Half-Year)

EUR million	Q1-Q2/2010		Q1-Q2/2010 (exchange rate- adjusted)		Q1-Q2/2009	
Europe	135.6	47.2%	135.6	47.3%	104.9	49.2%
North America	133.7	46.5%	133.0	46.4%	98.3	46.1%
Other	18.2	6.3%	18.1	6.3%	10.1	4.7%
Total	287.5	100.0%	286.7	100.0%	213.3	100.0%

Sales Development by Region (Second Quarter)

EUR million	Q2/2010		Q2/2010 (exchange rate- adjusted)		Q2/2009	
Europe	76.8	47.3%	76.8	48.7%	47.8	47.2%
North America	74.7	46.1%	70.4	44.7%	47.8	47.2%
Other	10.7	6.6%	10.4	6.6%	5.6	5.6%
Total	162.2	100.0%	157.6	100.0%	101.2	100.0%

Sales Development by Business Unit (First Half-Year)

EUR million	Q1-Q2/2010		Q1-Q2/2010 (exchange rate- adjusted)		Q1-Q2/2009	
Trailer Systems	136.0	47.3%	135.7	47.3%	89.5	42.0%
Powered Vehicle Systems	61.5	21.4%	61.2	21.4%	48.9	22.9%
Aftermarket	90.0	31.3%	89.8	31.3%	74.9	35.1%
Total	287.5	100.0%	286.7	100.0%	213.3	100.0%

Sales Development by Business Unit (Second Quarter)

EUR million	Q2/2010		Q2/2010 (exchange rate- adjusted)		Q2/2009	
Trailer Systems	79.3	48.9%	77.9	49.4%	42.3	41.8%
Powered Vehicle Systems	34.0	21.0%	32.3	20.5%	22.2	21.9%
Aftermarket	48.9	30.1%	47.4	30.1%	36.7	36.3%
Total	162.2	100.0%	157.6	100.0%	101.2	100.0%

II.4 Earnings Development

The Company's profitability saw another significant increase compared to the previous quarter. This positive development was due primarily to the increase in sales and the results of the cost reduction program initiated at the end of 2008 and consistently maintained through 2009 and 2010.

In this context, adjusted EBIT improved to EUR 9.8 million in the second quarter (previous year: EUR -0.8 million), which represents a doubling of earnings compared to the EUR 4.8 million of the previous quarter. Thanks to greater capacity utilization and project business in the Aftermarket, the gross margin improved to 19.2% (previous year: 16.2%). The adjusted profit for the period reached a positive value of EUR 1.0 million in the second quarter and was close to the break-even level at EUR -0.6 million (previous year: EUR -9.9 million) in the first half of the year. Adjusted earnings per share were EUR -0.03 (previous year: EUR -0.48).

Reconciliation Statement for Adjusted Figures

EUR million	Q1-Q2/2010	Q1-Q2/2009	Q2/2010	Q2/2009
Result for the period	-8.9	-16.9	0.5	-8.6
Taxes on income	1.9	-2.8	1.9	-1.4
Finance result	17.8	12.5	5.3	5.6
Depreciation and amortization from PPA ¹⁾	3.3	3.5	1.7	1.7
Restructuring and integration costs	0.5	2.4	0.4	1.9
Adjusted EBIT	14.6	-1.3	9.8	-0.8
as a percentage of sales	5.1	-0.6	6.0	-0.8
Depreciation and amortization	7.7	7.4	3.9	3.8
Adjusted EBITDA	22.3	6.1	13.7	3.0
as a percentage of sales	7.8	2.9	8.4	3.0
Depreciation and amortization	-7.7	-7.4	-3.9	-3.8
Finance result	-17.8	-12.5	-5.3	-5.6
Restructuring and integration costs	2.4	-	-3.0	-
Adjusted result before taxes	-0.8	-13.8	1.5	-6.4
Taxes on income ²⁾	0.2	3.9	-0.5	1.8
Adjusted result for the period	-0.6	-9.9	1.0	-4.6
as a percentage of sales	-0.2	-4.6	0.6	-4.5
Number of shares ³⁾	20,702,275	20,702,275	20,702,275	20,702,275
Adjusted earnings per share in EUR	-0.03	-0.48	0.05	-0.22

1) Purchase price allocation (PPA) from the acquisition of the SAF Group and Holland Group in 2006 as well as Austin-Western Machinery Co., Ltd. and the current SAF-HOLLAND Verkehrstechnik GmbH in 2008.

2) A uniform rate of 28.59% was assumed for the adjusted net result for the period.

3) Weighted average number of shares outstanding as of reporting day.

II.5 Development in the Business Units

Trailer Systems

The Trailer Systems Business Unit recorded its best sales development since the fourth quarter of 2008 in the second quarter of 2010. After continuation of the positive trend from January to March, the increased level seen in March stabilized over the course of the

second quarter. In total, sales increased by 39.9% in the second quarter as compared to the first quarter of 2010. These positive results apply both to Europe and North America. The business development reflects the current trend in the trailer markets and is related to increasing transport volumes worldwide. In spite of this positive development, it must be taken into account that the level of the markets still remains relatively low. Compared to past levels, we are behind the volumes achieved from 2004 to 2006 in Germany and from 2005 to 2006 in North America. It therefore continues to be important for us to continue to make cost structures more flexible.

In total, the Trailer Systems Business Unit generated sales of EUR 136.0 million (previous year: EUR 89.5 million) in the first half of 2010. This represents an increase of 52.0% in comparison to the same period of the previous year. Adjusted for exchange rate effects, sales reached EUR 135.7 million. The gross margin improved to 4.0% (previous year: -3.8%). The Business Unit's share of Group sales rose to 47.3% (previous year: 42.0%).

Powered Vehicle Systems

The Powered Vehicle Systems Business Unit recorded an increase in sales of 23.6% in the second quarter as compared to the months from January to March 2010. Here too, a general brightening of the mood in the markets is contributing to the positive development. Nevertheless, the North American market was influenced by the pre-buy effects in the previous year and thus the increase appears more restrained than in the trailer markets. The pre-buy effects in the USA in 2009 were triggered by new emissions regulations that took effect at the beginning of 2010. All that said, vehicle sales have shown steady growth month over month.

With sales of EUR 61.5 million in the first half of 2010 (previous year: EUR 48.9 million), the Business Unit achieved an increase of 25.8% compared to the same period in the previous year. Adjusted for exchange rate effects, sales stood at EUR 61.2 million. The gross margin rose to 25.2% (previous year: 21.1%). Overall, the Business Unit's share of the Company's total sales volume amounted to 21.4% (previous year: 22.9%).

Aftermarket

The Aftermarket Business Unit increased its sales by 19.0% to EUR 48.9 million in the second quarter compared to the first three months of 2010. In addition to new project business in North Africa, the Business Unit continues to benefit from its international service and distribution network. Establishing and expanding warehouse locations in North America, among other places, is intended to contribute to further increasing quality and reliability for our customers.

In the first six months of the year, the Business Unit generated sales of EUR 90.0 million (previous year: EUR 74.9 million) or EUR 89.8 million after adjusting for exchange rate effects. The gross margin reached 38.1% (previous year: 37.8%). The Business Unit's share of total Company sales decreased to 31.3% (previous year: 35.1%). With the increasing number of installed axles in the market, this segment will continue to grow, particularly in Europe, and gain importance for the Group as a stabilizing factor on sales and earnings.

Overview of the Business Units

	Business Unit Trailer Systems		Business Unit Powered Vehicle Systems		Business Unit Aftermarket		Adjust- ments/ elimini- nations		Total	
EUR million	Q1-Q2 2010	Q1-Q2 2009	Q1-Q2 2010	Q1-Q2 2009	Q1-Q2 2010	Q1-Q2 2009	Q1-Q2 2010	Q1-Q2 2009	Q1-Q2 2010	Q1-Q2 2009
Sales	136.0	89.5	61.5	48.9	90.0	74.9	-	-	287.5	213.3
Cost of sales	-130.6	-92.9	-46.0	-38.6	-55.7	-46.6	-	-0.6	-232.3	-178.7
Gross operating result	5.4	-3.4	15.5	10.3	34.3	28.3	-	-0.6	55.2	34.6
as a percentage of sales	4.0	-3.8	25.2	21.1	38.1	37.8	-	-	19.2	16.2

II.6 Financing

Interest bearing collateralized bank loans fell to EUR 307.7 million (December 31, 2009: EUR 314.3 million). In accordance with the financing agreement in place until 2014, SAF-HOLLAND makes interest payments in the first half of the year, which include a margin of 1.6%. The remaining margin of 4.35% is deferred over the course of the year and falls due at the end of the financing period. Accrued interest rose accordingly from EUR 0.1 million on December 31, 2009, to EUR 7.1 million at the end of the first half of 2010. On March 19, 2010, the existing interest rate hedging instruments were replaced in full and new instruments were concluded with the banks. (see Notes 11 and 12).

In the first quarterly report of 2010, SAF-HOLLAND management had decided to conservatively record the recognition of the interest rate hedging instruments with an effect in earnings in the full amount of EUR 5.5 million. Of this amount, EUR 2.4 million was primarily attributable to the change in the market values of the old interest rate hedge for the period from January 1 to the day of termination March 19, 2010. A comprehensive review in the second quarter led to the result that EUR 3.0 million of the valuation difference in the amount of EUR 3.1 million should have been recorded directly in equity. We adjusted accounting in the second quarter accordingly.

II.7 Investments

In fiscal year 2010, the Group is concentrating its investment activities on the growth markets of Brazil and China. At our Xiamen location in China for example, axle production for the domestic market and for export got underway in the middle of the year. According to current planning, Group-wide investments in 2010 will amount to approx. EUR 8 million.

II.8 Liquidity

Cash flow from operating activities before income tax payments substantially increased in the second quarter of 2010 compared to the first three months of the year. It totaled EUR 19.7 million (previous year: EUR 21.0 million) in the first half of 2010. This corresponds

to an improvement of EUR 12.5 million compared to the first quarter. Cash flow from investing activities amounted to EUR -3.1 million (previous year: EUR -4.5 million) in the first half of the year. Cash flow from financing activities totaled EUR -25.0 million (previous year: EUR -11.7 million). Net working capital rose moderately by 8.2% to EUR 57.0 million (December 31, 2009: EUR 52.7 million) in the context of a significant sales increase. This corresponds to 8.8% of sales (December 31, 2009: 12.8%). As of the reporting date of June 30, 2010, the Group held cash and cash equivalents totaling EUR 11.0 million (December 31, 2009: EUR 20.7 million). The equity ratio increased slightly to 5.4% (December 31, 2009: 5.2%).

II.9 Assets

Due to the increased business volume, total assets rose to EUR 506.0 million (December 31, 2009: EUR 458.1 million). Inventories increased to EUR 68.9 million (December 31, 2009: EUR 55.5 million). Trade receivables also increased to EUR 86.1 million (December 31, 2009: EUR 57.2 million) in view of the sales improvement. Equity amounted to EUR 27.2 million (December 31, 2009: EUR 23.8 million). Non-current liabilities amounted to EUR 371.1 million (December 31, 2009: EUR 364.7 million). Current liabilities rose to EUR 107.7 million (December 31, 2009: EUR 69.6 million), while trade payables increased to EUR 72.7 million (December 31, 2009: EUR 40.9 million) as a result of the growth in sales.

II.10 Employees

Increasing economic activity in the commercial vehicle sector has stimulated demand for SAF-HOLLAND's products. As a result, at the end of the second quarter, we hired new production staff for the first time since the crisis at our German locations in Wörth, Keilberg and Bessenbach. In total, 83 new employees took up their positions in the three plants as of July 1, 2010. The Frauengrund plant that had been temporarily closed resumed operations. Demand at SAF-HOLLAND Verkehrstechnik GmbH is also increasing which allowed new employees to be hired in the areas of assembly and storage. The growth in demand also led to the hiring of new employees in the USA. The number of employees in North America has increased by 131 since January 2010. Most of these employees were previously employed by SAF-HOLLAND.

As of June 30, 2010, the number of employees in the Group (excluding temporary staff) has grown to a total of 2,505 (December 31, 2009: 2,263).

II.11 Research and Development

With increasing demand and growing transport volumes, efficiency issues have increased in importance for our customers. SAF-HOLLAND is therefore honing its focus on weight reduction. For fleets which operate tank, silo trucks or other bulk freight transporters, every kilogram of weight saved means the possibility to increase earnings, as the freight rates are often calculated to the exact kilogram. We have thus developed components that contribute to a weight reduction of 32 kg per axle. With three such axles, the trailer can save almost 96 kg in weight. The components consist of a wheel end and a new braking module developed in cooperation with the Swedish company Haldex. In combination with aluminum

rims, the typical European triple-axle trailer can even be made over 204 kg lighter. Additional savings may be achieved, for example, by using one of SAF-HOLLAND's aluminum fifth wheels, which are up to 55 kg lighter than the conventional product.

At the leading IAA Commercial Vehicles trade fair, taking place in September 2010 in Hannover, we will present additional innovations related to weight reduction. Expenditure for research and development amounted to EUR 7.0 million in the first half of 2010 (previous year: EUR 6.3 million). Of this amount, EUR 0.5 million (previous year: EUR 0.5 million) was capitalized.

III EVENTS AFTER THE BALANCE SHEET DATE

No significant events took place after the balance sheet date.

IV RISK REPORT

Compared with the risk profile at the end of fiscal year 2009, as outlined in the annual report, the Group has recorded no changes. Overall, the risks are manageable and sufficient provisions have been made for known risks.

V OUTLOOK

Signs of a market recovery are clearly visible for the commercial vehicles industry. Production of trucks in Germany has increased since the beginning of the year. According to market information, the positive trend should continue in the second half of the year. Trailer manufacturers are also recording growing demand. Market research institute ACT, for example, expects growth in production of around 26% for the North American truck business (class 8) in the current year; the number of deliveries in the trailer area is forecast to increase by around 39% in the USA. China and Brazil are, and will remain, growth drivers for the transport sector.

We expect SAF-HOLLAND to continue to participate in the positive market development in the second half of the year. Increasing transport and freight volumes are important drivers of our business. It is our mid-term goal to achieve sales of EUR 1 billion while generating an adjusted EBIT margin of 10%. At the same time, we will align our current assets to under 10% of sales. Overall, we are well equipped for our growth path. Our operations are highly efficient and able to react flexibly to demand.

In general, the market is recovering faster than we expected at the beginning of the year. Due to indicators and forecasts that continue to be positive, we expect sales to amount to over EUR 550 million at the end of 2010. Earnings will benefit from sales growth and our efficiency improvements.

Consolidated Interim Financial Statements

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Consolidated Statement of Comprehensive Income

kEUR	Notes	Q1–Q2/2010	Q1–Q2/2009	Q2/2010	Q2/2009
Result for the period					
Sales	(5)	287,524	213,280	162,239	101,220
Cost of sales		-232,356	-178,645	-130,763	-85,519
Gross profit		55,168	34,635	31,476	15,701
Other income		895	872	480	537
Selling expenses		-20,528	-19,156	-11,511	-8,778
Administrative expenses		-18,154	-17,948	-9,373	-8,873
Research and development costs		-6,554	-5,805	-3,380	-2,768
Operating result	(5)	10,827	-7,402	7,692	-4,181
Finance income		462	1,179	331	1,067
Finance expenses	(6)	-18,277	-13,719	-5,660	-6,677
Share of net profit of investments accounted for using the equity method		-32	231	81	-216
Result before tax		-7,020	-19,711	2,444	-10,007
Income tax	(7)	-1,899	2,807	-1,922	1,442
Result for the period		-8,919	-16,904	522	-8,565
Other comprehensive income					
Exchange differences on translation of foreign operations		16,118	1,725	8,037	-3,225
Changes in fair values of derivatives designated as hedges, recognized in equity	(12)	-5,286	443	-6,973	544
Income tax effects on items recognized directly in other comprehensive income	(9)	1,523	-3,877	2,076	-1,208
Other comprehensive income		12,355	-1,709	3,140	-3,889
Comprehensive income for the year		3,436	-18,613	3,662	-12,454
Attributable to equity holders of the parent		3,436	-18,613	3,662	-12,454
Basic and diluted earnings per share in EUR	(10)	-0.43	-0.82	0.03	-0.41

Consolidated Balance Sheet

kEUR	Notes	06/30/10	12/31/09
Assets			
Non-current assets		333,721	318,096
Goodwill		48,903	44,251
Intangible assets		142,842	137,651
Property, plant, and equipment		112,053	108,625
Investments accounted for using the equity method		7,139	6,804
Financial assets	(12)	47	–
Other non-current assets		4,969	4,079
Deferred tax assets		17,768	16,686
Current assets		172,253	140,002
Inventories		68,866	55,508
Trade receivables		86,163	57,210
Income tax assets		477	821
Other current assets		5,784	5,721
Cash and cash equivalents	(8)	10,963	20,742
Total assets		505,974	458,098
Equity and liabilities			
Equity attributable to equity holders of the parent	(9)	27,192	23,756
Subscribed share capital		207	207
Share premium		106,454	106,454
Legal reserve		21	21
Retained earnings		-78,520	-69,601
Accumulated other comprehensive income		-970	-13,325
Non-current liabilities		371,119	364,732
Pensions and other similar benefits		13,533	12,364
Other provisions		5,246	4,736
Interest bearing loans and borrowings	(11)	314,950	304,500
Finance lease liabilities		94	171
Other financial liabilities	(12)	7,954	9,006
Other liabilities		263	260
Deferred tax liabilities		29,079	33,695
Current liabilities		107,663	69,610
Pensions and other similar benefits		2,177	1,914
Other provisions		7,902	8,156
Interest bearing loans and borrowings	(11)	6,273	5,530
Finance lease liabilities		179	336
Trade payables		72,690	40,874
Income tax liabilities		4,403	3,129
Other liabilities		14,039	9,671
Total equity and liabilities		505,974	458,098

Consolidated Statement of Changes in Equity

2010						
Attributable to equity holders of the parent						
kEUR	Subscribed share capital	Share premium	Legal reserve	Retained earnings (Note 9)	Accumulated other com- prehensive income (Note 9)	Total equity
As of 01/01/10	207	106,454	21	-69,601	-13,325	23,756
Comprehensive income for the period	-	-	-	-8,919	12,355	3,436
As of 06/30/10	207	106,454	21	-78,520	-970	27,192

2009						
Attributable to equity holders of the parent						
kEUR	Subscribed share capital	Share premium	Legal reserve	Retained earnings (Note 9)	Accumulated other com- prehensive income (Note 9)	Total equity
As of 01/01/09	207	106,454	19	-20,686	-13,924	72,070
Comprehensive income for the period	-	-	-	-16,904	-1,709	-18,613
Appropriation to legal reserve	-	-	2	-2	-	-
As of 06/30/09	207	106,454	21	-37,592	-15,633	53,457

Consolidated Cash Flow Statement

kEUR	Notes	Q1-Q2/2010	Q1-Q2/2009
Cash flow from operating activities			
Result before tax		-7,020	-19,711
- Finance income		-462	-1,179
+ Finance expenses		18,277	13,719
+/- Share of net profit of investments accounted for using the equity method		32	-231
+ Amortization, depreciation, impairment of intangible assets and property, plant, and equipment		11,045	10,922
+ Allowance of current assets		348	383
+ Loss on disposal of property, plant, and equipment		143	202
+ Dividends from investments accounted for using the equity method		11	706
Result before change of net working capital		22,374	4,811
- Change in other provisions and pensions		-1,079	-3,911
-/+ Change in inventories		-8,085	22,840
-/+ Change in trade receivables and other assets		-24,986	8,497
+/- Change in trade payables and other liabilities		31,477	-11,200
Cash flow from operating activities before income tax paid		19,701	21,037
-/+ Income tax paid/received	(7)	-3,196	752
Net cash flow from operating activities		16,505	21,789
Cash flow from investing activities			
+ Acquisition of subsidiaries net of cash acquired		-	757 ¹⁾
- Purchase of property, plant, and equipment		-2,732	-5,357
- Purchase of intangible assets		-517	-532
- Purchase of investments accounted for using the equity method		-58	-11
+ Proceeds from sales of property, plant, and equipment		168	640
Net cash flow from investing activities		-3,139	-4,503
Cash flow from financing activities			
+ Proceeds from Management and Board of Directors loan		-	1,244
- Repayments of Management and Board of Directors loan	(11)	-109	-
- Payments for finance lease		-171	-206
- Interest paid		-6,297	-11,701
- Reduction of current and non-current financial liabilities	(11)	-18,652	-11,430
+ Proceeds from current and non-current financial liabilities	(11)	183	10,516
Net cash flow from financing activities		-25,046	-11,577
Net decrease/increase in cash and cash equivalents		-11,680	5,709
Net foreign exchange difference		1,901	-23
Cash and cash equivalents at the beginning of the period	(8)	20,742	8,557
Cash and cash equivalents at the end of the period	(8)	10,963	14,243

1) Cash inflow in the amount of kEUR 1,103 generated from the Jinan SAF AL-KO Axle Co., Ltd. and SAF AL-KO Vehicle Technology Yantai Co., Ltd. share swap. Also included are payments in the amount of kEUR 346 in connection with the purchase of SAF-HOLLAND Verkehrstechnik GmbH in 2008.

Notes to the Consolidated Interim Financial Statements

For the period January 1 to June 30, 2010

1 CORPORATE INFORMATION

SAF-HOLLAND S.A. (the "Company") was incorporated on December 21, 2005 under the legal form of a "Société Anonyme" according to Luxembourg law. The registered office of the Company is in Luxembourg. The shares of the Company are listed in the Prime Standard of the Frankfurt Stock Exchange.

2 SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of SAF-HOLLAND S.A. and its subsidiaries (the "Group") have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union and in effect as of the closing date.

The consolidated interim financial statements for the first half of 2010 have been prepared in accordance with IAS 34 "Interim Financial Reporting". As a rule, the same accounting policies and consolidation methods were applied as in the Group's annual financial statements for the fiscal year 2009. Therefore, the consolidated interim financial statements should be read in conjunction with the Group's annual financial statements as of December 31, 2009. Exceptions to the accounting principles stated there are new or revised standards and interpretations, whose application is required beginning in fiscal year 2010 and which have not been adopted early (see annual report 2009). The new regulations, however, have no significant impact on the consolidated interim financial statements.

During the preparation of the consolidated interim financial statements, management must make assumptions and estimates which affect the reported amounts of assets, liabilities, income, expenses, and contingent liabilities as of the reporting date. In certain cases, actual amounts may deviate from these estimates.

Expenses and income incurred irregularly during the fiscal year were brought forward or deferred if it would also be appropriate to do so at the end of the fiscal year.

The consolidated interim financial statements and the Group Interim Management Report have neither been audited nor reviewed by an auditing firm.

3 SEASONAL EFFECTS

Seasonal effects during the year can result in variations in sales and the resulting profits. Please see the Group Interim Management Report for further details regarding earnings development.

4 SCOPE OF CONSOLIDATION

SAF-HOLLAND Slovakia s.r.o., Slovakia, was liquidated and has therefore been deconsolidated as of April 1, 2010. The profit from deconsolidation in the amount of kEUR 149 is reported under "other income".

5 SEGMENT INFORMATION

For management purposes, the Group is organized into customer-oriented Business Units based on their products and services. The three reportable operating segments are the Business Units Trailer Systems, Powered Vehicle Systems, and Aftermarket. There has been no change in the division of operating segments since December 31, 2009. For more information, please see the notes of the 2009 annual report.

Management assesses the performance of the operating segments based on adjusted EBIT. A reconciliation from operating result to adjusted EBIT is provided as follows:

kEUR	Q1–Q2/2010	Q1–Q2/2009
Operating result	10,827	-7,402
Share of net profit of investments accounted for using the equity method	-32	231
EBIT	10,795	-7,171
Additional depreciation and amortization on PPA	3,325	3,449
Restructuring and integration costs	471	2,383
Adjusted EBIT	14,591	-1,339

Information on segment sales and earnings for the first half of the year:

	2010				
	Business Units				
KEUR	Trailer Systems	Powered Vehicle Systems	Aftermarket	Adjustments/ eliminations	Consolidated
Sales	136,025	61,466	90,033	–	287,524
Adjusted EBIT	-9,404	11,897	13,655	-1,557	14,591

2009					
kEUR	Business Units			Adjustments/ eliminations	Consolidated
	Trailer Systems	Powered Vehicle Systems	Aftermarket		
Sales	89,459	48,933	74,888	–	213,280
Adjusted EBIT ¹⁾	-16,169	6,963	9,907	-2,040	-1,339

1) Internal allocations between the Business Units were adjusted in December, 2009, due to changes in the market situation. To allow a better comparison to the current reporting period, the comparative figures for the adjusted EBIT of each Business Unit have been adjusted accordingly.

Adjustments and eliminations include expenses of the parent company as well as other expenses and income which are not allocated to any Business Unit.

Please see the Group Interim Management Report regarding earnings development.

6 FINANCE EXPENSES

Finance expenses consist of the following:

kEUR	Q1–Q2/2010	Q1–Q2/2009
Interest expenses due to interest bearing loans and borrowings	-13,217	-10,496
Transaction costs	–	-348
Amortization financing costs	-1,016	-450
Finance expenses due to pensions and similar benefits	-381	-635
Finance expenses due to derivatives	-2,794	-937
Other	-869	-853
Total	-18,277	-13,719

Effective March 19, 2010, the existing interest rate hedging instruments were replaced, and new instruments were finalized with the banks. The new interest rate hedging instruments, classified as cash flow hedges, meet the criteria for hedge accounting. Changes in market values must therefore be recorded directly in equity upon initial recognition, if the hedging relationship is effective. Due to the short time between the publishing date of the report and the conclusion date of the agreement on March 19, 2010, a comprehensive review of the balance-sheet presentation of the new interest rate hedging instruments could not be conducted in the first quarter. The Management therefore decided to conservatively record the initial recognition of the new interest rate hedging instruments through profit and loss in full. A comprehensive review in the second quarter led to the result that the valuation of the market values of the interest rate hedging instruments at the time of their initial recognition must be treated differently. At their initial recognition, the market values of the interest rate instruments were EUR 0.1 million. They should have been reported in profit

and loss in this amount. Accounting was adjusted in the second quarter. Finance expenses relating to derivative financial instruments also include EUR 2.4 million from the change in the market values of the prolongation options for the old swaps for the period of January 1 to the day of termination, March 19, 2010, as well as EUR 0.3 million from the ineffective share of the swaps. Please refer to Notes 11 and 12 for further details.

7 INCOME TAXES

The major components of income taxes are as follows:

kEUR	Q1-Q2/2010	Q1-Q2/2009
Current income taxes	-4,604	-165
Deferred income taxes	2,705	2,972
Income tax reported in the result for the period	-1,899	2,807

The effective tax rate in the first half of 2010 was -27.05%, compared to 14.2% in the corresponding period in the previous year.

8 CASH AND CASH EQUIVALENTS

kEUR	06/30/10	12/31/09
Cash at banks and on hand	9,868	7,387
Short-term deposits	1,095	13,355
Total	10,963	20,742

9 EQUITY

Subscribed share capital

On May 12, 2010, Pamplona Capital Partners I, LP, sold its 34.5% of voting shares, or 7,149,958 shares, to 14 institutional investors from the United Kingdom, Germany and the USA. Since then, five shareholders have held more than 5% of voting shares each. This affects a total of 6,725,805 shares or 32.5% of the entire share volume. Nevertheless, members of Management and the Board of Directors hold a total of 4,172,429 shares, representing 20.2% of voting rights.

Dividend

No dividend payment was approved for 2009.

Change in accumulated other comprehensive income

kEUR	Q1–Q2/2010			Q1–Q2/2009		
	Before tax amount	Tax income	Net of tax amount	Before tax amount	Tax expenses	Net of tax amount
Exchange differences on translation of foreign operations	16,118	–	16,118	1,725	-3,702	-1,977
Changes in fair values of derivatives designated as hedges, recognized in equity	-5,286	1,523	-3,763	443	-175	268
Total	10,832	1,523	12,355	2,168	-3,877	-1,709

10 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the result for the period attributable to shareholders of SAF-HOLLAND S.A. by the average number of shares outstanding. Earnings per share can be diluted by potential ordinary shares. No dilutive effects occurred during the period under review or in the comparison period for 2009.

		Q1–Q2/2010	Q1–Q2/2009
Result for the period	kEUR	-8,919	-16,904
Weighted average number of shares outstanding	thousands	20,702	20,702
Basic and diluted earnings per share	EUR	-0.43	-0.82

11 INTEREST BEARING LOANS AND BORROWINGS

kEUR	Non-current		Current		Total	
	06/30/10	12/31/09	06/30/10	12/31/09	06/30/10	12/31/09
Interest bearing collateralized bank loans	307,200	313,969	447	379	307,647	314,348
Financing costs	-11,262	-11,033	–	–	-11,262	-11,033
Bank overdrafts	195	178	926	519	1,121	697
Success fee	1,152	47	–	–	1,152	47
Accrued interests	6,766	–	335	132	7,101	132
Management and Board of Directors loans	1,313	1,339	–	–	1,313	1,339
Other loans	9,586	–	4,565	4,500	14,151	4,500
Total	314,950	304,500	6,273	5,530	321,223	310,030

On November 29, 2009, an agreement was signed with a bank syndicate that restructures the financing existing up to this point, extends the existing credit lines until September 2014 and ensures supply of short and long-term finance. The refinancing agreement was approved by the shareholders on December 18, 2009. The agreed credit line has a volume of EUR 316.6 million. It consists of a Euro tranche (Facility A1), a US dollar tranche (Facility A2), a multi-currency revolving credit line (Facility B) and a credit line in China which is separately collateralized. The regulations resulting from the restructuring of the financing as well as the collateral granted are described in the annual report as of December 31, 2009.

The increase in accrued interest results from the agreed PIK structure, which means that a portion of the interest is not payable until a later point.

The existing management loan including interest due to Dr. Reiner Beutel was repaid due to his resignation.

The increase in other non-current loans results from the reclassification of the liability due to the refinancing of the old-swaps (see Note 12).

Determination of overall liquidity as the total of available credit lines plus cash:

kEUR	06/30/10				Total liquidity
	Amount drawn valued as at the period-end exchange rate	Amount drawn valued as at the borrowing date exchange rate	Agreed credit lines valued as at the borrowing date exchange rate	Cash and cash equivalents	
Facility A1	71,911	71,911	71,911	–	–
Facility A2	67,838	55,200	55,200	–	–
Facility B	167,451	167,451	188,800	10,963	32,312
Bank overdraft China	447	447	724	–	277
Total	307,647	295,009	316,635	10,963	32,589

kEUR	12/31/09				Total liquidity
	Amount drawn valued as at the period-end exchange rate	Amount drawn valued as at the borrowing date exchange rate	Agreed credit lines valued as at the borrowing date exchange rate	Cash and cash equivalents	
Facility A1	71,911	71,911	71,911	–	–
Facility A2	57,770	55,200	55,200	–	–
Facility B	184,288	184,288	188,800	20,742	25,254
Bank overdraft China	379	379	614	–	235
Total	314,348	311,778	316,525	20,742	25,489

12 FINANCIAL ASSETS AND OTHER FINANCIAL LIABILITIES

Financial assets

kEUR	
Fair value as of 01/01/10	–
Changes recognized in profit or loss (before tax)	47
Fair value as of 06/30/10	47

Other financial liabilities

	Old interest rate swaps			Total
	Interest rate swaps	Prolongation options for interest rate swaps	New interest rate swaps	
Fair value as of 01/01/10	-1,477	-7,529	–	-9,006
Changes recognized in equity (before tax)	2,313	–	-7,599	-5,286
Changes recognized in profit or loss (before tax)	-856	-1,592	-346	-2,794
Foreign currency translation	20	-299	-9	-288
Reclassification to interest bearing loans and borrowings	–	9,420	–	9,420
Fair value as of 06/30/10	–	–	-7,954	-7,954

As a result of the extended credit line in November 2009, the interest rate hedgings were also re-aligned. Effective March 19, 2010, the existing interest rate hedging instruments were replaced and new instruments were concluded with the banks. The hedging ratio, which is the ratio between current basic interest rate payments and contracted interest rate hedgings, was increased from approx. 50% to 82%. Following the reorganization, the hedging structure consists of Euribor-/Libor-swaps with maturities until June 2014 as well as interest rate caps which take effect when the interest rate exceeds 2.5%. The development of the notional amounts of the swaps and caps are matched as to constantly reach the target hedging ratio of 82% over the course of the term until June 2014. The compensatory payment from replacing the existing old swaps is financed by the former contractual partners of these swaps over a period until June 30, 2014. The resulting liability of kEUR 9,420 was reclassified to "Interest bearing loans and borrowings" as of March 19, 2010 (see Note 11).

Contractual maturities of interest rate swaps and caps:

Collateral	Start	End	Nominal volume	Reference rate
Swap	March 19, 2010	June 30, 2014	EUR 143.8 million to EUR 187.0 million	Euribor
Swap	March 19, 2010	June 30, 2014	USD 77.6 million	Libor
Cap	March 19, 2010	December 30, 2012	EUR 61.6 million to EUR 10.0 million	Euribor

13 RELATED PARTY DISCLOSURES

Management Board and Board of Directors

Compared to December 31, 2009, the composition of the Management Board has not changed.

At the Annual General Meeting on April 22, 2010, it was decided to extend the Board of Directors mandates of Ulrich Otto Sauer (Deputy Chairman) and Rudi Ludwig until April 2013 and April 2012 respectively. At his request, Dr. Siegfried Goll left the committee for personal reasons when his contract expired on June 18, 2010. As part of the reduction in the size of the committee, resulting from the corporate restructuring, the Company will not appoint a successor to Dr. Siegfried Goll in the Board of Directors.

Further details regarding loans granted in February 2009 by members of management and the Board of Directors are provided in Note 11.

Transactions with related parties and companies in which the key management personnel of the Group hold key management positions:

kEUR	Q1–Q2/2010		06/30/10	
	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
SAF-HOLLAND Nippon, Ltd.	236	–	85	186
Lakeshore Air LLP	–	50	–	23
FWI S.A.	–	2,487	–	310
Irwin Seating Company ¹⁾	686	–	133	–
Madras SAF-HOLLAND Manufacturing (I) P. Ltd.	8	–	8	–
Total	930	2,537	226	519

1) The Irwin Seating Company is a company in which a member of the Group's management holds a key management position.

kEUR	Q1–Q2/2009		12/31/09	
	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
Jinan SAF AL-KO Axle Co., Ltd.	58 ²⁾	– ²⁾	–	–
SAF AL-KO Vehicle Technology Yantai Co., Ltd. and Jinan SAF AL-KO Co., Ltd.	– ²⁾	57 ²⁾	–	–
SAF-HOLLAND Nippon, Ltd.	149	–	68	182
Lakeshore Air LLP	–	42	28	–
FWI S.A.	–	5,015	–	3
Irwin Seating Company ¹⁾	599	–	56	–
Total	806	5,114	152	185

2) Due to the reciprocal sale of shareholdings, SAF AL-KO Vehicle Technology Yantai Co., Ltd. and Jinan SAF AL-KO Co., Ltd. are included in the disclosures on revenue and expenses on a pro-rata basis until March 31, 2009.

14 CASH FLOW STATEMENT

Please see the Group Interim Management Report for further explanations of the cash flow statement.

15 EVENTS AFTER THE BALANCE SHEET DATE

No material events have occurred since the reporting date.

Responsibility Statement

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

Luxembourg, August 2010
SAF-HOLLAND S.A.



Bernhard Schneider
Chairman of the Board of Directors

Financial Glossary

Adjusted EBIT: Earnings before interest and taxes (EBIT) is adjusted for special items, such as depreciation and amortization from purchase price allocations, impairment of goodwill and intangible assets as well as restructuring and integration costs.

Business Units: For management purposes, the Group is organized into customer-oriented Business Units (Trailer Systems, Powered Vehicle Systems, and Aftermarket).

Days inventory outstanding: Inventory / cost of sales per day.

Equity ratio: Equity / total assets x 100.

Fair value: Amount obtainable from the sale in an arm's length transaction between knowledgeable, willing parties.

Gross margin: Gross profit / sales x 100.

IFRS/IAS (International Financial Reporting Standards/International Accounting Standards): The standard international accounting rules are intended to make company data more comparable. Under the EU resolution, accounting and reporting at exchange-listed companies must be done in accordance with these rules.

Net working capital: Current assets minus cash and cash equivalents minus other provisions minus income tax liabilities minus trade payables minus other current liabilities.

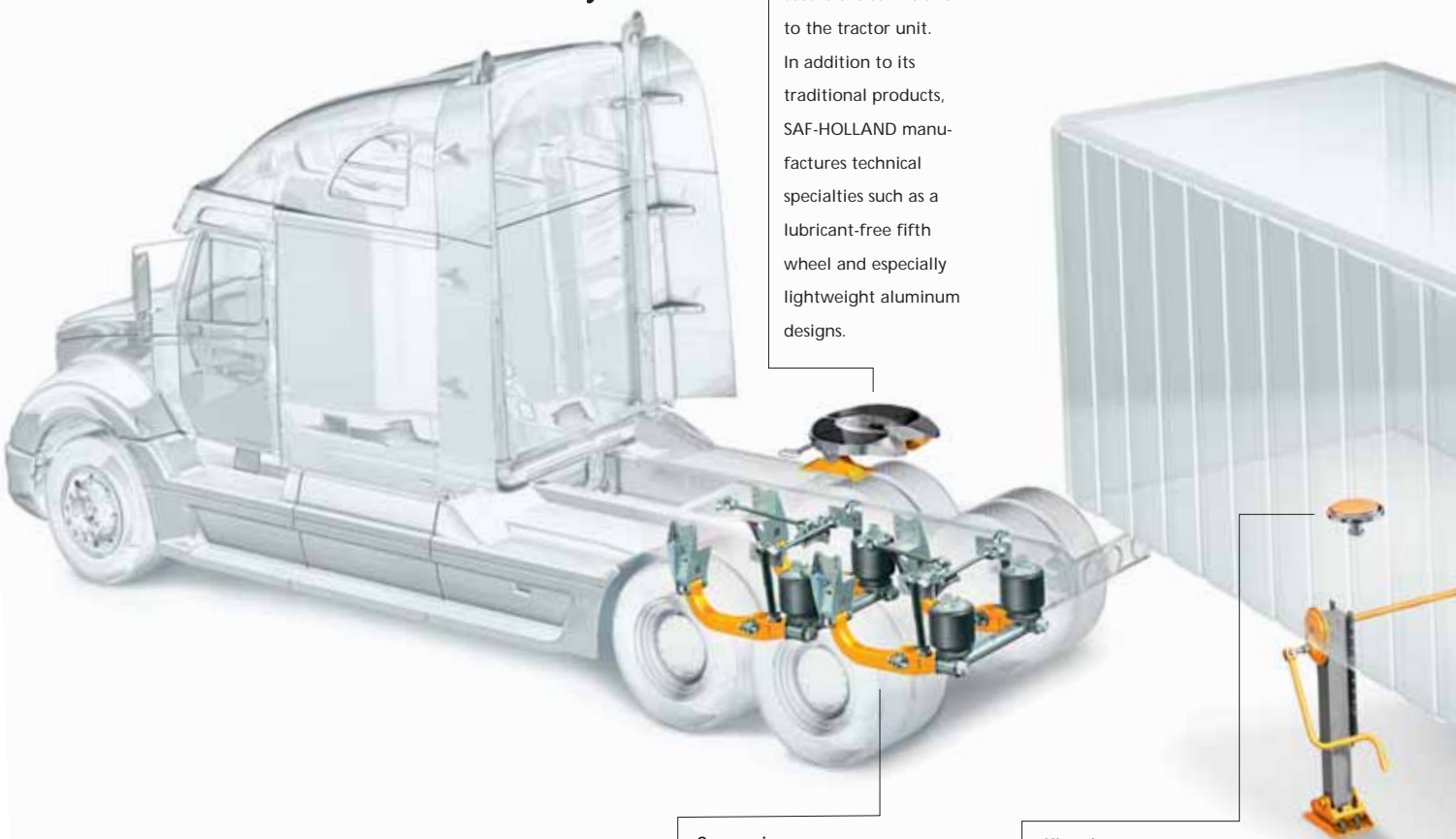
Prime Standard: Prime Standard is a market segment of the German Stock Exchange that lists German companies which comply with international transparency standards.

R&D ratio: $\text{R\&D costs and capitalized development costs} / \text{sales} \times 100$.

Sales per employee: $\text{Sales} / \text{average number of employees}$.

SDAX: The SDAX is the selection stock market index for 50 smaller companies in Germany, "small caps".

Technical Glossary



Fifth wheel

Mounts with the kingpin and serves to secure the semi-trailer to the tractor unit.

In addition to its traditional products, SAF-HOLLAND manufactures technical specialties such as a lubricant-free fifth wheel and especially lightweight aluminum designs.

Suspension

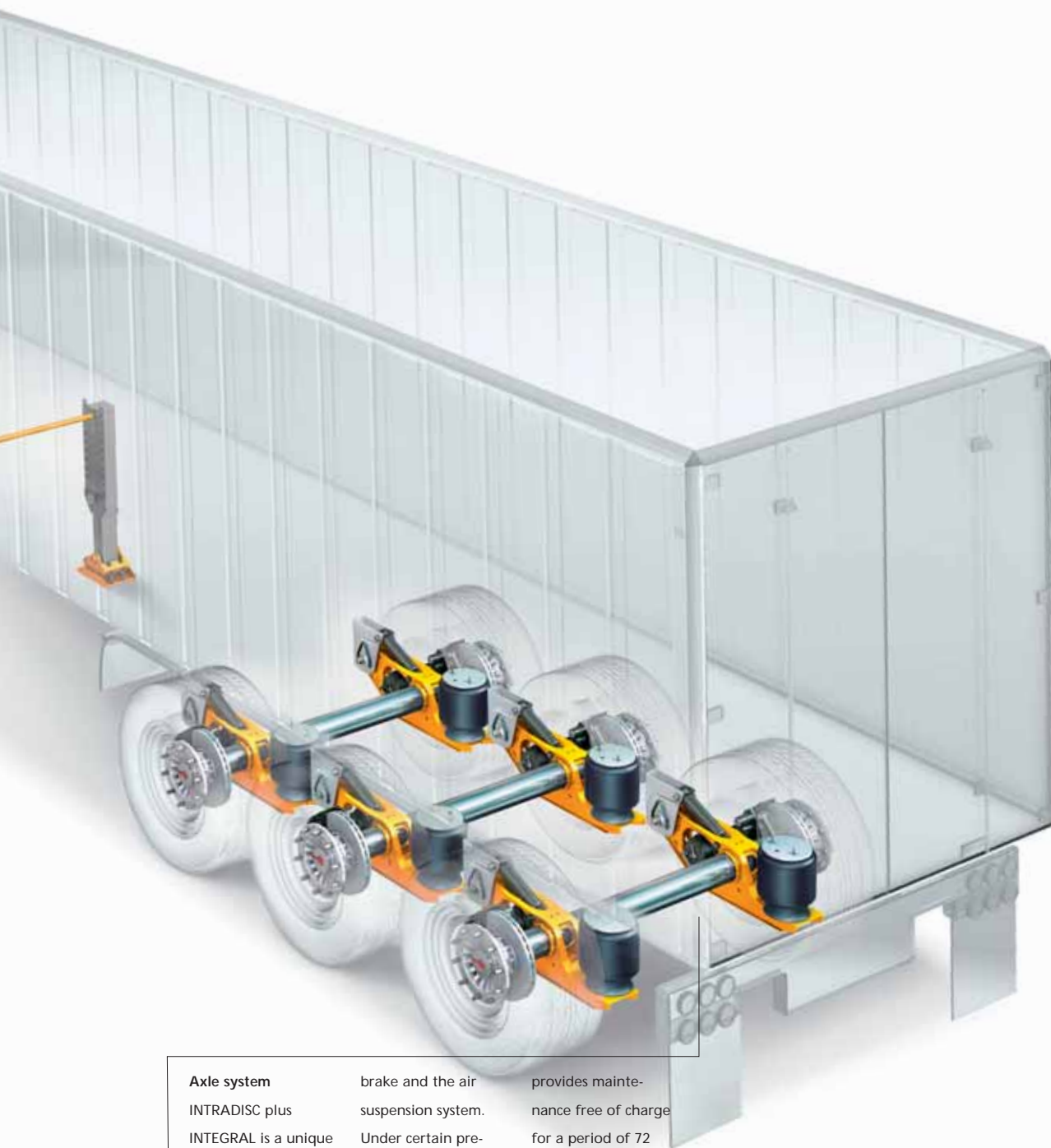
The suspension creates the link between the axle and the vehicle in order to compensate for road irregularities and improve maneuverability. The SAF-HOLLAND suspension system with its modular design can be used for up to three interlinked powered axles. Each axle is suspended individually. Suitable for gross vehicle weights of between 10 and 40 tons.

Kingpin

Mounts on the semi-trailer and couples with the tractor fifth wheel. SAF-HOLLAND products are sold around the world and are among the safest on the market.

Landing legs

Retractable legs that support the front of a semi-trailer when it is not secured to the tractor unit. SAF-HOLLAND landing legs have a special coating that increases their service life significantly.


Axle system

INTRADISC plus
INTEGRAL is a unique
axle system for
trailers, which con-
sists of the axle itself
fitted with a disk

brake and the air
suspension system.
Under certain pre-
conditions, and
taking into account
the existing warranty
terms, SAF-HOLLAND

provides mainte-
nance free of charge
for a period of 72
months or 1 million
kilometers for the
INTRA ALL-IN axle
system.

Financial Calendar and Contact Information

Financial Calendar

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