

RELIABLE
ON THE ROAD.

01

QUARTERLY REPORT AS OF MARCH 31, 2012

Key Figures

EUR million	Q1/2012	Q1/2011
Sales	216.6	202.4
Cost of sales	-177.5	-164.4
Gross profit	39.1	38.0
as a percentage of sales	18.0	18.8
Adjusted result for the period	5.9	4.9
as a percentage of sales	2.7	2.4
Adjusted EPS in EUR ¹⁾	0.14	0.22
Adjusted EBITDA	17.6	18.2
as a percentage of sales	8.1	9.0
Adjusted EBIT	14.0	14.6
as a percentage of sales	6.5	7.2
Operating cash flow ²⁾	6.1	10.8

1) Adjusted result / weighted average number of ordinary shares outstanding in the period under review.

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

Sales by Region

EUR million	Q1/2012	Q1/2011
Europe	112.2	110.9
North America	90.9	81.8
Other	13.5	9.7
Total	216.6	202.4

Sales by Business Unit

EUR million	Q1/2012	Q1/2011
Trailer Systems	120.9	114.5
Powered Vehicle Systems	40.8	37.3
Aftermarket	54.9	50.6
Total	216.6	202.4

Other Financial Information

	03/31/2012	12/31/2011
Total assets (EUR million)	552.4	536.5
Equity ratio (%)	35.3	35.8
	Q1/2012	Q1/2011
Employees (average)	3,119	2,963
Sales per employee (kEUR)	69.5	68.3

Table of Contents

COMPANY		CONSOLIDATED INTERIM FINANCIAL STATEMENTS	
Foreword from the Management Board	02		
Overview of Share Price Development	04	Consolidated Statement of Comprehensive Income	18
		Consolidated Balance Sheet	19
		Consolidated Statement of Changes in Equity	20
		Consolidated Cash Flow Statement	21
		Notes to the Consolidated Interim Financial Statements	22
GROUP INTERIM MANAGEMENT REPORT		ADDITIONAL INFORMATION	
Financial Position and Financial Performance	06		
General Framework Conditions	06		
Overview of Business Development	07		
Earnings Situation	08		
Financial Situation	12		
Assets	13		
Opportunities and Risk Report	14		
Events After the Balance Sheet Date	14	Financial Glossary	30
		Technical Glossary	32
Outlook	15	List of Abbreviations	34
		Financial Calendar and Contact Information	35
		Imprint	36

Foreword from the Management Board

Ladies and Gentlemen,
Dear Shareholders,

SAF-HOLLAND is headed in the right direction. The start to 2012 was very positive for us in a number of ways. Contrary to original expectations, we further expanded our business volume in the first three months and recorded good progress – especially in our growth areas, the technology transfer in North America and the Aftermarket Business Unit.

With a plus of 7.0% as compared to the same period in the previous year, Group sales increased to EUR 216.6 million. In the context of the European sovereign debt crisis, which remains as yet unresolved and the uncertainties which arise from the economic and political environment, we are very satisfied with the development. Our adjusted operating earnings before interest and taxes (EBIT) also developed positively and exceeded our expectations. At EUR 14.0 million, adjusted EBIT was about one percentage point above the previous year period, if it is taken into consideration that a major portion of a lucrative project had expired as anticipated in the third quarter of 2011.

SAF-HOLLAND is consistently pursuing its growth strategy, which is based for the most part on four pillars, including three economy-independent potential areas:

- The international expansion of our aftermarket business, supported by continuous growth of the installed product basis in the established markets, the establishment of sales companies in various regions of the world and the expansion of target groups with new product brands.
- The doubling of market share in the trailer segment in North America, based on the technology transfer of modern axle and suspension systems.
- The expansion of our activities in the emerging BRIC countries, especially China and Brazil.
- The growing need for transport volume around the world and the continuing pent-up investment demand for new vehicles in North America and Europe.

Healthy growth requires a sound financial structure in the company. Following our successful restructuring measures of the last two years, SAF-HOLLAND now has a healthy and stable foundation. With an equity ratio of more than 35%, we are well on our way toward achieving the goal of at least 40%. Our growth financing has been secured until September 2014 which means we are in a position to review and evaluate alternatives for optimizing external financing without time pressure. I would

Detlef Borghardt,
Chief Executive Officer (CEO)



especially like to point out one of our strengths related to the management of net working capital. In the first quarter we also managed to maintain net working capital at about 10% of sales, an objective that we pursue regardless of business development.

This success of the company is based not least on the commitment of our employees, the reliability and loyalty of our business partners and the experience and expertise of the management. We are therefore delighted that the Annual General Meeting in April elected a new expert to the Board of Directors at SAF-HOLLAND. With Anja Kleyboldt we strengthen the team through the addition of an expert in the automotive industry who, with her experience in the areas of engineering, quality and processes will provide additional impetus.

For the financial year 2012, we anticipate, subject to a suitable economic environment, a positive business development which should continue in 2013. Our assessment is based, among other things, on the assumption that the need for replacement investments among freight forwarders and fleet operators will be financially viable as a result of the general economic environment. The need for new trucks and trailers is still present in our core markets.

I would like to thank all employees, shareholders, customers and business partners for their trust and support.

A handwritten signature in blue ink, reading 'Detlef Borghardt'.

Detlef Borghardt
Chief Executive Officer (CEO)

OVERVIEW OF SHARE PRICE DEVELOPMENT

SAF-HOLLAND SHARE BOOSTED BY MARKET GROWTH AND PLEASING FINANCIAL YEAR-END 2011

2012 began promisingly for the stock market. Bullish economic data from the USA and relative calm in terms of budget-related discussions in Europe were among the factors which led to the noticeable upward movement of stock prices.

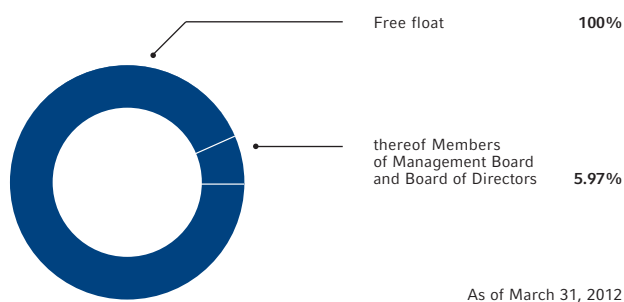
In this favorable environment, the SAF-HOLLAND share price also made significant gains in the first quarter of 2012. On the basis of 2011's year-end closing price of EUR 3.56, our share price rose to EUR 6.82 on March 19 and closed out the quarter at EUR 6.34. This corresponds to an increase in the first three months of about 78%. The comparative index SDAX recorded an increase of 18% in this period, from 4,421.44 to 5,220.98 points. The company's annual figures, which were published on March 15 and welcomed by the capital markets, contributed to the positive share price development.

The average trading volume in the reporting period was 561,119 shares per day. On the basis of the price at the end of the quarter, our share had a market capitalization of EUR 261.4 million. The SAF-HOLLAND share is listed on the regulated market of the Frankfurt Stock Exchange and fulfills the transparency criteria of the Prime Standard. It has been part of the SDAX since 2010.

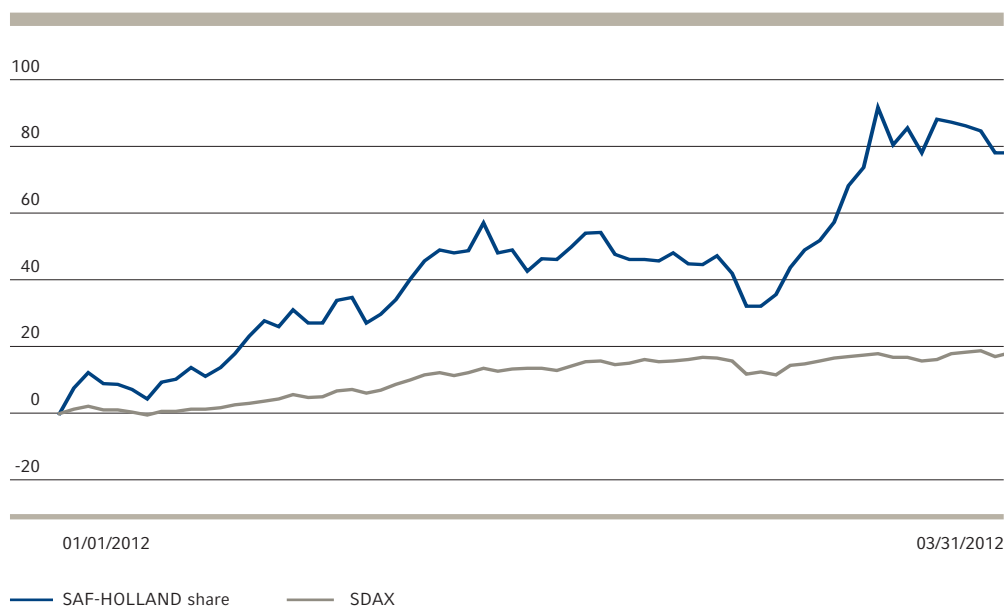
In the first three months of the year, we continued to concentrate our investor relations efforts on regular contact with investors and analysts. In a series of roadshows, we traveled to Frankfurt, Brussels, Amsterdam and The Hague. The highlight was the investors' and analysts' conference on March 15 for the publication of the 2011 annual financial statements of SAF-HOLLAND.

At the Annual General Meeting on April 26, 2012, shareholders resolved not to pay a dividend for financial year 2011. The dividend policy of the company calls for 40 - 50% of available net earnings to be paid out to shareholders as soon as the company achieves an equity ratio of 40%. In the first quarter of 2012, the equity ratio already reached a level of 35.3%.

Shareholder structure 2012 in %



Development of the SAF-HOLLAND share price vs. SDAX (in %)



Group Interim Management Report

FINANCIAL POSITION AND FINANCIAL PERFORMANCE

GENERAL FRAMEWORK CONDITIONS

Overall economic development

The global economic environment brightened slightly in the first quarter of 2012. The global economy, however, continues to be burdened by the as yet unsolved European debt crisis and uncertainties with regard to American financial policy. Beyond that, rising oil prices are having a dampening effect.

In Europe, the economy remains cautious. In the Euro zone, a decline of 0.3% is being forecast for the current year. Things could then improve in 2013. The condition for an upswing is that Euro zone countries successfully continue along the path of consolidation that has begun.

Economic output in the USA grew by 0.4% in the first quarter. Over the course of the year, production is expected to increase, boosted primarily by private consumption. The Joint Economic Forecast Group currently assumes that American gross domestic product (GDP) will grow by 2.2%.

As a result of economic weakness in advanced economies, the upswing is slowing in emerging economies. Strong domestic demand and major infrastructure projects nonetheless ensure disproportionately high growth rates. For oil and gas exporter Russia, additional momentum has been provided by high energy prices. Among the strongest economic performers of 2012 are, from today's perspective, India with a forecast increase in GDP of 6.8% and China whose economy will likely grow by 7.9%.

Economic development 2012 and 2013 in important markets

	2012	2013
European Union	0.1%	1.3%
Euro zone	-0.3%	1.1%
Germany	0.9%	2.0%
United States of America	2.2%	2.3%
Brazil ¹⁾	4.0%	5.5%
Russia	3.8%	3.8%
India	6.8%	7.5%
China	7.9%	8.2%

¹⁾ Institute for the World Economy IfW (March 2012).

Source: Joint Economic Forecast Project Group (April 2012).

Industry-specific development

Cautious economic development impacts the international commercial vehicle market. In the European Union, 451,244 units were newly registered in the first quarter, 9.6% fewer than in the same period of the previous year. According to the industry association ACEA, it is primarily for vehicles in lower weight categories that demand is weakest. The market for trucks of up to 3.5 tonnes, for example, decreased by 11.2%; the market for trucks over 16 tonnes on the other hand, which is more important for SAF-HOLLAND, showed a decrease of just 3.1%.

For Germany, the Association of the International Motor Vehicle Manufacturers (VDIK) reported 15,118 new vehicle registrations for trucks over 16 tonnes. Compared to the same quarter in the previous year, this corresponds to a decrease of 1.9%. The German Automotive Industry Association (VDA) reports that in Germany for the reporting period 68,174 trucks in the weight category up to 6 tonnes and 38,118 trucks over 6 tonnes were produced, for a growth of more than 4% in each of those categories. The majority of the vehicles were exported.

After a start to the new year that proceeded according to plan, the expectations of the American truck industry were not met in February and March. The market research institute ACT Research, however, believes that this is only a short-term trend. Over the full-year, growth of 17% to 299,345 units continues to be projected for Class 8 trucks. The American trailer market will increase to 264,650 over the same period, an increase of over 19% from the previous year.

OVERVIEW OF BUSINESS DEVELOPMENT

SAF-HOLLAND was able to set itself apart from the overall market in the first quarter and exceeded sales achieved in the prior-year period by 7%. Also in relation to profitability, we achieved strong progress. This applies in particular when we take into consideration that the major portion of a lucrative project expired as anticipated in the third quarter of 2011.

Significant Events in the First Quarter 2012

The Mid-America Trucking Show, which took place in March in Louisville, Kentucky, USA, confirmed the industry's optimism for the current financial year and for 2013. Regardless of the fact that the general market forecasts assume a slight calming of the industry upswing in North America, truck and trailer manufacturers as well as fleet operators remain confident. They expect an ongoing positive order situation based on continued pent up demand for investment in new vehicles, as the vehicles in the fleets are relatively old due to the economic crisis in the USA which began in 2007.

SAF-HOLLAND took advantage of North America's most important commercial vehicle show to present its new and growing product family of suspension systems for trailers, among other products. Exhibiting substantial weight savings and high quality, the market is especially attracted by the products' durability and ability to sustain high loads. Accordingly, we are experiencing increased interest on the part of American customers and a corresponding increase in demand. At the same time, the introduction of our "Black Armour" anti-corrosion coating was met with a positive response from visitors to the show. Compared to competitive products, the coating features outstanding surface protection against corrosion and stone chips and is used especially for the suspension and axle systems as well as for landing legs.

It was also apparent this year that more than 50% of truck manufacturers equipped a majority of their vehicles at the show with disc brake technology. This is an important indication that the market is becoming increasingly accepting of this premium technology in contrast to drum brake systems, which have been standard equipment for decades.

Development in the BRIC countries is in line with the expectations of SAF-HOLLAND. The Brazilian market reflected the consequences of pull-forward effects resulting from new emissions regulations for 2012. Vehicle demand thus declined significantly in the first quarter, a development that will continue in the second quarter. We anticipate a return to a normalization of the market in the second half of 2012. In China, SAF-HOLLAND managed to once again increase the production volume of landing legs for trailers, a majority of which are exported to North America.

An expected positive start to the year was recorded in our aftermarket business. The development gives us confidence that SAF-HOLLAND will, in the medium term, achieve the targeted objective for this business unit of a 30% share of total Group sales. The new spare parts program, which we began in 2011 under the brand "Sauer Quality Parts" and which is being offered initially in Eastern Europe, proved to be one of our successful sales drivers. The product range opens up a spare parts market for trailers that have already been delivered to the used vehicle market. The Aftermarket Business Unit is also making good progress at its new location in Dubai. Here, too, we are recording increasing sales volumes, as planned. In Australia, one of the largest truck OEM customers honored SAF-HOLLAND with an award as most improved supplier of the year. The award confirms the measures we have taken to continuously and sustainably improve our delivery quality and reliability.

EARNINGS SITUATION

Sales increased once again

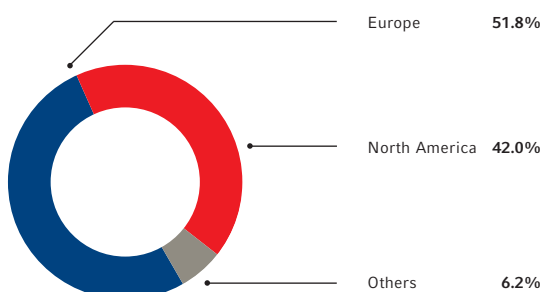
SAF-HOLLAND's global business grew further in the first quarter. In total, we achieved sales of EUR 216.6 million (previous year: EUR 202.4 million), which corresponds to an increase of 7.0% over the previous year. Adjusted for exchange rate effects, sales increased to EUR 212.5 million. All Business Units contributed to sales growth.

Sales development by region

EUR million	Q1/2012		Q1/2012 exchange rate- adjusted		Q1/2011	
Europe	112.2	51.8%	112.2	52.8%	110.9	54.8%
North America	90.9	42.0%	87.1	41.0%	81.8	40.4%
Other	13.5	6.2%	13.2	6.2%	9.7	4.8%
Total	216.6	100.0%	212.5	100.0%	202.4	100.0%

SAF-HOLLAND recorded the largest growth rate in regions outside of Europe and North America. Here, we generated an increase of 39.2% to EUR 13.5 million in the reporting period (previous year: 9.7%). These regions' share of Group sales rose to 6.2% (previous year: 4.8%). This was followed by North America, where our business volume climbed by 11.1% to EUR 90.9 million (previous year: EUR 81.8 million). In Europe, sales volume totaled EUR 112.2 million (previous year: EUR 110.9 million), which corresponds to a slight increase of 1.2%. With a share of total sales equal to 51.8% (previous year: 54.8%), Europe remains our strongest region. Business in North America, however, is growing faster by comparison as a result of the expansion of our trailer business there, among other things.

Share of Group sales by region in %



Earnings development meets expectations

Income statement

EUR million	Q1/2012		Q1/2011	
Sales	216.6	100.0%	202.4	100.0%
Cost of sales	-177.5	-82.0%	-164.4	-81.2%
Gross profit	39.1	18.0%	38.0	18.8%
Other income	0.2	0.1%	0.1	0.0%
Selling expenses	-13.2	-6.1%	-12.0	-5.9%
Administrative expenses	-9.9	-4.6%	-9.9	-4.9%
Research and development costs	-4.2	-1.9%	-3.6	-1.8%
Operating result	12.0	5.5%	12.6	6.2%
Finance result	-5.5	-2.5%	-12.6	-6.2%
Share of net profit of investments accounted for using the equity method	0.2	0.1%	0.1	0.0%
Result before tax	6.7	3.1%	0.1	0.0%
Income tax	-2.8	-1.3%	7.6	3.8%
Result for the period	3.9	1.8%	7.7	3.8%
Number of shares ¹⁾	41,237,375		22,299,449	
Earnings per share in EUR	0.09		0.34	

1) Weighted average number of ordinary shares.

The earnings situation of SAF-HOLLAND is developing positively and is above our expectations for the first quarter of 2012. In a comparison with the previous year period it should be taken into consideration that a major portion of a lucrative project in the Powered Vehicle Systems Business Unit had expired as anticipated in the third quarter 2011. Against this backdrop, the Group's adjusted operating earnings reached EUR 14.0 million (previous year: EUR 14.6 million). In relation to sales, this results in an adjusted EBIT margin of 6.5% for the first quarter of 2012 (previous year: 7.2%). If one takes the contribution of this project into consideration, SAF-HOLLAND recorded an improvement in its adjusted EBIT margin of approximately 1 percentage point in the reporting period.

Influenced by high business volume, gross profit grew by 2.9% to EUR 39.1 million (previous year: EUR 38.0 million). The gross margin of 18.0% is slightly below the comparative figure (previous year: 18.8%). Here, in addition to increases in material prices and ongoing supply bottlenecks in the USA which continued into the first quarter, the expiration of a major portion of the lucrative project had an impact. We can pass on price increases in the materials area to a certain extent, albeit with a delay.

The supply bottlenecks will decrease significantly in the second quarter of 2012 as a result of capacity expansion measures being undertaken by our suppliers.

Selling expenses in the reporting period increased in comparison to the previous year by 10.0% to EUR 13.2 million (previous year: EUR 12.0 million). In relation to total sales, its share increased slightly to 6.1% (previous year: 5.9%). The situation is different with administrative expenses which, at EUR 9.9 million, were at the level of the previous year period. In relation to increased group sales, the ratio decreased accordingly to 4.6% (previous year: 4.9%). Costs for research and development increased as planned to EUR 4.2 million (previous year: EUR 3.6 million) which, in relation to Group sales, represents a share of 1.9% (previous year: 1.8%).

The financial result of EUR -5.5 million (previous year: EUR -12.6 million) is primarily a reflection of lower interest expenses. These resulted from the optimized financing which we were able to achieve following the capital increase carried out in March 2011.

The effective income tax rate in the first quarter was 42%. The variance between the effective income tax rate and the Group's income tax rate of 30.8% is mainly attributable to non-deductible business expenses and unused tax loss carry-forwards. In the reporting year, income tax amounted to EUR -2.8 million (previous year: EUR 7.6 million). For the most part, the deviation from the previous year period arises from the fact that in the first quarter of 2011, the Group recognized deferred income tax of EUR 9.4 million on tax interest carry-forwards unrecognized in previous years.

As a result of this positive tax effect in the previous year, the result for the period of EUR 3.9 million was below the figure for the previous year period of EUR 7.7 million. Adjusted result before taxes rose from EUR 7.1 million in the same period of the previous year to EUR 8.5 million in the first quarter of 2012.

Reconciliation of adjusted earnings figures

EUR million	Q1/2012	Q1/2011
Result for the period	3.9	7.7
Income tax	2.8	-7.6
Finance result	5.5	12.6
Depreciation and amortization from PPA ¹⁾	1.6	1.6
Restructuring and integration costs	0.2	0.3
Adjusted EBIT	14.0	14.6
as a percentage of sales	6.5	7.2
Depreciation and amortization	3.6	3.6
Adjusted EBITDA	17.6	18.2
as a percentage of sales	8.1	9.0
Depreciation and amortization	-3.6	-3.6
Finance result	-5.5	-12.6
Restructuring and integration costs	-	5.1 ³⁾
Adjusted result before taxes	8.5	7.1
Income tax	-2.6	-2.2
Adjusted result for the period	5.9	4.9
as a percentage of sales	2.7	2.4
Number of shares ²⁾	41,237,375	22,299,449
Adjusted earnings per share in EUR	0.14	0.22

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

2) Weighted average number of shares outstanding in the period under review.

3) In the previous year one-time effects from the early repayment of bank loans and interest swaps.

Performance of the Business Units

Overview of the Business Units

	Trailer Systems Business Unit		Powered Vehicle Systems Business Unit		Aftermarket Business Unit		Adjustments/ Eliminations		Total	
EUR million	Q1/2012	Q1/2011	Q1/2012	Q1/2011	Q1/2012	Q1/2011	Q1/2012	Q1/2011	Q1/2012	Q1/2011
Sales	120.9	114.5	40.8	37.3	54.9	50.6	–	–	216.6	202.4
Cost of sales	-108.8	-103.5	-34.7	-29.8	-34.0	-30.8	–	-0.3	-177.5	-164.4
Gross profit	12.1	11.0	6.1	7.5	20.9	19.8	–	-0.3	39.1	38.0
as a percentage of sales	10.0	9.6	15.0	20.1	38.1	39.1	–	–	18.0	18.8
Other income and expense	-8.2	-7.6	-2.9	-3.0	-13.0	-12.3	-1.0	-0.5	-25.1	-23.4
Adjusted EBIT	3.9	3.4	3.2	4.5	7.9	7.5	-1.0	-0.8	14.0	14.6
as a percentage of sales	3.3	3.0	7.7	12.1	14.4	14.8	–	–	6.5	7.2

Trailer Systems

The main source of sales was once again the Trailer Systems Business Unit, which generated 55.8% (previous year: 56.6%) of Group sales. On the basis of demand for trailers in the first quarter, which was better than expected in Europe, and the good business in North America, Trailer Systems further expanded its sales by 5.6% to EUR 120.9 million (previous year: EUR 114.5 million). Gross profit of EUR 12.1 million exceeded the figure from the previous year by EUR 1.1 million; the gross margin improved from 9.6% to 10.0%. Overall, the Trailer Systems Business Unit recorded favorable development in both core markets. Demand for axle and suspension systems is growing steadily, particularly in North America, and we are well on our way to doubling our production capacities in this region by the end of the year. In Europe, SAF-HOLLAND is benefiting from rising transport volumes and pent up demand for new trailers in the wake of the dramatic declines in production and demand seen in the years 2008 and 2009.

Powered Vehicle Systems

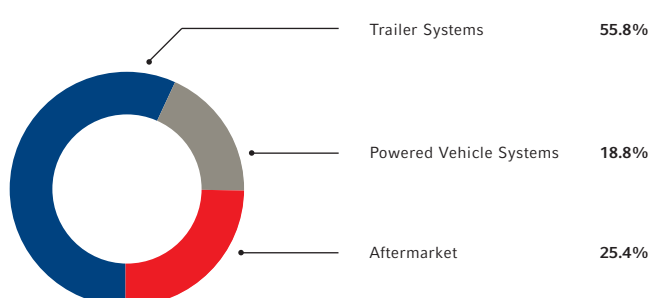
The Powered Vehicle Systems Business Unit expanded its business. One of the most important factors was continued high demand for commercial vehicles in North America. Like the situation in Europe, this resulted primarily from the ongoing pent up demand as well as growth in demand for transport services. In this environment, the business segment recorded sales growth to EUR 40.8 million (previous year: EUR 37.3 million). We have thus succeeded in more than compensating, from a sales perspective, for the anticipated expiration of the major portion of the special project in the third quarter 2011. The share of Group sales increased slightly to 18.8% (previous year: 18.4%). Due to rising costs for materials and the anticipated, near complete expiration of the lucrative project in the USA, the gross margin of 15.0% (previous year: 20.1%) fell below the figure for the previous year period. Gross profit was EUR 6.1 million (previous year: EUR 7.5 million).

Aftermarket

The Aftermarket, the second-largest business unit, continued as an important contributor of sales and earnings. With sales of EUR 54.9 million (previous year: EUR 50.6 million), the segment showed an increase of 8.5% despite bottlenecks on the supplier side. Its share of Group sales was 25.4% (previous year: 25.0%). We are thus continuing to maintain our course toward achieving the desired sales

contribution of 30% of total sales. At 38.1% (previous year: 39.1%), the gross margin was 1 percentage point below last year's level. The main reasons for this were material bottlenecks in North America. We made good progress with our growth strategy in the business segment. Both the new brand for spare parts in Eastern Europe and the new location in the Middle East are showing ongoing success. As planned, additional areas of business have opened up for us which will also contribute to the future growth of the segment.

Share of Group sales by Business Unit in %



FINANCIAL SITUATION

Financing

We are continuing initiatives for the optimization of our financial structure. The existing credit line, for example, was reduced by EUR 5.0 million in the reporting period. As of March 31, liabilities from interest bearing loans and borrowings amounted to EUR 177.1 million (December 31, 2011: EUR 175.0 million). Net debt on the same date totaled EUR 162.7 million (December 31, 2011: EUR 159.7 million). The interest rate margin for the remaining credit lines declined further. The margin is tied to the development of certain key debt figures and, as a result of the further improved financial structure, was reduced to 3.0% (previously: 3.5%). Before the successful capital increase and the associated proportionate repayment of the loans in the previous year 2011, the interest rate margin was 5.95%.

Investments

The focus of our investment activities was on replacement and expansion measures which served to expand the international production capacities and constant quality optimization. A Group-wide total of EUR 3.7 million (previous year: EUR 2.6 million) was invested. In relation to sales, this results in an investment rate of 1.7% which is in line with our desired plan figure of about 2%.

Liquidity

Cash flow from operating activities before income tax payments totaled EUR 6.1 million in the reporting period (previous year: EUR 10.8 million). Changes resulted primarily from increased receivables and liabilities due to the higher business volume. At the same time, it should be considered that some customers had moved their payments to SAF-HOLLAND forward in December 2011 thus resulting in a one-time effect of about EUR 6.0 million. As a consequence, the development of the cash flow from operating activities reflects an increase in the fourth quarter and a corresponding weakening at the beginning of 2012. Cash flow from investing activities totaled EUR -3.3 million (previous year: EUR -1.8 million) impacted primarily by higher investments in property, plant and equipment. Cash flow from financing activities amounted to EUR -1.3 million (previous year: EUR 129.9 million). It should be considered here that the comparable figure from the same period in the previous year is characterized by the capital increase carried out in March 2011 and which generated net proceeds of EUR 137.7 million.

Interest paid in the first quarter of 2012 decreased to EUR 3.2 million (previous year: EUR 6.3 million) which is nearly half of the figure from the previous year period. The positive effects of our initiatives for the sustainable reduction of financing costs is clearly reflected here. As of March 31, 2012, cash available stood at EUR 14.4 million (December 31, 2011: EUR 15.3 million). Including the agreed credit facility, this results in total liquidity of EUR 63.4 million (December 31, 2011: EUR 70.7 million).

One of our key performance indicators is net working capital. On the balance sheet date it amounted to EUR 88.4 million (December 31, 2011: EUR 78.2 million) which equals 10.2% of Group sales. The net working capital need was thus very close to our target ratio of a maximum of 10% of sales. Days of inventory outstanding as of March 31 was 47 days (previous year: 42 days / December 31, 2011: 48 days) and was thus slightly above our target of 45 days. This can be attributed primarily to higher inventories with which we secured increased production volumes.

ASSETS

Equity ratio

Equity rose as a result of further growth in the business and the ongoing financial optimization to EUR 194.9 million (December 31, 2011: EUR 192.2 million). This results in an equity ratio of 35.3% (December 31, 2011: 35.8%).

Asset structure

Total assets increased to EUR 552.4 million (December 31, 2011: EUR 536.5 million). In the course of the expansion of business, trade accounts receivable increased to EUR 111.6 million (December 31, 2011: EUR 95.4 million) and inventories to EUR 93.7 million (December 31, 2011: EUR 90.4 million). Overall, non-current assets totaled EUR 321.6 million (December 31, 2011: EUR 327.8 million) and current assets totaled EUR 230.8 million (December 31, 2011: EUR 208.7 million).

On the liabilities side, current liabilities rose to EUR 136.7 million (December 31, 2011: EUR 124.4 million). This increase was primarily attributable to trade payables, which rose from EUR 86.0 million (December 31, 2011) to EUR 94.3 million. Non-current liabilities amounted to EUR 220.8 million (December 31, 2011: EUR 219.9 million).

More than half of employees in North America

Our company's growth path is also reflected in the development in the number of employees. As of March 31, 2012, SAF-HOLLAND employed 3,119 people worldwide (previous year: 2,963, including temporary employees). North America had the largest share of the total workforce with 51% of employees, followed by Europe with 36% and other countries with 13%. Growth in jobs as compared to the first quarter in the previous year was primarily in production. The focus of hiring activities with regard to salaried employees was in the areas of development, application engineering and sales. Sales per employee in the first quarter of 2012 totaled kEUR 69.5 (previous year: kEUR 68.3).

Research and development: Focus on customer benefits

SAF-HOLLAND further advanced its research and development activities in the reporting period for continuing growth with innovations. The objectives of R&D efforts are new and innovative products in the truck and trailer sector. These provide greater efficiency and lower total cost of ownership for our customers. In addition, they meet demanding quality standards and are particularly maintenance-friendly, while offering tremendous reliability at all times and the highest safety standards. Through the weight reductions designed into our products, fuel consumption of commercial vehicles can also be significantly reduced, which is both economical and environmentally-friendly.

In the first quarter of this year, expenses for research and development totaled EUR 4.6 million (previous year: EUR 3.8 million), of that amount, EUR 0.4 million (previous year: EUR 0.2 million) were capitalized costs. The R&D ratio which shows the share of expenses to sales, thus reached a level of 2.1% (previous year: 1.9%).

OPPORTUNITIES AND RISK REPORT

Compared with the opportunities and risk profile at the end of financial year 2011, 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.

EVENTS AFTER THE BALANCE SHEET DATE

Restructuring of the external financing

We continue to take measures to optimize the financing structure of the company. We approach opportunities that present themselves with caution and without time pressure, since the financing of the growth course has been secured until September 2014. In April 2012, as part of a road show, management surveyed the interest of investors for a bond. Due to uncertainties – based on the budget problems of several European countries – it was decided, however, to postpone the placement of a bond or another suitable capital market instrument until a time when the economic and political framework conditions are more favorable.

New member in the Board of Directors

Within the scope of the Annual General Meeting of SAF-HOLLAND S.A. on April 26, 2012, shareholders elected Anja Kleyboldt (43) as new Member of the Board of Directors. The engineering graduate with a focus on mechanical engineering succeeds Gerhard Rieck, who retired from the committee as planned at the end of last year. Anja Kleyboldt, Director of Supply-Chain Strategies & WFG Opel/Vauxhall at Adam Opel AG in Rüsselsheim, previously headed the Opel factory in Kaiserslautern. In addition to preparing concepts for supply-chain projects, she is also responsible for all manufacturing and non-manufacturing sites in the WFG area within Europe. In 2011 Anja Kleyboldt received the international Rising Stars Award. With her experience and expertise in the automotive industry she will enrich the Board of Directors especially in the areas of engineering, quality and manufacturing. Further information on the resolutions of the Annual General Meeting can be found in the Notes to the Consolidated Interim Financial Statements on page 29.

Board of Directors as of April 26, 2012

Bernhard Schneider	Chairman
Ulrich O. Sauer	Deputy Chairman
Detlef Borghardt	Member
Samuel Martin	Member
Richard W. Muzzy	Member
Anja Kleyboldt	Member

Extraordinary General Meeting

The Extraordinary General Meeting convened for April 26, 2012 could not make any valid resolutions due to a failure to achieve the required quorum (at least 50% of share capital). Against this background, a second Extraordinary General Meeting with an identical agenda was convened for June 4, 2012. The

agenda calls for an increase in authorized capital, the amendment of the Articles of Incorporation and approval of the framework conditions for a buy-back of the companies shares. No quorum is required for the second Extraordinary General Meeting.

OUTLOOK

GENERAL STATEMENT ON FUTURE BUSINESS DEVELOPMENT

SAF-HOLLAND is pursuing a growth strategy which focuses primarily on international diversification and the expansion of the aftermarket business, independent of economic and market developments. On the basis of a leading market position in the core markets of North America and Europe, we are targeting a further penetration of the BRIC markets, the leveraging of volume potential through technology transfer and the opening of new business segments in the aftermarket.

Not only as a result of the year's good start in the first quarter of 2012 is SAF-HOLLAND on a positive path and making progress toward achieving its growth objectives. The Company is still benefiting from the commercial vehicle industry's need to catch up as a result of past crises. The need to invest in replacements is growing, in particular in the North American and European core markets. Added to this is the growth in global transport volumes, which has the truck and trailer industry looking optimistically towards the future. Progress notwithstanding, this development is linked to the economic and political environment in which it operates.

In contrast to North American buyers, however, customers in Europe remain cautious in their investment decisions. Budget problems in a few European countries and the resulting insecurity mean that freight forwarders and fleet operators are acting with a degree of hesitation. In such a context, it is crucial that buyers find the appropriate conditions for their investments. Not only optimism is playing a role in the course of financial and economic development, there is also the need for an environment that makes the necessary replacement investments financially viable. If the debt crisis does not worsen in Europe and North America and governments introduce counter measures that foster trust, it will lead to a positive business development for SAF-HOLLAND in 2012 as well as 2013.

Consolidated Interim Financial Statements

Consolidated Statement of Comprehensive Income	18	1	Corporate Information	22
Consolidated Balance Sheet	19	2	Significant Accounting Policies	22
Consolidated Statement of Changes in Equity	20	3	Seasonal Effects	22
Consolidated Cash Flow Statement	21	4	Scope of Consolidation	23
Notes to the Consolidated Interim Financial Statements	22	5	Segment Information	23
		6	Finance Result	24
		7	Income Taxes	24
		8	Cash and Cash Equivalents	25
		9	Equity	25
		10	Earnings per Share	25
		11	Interest Bearing Loans and Borrowings	26
		12	Financial Assets and other Financial Liabilities	27
		13	Related Party Disclosures	28
		14	Cash Flow Statement	29
		15	Events after the Balance Sheet Date	29

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

kEUR	Notes	Q1/2012	Q1/2011
Result for the period			
Sales	(5)	216,622	202,362
Cost of sales		-177,523	-164,430
Gross profit		39,099	37,932
Other income		268	85
Selling expenses		-13,190	-11,985
Administrative expenses		-9,926	-9,854
Research and development costs		-4,233	-3,592
Operating result	(5)	12,018	12,586
Finance income	(6)	421	686
Finance expenses	(6)	-5,957	-13,333
Share of net profit of investments accounted for using the equity method		197	101
Result before tax		6,679	40
Income tax	(7)	-2,818	7,621
Result for the period		3,861	7,661
Other comprehensive income			
Exchange differences on translation of foreign operations	(9)	-951	-4,214
Changes in fair values of derivatives designated as hedges, recognized in equity	(9)/(12)	-270	4,784
Income tax effects on items recognized directly in other comprehensive income	(9)	77	-1,380
Other comprehensive income		-1,144	-810
Comprehensive income for the period		2,717	6,851
Attributable to equity holders of the parent		2,717	6,851
Basic and diluted earnings per share in EUR	(10)	0.09	0.34

CONSOLIDATED BALANCE SHEET

kEUR	Notes	03/31/2012	12/31/2011
Assets			
Non-current assets		321,550	327,788
Goodwill		45,745	46,311
Intangible assets		136,577	139,012
Property, plant, and equipment		99,203	100,746
Investments accounted for using the equity method		8,273	8,225
Other non-current assets		4,901	4,885
Deferred tax assets	(7)	26,851	28,609
Current assets		230,835	208,699
Inventories		93,663	90,400
Trade receivables		111,617	95,352
Income tax assets		121	144
Other current assets		11,039	7,458
Cash and cash equivalents	(8)	14,395	15,345
Total assets		552,385	536,487
Equity and liabilities			
Equity attributable to equity holders of the parent	(9)	194,949	192,232
Subscribed share capital		412	412
Share premium		245,661	245,661
Legal reserve		21	21
Other reserve		232	232
Retained earnings		-47,480	-51,341
Accumulated other comprehensive income		-3,897	-2,753
Non-current liabilities		220,784	219,869
Pensions and other similar benefits		12,498	12,600
Other provisions		5,178	4,695
Interest bearing loans and borrowings	(11)	165,812	163,504
Finance lease liabilities		20	14
Other financial liabilities	(12)	5,928	5,693
Other liabilities		278	286
Deferred tax liabilities	(7)	31,070	33,077
Current liabilities		136,652	124,386
Pensions and other similar benefits		2,180	2,237
Other provisions		4,683	5,410
Interest bearing loans and borrowings	(11)	11,258	11,530
Finance lease liabilities		75	67
Trade payables		94,356	86,038
Income tax liabilities		4,006	3,428
Other financial liabilities	(12)	227	99
Other liabilities		19,867	15,577
Total equity and liabilities		552,385	536,487

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	2012						
	Attributable to equity holders of the parent						
kEUR	Subscribed share capital	Share premium	Legal reserve	Other reserve	Retained earnings	Accumulated other com- prehensive income	Total equity (Note 9)
As of 01/01/2012	412	245,661	21	232	-51,341	-2,753	192,232
Comprehensive income for the period	–	–	–	–	3,861	-1,144	2,717
As of 03/31/2012	412	245,661	21	232	-47,480	-3,897	194,949

2011						
	Attributable to equity holders of the parent					
kEUR	Subscribed share capital	Share premium	Legal reserve	Retained earnings	Accumulated other com- prehensive income	Total equity (Note 9)
As of 01/01/2011	207	106,454	21	-77,911	-3,844	24,927
Comprehensive income for the period	–	–	–	7,661	-810	6,851
Issue of share capital	205	143,540	–	–	–	143,745
Transaction costs	–	-4,300	–	–	–	-4,300
As of 03/31/2011	412	245,694	21	-70,250	-4,654	171,223

CONSOLIDATED CASH FLOW STATEMENT

kEUR	Notes	Q1/2012	Q1/2011
Cash flow from operating activities			
Result before tax		6,679	40
- Finance income	(6)	-421	-686
+ Finance expenses	(6)	5,957	13,333
- Share of net profit of investments accounted for using the equity method		-197	-101
+ Amortization, depreciation of intangible assets and property, plant, and equipment		5,172	5,191
+ Allowance of current assets		465	250
-/+ Gain/Loss on disposal of property, plant, and equipment		-32	4
- Gain on disposal of subsidiaries	(4)	-125	-
- Gain on disposal of non-current assets classified as held for sale		-	-60
+ Dividends from investments accounted for using the equity method		23	22
Result before change of net working capital		17,521	17,993
- Change in other provisions and pensions		-156	-211
- Change in inventories		-4,813	-11,331
- Change in trade receivables and other assets		-21,094	-30,284
+ Change in trade payables and other liabilities		14,717	34,654
Cash flow from operating activities before income tax paid		6,175	10,821
- Income tax paid	(7)	-2,249	-1,142
Net cash flow from operating activities		3,926	9,679
Cash flow from investing activities			
- Purchase of property, plant, and equipment		-3,185	-2,140
- Purchase of intangible assets		-480	-464
+ Proceeds from sales of property, plant, and equipment		38	7
+ Proceeds from sales of subsidiaries net of cash	(4)	270	-
+ Proceeds from sales of non-current assets classified as held for sale		-	752
+ Interest received		24	17
Net cash flow from investing activities		-3,333	-1,828
Cash flow from financing activities			
+ Proceeds from capital increase	(9)	-	143,745
- Payments for transaction costs relating to the capital increase	(9)	-	-5,396
- Payments for expenses relating to amended finance agreement		-	-1,591
- Payments for finance lease		-13	-38
- Interest paid		-3,164	-6,254
- Repayments of current and non-current financial liabilities	(11)	-5,000	-
- Change in drawings on the credit line and other financing activities	(11)	6,871	-482
Net cash flow from financing activities		-1,306	129,984
Net decrease/increase in cash and cash equivalents		-713	137,835
Net foreign exchange difference		-237	-231
Cash and cash equivalents at the beginning of the period	(8)	15,345	8,546
Cash and cash equivalents at the end of the period	(8)	14,395	146,150

Notes to the Consolidated Interim Financial Statements

For the period January 1 to March 31, 2012

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. They have been included in the SDAX since 2010.

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 reporting date.

The consolidated interim financial statements for the first quarter of 2012 have been prepared in accordance with IAS 34 “Interim Financial Reporting”. Unless expressly indicated otherwise, the same accounting policies and consolidation methods were applied as in the Group’s annual financial statements for the financial year 2011. Therefore, the consolidated interim financial statements should be read in conjunction with the Group’s annual financial statements as of December 31, 2011.

In preparing the consolidated interim financial statements, management has made assumptions and estimates that affect the reported amounts of assets, liabilities, income, expenses, and contingent liabilities as of the reporting date. In certain cases, actual amounts may differ from these assumptions and estimates.

Expenses and income incurred irregularly during the financial year were anticipated or deferred if it would also be appropriate to do so at the end of the financial 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 Denmark ApS, Denmark, was sold in February 2012 and deconsolidated as of this date.

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, 2011. For more information, please see the notes of the 2011 Annual Report.

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

kEUR	Q1/2012	Q1/2011
Operating result	12,018	12,586
Share of net profit of investments accounted for using the equity method	197	101
EBIT	12,215	12,687
Additional depreciation and amortization from PPA	1,587	1,624
Restructuring and integration costs	206	262
Adjusted EBIT	14,008	14,573

Information on segment sales and earnings for the period from January 1 to March 31:

kEUR	2012				
	Business Units			Adjustments/ eliminations	Consolidated
	Trailer Systems	Powered Vehicle Systems	Aftermarket		
Sales	120,939	40,806	54,877	–	216,622
Adjusted EBIT	3,940	3,151	7,902	-985	14,008

kEUR	2011				
	Business Units			Adjustments/ eliminations	Consolidated
	Trailer Systems	Powered Vehicle Systems	Aftermarket		
Sales	114,457	37,252	50,653	–	202,362
Adjusted EBIT	3,329	4,511	7,504	-771	14,573

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 RESULT

Finance income and expenses consist of the following:

Finance income

kEUR	Q1/2012	Q1/2011
Finance income due to derivatives	–	530
Finance income due to pensions and other similar benefits	92	111
Interest income	33	20
Other	296	25
Total	421	686

Finance expenses

kEUR	Q1/2012	Q1/2011
Interest expenses due to interest bearing loans and borrowings	-3,624	-7,266
Transaction costs	-15	-4,436
Amortization of transaction costs	-635	-540
Finance expenses due to pensions and other similar benefits	-174	-193
Finance expenses due to derivatives	–	-746
Other	-1,509	-152
Total	-5,957	-13,333

Interest expenses from interest bearing loans and borrowings decreased as a result of the partial repayment of bank loans in April 2011 and the corresponding improvement in the interest rate margin.

In the previous year transaction costs of kEUR 4,436 were incurred from the partial repayment of bank loans.

The other finance expenses include unrealized foreign exchange losses of kEUR 1,262 on foreign currency loans translated at the closing rate.

7 INCOME TAXES

The major components of income taxes are as follows:

kEUR	Q1/2012	Q1/2011
Current income taxes	-2,962	-2,108
Deferred income taxes	144	9,729
Income tax reported in the result for the period	-2,818	7,621

The effective income tax rate in the first quarter of 2012 was 42%. The variance between the effective income tax rate and the Group's income tax rate of 30.8% is mainly attributable to non-deductible business expenses and unused tax loss carry forwards. In the corresponding period of the previous year, the Group recognized deferred income tax of kEUR 9,437 on interest carry-forwards unrecognized in previous years.

8 CASH AND CASH EQUIVALENTS

kEUR	03/31/2012	12/31/2011
Cash at banks and on hand	14,390	15,127
Short-term deposits	5	218
Total	14,395	15,345

9 EQUITY

As of March 31, 2012, the Company's subscribed share capital of EUR 412,373.75 is unchanged from December 31, 2011. It consists of 41,237,375 ordinary shares with a par value of EUR 0.01 and is fully paid-in.

In the previous year, SAF-HOLLAND S.A. decided to issue an additional 20,535,100 ordinary shares with a par value of EUR 0.01 each on March 24, 2011. The shares were placed at an offering price of EUR 7.00 each. Directly attributable transaction costs in the amount of kEUR 4,333 (after income tax benefits) were deducted from the share premium.

No dividend payment was approved for 2011.

Changes in accumulated other comprehensive income consist of the following:

kEUR	Before tax amount		Tax income/expense		Net of tax amount	
	Q1/2012	Q1/2011	Q1/2012	Q1/2011	Q1/2012	Q1/2011
Exchange differences on translation of foreign operations	-951	-4,214	-	-	-951	-4,214
Changes in fair values of derivatives designated as hedges, recognized in equity	-270	4,784	77	-1,380	-193	3,404
Total	-1,221	570	77	-1,380	-1,144	-810

25

10 EARNINGS PER SHARE

		Q1/2012	Q1/2011
Result for the period	kEUR	3,861	7,661
Weighted average number of shares outstanding	thousands	41,237	22,299
Basic and diluted earnings per share	EUR	0.09	0.34

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. New shares issued during the period are included pro rata for the period in which they are outstanding.

In the first quarter of 2012, the weighted average number of shares remained unchanged at 41,237,375.

In the corresponding period of the previous year, the weighted average number of shares increased due to the issue of 20,535,100 new shares as part of the capital increase on March 24, 2011. The weighted average number of shares for the corresponding period of the previous year is determined as follows:

	Par value (EUR)	Number	Days	Weighted number
01/01/2011–03/23/2011	0.01	20,702,275	83	1,718,288,825
03/24/2011–03/31/2011	0.01	41,237,375	7	288,661,625
Total			90	2,006,950,450
Average		22,299,449		

Earnings per share can be diluted by potential ordinary shares. No dilutive effects occurred during the reporting period or in the comparison period for 2011.

11 INTEREST BEARING LOANS AND BORROWINGS

kEUR	Non-current		Current		Total	
	03/31/2012	12/31/2011	03/31/2012	12/31/2011	03/31/2012	12/31/2011
Interest bearing collateralized bank loans	165,465	164,468	11,663	11,811	177,128	176,279
Transaction costs	-5,553	-6,298	-1,161	-1,152	-6,714	-7,450
Bank overdrafts	25	40	150	91	175	131
Success fee	5,467	4,795	–	–	5,467	4,795
Accrued interests	–	–	305	456	305	456
Other loans	408	499	301	324	709	823
Total	165,812	163,504	11,258	11,530	177,070	175,034

In November 2009, an agreement was signed with a banking syndicate to extend the existing credit agreement dated February 19, 2008 to September 2014. In March 2011, comprehensive changes and improvements were included in the credit agreement as part of the capital increase. Further details of the financing agreement are described in the Annual Report as of December 31, 2011.

The current interest bearing collateralized bank loans include the agreed repayments in the coming 12 months.

The following table summarizes the determination of overall liquidity defined as available undrawn credit lines measured at the initial borrowing rate plus available cash and cash equivalents:

kEUR	03/31/2012				
	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	Total liquidity
Facility A1	17,692	17,692	17,692	–	–
Facility A2	19,643	17,419	17,419	–	–
Facility B	139,793	139,793	188,800 ¹⁾	14,395	63,402
Total	177,128	174,904	223,911	14,395	63,402

kEUR	12/31/2011				
	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	Total liquidity
Facility A1	22,692	22,692	22,692	–	–
Facility A2	20,179	17,419	17,419	–	–
Facility B	133,408	133,408	188,800 ¹⁾	15,345	70,737
Total	176,279	173,519	228,911	15,345	70,737

1) The available credit lines from facility B in the amount of EUR 188.8 million include the separately agreed credit line for SAF-HOLLAND do Brasil Ltda. in the amount of EUR 3.8 million.

The collateral granted for the credit line is described in the Annual Report as of December 31, 2011.

In July 2011, preparations for issuing a bond got underway. Subject to the successful placement of the bond, a new flexible credit line of EUR 90 million with a term of five years was also concluded in this context. See Note 15 for further information.

12 FINANCIAL ASSETS AND OTHER FINANCIAL LIABILITIES

kEUR	01/01/2012					03/31/2012	03/31/2012
	Fair value	Changes recognized in equity (before tax)	Changes recognized in profit or loss (before tax)	Release	Foreign currency translation	Fair value	Other financial liabilities
Interest rate swaps EUR	-4,336	-289	–	–	–	-4,625	-4,625
Interest rate swaps USD	-1,357	19	–	–	35	-1,303	-1,303
Forward exchange transaction	-99	–	-156	24	4	-227	-227
Total	-5,792	-270	-156	24	39	-6,155	-6,155

Any gain or loss resulting from the measurement of financial assets and other financial liabilities is recognized immediately in profit or loss unless the derivative is designated and effective as a hedging instrument in hedge accounting.

Only interest rate swaps, which are used as cash flow hedges, meet the criteria for hedge accounting in the Group. Changes in market values must therefore be recognized directly in equity, if the hedging relationship is effective.

13 RELATED PARTY DISCLOSURES

Changes in the composition of the Board of Directors are disclosed in 'Events after the balance sheet date' (see Note 15).

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

kEUR	Q1/2012		03/31/2012	
	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
SAF-HOLLAND Nippon, Ltd.	167	–	177	185
Lakeshore Air LLP	–	53	–	36
FWI S.A.	–	5,137	–	665
Irwin Seating Company ¹⁾	215	–	109	–
Madras SAF-HOLLAND Manufacturing (I) P. Ltd.	32	–	173	–
Total	414	5,190	459	886

1) The Irwin Seating Company is a company in which a member of the Board of Directors of the SAF-HOLLAND Group holds a key management position.

kEUR	Q1/2011		12/31/2011	
	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
SAF-HOLLAND Nippon, Ltd.	79	–	56	183
Lakeshore Air LLP	–	47	–	12
FWI S.A.	–	2,046	–	331
Irwin Seating Company ¹⁾	146	–	18	–
Madras SAF-HOLLAND Manufacturing (I) P. Ltd.	–	–	146	–
Total	225	2,093	220	526

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

RESTRUCTURING OF THE EXTERNAL FINANCING

In April 2012, as part of a road show, management surveyed the interest of investors for a bond. Due to uncertainties – based on the budget problems of several European countries – it was decided, however, to postpone the placement of a bond or another suitable capital market instrument until a time when the economic and political framework conditions are more favorable. The in July 2011 in connection with a successful placement of the bond agreed credit line of EUR 90 million was cancelled for this reason as of April 30, 2012.

CHANGES TO THE BOARD OF DIRECTORS

At the Annual General Meeting on April 26, 2012, it was decided to approve and renew the Board of Directors mandate of Detlef Borghardt until the Annual General Meeting 2014. In addition, the appointment of Anja Kleyboldt to the Board of Directors until the Annual General Meeting 2015 was approved.

The Board of Directors now consists of the following members as of April 26, 2012:

- Bernhard Schneider
- Ulrich O. Sauer
- Richard W. Muzzy
- Samuel Martin
- Detlef Borghardt
- Anja Kleyboldt

EXTRAORDINARY GENERAL MEETING

The Extraordinary General Meeting convened for April 26, 2012 could not make any valid resolutions due to a failure to achieve the required quorum (at least 50% of share capital). Against this background, a second Extraordinary General Meeting with an identical agenda was convened for June 4, 2012. The agenda calls for an increase in authorized capital, the amendment of the Articles of Incorporation and approval of the framework conditions for a buy-back of the companies shares. No quorum is required for the second Extraordinary General Meeting.

No additional material events have occurred since the reporting date.

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, reversal of impairment of 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 (cost of sales of the quarter / 90 days)

Days sales outstanding: Trade receivables / sales per day (sales of the quarter / 90 days).

Effective income tax rate: Income tax / earnings before tax x 100.

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 less cash and cash equivalents less current and non-current other provisions less trade payables less other current liabilities less income tax liabilities.

MDAX: The mid-cap-DAX (MDAX) comprises 50 companies that rank immediately below DAX securities in terms of market capitalization and order book volume.

Purchase Price Allocation (PPA): Distribution of the acquisition costs of a business combination to the identifiable assets, liabilities and contingent liabilities of the (acquired) company.

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: R&D cost and capitalized development cost / sales x 100.

Sales per employee: Sales / average number of employees (including temporary employees).

SDAX: The small-cap-DAX (SDAX) comprises 50 companies that rank immediately below mid-cap-DAX (MDAX) securities in terms of market capitalization and order book volume. As is the case with DAX, TecDAX and MDAX, the SDAX belongs to the Prime Standard.

Total cost of ownership: Total cost relating to acquisition, operating and maintenance of an asset.

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 or especially lightweight aluminum designs.

Suspension

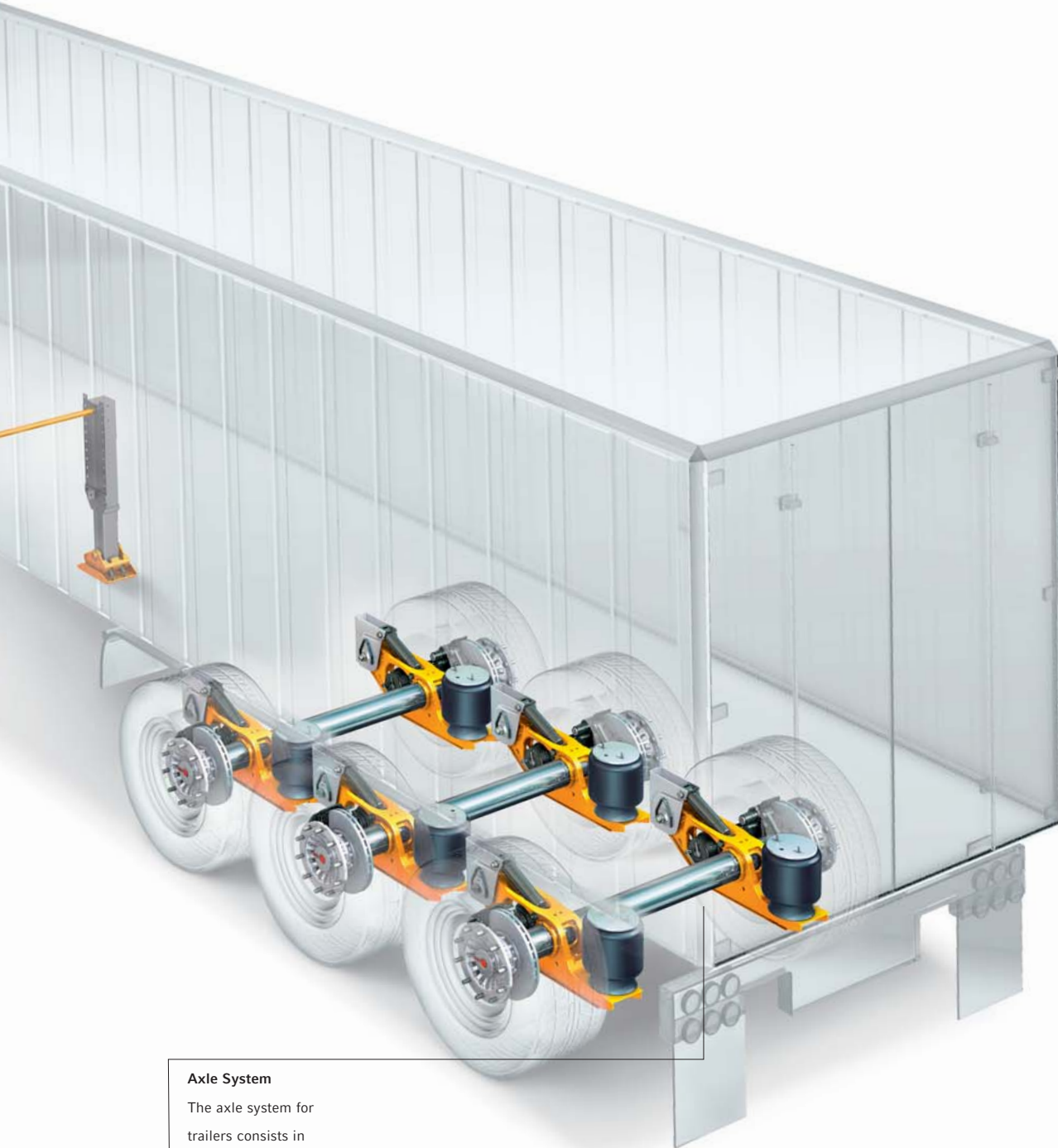
The suspension creates the link between the axle and the vehicle in order to compensate for road irregularities and improve maneuverability. The SAF-HOLLAND suspension system with its modular design can be used for up to three interlinked powered axles. Each axle is suspended individually. Suitable for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

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

**Axle System**

The axle system for trailers consists in general of the axle itself with either a disk brake or a drum brake and the air suspension system.

List of Abbreviations

ACEA	Association des Constructeurs Européens d'Automobiles (European automobile manufacturers' association)
BRIC	Brasil, Russia, India and China
Cap	Derivative to hedge against rising interest rates
CEO	Chief executive officer
DAX	Deutscher Aktienindex (German stock index)
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes and depreciation/amortization
EUR	Euro
GDP	Gross domestic product
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
IfW	Institut für Weltwirtschaft (German economic organisation)
kEUR	thousand Euro
MDAX	Mid-cap-DAX
Mio.	Million
OEM	Original equipment manufacturer
PPA	Purchase price allocation
R&D	Research and development
SDAX	Small-Cap-DAX
SWAP	Hedging instrument in which two counterparties agree to exchange contractual rights and obligations against another (to swap) to a definite existing period of time in the future and to defined conditions
USA	United States of America
VDA	Verband der Automobilindustrie (German Automotive Industry Association)
VDIK	Verband der Internationalen Kraftfahrzeughersteller (Association of the International Motor Vehicle Manufacturers)

Financial Calendar and Contact Information

Financial Calendar

June 4, 2012	Extraordinary General Meeting
August 16, 2012	Report on Half-Year 2012 Results
November 8, 2012	Report on Q3 2012 Results
November 12–14, 2012	German Equity Forum, Frankfurt

Contact Information

SAF-HOLLAND GmbH
Barbara Zanzinger
Hauptstraße 26
63856 Bessenbach
Germany

Tel.: +49 (0)6095 301 617
Fax: +49 (0)6095 301 102

Web: www.safholland.com
Email: barbara.zanzinger@safholland.de

Imprint

Responsible:
SAF-HOLLAND S.A.
68–70, Boulevard de la Pétrusse
2320 Luxembourg
Luxembourg

Editorial deadline:	May 22, 2012
Date of publication:	May 23, 2012
Editorial office:	blackpoint communications GmbH, Hagen, and SAF-HOLLAND GmbH, Bessenbach
Design and realization:	wagneralliance Werbung GmbH, Offenbach am Main
Photography:	Norbert Guthier, Frankfurt am Main (page 02)

This report is also available in German.

Legal Disclaimer

This report contains certain statements that are neither reported financial results nor other historical information. This report contains forward-looking statements, which as such are based on certain assumptions and expectations made at the time of publication of the report. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the Group's ability to control or estimate precisely, such as future market and economic conditions, the behavior of other market participants, the achievement of anticipated synergies, and the actions of government regulators. Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this publication. SAF-HOLLAND S.A. does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of publication of these materials.

