RELIABLE ON THE ROAD.

03

QUARTERLY REPORT AS OF SEPTEMBER 30, 2012

SAF Holland

Key Figures

EUR million	Q1–Q3/2012	Q1–Q3/2011	Q3/2012	Q3/2011
Sales	657.5	627.0	217.2	209.1
Cost of sales	-538.1	-513.2	-178.2	-172.0
Gross profit	119.4	113.8	39.0	37.1
as a percentage of sales	18.2	18.1	18.0	17.7
Adjusted result for the period	20.9	21.1	5.3	9.2
as a percentage of sales	3.2	3.4	2.4	4.4
Adjusted EPS in EUR[1]	0.51	0.60	0.13	0.22
Adjusted EBITDA	54.2	55.5	18.1	18.5
as a percentage of sales	8.2	8.9	8.3	8.8
Adjusted EBIT	43.1	45.0	14.2	15.0
as a percentage of sales	6.6	7.2	6.5	7.2
Operating cash flow[2]	39.4	24.3	15.8	0.7

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

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

Sales by Region

EUR million	Q1–Q3/2012	Q1–Q3/2011	Q3/2012	Q3/2011
Europe	333.7	349.6	106.3	114.5
North America	280.5	246.4	95.3	82.5
Other	43.3	31.0	15.6	12.1
Total	**657.5**	**627.0**	**217.2**	**209.1**

Sales by Business Unit

EUR million	Q1–Q3/2012	Q1–Q3/2011	Q3/2012	Q3/2011
Trailer Systems	361.5	362.2	118.7	120.4
Powered Vehicle Systems	120.6	111.9	38.9	38.1
Aftermarket	175.4	152.9	59.6	50.6
Total	**657.5**	**627.0**	**217.2**	**209.1**

Other Financial Information

	09/30/2012	06/30/2012	03/31/2012	12/31/2011
Total assets (EUR million)	552.2	563.8	552.4	536.5
Equity ratio (%)	38.3	36.8	35.3	35.8

	Q1-Q3/2012	Q1–Q3/2011
Employees (average)	3,137	3,091
Sales per employee (kEUR)	209.6	202.9

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Foreword from the Management Board

Ladies and Gentlemen,
dear Shareholders and Investors,

In the just completed third quarter, SAF-HOLLAND continued to find itself on a path to success. In the first nine months of the financial year, we were able to increase sales by about 5% as compared to the same period in the previous year, despite continued difficult overall economic conditions. In so doing, we achieved an operating margin of 6.6%.

Particularly noteworthy is the Aftermarket Business Unit with an increase in sales of of 14.7% to EUR 175.4 million. Sales in the Powered Vehicle Systems Business Unit also developed well with a plus of 7.8% to EUR 120.6 million. Sales in the proportionately largest business unit, Trailer Systems, were almost at the level of the previous year with a slight decrease of 0.2%. Here, among other factors, the relatively weak third quarter with holiday-related plant closings was, as in the past, noticeable.

Business in North America was especially strong, recording a sales increase of 13.8%. The primary driver of this increase was the rising pent up demand for commercial vehicles in the first quarter. Additionally, we gained further market share in the trailer market. In Europe, on the other hand, we saw a sales decrease of 4.5%. Here, general market weakness as a result of uncertainties relating to financial policy led to an end of the pent-up demand in the truck area which had begun in the previous year. We were also not able to recognize an increase in demand for trailer systems due to the market conditions in Europe.

In the emerging countries we continued to see strong growth. With a jump of 39.7%, we were able to benefit from existing growth in these countries. In Russia in particular we saw a substantial sales increase.

In Brazil, too, we have taken important steps to expand our market presence. In the middle of September we announced a cooperation with SAG Motion Group, a manufacturer of aluminum tanks for commercial vehicles. We intend to combine our activities in the area of sales and administration and to thereby leverage cost and synergy advantages. We have thus made a significant step forward in this market.

We remain convinced that we will achieve the goals we have set for 2012.

Detlef Borghardt,
Chief Executive Officer (CEO)

To this end, we are continuously reviewing and optimizing our business processes. The integration of SAF-HOLLAND Verkehrstechnik GmbH, located in Singen, into SAF-HOLLAND GmbH, planned for next year, opens up synergy potential primarily in the area of administrative functions.

An extremely important milestone for us was the full repayment of all existing credit financing up to September 30, 2014, which was carried out at the end of the third quarter. With the loan agreements which were newly concluded as of October 5, 2012, the number of banks in the syndicate decreases from 14 to 8. More importantly, by foregoing collateralization and through better covenants for SAF-HOLLAND, we can achieve significantly more freedom and flexibility on the financing side.

No less important for us was the successful issue of a bond in the amount of EUR 75.0 million on October 18, 2012 in the Prime Standard of the German Stock Exchange in Frankfurt. The bond was fully placed within just a few hours. We are very happy with this successful placement and the confidence shown in us by both institutional and private investors. With the successful refinancing and the bond, we have successfully completed our new financing and are thus well-equipped for the future.

We would like to thank our global customers, business partners, worker representatives and employees for the trusting cooperation and to our shareholders and new bondholders for their solidarity with SAF-HOLLAND.

Detlef Borghardt
Chief Executive Officer (CEO)

SAF-HOLLAND on the Capital Market

STRONG INCREASE IN THE SHARE PRICE

In a nervous stock market environment shaped by financial policy uncertainties and the continuing debt crisis in the Euro zone, shares of SAF-HOLLAND developed better than the benchmark index SDAX in the first nine months. On September 28, the final trading day of the third quarter, our share recorded a closing price of EUR 4.72. This represents an increase of about 33% compared to the closing price at the end of 2011. In the same period, the SDAX rose by 13% to 5,004 points. Over the course of the third quarter, SAF-HOLLAND's share price also increased at a significantly greater rate than the benchmark index. In this period, the share price had a high of EUR 5.33 at the close of trading on September 17.

LEADING POSITION IN SHARE TURNOVER

On the basis of the quarterly closing price on September 28, market capitalization reached EUR 194.6 million. In the month of August, the SAF-HOLLAND share became one of the leading stocks on the SDAX with a turnover of EUR 42.8 million. The average trading volume in the first nine months of the year was 382,383 shares per day.

ANALYSTS WITH POSITIVE ASSESSMENTS

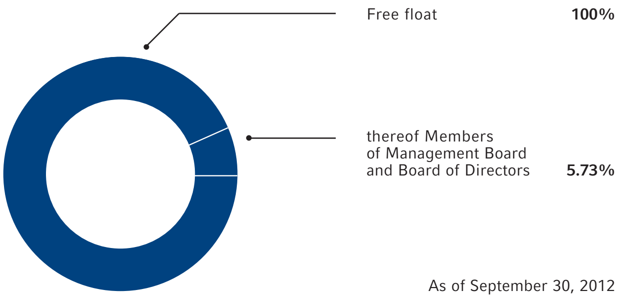
As part of our extensive investor relations activities, we presented SAF-HOLLAND also in the third quarter at a number of occasions. These included the Commerzbank's Sector Conference Week 2012 at the end of August in Frankfurt as well as an analysts' roadshow with Close Brothers Seydler in the middle of September in London. At the IAA International Motorshow in Hanover, we held an "Analysts and Investors' Day" and at the end of September we provided detailed updates during the German Investment Conference from UniCredit in Munich. Individual discussions and telephone conferences rounded out our ongoing dialogue with investors and analysts.

SAF-HOLLAND is regularly analyzed by several banks and brokers. As the following overview shows, six of the eight current analysts' recommendations were "buy" as well as one each for "hold" and "outperform".

Current analysts estimates

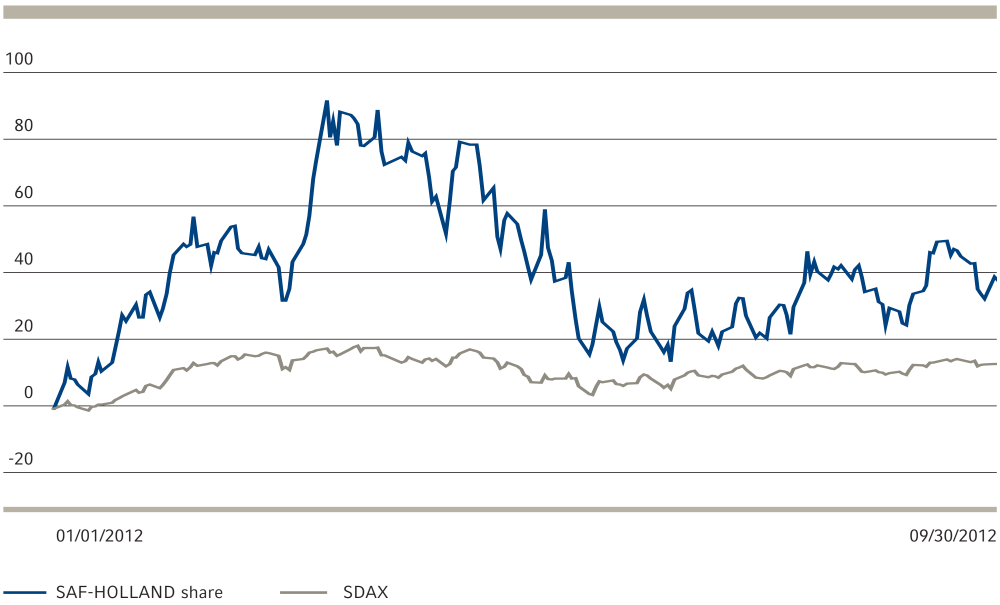
November 5, 2012	**Equinet Bank AG**	**buy**
October 31, 2012	**Commerzbank AG**	**buy**
October 31, 2012	**Deutsche Bank AG**	**hold**
September 21, 2012	**Kepler Capital Markets**	**buy**
August 16, 2012	**Cheuvreux S.A.**	**outperform**
May 24, 2012	**Montega AG**	**buy**
May 24, 2012	**Viscardi AG**	**buy**
March 15, 2012	**Steubing AG**	**buy**

Shareholder structure 2012 Figures in %



As of September 30, 2012

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



SUCCESSFUL BOND PLACEMENT IN THE PRIME STANDARD

In addition to the share, SAF-HOLLAND is now also represented on the international bond markets: In October 2012 we issued a corporate bond with a total nominal value of EUR 75.0 million. On top of orders from institutional investors, the bond was also subscribed by a large number of private investors through the Frankfurt stock exchange XETRA subscription function. Interest in our bond was very high: It was possible to fully place the corporate bond within a few hours and the subscription was closed ahead of schedule.

BOND WITH ATTRACTIVE CONDITIONS

The SAF-HOLLAND S.A. bond, in denominations of EUR 1,000 has an interest coupon of 7.00% and an annual interest payment on April 26. It carries a term of 5.5 years and thus matures on April 26, 2018. The issue price was 100%.

Directly following the emission, the bond was initially being traded over the counter on a preliminary basis in the Frankfurt Stock Exchange. Inclusion in the regulated market was carried out on November 1, 2012. Trading went very well from the beginning. On October 30, the bond had a XETRA price of EUR 103.89. In relation to the issue price, this corresponds to a yield of 3.89%.

TRANSPARENCY AND INVESTMENT GRADE RATING

The placement, which was accompanied by IKB Deutsche Industriebank AG, was, along with a bond from Deutsche Boerse, the first in Prime Standard. The premium segment for corporate bonds which was launched at the beginning of October by Deutsche Boerse, is geared toward larger, internationally active companies. It offers the highest transparency requirements in Europe and ensures good tradability for the bond. In combination with the investor-friendly denominations, this opens up good investment opportunities also for private investors.

In advance of the placement, Euler Hermes analyzed and rated the liquidity and future prospects of SAF-HOLLAND S.A. In the rating report from September 24, 2012, the agency gave the company a BBB- rating with a stable outlook, within the investment grade range. Euler Hermes anticipates a stable development of the rating evaluation for the coming twelve months.

REORGANIZATION OF FINANCING STRUCTURE COMPLETED

As a third component along with equity and bank loans, the bond rounds out the reorganization of the corporate financing at SAF-HOLLAND S.A. As compared to the syndicated loan newly concluded in October (details can be found in Events after the balance sheet date, p. 18), the bond has a higher interest rate. This, however, is offset by significantly greater flexibility and independence – two important factors in the further expansion of business volumes. Overall, the effective interest rate for SAF-HOLLAND's external financing, taking into account the costs of the external financing and the commitment fee, improved by 3 percentage points from the original approximately 8.5%.

Net debt will not change significantly as a result of the bond issue because proceeds from the placement are to be used primarily for the repayment of existing bank loans. Another portion will serve as a financial reserve to accelerate the growth course.

Further information on the corporate bond and its placement can be found in the management report on page 18 as well as on our Investor Relations website under "Bond".

Key figures for corporate bond

WKN	**A1HA97**
ISIN	**DE000A1HA979**
Volume	**EUR 75.0 million**
Denomination	**EUR 1,000**
Coupon	**7.000% p.a.**
Interest date	**April 26**
Term	**5.5 years**
Maturity	**April 26, 2018**
Bond segment	**Prime Standard**
Exchange	**Frankfurt**
Status	**Not subordinate**
Company rating	**BBB-, outlook stable (Euler Hermes))**

Group Interim Management Report

FINANCIAL POSITION AND FINANCIAL PERFORMANCE

GENERAL FRAMEWORK CONDITIONS

Overall economic development

The global economy currently appears weaker than at the start of the year: According to the Institute for the World Economy (IfW), economic growth has slowed in almost all advanced economies. This also hampered the economic upswing in emerging economies which, with reduced foreign stimulus, were driven more by domestic demand.

In its autumn report, the IfW underscores the significant dependence of the overall economy on the development of the sovereign debt crisis in Europe. In the Eurozone in particular, the economic situation was characterized by the uncertain financial situation and the reluctance to invest associated with it. Germany, where economic output rose slightly once again in the third quarter, is still counted among the strongest economies.

In the United States production increased much more dynamically than in Europe. Growth rates, however, declined slightly over the course of the year. The Bureau of Economic Analysis calculated an increase in gross domestic product (GDP) of 2% for the third quarter. Already in the first quarter of the year, GDP increased by 2%.

A different picture was presented in the BRIC states during the reporting period. The Brazilian economy grew faster recently than at the start of the year, a fact that is being described as evidence of an economic rebound. In addition, the Russian government revised its forecast for the full-year upwards by 0.1 percentage point. The country also joined the World Trade Organization (WTO) in August which through improved investment conditions may also lead to increased economic growth. In India, on the other hand, the economy was burdened by crop failures, energy shortages and uncertainties relating to economic policies. The GDP increase was, however, still significantly above the global figure. This also applies to China, where relief for export and for infrastructure projects were initiated to support the economy.

Industry-specific development

The economic slowdown also affected the global market for commercial vehicles. Nevertheless, the North American market, which is important for SAF-HOLLAND, again recorded growth rates. On the basis of the figures for the first nine months for the production of class 8 trucks, ACT research sees annual growth of approximately 13% to 206,915 vehicles in the USA and almost 17% to 31,805 units in Canada. An increase in deliveries of around 12% to 252,500 units in the same periode is expected for the American trailer market. FTR forecasts an increase in deliveries of class 8 trucks of 4.7% in the US and 12.4% in Canada.

In Europe from January to September a total of 1,282,248 commercial vehicles were newly registered, 10.7% fewer than in the prior-year period. According to the industry association ACEA, the drop in demand primarily affected the lighter weight classes, but the registration numbers of heavy commercial vehicles, a segment of importance for SAF-HOLLAND, also declined. New registrations of heavy trucks of 16 tons or more decreased by 7.7% and trucks over 3.5 tons by 7.3%.

In China and Brazil the commercial vehicles markets are expected to slow temporarily in the current year. In view of the imminent tightening of emissions legislation, Brazilian fleet operators already made their new purchases in 2011 which took a corresponding toll on the market in the first half of 2012. In the third quarter, orders increased again – a sign that the market is returning to normal. In India and Russia demand should increase further, and the Verband der Automobilindustrie (German Automotive Industry Association) predicts annual growth of approximately 25% in the Russian commercial vehicles market.

OVERVIEW OF BUSINESS DEVELOPMENT

Despite the market as a whole being subdued, SAF-HOLLAND has been able to continue its growth path in the third quarter of 2012. We recorded sales increases particularly in our core market of North America as well as in the emerging markets in Asia, Eastern Europe and South America. There were increased contributions from our growing activities in the Middle East as well as in Africa and Australia. Even in economically weaker Europe SAF-HOLLAND has performed well: Despite the declining market environment, a good sales level has been maintained.

Significant Events in the Third Quarter 2012

Optimization of business processes in the Powered Vehicle Systems Business Unit

Further progress has been made in our initiative to optimize business processes and in relation to the expansion of our international activities. In September, measures were launched that allowed us to simplify the structural organization of the Powered Vehicle Systems Business Unit: In the context of a business combination, SAF-HOLLAND GmbH acquired the assets of SAF-HOLLAND Verkehrstechnik GmbH with its headquarters in Singen and will take over the employment contracts there. Subsequently, SAF-HOLLAND Verkehrstechnik GmbH will be merged into the parent company Holland Europe GmbH. Discussions with unions and workers councils are currently ongoing. The integration process is expected to be completed by the middle of 2013. With the structural changes, we are achieving an effective centralization of functional areas. In addition, synergies can be tapped which benefit the company's competitive position.

Activities in Brazil accelerated

In September, a cooperation agreement was signed with the Austrian company SAG Motion Group, a supplier of aluminum components with a global network of sales partners. From 2013, SAG Motion Group will supply fuel tanks to truck OEMs in Brazil. In addition, a production site is currently being constructed by SAG Motion Group, which is in the immediate vicinity of our production site in Jaguariúna in São Paulo.

The cooperation agreement stipulates that in future both parties jointly promote their sales and marketing activities in the South American country. In addition, administrative facilities will be used jointly. The cooperation with SAG provides our company with both cost advantages and better market and sales opportunities. We have been active in the rapidly growing Brazilian commercial vehicles market since 2007. This year, SAF-HOLLAND do Brazil has already expanded with the opening of an office in Caxias do Sul which performs distribution, service and engineering services in the south of the country.

Production facilities opened in South Africa

In the South African city of Johannesburg, we constructed a new assembly line for axle production which commenced operations in July of this year. SAF-HOLLAND has been represented by its own branch in the economically emerging country since 2005. In addition, we have a base here in the South Eastern province of KwaZulu Natal as well as a continually growing network of qualified service partners.

IAA appearance under the motto "experience efficiency"

In September at the world's largest commercial vehicle trade fair, the IAA, we presented trend-setting innovations for trucks and trailers. Our highly acclaimed new products include the 9-t-Air Suspension System optimized for specific transport requirements and demanding transport routes as well as a wheel end system with which it is possible, for the first time, to use a standard wheel for both trucks and trailers. SAF-HOLLAND is also assuming a pioneering role with an IT solution that was presented: We are the first manufacturer to successively introduce a QR code on axles, chassis and fifth wheels in 2013. The scanning of the code provides online information on spare parts lists and repair instructions. The IAA was a major success for SAF-HOLLAND. The upswing for the entire industry that generally follows the trade fair, was however in our view less marked than in prior years, as underlined by the current order restraint in Europe.

EARNINGS SITUATION

Group sales increase to EUR 657.5 million

In the period of January to September 2012 SAF-HOLLAND increased Group sales by EUR 30.5 million to EUR 657.5 million (previous year: EUR 627.0 million). The expansion of the business volume by 4.9% is proof that our global footprint can soften the impact of economic volatility in individual markets. Together with the diversification in the business segments Trailer Systems, Powered Vehicle Systems and Aftermarket our commitment in different regions of the world is having a positive effect.

Business in North America continued to develop positively. Here the third quarter was the strongest in terms of sales over the course of the entire year. On a nine-month basis we increased sales by 13.8% to EUR 280.5 million (previous year: EUR 246.4 million). In contrast to Europe the modernization of the fleets in North America has already begun. Through our strong market position we can often benefit disproportionately from this development. In North America, SAF-HOLLAND has the most comprehensive product portfolio of the trailer industry. We are the leading provider of fifth wheels, kingpins and landing gear. The region's share of total sales increased from 39.3% to 42.7%. In addition by the end of the year we aim to double our production capacities for our axle production in Warrenton. We are confident to fulfill potential additional demand of our customers in North America.

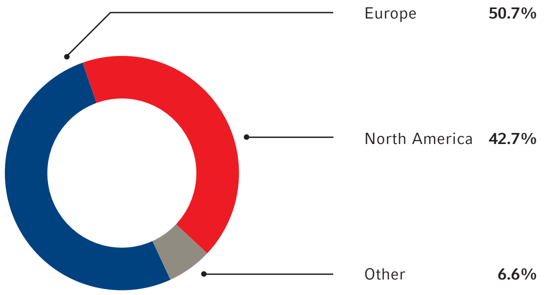
Sales development by region

EUR million	Q1–Q3/2012		Q1-Q3 2012 exchange rate-adjusted		Q1–Q3/2011	
Europe	333.7	50.7%	333.7	53.0%	349.6	55.8%
North America	280.5	42.7%	255.6	40.6%	246.4	39.3%
Other	43.3	6.6%	40.5	6.4%	31.0	4.9%
Total	**657.5**	**100.0%**	**629.8**	**100.0%**	**627.0**	**100.0%**

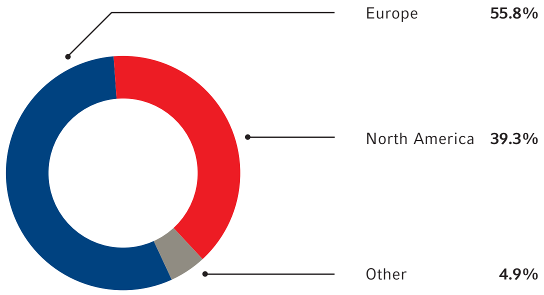
EUR million	Q3/2012		Q3/2012 exchange rate-adjusted		Q3/2011	
Europe	106.3	48.9%	106.3	52.0%	114.5	54.8%
North America	95.3	43.9%	84.1	41.1%	82.5	39.5%
Other	15.6	7.2%	14.2	6.9%	12.1	5.7%
Total	**217.2**	**100.0%**	**204.6**	**100.0%**	**209.1**	**100.0%**

In Europe, in contrast to the comparable prior year period, sales went down by 4.5% to EUR 333.7 million (previous year: EUR 349.6 million). It thereby appeared more stable than the sector – evidence that SAF-HOLLAND has coped comparably well with the weakening of this regional market. We are benefiting from the fact that we generate the majority of our European sales in the trailer sector where market downturns are moderate. SAF-HOLLAND is currently not affected by the economic cycles of the truck industry as we generate about 4% of total sales in Europe in this sector. Overall the European region is once again the main source of sales for SAF-HOLLAND. In the first nine months it contributed 50.7% (previous year: 55.8%) of Group sales.

Share of Group sales by region (Q1-Q3/2012)
Figures in %



Share of Group sales by region (Q1-Q3/2011)
Figures in %



SAF-HOLLAND again recorded disproportionately strong growth rates in the emerging markets where we were able to increase sales in the nine-month period by 39.7% to EUR 43.3 million (previous year: 31.0 million). Our activities in Russia also developed favorably, where the sales this year are forecasted to increase significantly. In Brazil initial upward tendencies appeared. We therefore expect that the market will find its way back to its former strength by the beginning of next year at the latest.

Earnings development

Income statement

EUR million	Q1–Q3/2012		Q1–Q3/2011	
Sales	657.5	100.0%	627.0	100.0%
Cost of sales	-538.1	-81.8%	-513.2	-81.9%
Gross profit	**119.4**	**18.2%**	**113.8**	**18.1%**
Other income	1.3	0.2%	0.6	0.1%
Selling expenses	-40.3	-6.1%	-35.8	-5.7%
Administrative expenses	-30.2	-4.6%	-28.7	-4.6%
Research and development costs	-13.7	-2.1%	-10.9	-1.7%
Operating result	**36.5**	**5.6%**	**39.0**	**6.2%**
Finance result	-13.1	-2.0%	-20.2	-3.2%
Share of net profit of investments accounted for using the equity method	0.7	0.1%	0.4	0.1%
Result before tax	**24.1**	**3.7%**	**19.2**	**3.1%**
Income tax	-7.5	-1.2%	2.5	0.4%
Result for the period	**16.6**	**2.5%**	**21.7**	**3.5%**
Number of shares[1]	41,237,375		34,924,733	
Earnings per share in EUR[1]	**0.40**		**0.62**	

1) Weighted average number of shares issued in the period under review (see Note 11).

The Group's gross profit rose in the first nine months to EUR 119.4 million (previous year: EUR 113.8 million). The gross margin improved to 18.2% (previous year: 18.1%). As planned, the expenses for the further expansion of the business volume continued to increase. The selling expenses increased to EUR 40.3 million (previous year: EUR 35.8 million) as did the research and development costs to EUR 13.7 million (previous year: EUR 10.9 million). With the general administrative expenses of EUR 30.2 million (previous year: EUR 28.7 million) the level was nearly the same as the previous year.

Supported by significantly lower interest expenses, the finance result improved to EUR -13.1 million (previous year: EUR -20.2 million). This highlights the significant successes of our initiatives for the optimization of financing. The earnings before tax reached EUR 24.1 million (previous year: EUR 19.2 million) and thereby increased by 25.5% when compared to the same period in the previous year. The result for the period amounted to EUR 16.6 million (previous year: EUR 21.7 million) and was characterized by the normalization of the tax burden: In the first nine months of 2012, income taxes amounted to EUR -7.5 million as compared to an amount of EUR 2.5 million in the prior year period. This difference is primarily attributable to the recognition of deferred taxes on unrecognized interest carry-forwards of previous years carried out for the first time in 2011, which led to positive tax effects of EUR 9.4 million in 2011.

Reconciliation of adjusted earnings figures

EUR million	Q1–Q3/2012	Q1–Q3/2011	Q3/2012	Q3/2011
Result for the period	16.6	21.7	4.9	7.3
Income tax	7.5	-2.5	0.6	3.3
Finance result	13.1	20.2	6.5	2.2[7]
Depreciation and amortization from PPA[1]	4.8	4.8	1.6	1.6
Restructuring and integration costs	1.1	0.8[5]	0.6	0.6
Adjusted EBIT	**43.1**	**45.0**	**14.2**	**15.0**
as a percentage of sales	6.6	7.2	6.5	7.2
Depreciation and amortization	11.1	10.5	3.9	3.5
Adjusted EBITDA	**54.2**	**55.5**	**18.1**	**18.5**
as a percentage of sales	8.2	8.9	8.3	8.8
Depreciation and amortization	-11.1	-10.5	-3.9	-3.5
Finance result	-13.1	-20.2	-6.5	-2.2[7]
Restructuring and integration costs[2]	0.2	5.7[6]	–	0.5
Adjusted result before taxes	**30.2**	**30.5**	**7.7**	**13.3**
Income tax	-9.3[3a]	-9.4[3b]	-2.4	-4.1
Adjusted result for the period	**20.9**	**21.1**	**5.3**	**9.2**
as a percentage of sales	3.2	3.4	2.4	4.4
Number of shares[4]	41,237,375	34,924,733	41,237,375	41,237,375
Adjusted earnings per share in EUR	**0.51**	**0.60**	**0.13**	**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) From an initiated bond issue. In the previous year one-time effects from the early repayment of bank loans and interest swaps.

3a) A uniform tax rate of 30.80% was assumed for the adjusted result for the period. One-time effects from the recognition of deferred tax assets on previously unrecognized interest carry-forwards in the amount of EUR 1.5 million are not considered.

3b) A uniform tax rate of 30.80% was assumed for the adjusted result for the period. One-time effects from the recognition of deferred tax assets on previously unrecognized interest carry-forwards in the amount of EUR 9.4 million are not considered.

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

5) Thereof depreciation and amortization in the amount of EUR 0.2 million.

6) Mainly one-time effects from the early repayment of bank loans of EUR 4.4 million. and swaps of EUR 0.7 million.

7) Financial result includes unrealized gains from foreign currency loans in the amount of EUR 2.2 million.

The adjusted result for the period of EUR 20.9 million (previous year: EUR 21.1 million) for the period of January to September represents a share of 3.2% (previous year: 3.4%) of Group sales. Adjusted EBIT totaled EUR 43.1 million (previous year: EUR 45.0 million), the adjusted EBIT margin was 6.6% (previous year: 7.2%). Here the seasonally quieter summer months of July and August had an effect as these months traditionally offer less potential due to three-week plant closures in Europe which were slightly longer compared to last year. It must also be considered that in the previous year earnings contributions from a project were included, a major part of which expired as planned in 2011. If the contribution from this order is not considered for the previous year, an improvement in the adjusted EBIT margin of approximately 0.6 percentage points was achieved in the 2012 reporting period as compared to the previous year.

For the period from January to September 2012 the adjusted earnings per share amounted to EUR 0.51 (previous year: EUR 0.60). The underlying weighted average number of shares outstanding with 41.2 million shares (previous year: 34.9 million shares) was thus significantly higher than in the same period in 2011 because the capital increase was carried out in March 2011.

Performance of the Business Units

Overview of the Business Units

EUR million	Trailer Systems Business Unit Q1–Q3/2012	Trailer Systems Business Unit Q1–Q3/2011	Powered Vehicle Systems Business Unit Q1–Q3/2012	Powered Vehicle Systems Business Unit Q1–Q3/2011	Aftermarket Business Unit Q1–Q3/2012	Aftermarket Business Unit Q1–Q3/2011	Adjust-ments/ Elimi-nations Q1–Q3/2012	Adjust-ments/ Elimi-nations Q1–Q3/2011	Total Q1–Q3/2012	Total Q1–Q3/2011
Sales	361.5	362.2	120.6	111.9	175.4	152.9	–	–	657.5	627.0
Cost of sales	-326.0	-327.7	-102.1	-92.3	-109.8	-92.4	-0.2	-0.8	-538.1	-513.2
Gross profit	**35.5**	**34.5**	**18.5**	**19.6**	**65.6**	**60.5**	**-0.2**	**-0.8**	**119.4**	**113.8**
as a percentage of sales	9.8	9.5	15.3	17.5	37.4	39.6	–	–	18.2	18.1
Other income and expense	-24.4	-22.4	-8.2	-8.8	-40.3	-35.8	-3.4	-1.8	-76.3	-68.8
Adjusted EBIT	**11.1**	**12.1**	**10.3**	**10.8**	**25.3**	**24.7**	**-3.6**	**-2.6**	**43.1**	**45.0**
as a percentage of sales	3.1	3.3	8.5	9.7	14.4	16.2	–	–	6.6	7.2

Trailer Systems

In the first nine months, the Trailer Systems segment achieved sales of EUR 361.5 million (previous year: EUR 362.2 million) and thereby generated 55.0% (previous year: 57.8%) of Group sales. In North America the segment again benefited from pent-up demand for investments from freight forwarders and fleet operators. In addition, the interest in our axle and suspension systems increased which provided additional momentum.

The business unit displayed its strength in the European business where the market share increased following the withdrawal of the American competitor Meritor from the market which had a stimulating effect. The effects of the currently declining market could not be completely avoided, however. Despite the slightly lower sales overall, the business segment increased its gross profit slightly by 2.9% to EUR 35.5 million (previous year: EUR 34.5 million). The gross margin amounted to 9.8% after 9.5% in the previous year period.

Powered Vehicle Systems

The Powered Vehicle Systems Business Unit increased its sales in the first three quarters by EUR 8.7 million to EUR 120.6 million (previous year: EUR 111.9 million). It thereby contributed 18.3% (previous year: 17.8%) of Group sales. Gross profit in the reporting period was EUR 18.5 million (previous year: EUR 19.6 million). This resulted in a gross margin of 15.3% after 17.5% in the corresponding period of the previous year. The decrease shows that as expected, the missing contribution of the aforementioned project was only partially compensated for.

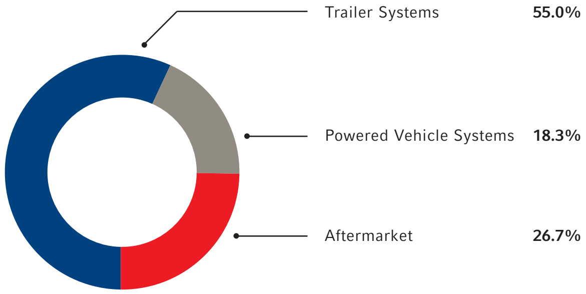
In the Powered Vehicle Systems segment the sales volume also increased, primarily in North America where we can make use of the reduction in the investment bottleneck which has begun. In Europe as expected the sales remained below the figures for the previous year due to the market environment. With the optimization of the German organizational structures started in the third quarter we are countering this market development.

Aftermarket

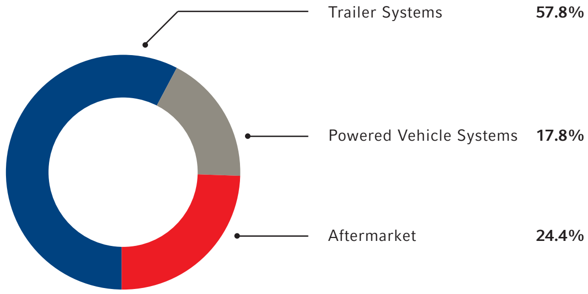
In the Aftermarket business we increased sales to EUR 175.4 million (previous year: EUR 152.9 million). The Business Unit, which is largely independent of the economy, thus achieved sales growth of EUR 22.5 million or 14.7%. Through the considerable increase, the segment's share of Group sales increased to 26.7% (previous year: 24.4%). This corresponds to our strategic goal to increase the Business Unit's share of total sales to 30% in the medium term.

For SAF-HOLLAND the Aftermarket segment is an ideal addition to the original equipment segment as both fields complement each other. Thus the replacement parts business benefits from the increasing number of vehicles which are equipped with our components. Conversely the close-meshed service network is accelerating sales in the original equipment business as end customers order commercial vehicles configured with our products. Specific for the Aftermarket Business Unit is also its strong position as a source of earnings. For the first nine months of 2011, it increased its gross profit to EUR 65.6 million (previous year: EUR 60.5 million). The gross margin reached 37.4% (previous year: 39.6%).

Share of Group sales by Business Unit (Q1-Q3/2012)
Figures in %



Share of Group sales by Business Unit (Q1-Q3/2011)
Figures in %



FINANCIAL SITUATION

Financing

Through constant optimization, the financing structures of SAF-HOLLAND have been improved significantly in recent years. In the reporting period we prepared the measures' decisive step: The refinancing completed in October 2012 with which the financial restructuring of the Group is now complete. Further information on this can be found in the events after the balance sheet date section on page 18.

In the period of January to September 2012 in advance of the refinancing, SAF-HOLLAND gradually reduced the existing credit lines by EUR 10.9 million. As of September 30, 2012, the credit line amounted to EUR 218.4 million (December 31, 2011: EUR 228.9 million). Net debt on the same reporting date totaled EUR 152.7 million (December 31, 2011: EUR 159.7 million).

As the interest margin of the replaced credit lines were coupled with the development of certain key debt figures, more favorable interest rate conditions were achieved. This is also shown in the interest expenses in connection with interest bearing loans and borrowings. From January to September it amounted to a total of EUR 9.9 million (previous year: EUR 15.0 million).

The volume of non-recourse factoring agreed in the second quarter increased as intended: At the end of September EUR 8.2 million had been achieved on the basis of an initial amount of EUR 3.9 million.

Liquidity

In the first nine months, cash flow from operating activities before income tax payments reached EUR 39.4 million (previous year: EUR 24.3 million). It is primarily characterized by effects from increased business volume. In addition, some customers moved their payments to SAF-HOLLAND forward in

December 2011. This resulted in a reduced cash inflow of approximately EUR 6.0 million at the beginning of 2012. Added to that was the aforementioned non-recourse factoring that was combined with a positive effect of EUR 8.2 million at the end of the third quarter.

As of September 30, 2012 net working capital amounted to EUR 89.8 million (December 31, 2011: EUR 78.2 million). In relation to Group sales this corresponds to a rate of 10.3% (previous year 10.5% / December 31, 2011: 9.6%). Our internal guideline of a maximum of 10% of sales was thereby almost reached. Days of inventory outstanding amounted to 48 days as of the reporting date (previous year: 47 days / December 31, 2011: 48 days), which was slightly above our target figure of 45 days.

Cash flow from investing activities amounted to EUR -13.6 million (previous year: EUR -7.9 million) and in particular reflects higher investments in property, plant and equipment and intangible assets. With cash flow from financing activities of EUR -20.2 million (previous year: EUR -7.1 million) it should be considered that the figure from the same period in the previous year was characterized by net proceeds from the capital increase carried out in 2011 and the following partial repayment of the credit line. In the first three quarters of the current financial year interest paid amounted to a total of EUR 8.6 million (previous year: EUR 27.3 million). Therefore, compared to the same period in the previous year it was reduced by EUR 18.7 million – a clear indication of the success of our measures to improve the financing structure.

Investments

As planned our capital expenditure increased. In the first nine months of the financial year, it rose to EUR 14.4 million (previous year: EUR 9.0 million) which roughly corresponds to our target range of 2% of sales. One focus of our investments is again the harmonization of the SAP systems. Following the successful blueprint phase in September 2012 the Management Board decided to implement the project further. The SAP systems today running on separate platforms in Europe and North America will be harmonized in the further progress of the project. The goal of this project is to realize further optimization of processes in order to reduce both costs and the net working capital. The planned measures require investments of approximately EUR 12 million and should be largely completed by the end of 2013.

In both core markets we are currently investing in our axle production: The production in North America, which commenced in 2009, is being expanded. In combination with our complete range of suspension systems this creates a favorable situation for the further expansion of our market share. In Europe additional production capacities should be achieved by the end of the year. This means we are installing a technical back-up function for existing equipment and are also laying important foundations with regard to the impending market revival. Ultimately the pent up demand of the fleet operators has now been growing for years. As soon as the modernization by the fleet operators begins, SAF-HOLLAND can use the increased capacities to immediately and fully tap existing potential.

ASSETS

Equity ratio

As of September 30, 2012, primarily due to the positive earnings development equity increased to EUR 211.4 million (December 31, 2011: EUR 192.2 million). As a result the equity ratio again increased and on the reporting date amounted to 38.3% (December 31, 2011: 35.8%). We are thus even closer to our goal of showing an equity ratio of at least 40%.

Asset structure

Total assets as of September 30, increased to EUR 552.2 million (December 31, 2011: EUR 536.5 million). Non-current assets amounted to EUR 328.2 million (December 31, 2011: EUR 327.8 million). Current assets reached EUR 224.0 million (December 31, 2011: EUR 208.7 million). They primarily reflect the effects of the expanded business volume. Thus trade accounts receivable increased to EUR 105.3 million (December 31, 2011: EUR 95.4 million) and inventories to EUR 94.6 million (December 31, 2011: EUR 90.4 million). The cash available amounted to EUR 14.7 million as of the reporting date (December 31, 2011: EUR 15.3 million). Including the credit facility this results in a total liquidity as of September 30, 2012 of EUR 70.9 million (December 31, 2011: EUR 70.7 million) after repayment of EUR 10.9 million.

Since 2010 SAF-HOLLAND has been demanding compensation from a machinery manufacturer as well as the repayment of the purchase price for a welding facility which could not be put in to operation due to technical defects. In order to enforce the claim in court we took legal action in the first quarter. An expert opinion which we have since obtained supports our strong position meaning that we can confidently look forward to the court's decision at the start of 2013.

Employees: Working time model achieves high flexibility

During the first three quarters of this year SAF-HOLLAND had an average of 3,137 employees (previous year: 3,091) worldwide. As of the reporting date of September 30, 2012, the Group's employees, including temporary employees totaled 3,126 (previous year: 3,152).

Development of employee numbers by region

	September 30, 2012	September 30, 2011
Europe	1,187	1,141
North America	1,588	1,658
Other	351	353
Total	**3,126**	**3,152**

In order to be able to react to order fluctuations in the best possible way we use a highly flexible working time model in Europe. Fixed-term contracts and temporary workers ensure personnel structures that can be adapted to market developments. Sales per employee in the period January to September totaled kEUR 209.6 (previous year: kEUR 202.9).

R&D activities promote the benefits for end customers

The focus of our research and development continues to be products which create weight advantages and improve durability and reliability. This addresses significant interests of fleet operators who can optimize their total costs of ownership through higher cargo loads, reduced fuel consumption and extended maintenance intervals. Of the total expenditure for research and development of EUR 14.5 million (previous year: EUR 11.8 million) EUR 0.9 million (previous year: EUR 0.9 million) was capitalized. The R&D ratio was 2.2% compared with 1.9% in the previous year period.

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

Early refinancing results in clear advantages

With the early refinancing on October 5, 2012 we were also able to successfully conclude the financial restructuring of the Group. In October 2012 SAF-HOLLAND S.A. also replaced the finance agreement which had been in place since 2008 early with a new syndicated loan. The transaction created numerous advantages for SAF-HOLLAND. Thus the financing of our growth path is now secured until 2017, three years longer than the previous agreement. In addition more favorable financing conditions were agreed and the credit granted was increased to EUR 260.0 million. Furthermore the new smaller banking circle decided against the pledging of assets. Our objective of long-term and flexible financing under adequate conditions was thereby fully achieved.

Through the refinancing before the end of 2012 the pending success fee was reduced from EUR 12.6 million to EUR 10.3 million. The success fee is due in case of refinancing and repayment of the former financing agreement. The new financing agreement started on October 5, 2012. At the same time the increased credit line provided the opportunity to realize interest swaps with a negative market value of EUR 7.2 million which we had concluded at times with significantly higher interest rates. Both eliminated two burdens from the past in order that we are now also better positioned here.

Corporate bond as additional financing component

On October 18, 2012 SAF-HOLLAND placed a fixed interest bond with a volume of EUR 75.0 million. The bond, in denominations of EUR 1,000 has a term of 5.5 years and an interest coupon of 7.00%. It was primarily subscribed by institutional investors as well as private investors. Before the emission SAF-HOLLAND received a BBB-, outlook stable rating by Euler Hermes. The rating therefore is in the investment grade range. Further information on the corporate bond and its placement can be found on page 6.

We want to use the net proceeds from the bond emission for the repayment of bank loans for which an amount of EUR 50.0 million is planned. As the third financing component, the bond complements the syndicated loan and the total non-recourse factoring basket of EUR 25.0 million issued. The diversification of our borrowed capital is thereby complete.

OUTLOOK

After the economy slowed, the Institute for World Economy (IfW) lowered its global growth forecast for 2012 from 3.4% to 3.3%. Assuming that the strains on the financial markets gradually subside, an accelerated expansion of the world economy estimated at 3.6% is predicted for the coming year.

Predicted economic development in important markets

	2012	2013
European Union	0.2%	0.8%
Euro zone	-0.5%	0.1%
Germany	0.8%	1.0%
United States of America	2.1%	1.6%
Brazil[1]	2.0%	4.0%
Russia	3.8%	3.8%
India	5.5%	6.5%
China	7.6%	8.1%

1) World Economy in Autumn 2012, Institute for World Economy (September 2012)

Source: Joint Economic Forecast Project Group (October 2012)

High potential in the global market

Due to the globally increasing transport volumes, the global commercial vehicles market will continue to grow in the medium and long-term. In a current study, the management consulting company McKinsey anticipates that the global market for heavy trucks will grow by more than 50% by the year 2020 – from sales of EUR 125 billion currently to EUR 190 billion.

The German Automotive Industry Association expects that the market for heavy trucks over 6 tons which is relevant for SAF-HOLLAND will prove stable in the current year. According to the association, the decline in Western Europe of 4% to about 250,000 vehicles is expected to be compensated by the growing US market.

In the coming months the development will be shaped by subsequent course of the European debt crisis. A significant determinant is whether the fleet operators are met with the appropriate conditions for their investments. In North America the reduction in the investment bottleneck has been begun. In 2013 a catch up process is expected for Europe if the financial, economic and political situation permits this.

Growth strategy with three areas of focus

We currently see promising opportunities in the North American trailer business, in the Aftermarket and in our activities in the BRIC countries. In North America we want to significantly expand SAF-HOLLAND's share in the trailer market and are already on a good path towards this. Our competence in axles and air suspension systems opens particularly favorable prospects in this core market. In addition, market opportunities are arising from changed regulations to decrease braking distances in the USA. Here, in the case of a technology change from drum to disc brakes for heavy trucks and trailers we will participate strongly in this development. Furthermore, in Europe in the course of our internationalization strategy we are looking into the establishment of a production line for trailer axles with air suspension systems in Turkey.

The Aftermarket Business Unit is increasingly proving itself to be an important source of sales and earnings. SAF-HOLLAND is thereby continuing to expand this strategically important segment globally. As part of the expansion of our location network, a parts distribution center in (PDC) in Mexico will improve distribution in Central and South America from the beginning of 2013. Another PDC in the Far East should follow. In addition, in the Aftermarket we are continuing to focus on new product offers.

In the emerging economies including the BRIC countries and Kazakhstan, Uzbekistan and Turkmenistan, the economic upswing is coupled with a dynamically growing transport industry. In order to compensate for weaker foreign trade some emerging economies are also focusing on programs to strengthen the domestic growth dynamic. Therefore Brazil wants to spend more than EUR 50 billion on transport infrastructure. The road networks should be expanded by 5,000 km preferably before the Olympic games in 2016. We can benefit from this through the expansion of our local activities.

GENERAL STATEMENT ON FUTURE BUSINESS DEVELOPMENT

With its global presence and extensive product range, SAF-HOLLAND is well positioned in the market. The commercial development during the first three quarters has given us a solid footing for the entire year. Despite the currently weaker market development we are seeing our forecasts confirmed and expect a stable earnings development with Group sales of approximately EUR 850 million for 2012. As compared to 2011, this would correspond to growth in sales of more than 2% or 5% adjusted for the project concluded in the previous year. As before, it is assumed that general economic debt crisis will not worsen. Under the same premise, we also anticipate positive business development with profitable growth for 2013.

Consolidated Interim Financial Statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

kEUR	Notes	Q1–Q3/2012	Q1–Q3/2011	Q3/2012	Q3/2011
Result for the period					
Sales	(5)	657,467	627,025	217,146	209,119
Cost of sales		-538,050	-513,183	-178,168	-172,030
Gross profit		**119,417**	**113,842**	**38,978**	**37,089**
Other income		1,254	602	822	228
Selling expenses		-40,245	-35,812	-13,523	-11,790
Administrative expenses		-30,217	-28,796	-9,786	-9,305
Research and development costs		-13,691	-10,866	-4,788	-3,704
Operating result	(5)	**36,518**	**38,970**	**11,703**	**12,518**
Finance income	(6)	982	3,150	-1,276	2,410
Finance expenses	(6)	-14,070	-23,391	-5,143	-4,526
Share of net profit of investments accounted for using the equity method		665	425	256	217
Result before tax		**24,095**	**19,154**	**5,540**	**10,619**
Income tax	(7)	-7,514	2,561	-646	-3,270
Result for the period		**16,581**	**21,715**	**4,894**	**7,349**
Other comprehensive income					
Exchange differences on translation of foreign operations	(10)	2,883	-3,910	-1,139	1,520
Changes in fair values of derivatives designated as hedges, recognized in equity	(10/13)	-439	18	-130	-3,100
Income tax effects on items recognized directly in other comprehensive income	(10)	110	-36	31	864
Other comprehensive income		**2,554**	**-3,928**	**-1,238**	**-716**
Comprehensive income for the period		**19,135**	**17,787**	**3,656**	**6,633**
Attributable to equity holders of the parent		**19,135**	**17,787**	**3,656**	**6,633**
Basic and diluted earnings per share in EUR	(11)	**0.40**	**0.62**	**0.12**	**0.18**

CONSOLIDATED BALANCE SHEET

kEUR	Notes	09/30/2012	12/31/2011
Assets			
Non-current assets		**328,167**	**327,788**
Goodwill		46,424	46,311
Intangible assets	(8)	139,452	139,012
Property, plant, and equipment		99,056	100,746
Investments accounted for using the equity method		9,162	8,225
Other non-current assets		5,646	4,885
Deferred tax assets	(7)	28,427	28,609
Current assets		**223,996**	**208,699**
Inventories		94,625	90,400
Trade receivables		105,319	95,352
Income tax assets		134	144
Other current assets		9,246	7,458
Cash and cash equivalents	(9)	14,672	15,345
Total assets		**552,163**	**536,487**
Equity and liabilities			
Equity attributable to equity holders of the parent	(10)	**211,367**	**192,232**
Subscribed share capital		412	412
Share premium		245,661	245,661
Legal reserve		22	21
Other reserve		435	232
Retained earnings		-34,964	-51,341
Accumulated other comprehensive income		-199	-2,753
Non-current liabilities		**213,145**	**219,869**
Pensions and other similar benefits		12,940	12,600
Other provisions		5,289	4,695
Interest bearing loans and borrowings	(12)	155.435	163,504
Finance lease liabilities		71	14
Other financial liabilities	(13)	6,132	5,693
Other liabilities		267	286
Deferred tax liabilities	(7)	33,011	33,077
Current liabilities		**127,651**	**124,386**
Pensions and other similar benefits		1,368	2,237
Other provisions		3,872	5,410
Interest bearing loans and borrowings	(12)	11,889	11,530
Finance lease liabilities		39	67
Trade payables		88,696	86,038
Income tax liabilities		4,421	3,428
Other financial liabilities	(13)	80	99
Other liabilities		17,286	15,577
Total equity and liabilities		**552,163**	**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 comprehensive income	**Total equity** (Note 10)
As of 01/01/2012	**412**	**245,661**	**21**	**232**	**-51,341**	**-2,753**	**192,232**
Comprehensive income for the period	–	–	–	–	16,581	2,554	19,135
Other reclassifications	–	–	1	203	-204	–	–
As of 09/30/2012	**412**	**245,661**	**22**	**435**	**-34,964**	**-199**	**211,367**

	2011						
	Attributable to equity holders of the parent						
kEUR	Subscribed share capital	Share premium	Legal reserve	Other reserve	Retained earnings	Accumulated other comprehensive income	**Total equity** (Note 10)
As of 01/01/2011	**207**	**106,454**	**21**	–	**-77,911**	**-3,844**	**24,927**
Comprehensive income for the period	–	–	–	–	21,715	-3,928	- 17,787
Issue of share capital	205	143,540	–	–	–	–	143,745
Transaction costs	–	-4,333	–	–	–	–	-4,333
Other changes	–	–	–	232	-232	–	–
As of 09/30/2011	**412**	**245,661**	**21**	**232**	**-56,428**	**-7,772**	**182,126**

CONSOLIDATED CASH FLOW STATEMENT

kEUR	Notes	Q1–Q3/2012	Q1–Q3/2011
Cash flow from operating activities			
Result before tax		**24,095**	**19,154**
- Finance income	(6)	-982	-3,150
+ Finance expenses	(6)	14,070	23,391
- Share of net profit of investments accounted for using the equity method		-665	-425
+ Amortization, depreciation of intangible assets and property, plant, and equipment		15,880	15,504
+ Allowance of current assets		1,475	1,460
+/- Loss/Gain on disposal of property, plant, and equipment		10	-166
- Gain on disposal of subsidiaries	(4)	-125	–
+ Dividends from investments accounted for using the equity method		23	22
Result before change of net working capital		**53,781**	**55,790**
- Change in other provisions and pensions		-1,707	-1,498
- Change in inventories		-5,066	-32,634
- Change in trade receivables and other assets		-12,321[1]	-24,616
+ Change in trade payables and other liabilities		4,695	27,212
Cash flow from operating activities before income tax paid		**39,382**	**24,254**
- Income tax paid	(7)	-6,233	-4,819
Net cash flow from operating activities		**33,149**	**19,435**
Cash flow from investing activities			
- Purchase of property, plant, and equipment		-9,327	-7,684
- Purchase of intangible assets		-5,114	-1,339
+ Proceeds from sales of property, plant, and equipment		368	982
+ Proceeds from sales of subsidiaries net of cash	(4)	270	–
+ Interest received		154	75
Net cash flow from investing activities		**-13,649**	**-7,966**
Cash flow from financing activities			
+ Proceeds from capital increase	(10)	–	143,745
- Payments for transaction costs relating to the capital increase	(10)	–	-6,068
- Payments for expenses relating to amended finance agreement		–	-3,844
- Repayments of Management and Board of Directors loan		–	-1,098
- Payments for finance lease		-27	-103
- Interest paid		-8,582	-27,280[2]
- Repayments of current and non-current financial liabilities[3]	(12)	-10,929	-89,100
- Change in drawings on the credit line and other financing activities	(12)	-671	-23,391
Net cash flow from financing activities		**-20,209**	**-7,139**
Net increase in cash and cash equivalents		**-709**	**4,330**
Net foreign exchange difference		36	-107
Cash and cash equivalents at the beginning of the period	(9)	**15,345**	**8,546**
Cash and cash equivalents at the end of the period	(9)	**14,672**	**12,769**

1) As of September 30, 2012, trade receivables in the amount of EUR 8.2 million were sold in the context of a factoring contract. Assuming the legal validity of the receivables, no further rights of recourse exist against SAF-HOLLAND from the sold receivables.

2) Including kEUR 14,272 from the repayment of the accrued PIK interest.

3) Repayments Facility A1 and A2.

Notes to the Consolidated Interim Financial Statements

For the period January 1 to September 30, 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 third 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 financial statements, management has to 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 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. The capital gain totaled EUR 0.1 million.

Furthermore, with effect as of July 1, 2012, SAF-HOLLAND Equipment Limited, Norwich, Ontario, Canada, was merged into SAF-HOLLAND Canada Limited, Woodstock, Ontario, Canada.

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–Q3/2012	Q1–Q3/2011
Operating result	36,518	38,970
Share of net profit of investments accounted for using the equity method	665	425
EBIT	**37,183**	**39,395**
Additional depreciation and amortization from PPA	4,802	4,821
Restructuring and integration costs	1,139	791
Adjusted EBIT	**43,124**	**45,007**

Information on segment sales and earnings for the period from January 1 to September 30:

	2012				
	Business Units				
kEUR	Trailer Systems	Powered Vehicle Systems	Aftermarket	Adjustments/ eliminations	**Consolidated**
Sales	361,502	120,565	175,400	–	**657,467**
Adjusted EBIT	11,174	10,287	25,299	-3,636	**43,124**

	2011				
	Business Units				
kEUR	Trailer Systems	Powered Vehicle Systems	Aftermarket	Adjustments/ eliminations	**Consolidated**
Sales	362,277	111,854	152,894	–	**627,025**
Adjusted EBIT	12,060	10,774	24,757	-2,584	**45,007**

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 of the segments.

6 FINANCE RESULT

Finance income and expenses consist of the following:

Finance income

kEUR	Q1–Q3/2012	Q1–Q2/2011
Foreign exchange gains on foreign currency loans	284	2,181
Finance income due to derivatives	–	509
Finance income due to pensions and other similar benefits	354	322
Interest income	156	71
Other	188	67
Total	**982**	**3,150**

Finance expenses

kEUR	Q1–Q3/2012	Q1–Q3/2011
Interest expenses due to interest bearing loans and borrowings	-9,919	-15,028
Transaction costs	-861	-5,013
Amortization of transaction costs	-1,923	-1,655
Finance expenses due to pensions and other similar benefits	-525	-563
Finance expenses due to derivatives	–	-719
Other	-842	-413
Total	**-14,070**	**-23,391**

Foreign exchange gains on foreign currency loans primarily comprise unrealized foreign exchange gains on foreign currency loans translated at the closing rate.

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 4,466 were incurred from the partial repayment of bank loans.

7 INCOME TAXES

The major components of income taxes are as follows:

kEUR	Q1–Q3/2012	Q1–Q3/2011
Current income taxes	-7,379	-6,690
Deferred income taxes	-135	9,251
Income tax reported in the result for the period	**-7,514**	**2,561**

The effective income tax rate in the third quarter of 2012 was 31.2%.

Deferred tax assets on prior year interest carry-forwards of kEUR 1,500 were recognized in the third quarter of 2012. The management assumes that their future utilization can be regarded as sufficiently probable due to the changed financial structure and the improved future prospects regarding income.

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.

The Group's income tax rate is 30.8%.

8 INTANGIBLE ASSETS

The increase in intangible assets primarily resulted from the capitalized expenses of kEUR 3,343 associated with the project of consolidation of existing SAP systems in Europe and North America.

9 CASH AND CASH EQUIVALENTS

kEUR	09/30/2012	12/31/2011
Cash at banks and on hand	14,666	15,127
Short-term deposits	6	218
Total	**14,672**	**15,345**

10 EQUITY

As of September 30, 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 second quarter, the Annual General Meeting on April 26, 2012 resolved to appropriate EUR 203,750.00 to other reserves that are subject to restrictions on distribution. This allowed the Group to adhere to specific requirements under Luxembourg tax law. Furthermore, due to legal requirements, EUR 1,039.22 was appropriated to the legal reserve.

At an Extraordinary General Meeting on June 4, 2012, shareholders approved the Company's proposal to increase the Company's authorized capital from EUR 0.00 to EUR 206,187.00 consisting of 20,618,700 shares with a par value of EUR 0.01 per share. In case of a subsequent capital increase preferential subscription rights pertaining to not more than 20% of the authorized capital are suspended. This approval is limited to a period of five years and begins with the publication of the certificate.

Furthermore, the implementation of a share buyback program was approved. The maximum buy-back amount was set at 10% of share capital existing on the day of this resolution. This approval is limited to a period of five years and begins with the date at the Extraordinary General Meeting on June 4, 2012.

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 offer price of EUR 7.00 per share. Directly attributable transaction costs in the amount of kEUR 4,333 (after income tax benefits) were deducted from the share premium.

Changes in accumulated other comprehensive income consist of the following:

	Before tax amount		Tax income/expense		Net of tax amount	
kEUR	Q1–Q3/2012	Q1–Q3/2011	Q1–Q3/2012	Q1–Q3/2011	Q1–Q3/2012	Q1–Q3/2011
Exchange differences on translation of foreign operations	2,883	-3,910	–	–	2,883	-3,910
Changes in fair values of derivatives designated as hedges, recognized in equity	-439	18	110	-36	-329	-18
Total	**2,444**	**-3,892**	**110**	**-36**	**2,554**	**-3,928**

11 EARNINGS PER SHARE

		Q1–Q3/2012	Q1–Q3/2011
Result for the period	**kEUR**	**16,581**	**21,715**
Weighted average number of shares outstanding	thousands	41,237	34,925
Basic and diluted earnings per share	**EUR**	**0.40**	**0.62**

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 third 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
03/24/2011–09/30/2011	0.01	41,237,375	187	7,711,389,125
Total			**270**	**9,429,677,950**
Average		**34,924,733**		

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.

12 INTEREST BEARING LOANS AND BORROWINGS

kEUR	Non-current 09/30/2012	Non-current 12/31/2011	Current 09/30/2012	Current 12/31/2011	**Total** 09/30/2012	**Total** 12/31/2011
Interest bearing collateralized bank loans	152,810	164,468	11,840	11,811	**164,650**	**176,279**
Transaction costs	-4,561	-6,298	-993	-1,152	**-5,554**	**-7,450**
Bank overdrafts	20	40	328	91	**348**	**131**
Success fee	6,807	4,795	–	–	**6,807**	**4,795**
Accrued interests	–	–	424	456	**424**	**456**
Other loans	359	499	290	324	**649**	**823**
Total	**155,435**	**163,504**	**11,889**	**11,530**	**167,324**	**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 primarily include the agreed repayment 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 exchange rate plus available cash and cash equivalents:

	09/30/2012				
kEUR	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	14,567	14,567	14,567	–	–
Facility A2	17,491	15,019	15,019	–	–
Facility B	132,592	132,592	188,800[1]	14,672	70,880
Total	**164,650**	**162,178**	**218,386**	**14,672**	**70,880**

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

	12/31/2011				
kEUR	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**

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

In April 2012, as part of a road show, management surveyed the interest of investors for a bond. Due to uncertainties at the time – 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 credit line of EUR 90 million arranged in July 2011 in connection with the successful placement of a bond was canceled for this reason as of April 30, 2012.

In October 2012 the company reorganized its corporate financing structure. In addition to the early renewal of the syndicated loan, a corporate bond with a volume of EUR 75.0 million has been issued. Please refer to Note 16 "Events after balance sheet date" for further information.

13 FINANCIAL ASSETS AND OTHER FINANCIAL LIABILITIES

	01/01/2012				09/30/2012
kEUR	**Fair value**	Changes recognized in equity (before tax)	Changes recognized in profit or loss (before tax)	Foreign currency translation	**Fair value**
Interest rate swaps EUR	**-4,336**	-623	–	–	**-4,959**
Interest rate swaps USD	**-1,357**	192	–	-8	**-1,173**
Total	**-5,693**	**-431**	**–**	**-8**	**-6,132**

	01/01/2012	09/30/2012
kEUR	**Fair value**	**Fair value**
Forward exchange transaction	**-99**	**-80**

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. They are used to hedge the exposure to variability of cash flows. Changes in market values must therefore be recognized directly in equity, if the hedging relationship is effective.

14 RELATED PARTY DISCLOSURES

MANAGEMENT BOARD AND 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 (Chairman)
- Ulrich O. Sauer (Deputy Chairman)
- Detlef Borghardt
- Anja Kleyboldt
- Samuel Martin
- Richard W. Muzzy

TRANSACTIONS WITH RELATED PARTIES AND COMPANIES IN WHICH THE KEY MANAGEMENT PERSONNEL OF THE GROUP HOLD KEY MANAGEMENT POSITIONS:

	Sales to related parties		Purchases from related parties	
kEUR	Q1–Q3/2012	Q1–Q3/2011	Q1–Q3/2012	Q1–Q3/2011
SAF-HOLLAND Nippon, Ltd.	707	473	–	–
Lakeshore Air LLP	–	–	114	76
FWI S.A.	–	–	18,158	15,479
Irwin Seating Company[1]	1,032	1,074	–	–
Madras SAF-HOLLAND Manufacturing (I) P. Ltd.	35	1	–	–
Total	**1,774**	**1,548**	**18,272**	**15,555**

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

	Amounts owed by related parties		Amounts owed to related parties	
kEUR	09/30/2012	12/31/2011	09/30/2012	12/31/2011
SAF-HOLLAND Nippon, Ltd.	278	56	190	183
Lakeshore Air LLP	–	–	29	12
FWI S.A.	–	–	2,040	331
Irwin Seating Company[1]	138	18	–	–
Madras SAF-HOLLAND Manufacturing (I) P. Ltd.	181	146	–	–
Total	**597**	**220**	**2,259**	**526**

15 CASH FLOW STATEMENT

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

16 EVENTS AFTER THE BALANCE SHEET DATE

REFINANCING

On October 5, 2012, an agreement was signed with a consortium of banks that replaced the previous financing arrangement and ensured a long-term supply of short- and long-term finance at more favorable interest rates for the Group until October 2017. The newly arranged credit agreement consists of a EUR 140 million tranche (the A facility) and a multi-currency revolving credit line of about EUR 120 million – subdivided into EUR 80 million and USD 50 million (the B facility). As a result of the refinancing, the available credit lines increased to EUR 260 million (December 31, 2011: EUR 228.9 million).

The restructuring of the financing specifies the following main regulations:

- Initial interest rate margin
  - Facility A: 2.85 % p.a.
  - Facility B: 2.35% p.a.
- Maturity on October 4, 2017
- Planned repayment of EUR 35 million of the loan amount of facility A
- Collaterals on assets waived
- Determination of the financial covenants effective as of December 31, 2012
  - Net interest cover (adjusted consolidated EBITDA divided by net finance expenses)
  - Total net debt cover (net debt divided by adjusted consolidated EBITDA)
  - Equity ratio cover (consolidated equity divided by consolidated assets)

EMISSION OF A CORPORATE BOND

Furthermore, on October 18, 2012, SAF-HOLLAND issued a five and a half year bond with an annual coupon rate of 7.00% and a volume of EUR 75.0 million on the newly opened Prime Standard of the Frankfurt Stock Exchange.

The proceeds from the bond emission will be used for repayment of existing bank loans in amount of EUR 50 million. The remaining EUR 25 million will be used for financing and securing sustainable growth. As the third finance component the bond supplements the syndicated loan and the EUR 25 million factoring basket.

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).

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.

Non-recourse factoring: Factoring where the factor takes on the the bad debt risk.

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.

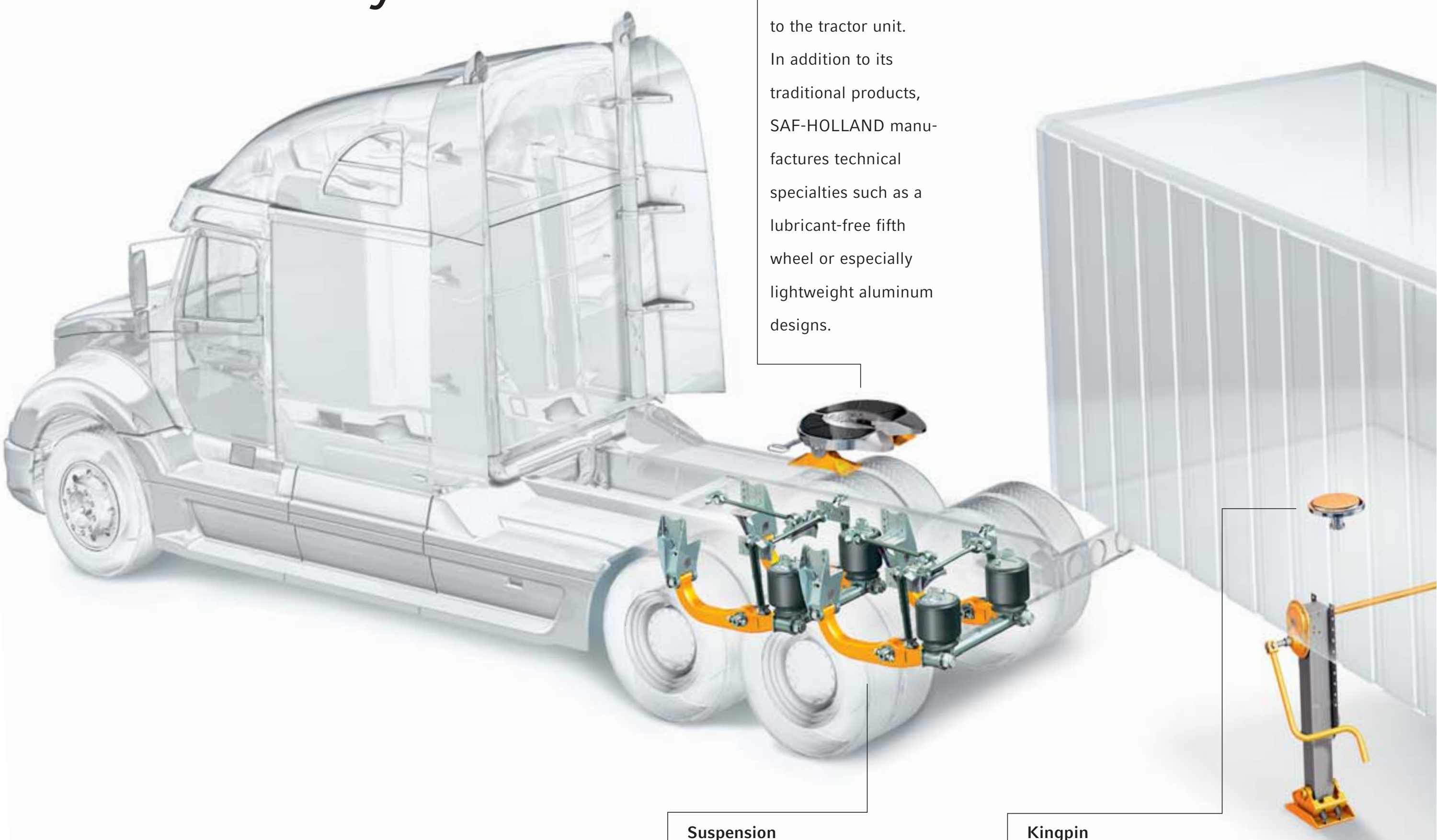
R&D ratio: R&D cost and capitalized development cost / sales x 100.

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.

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
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
Mio.	Million
OEM	Original equipment manufacturer
PDC	Part Distribution Center
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)

Financial Calendar and Contact Information

Financial Calendar

November 12–14, 2012	German Equity Forum, Frankfurt
January 22, 2013	Cheuvreux German Corporate Conference, Frankfurt

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