



Q2 2019

HALF-YEAR FINANCIAL REPORT OF SAF-HOLLAND GROUP

as of June 30, 2019

KEY FIGURES

Results of operations

in EUR thousands

	Q1 – Q2 / 2019	Q1 – Q2 / 2018	Q2 / 2019	Q2 / 2018
Sales	695,466	640,308	349,498	345,438
Gross profit	118,725	104,587	58,473	54,018
Gross profit margin in %	17.1	16.3	16.7	15.6
EBIT	36,744	36,777	17,808	19,606
EBIT margin in %	5.3	5.7	5.1	5.7
Adjusted EBIT	49,943	44,116	25,168	23,859
Adjusted EBIT margin in %	7.2	6.9	7.2	6.9
Result for the period	20,768	21,772	9,330	11,992
Adjusted result for the period	33,030	28,209	16,683	16,008
Undiluted earnings per share	0.45	0.48	0.20	0.26
Adjusted undiluted earnings per share	0.73	0.62	0.37	0.35

Net assets

in EUR thousands

	06 / 30 / 2019	12 / 31 / 2018
Balance sheet total	1,041,603	977,416
Equity	337,732	332,550
Equity ratio in %	32.4	34.0
Cash and cash equivalents	119,475	155,009
Net debt	247,613	213,386
Net working capital	195,066	172,468
Net working capital in % of sales	14.0	13.5

Financial position

in EUR thousands

	Q1 – Q2 / 2019	Q1 – Q2 / 2018	Q2 / 2019	Q2 / 2018
Cash flow from operating activities before income tax paid	36,497	–16,950	22,628	–4,692
Cash conversion rate in %	73.1	–38.5	89.9	–19.7
Net cash flow from operating activities	27,605	–30,856	19,046	–8,385
Cash flow from investing activities	–24,236	–15,238	–9,820	–8,246
Operating free cash flow	3,369	–46,094	9,226	–16,631

Employees

	Q1 – Q2 / 2019	Q1 – Q2 / 2018
Employees (on average)	4,330	4,101
Sales per employee (kEUR)	160.6	156.2

Yield

in %

	Q1 – Q2 / 2019	Q1 – Q2 / 2018
Return on capital employed (ROCE)*	8.8	9.2

* ROCE = EBIT (annualized) / (total assets – current liabilities)

Due to rounding, the figures presented in this report may not add up precisely to the totals shown and per centages may not precisely reflect the absolute figures. Such differences are not of a material nature.

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KEY EVENTS IN THE FIRST HALF-YEAR 2019

NEW SEGMENTATION SCHEME FOR CORPORATE MANAGEMENT

As of January 1, 2019, a new segmentation structure was introduced to corporate management and reporting, reflecting the growing importance of individual regions and the management approach. The APAC/China region is now divided into the regions “APAC” and “China.” As of January 1, 2019, corporate management and Group reporting have been conducted under the “EMEA,” “Americas,” “APAC” and “China” segments. The four regions cover both the original equipment and spare parts businesses.

ACQUISITION OF MAJORITY STAKE IN TRAILER TIRE PRESSURE MANAGEMENT SPECIALIST PRESSUREGUARD™

Effective January 9, 2019, SAF-HOLLAND acquired 51 per cent of the shares in the manufacturer of tire pressure management systems PressureGuard. A purchase option for the remaining outstanding shares in the company was agreed between SAF-HOLLAND and the previous owner, Servitech Industries, Inc. SAF-HOLLAND can exercise this option at a later date. The purchase price for the acquired stake was in the low single-digit million euro range.

SAF-HOLLAND sees great potential in PressureGuard’s proven tire pressure management technology to provide even more comprehensive axle and suspension solutions to its fleet customers in North America. By employing this solution, SAF-HOLLAND is not only expanding its systems expertise but also increasing its added value. This one-stop sourcing approach provides fleet managers with a single point of contact and ensures a fully engineered system design that can address any compatibility issues upfront. This approach also simplifies the warranty and after-sale support needed by today’s fleets.

ACQUISITION OF THE STARA GROUP

Effective February 1, 2019, SAF-HOLLAND acquired all shares in the Finnish Stara Group. SAF-HOLLAND took over the business operations of the two family-owned companies AB Stara Parts Oy, Finland, and Trailax Aktiebolag, Sweden. The purchase price was in the low double-digit million euro range.

The Stara Group was previously the distribution partner of SAF-HOLLAND in Finland and Sweden, focusing primarily on axle and suspension systems for trailers. In addition, the Group has an excellent aftermarket network in the region with three branches.

Through this acquisition, SAF-HOLLAND will be able to strengthen its brand awareness in Northern Europe. With Group-owned sales and service companies having a broader and more intensive coverage of the Finnish and Swedish markets, the Group also intends to further expand its market position and the cross-selling of its Group brands.

CHANGE IN THE COMPANY’S TOP MANAGEMENT: SAF-HOLLAND APPOINTS ALEXANDER GEIS AS NEW CEO

On February 25, 2019, SAF-HOLLAND S.A. and Detlef Borghardt mutually agreed to terminate his mandates at SAF-HOLLAND effective February 26, 2019.

Alexander Geis, who was already responsible for the EMEA region and Global Procurement on the Group Management Board, was appointed as the new Chief Executive Officer effective February 26, 2019.

SAF-HOLLAND AND THE SCHWARZMÜLLER GROUP CONCLUDE 5-YEAR CONTRACT FOR TRAILER AXLES

In mid-April 2019, SAF-HOLLAND announced the conclusion of a contract with the Austrian company Wilhelm Schwarzmüller GmbH for the delivery of trailer axles with a contract value in the low three-digit million range. The contract period of five years is longer than usual. During this time, SAF-HOLLAND will supply more than 75 per cent of the total volume put out for tender by the Schwarzmüller Group.

SAF-HOLLAND RECEIVES THE LARGEST SINGLE ORDER IN ITS HISTORY FROM KÖGEL TRAILER GMBH

At the end of April 2019, SAF-HOLLAND reported it had won another major contract for trailer axles and landing gears. SAF-HOLLAND and the Humbaur Group’s Kögel Trailer GmbH, one of the leading trailer manufacturers in Europe, have concluded a multi-year contract for the delivery of trailer axles and landing gears with a prospective contract value in the low three-digit million range.

ANNUAL GENERAL MEETING APPROVES DIVIDEND PAYMENT OF EUR 0.45 PER SHARE AND EXTRAORDINARY GENERAL MEETING APPROVES THE INTRODUCTION OF AN ADDITIONAL THRESHOLD FOR VOTING RIGHTS NOTIFICATIONS (3 PER CENT)

The thirteenth Annual General Meeting of SAF-HOLLAND S.A. on April 25, 2019 in Luxembourg was met by strong interest from SAF-HOLLAND's shareholders, with an attendance rate of more than 67 per cent. All of the proposed resolutions of the management were approved by a large majority, including the presentation of the annual and consolidated financial statements for the 2018 financial year, the management report and group management report, as well as the auditor's report and the discharge of the members of the Board of Directors. The Annual General Meeting also discharged the auditor, PricewaterhouseCoopers Société coopérative, for the 2018 financial year, who was then reappointed as the auditor for the 2019 financial year. The Annual General Meeting also resolved a dividend of EUR 0.45 (previous year EUR 0.45) per share for the 2018 financial year.

The Extraordinary General Meeting, which took place immediately after the Annual General Meeting, approved all of the management's resolution proposals by a large majority with one exception. One of the most important items was the increase in Authorized Capital I from EUR 164.9 million to EUR 227.0 million.

In an effort to harmonize with the corresponding provisions of the German Securities Trading Act (Section 33 [1] WpHG), the Extraordinary General Meeting of SAF-HOLLAND S.A. decided by way of an amendment to Article 18 (1) sentence 1 of the Company's Articles of Association, that Company shareholders who reach, exceed or fall below the voting rights' threshold of 3 per cent are required to promptly file a voting rights notification with the Company. The statutory reporting obligations pursuant to Article 8 et seq. of the Transparency Act of the Grand Duchy of Luxembourg (Law of 11 January 2008 on transparency requirements for issuers), as amended, continue to apply.

SAF-HOLLAND AND LOHR INDUSTRIE SEAL STRATEGIC PARTNERSHIP FOR E-AXLES

In May 2019, SAF-HOLLAND signed a contract for a strategic partnership for electric trailer axles with the French world market leader for vehicle transporters LOHR Industrie S.A.

The cooperation is initially set up for 10 years and includes an extension clause. The worldwide distribution rights of the jointly developed AXEAL system are held by SAF-HOLLAND. The first semi-trailers for the transport of passenger cars were equipped with this new application in the first quarter of 2019 for test purposes. In the next several weeks, the first LOHR customer vehicles equipped with AXEAL will be delivered to the US company Virginia Transport and the South African company KDG Logistics.

FURTHER CHANGES IN THE COMPOSITION OF THE GROUP MANAGEMENT BOARD

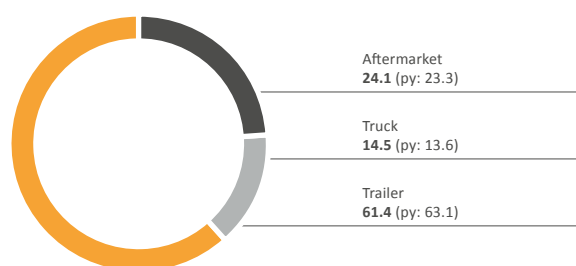
On May 31, 2019, SAF-HOLLAND GmbH and Mr. Guoxin Mao, President China and member of the Group Management Board, mutually agreed on the termination of his service. Mr. Guoxin Mao resigned from his office with immediate effect. At the same time, Alexander Geis, CEO of SAF-HOLLAND, appointed Jürgen Knott as President China effective June 1, 2019. Jürgen Knott is a member of the extended management team and reports directly to Alexander Geis.

SECTOR DEVELOPMENT

The production of trailers in Europe, China and North America, the production of trucks in North America, as well as the global aftermarket business, are all relevant factors when assessing the sector environment for the SAF-HOLLAND Group.

Sales breakdown H1 2019

in %



The truck business of SAF-HOLLAND breaks down as follows: North America (9.8 per cent of Group sales), EMEA (3.6 per cent of Group sales), China (0.7 per cent of Group sales) and APAC (0.4 per cent of Group sales).

DIVERGENT DEVELOPMENTS IN COMMERCIAL VEHICLE MARKETS

The global truck and trailer markets developed quite differently in the first half of 2019, partly as a result of uncertainties concerning the future economic outlook. While the production of trailers in North America grew, fewer units were manufactured in Europe and China. At the same time, order intake for trailers and trucks in North America declined compared to the very strong prior year's period. Order backlogs are currently lower than the record levels realized at the end of 2018. Overall, our expectations for the sector environment described in the 2018 Annual Report have been confirmed so far in 2019.

STRONG GROWTH IN PRODUCTION OF CLASS 8 TRUCKS IN NORTH AMERICA

According to estimates by the market research institute ACT Research, truck production in the first six months of 2019 increased by almost 20 per cent year-on-year. A key driver of the higher production was the working down of the high order backlog.

CONTINUED UPSWING IN NORTH AMERICAN TRAILER MARKET

The North American trailer market posted positive performance in the first half of 2019. According to FTR Transport Intelligence (FTR) estimates, trailer production rose by around 8 per cent to 186,000 units.

STRONG GROWTH IN BRAZILIAN TRUCK MARKET

Following a continued improvement in the economic environment, the Brazilian heavy truck market has continued to perform very positively since the beginning of the year. According to the Anfavea (Associação Nacional dos Fabricantes de Veículos Automotores) manufacturing association, production in the first six months of 2019 increased to around 31,000 units, or by 36 per cent, starting from a historically low level in 2018.

TRAILER PRODUCTION IN EUROPE BELOW PRIOR YEAR

After the historic highs achieved in 2018 coupled with slightly lower economic growth at the beginning of the year, the production of trailers in the first two quarters of 2019 fell by around 12 per cent year-on-year.

HIGH LEVEL OF NEW TRUCK REGISTRATIONS IN EUROPE

According to the European Automobile Manufacturers Association (ACEA) industry association, new registrations of heavy trucks in the European Union rose by close to 16 per cent in the first half of 2019, among other factors, as a result of pull-forward effects ahead of the regulatory introduction of the "smart tachograph" as of June 15, 2019. Despite latent concerns about Brexit, the British market also grew by around 28 per cent. This increase, however, should be seen in the context of the low comparisons in the previous year. According to LMC Automotive, around 6 per cent more heavy trucks were produced in the first six months of 2019 than a year ago.

DOWNTURN IN CHINA'S TRAILER MARKET

In the face of the escalating trade conflict between China and the United States and the resulting uncertainty concerning the further economic development in China, the production of trailers in the first half of 2019 declined by roughly 15 to 20 per cent. The premium segment relevant for SAF-HOLLAND's business development (disc brake technology and air suspension systems following stricter regulatory requirements) was unable to escape the negative market trend and, as a result, recorded a decline in demand.

POLITICAL UNCERTAINTY AND ECONOMIC GROWTH AFFECT MARKET IN INDIA

Lower economic growth and the lack of the expected catch-up effect following customers' restraint ahead of the April/May elections led to a decline in trailer production of around 36 per cent in the first six months. Market analysts are anticipating a reduction in trailer production of up to 25 per cent in 2019.

SALES AND EARNINGS PERFORMANCE, NET ASSETS AND CASH FLOWS

SALES AND EARNINGS PERFORMANCE

GROUP SALES AT A RECORD LEVEL

Group sales in the first half of 2019 reached EUR 695.5 million, or 8.6 per cent higher than the level of EUR 640.3 million generated in the first half of the prior year. The additional contribution to sales from the companies acquired since January 2018 amounted to EUR 34.5 million.

Organic sales growth, which stemmed exclusively from the Americas region, contributed EUR 4.2 million. Positive currency effects resulting primarily from the appreciation of the US dollar against the euro amounted to EUR 16.4 million (previous year EUR –36.2 million).

PER CENTAGE SHARE OF SALES FROM ORIGINAL EQUIPMENT AND SPARE PARTS BUSINESSES RELATIVELY STABLE

Sales from the original equipment business in the January to June 2019 reporting period improved by 7.5 per cent, or EUR 36.8 million, to a total of EUR 527.9 million. The Americas region was a key contributor to this growth, as was the APAC region due to acquisitions. The sales share declined slightly from 76.7 per cent to 75.9 per cent.

in EUR thousands

	Q1-Q2 / 2019	Q1-Q2 / 2018	Change absolute	Change in %
Original equipment business	527,930	491,136	36,794	7.5%
Spare parts business	167,536	149,172	18,364	12.3%
Group sales	695,466	640,308	55,158	8.6%
Original equipment business in % of Group sales	75.9%	76.7%		
Spare parts business in % of Group sales	24.1%	23.3%		

Sales in the spare parts business increased by EUR 18.4 million, or 12.3 per cent, to EUR 167.5 million. The Americas and EMEA regions contributed substantially to this performance. The sales share of the spare parts business increased from 23.3 per cent to 24.1 per cent.

COST OF SALES RATIO IMPROVED SLIGHTLY

Cost of sales increased by 7.7 per cent in the reporting period, from EUR 535.7 million to EUR 576.7 million, following sales growth of 8.6 per cent. The cost of sales ratio improved slightly from 83.7 per cent to 82.9 per cent. This development was also

positively influenced by the contractual passing on last year's steel price increases, global sourcing savings like lower procurement prices for steel, as well as from the lasting price increases in the US and Canadian aftermarket business. Import duties and impairments on inventories had a negative impact.

SELLING AND ADMINISTRATIVE EXPENSE RATIO INCREASED

Selling and general administrative expenses increased year-on-year by EUR 14.1 million, or 23.9 per cent, to EUR 72.9 million in the first six months of the 2019 financial year. The correspond-

ing cost ratio rose from 9.2 per cent to 10.5 per cent. In addition to consolidation effects, higher personnel costs from adjustments in collective wage agreements, as well as strategically planned new hirings – particularly in the areas of IT and digital – had a particularly negative impact. In addition, there was higher amortization of the customer base resulting from the purchase price allocation, severance payments for departing members of the Group Management Board, consultancy costs for the FORWARD and Greenfield project, as well as impairments on receivables.

R&D RATIO SLIGHTLY BELOW PREVIOUS YEAR

Research and development costs in the first six months of 2019 amounted to EUR 10.7 million and were just below the prior year's level of EUR 10.8 million. Additionally, a total of EUR 2.4 million in development costs (previous year EUR 1.8 million)

were capitalized. The R&D ratio (including capitalized development costs) amounted to 1.9 per cent of sales (previous year 2.0 per cent). Development activities focused on developing new products and adapting existing solutions to meet specific customer and regional market requirements. The theme "SMART STEEL," which refers to the combination of mechanical products with sensors and electronics, is increasingly gaining importance.

YEAR-ON-YEAR IMPROVEMENT IN ADJUSTED EBIT MARGIN TO 7.2 PER CENT

Group earnings before interest and taxes (EBIT) reached EUR 36.7 million in the first half of 2019, close to last year's level of EUR 36.8 million. The sharp rise in earnings achieved in the Americas region was able to compensate for the lower earnings contributions from the other regions.

Group

in EUR thousands

	Q1-Q2 / 2019	Q1-Q2 / 2018	Change absolute	Change in %
Sales	695,466	640,308	55,158	8.6 %
EBIT	36,744	36,777	-33	-0.1 %
in % of sales	5.3%	5.7%		
Additional depreciation and amortization of property, plant and equipment and intangible assets from PPA	4,695	3,470	1,225	35.3%
Step-up inventory from PPA	41	379	-338	-89.2%
Valuation effects from call and put options	–	–	–	0.0%
Restructuring and transaction costs	8,463	3,490	4,973	142.5%
Adjusted EBIT	49,943	44,116	5,827	13.2 %
in % of sales	7.2%	6.9%		
Depreciation and amortization of property, plant and equipment and intangible assets (excluding PPA)	16,167	10,074	6,093	60.5%
in % of sales	2.3%	1.6%		
Adjusted EBITDA	66,110	54,190	11,920	22.0 %
in % of sales	9.5%	8.5%		

Adjusted EBIT in the first half of 2019 amounted to EUR 49.9 million, surpassing the prior year's figure of EUR 44.1 million by 13.2 per cent. The adjusted EBIT figure includes restructuring and transaction costs of EUR 8.5 million (previous year EUR 3.5 million), as well as purchase price allocation effects (depreciation from PPA step-ups) of EUR 4.7 million (previous year EUR 3.5 million). The adjusted EBIT margin for the first half-year of 2019 equaled 7.2 per cent (previous year 6.9 per cent).

MARKED IMPROVEMENT IN FINANCE RESULT

The finance result recorded a marked improvement to EUR -5.1 million in the first half of 2019 (previous year EUR -6.3 million). This improvement was mainly due to a sharply lower level of average financial debt, result of the repayment of a bond with a volume of EUR 75.0 million and an interest coupon of 7 per cent in the prior year.

INCOME TAXES

The increase in the effective Group tax rate from 28.7 per cent to 34.3 per cent is due first and foremost to unrecognized deferred tax assets on loss carryforwards from foreign Group companies. These deferred tax assets were not recognized due to the conservative expectation of their earnings development.

RESULT FOR THE PERIOD

Based on the higher effective tax rate, the result for the period in the first half of 2019 amounted to EUR 20.8 million (previous year EUR 21.8 million).

Based on a total of roughly 45.4 million ordinary shares issued, basic earnings per share for the first half-year of 2019 amounted to EUR 0.45 (previous year EUR 0.48) and diluted earnings per share amounted to EUR 0.39 (previous year EUR 0.41).

Group

in EUR thousands

	Q1-Q2 / 2019	Q1-Q2 / 2018	Change absolute	Change in %
Sales	695,466	640,308	55,158	8.6%
EBIT	36,744	36,777	-33	-0.1%
in % of sales	5.3%	5.7%		
Additional depreciation and amortization of property, plant and equipment and intangible assets from PPA	4,695	3,470	1,225	35.3%
Step-up inventory from PPA	41	379	-338	-89.2%
Valuation effects from call and put options	-	-	-	0.0%
Restructuring and transaction costs	8,463	3,490	4,973	142.5%
Adjusted EBIT	49,943	44,116	5,827	13.2%
Adjusted finance result	-5,125	-6,251	1,126	-18.0%
Adjusted earnings before taxes	44,817	37,865	6,952	18.4%
Income taxes	-11,787	-9,656	-2,131	22.1%
Group tax rate	26.3%	25.5%		
Adjusted result for the period	33,030	28,209	4,822	17.1%
Number of shares	45,394,302	45,394,302		
Adjusted basic earnings per share in EUR	0.73	0.62	0.11	17.7%
Adjusted diluted earnings per share in EUR	0.61	0.53	0.08	15.1%

Adjusted for restructuring and transaction costs and purchase price allocation effects and based on an average Group tax rate of 26.3 per cent (previous year 25.5 per cent), the adjusted result for the period amounted to EUR 33.0 million (previous year EUR 28.2 million).

Based on the approximately 45.4 million ordinary shares issued, adjusted basic earnings per share amounted to EUR 0.73 (previous year EUR 0.62) and adjusted diluted earnings per share amounted to EUR 0.61 (previous year EUR 0.53).

SEGMENT REPORTING**EMEA REGION: SALES SLIGHTLY EXCEED PRIOR YEAR'S LEVEL****EMEA**

in EUR thousands

	Q1-Q2 / 2019	Q1-Q2 / 2018	Change absolute	Change in %
Sales	348,035	345,096	2,939	0.9%
EBIT	29,513	36,040	-6,527	-18.1%
in % of sales	8.5%	10.4%		
Additional depreciation and amortization of property, plant and equipment and intangible assets from PPA	2,147	1,652	495	30.0%
Step-up inventory from PPA	2	103	-101	-98.1%
Valuation effects from call and put options	-	-	-	0.0%
Restructuring and transaction costs	2,224	1,827	397	21.7%
Adjusted EBIT	33,886	39,622	-5,736	-14.5%
in % of sales	9.7%	11.5%		
Depreciation and amortization of property, plant and equipment and intangible assets (excluding PPA)	6,925	4,708	2,217	47.1%
in % of sales	2.0%	1.4%		
Adjusted EBITDA	40,811	44,330	-3,519	-7.9%
in % of sales	11.7%	12.8%		

The EMEA region increased sales in the first half of 2019 by 0.9 per cent to EUR 348.0 million (previous year EUR 345.1 million). The companies acquired since January 2018 contributed additional sales of EUR 14.0 million. Organic sales declined by 3.2 per cent to EUR 334.0 million as a result of volume effects.

In the first half of 2019, the EMEA region achieved an adjusted EBIT of EUR 33.9 million (previous year EUR 39.6 million) and an adjusted EBIT margin of 9.7 per cent (previous year 11.5 per cent). The aforementioned volume effects and higher personnel expenses had a negative effect in the first half of 2019. Earnings were positively affected by the companies acquired since January 2018. In addition the first half of 2018 was positively impacted by the reversal of warranty provisions.

AMERICAS REGION: EARNINGS STABILIZE

Americas

in EUR thousands

	Q1-Q2 / 2019	Q1-Q2 / 2018	Change absolute	Change in %
Sales	272,577	224,938	47,639	21.2%
EBIT	14,387	-2,537	16,924	-
in % of sales	5.3%	-1.1%		
Additional depreciation and amortization of property, plant and equipment and intangible assets from PPA	1,270	1,247	23	1.8%
Step-up inventory from PPA	-	-	-	0.0%
Valuation effects from call and put options	-	-	-	0.0%
Restructuring and transaction costs	2,569	1,251	1,318	105.4%
Adjusted EBIT	18,226	-39	18,265	-
in % of sales	6.7%	0.0%		
Depreciation and amortization of property, plant and equipment and intangible assets (excluding PPA)	5,774	4,594	1,180	25.7%
in % of sales	2.1%	2.0%		
Adjusted EBITDA	24,000	4,555	19,445	426.9%
in % of sales	8.8%	2.0%		

Sales in the Americas region increased by 21.2 per cent in the first half of 2019 to EUR 272.6 million (previous year EUR 224.9 million). Sales adjusted for currency and portfolio effects improved by 14.0 per cent to EUR 256.4 million.

Business with axle systems with integrated disc brake technology developed very favourably. In addition to the company XTRA Lease, a second well-known major fleet customer was gained. In the first half of 2019, a total of approximately 21,000 axle systems equipped with disc brakes were delivered to customers, corresponding to a growth rate of just over 105 per cent. In order to meet the growing demand, additional capacity will be created at the Warrenton site. The aftermarket business will also be expanded accordingly.

The market environment continued to be driven by strong customer demand for truck and trailer components, which led to persistent capacity bottlenecks throughout the industry and along the entire supply chain.

At EUR 18.2 million, adjusted EBIT was well above the prior year's break-even level, as was the adjusted EBIT margin of 6.7 per cent (previous year 0.0 per cent). Contributing to this performance was a reduction in add-on operating expenses from EUR 6.2 million in the first half of 2018 to EUR 1.0 million in the first half of 2019. The contractual passing on of last year's steel price increases, lower steel purchase prices and lasting price increases in the US and Canadian aftermarket businesses also impacted earnings positively.

There was a continuous improvement in the overall situation in the North American plant network in the first half of 2019. SAF-HOLLAND launched the FORWARD project on March 1, 2019, in order to systematically realize the considerable optimization potential identified and to drive forward the network's turnaround. The focus of this project is to optimize the production and supply chain, the product portfolio, the aftermarket business and the procurement of material.

APAC REGION: MARKET WEAKNESS IN INDIA PLACES BURDEN ON EBIT MARGIN

APAC

in EUR thousands

	Q1-Q2 / 2019	Q1-Q2 / 2018	Change absolute	Change in %
Sales	49,733	33,980	15,753	46.4 %
EBIT	1,169	1,942	-773	-39.8 %
in % of sales	2.4%	5.7%		
Additional depreciation and amortization of property, plant and equipment and intangible assets from PPA	1,249	542	707	130.4%
Step-up inventory from PPA	39	276	-237	-85.9%
Valuation effects from call and put options	—	—	—	0.0%
Restructuring and transaction costs	494	162	332	204.9%
Adjusted EBIT	2,951	2,922	29	1.0 %
in % of sales	5.9%	8.6%		
Depreciation and amortization of property, plant and equipment and intangible assets (excluding PPA)	1,045	277	768	277.3%
in % of sales	2.1%	0.8%		
Adjusted EBITDA	3,996	3,199	797	24.9 %
in % of sales	8.0%	9.4%		

During the first half of 2019, the APAC region increased sales by EUR 15.7 million to EUR 49.7 million. The additional sales contribution from the companies acquired since January 2018 was EUR 20.3 million. Sales adjusted for currency and portfolio effects declined by 14.0 per cent year-on-year to a total of EUR 29.2 million. The main reason for the sales decline was the continued weak market environment in India.

Despite the acquisitions in the previous year, adjusted EBIT, at EUR 3.0 million, was only slightly higher than the prior year's figure of EUR 2.9 million. The adjusted EBIT margin fell from 8.6 per cent to a level of 5.9 per cent. This decline in the margin stems from the dilutive effect of the York acquisition and the latest unsatisfactory sales and earnings development of the Indian subsidiary York.

CHINA REGION: EXTENSIVE REORGANIZATION MEASURES UNDERWAY IN A CHALLENGING MARKET ENVIRONMENT

China

in EUR thousands

	Q1-Q2 / 2019	Q1-Q2 / 2018	Change absolute	Change in %
Sales	25,121	36,294	-11,173	-30.8 %
EBIT	-8,325	1,332	-9,657	—
in % of sales	-33.1%	3.7%		
Additional depreciation and amortization of property, plant and equipment and intangible assets from PPA	29	29	0	0.0%
Step-up inventory from PPA	—	—	—	—
Valuation effects from call and put options	—	—	—	0.0%
Restructuring and transaction costs	3,176	250	2,926	1,170.4%
Adjusted EBIT	-5,120	1,611	-6,731	—
in % of sales	-20.4%	4.4%		
Depreciation and amortization of property, plant and equipment and intangible assets (excluding PPA)	2,423	495	1,928	389.5%
in % of sales	9.6%	1.4%		
Adjusted EBITDA	-2,697	2,106	-4,803	—
in % of sales	-10.7%	5.8%		

The China region generated sales of EUR 25.1 million in the first half of 2019 (previous year EUR 36.3 million). This decline was the result of a shrinking export business due to the trade dispute between China and the US, as well as from cyclically short notice cancellations and delays in orders and temporary strikes following the announcement of plant closures.

Earnings were burdened by a low level of capacity utilization at the Xiamen and Qingdao plants and temporary cost pressure from the existence of duplicate structures in the course of the integration of the other Chinese sites into the new Greenfield project. In addition, there were inventory impairments as a result of a significant decline in incoming orders and higher marketability discounts, as well as impairments on receivables as a result of the bankruptcy of one customer and pending legal proceedings against several other customers due to payment defaults. Altogether, this led to an adjusted EBIT of EUR –5.1 million (previous year EUR 1.6 million).

To position itself successfully for further growth opportunities in the Chinese market, SAF-HOLLAND sent an experienced team of experts to China to support the local management in

starting up the new plant in Yangzhou, integrating the other Chinese sites into the Greenfield project, acquiring local customers and concluding long-term contracts. In this context, Jürgen Knott assumed the position of President for the China region as of June 1, 2019. Mr. Knott brings with him extensive management experience in the areas of operations, product development and sales of axles, brake systems and chassis components for commercial vehicles, in addition to several years of intercultural leadership experience, especially in China and Asia.

In light of the unsatisfactory sales and earnings development, the Group Management Board has decided to significantly accelerate the consolidation of the Chinese sites into the Greenfield project. The plant in Qingdao has ceased operations from July 31, 2019. The two Beijing warehouses have also been closed from July 31, 2019. Further footprint optimization efforts will follow during the second half of the year including a downsizing of the Xiamen plant while the Greenfield plant is ramping up. The commencement of production at the new Yangzhou plant will be brought forward to the beginning of the fourth quarter.

NET ASSETS

TOTAL ASSETS INCREASE 6.6 PER CENT

At the end of the first half of 2019, total assets increased by 6.6 per cent to EUR 1,041.6 million compared to their level at the end of the 2018 financial year of EUR 977.4 million.

in EUR thousands

	06 / 30 / 2019	12 / 31 / 2018	Change absolute	Change in %
Non-current assets	523,255	472,284	50,971	10.8 %
of which intangible assets	267,949	265,765	2,184	0.8%
of which property, plant and equipment	209,091	163,263	45,828	28.1%
of which other (financial) assets	46,215	43,256	2,959	6.8%
Current assets	518,348	505,132	13,216	2.6 %
of which inventories	194,852	179,368	15,484	8.6%
of which trade receivables	171,394	138,875	32,519	23.4%
of which liquid assets	119,475	155,009	–35,534	–22.9%
of which other (financial) assets	32,627	31,880	747	2.3%
Total assets	1,041,603	977,416	64,187	6.6 %

The rise in property, plant and equipment was attributable to the changes to lease accounting under IFRS 16, the establishment of the Chinese Greenfield project, the modernization of the US plant network, as well as rationalization and expansion investments. At EUR 15.5 million, or 8.6 per cent, the rise in inventories compared to the end of 2018 was in accordance with the rise in sales. The increase in trade receivables compared to the end of 2018, however, was considerably higher than the rise in sales due to reporting date effects.

The decline in cash and cash equivalents of EUR 35.5 million in the first half of 2019 corresponds to the change in net financial liabilities of EUR 34.2 million. This change was primarily a result of the payment of the purchase prices for the Stara Group and PressureGuard, as well as the dividend payment made in May 2019.

EQUITY RATIO EQUALS 32.4 PER CENT

Equity in comparison to December 31, 2018, increased by EUR 5.2 million to EUR 337.7 million. The main drivers of this increase were the net result for the period in the first half of 2019, which amounted to a total of EUR 20.8 million and positive exchange differences from the translation of foreign oper-

ations recognized directly in equity. The rise in total assets of EUR 64.2 million, or 6.6 per cent, to EUR 1,041.6 million led to a decline in the equity ratio from 34.0 per cent as of December 31, 2018, to 32.4 per cent as of June 30, 2019.

in EUR thousands

	06 / 30 / 2019	12 / 31 / 2018	Change absolute	Change in %
Equity	337,732	332,550	5,182	1.6 %
Non-current liabilities	496,913	469,912	27,001	5.7 %
of which Interest bearing loans and bonds	363,811	364,459	-648	-0.2 %
of which other non-current liabilities	133,102	105,453	27,649	26.2 %
Current liabilities	206,958	174,954	32,004	18.3 %
of which Interest bearing loans and bonds	3,277	3,936	-659	-16.7 %
of which trade payables	150,799	129,115	21,684	16.8 %
of which other current liabilities	52,882	41,903	10,979	26.2 %
Balance sheet total	1,041,603	977,416	64,187	6.6 %

Within non-current liabilities, finance lease liabilities increased following the introduction of the new IFRS 16 lease standard. The rise in trade payables of 16.8 per cent to EUR 150.8 million

is balance sheet date-related. Current liabilities are also affected by the new IFRS 16 lease standard.

SLIGHT IMPROVEMENT IN NET WORKING CAPITAL RATIO

in EUR thousands

	06 / 30 / 2019	06 / 30 / 2018	Change absolute	Change in %
Inventories	194,852	194,383	469	0.2 %
Trade receivables	171,394	206,131	-34,737	-16.9 %
Income tax receivables	2,687	2,681	6	0.2 %
Other current assets	28,125	24,363	3,762	15.4 %
Other provisions (non-current)	-7,507	-6,747	-760	11.3 %
Other provisions (current)	-10,381	-8,748	-1,633	18.7 %
Trade payables	-150,799	-175,383	24,584	-14.0 %
Other liabilities	-29,677	-24,467	-5,210	21.3 %
Income tax liabilities	-3,628	-7,826	4,198	-53.6 %
Net working capital	195,066	204,387	-9,321	-4.6 %
Net working capital ratio	14.0 %	14.5 %		

The net working capital ratio improved from 14.5 per cent to 14.0 per cent. This decline was accompanied by significantly lower trade receivables that were partially offset by lower trade payables.

CASH FLOWS

POSITIVE OPERATING FREE CASH FLOW

At EUR 27.6 million, cash flow from operating activities in the first six months of 2019 was significantly above the previous year's level of EUR –30.9 million. This improvement is attribut-

able, above all, to a sharply lower rise in net working capital – despite the continued expansion of sales.

in EUR thousands

	Q1-Q2 / 2019	Q1-Q2 / 2018
Cash flow from operating activities	27,605	–30,856
Cash flow from investing activities (property, plant and equipment/intangible assets)	–24,236	–15,238
Operating free cash flow	3,369	–46,094
Cash flow from investing activities (subsidiaries, financial assets)	–12,425	–50,134
Total free cash flow	–9,056	–96,228
Other	–25,171	–50,202
Change in net financial liabilities	–34,227	–146,430

Cash flow from investing activities in property, plant and equipment and intangible assets amounted to EUR 24.2 million, which was EUR 9.0 million or 59.0 per cent above the prior year's level. This rise was primarily attributable to the Chinese Greenfield project, a new office building in Germany and the rationalization and expansion investments in the United States.

Operating free cash flow improved substantially, rising from EUR –46.1 million to EUR 3.4 million. Total free cash flow, in the amount of EUR –9.1 million, was affected by the cash outflow for the acquisitions of the Stara Group and PressureGuard.

MINOR INCREASE IN NET FINANCIAL LIABILITIES

The change in net financial liabilities of EUR –34.2 million resulted in net financial liabilities for the SAF-HOLLAND Group of EUR 247.6 million (December 31, 2018: EUR 213.4 million) as of the June 30, 2019 balance sheet date. The key reason for this change was not only total free cash flow in the amount of EUR –9.1 million but the dividend payment of EUR 20.4 million in particular. The SAF-HOLLAND Group had liquid assets of EUR 119.5 million as of June 30, 2019 (December 31, 2018: EUR 155.0 million).

OPPORTUNITIES AND RISK REPORT

In assessing the opportunities and risks for the SAF-HOLLAND Group, there were no significant changes compared to the opportunity and risk-related statements in the 2018 Annual Report (pages 63 to 72) in addition to the following exception:

The extent of risk associated with the “impairment risks” presented under “Operating Risks” has increased from “Low” to “High.” The reason for this change is the decline in the operating performance of Corpco Beijing Technology and Development Co., Ltd., which was acquired in 2013, and the unresolved trade dispute between the US and China.

OUTLOOK

SECTOR ENVIRONMENT: SOLID COMMERCIAL VEHICLE MARKETS WITH REGIONAL DIFFERENCES

The 2019 outlook remains favorable for the commercial vehicle markets that are relevant to SAF-HOLLAND, despite uncertainties surrounding further economic developments. Based on record backlog for Class 8 trucks and trailers in North America, a relatively high level of production can also be expected during the further course of the current year. In the China region, SAF-HOLLAND is less exposed to the overall market and instead focuses on the premium segment for trailers. In this segment, the more stringent regulatory requirements for vehicle safety and load limits are expected to lead to continued investment by fleet operators. The situation is somewhat different in the important core market of Europe. After several years of growth, production figures for trailers can be expected to decline in 2019.

EUROPEAN TRUCK MARKET IS STABLE

According to the estimates of LMC Automotive, the Western European truck market is expected to increase slightly in 2019 (+1 per cent). It is worth noting that the European truck market is only of comparably minor importance to SAF-HOLLAND. For Eastern Europe, LMC expects the market to be stable in 2019.

EUROPEAN TRAILER MARKET DECLINING

After sustained growth in the period from 2013 to 2018, the market research institute CLEAR expects trailer demand to decline in 2019. The market researchers justify their assessment by pointing out that the demand for trailers over the past several years has received an added boost from catch-up effects. CLEAR is currently forecasting a decline of 10 per cent in the production in Western Europe. In considering this forecast, it is important to take into account that the prior year had very high comparisons as more than 9 per cent more trailers were manufactured than the average for the prior three years.

NORTH AMERICAN TRUCK MARKET IN FRONT OF ANOTHER RECORD YEAR

The sustained robust growth of the US economy and the resulting higher than average increase in freight volumes and rates led to strong demand for additional transport capacity in North America in 2018. At the same time, the electronic logging device (ELD) introduced by the Federal Motor Carriers Safety Administration (FMCSA) on April 1, 2018, created more bottlenecks for fleet operators. The ELD requires that truck drivers document their break times, which in daily practice leads to shorter operating times. Fleet operators reacted to

these bottlenecks with a flood of orders for new equipment. Due to the limited production capacity of the truck manufacturers, however, it will not be possible to fill these orders before 2019. In its latest forecast, ACT Research expects North American Class 8 truck production of +5 per cent compared with its forecast of +4 per cent at the start of the year. Higher growth is now expected, above all, in the US (+9 per cent), whereas Canada (–1 per cent) is expected to decline.

NORTH AMERICAN TRAILER MARKET OUTLOOK REMAINS POSITIVE

The outlook for the North American trailer market in 2019 continues to be positive, not least due to the continued high level of the order backlog. ACT Research expects roughly 3 per cent more trailers to roll off the assembly lines in 2019 than in the prior year, which was already a strong year. SAF-HOLLAND will also benefit from the growing use of disc brakes on trailers.

FURTHER GROWTH FOR TRUCKS AND TRAILERS IN BRAZIL

Based on the anticipation of a moderate economic recovery and political reforms in Brazil, LMC Automotive expects heavy truck production to grow by 15 per cent in 2019. As a result, the Brazilian truck market would continue the recovery that began in 2017, even though truck production will remain significantly below the level before the last downturn in 2013. After dynamic growth in the year 2018 of more than 60 per cent in 2018, CLEAR expects trailer demand to be more restrained and is projecting a rise in trailer production in 2019 of around 5 per cent in 2019.

PREMIUM SEGMENT OF THE CHINESE TRAILER MARKET CANNOT FULLY ESCAPE NEGATIVE MARKET DEVELOPMENT

After recording some high growth rates in the last several years, the consolidation of truck demand in China continued in 2019 as expected by many market watchers. The projected decline in heavy truck production in 2019 is 3 per cent, whereby it is worth noting that until now the Chinese truck market has had relatively minor importance for SAF-HOLLAND.

Due to the uncertainties surrounding the future economic development in China, market analysts are anticipating a 15 per cent decline in trailer production in the full year 2019. The expectation is that the premium segment relevant for SAF-HOLLAND will not be able to fully escape the negative market development, despite the recent introduction of load limits and safety regulations for trailers.

For Australia, which is an important regional market for SAF-HOLLAND, LMC Automotive expects registrations of heavy and medium-duty trucks to decline by 16 per cent in 2019. After a nearly 7 per cent increase in trailer production in 2018, CLEAR anticipates a decline of 6 per cent in the current year.

For the market in India, CLEAR and LMC Automotive are also forecasting declines. In 2019, a reduction in trailer production of up to 25 per cent is expected and up to 11 per cent in truck production.

COMPANY OUTLOOK

Based on the expected macroeconomic and industry-specific conditions and weighing the risk and opportunity potential for the 2019 financial year, the Group Management Board of SAF-HOLLAND continues to expect sales growth at the Group level of 4 to 5 per cent.

From today's perspective, SAF-HOLLAND continues to expect an adjusted EBIT margin around the midpoint of the range of 7 to 8 per cent for the full year 2019 (previous year 6.9 per cent).

EVENTS AFTER THE REPORTING DATE

No material events relevant for reporting occurred after the reporting date.

ALTERNATIVE PERFORMANCE MEASURES

In addition to the key figures defined or specified in the applicable IFRS financial reporting framework, SAF-HOLLAND also provides key financial ratios derived from or based on the prepared financial statements. These are known as Alternative Performance Measures (APM).

SAF-HOLLAND considers these key financial ratios to be important supplemental information for investors and other readers of the financial reports and press releases. The key financial ratios should therefore be seen as a supplement to rather than a replacement of the information prepared in accordance with IFRS.

With regard to the requirements of the European Securities and Markets Authority (ESMA) Guidelines on Alternative Performance Measures (APM), SAF-HOLLAND provides an overview of the Alternative Performance Measures used, their definition and calculation on the SAF-HOLLAND website at <https://corporate.safholland.com/en/apm>.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in EUR thousands

	Notes	Q1 – Q2 / 2019	Q1 – Q2 / 2018*	Q2 / 2019	Q2 / 2018*
Sales	(5)	695,466	640,308	349,498	345,438
Cost of sales		–576,741	–535,721	–291,025	–291,420
Gross profit		118,725	104,587	58,473	54,018
Other income		715	724	350	501
Selling expenses		–36,787	–30,138	–18,570	–16,060
Administrative expenses		–36,132	–28,701	–17,772	–14,036
Research and development costs		–10,728	–10,769	–5,138	–5,362
Operating result		35,793	35,703	17,343	19,061
Share of net profit of investments accounted for using the equity method		951	1,074	465	545
Earnings before interest and taxes		36,744	36,777	17,808	19,606
Finance income	(6)	701	742	342	581
Finance expenses	(6)	–5,826	–6,993	–3,061	–2,952
Finance result	(6)	–5,125	–6,251	–2,719	–2,371
Result before tax		31,619	30,526	15,089	17,235
Income tax	(7)	–10,851	–8,753	–5,759	–5,242
Result for the period		20,768	21,772	9,330	11,992
Attributable to:					
Equity holders of the parent		20,335	21,982	9,028	11,961
Non-controlling interests		433	–210	302	31
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations	(9)	3,964	3,497	–4,466	10,005
Other comprehensive income		3,964	3,497	–4,466	10,005
Comprehensive income for the period		24,732	25,269	4,864	21,997
Attributable to					
Equity holders of the parent		24,280	25,662	4,982	22,108
Non-controlling interests		452	–393	–118	–111
Basic earnings per share in EUR		0.45	0.48	0.20	0.26
Diluted earnings per share in EUR		0.39	0.41	0.17	0.22

* Since January 1, 2019, IFRS 16 “Leases” has been applied for the first time. It is applied using the modified retrospective approach, under which the previous year’s figures are not adjusted. As a result, some figures are not comparable with the prior year period. See explanatory notes in section 2 “Significant Accounting and Valuation Policies.”

CONSOLIDATED BALANCE SHEET

in EUR thousands			
	Notes	06 / 30 / 2019	12 / 31 / 2018*
Assets			
Non-current assets		523,255	472,284
Goodwill		88,921	84,480
Other intangible assets		179,028	181,285
Property, plant and equipment		209,091	163,263
Investments accounted for using the equity method		17,826	16,833
Financial assets	(11)	3,037	1,309
Other non-current assets		2,982	2,686
Deferred tax assets		22,370	22,428
Current assets		518,348	505,132
Inventories		194,852	179,368
Trade receivables		171,394	138,875
Income tax assets		2,687	5,226
Other current assets		28,125	25,149
Financial assets	(11)	1,815	1,505
Cash and cash equivalents	(8)	119,475	155,009
Balance sheet total		1,041,603	977,416
Equity and liabilities			
Total equity	(9)	337,732	332,550
Equity attributable to equity holders of the parent		325,249	321,480
Subscribed share capital		454	454
Share premium		269,044	269,044
Legal reserve		45	45
Other reserve		720	720
Retained earnings		86,106	86,282
Accumulated other comprehensive income		-31,120	-35,065
Shares of non-controlling interests		12,483	11,070
Non-current liabilities		496,913	469,912
Pensions and other similar benefits		31,006	30,507
Other provisions		7,507	7,604
Interest bearing loans and bonds	(10)	363,811	364,459
Finance lease liabilities	(2.1)/(11)	26,994	38
Other financial liabilities	(11)	16,484	16,271
Other liabilities		637	626
Deferred tax liabilities		50,474	50,407
Current liabilities		206,958	174,954
Other provisions		10,381	9,992
Interest bearing loans and bonds	(10)	3,277	3,936
Finance lease liabilities	(2.1)/(11)	8,155	191
Trade payables		150,799	129,115
Income tax liabilities		3,628	4,007
Other financial liabilities	(11)	1,041	776
Other liabilities		29,677	26,937
Balance sheet total		1,041,603	977,416

* Since January 1, 2019, IFRS 16 "Leases" has been applied for the first time. It is applied using the modified retrospective approach, under which the previous year's figures are not adjusted. As a result, some figures are not comparable with the prior year period. See explanatory notes in section 2 "Significant Accounting and Valuation Policies."

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in EUR thousands

Q1 – Q2 / 2019									
	Attributable to equity holders of the parent							Shares of non-controlling interests	Total equity (Note 9)
	Subscribed share capital	Share premium	Legal reserve	Other reserve	Retained earnings	Accumulated other comprehensive income	Total amount		
As of 01 / 01 / 2019	454	269,044	45	720	86,282	–35,065	321,480	11,070	332,550
Result for the period	–	–	–	–	20,335	–	20,335	433	20,768
Other comprehensive income	–	–	–	–	–	3,945	3,945	19	3,964
Comprehensive income for the period	–	–	–	–	20,335	3,945	24,280	452	24,732
Dividend	–	–	–	–	–20,427	–	–20,427	–	–20,427
Put option for acquisition of remaining shares of PressureGuard LLC	–	–	–	–	–84	–	–84	–	–84
Transactions with non-controlling interests	–	–	–	–	–	–	–	214	214
Addition of shares of non-controlling interests from business combinations	–	–	–	–	–	–	–	747	747
As of 06 / 30 / 2019	454	269,044	45	720	86,106	–31,120	325,249	12,483	337,732

Q1 – Q2 / 2018									
	Attributable to equity holders of the parent							Shares of non-controlling interests	Total equity (Note 9)
	Subscribed share capital	Share premium	Legal reserve	Other reserve	Retained earnings	Accumulated other comprehensive income	Total amount		
As of 01 / 01 / 2018 (as reported before)	454	269,044	45	720	67,983	–39,404	298,842	2,133	300,975
Effects from the adoption of IFRS 9	–	–	–	–	–471	–	–471	–	–471
As of 01 / 01 / 2018	454	269,044	45	720	67,512	–39,404	298,371	2,133	300,504
Result for the period	–	–	–	–	21,982	–	21,982	–210	21,772
Other comprehensive income	–	–	–	–	–	3,680	3,680	–183	3,497
Comprehensive income for the period	–	–	–	–	21,982	3,680	25,662	–393	25,269
Dividend	–	–	–	–	–20,427	–	–20,427	–	–20,427
Put option for acquisition of remaining shares of V.ORLANDI S.p.A.	–	–	–	–	–6,568	–	–6,568	–	–6,568
Addition of shares of non-controlling interests from business combinations	–	–	–	–	–	–	–	8,187	8,187
As of 06 / 30 / 2019	454	269,044	45	720	62,499	–35,724	297,038	9,927	306,965

CONSOLIDATED CASH FLOW STATEMENT

in EUR thousands

	Notes	Q1 – Q2 / 2019	Q1 – Q2 / 2018 ¹
Cash flow from operating activities			
Result before tax		31,619	30,526
– Finance income	(6)	–701	–742
+ Finance expenses	(6)	5,826	6,993
+/- Share of net profit of investments accounted for using the equity method		–951	–1,074
+ Amortization/depreciation of intangible assets and property, plant and equipment		20,862	13,544
+ Allowance of current assets		4,892	710
+/- Loss/Gain on disposal of property, plant and equipment		89	30
+ Dividends from investments accounted for using the equity method		20	20
Cash flow before change of net working capital		61,656	50,007
+/- Change in other provisions and pensions		273	–1,776
+/- Change in inventories		–11,606	–40,714
+/- Change in trade receivables and other assets		–36,006 ²	–63,961 ²
+/- Change in trade payables and other liabilities		22,180	39,494
Change of net working capital		–25,159	–66,957
Cash flow from operating activities before income tax paid		36,497	–16,950
– Income tax paid		–8,892	–13,906
Net cash flow from operating activities		27,605	–30,856
Cash flow from investing activities			
+ Proceeds from sale of other short term investments		–	53,879
– Purchase of property, plant and equipment		–21,076	–12,360
– Purchase of intangible assets		–3,160	–2,878
+ Proceeds from sales of property, plant and equipment		1,456	243
– Payments for acquisition of subsidiaries net of cash	(4)	–12,425	–50,134
+ Interest received		106	187
Net cash flow from investing activities		–35,099	–11,063
Cash flow from financing activities			
– Dividend payments to shareholders of SAF-HOLLAND S.A.		–20,427	–20,427
– Repayments of current and non-current financial liabilities	(10)	–	–15,069
– Payments for repayment of bonds		–	–75,000
– Proceeds from foreign currency derivatives		–	–243
– Payments for finance lease		–4,046	–16
– Interest paid		–2,487	–8,219
+/- Change in drawings on the credit line and other financing activities	(10)	–2,731	–406
Net cash flow from financing activities		–29,691	–119,380
Net increase / decrease in cash and cash equivalents		–37,185	–161,299
+/- Effect of changes in exchange rates on cash and cash equivalents		1,651	–564
Cash and cash equivalents at the beginning of the period	(8)	155,009	278,775
Cash and cash equivalents at the end of the period	(8)	119,475	116,912

¹ Since January 1, 2019, IFRS 16 “Leases” has been applied for the first time. It is applied using the modified retrospective approach, under which the previous year’s figures are not adjusted. As a result, some figures are not comparable with the prior year period. See explanatory notes in section 2 “Significant Accounting and Valuation Policies.”

² As of June 30, 2019, trade receivables in the amount of € 39.3 million (previous year: € 32.4 million) were sold in the context of a factoring contract. Assuming the legal validity of receivables, no further rights of recourse to SAF-HOLLAND exist from the receivables sold.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the period January 1 to June 30, 2019

1. CORPORATE INFORMATION

SAF-HOLLAND S.A. (the “Company”) was incorporated on December 21, 2005, as a “Société Anonyme” according to Luxembourg law. The Company’s registered office is located in Luxembourg. The Company’s shares are listed in the Prime Standard of the Frankfurt Stock Exchange. The shares have been included in the SDAX since 2010.

2. SIGNIFICANT ACCOUNTING AND VALUATION POLICIES

The consolidated financial statements for SAF-HOLLAND S.A. and its subsidiaries (the “Group”) were prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union and applicable as of the reporting date.

The interim consolidated financial statements for the first half of 2019 were prepared in accordance with IAS 34 “Interim Financial Reporting.” Generally, the same accounting and valuation principles and consolidation methods were applied as those applied to the consolidated financial statements for the

2018 financial year unless explicit reference is made to changes. The interim consolidated financial statements should therefore be read in conjunction with the consolidated financial statements as of December 31, 2018. Except for the changes discussed in the section “Changes to Accounting and Measurement Standards,” the same accounting principles were applied as those applied to the consolidated financial statements for the 2018 financial year.

In preparing the interim consolidated financial statements, management is required to make 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.

Income and expenses that occur irregularly during the financial year are accrued or deferred when it is appropriate to recognize these expenses at the end of the financial year.

The most important functional currencies for the Company’s foreign operations are presented in the following table:

		Closing rate		Average rate	
		06 / 30 / 2019	06 / 30 / 2018	2019	2018
US-Dollar	USD	0.87980	0.86457	0.88533	0.82622
Canadian Dollar	CAD	0.67075	0.65030	0.66385	0.64698
Chinese Renminbi	CNY	0.12794	0.13062	0.13051	0.12980
Indian Rupee	INR	0.01273	0.01256	0.01266	0.01260

The interim consolidated financial statements and the interim group management report have not been audited by an auditor.

2.1. CHANGES TO ACCOUNTING AND MEASUREMENT STANDARDS

The applied accounting and measurement policies are basically the same as those applied in the prior year, with the following exception:

IFRS 16 “LEASES”

SAF-HOLLAND applied IFRS 16 “Leases” for the first time as of January 1, 2019. IFRS 16 introduces a uniform accounting model that obliges the lessee to recognize an asset for the right-of-use and a lease liability for the outstanding lease payments for all leases. With regard to the accounting of leases at the lessor, the new standard generally adopts the provisions of IAS 17 and retains the distinction between operating and finance leases.

In accordance with IFRS 16, the Group applies the simplified approach to short-term and low-value leases and therefore does not recognize any rights-of-use or liabilities for such leases. The related lease payments continue to be recognized as an expense in the income statement.

In making the transition to IFRS 16, the Group has applied the modified retrospective approach, under which the carrying amounts for the comparative period are presented in accordance with the accounting principles of IAS 17 and will not be adjusted to the new standard. In the first-time application of IFRS 16, the rights-of-use were always measured at the amount

of the lease liability. The lease liability corresponds to the present value of the lease payments that are still outstanding. The weighted average incremental borrowing rate amounted to 2.4 per cent.

As part of the transition to IFRS 16 lease liabilities and rights-of-use amounting to EUR 17.9 million were recognized in the consolidated balance sheet as of January 01, 2019.

The following tables provide an overview of the effects of IFRS 16 as of June 30, 2019:

IFRS 16 – Effects on the consolidated balance sheet

in EUR million

	06/30/2019	Effects IFRS 16	06/30/2019 without appli- cation IFRS 16	12/31/2018 without appli- cation IFRS 16
ASSETS				
Non-current assets	523.3	34.7	488.6	472.3
Current assets	518.3	–	518.3	505.1
Balance sheet total	1,041.6	34.7	1,006.9	977.4
EQUITY AND LIABILITIES				
Equity	337.7	–	337.7	332.6
Non-current liabilities	496.9	26.6	470.3	469.9
Current liabilities	207.0	8.1	198.9	174.9
Balance sheet total	1,041.6	34.7	1,006.9	977.4

The increase in lease liabilities as of June 30, 2019, compared to January 1, 2019, resulted from the acquisition in the current financial year and the leasing of a new distribution center for

the aftermarket business in both Aschaffenburg, Germany, and Phoenix, USA.

IFRS 16 – Effects on the consolidated statement of comprehensive income

in EUR million

	06/30/2019	Effects IFRS 16	06/30/2019 without appli- cation IFRS 16	06/30/2018 without appli- cation IFRS 16
EBITDA	57.6	4.0	53.6	50.3
EBIT	36.7	0.3	36.4	36.8

3. SEASONAL EFFECTS

Seasonal effects during the year can result in variations in sales and the resulting earnings. For information on earnings development, please refer to the explanations contained in the interim group management report.

4. SCOPE OF CONSOLIDATION

The changes to the scope of consolidation compared to the consolidated financial statements as of December 31, 2018, are as follows:

ACQUISITIONS

Acquisition of PressureGuard LLC

On January 9, 2019, SAF-HOLLAND Inc. acquired 51 per cent of the shares in the American manufacturer of tire pressure management systems PressureGuard LLC, based in Nashville, Tennessee. As part of the acquisition, the parties were granted a call/put option for the acquisition/sale of the remaining 49 per cent of the shares.

The call option can be exercised in the period from July 1, 2022, through July 1, 2025. The exercise period for the put option begins one year later on July 1, 2023, and also ends on July 1, 2025. The other liability resulting from the put option is accounted for in accordance with the regulation of IFRS 9. As SAF-HOLLAND Inc. holds the voting rights majority, it gained control of PressureGuard LLC at the time of acquisition.

The first-time consolidation of PressureGuard LLC was carried out in accordance with IFRS 3 using the purchase method.

The preliminary purchase price of approximately EUR 0.9 million was paid in cash.

The following table shows the preliminary purchase price allocation and the amounts for the main groups of assets acquired and liabilities assumed as of the date of acquisition:

in EUR thousands	
	Fair value as of acquisition date
Other intangible assets	1,271
Property, plant and equipment	33
Inventories	328
Trade receivables	73
Other assets	76
	1,781
Deferred tax liabilities	247
Trade payables	10
	257
Total of identified net assets	1,524
Shares with non-controlling interests	-747
Goodwill from the acquisition	140
Consideration transferred	917

The gross amount of trade receivables amounted to EUR 73 thousand at the time of acquisition.

The preliminary goodwill of EUR 140 thousand includes non-separable intangible assets, such as sales synergies that mainly result from the expansion of the portfolio, as well as cost synergies, particularly in the area of purchasing.

The non-controlling interests in the acquired company are measured at the fair value of the relevant share in the identifiable net assets of the acquired company and amounted to EUR 747 thousand at the time of acquisition.

The cash outflow as a result of the acquisition is as follows:

in EUR thousands	
Cash outflow	917
Cash acquired	-
Actual cash outflow	917

PressureGuard LLC was assigned to the Americas region.

The value of the put option for the remaining 49 per cent of the shares in PressureGuard LLC is dependent on future earnings figures and amounted to EUR 84 thousand at the time of acquisition.

In the period between the acquisition and June 30, 2019, the business acquired contributed sales of EUR 184 thousand and, taking into account earnings effects from the purchase price allocation and integration costs, EUR –110 thousand to the Group's result before tax.

Acquisition of the business operations of Oy Arne Stara AB

Effective February 1, 2019, SAF-HOLLAND GmbH acquired the business operations of the Finnish Stara Group from the former owner family. The Stara Group has previously been the distribution partner of SAF-HOLLAND GmbH, focusing primarily on axle and suspension systems for trailers in Finland and Sweden.

The transaction was completed in two steps. In the first step, SAF-HOLLAND GmbH acquired all shares in Stara Parts Oy, based in Finland, as well as in Trailax AB, based in Sweden, from the Finnish company Oy Arne Stara AB. In the second step, Stara Parts acquired the business operations of Oy Arne Stara AB.

As SAF-HOLLAND GmbH holds the voting rights majority, it gained control of both Stara Parts Oy and Trailax AB as of the date of acquisition.

The preliminary purchase price of approximately EUR 12.5 million was paid in cash.

A preliminary purchase price allocation for the acquired assets and liabilities as of the acquisition date was not possible due to the short period of time between the acquisition and the publication of this report.

Based on the preliminary purchase price paid, the net cash outflow amounted to EUR 11.5 million.

Since its acquisition, the Stara Group has contributed sales of EUR 6,073 thousand to Group sales and EUR 196 thousand to the Group's result before tax.

The Stara Group was assigned to the EMEA region.

DECONSOLIDATIONS

Rednet Pte. Ltd., Singapore, was deconsolidated in the reporting year upon its liquidation on April 4, 2019. The deconsolidation did not result in a profit or loss contribution.

OTHER CHANGES

As of May 1, 2019, York Sales (Thailand) Co. Ltd., and SAF-HOLLAND (Thailand) Co. Ltd., were merged under the newly formed SAF-HOLLAND (Thailand) Co. Ltd.

After the completion of the acquisition process, Stara Parts Oy and Trailax AB were renamed SAF-HOLLAND Suomi Oy and SAF-HOLLAND Sverige AB, respectively.

5. SEGMENT REPORTING

As of January 1, 2019, a new segment structure was introduced within the corporate management and reporting system, reflecting the growing importance of individual regions. As a result, the APAC/China region is now divided into the regions "APAC" and "China." Beginning January 1, 2019, corporate management and group reporting are now conducted under the "EMEA," "Americas," "APAC" and "China" segments. These four regions cover both the original equipment and spare parts businesses.

The management assesses the performance of the regional segments based on the adjusted EBIT. The reconciliation from the Group's operating result to the adjusted EBIT is as follows:

in EUR thousands		
	Q1 – Q2 / 2019	Q1 – Q2 / 2018
Operating result	35,793	35,703
Share of net profit of investments accounted for using the equity method	951	1,074
EBIT	36,744	36,777
Additional depreciation and amortization from PPA	4,695	3,470
PPA step-up from inventory measuring of acquisitions	41	379
Restructuring and transaction costs	8,463	3,490
Adjusted EBIT	49,943	44,116

Information on segment sales and results for the period from January 1 to June 30, 2019:

in EUR thousands					
	Q1 – Q2 / 2019				
	Regions				
	Americas ¹	EMEA ²	APAC ³	China ⁴	Consolidated
Sales	272,577	348,035	49,733	25,121	695,466
Adjusted EBIT	18,226	33,886	2,951	– 5,120	49,943
Adjusted EBIT margin	6.7 %	9.7 %	5.9 %	–20.4 %	7.2 %

¹ Includes Canada, the USA as well as Central and South America

² Includes Europe, Middle East and Africa

³ Includes Asia/Pacific and India

⁴ Includes China

in EUR thousands					
	Q1 – Q2 / 2018				
	Regions				
	Americas ¹	EMEA ²	APAC ³	China ⁴	Consolidated
Sales	224,938	345,096	33,980	36,294	640,308
Adjusted EBIT	– 39	39,622	2,922	1,611	44,116
Adjusted EBIT margin	0.0 %	11.5 %	8.6 %	4.4 %	6.9 %

¹ Includes Canada, the USA as well as Central and South America

² Includes Europe, Middle East and Africa

³ Includes Asia/Pacific and India

⁴ Includes China

For information on the earnings development of the individual segments, please refer to the related explanations contained in the interim group management report.

6. FINANCE RESULT

Finance income and expenses consist of the following:

Finance Income

in EUR thousands

	Q1 – Q2 / 2019	Q1 – Q2 / 2018
Unrealized foreign exchange gains on foreign currency loans and dividends	157	10
Realized foreign exchange gains on foreign currency loans and dividends	–	152
Finance income due to derivatives	298	390
Interest income	106	186
Other	140	4
Total	701	742

Finance Expenses

in EUR thousands

	Q1 – Q2 / 2019	Q1 – Q2 / 2018
Interest expenses due to interest bearing loans and bonds	–4,237*	–5,612*
Amortization of transaction costs	–206	–178
Finance expenses due to pensions and other similar benefits	–439	–458
Finance expenses due to derivatives	–260	–325
Finance expenses due to leasing	–341	–
Other	–343	–420
Total	–5,826	–6,993

* Includes the non-cash interest expenses of EUR 333 thousands (previous year: EUR 328 thousands) for the convertible bond

7. INCOME TAXES

The Group's average tax rate as a guide for expected taxes decreased by 0.8 per centage points compared to the previous year and amounted to 26.3 per cent as of the reporting date (previous year: 25.5 per cent). The increase of the Group's average tax is mainly driven by the increase of tax rates in the states of the US from 2 per cent to 4 per cent.

The Group's effective tax rate based on the actual tax expense for the reporting period relative to the result before tax increased by 5.65 per centage points over the previous year to 34.32 per cent (previous year: 28.67 per cent). This rise in the Group's effective tax rate resulted primarily from higher tax losses for which no tax income from the capitalization of deferred taxes was recognized for reasons of prudence.

The difference between the Group's effective tax rate and the Group's average tax rate, which amounts to 8.02 per cent (previous year: 3.17 per cent), is primarily a result of unrecognized deferred tax assets on tax loss carryforwards and a rise in tax-increasing effects under the US tax reform, which took effect as of January 1, 2018, and non-deductible operating expenses.

8. CASH AND CASH EQUIVALENTS

in EUR thousands	06 / 30 / 2019	12 / 31 / 2018
Cash on hand, cash at banks and checks	119,360	154,865
Short-term deposits	115	144
Total	119,475	155,009

The decline in cash and cash equivalents is a result of higher investments in property, plant and equipment in the course of the modernization of the American plant network and the construction of the new plant in China. The dividend payment and net cash outflows for the acquisition of the Stara Group and PressureGuard LLC also resulted in a reduction in cash and cash equivalents. For further information on the development of cash and cash equivalents, please refer to the cash flow statement.

9. EQUITY

The Company's subscribed share capital was unchanged compared to December 31, 2018, and, as of June 30, 2019, amounted to EUR 453,943.02 (previous year: EUR 453,943.02). Subscribed share capital is fully paid-in and consists of 45,394,302 ordinary shares (previous year: 45,394,302) with a nominal value of EUR 0.01 per share.

The Company's reserves, namely the share premium, legal and other reserves, were also unchanged compared to December 31, 2018.

The changes in accumulated other comprehensive income as of the balance sheet date is as follows:

	Before tax amount		Tax (income) / expense		Net of tax amount	
	Q1 – Q2 / 2019	Q1 – Q2 / 2018	Q1 – Q2 / 2019	Q1 – Q2 / 2018	Q1 – Q2 / 2019	Q1 – Q2 / 2018
Exchange differences on translation of foreign operations	3,964	3,497	–	–	3,964	3,497
Total	3,964	3,497	–	–	3,964	3,497

At the Annual General Meeting on April 25, 2019, it was resolved to distribute a dividend from the result for the period of the past financial year in the amount of EUR 0.45 per share to the shareholders. The distribution amount totaled EUR 20,427 thousand.

In the previous year, a dividend of EUR 0.45 per share was paid, amounting to the same total payout of EUR 20,427 thousand.

10. INTEREST BEARING LOANS AND BONDS

Interest bearing loans and bonds consisted of the following:

	Non-current		Current		Total	
	06 / 30 / 2019	12 / 31 / 2018	06 / 30 / 2019	12 / 31 / 2018	06 / 30 / 2019	12 / 31 / 2018
Interest bearing bank loans	10,404	12,196	–	–	10,404	12,196
Convertible bond	98,986	98,653	–	–	98,986	98,653
Promissory note loan	200,000	200,000	–	–	200,000	200,000
Financing costs	–869	–1,045	–398	–393	–1,267	–1,438
Accrued interests	–	3	1,694	771	1,694	774
Other loans	55,290	54,652	1,981	3,558	57,271	58,210
Total	363,811	364,459	3,277	3,936	367,088	368,395

The following table shows the calculation of total liquidity as the sum of available undrawn credit lines measured at the period-end exchange rate plus available cash and cash equivalents and short-term, freely available financial assets:

in EUR thousands				
	06 / 30 / 2019			
	Amount drawn valued as at the period-end exchange rate	Agreed credit lines valued as at the period-end exchange rate	Cash and cash equivalents	Total liquidity
Revolving credit line	3,457	200,000	–	196,543
Other Facilities	6,947	8,067*	119,475	120,595
Total	10,404	208,067	119,475	317,138

* Includes the bilateral credit line for the activities of the Group in China

in EUR thousands				
	12 / 31 / 2018			
	Amount drawn valued as at the period-end exchange rate	Agreed credit lines valued as at the period-end exchange rate	Cash and cash equivalents	Total liquidity
Revolving credit line	5,216	200,000	–	194,784
Other Facilities	6,980	8,016*	155,009	156,045
Total	12,196	208,016	155,009	350,829

* Includes the bilateral credit line for the activities of the Group in China

11. FINANCIAL ASSETS AND OTHER FINANCIAL LIABILITIES

The fair values and carrying amounts of financial assets and liabilities as of the balance sheet date were as follows:

in EUR thousands					
		06/30/2019		12/31/2018	
	Measure- ment category in accordance with IFRS 9	Fair value	Carrying amount	Fair value	Carrying amount
Assets					
Cash and cash equivalents	FAAC	119,475	119,475	155,009	155,009
Trade receivables	FAAC	171,394	171,394	138,875	138,875
Other financial assets					
Derivates without a hedging relationship	FAHfT	48	48	135	135
Other financial assets	FAAC	4,804	4,804	2,679	2,679
Liabilities					
Trade payables	FLAC	150,799	150,799	129,115	129,115
Interest bearing loans and borrowings	FLAC	375,015	367,088	377,425	368,395
Finance lease liabilities	n.a.	35,149	35,149	229	229
Other financial liabilities					
Other financial liabilities	FLtPL	16,704	16,704	16,271	16,271
Derivates without a hedging relationship	FLHfT	821	821	776	776
Of which aggregated by category in accordance with IFRS 9					
Financial assets measured at amortized cost	FAAC	295,673	295,673	296,563	296,563
Financial liabilities measured at amortized cost	FLAC	525,814	517,887	506,540	497,510
Financial assets held for trading	FAHfT	48	48	135	135
Financial liabilities held for trading	FLHfT	16,704	16,704	16,271	16,271
Financial liabilities at fair value through profit and loss	FLtPL	821	821	776	776

The following table shows the allocation of financial assets and liabilities measured at fair value to the three fair value hierarchy levels:

in EUR thousands				
	06 / 30 / 2019			
	Level 1	Level 2	Level 3	Total
Convertible bond	—	105,772	—	105,772
Promissory note loan	—	196,480	—	196,480
Interest bearing loans and borrowings	—	72,763	—	72,763
Put option for the remaining shares in KLL Equipamentos para Transporte Ltda.	—	—	7,483	7,483
Put option for the remaining shares in V.ORLANDI S.p.A.	—	—	8,905	8,905
Put option for the remaining shares in PressureGuard LLC	—	—	84	84
Derivative financial assets	—	48	—	48
Derivative financial liabilities	—	821	—	821

in EUR thousands				
	12 / 31 / 2018			
	Level 1	Level 2	Level 3	Total
Convertible bond	—	108,757	—	108,757
Promissory note loan	—	196,480	—	196,480
Interest bearing loans and borrowings	—	72,188	—	72,188
Put option for the remaining shares in KLL Equipamentos para Transporte Ltda.	—	—	7,366	7,366
Put option for the remaining shares in V.ORLANDI S.p.A.	—	—	8,905	8,905
Derivative financial assets	—	135	—	135
Derivative financial liabilities	—	776	—	776

Derivative financial liabilities as of June 30, 2019 consisted mainly of forward exchange transactions and serve to hedge the risk position from currency fluctuations.

12. RELATED PARTY DISCLOSURES

The following tables show the composition of the Group Management Board, which is the managing body of the SAF-HOLLAND Group's operating business and consists of selected managers of the Group, as well as the composition of the Board of Directors of SAF-HOLLAND S.A. as of the reporting date:

Group Management Board

Alexander Geis	Chief Executive Officer (CEO), Chief Procurement Office (CPO), President Region EMEA
Dr. Matthias Heiden	Chief Financial Officer (CFO)
Dr. André Philipp	Chief Operating Officer (COO)
Steffen Schewerda	President Region Americas
Mike Ginocchio	President Region APAC

Board of Directors

Martina Merz	Chair of the Board of Directors
Dr. Martin Kleinschmitt	Vice Chair of the Board of Directors
Jack Gisinger	Member of the Board of Directors
Anja Kleyboldt	Member of the Board of Directors
Carsten Reinhardt	Member of the Board of Directors

On February 25, 2019, SAF-HOLLAND S.A. and Detlef Borghardt mutually agreed to terminate his mandate at the SAF-HOLLAND Group, effective February 26, 2019.

Alexander Geis, who was already a member of the Group Management Board and responsible for the EMEA region, as well as for global purchasing, was appointed Chief Executive Officer, effective February 26, 2019.

Furthermore, the contract with Guoxin Mao, who represented the China region on the Group Management Board in his role as President China, was terminated by mutual agreement as of May 31, 2019.

Transactions with related parties and companies in which members of the Company's management hold key management positions:

in EUR thousands				
	Sales to related parties		Purchases from related parties	
	Q1 – Q2 / 2019	Q1 – Q2 / 2018	Q1 – Q2 / 2019	Q1 – Q2 / 2018
Joint ventures	605	277	–	–
Associates	–	220	18,833	17,863
Total	605	497	18,833	17,863

in EUR thousands				
	Amounts owed by related parties		Amounts owed to related parties	
	06 / 30 / 2019	12 / 31 / 2018	06 / 30 / 2019	12 / 31 / 2018
Joint ventures	77	167	–	–
Associates	–	–	1,501	1,294
Total	77	167	1,501	1,294

13. EVENTS AFTER THE REPORTING DATE

There were no material events after the interim reporting date.

Luxembourg, August 8, 2019



Martina Merz
Chair of the Board
of Directors



Dr. Martin Kleinschmitt
Vice Chair of the Board
of Directors

RESPONSIBILITY STATEMENT

To the best of our knowledge and in accordance with the applicable financial reporting principles, the consolidated financial statements give a true and fair view of the sales and earnings performance, net assets and cash flows of the Group, and the Group's management report includes a fair review of the development and performance of the Group's business and position, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Luxembourg, August 8, 2019
SAF-HOLLAND S.A.

A handwritten signature in black ink, appearing to read 'Martina Merz', with a stylized flourish at the end.

Martina Merz
Chair of the
Board of Directors

FINANCIAL CALENDAR AND CONTACT INFORMATION

FINANCIAL CALENDAR

November 7, 2019

Quarterly Statement of SAF-HOLLAND Group
as of September 30, 2019

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This Half-Year Financial Report is also available in German.

The German version takes precedence.

Legal Disclaimer

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