

Conference Call Q1 2009 Results

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and

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Summary Q1 2009

- **Sales of €m 112.1 (49.0% below previous year)**
 - **High inventories brought trailer production in Europe almost to a standstill**
- **Gross margin 16.9% of sale (prev. year 17.5%)**
 - **Benefit from restructuring programme**
- **Adj. EBIT of €m -0.5 (prev. year €18.1m)**
- **Adj. EPS of €-0.26 (prev. year € 0.50)**
- **Operating cash flow increased from €m 2.3 to €m 5.5 year-over-year mainly due to reduction of inventories**
- **KPMG preliminary study confirms „Going Concern“**
- **Restructuring measures are on plan**
 - **Savings from cost reduction programme increased to €m 43 in 2009**
 - **Inventories are being reduced continuously**

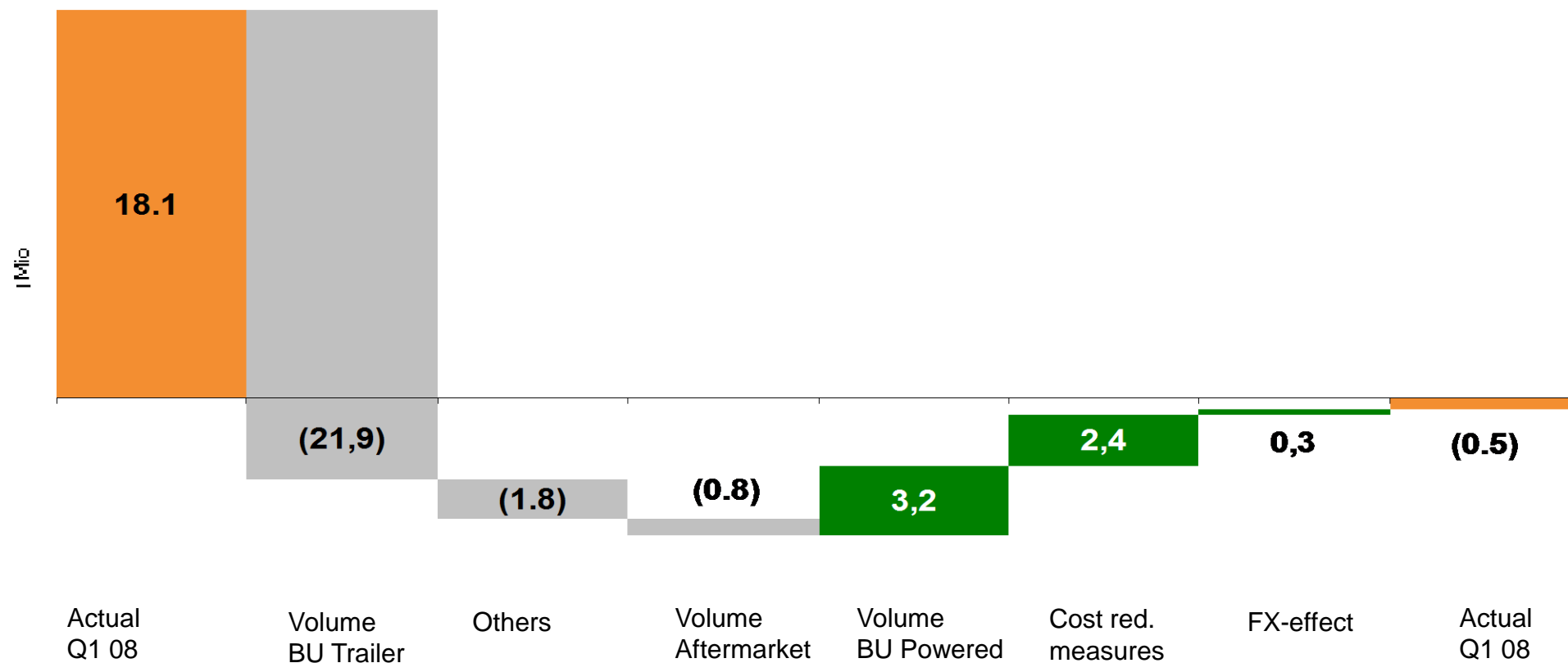
Key Financials

in €m	Q1 2008	Q1 2009
Sales	219.3	112.1
Cost of Sales	-180.8	-93.1
Gross profit	38.5	19.0
Margin	17.5%	16.9%
Adj. profit	9.4	-5.3
Margin	4.3%	- 4.7%
Adj. EPS in €	0.5	-0.26
Adjusted EBITDA	21.2	3.1
Margin	9.7%	2.8%
Adjusted EBIT	18.1	-0.5
Margin	8.3%	-0.4%
Operating cash flow	2.3	5.5

Adj. earnings per share/
number of ordinary shares
as of the reporting date

The operating cash flow
is cash flow from operating
activities before income tax
payments

EBIT Bridge in €m



Summary of Markets in Q1

- **Europe**

- **Production of trailers decreased by 75%**
- **Production of trucks declined by 50%**

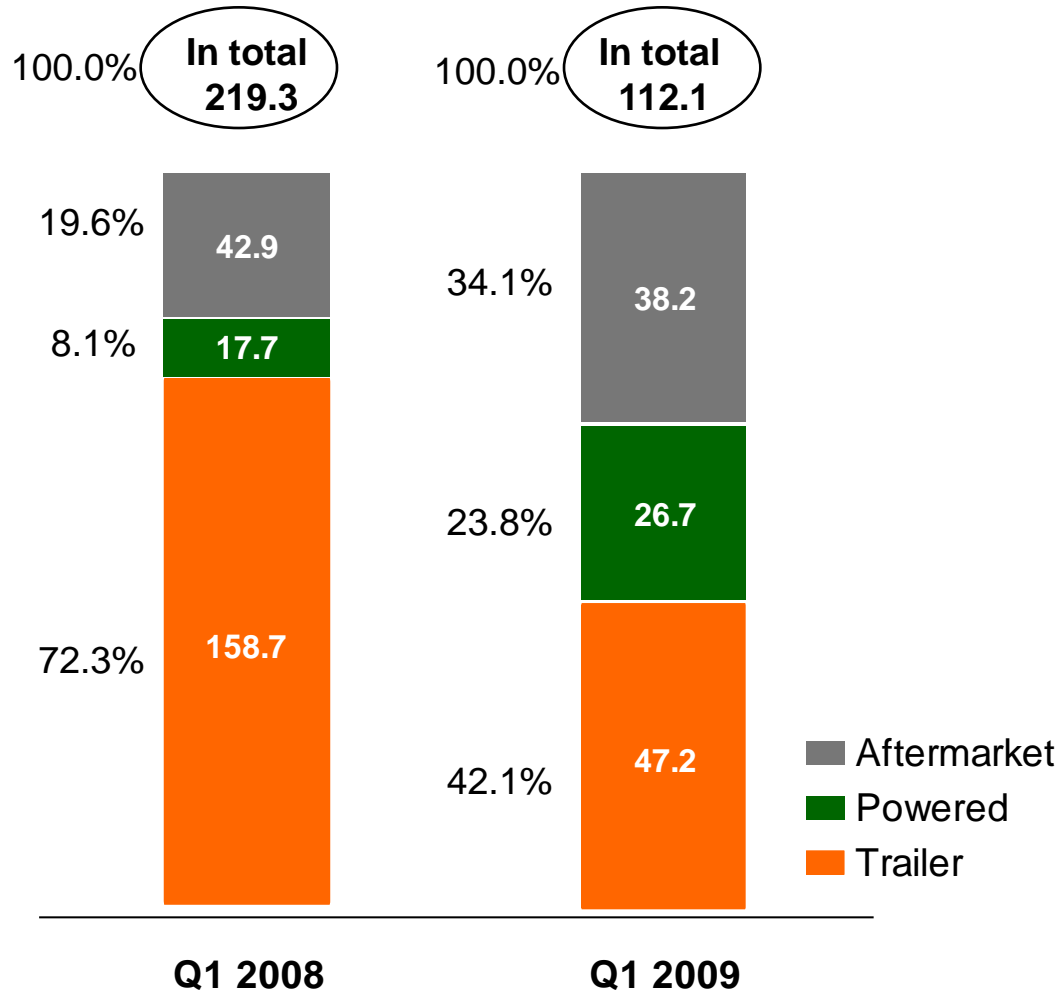
- **North America**

- **Production of trailers decreased by 45%**
- **Production of trucks declined by 30%**

- **BRIC countries**

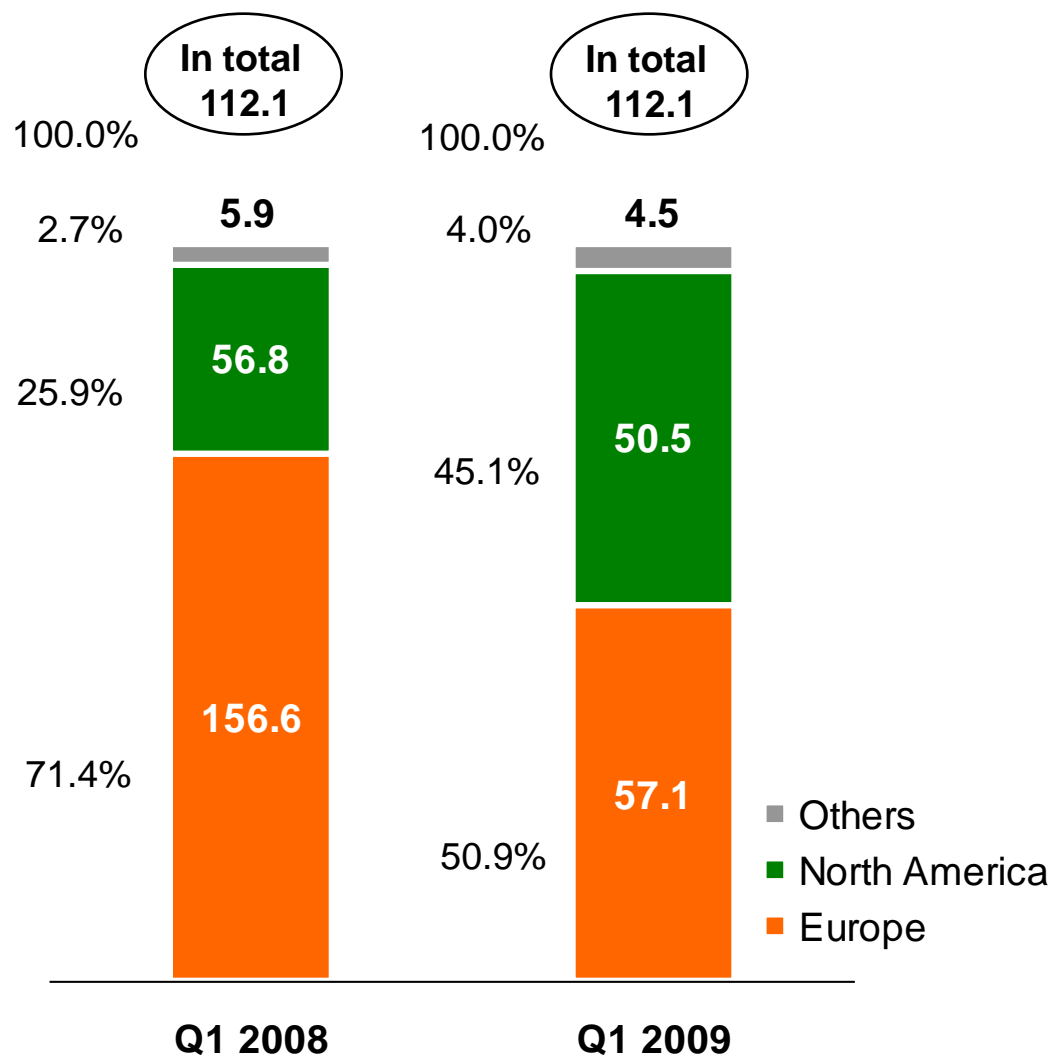
- **Russian truck and trailer markets went down dramatically**
- **China was especially affected by a decline of trailer production**
- **Brazilian markets declined by app. 20%**

Sales by Business Unit in €m



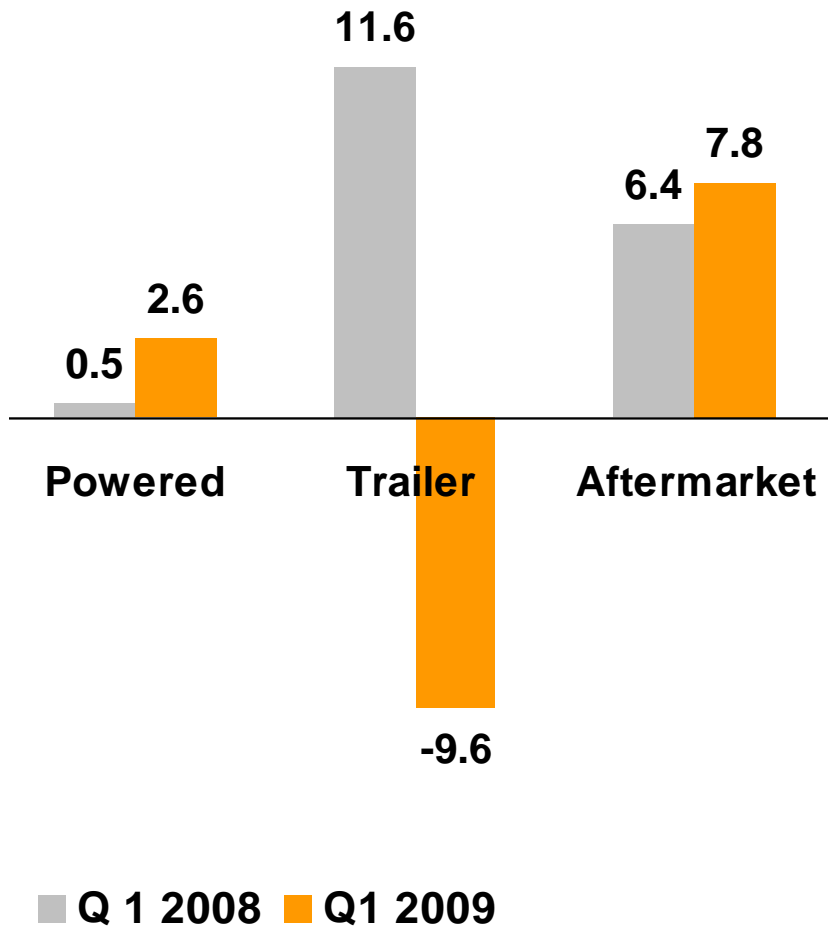
Sales by Business Unit in €m				
	Q1 2008	Q1 2009	f/x adjusted	Change not fx adj.
Trailer	158.7	47.2	45.4	-70.3%
Powered	17.7	26.7	24.0	50.8%
After-market	42.9	38.2	35.8	-11.0%
Total	219.3	112.1	105.2	-48.9%

Sales by Region in €m



Sales by Region in €m			
	Q1 2008	Q1 2009	f/x adjusted
Europe	156.6	57.1	57.1
North America	56.8	50.5	44.1
Others	5.9	4.5	4.0
Total	219.3	112.1	105.2

Adj. EBIT by Business Unit



- **Powered Vehicle Systems BU** benefited from attractive government contract
- **Trailer Systems BU** affected by market downturn, partic. in Europe
- **Aftermarket BU** increased due to material cost reductions and better product/customer mix

Balance Sheet

in €m	03/31/08	03/31/09
Non-current assets	350.5	335.4
Cash and cash equivalents	8.6	15.5
Inventories	85.8	77.9
Other current assets	89.6	84.6
Non-current assets held for sale	2.9	2.9
Total assets	537.4	536.3
Equity	72.1	65.9
Other non current liabilities	66.2	67.5
Other current liabilities	86.7	76.5
Bank loans	312.4	320.6
Total equity and liabilities	537.4	536.3

Cash Flow Statement

in €m	Q1 2008	Q1 2009
Profit before tax	11.2	-9.7
Finance income/expenses	5.0	6.9
Amortization/depreciation	4.6	5.4
Change in NWC	-17.9	3.0
Other items cash flow	-0.6	-0.1
Operating cash flow before income tax	2.3	5.5
Income tax paid	-1.6	-0.4
Operating cash flow	0.6	5.1
Cash flow from investing	-4.5	-1.7
Net cash flow from financing	-3.8	3.9
Effect of f/x changes	-0.4	-0.4
Net change in cash	8.0	6.9

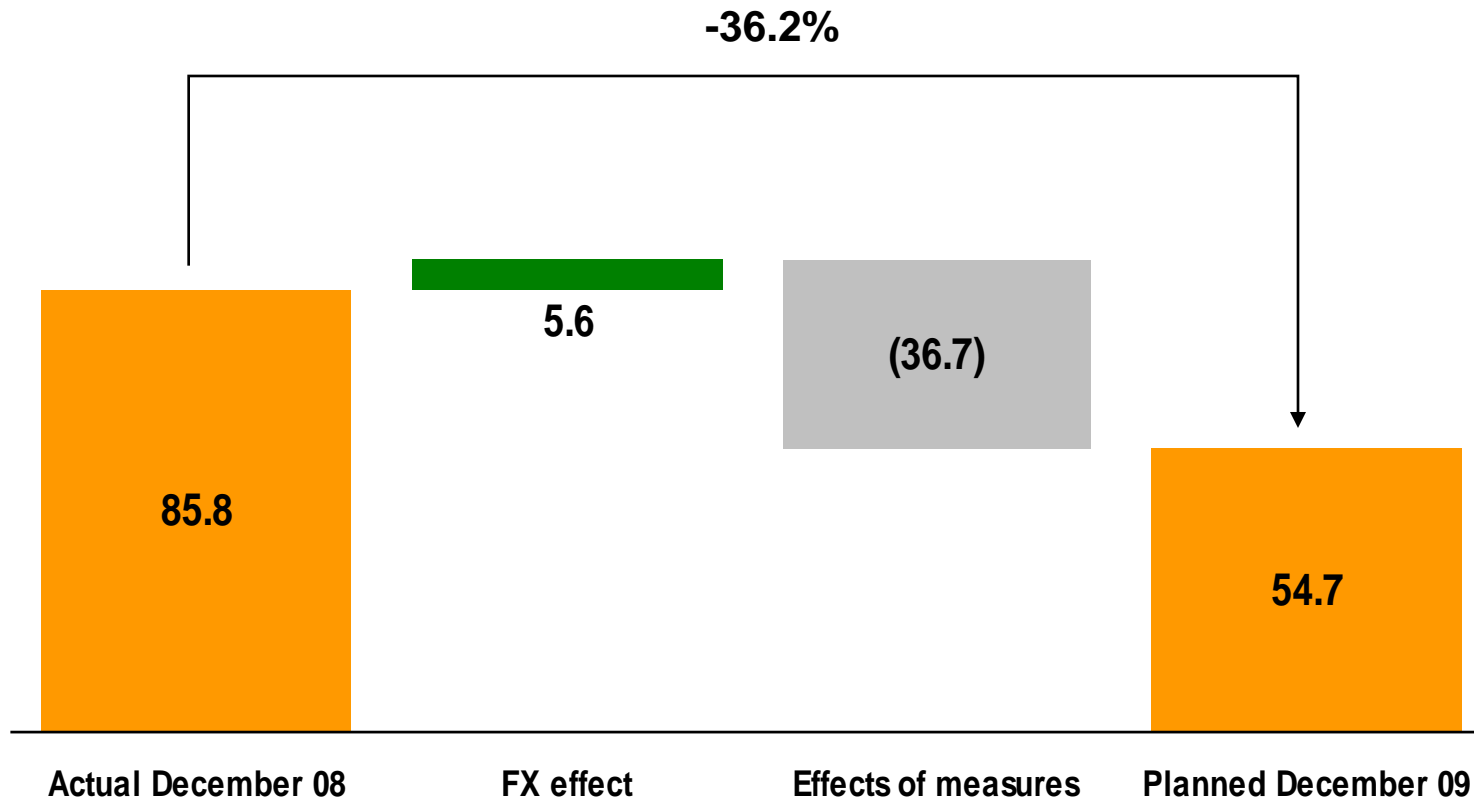
Total Cost Reduction totaling €m 43 in 2009 (I)

- **Reduction of labor costs and headcount**
 - **Short-time work in all functions including overhead**
 - **In Q1 employees did not work on two days per week**
 - **Reduction of management salaries by 10% and bonus cancellation in 2008**
 - **The number of jobs is likely to be reduced by an additional 100 in 2009**
- **Consolidation of specific production sites in North America and Europe**
 - **Closed plant in Holland,USA, in November 2008**
 - **Closed Slovakia plant in December 2008**
 - **Plant closure in Monroe,USA, in May 2009**
 - **Freeze plant in Keilberg, Aschaffenburg, at the beginning of May 2009**
 - **Consolidation of China activities through June 2009**
 - **Further plant consolidations are planned**

Total Cost Reduction totaling €m 43 in 2009 (II)

- Reduction of material costs
 - Achieving lower prices based on raw material cost reductions
 - Purchasing negotiations
 - Technical simplifications
- Further measures
 - Immediate expense cut and spending stop
 - Investment projects will be reduced to €10m in 2009

Reduction of Inventories in €m



Outlook 2009 – Assumption for Truck and Trailer Markets

- **Truck**

- **The North American truck market should benefit slightly towards the end of the year from new emission regulation that come into effect at the beginning of 2010**
- **In Europe, no change in the market situation yet**

- **Trailer**

- **Inventories are being reduced in Europe**
- **Industry is asking fleet operators to renew their fleets, particularly in North America**

- **Aftermarket**

- **Spare part business is improving in North America and Europe**

Outlook 2009 – SAF-HOLLAND Business

- **Operating Business**

- Focus on cost reduction and liquidity measures
- Cost reduction of €m 43 in 2009
- Additional reduction of inventories of €m 25 in 2009

- **Sales and Earnings**

- Sales will be significantly below previous year's
- Earnings will be reduced significantly

- **Mid to Long Term Perspective**

- In the long term, demand for transport capacities will continue to increase in globalized economy. On the basis of our worldwide presence and our high-quality, comprehensive product range, we will benefit from this as soon as demand for trucks and trailers recovers
- SAF-HOLLAND should achieve €bn 1 sales and an adj EBIT-margin of 10% in a long term perspective

Appendix

Reconciliation Statement for Adjusted EBIT

in €m	Q1 2008	Q1 2009
Loss/profit for the period	7.6	-8.3
Taxes on income	3.5	-1.4
Finance Result	5	6.9
Depreciation and amortisation from PPA	1.5	1.8
Restructuring and integration costs	0.5	0.5
Adj. EBIT	18.1	-0.5
in %	8.3%	-0.4%

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