

SAF-HOLLAND Boosts Sales and Earnings in the First Half of the Year

- **Adjusted EBIT climbed in the first half of the year by 23.8% to EUR 37.5 million**
- **Sales rose in the first half of the year by 11.3% to EUR 458.0 million, adjusted for exchange rate effects by 16.3% to EUR 478.5 million**
- **Acquisition of fifth wheel business strengthens the market position in the European truck industry**

Luxembourg, August 29, 2008 - SAF-HOLLAND S.A. (ISIN: LU0307018795), a worldwide leading manufacturer and supplier of premium systems and components for trailers and trucks, continued on its growth path in the second quarter following its already strong performance at the start of the year. Spurred by the strong growth dynamic of the European trailer market at the beginning of the year, sales grew in the second quarter by 19.9% to 238,7 million (previous year: EUR 199,1); adjusted for exchange rate effects, by 25.5% to 249,8 million (previous year: EUR 199,1 million). Accordingly the adjusted EBIT improved significantly by 57.7% to 19,4 million (previous year: EUR 12,3 million).

Rudi Ludwig, CEO of SAF-HOLLAND group. “The strategic advantages of the business combination of SAF and Holland are becoming increasingly clear. We have expanded our strong international presence. Our productivity is improving step by step, and we are benefiting more and more from the technology transfer between the companies.”

Double-digit Sales Growth

SAF-HOLLAND Group’s sales increased in the first half of the year by 11.3% to EUR 458.0 million (previous year: EUR 411.6 million). Adjusted for exchange rate effects, sales rose by 16.3% to EUR 478.5 million (previous year: EUR 411.6 million). The primary growth driver was the European

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business, which grew by 28.3% to EUR 322.0 million (previous year: EUR 250.9 million). A relatively strong first quarter of 2007 still affected results in North America. In the early months of the previous year, new emissions regulations had led to pull-forward effects. Accordingly, SAF-HOLLAND recorded a drop in sales in North America in the first half of 2008 to EUR 136.0 million (previous year: EUR 160.7 million). Adjusted for exchange rate effects, sales declined slightly by 2.6% to EUR 156.5 million (previous year: EUR 160.7 million).

Powerful Earnings Growth

SAF-HOLLAND's earnings improved significantly in the first half of the year to be five times the result of the previous year at EUR 17.3 million (previous year: EUR 3.1 million). The main catalysts for this growth were lower finance, selling, and administrative expenses. Also integration and transaction costs had impaired results in the first half of the previous year. Against this backdrop, earnings per share reached a record of EUR 0.92. Adjusted EBIT climbed to EUR 37.5 million (previous year: EUR 30.3 million), and the adjusted EBIT margin of 8.2% remained within the target range for 2008.

The high rate of growth characterising the European trailer market in recent years returned to normal as expected. Nevertheless, the Trailer Systems Business Unit's sales grew by 19.9% in the first half of the year to EUR 327.8 million (previous year: EUR 273.3 million). Adjusted for exchange rate effects, sales even rose by 22.5%. A changed customer mix, and increases in the prices for materials slightly reduced the Business Unit's gross margin from 13.4% to 13.0%. At the same time, SAF-HOLLAND took an important step towards the further globalisation of the business and the expansion of the trailer product line in Europe. With the acquisition of a division of Austin-Westran, SAF-HOLLAND assumed control of a landing leg production site in China. This acquisition gives the Company a starting point for the expansion of the Asian business and simultaneously a manufacturing site

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for landing legs for the European market. In the smallest Business Unit, Powered Vehicle Systems, sales declined, as expected, by 18.0% to EUR 37.0 million (previous year: EUR 45.1 million). Adjusted for exchange rate effects, sales fell by 5.5% to EUR 42.6 million (previous year: EUR 45.1 million). An important factor was the strong result in the previous year, reflecting pull-forward effects as a result of regulatory changes in the first quarter of 2007. Due to a better customer-product mix, the Business Unit's gross margin increased from 14.2% to 14.8%. In its profitable Aftermarket Business Unit, SAF-HOLLAND achieved sales growth, adjusted for exchange rate effects, of 8.5% to EUR 101.1 million (previous year: EUR 93.2 million). Without taking exchange rate effects into account, sales of EUR 93.2 million remained at the same level as a year earlier. With the selection of new suppliers, the Business Unit's gross margin improved in the first half of the year from 33.3% to 35.4%.

Enhanced Financial Power

The total assets and equity of SAF-HOLLAND both increased. As of June 30, total assets reached EUR 595.2 million (12/31/2007: EUR 554.6 million), primarily reflecting growth in business activity. Equity also rose to EUR 117.4 million (previous year: EUR 108.2 million). However, non-current liabilities declined to EUR 328.4 million (12/31/2007: EUR 329.2 million). Consequently, the equity ratio of 19.7% at mid-year was slightly higher than the 19.5% of the previous year. Higher business activity in the first half of the year was also reflected in a lower cash flow of EUR 20.3 million (previous year: EUR 29.0 million). In the first half-year 2008 SAF-HOLLAND had an average of 3,037 employees (previous year: 2,949). This increase was attributable to the acquisition of the landing leg business Austin-Westran.

Acquisition of Georg Fischer Verkehrstechnik GmbH

SAF-HOLLAND is intending to accelerate on its growth path to expand its European trailer business via the truck sector. SAF-HOLLAND is acquiring

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all capital shares of Georg Fischer Verkehrstechnik GmbH, Singen, a subsidiary of Georg Fischer AG, Schaffhausen (Switzerland). The acquisition is an important step in SAF-HOLLAND's growth strategy as this move strengthens the Company's position in the European market for fifth wheels and helps it become a significant supplier of the European truck industry. "We are gaining from an excellent opportunity to position ourselves already as an international, comprehensive supplier and partner of the truck and trailer industry. We are marketleader for fifth wheels in North America – in the European market we can finally close a strategic gap and round up our product range", says Rudi Ludwig, CEO of SAF-HOLLAND group. The transaction will be financed through a mix of funds from borrowings and additional equity. The therefore necessary borrowed capital is secured by an adequate creditline, which was provided by a consortium led by Dresdner Kleinwort and Unicredit Group at the beginning of 2008. Regarding the additional equity the Board of Directors of SAF-HOLLAND intends to approve a capital increase from the authorised capital of less than 10 percent. Pamplona Capital Partners I LP, which currently holds more than 34.5 percent of the shares of SAF-HOLLAND S.A., intends to subscribe in a material way to the offering. Additionally they have provided a guarantee to underwrite new shares which cannot be placed. The capital increase will be coordinated by the bank HSBC Trinkaus & Burkhardt AG.

Outlook for 2008

Despite the currently subdued economic environment, SAF-HOLLAND management is optimistic that it will be able to achieve the lower end of its announced target ranges of EUR 900 to 950 million sales and 8.0% to 8.5% adjusted EBIT margin. In the coming months, volatile energy and commodity prices, exchange rate fluctuations between the Euro and the US-Dollar, and the effects of the financial crisis will continue to determine and influence growth expectations in the American and European trailer

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and truck markets. These factors will also affect the purchasing behavior of end customers, such as trucking companies.

Key Figures

in € m	Q1-Q2 2008	Q1-Q2 2007	Q2 2008	Q2 2007
Sales	458.0	411.6	238.7	199.1
<i>Net of exchange rate effects</i>	<i>478.5</i>	<i>411.6</i>	<i>249.8</i>	<i>199.1</i>
Gross profit	81.0	74.0	42.5	35.3
<i>Gross margin in %</i>	<i>17.7</i>	<i>18.0</i>	<i>17.8</i>	<i>17.7</i>
Adjusted EBITDA¹	43.7	36.2	22.5	15.3
<i>Adjusted EBITDA margin in %</i>	<i>9.5</i>	<i>8.8</i>	<i>9.4</i>	<i>7.7</i>
Adjusted EBIT²	37.5	30.3	19.4	12.3
<i>Adjusted EBIT margin in %</i>	<i>8.2</i>	<i>7.4</i>	<i>8.1</i>	<i>6.2</i>
Profit/loss for the period	17.3	3.1	9.7	-1.4
Earnings per share³ (in €)	0.92	0.16	0.52	-0.08

1 Adjusted EBITDA is defined as EBITDA before additional costs from the higher valuation of inventories in connection with purchase price allocation (PPA) and transaction and integration costs.

2 Adjusted EBIT is defined as EBIT before additional depreciation and amortisation, costs from the higher valuation of inventories in connection with purchase price allocation (PPA), and transaction and integration costs.

3 The number of shares is assumed as if the number of shares issued as of 06/30/2008 had been unchanged in 2007 and 2008.

Sales by Region

in € m	Q1-Q2 2008		Q1-Q2 2007		Q2/2008	Q2/2007
Europe	322.0	70.3%	250.9	61.0%	168.9	125.3
North America	136.0	29.7%	160.7	39.0%	69.8	73.8
Total	458.0	100.0%	411.6	100.0%	238.7	199.1

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Sales by Business Unit

in € m	Q1- Q2 2008		Q1- Q2 2007		Q2/2008	Q2/2007
Trailer Systems	327.8	71.6%	273.3	66.4%	169.1	134.0
Powered Vehicle Systems	37.0	8.1%	45.1	10.9%	19.3	20.0
Aftermarket	93.2	20.3%	93.2	22.6%	50.3	45.1
Total	458.0	100.0%	411.6	100.0%	238.7	199.1

Please note: The 2008 half-year report of SAF-HOLLAND S.A. can be downloaded from the internet at

<http://www.safholland.com/de/investor/berichte.html>.

Company Profile

With more than EUR 800 million in sales and approximately 3,000 employees, SAF-HOLLAND S.A. is one of the leading manufacturers and suppliers of premium product systems and components primarily for trailers as well as trucks, buses, and recreational vehicles. The product range encompasses axle and suspension systems, fifth wheels, couplers, kingpins, and landing legs. SAF-HOLLAND customers include the majority of large truck and trailer producers all over the world. The products are sold to Original Equipment Manufacturers (OEMs) and Original Equipment Suppliers (OESs) by means of a global service and distribution network and via aftermarket channels directly to the end users and service garages. SAF-HOLLAND has therefore established itself as one of the few manufacturers in its sector that is internationally positioned with an extensive product range and a broad service network. SAF-HOLLAND S.A. has been listed in the Prime Standard of the Frankfurt Stock Exchange since June 2007.

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