

Annual Shareholder Meeting 2010

April 22, 2010

Rudi Ludwig, CEO

Agenda

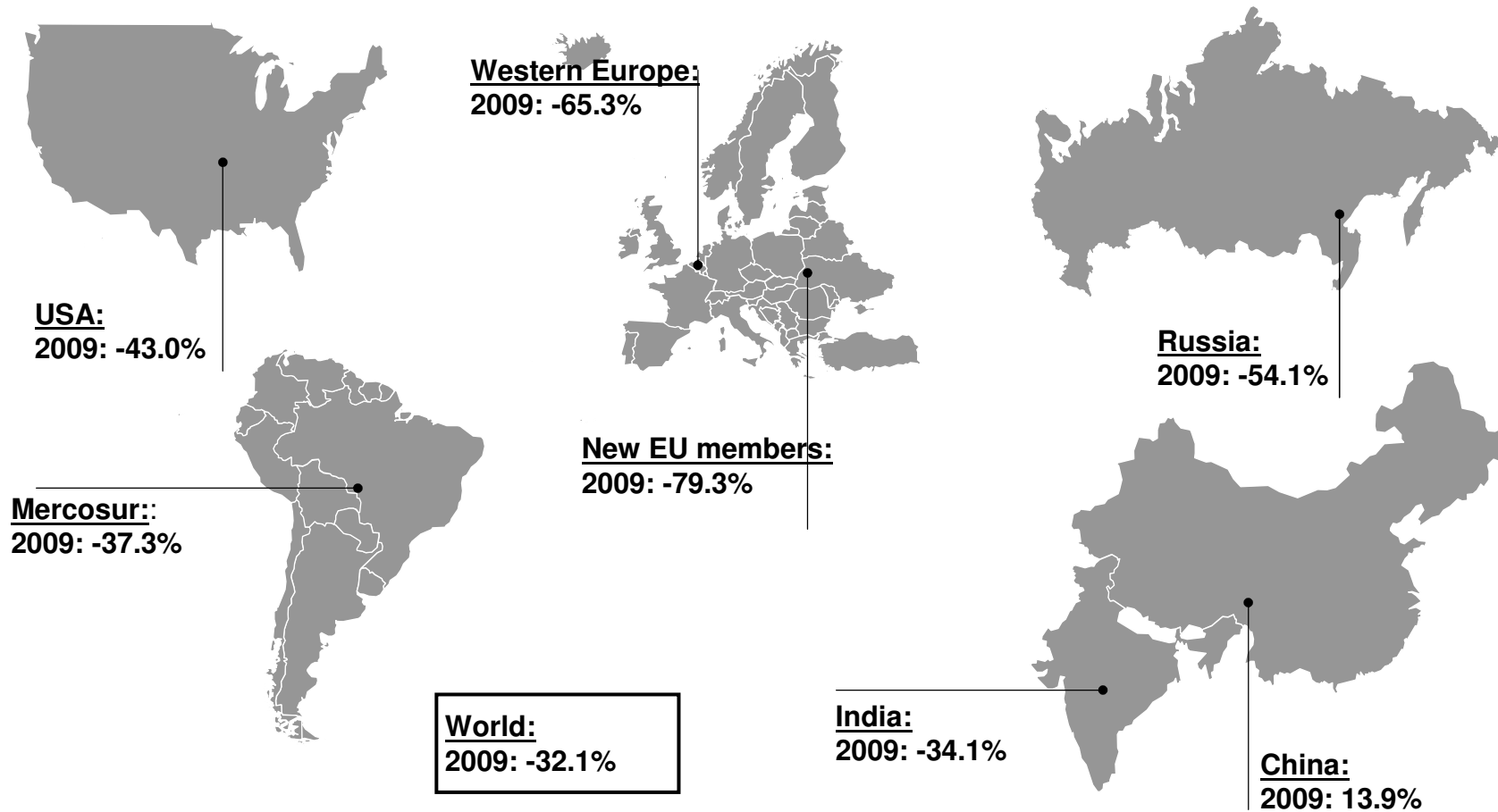
1. **Background – Market Performance**
2. **Business Performance**
3. **Financials**
4. **First Quarter 2010**
5. **Strategic Highlights**
6. **Outlook**

Business Performance – We have delivered what we promised

- ✓ **Start of own axle production in North America**
- ✓ **First sales of own axle systems including disc brake technology in North America**
- ✓ **New cooperations further expand aftermarket service network**
- ✓ **Successful and on time integration of the acquired Georg Fischer VKT business**
- ✓ **Consolidation of China activities into two sites**
- ✓ **Further consolidation of production sites in North America**
- ✓ **Operative restructuring programme targets exceeded with € 49.0 million yoy**
- ✓ **Financial loan agreement secured until 2014**

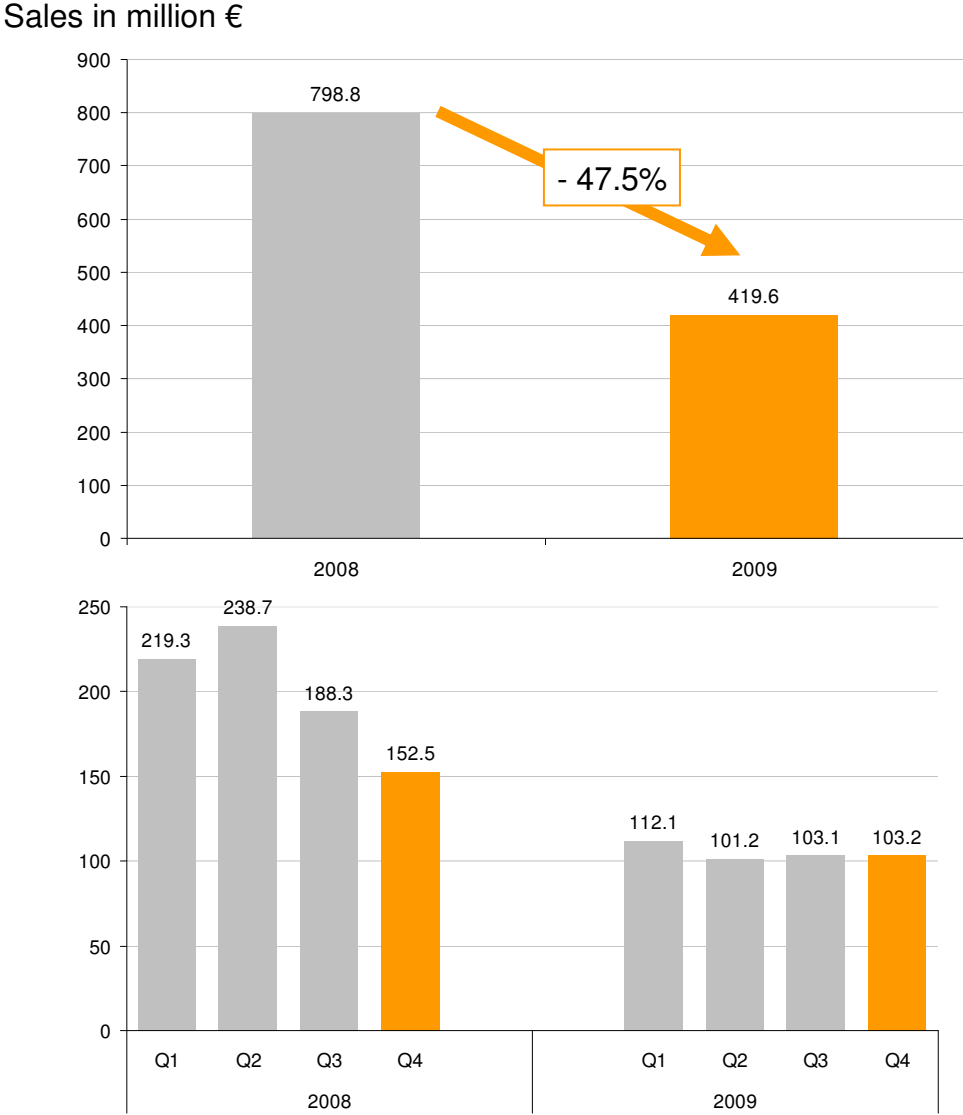
Background – Market Environment

Production of heavy trucks weakened significantly in 2009



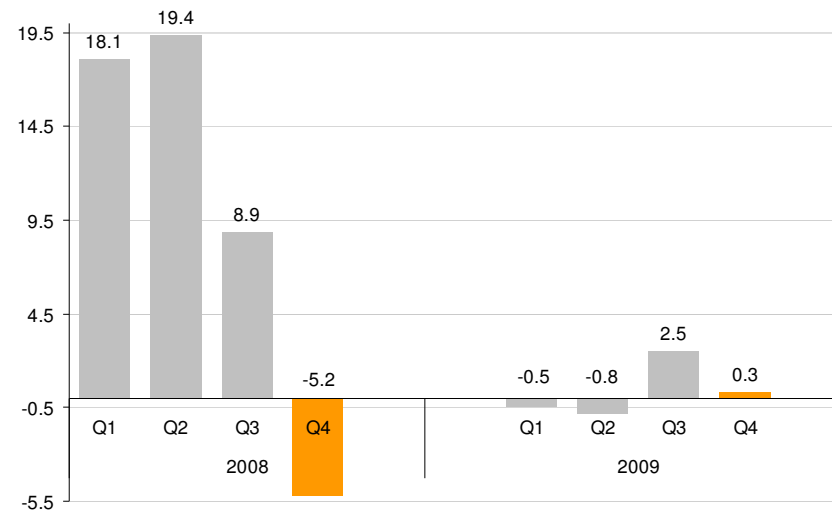
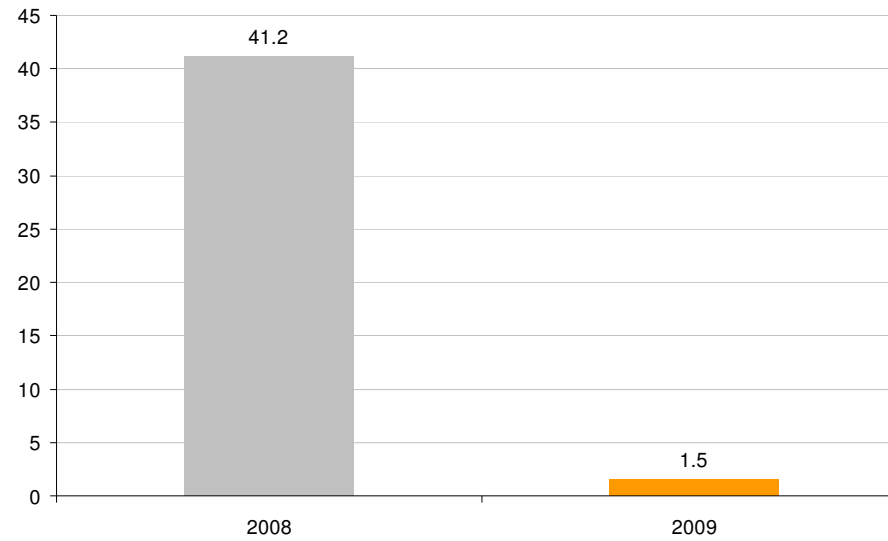
Source: VDA, ACT, JD Power and ACEA

Business Performance – Group Sales in €m

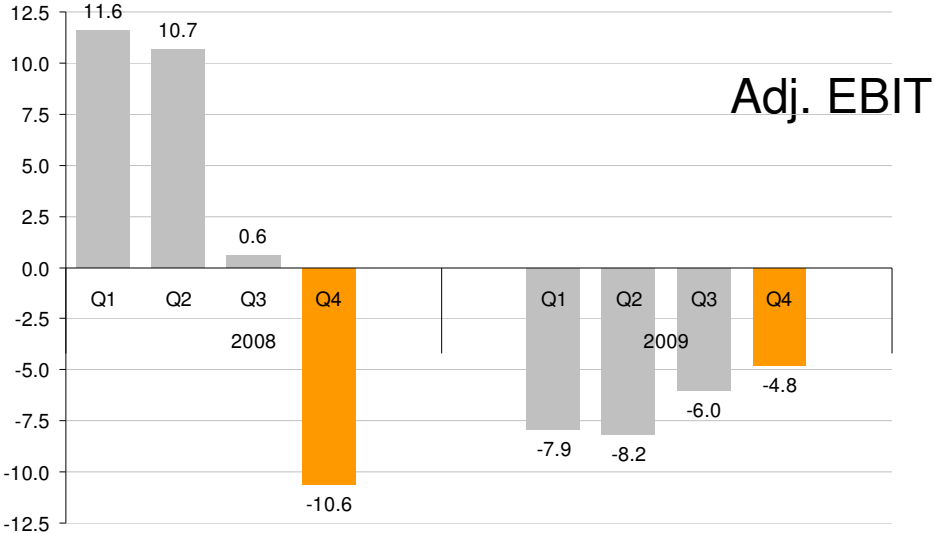
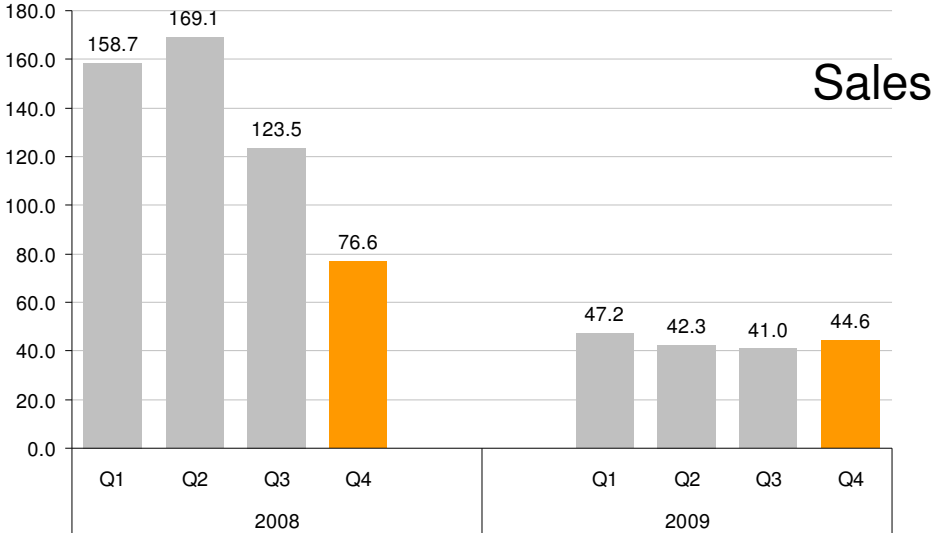


Business Performance – Group Adjusted EBIT in €m

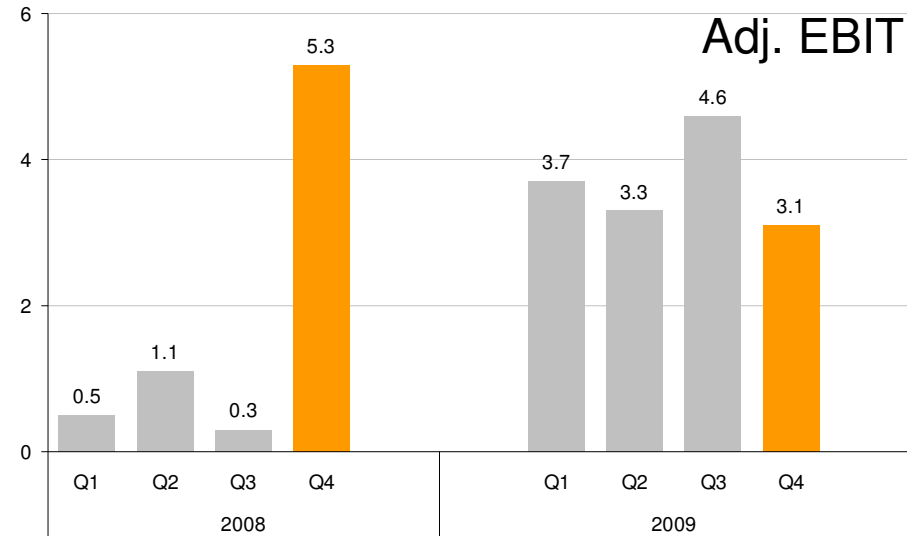
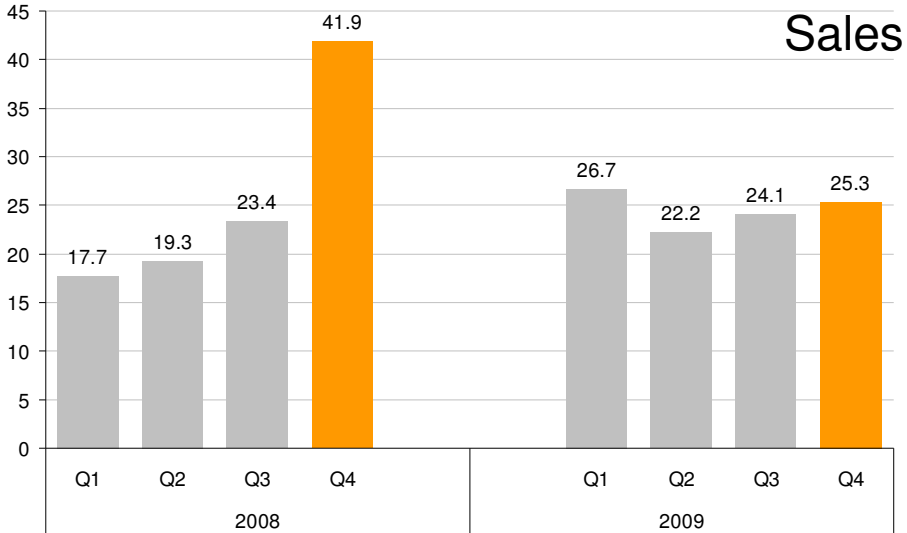
Adjusted EBIT in million €



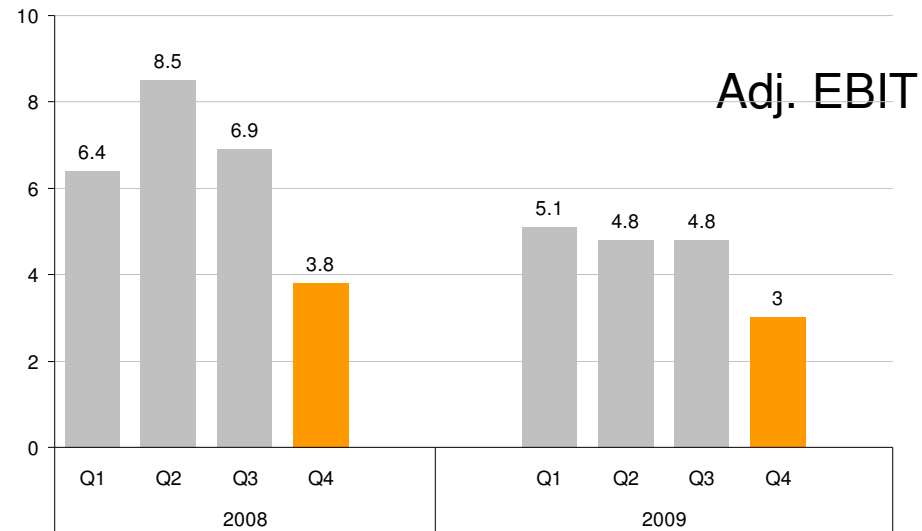
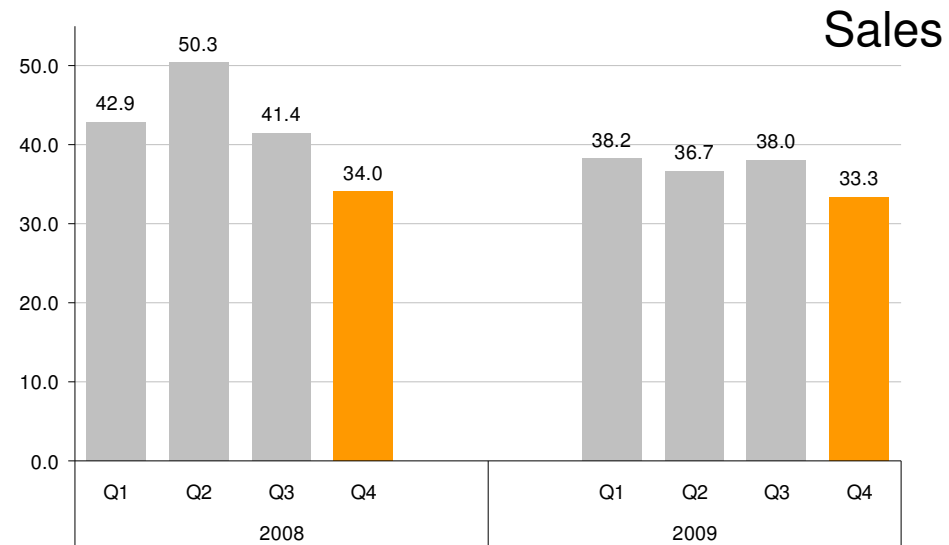
Business Performance – Trailer Systems in €m



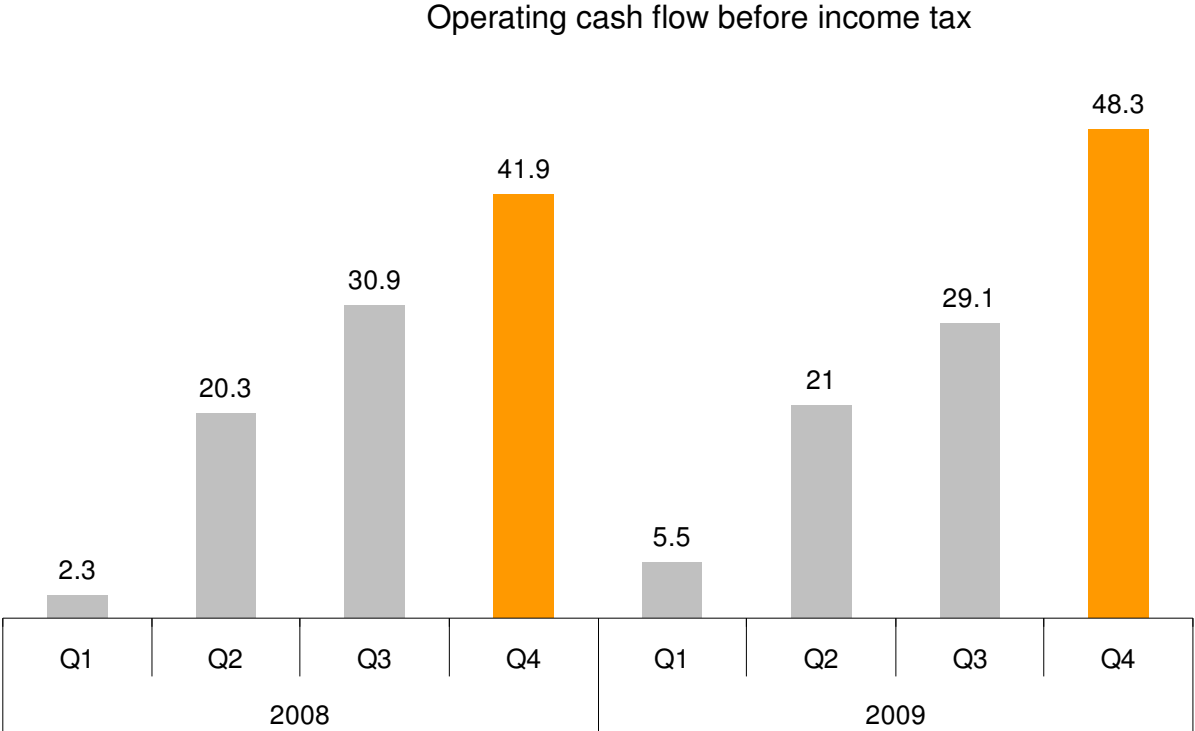
Business Performance – Powered Vehicle Systems in €m



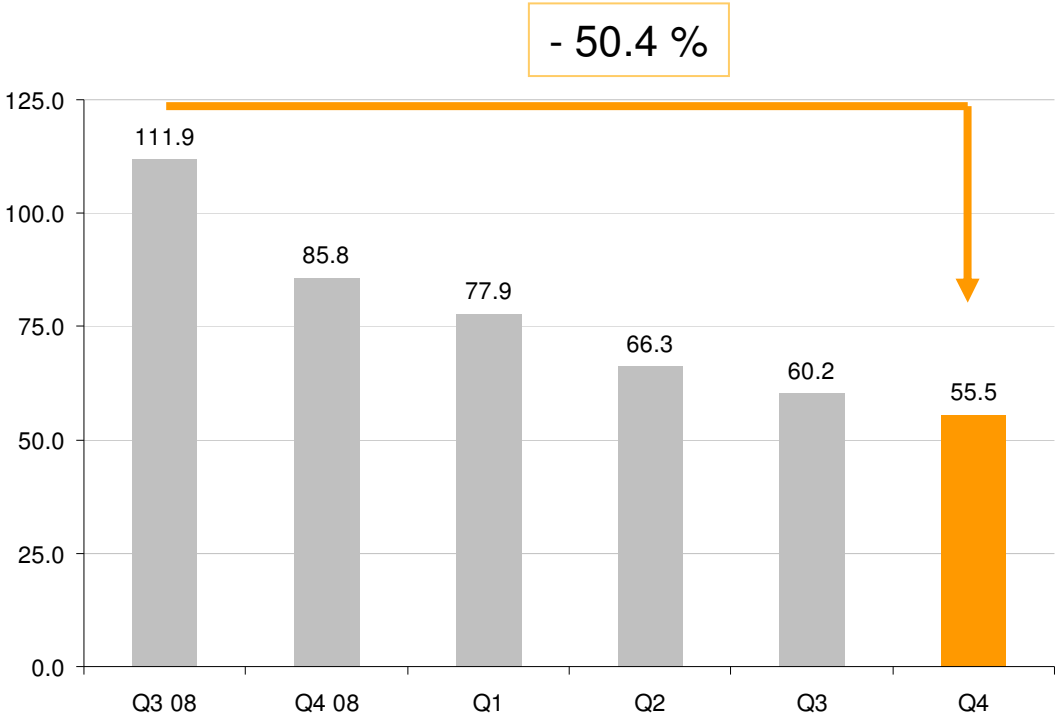
Business Performance – Aftermarket in €m



Business Performance - Operating Cash Flow in €m



Business Performance - Inventories in €m



Financials – Key Financials

in €m	2009	2008
Sales	419.6	798.8
Cost of Sales	-351.4	-680.3
Gross profit	68.2	118.5
Margin	16.3%	14.8%
Adjusted loss/ profit	-15.6	13.4
Margin	-3.7%	1.7%
Adjusted EPS in €	-0.75	0.69
Adjusted EBITDA	16.7	54.7
Margin	4.0%	6.8%
Adjusted EBIT	1.5	41.2
Margin	0.4%	5.2%
Operating cash flow (before income tax)	48.3	41.9

Financials – Balance Sheet

in €m	12/31/09	12/31/08
Non-current assets	318.1	350.5
Cash and cash equivalents	20.7	8.6
Inventories	55.5	85.8
Other current assets	63.8	89.6
Non-current assets held for sale	0	2.9
Total assets	458.1	537.4
Equity	23.8	72.1
Other non current liabilities	60.2	66.2
Other current liabilities	64.1	86.7
Interest bearing loans and borrowings current/non current	310.0	312.4

Financials – Cash Flow Statement

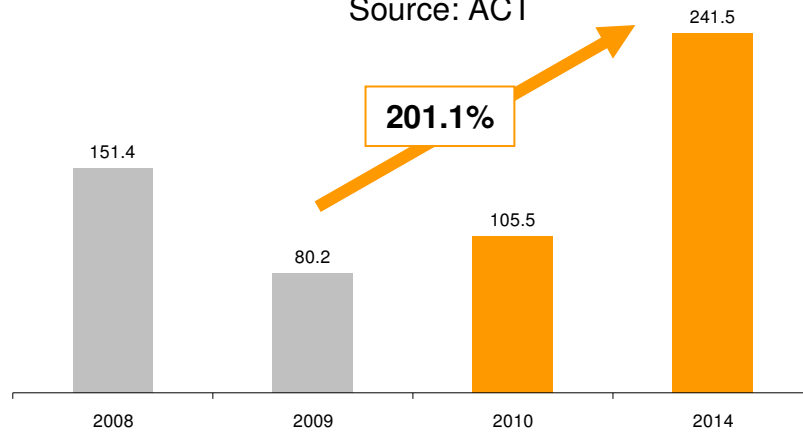
in €m	2009	2008
Loss before tax	-55.9	-22.2
Finance income/expenses	26.1	26.2
Amortization/depreciation	39.6	39.0
Change in NWC	33.4	-2.1
Other items cash flow	5.1	1.0
Operating cash flow (before income tax)	48.3	41.9
Income tax paid	-0.1	-7.1
Operating cash flow (after income tax)	48.2	34.8
Cash flow from investing	-7.5	-72.1
Cash flow from financing	-28.4	18.4
Effect of f/x changes	-0.2	-0.3
Net change in cash	12.1	-19.2

First Quarter 2010

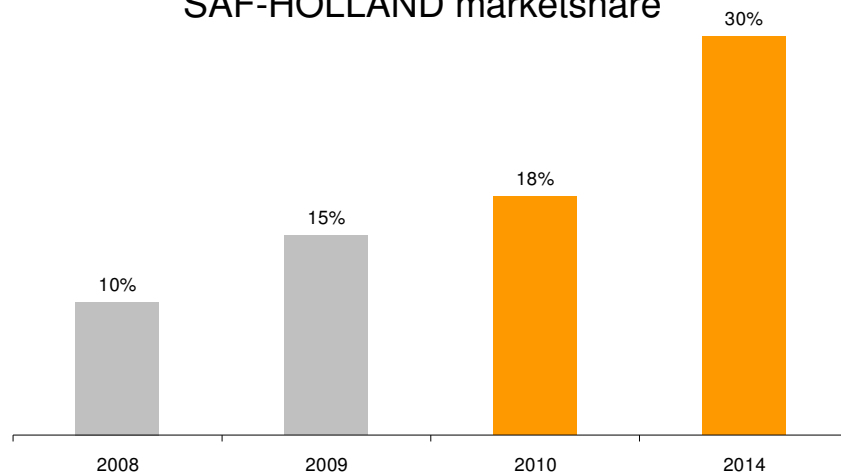
- **Order income across all business units and all regions are exceeding expectations and are well above the 2009 monthly figures**
- **Continued improvement in adjusted EBIT supported mainly by lower costs and less unabsorbed production costs**
- **Earlier than expected, shortened work times at the German production sites will end in April**
- **A production site in Frauengrund, Germany, will take up production again**

Strategic Highlights - Trailer Systems North America

Trailer production, unit, thousands
Source: ACT

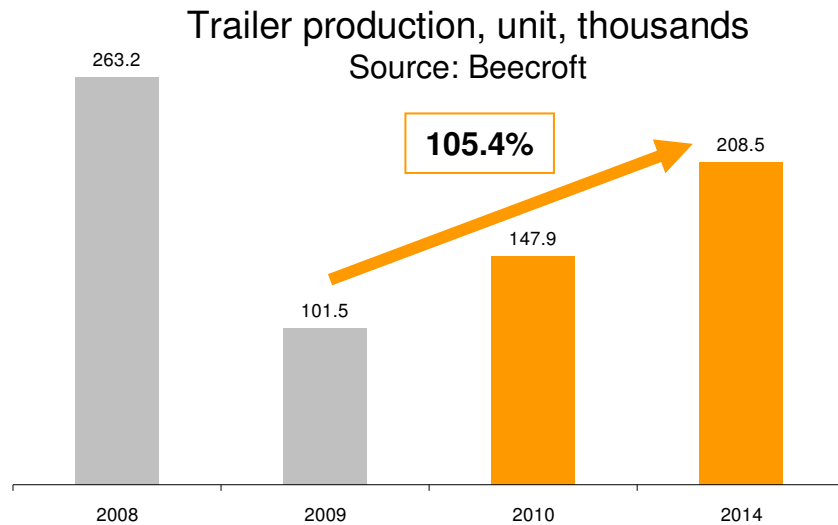


SAF-HOLLAND marketshare

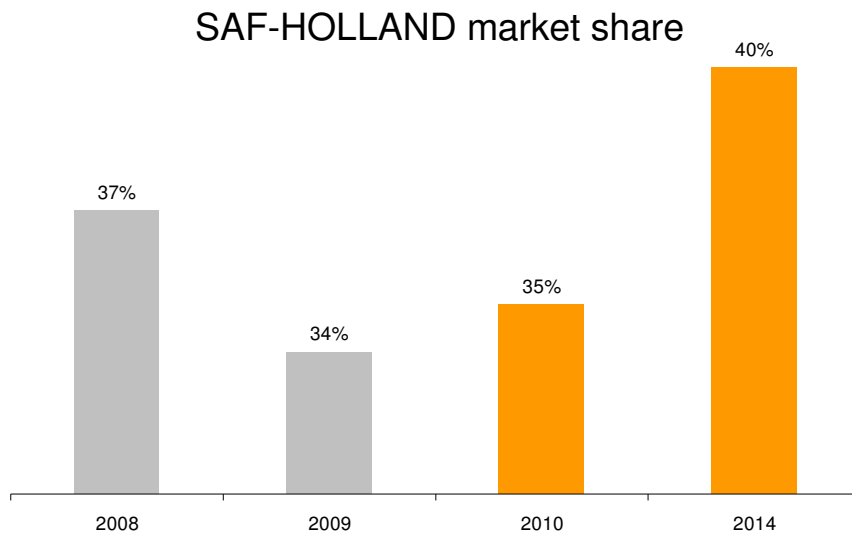


- SAF-HOLLAND is expanding its own axle production in US which started in Feb 2009.
- We see a good opportunity to leverage our number 1 position for axle systems with disc brake technology in Europe and gain further market share in North America – also triggered by new braking distance regulations
- The market is open for another player

Strategic Highlights - Trailer Systems Europe

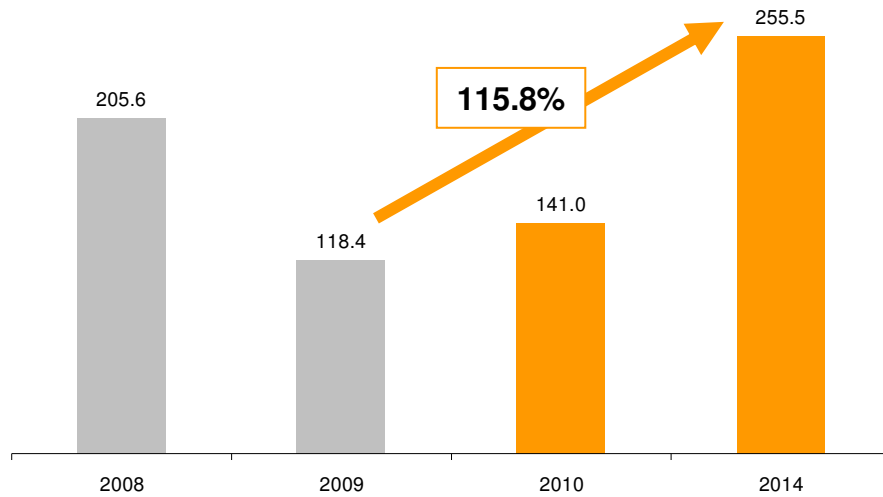


- Strong market position in Europe
- SAF-HOLLAND will fully participate in the market upturn
- SAF-HOLLAND expects to continuously increase its market share of newly introduced products like landing legs and kingpins



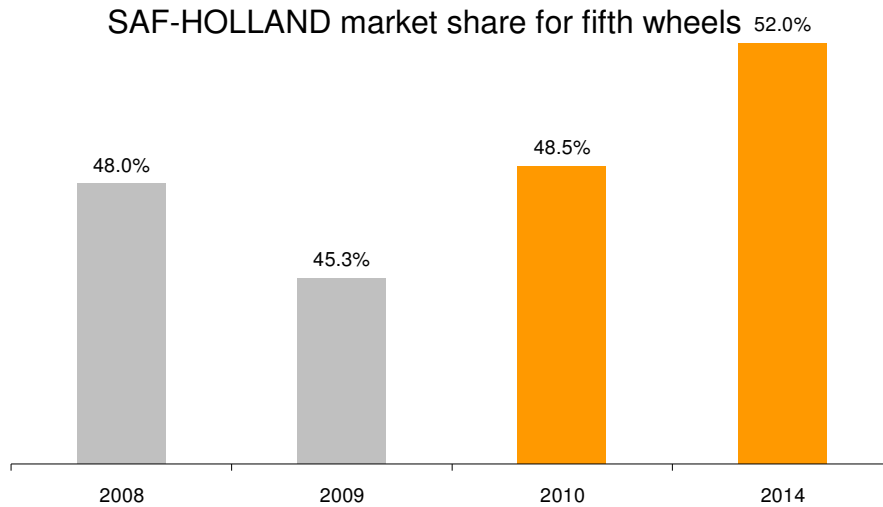
Strategic Highlights - Powered Vehicle Systems North America

Truck production, unit, thousands
Source: ACT

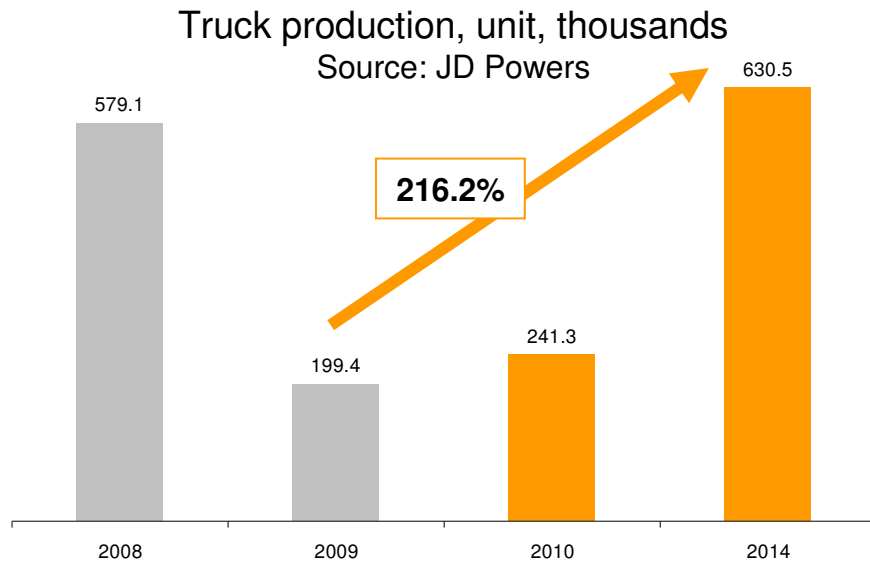


- Leading market position for fifth wheels
- SAF-HOLLAND will fully participate in a market upturn

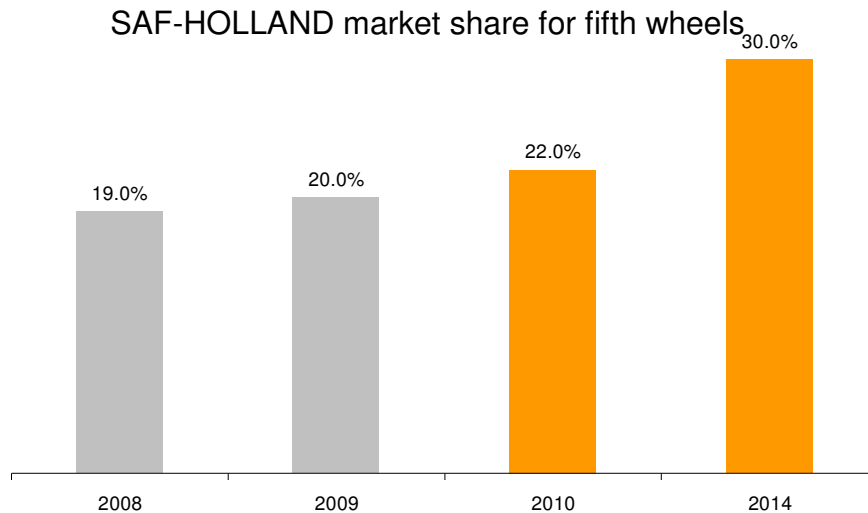
SAF-HOLLAND market share for fifth wheels



Strategic Highlights - Powered Vehicle Systems Europe



- Integration of VKT turned SAF-HOLLAND into an international supplier for the global truck OEM business
- International approach offers significant growth potential in Europe as well as in China and Brazil



Strategic Highlights - Aftermarket

Aftermarket Cooperations

DAIMLER

DAF

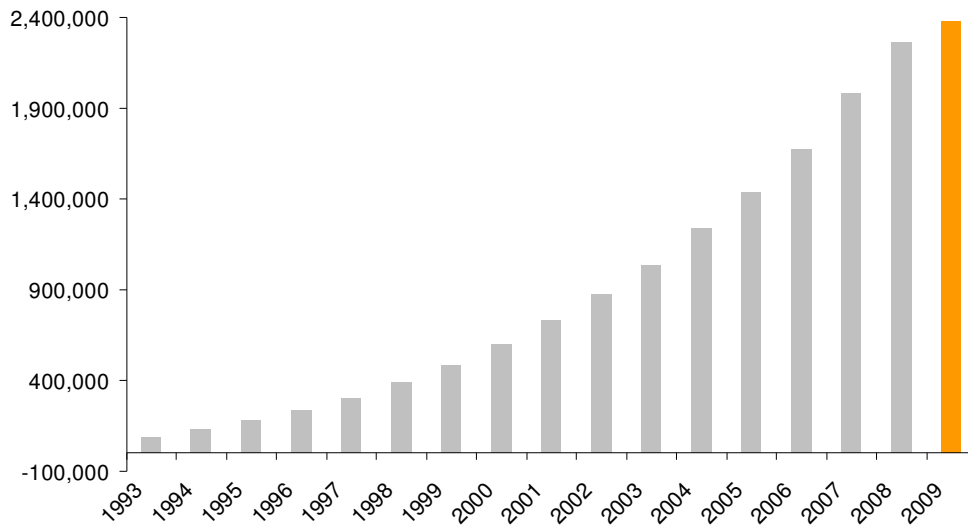


SCANIA



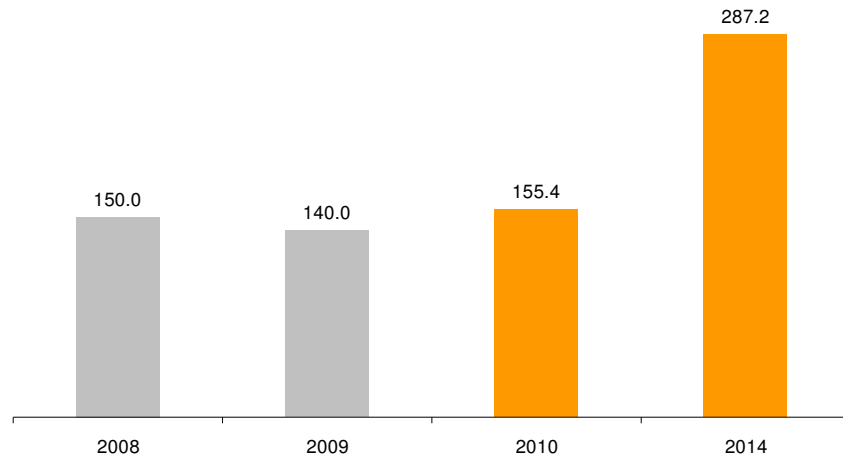
- New service cooperation contracts with DAF, MAN, Volvo, Scania and Daimler have strengthened the international network
- Aftermarket benefits from increasing installed axle base

Installed Axle Base

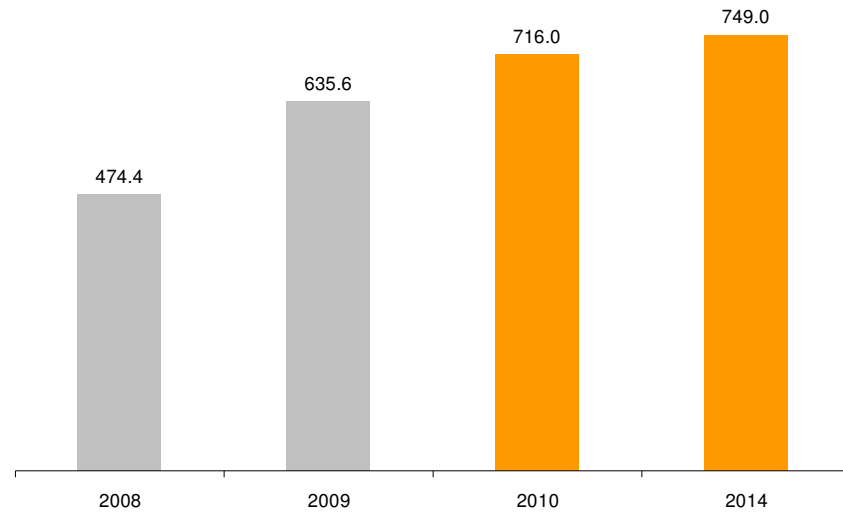


Strategic Highlights - China

Trailer production, unit, thousands *



Truck production, unit, thousands

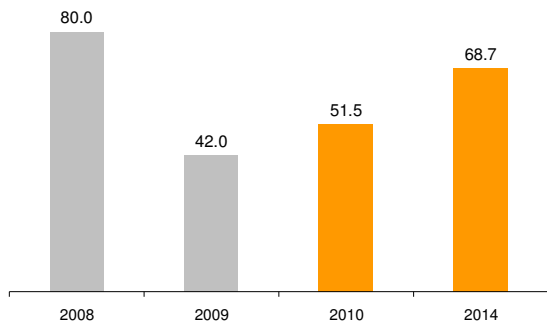


Next steps

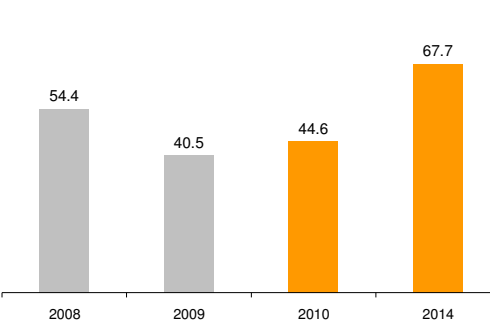
- Start of axle production in Xiamen
- Reduction of locations to one site in Xiamen
- Expansion of production capacities

Strategic Highlights - Brazil

Truck production, units, thousands*



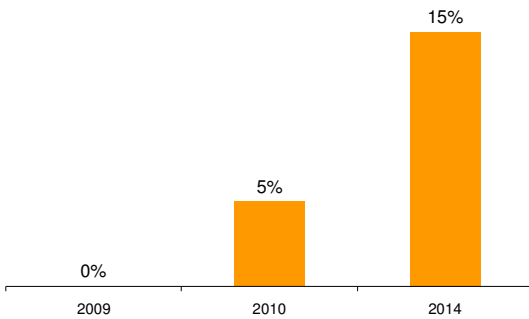
Trailer production, units, thousands*



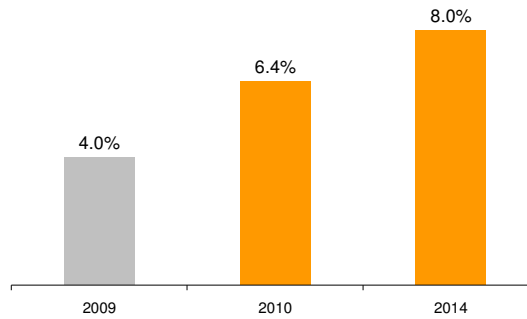
Next steps

- Start with production of steering axles and tag axles
- Expansion of the fifth wheel business
- Increase of the product range (suspensions, landing legs and kingpins)

Market share fifth wheels



Market share axles



Next steps

- **Further cost reductions of € 10 million in 2010**
- **Consolidation of Chinese sites into one production facility in Xiamen**
- **Start of axle production in China for the local as well as for foreign markets**
- **Further reduction of inventories**
- **Leverage the axle production in North America**

Mid-term Financial Targets

Growth	€ 1 billion sales
Earnings	10% EBIT margin
Net Working Cap.	< 10% of sales
Capex	> 2% of sales
Capital Structure	Possible capital increase when markets will have recovered

Thank you for your attention

