

SMT Scharf AG acquires two new orders from China

Hamm, January 27, 2009 – SMT Scharf AG (German Securities Code (WKN) 575198, ISIN DE0005751986), technology and world market leader for rail-bound railway systems for the mining sector, has acquired two new orders from China. The two orders have a total value in excess of €2 million and are to be shipped during the current fiscal year 2009.

A hard coal mine in Shandong province on China's east coast has ordered a DZ 1800 train. This is primarily to be used to move face equipment underground together with another DZ 1800 train which the mine ordered in September 2008. Excellent experience from the very outset with SMT Scharf's successful transport technology quickly convinced this customer to also order the second train that it needed from the company. This mining group has more than 40 hard coal mines in Shandong and other provinces in China.

Another hard coal mine in the northern province of Shanxi ordered two rack-and-pinion trains. SMT Scharf had presented this product for the first time in November 2007 at the mining technology and equipment fair China Coal & Mining Expo 2007. Russian customers began to order this future-proof technology since May 2008, and SMT Scharf has now also been able to place it in China for the first time. This customer decided to use a rail-bound rack-and-pinion railway due to the unfavorable geology in this mine and the heavy weights of up to 27 tons that have to be transported underground. Other mines in the same group have already been using SMT Scharf's monorail hanging railways since 2003.

"We are very pleased to have acquired our first Chinese reference customer for our highly flexible rack-and-pinion railway," commented Dr. Friedrich Trautwein, SMT Scharf AG's CEO. "We continue to have great expectations for this technology in future. Chinese customers in particular attach great importance to their equipment's reliability in operations, and that is precisely what SMT Scharf's trains stand for." Trautwein added: "That is why we believe that there is significant growth potential for the coming years for SMT Scharf, in particular in countries such as China, Russia and South Africa, where mining will continue to be a key element of their economic development."

Company profile

The SMT Scharf Group develops, builds and maintains rail-bound railway systems for mining and use in tunnels. The trains are used all over the world, primarily in hard coal mines, gold mines and in underground mining for platinum, diamonds, copper and nickel. They are used to transport material and personnel with working loads of up to 35t. Rail-bound trains are the only means of transport that can be used underground on branching lines to cope with inclines of more than 13 degrees. The SMT Scharf Group has subsidiaries in Germany, Poland, South Africa, China and Russia, as well as agencies around the world. The railways developed by SMT Scharf are characterized, above all, by high-performance engines, high working loads, high speed and low operating and maintenance costs. SMT Scharf records more than 70% of its revenues over the course of the year on high-growth foreign markets, such as Russia, China and South Africa. The replacement parts and repairs business constitutes around 50% of revenues. The advances in exploitation of resources make underground conditions increasingly difficult which in turn requires more high technology transport solutions in mining. The total market for underground transport technology comprises around € 5 billion to € 7 billion per year according to company estimates. SMT Scharf AG has been listed in the Prime Standard (regulated market) of the Frankfurt Stock Exchange since April 11, 2007.

Contact

Investor Relations
cometis AG
Susanne Gremmler
Tel.: +49(0)611 – 205855-23
Fax: +49(0)611 – 205855-66
e-mail: gremmler@cometis.de