

Significant new contract from China for SMT Scharf AG

Hamm, August 10, 2009 – SMT Scharf AG (German Securities Code (WKN) 575198, ISIN DE0005751986), the technology and global market leader for rail-bound railway systems for the mining sector, has received a further major contract from China. The order comprises five trains for monorail hanging railways with a total value in excess of €2 million. The railway systems are expected to be delivered during the third and fourth quarter of this year.

The DZ 1500 monorail hanging railways on order are to be installed in five different hard coal mines belonging to a Chinese mining group which operates more than 40 mines in various provinces throughout China. This group has been SMT Scharf's customer since summer 2008 and is already using the company's monorail hanging railways to great effect in three of its mines. The systems installed up to date are primarily used to transport face equipment. The newly ordered trains will also serve mainly this purpose replacing the combinations of conventional mine railway systems and winches previously used. In addition to substantially improving safety, this will cut transportation times by more than 50%.

"We are delighted by the fact that the customer has been so impressed by the first railway systems we supplied, that they want to use this highly productive and safe transportation technology in additional mines," comments Dr. Friedrich Trautwein, CEO of SMT Scharf AG. He adds: "We view this contract as an extremely positive omen for the future international growth of SMT Scharf, particularly in light of the sluggish capital investment activity in mining in many regions. We believe that mining will continue to play a key economic role in the future, especially in the target markets China, Russia and South Africa."

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 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
Phone: +49(0)611 – 205855-23
Fax: +49(0)611 – 205855-66
E-mail: gremmler@cometis.de