

SMT Scharf AG receives first order via Chinese Joint Venture

Hamm, July 26, 2010 – SMT Scharf AG (German Securities Code (WKN) 575198, ISIN DE0005751986), technology and global market leader for rail-bound railway systems for the mining sector, has received two new orders from China, including the first order via its Chinese joint venture. The orders have a total value for SMT Scharf of around €3 million.

In January this year, SMT Scharf received its license from the Chinese authorities to form the joint venture Shandong Xinsha Monorail Co. Ltd. This company, which is located in Shandong province, started operations in June 2010. The joint venture received its initial order from a Chinese industrial holding company, which already uses SMT Scharf's monorail hanging railways in several of its coal mines. SMT Scharf will supply two construction sets from Germany which will then be completed in China. "We are very pleased that our joint venture has already been able to acquire its first order, just briefly after commencing its operations," commented Dr. Friedrich Trautwein, SMT Scharf AG's CEO. "This confirms our approach of working together with a local partner in order to offer our customers in this region close sales support and service on location."

In addition, a new Chinese customer ordered three monorail hanging railway trains from SMT Scharf. These will also be used in coal mines. Both orders will be delivered and invoiced in 2010.

Company profile

The SMT Scharf group develops, builds and maintains transportation equipment for mining and tunneling. The main product are rail-bound railways which are used all over the world, primarily in hard coal mines and underground mining for gold, platinum and other metals. They are used to transport material and personnel with working loads of up to 45 tons. Rail-bound railways are the only means of underground transport that can be used on branching lines to cope with inclines of more than 13 degrees. The SMT Scharf Group has its own companies in Germany, Poland, Great Britain, South Africa, China and Russia and additional dealerships. The railways that SMT Scharf develops are characterized in particular by their high-performance engines, great transport performance and low operating and maintenance costs. SMT Scharf records more than 80% of its revenue in high-growth foreign markets, such as Russia, China and South Africa. Business with replacement parts and repairs accounts for around 40% of revenue. The entire market for underground transport technology comprises €5 billion to €7 billion per year according to the company's 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