

SMT Scharf AG reports continuation of strong revenue and earnings growth in first half of 2011

- Revenue up 62% to €31.0 million
- EBIT registers even faster growth of 66% to reach €5.2 million
- H1 2011 orderbook of €41.8 million reflects 75% year-on-year growth

Hamm, August 12, 2011 – SMT Scharf AG (WKN 575198, ISIN DE0005751986), technology and world market leader for rail-bound railway systems for the mining sector, generated significant revenue and earnings growth in the first half of 2011. SMT Scharf reported revenue of €31.0 million, representing a 62% year-on-year increase compared with the previous year's figure of €19.1 million. Of this amount, 88% was attributable to markets outside Germany (previous year: 86%).

Profit from operating activities (EBIT) registered even more rapid growth of 66% to reach €5.2 million in the reporting period (previous year: €3.2 million). SMT Scharf thus achieved a 16.9% EBIT margin, compared with 16.5% in the first half of 2010. The materials expense ratio increased to 60%, compared with 54% in the prior-year period, due to shifts within the product mix, and stockbuilding. At the same time, the company reduced its personnel expense ratio to 22% (previous year: 28%). In overall terms, SMT Scharf Group generated €4.3 million of net income, compared with €2.2 million in the comparable period of 2010. This disproportionately growth of net income is attributable to a higher financial result and a lower tax rate.

SMT Scharf Group reported an orderbook of €41.8 million as of the end of the first half of 2011, reflecting a 75% increase compared with the previous year's level of €23.9 million.

Dr. Friedrich Trautwein, CEO of SMT Scharf AG, expressed his gratification with the Group's dynamic growth in the first six months of 2011: "The successful trend in the second quarter delivers visible evidence of our internationalisation strategy's success. Particularly in China, we are benefiting to great extent from the market growth there, thanks to our Chinese company and our joint venture. We also identify significant potential for our products in other countries such as Russia and South Africa. Our aim is to participate in these markets' growth, as well as to tap markets beyond these."

The complete report for the first half of 2011 will be made available during the course of the day on the company's website at www.smtscharf.com within the "Investor Relations" area.

Company profile

The SMT Scharf group develops, builds and maintains transportation equipment for mining and tunneling. The main product area is 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. SMT Scharf's other key products are roadheaders, equipment for tunnel support and chairlifts. The SMT Scharf Group has its own companies in eight countries as well as additional dealerships worldwide. SMT Scharf records more than 80% of its revenue in high-growth foreign markets, such as Russia, China and South Africa. Business with spare 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.

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