

SMT Scharf AG publishes H1 figures

- **H1 revenue totals €18.8 million, EBIT totals €2.5 million**
- **Order book up by 72% year on year by 30 June**
- **Managing Board confirms full-year forecast**

Hamm, 24 August, 2007 – SMT Scharf AG (German Securities Code (WKN) 575198, ISIN DE0005751986), technology leader and world market leader for rail-bound railway systems for the mining sector, grew in line with forecasts in the second quarter of fiscal year 2007. The growth strategy communicated as part of the IPO in April of this year and the company's associated further internationalisation are continuing to make progress. The Managing Board has thus confirmed its forecast for full-year revenues and profits. Revenues are supposed to exceed the figure for the previous year and consolidated profit should be up slightly year-on-year.

SMT Scharf AG generated revenues of €18.8 million in the first half of 2007, after €22.8 million in the previous year (-17%). At the same time the order book enjoyed above average growth: it amounted to €20.6 million as at 30 June 2007, an increase of 72% compared to one year ago (€12.0 million). Profit from operating activities (EBIT) amounted to €2.5 million, after €3.2 million in the previous year (-22%). The EBIT margin fell slightly from 13.4% to 14.1%. Consolidated profit totalled €2.2 million (previous year: €2.4 million).

"We are experiencing strong demand in foreign high-growth markets," explained Dr. Friedrich Trautwein, SMT Scharf AG's CEO. However, these regions are characterized by shorter lead times for projects and a stronger overall focus on annual budgets. "This means that a substantially larger proportion of revenues will be recorded in the second half of the year than was the case last year."

Dr. Trautwein is confident that the downturn in German business to be expected as a result of the German government's compromise on hard coal mining will be more than compensated by continued rapid expansion in fast-growing foreign markets. The major orders received from Russia in the second quarter, including from the Severstal Group, form solid foundations for the company to continue to grow faster than the global market for mining technology on the whole, which is enjoying dynamic growth.

The full report for the second quarter of 2007 will be published during the course of today at www.smtscharf.com ("Investor Relations" section), where it can be downloaded.

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 and South Africa, external employees in China and Russia, and 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 50% of its revenues abroad, in 2006 64% of order intake was from high-growth foreign markets such as Russia, China and South Africa. The replacement parts and repairs business constitutes around 55% 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.

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