

SMT Scharf AG starts share purchase plan for employees

Buyback of up to 14,400 shares planned in the first quarter of 2008

Hamm, January 7, 2008 – SMT Scharf AG (WKN 575198, ISIN DE0005751986), world market leader for rail-bound railway systems in mining, has resolved to initiate a share purchase plan for its employees. To implement the program SMT Scharf AG will buy back shares through an associated company in accordance with § 71 para. 1 section 2 German Stock Companies Act. The purchase of up to 14,400 shares will take place between January and March 2008 and will accordingly be published on the company's website www.smtscharf.com. The execution of the program – especially the maximum purchase price for the shares – will be in accordance with Regulation (EC) No. 2273/2003. Thus, the company will repurchase shares at a maximum price corresponding to the last official traded price at the stock exchange respectively the current asked price. Further, SMT Scharf will not buy more shares per trading day than 25% of the average daily trading volume during the last month.

Friedrich Trautwein, CEO of SMT Scharf AG: "We want our staff to participate in the successful development of our company through the share purchase plan and thereby also create incentives for the future."

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 and China, external employees in 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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