

SMT Scharf AG reports strong revenue growth in the 2018 fiscal year

Hamm, March 6, 2019 - SMT Scharf AG (WKN 575198, ISIN DE0005751986), one of the world's leading suppliers of customised transport solutions and logistics systems for underground mining, continued on its growth path in the 2018 fiscal year. According to preliminary IFRS results, SMT Scharf significantly increased both its revenue and operating profit compared with the previous fiscal year.

Consolidated revenue was up by 35.9 % to EUR 70.8 million in the 2018 reporting year (2017: EUR 52.1 million), according to preliminary results. The company had forecast revenue in a range between EUR 58 million and EUR 62 million. The trend towards strong revenue growth ahead of original expectations, which had already become apparent at the end of the first half of the year, has thereby continued. Given an improvement in the sector's business environment, SMT Scharf further expanded business with both new systems and services. At the same time, SMT Scharf increased its operating result (EBIT) by 17.8 % to EUR 5.3 million (2017: EUR 4.6 million). As a result, EBIT was recorded at the upper end of the forecast range of EUR 4.5 million to EUR 5.5 million.

Hans Joachim Theiss, CEO of SMT Scharf AG, commented on FY 2018 trends: "We consistently pursued our growth strategy in 2018. We have taken the right steps with our measures – such as those concerned with optimising our internal processes, for example – and further improved the preconditions for our sustainable growth through the successful takeover of Canadian mining specialist RDH Mining Equipment. Having completed the financial and sales integration of RDH, this year we are concentrating on its technical integration in order to leverage further synergies within the SMT Scharf Group."

After years of waiting, global mining companies are again investing in new plant and equipment thanks to higher commodity prices. "Basically, we are operating in a highly competitive market environment, and this will continue to be the case in the current fiscal year. The decisive factor for us is that with our broad portfolio – which RDH has further expanded to include rubber-tyred vehicles for underground mining – we are very well positioned to better serve the needs of our customers worldwide. In the reporting period, we recorded further strong new business, which in turn opens up new potential for our profitable after-sales business."

The complete report for the 2018 fiscal year will be published on March 29, 2019, when it will be available for download on the company's website www.smtscharf.com in the "Investor Relations" area.

Company profile

The SMT Scharf Group develops, manufactures and services transportation equipment for underground mining as well as for tunnel construction. The main products are captivated railway systems that are deployed all over the world, primarily in hard coal mines, but also in mines for gold, platinum and other metals. They are needed to transport material and personnel with payloads of up to 48 tons and on gradients of up to 30 degrees. In addition, SMT Scharf supplies the mining sector with chairlifts. Through the newly acquired mining specialist RDH Mining Equipment, the company also offers rubber-wheeled diesel and electric vehicles for mining and tunnel construction. As a leading supplier of battery-operated vehicles harnessing lithium-iron technology for underground mining, RDH completes the portfolio of SMT Scharf with its varied product portfolio, ranging from front-end loaders and scissor lifts through to underground trucks. Overall, the SMT Scharf Group is active with subsidiaries in eight countries, as well as commercial agencies worldwide. SMT Scharf generates a large share of its revenue in growing foreign markets such as China, Russia, Poland and South Africa. SMT Scharf AG has been listed in the Prime Standard (Regulated Market) of the Frankfurt Stock Exchange since 2007.

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