

## Press release

### **Strong balance sheet of the Goldschmidt Thermit Group / Global market leader convinces with innovative solutions for railway infrastructure**

- = International sales revenue up 17 percent to reach 185 million euros
- = Successful growth in key global markets of Asia, Russia and Europe
- = Growth drivers are digital high-tech products for railway infrastructure

Leipzig, May 28, 2019: The [Goldschmidt Thermit Group](#) continues its successful expansion. In the financial year of 2018, the leading global company in the area of rail welding, maintenance of railway systems and the THERMIT® business increased its global sales revenue by 17 percent to reach 185 million euros. At the same time the number of employees rose to over 1,200. A holistic digitalization strategy, extensive investments in highly innovative products and solutions and strategic acquisitions to extend the portfolio have fueled the development of the company which is today a modern system supplier in the area of railway infrastructure.

"Modern rail systems around the world are the key to sustainable economic growth and a transportation infrastructure which is environmentally sound. Modern rail systems have to function smoothly and require customized maintenance and care. The Goldschmidt Thermit Group has further extended its market leadership in this future-oriented field which is very competitive", explained Dr. Hans-Jürgen Munding, CEO of the Goldschmidt Thermit Group. "Our investments in R&D in our Technology Innovation Center in Leipzig, in our Centers of Competences worldwide, and in the manufacture of high-tech tools and machines in our companies on six different continents are now paying off. This allows us to achieve success in the global market with our own products and solutions."

In Germany, last October Goldschmidt Thermit Group took over the company 'PLR Prüftechnik Linke & Rühle GmbH' (PLR) from Magdeburg which is a leader in the area of eddy current and ultrasonic inspection technology for railway infrastructure. Together with the GRAW company in Poland, which was acquired last year, the Goldschmidt Thermit Group now offers a one-stop shop for all the technology necessary for the inspection and measurement of railway tracks. Simultaneously the investments in the world's largest and most modern Thermit® production facility at Elektro-Thermit GmbH & Co. KG are paying off. This year the largest subsidiary of the Goldschmidt Thermit Group will celebrate its 100 year jubilee. In 2018, the 10 millionth THERMIT® portion was produced at the Halle-Ammendorf plant. In the meantime, every year more than a million Thermit® portions leave Halle for use all over the world.

In its important I-LENA project where new practical methods to limit noise are being tested on a section of track, the German railways (Deutsche Bahn) have opted for high-tech solutions from the Goldschmidt Thermit Group. Accordingly, TRACKSAFE LUBE, the rail lubrication device, was installed at Grünstadt near the town of Mannheim to eliminate screeching noises on bends. The success of the measure is unmistakable. Independent noise measurements are planned for the end of May.

In international markets the Goldschmidt Thermit Group was able to win numerous large orders in the area of the modernization of railway infrastructure. Today the Chinese railways rely on the grinding technology of Goldschmidt Thermit Group for the maintenance of switches in its continually expanding high speed railway network. In addition, GT-ATS, the Russian subsidiary, has concluded a 3-year contract with the Russian railways to carry out extensive welding work on all 14 regional railway networks. Up to the end of 2020 more than 250,000 THERMIT® welds are planned. "This enables the Goldschmidt Thermit

Group to make an important contribution to improving the 'new silk road' on which already today large volumes of goods are transported from China to Europe", explains Mundinger.

The required modernization of old railway bridges which to a large extent are more than 100 years old is a further focus in the modernization process of international railway networks. The Goldschmidt Thermit Group has a leading role to play in the refurbishment process. Together with the Italian railways, the group has developed a special road-rail vehicle for the inspection of railway bridges in Italy. The technology can now also be used in other countries.

The Goldschmidt Thermit Group has also consolidated its leading position in the area of maintenance work for tram infrastructure used in local public transport systems. Municipal transport organizations all over the world rely on the expertise of the group. In 2018, new orders were placed in Cairo, Rabat, Antalya and Odense for the maintenance of trams and underground railway systems.

The networking of all products and solutions in the digital construction site has become a growth driver for the Goldschmidt Thermit Group. In this process, DARI® - *Data Acquisition for Rail Infrastructure*, a cloud-based database solution developed by the company, enables the automation of documentation and customer-specific evaluation of all welding and measurement processes. Using the GOLDSCHMIDT DIGITAL APP customers have access to all mobile digital applications of the company. DARI® integrates all the processes recorded by the app in the cloud.

"Our customers, the railway companies, set very high standards with regard to the safety and functionality of the rail network. The ability to digitally record and evaluate maintenance processes is a huge advantage for the control of complex infrastructure projects", emphasizes Mundinger. "With our new products made in Germany we are building a bridge to take the welding technology patented 124 years ago by Hans Goldschmidt into the digital age. This allows us to offer our customers substantial advantages in terms of quality and productivity."

The group intends to continue to grow organically in the next financial years and also strengthen its position through strategic acquisitions with new products and service offers. "The acquisitions made in recent years were very successful. We have considerably extended our portfolio in the areas of measurement technology and tools and machine building. Our profitable growth opens up excellent opportunities to enable us to continue to grow through strategic investments."

### **About the Goldschmidt Thermit Group**

The Goldschmidt Thermit Group is a worldwide leader in the area of joint welding and the servicing and maintenance of rail systems. The roots of the company go back to the invention of the Thermit® process by Prof. Hans Goldschmidt at the end of the 19<sup>th</sup> century. Today the Goldschmidt Thermit Group consists of 24 medium-sized individual companies which serve the international growth market for rail infrastructure. The company has approx. 1,200 employees and maintains an international network of production and service locations. In 2018, the group achieved a consolidated turnover of more than 185 million euros.

Further information is available at [www.goldschmidt-thermit.com](http://www.goldschmidt-thermit.com).

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