



Press Release

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Hansen Transmissions South Africa – drive solutions partner for mining and industry on the African continent

Hansen Transmissions South Africa (Pty) Ltd.'s market responsibilities on the African continent have been extended beyond the southern region to also incorporate the Economic Community of West African States (ECOWAS) as well as east and central Africa.

"We have been serving the southern African region for close on 35 years and this latest development is just one of a number of positive outcomes following the acquisition by Sumitomo of the global Hansen Industrial Transmissions group in 2013," explains HTSA Managing Director, Fritz Fourie. He adds that the expansion of HTSA's African footprint also forms part of the group's global African strategy and, as the acknowledged centre of excellence for mining within the group, HTSA was tasked with the responsibility of implementing the strategy.

The acquisition also provides HTSA with access to new products including Sumitomo's Paramax (PX9) small and medium high torque range industrial drives as well as the Seisa range which has a torque capability of above 1 100 kNm, "a perfect fit," says Fourie "to complement the medium to high torque Hansen I4 and P4 industrial gearboxes."

HTSA, a subsidiary of Hansen Industrial Transmissions, has been a market leader in South Africa's mining, ports and bulk materials handling, mixer and power generation industries since 1969. "Subsequent to our first order outside South Africa for the supply 46 conveyor drives to a Zimbabwean Colliery in 1981, we have a large installed base of industrial gearboxes operating in diverse drive applications including underground and surface conveyors, hoists, grinding and sugar mills to crushers, stackers, reclaimers, kilns, pumps mixers, aerators and wet cooling towers in a number of African countries," states Peter Pallister, HTSA's Key Accounts Manager - Africa.

Given the current lacklustre performance of the South African market and Africa's large industrial gearbox market, Pallister says that the timing of HTSA's strategic African growth plan is perfect. In addition to a number of leading South African companies and project houses, Australia, Belgium, Germany, the USA and the UK are also active on the continent. Recent years have seen China along with India heavily involved in the development of mines, power plants and infrastructure across Africa. "With so many new and exciting opportunities opening up, small wonder Africa is referred to as the 'new frontier'."

According to Pallister, other African countries share similarities with South Africa. "Reliable, quality, equipment is fundamental to the sustainability of mines and plants given the remoteness of some locations and poor road infrastructure. But long distances can impede quick delivery so an inferior product is often preferred simply due to its rapid availability which cancels out any benefits derived from quality products. So, in addition to the challenge of ensuring on time delivery, health risks (malaria and Ebola), political and economic instability, travel costs and commodity price fluctuations also need to be taken into account when doing business in Africa. Add to this the fact that each country presents its own unique set of laws and currency, the importance of establishing business partners in the regions with local service and repair facilities to take care of minor repairs quickly and affordably to keep customers' downtime to a minimum becomes apparent." While major repairs are currently sent to HTSA's Jet Park facility in Gauteng, Pallister says that over time, training programmes will be undertaken to up-skill local technicians in the various countries.

"The establishment of business partners as our route to the African market in the different regions is fundamental to business sustainability and thus forms an integral part of our African strategy," continues Pallister. "We select our partners carefully and look for companies that are already well-established in our focus areas and who share our commitment to world-class products and service." HTSA partnership agreements are already in place in Zambia and D.R.C. (S.D. Mining Equipment), Botswana (Seapro Ltd.), Ghana (Mining Equipment International Ltd.) and Namibia (Danste), with Mozambique imminent.

"We also only focus on countries with a stable economic, political and business environment. It follows that countries that tick all these boxes are also key growth areas such as Tanzania and Kenya which are currently under consideration. While we will concentrate on previously supplied areas in Africa i.e. mining, power plants, water treatment, cement mixing, ports and bulk materials handling, we will continue to build on our core competence i.e. industrial transmissions for the mining industry."

Mozambique is a very significant market for HTSA. "In fact, we received our largest cross border order to date for the supply of over 20 conveyor drives from Mozambique," says Pallister, adding that HTSA is supplying spare industrial gearboxes, conveyor drives and spares to two ports and a colliery. HTSA also enjoys a large footprint in Zambia and the DRC where the company is conducting surveys on industrial Hansen Transmissions gearboxes operating at various copper mines. "We have installed 64 ACC gearboxes at a Power Station in Botswana and we have also supplied equipment to gold mines in Ghana and fan drives for an oil refinery in Nigeria." Pallister also confirms the receipt of orders over the past six months directly from Namibian zinc and uranium mines.

Over the next three to five years Pallister expects to see growth in Africa's power generation and infrastructure sectors which he points out will in turn stimulate growth in the coal mining and cement industries. "There is no doubt that the opportunities for growth in Africa abound and far outweigh the barriers. We have the experience, expertise and capabilities to surmount the challenges. We have a proven product in the African market, our equipment operates in every conceivable environment, from humid equatorial to dry desert conditions, and we recently streamlined our service offerings. Add to this the support of Sumitomo and our partners in the respective regions."

"We make a long term commitment to our customers, supporting our products with specialist advice, technical expertise, skilled maintenance, after-sales service, spares and repairs to extend equipment life cycles so that our customers reap the benefits of maximised plant availability and low cost of ownership. In short, HTSA is the complete drives solutions partner for mining and industry on the African continent," concludes Pallister.

About Hansen Industrial Transmissions:

Hansen Industrial Transmissions nv (HIT) is an established global industrial gearbox designer, manufacturer and supplier. The Company provides durable gear drives for a wide range of industrial applications throughout the world and has established a dedicated international service network.

In addition to its principal state-of-the-art manufacturing facility located in Flanders, Belgium, HIT has assembly, sales and service centres in the US, the UK, Brazil, China, South Africa and Australia. Strong in-house R&D operations maintain HIT's technological leadership.

Since 1 April 2012 HIT is part of the Sumitomo PTC division and HIT employs over 600 people worldwide.

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