

**Italy's SCA Group Orders Gasifying and Direct Melting Plant
– First Plant in Growing European Market –**

19 November 2008

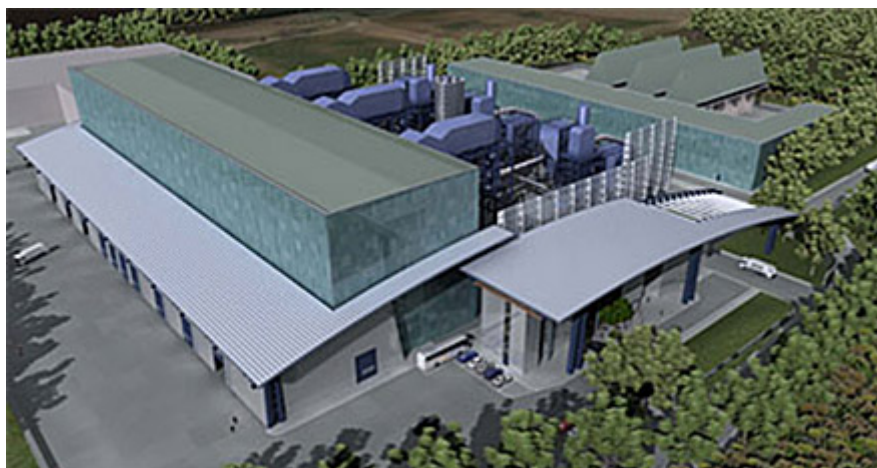
JFE Engineering Corporation

TOKYO_ JFE Engineering Corporation has received a 5 billion yen order from Italy's SCA Group^{(*)1} to provide engineering and main equipment supply services for the first phase of Europe's first high-temperature gasifying and direct melting plant^{(*)2} (capacity 308 ton/day × 1 furnace) for the Albano Power Plant^{(*)3} to be built in Albano, a suburb of Rome. The plant is scheduled to begin its operation at the end of 2010.

The plant will be a core facility of the RDF^{(*)4}-fueled waste-to-energy project operated by a special purpose company centered on SCA Group, Rome's largest private waste treatment company, and ACEA S.p.A, a supplier of electricity and water to the city of Rome.

SCA Group placed the order after evaluating the high-temperature gasifying and direct melting plant (RDF-fueled, capacity 314 ton/day × 1 furnace) built by JFE Engineering for Fukuyama Recycle Power Co., Ltd. (Fukuyama, Hiroshima).

Europe is strengthening regulations governing waste disposal by landfill^{(*)5}, hastening the transition from landfill to thermal treatment. This trend is also expected to stimulate demand for more effective use of resources, including generating power from waste. Recognizing its contribution to the evolution of Europe's recycling society, JFE expands its business operations for environmental-friendly, self-developed gasifying and melting plant not only in Italy, but across the promising European continent.

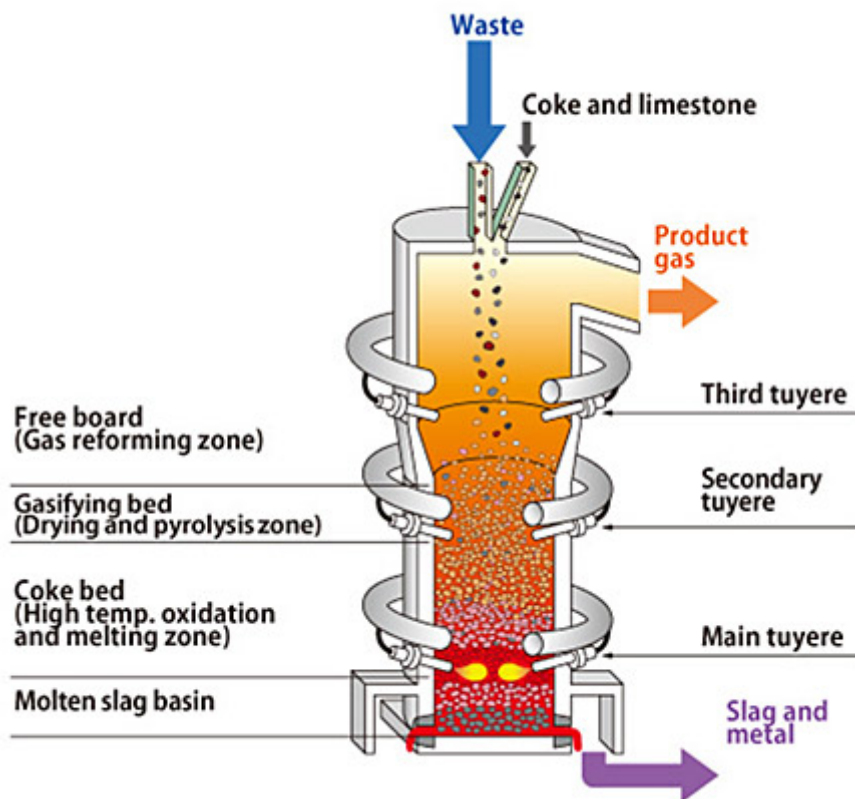


Artist's impression of the completed Albano Power Plant

*1: SCA Group = Sorain Cecchini Ambiente Group, Rome's largest waste treatment business group.

High-temperature gasifying and direct melting plant

A next-generation waste to energy plant that draws on JFE expertise in blast furnace operations and numerous experiences of waste thermal treatment plants, this plant gasifies waste and melts ash in one step at temperatures between 1,500 to 1,600 degrees C and efficiently converts it into recycled energy and slag without creating additional environmental loads.



*3: Location of Albano Power Plant: 20km south-southeast of Rome

*4: RDF = Refuse Derived Fuel. RDF used as fuel in this project is produced from municipal solid waste.

European regulation of waste disposal by landfill is being strengthened by stages:

*5: In April 1999, the EU issued Council Directive 1999/31/EC requiring member countries to cap landfill disposal at 75% of organic waste by 2006, at 50% by 2009 and at 35% by 2016 relative to the benchmark year of 1995.

For further information, please contact:

International Business Division
Environmental Solutions Sector
JFE Engineering Corporation