

Arrangement of Cooperation Agreement on Geothermal Binary Power Plant Projects

23 June 2010

JFE Engineering Corporation

JFE Engineering Corporation entered an agreement with Ormat International, Inc. of the USA on the business tie-up for the implementation of geothermal power projects in Japan, in which Ormat's binary power systems are incorporated, and entered the cooperation agreement with Ormat. We will implement the geothermal binary power plant projects on turnkey basis in Japan, as well as providing backup services.

In geothermal power plant projects, our company has provided steam and brine separation systems and brine re-injection facilities since before and established considerable reputation. Through the cooperation arrangement this time, we can offer integrated geothermal power plant systems, first of this kind of total provider in Japan, from production wellheads to re-injection wells through the binary power plant.

Ormat's geothermal binary systems have the following features:

- Steam and brine with low temperature, even as low as 100°C, can be utilized, compared with steam only resource with higher temperature of 200°C or more for ordinary flash type plant systems.
- For high temperature steam systems, Ormat also offers its proprietary Geothermal Combined Cycle Units.
- The highest level of power generation efficiency and reliability can be offered for the binary plant systems, proven with Ormat's ample geothermal track record of over 1,200 MW around the globe.
- All geothermal energy resources produced can be returned to underground for its recycling, by use of air cooled condensers, which contributes to resource sustainability and environmental benefits.
- No plume is emitted, thus no plume derived frost accumulated to its surroundings for cold locations.
- Wide range of the output capacity of its single unit turbine-generator is available ranging from 250kW to about 15,000kW

With these features, further developments of geothermal power may be promoted for those locations where the operation of conventional geothermal power plants are technically infeasible, contributing to the reduction of CO₂ emission.

With tremendous geothermal energy rich locations in Japan, we will contribute to exploit sustainable society through providing total solutions for geothermal energy resources.

About "Ormat":

Ormat International, Inc. is a fully owned unit of Ormat Technologies, Inc. (NYSE symbol - ORA).:

Ormat, based in Nevada, the United States, is the only vertically-integrated company primarily engaged in the geothermal power business. Ormat designs, develops, owns and operates geothermal and recovered energy-based power plants around the world. Additionally, Ormat designs, manufactures and sells geothermal and recovered energy power units and other power-generating equipment, and provides related services.

It has started development of the binary cycle since 1966 and supplied over 1,200MW geothermal binary cycle plants or steam-binary combined cycle plants in over 65 locations. Ormat is the world leader in the geothermal binary plant technology. ITOCHU Corporation is a representative of Ormat for the sales and marketing promotion in Japan.

For further information, please contact the following:

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