



November 6th, 2014
JFE Engineering Corporation

Acquisition of all shares of Standardkessel Power Systems Holding GmbH
-Accelerate Globalization of Waste-to-Energy Plant and Strengthening Biomass Power
Plant Business-

JFE Engineering Corporation (Head Office: Chiyoda-ku, Tokyo, President: Hisanori Kanou) has signed a binding agreement to acquire all shares in Standardkessel Power Systems Holding GmbH (SPSH) (Head Office: Duisburg City, Germany, CEO: Klaus Jörg KLASSEN)*1, a holding company owning 100% of the shares in Standardkessel Baumgarte group (SB Group) to be incorporated into JFE Engineering group. The completion of the acquisition is subject to customary closing conditions including among others, antitrust approval. .

SB Group consists of Standardkessel GmbH (established in 1925) which is in charge of design and construction of biomass power plants, waste heat recovery power plants as well as primary fuel power plants, Baumgarte GmbH (established in 1935) which is responsible for design and construction of waste-to-energy plants and Standardkessel Baumgarte Service Holding GmbH (established in 2008) which covers maintenance of plants. The group is a leading European provider in construction of high efficient power plants using advanced boiler technologies for a wide range of fuels.

JFE Engineering is a top-ranking company in Japan in the business of “Grate Firing Systems” and “Gasifying and Direct Melting Furnace Systems”, amongst others. JFE mainly has experience in Japan, with more than 350 furnaces installed. As far as biomass power plants are concerned, JFE Engineering has constructed large sized plants employing circulating fluidized bed boilers in various regions of Japan.

Recently, strong needs are increasing for waste-to-energy plants and biomass power plants all over the world and JFE Engineering is promoting its globalization in this field.

By acquiring the shares of SPSH, we are determined to accelerate our development of waste-to-energy and biomass power plants all over the world.

In Asian countries, we already have experience in waste-to-energy plants using grate firing technology. We are now ready to focus on making wide range engineering proposals which will meet customers’ needs, including large sized plants such as of 1000t/d, in which SB Group is specialized in.

In Europe and Middle East, there are growing interests in thermal waste treatment by applying Gasifying and Direct Melting Furnace technologies, which is our own. We will be well prepared to undertake the projects on full turn-key basis, from design to construction by unifying the SB Group into our group,

Furthermore, we will respond to the needs for biomass power plants with various ranges of output by incorporating SB Group's grate firing technology, as it is attracting attention as a stable source of renewable energy in Japan and overseas.

JFE Engineering group is ready to contribute to create a recycling-oriented society in various parts of the world as a leading company in the development and construction of waste-to-energy plants.

*1: Prior to the acquisition of the shares by JFE Engineering, the non-acquired business under SPSH, will be carved-out.

<<Summary of Standardkessel Power Systems Holding GmbH>>

Established 1925 (the year established of Standardkessel)

Business Waste-to-Energy Plant, Biomass Power Plant, Gas Turbine Power Plant, Special Boilers and Conversion and Maintenance of Plant

Total Sale 18.0 Billion Yen (129 Million Euro)

No. of Employees 215

For more information, please contact Public Relation Office, General Affair Department, JFE Engineering Corporation