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Press Release

Toshiba Wins Rs. 1675 crore Order for Supercritical Steam Turbine and Generator Island Package

-To supply two units of 660MW Supercritical Steam Turbines and Generators-

Chennai, 9 May 2012

Toshiba Corporation, Japan and Toshiba JSW Turbine and Generator Pvt., Ltd. (Toshiba JSW), a Chennai-based Toshiba Group company, today announced that Toshiba Corporation has been awarded a contract for the supply of two units of 660MW supercritical steam turbine and generator island by Meja Urja Nigam Pvt. Ltd, a joint venture of NTPC Limited, India's largest state-owned energy service provider, and Uttar Pradesh Rajya Vidyut Utapatdan Nigam Ltd. (UPRVUNL). The value of the contract is about USD 315 million* (Rs. 1675 crore). The equipment will be installed in Meja Thermal Power Plant in Uttar Pradesh. This new contract follows the contract award for Kudgi Super Thermal Power Project, Stage I (3 x 800MW) in February this year.

The scope of the contract covers engineering, procurement, manufacturing, installation and testing of the steam turbine generator island. Setting up a local manufacturing facility and phased manufacturing program with technology transfer was a mandatory requirement for the tender. Toshiba embraced this, and established Toshiba JSW in Chennai in 2008. The company is a 75% Toshiba-owned subsidiary and the very first Toshiba Group turbine and generator manufacturing facility outside of Japan. Steam turbine and generator for the Meja Thermal Power Plant will be manufactured at Toshiba JSW and at Toshiba's Keihin Product Operations in Japan. Commercial operation of the first unit is scheduled in 48 months from the contract award and the second unit in 54 months.

Rapid economic and industrial growth is driving demand in India for increased capacity with equipment that meets the highest environmental standards. Toshiba Group has responded by establishing a network of companies that provides localized one-stop EPC (engineering, procurement and construction) solutions, from plant conceptualization to commissioning. Toshiba India Private Limited in Gurgaon undertakes overall project management, Toshiba Plant Systems & Services Corporation (TPSC) India in Hyderabad carries out installation and commissioning, while Toshiba JSW, the jewel in the crown, manufactures steam turbines and generators. Toshiba's technical expertise and its strong commitment to localization assured that Toshiba Group secured the order for Meja Thermal Power Plant against stiff competition.

The power generation equipment market in India is expected to see demand growth of more than 16,000MW a year during the next decade. Coal-fired thermal power plants will account for over 60% of capacity growth, far surpassing other energy sources, and supercritical power plants will account for approximately 60% of new thermal plants. The Indian government recognizes supercritical technology as a major tool for increasing generation capacity and efficiency while reducing emissions of greenhouse gases, and is strongly promoting adoption of the technology among India's utility companies. Toshiba Group will seek to support this approach and considers India as a potentially major market for power equipment.

Going forward, in addition to India, Toshiba Group, will look to reinforce its presence by making the best use of Toshiba JSW in markets around the world including Asia and the Middle East, where demand for thermal power plants is strong. Toshiba positions the thermal power equipment business as part of a comprehensive power generation portfolio alongside nuclear power and hydro power, and targets USD 1 billion* (Rs. 5318 crore) sales in the FY 2015 for its thermal power business in India.

Project Outline

- Plant : Meja Thermal Power Plant
- Client : A joint venture of NTPC and UPRUVNL
- Location : Meja Tehsil, Allahabad District, Uttar Pradesh
- Scope : Two 660MW supercritical steam turbine and generator island package

*1 USD = Rs. 53.18 as on May 9, 2012

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