

ZTR is planning to increase sales for 50% in 2011

Results of the Company activities for the year 2010 and plans for the year 2011 were approved as well as the Company type was changed and corresponding changes to the Statute were approved at General Meeting of JSC «Zaporozhtransformator» shareholders on the date of April, 8 of the current year.

In 2011 the Company is planning to increase the realization volume for 50% - from 2,345 billion UAH in 2010 to 3,5 billion UAH in the current year (in the production rates from 26,3 to 40 GVA accordingly).

The profit in amount of 353 million 427 thousand UAH was secured in 2010.

«In 2011 we have a task to reach the level of production of more than 40 GVA, - noted by Igor Kleyner, General Director of JSC «ZTR». – Against the background of decreasing of investment activity of the clients in Russian and Ukraine, we will direct our efforts for participation in projects in foreign countries. We are planning to conduct commercial activity in countries of Europe and America, the South-East Asia and Pacific region, the Middle East

and Africa. ZTR achieved great commercial successes in 2010. Along with activity within traditional markets, the Company has entered the European market for the first time. ZTR signed three contracts with the Spanish company Abencor. In 2010 we also signed a number of contracts with the network company Power Grid Corporation of India Ltd for delivery of 43 shunt reactors to India and came back to the Indian market. Thereby, the commercial activity executed during the past year, gave us possibility to look ahead with optimism».

For meeting the requirements of Law of Ukraine «Joint Stock Companies», the shareholders took a resolution on change of the Company type and establishment of the Company as Public Joint Stock Company at the meeting. The Statute of PJSC «Zaporozhtransformator» in a new revision was also approved.

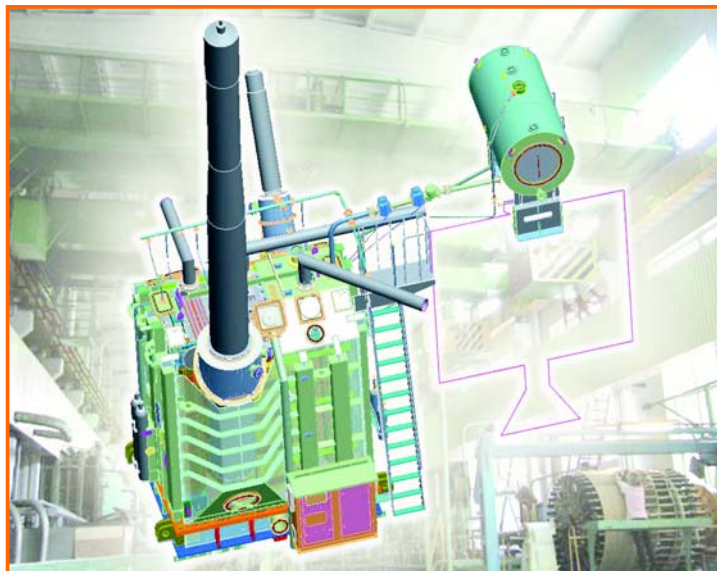
Dust level of air will set up not more than $2\text{mg}/\text{m}^3$, speed of air in working zone will not exceed 0.5 m/s after the commissioning of microclimate section by means of single stage of air cleaning in filters of air-conditioners. Optimum air temperature at the section will be maintained up to 21°C and optimum moisture of air – 40-60%.

Technical reforms of ZTR

«Comprehensive program of production competitiveness rise during the period 2011–2012 is developed at ZTR. Regulations of this program are included into investment budgeted of the current year and directed to reduction of material capacity, production cycles, raise of reliability and quality», – as told Technical Director of PJSC Leonid Kontorovych.

In the year 2010 activities as for reduction of designing terms were implemented. The new program of optimization calculations that permits at the expense of simultaneous variation of conductor dimensions and parameters of cooling system reduce material capacity of the transformers at least for 2% were developed and implemented by specialists of JSC. The new program is applicable for all technical-commercial quotations. Three-dimensional model of shunt reactors with type technical solution that provides reduction of terms of design documentation at least for 20% also was developed last year for the first time. Model application permitted to develop and coordinate with the customer project of reactors for India in the shortest period.

Winding structure of continuous type for 800kV was developed for the first time in accordance with project of design



improvement of transformers and reactors. Winding successfully passed the test on 20 reactors. In the year 2010 a number of optimization calculations that permit to reduce losses in reactor rated for 80 MVar up to loss level in the reactors of competitors.

New structure of tank with channels instead of enforcement ribs was developed by designers of CDD. New vibration shields were developed. These activities decreased vibration level by 2.5 times that is approved by tests. Optic fiber probes for the measurement of temperature in the maximum heated points were installed and successfully tested on 20

reactors. It increases reliability of equipment in operation and satisfies specific requirements of the customer. The test transformer of the new structure was developed, manufactured and commissioned on the test station of PJSC «ZTR» last year. Transformer permits to provide execution of new requirements of international standards at the test of powerful reactors.

A lot of things were performed according to the project of technology improvement of manufacturing of transformers and reactors based on implementation of new materials, new equipment and new technological solutions.

As for magnetic core production: equipment and technology of vertical strapping (assembly cycle of magnetic core was reduced for 15%) were implemented, new methodology for calculation of cutting norms of steel, that permits reduce wastes up to 1-2% at the expense of steel coil cutting simultaneously for several orders and application of the available wastes, was developed. Methodology is implemented at the manual (not automatic) planning of cut in the magnetic core workshop.

As for the winding production, all the activities for the implementation of new technology of conductor manufacturing, including development and audit of technical solutions as for the purchased and installed new equipment, new used materials, tests of completed production were performed. Technical requirements to the new conductors and new norms for the usage of materials for manufacturing of these conductors were developed and approved. Starting up and adjustment works and processing of technical modes were executed in the first quarter of the year 2011.

Innovations were also concerned to welding production. Portal plant of automatic welding by means of twin arc under flux layer with organization of special working place as for assembly-welding of tank walls for transformers rated for IV-VI dimensions was implemented. Productivity has increased more than in 3 times and the reduction of the total cycle of metal structure manufacturing was decreased for 7% due to implementation of new welding technology and changing of some technological operations of assembly.



As for assembly production we had the purpose to perform the inspection and modernization of existing technological process of assembly due to parallel assembly of separate units and implementation of more productive equipment. The development of new pressing process of contact connections instead of tap become the main result of the last year. Technology was implemented on the transformers TDTN-25000/110 and TRDN – 40000/110. Application of this technology on the transformers up to 80 MVA rated for voltage class 110 kV permits to reduce cycle of II assembly section for 10% and to increase the reliability of their operation.

One of the priority strategic projects has become the organization of own serial production of semi-conductor converter (SC) and system of automatic control (SAC) for controlled shunt reactors (CSR), modernization of the existing structures of CSR. Importance of this project is stipulated by opportunity of independent manufacturing of SC and SAC in order to exclude dependency from the manufacturer of this equipment. In the year 2010 we could develop manufacture and test pilot samples of new structures of semi-conductors of converter and system of automatic control. These devices are installed at the test station of the plant and will be under operation as test equipment of controlled reactors. By the way, it is the prototype of equipment for delivery of SC and SAC to customers.

ZTR is the most effective company of Ukrainian engineering industry

Public Joint Stock Company «Zaporozhtransformator» is called as the most effective company of the Ukrainian engineering industry according to the results of rating TOP-100 – «200 effective companies of Ukraine». Rating was performed in the end of the year 2010.

According to the rating results as for 4 financial indicators «Zaporozhtransformator» took first place among 20 companies overrun Machinery plant in Novokramatorsk and Scientific-production complex of gas turbine manufacture «Zorya-Mashproect».

As for the calculation of effectiveness craftsmen of rating used financial indicators of companies for the last 5 years – starting from the year 2005 up to the year 2009: average net income, average annual accretion of income, average net income, average profitability of net purchases. Final result in rating depended on amount of marks as for each of four indicators.

Register «TOP-100» is considered to be one of significant rating projects in country because it is based on public financial results of companies.

Transformer mounting in Spain is already completed



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