

Segment Overview and Market Trends

Accounting for approximately 7% of consolidated net sales, the Engineering segment is mainly engaged in the manufacture of steel-making equipment, industrial furnaces and environmental equipment. Daido Steel develops and fabricates steelmaking equipment that precisely meets customers' needs by leveraging technology and other expertise concerning quality and operations that the company has accumulated since its establishment. By applying manufacturing technologies involving melting and heat treatment, we develop incinerated ash melting systems and many other types of environmental equipment.

Operating Highlights

In the past fiscal year, orders for environmental equipment, primarily from the public sector, were about the same as one year earlier. Sales of industrial furnaces, which are purchased mostly by private-sector companies, were much higher. One reason was growth in capital expenditures in the automobile industry. Results also benefited from the popularity of the short time cycle (STC) furnace, our best-selling model, and of vacuum sintering furnaces. Overall, segment orders increased 49.2% to ¥17,965 million and net sales rose ¥5,657 million, or 22.6%, to ¥30,687 million. Operating income was up ¥459 million, or 145.7%, to ¥774 million.

NUMBER-ONE PRODUCTS



Roller Hearth STC Furnace

A highly successful product, this annealing furnace is ideally suited to heat treatment for small lots of specialty steel wire rods and numerous other products. With fully automated operation, this furnace features ease of operation and preserves a consistently high level of quality. Energy conservation is another valuable feature.



Incinerated Ash Melting Equipment for Urban Waste

Developed by Daido Steel, the Daido Arc Process (DAP) is the world's first municipal solid waste incinerated ash melting system. DAP breaks down dioxin into harmless substances and makes it possible to reduce and recycle burnt ash and solid slag.



Sewage Sludge Carbonizing System

Sewage sludge is thermally decomposed into a carbonized form using oxygen-free or low-oxygen environments. Carbonized sludge can be utilized as ameliorant for soil or as a biomass energy resource. Heat is recovered and used during the treatment.