Topics

Completion of Technical Verification and Confirmation of Kawasaki Steel Thermoselect System

-Kawasaki Steel facility achieves world's highest level of dioxin decomposition-

Kawasaki Steel received the first technical verification and confirmation review in Japan of its next-generation waste treatment technology, the "Kawasaki Steel Thermoselect System gasification melting technology," as a gasification and gas reforming system. The review was conducted by the Japan Waste Management Association (Chairman, Mayor of Yokohama), which is made up of autonomous local governing bodies nationwide. Tests confirmed that the Kawasaki Steel system offers the world's highest level of dioxin decomposition performance in an actual-equipment scale facility, with a dioxin discharge level of approximately 1/1000 of the standard for newly constructed incinerators set by Japan's Ministry of Health and Welfare.

Actual equipment proof experiments were completed using a Thermoselect facility (300 tons/day: equivalent to the capacity of a waste treatment facility for a city of 300,000) which had been constructed at the company's Chiba Works, and operation as an industrial waste treatment facility began in April of this year. Based on the evaluation of this facility, the company's Environmental Division is strengthening its marketing activities for the Kawasaki Steel Thermoselect gasification melting plant.

Kawasaki Steel Purchases Stake in Chinese Tinplate Industry

- Investment with Nissho Iwai secures stable purchaser of steel material -

In December 1999, Kawasaki Steel and the Nissho Iwai Corporation made an investment in Hainan Haiwoo Tinplate Industry Co., Ltd. (HTC), as a joint venture tinplate mill with Hainan Province, the People's Republic of China, ensuring a stable supply destination for Kawasaki products.

HTC was established as a joint venture tinplate mill by China and Korea in 1995, and has production lines with an annual tinplate production capacity of 100,000 tons. Kawasaki Steel has exported a portion of the tin mill black plate (TMBP) used as material by HTC since that company began operation in 1997. However, to ensure more stable sales of Kawasaki products, Kawasaki and Nissho Iwai, on the Japanese side, purchased a 29% share in HTC from the 58% owned by Korea interests. (The investment gives Kawasaki a 16% stake in HTC; with existing holdings, Nissho Iwai now owns 18% of the company.)

Hainan Province (Hainan Island), where HTC is located, is designated as a special economic district and offers various economic advantages, including preferential

treatment of corporate taxes and exemption from the value added tax (VAT) on material processing. A large juice manufacturer, which is an important user of tinplate products, is also based on the island.

In January 2000, Kawasaki Steel dispatched an assistant general manager from its Head Office to HTC.

Agreement with NKK to Begin Study of Cooperation between Steel Works

- Start of study in 3 fields of physical distribution, maintenance, and purchasing -

Kawasaki Steel and NKK Corporation agreed to study cooperation in three areas in order to achieve higher efficiency in steel works management by taking advantage of the siting conditions of four steel works owned by the two companies. The agreement involves cooperation between KSC's Chiba Works and NKK's Keihin Works near Tokyo, and KSC's Mizushima Works and NKK's Fukuyama Works in western Japan, and covers the following three areas.

1. Fields related to physical distribution (work related to physical distribution, such as product transportation, etc.)
2. Fields related to maintenance (work related to the maintenance of steel works equipment)
3. Fields related to purchasing (work related to the purchase of raw materials, etc. and management of inventories)

In addition to existing exchanges between the nearby steel works of the two companies, this cooperation agreement is also intended to promote cost reductions, higher efficiency in operations, and other benefits by deepening the cooperative relationship between the companies in the midst of increasingly keen international competition.

Increase in Production Capacity of Nickel Ultra Fine Powder at KAWATETSU MINING CO., LTD.

- Expanded supply for ceramic capacitors of cell phones and personal computers -

KAWATETSU MINING CO., LTD. (KMC) has decided to increase its production capacity of nickel ultra fine powder. The high grade product is used in the internal electrodes of multi-layer ceramic capacitors, which are an important part of telecommunications equipment such as cellular telephones, personal computers, and audio-visual products.

KMC previously increased its monthly production capacity from 17 tons to 25 tons in April 2000. However, to keep pace with the rising production of telecommunications

and AV equipment in Japan and abroad, the company decided on a further increase, to a monthly production of 32 tons, aiming at startup in September of this year.

The nickel ultra fine powder produced by KMC has won an excellent reputation for its high product quality and quality stability. The company is already the world's largest producer of the product, which is an indispensable material for small scale/large capacity multi-layer ceramic capacitors, and is studying successive increases in the capacity of its production facilities in the future.

Adoption of chrome-free steel sheets with good electrical conductivity in copying machines

Because chrome-free steel sheets contain absolutely no chrome, which places a load on the environment, recent years have seen a rising need for this product, particularly among manufacturers of office equipment and electrical appliances. Up to now, however, it has been difficult to secure adequate corrosion resistance and electrical conductivity in the same material. In the fall of 1999, Kawasaki Steel Corporation succeeding in developing "chrome-free steel sheets with good electrical conductivity," which meet both of these requirements, in a chrome-free product trade named the "River Zinc FC Series." The new product was formally adopted by a manufacturer of copying machines in April of this year.

In chrome-free steel sheets, the coating must be thin in order to maintain electrical conductivity, but this results in the problem of reduced corrosion resistance. Kawasaki Steel succeeded in developing a product which provides both properties by reforming the composition of the chrome-free coating.

The new chrome-free steel with good conductivity has also won an excellent evaluation from other users who received samples. For the future, the company is actively working to expand its sales base by strengthening its PR efforts, centering on makers of office equipment and electric appliances.

Mizushima No. 2 blast furnace sets new world's record for continuous operation

On December 27, 1999, Mizushima Works No. 2 blast furnace, which was blown in for its 3rd campaign in March 1979, set a new world's record of 7,587 days of continuous operation, exceeding the record set by No. 6 blast furnace at Kawasaki Steel's Chiba Works in March 1998.

Because No. 2 BF is still in sound condition, the facility will be kept in stable production, aiming at 25 years of operation.

Kawasaki Steel issues environmental report

Kawasaki Steel issued an environmental report in October of last year to ensure a better public understanding of the company's efforts in the field of environmental protection.

Kawasaki Steel has historically made environmental protection a top priority in its corporate activities, and has promoted environmental improvement, energy saving, and resource recycling wherever possible. In 1970, the company established a Company-wide Environmental Control Committee, and in 1997, created a Committee for the Global Environment with a Vice-President as chairman, as part of an organization for grappling with global environmental problems on a company-wide basis.

The recently issued environmental report was prepared in an easy-to-read format which contains concrete data, graphs, and charts. From the viewpoint of ensuring a wider understanding of the company's position in dealing with environmental problems, it is also included on the company's home page.