



News Release

April 25, 2008

Group member NS Engineering to take over semiconductor gas equipment sale and installation operations from Saan Engineering
- NS Engineering to be renamed Taiyo Nippon Sanso Engineering -

In the meeting held on April 25, 2008, the Board of Directors of Taiyo Nippon Sanso Corporation decided that TNSC subsidiary NS Engineering Corporation would take over the semiconductor gas equipment sale and installation operations of Saan Engineering Corporation, another subsidiary, effect July 1, 2008. The details of this transfer of operations are given below.

Purpose of transfer of operations

Both subsidiaries are currently under the jurisdiction of TNSC's Electronics Division. It was decided that a reorganization of the roles and functions of the two companies would contribute to improving the efficiency of the business operations of the entire TNSC Group.

Specifically, the transfer of the semiconductor gas equipment sales and installation operations of Saan Engineering to NS Engineering would have the following merits.

- A single contact point for customers
- Effective allocation of management resources
- Efficient semiconductor gas equipment sales and installation operations
- Full utilization of the technological and engineering expertise of the Saan Engineering staff who will be transferred
- Improved product quality and safety assurance as well as cost reductions

The above actions will reduce the vulnerability of our semiconductor gas equipment sales and installation business, which is directly affected by sharp fluctuations in customer capital investment.

Profile of the two subsidiaries at present

NS Engineering Corporation

Head office: Kawasaki City, Kanagawa Prefecture (on site of TNSC Kawasaki Plant)

Main businesses: Sale and installation of semiconductor gas equipment; industrial gas equipment sales and installation; installation of equipment for other manufacturers; safety inspection services

Paid-in capital: ¥60 million

Ownership: Wholly owned subsidiary of TNSC

Employees: Approximately 470

Saan Engineering Corporation

Head office: Osaka (TNSC Honmachi Building)

Main businesses: Semiconductor gas equipment sale and installation; environment preservation businesses; installation of equipment for other manufacturers

Paid-in capital: ¥70 million

Ownership: Wholly owned subsidiary of TNSC

Employees: Approximately 220

Profile of two subsidiaries after reorganization on July 1, 2008

Taiyo Nippon Sanso Engineering Corporation

Name of company prior to reorganization: NS Engineering Corporation

Head office: Kawasaki City (on site of TNSC Kawasaki Plant)

Business taken over: Semiconductor gas equipment sales and installation operations of Saan Engineering Co., Ltd.

Main businesses: Semiconductor gas equipment sale and installation; industrial gas equipment sale; installation of equipment for other manufacturers; safety inspection services

Paid-in capital: ¥60 million

Ownership: Wholly owned subsidiary of TNSC

Employees: Approximately 580

Saan Engineering Corporation

Head office: Osaka (TNSC Honmachi Building)

Main businesses: Environment preservation businesses; installation of equipment for other manufacturers

Paid-in capital: ¥70 million

Ownership: Wholly owned subsidiary of TNSC

Employees: Approximately 110

The above-described business reorganization is not expected to have any material effect on the business performance of the parent company.