

News Release

March 18, 2008

Southern California Industrial Gas Distributor Becomes Part of TNSC Group

Taiyo Nippon Sanso Corporation announces the recent purchase by its wholly owned U.S. subsidiary Matheson Tri-Gas, Inc. a 100% equity stake in Five Star Gas & Gear, Inc., a distributor of industrial gases based in Southern California.

Purpose of Acquisition

TNSC is pursuing a strategy of expanding its business operations in the United States via the medium of its wholly owned U.S. subsidiary Matheson Tri-Gas (MTG). In 2006 TNSC brought Linweld, a Midwest-based industrial gas producer with a high market share, into the Group, and in line with the same strategy, MTG recently acquired sole ownership of Five Star Gas & Gear, which possesses valuable marketing channels in Southern California. This move is aimed not only at increasing the TNSC Group's share of the market in that part of the USA, but also at raising the capacity utilization of MTG's new air separation plant in Vernon, California, by opening up new markets for industrial gases. The Vernon plant commenced operation last year.

Outline of New Company

Name: Five Star Gas & Gear, Inc.

Location: Los Nietos, California

Established: 1995

Number of business premises: Six (head office plus five other premises in California)

Employees: 60

Annual sales: \$16.41 million (for calendar 2007)

Lines of business: Sale of industrial gases (oxygen, nitrogen, argon, carbon dioxide, acetylene, helium, hydrogen, and others); specialty gases; petrochemical gases; cutting & welding equipment and materials

All requisite legal procedures were completed on March 11, 2008.