

December 16, 2014

Taiyo Nippon Sanso Corporation

Notice Concerning Establishment of Leeden NOX Gas Research Centre

Taiyo Nippon Sanso Corporation (TNSC; President: Yujiro Ichihara) hereby announces that it will establish the Leeden NOX Gas Research Centre (LNGRC) through its Singapore subsidiary Leeden National Oxygen Ltd. (LNOX; Chairman: Steven Tham) to develop welding-related gas technologies in Southeast Asia. LNOX, which is marking its 50th anniversary, will utilize LNGRC as a key base to further raise its corporate value.

1. Overview

As announced on July 30, 2014, TNSC is stepping up business expansion in Southeast Asia under its medium-term business plan *Ortus Stage 1*. As part of the groundwork for this expansion, TNSC has set up Taiyo Nippon Sanso Holdings Singapore Pte. Ltd. to provide operational support to Group companies in Southeast Asia. With the goal of raising business efficiency and enhancing its ability to tackle new market development, Leeden Limited and National Oxygen Pte Ltd. were merged on October 1, 2014. As a result, businesses operations of Singapore and Malaysia were integrated.

2. Purpose of Establishing TNSC's First Research Centre in Southeast Asia

LNGRC will enhance LNOX products and services and expand the welding-related business in Southeast Asia while leveraging its capabilities as a sales company and manufacturer in the welding-related business, a particular strength of LNOX. Further, LNGRC will increase customer value by utilizing the welding gas technology developed by TNSC principally at its Yamanashi Laboratory, and meeting local needs.

Positioned as TNSC's first research centre in Southeast Asia, LNGRC aims to expand welding gas revenue through the local initiatives of LNOX. TNSC also aims to expand into other growth fields over the medium term using LNGRC as a springboard.

3. Basic Functions of Leeden NOX Gas Research Centre

(1) R&D

To develop technology as well as upgrade and improve products tailored to the needs of the Asian market.

(2) Testing and Evaluation

To promote welding gas through customer demonstrations and make technical proposals

(3) Training

To train customers and in-house staff and spread the TNSC brand

4. Overview of Leeden NOX (LNOX)

Company name	Leeden National Oxygen Ltd.
Business description	Manufacture, purchase and sales of welding-related equipment, safety tools and high-pressure gas
Representative	Chairman & CEO Steven Tham
Address	1 Shipyard Road, Singapore 628128
Main Shareholders	Taiyo Nippon Sanso Holdings Singapore Pte. Ltd. 95.3% Local partners' equity: (Steven Tham and others) 4.7%