

NEWS RELEASE

October 18, 2007

Helium Production by US Joint Venture to Start in 2009

Taiyo Nippon Sanso Corporation (via its wholly owned subsidiary Matheson Tri-Gas, Inc. of New Jersey) and the Pennsylvania-based company Air Products and Chemicals, Inc. have agreed to establish a 50:50 joint venture for the production of helium. The proposed joint venture will receive a supply of crude helium extracted from natural gas at new separation facilities to be constructed in Wyoming. It is scheduled to refine and liquefy 200 million cubic feet of helium per annum, starting in 2009. Plans are also being drawn up for further expansion of the JV's helium production capacity several years down the line.

This agreement is timed to coincide with and take advantage of the start of production in 2009 of natural gas from the Riley Ridge gas field in Wyoming, which is scheduled to be undertaken by Colorado-based Cimarex Energy Co. and its business partner Riley Ridge LLC (headquartered in Wyoming).

Helium is a gas present in the Earth's atmosphere in only minute amounts (5.2 parts per million), and is a valuable natural resource currently separated from natural gas deposits in only five countries: the United States, Russia, Poland, Algeria, and Qatar. More than half the world's entire production by volume comes from the United States, and Japanese demand for helium is met almost entirely by imports from the U.S.

In September 2006, TNSC acquired part of the helium operations of Linde AG, thus becoming the first and only Japanese company to obtain the status of one of the world's six industrial gas companies with direct access to helium sources. The establishment of the proposed joint venture will further cement TNSC's industry position in this field of operations. Through it, TNSC will become not only a producer of liquefied helium, but also the undisputed leading supplier of helium in Japan.

Helium production in the United States is currently falling short of demand as a result of regular maintenance operations to helium production facilities, as well as serious problems accompanying the superannuation of natural gas fields. Conversely,

demand for helium is growing on a global scale, and helium supply is thus expected to remain tight for some time to come. The acquisition of this new helium source will enable TNSC to solve Japanese users' helium supply problems in 2009 and after.