



TAIYO NIPPON SANSO
The Gas Professionals

Taiyo Nippon Sanso Shenwei (Shanghai) Medical Gas Co., Ltd. Established

Taiyo Nippon Sanso Corporation (TNSC) in July 2009 established a Chinese subsidiary, Taiyo Nippon Sanso Shenwei (Shanghai) Medical Gas Co., Ltd., a joint venture with local company Shanghai Shenwei Medical Gas Co., Ltd. The new company will engage in the sale of oxygen for use in home medical care, as well as related services.

Purpose of establishment of company

The oxygen market for use in at-home medical care in Shanghai and the surrounding region is growing at a high pace. With a view to efficiently engage this market, TNSC established the new subsidiary through a joint investment with Shanghai Shenwei Medical Gas Co., Ltd., which possesses an extensive marketing network for medical-use gases in the region.

TNSC has also agreed to acquire a capital stake in Shanghai Shenwei Gas Filling Co., Ltd., a member of the Shanghai Shenwei Group, which engages in the filling of cylinders and other containers with gases.

Through these arrangements, Shanghai Shenwei Gas Filling Co., Ltd. will fill FRP (fiber-reinforced plastic) cylinders with medical-use oxygen manufactured by TNSC consolidated subsidiary Shanghai Taiyo Nippon Sanso Gas Co., Ltd. The newly established Taiyo Nippon Sanso Shenwei (Shanghai) Medical Gas Co., Ltd. will sell the oxygen and provide ancillary services. In this way, all stages of the process from the separation of oxygen through filling, selling, and services will be carried out by TNSC Group companies, providing an integrated home-use oxygen service for users in Shanghai and the surrounding region.

On the basis of this integrated service, TNSC intends to expand its business in the city of Shanghai and surrounding areas to establish a market presence in China as a company offering high-quality medical gas services.

Outline of Taiyo Nippon Sanso Shenwei (Shanghai) Medical Gas Co., Ltd.

Lines of business: Provision of at-home medical-use oxygen and related services

Head office: Room 915, 67, 421, Hongcao Street, Xuhui District, Shanghai, China

Established: July 2009

Start of operations: October 2009

Paid-in capital: US\$2 million

Equity stakes: TNSC 65%, Shanghai Shenwei Medical Gas Co., Ltd. 35%

Employees: 11

Representative: Jun'ichi Egashira (Chairman; currently serving as General Manager of Bio-Medical Division, TNSC)