



30 July 2015

Taiyo Nippon Sanso Corporation

Acquisition of an LPG and industrial gas company in Australia

Taiyo Nippon Sanso Corporation (TNSC) announces that it has entered into an agreement to acquire Renegade Gas Pty Ltd (RGP), an LPG and industrial gas company in Australia, through a newly established subsidiary, TNSC (Australia) Pty Ltd (TNSA).

1. Background and purpose of the acquisition

To achieve the strategic goal of mid-term plan “Ortus Stage 1”, TNSC is seeking opportunities to expand its global business and enter new markets.

Australia has the 12th largest economy in the world by GDP. Its economic growth is expected to be around 3% per year for the next several years due mainly to increases in housing investment and consumer spending. These trends are supported by an annual population growth of 1-2% which is relatively high compared with other developed countries.

The Industrial gas market in Australia is expected to grow steadily through construction and infrastructure developments. In addition, new industrial gas demand from mining and energy sectors is also expected in Australia.

Through the acquisition of RGP, TNSC establishes the first footprint in the Australian and Oceanian industrial gas market. TNSC plans to increase sales of industrial gas products using RGP’s existing distribution network and expand its business by creating synergies with group companies. TNSC aims to establish a firm presence in the market.

2. Overview of RGP

| | |
|-----------------|---|
| Name: | Renegade Gas Pty Ltd |
| Established: | 1997 |
| Head Office: | Ingleburn, NSW, Australia (suburb of Sydney) |
| Representative: | Mark Michalowsky (Managing Director) |
| Employees: | Approximately 250 |
| Locations: | 17 sites in NSW, ACT and QLD |
| Main business: | Filling, distribution and sales of LPG and industrial gases |

Net sales: Approx. A\$82 million (forecast for the fiscal year ended June 2015)

Shareholders: Mark Michalowsky's Trusts 90%, Paul Berman 10% (*1)

*1 Shareholders after the acquisition: TNSA 100%

TNSA's shareholders: TNSC 85%, Mark Michalowsky's Trusts 13.5%, Paul Berman 1.5%

3. Schedule of the transaction and purchase price

Agreement execution date: 23 July 2015

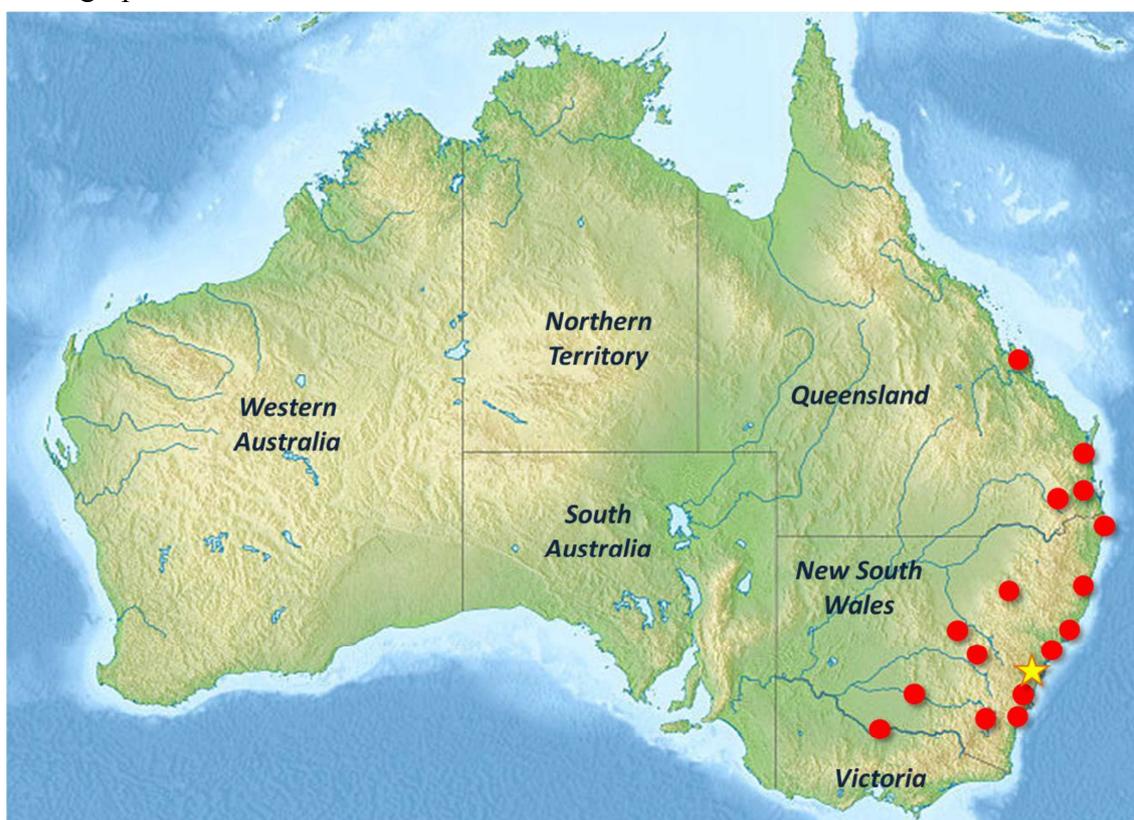
Expected date of the share transfer: 31 July 2015

Acquisition price is under assessment and not disclosed.

4. Future prospective

The impact on TNSC's consolidated financial performance for the fiscal year ending 31 March 2016 is not significant, but we will notify immediately if there is any item to be disclosed.

<Geographical locations of RGP>



★ Head Office

● Branches