

NEWS RELEASE

September 30, 2007

Taiyo Nippon Sanso

TNSC to Supply Gases in Changxing Island Harbor Industrial Zone

Taiyo Nippon Sanso Corporation (TNSC) and the Dalian Changxing Island Harbor Industrial Zone Administrative Committee, an organization under the control of Dalian City, have signed an agreement for TNSC'S investment for the supply of industrial gases within the industrial zone.

Details

1. Background

In line with a plan for developing the coastal economic belt in Northeast China's Liaoning Province, local authorities are encouraging a concentration of industrial operations that include shipbuilding and petrochemical industries. The island, located approximately 130 kilometers northwest of Dalian City, is an important base in Liaoning Province's new external development project, commonly known as "Five Points on One Line*" because it links five key areas and one highway along the east part of the province.

TNSC has been cultivating close ties with the Dalian Changxing Island Harbor Industrial Zone Administrative

Committee. Through this basic agreement signed with the government of Dalian City, TSNC will locally manufacture and sell industrial gases, becoming the sole supplier of these gases within the industrial zone, and thereby contribute to the economic development of this region.

2. Agreement Signed:

Date: September 29, 2007 (10:30 a.m. local time)

Location: Shangri-La Hotel Dalian

Signees: Yi Qingtao, Vice Director of the Dalian Changxing Island Harbor Industrial Zone Administrative Committee

Toyoo Goh, Managing Director and General Manager of the General Administration Division of TNSC

Witnesses: Xia Deren, Mayor of Dalian City

Yao Jiakai, Director of the Dalian Changxing Island Harbor Industrial Zone Administrative Committee

Hirosuke Matsueda, President of TNSC

Other related individuals

3. Site of construction:

Dalian Changxing Island Harbor Industrial Zone, located in Dalian, Liaoning Province

4. Future Plans: The details concerning the schedule and matters will be announced at a later date.

*Note: "Five Points on One Line" is the name of the new external development plan included in Liaoning Province's Eleventh Five-Year Plan. The five key areas are Changxing Island of Dalian (the Dalian Changxing Island Harbor Industrial Zone), Yingkou (the Liaoning Yingkou Coastal Industry Base), Jinzhou (West Liaoning Jinzhou Bay Coastal Economic Zone), Dandong (Liaoning Dandong Industrial Zone) and Huayuankou (Dalian Huayuankou Industrial Zone). These industrial zones will be connected by Binhai Road, a 1,443 km long coastal highway to be built as part of this project.

