

February 22, 2007

### **Three carbon dioxide subsidiaries to merge**

As originally announced on June 8, 2005, TNSC is pursuing a policy of integrating the various carbon dioxide operations in its consolidated group. In line with this policy, on February 22, 2007 a preparatory merger agreement was signed by representatives of Japan Liquid Carbonics Holding Co., Ltd. (hereinafter 'JLCH'), a consolidated subsidiary of TNSC, and of the two operating companies under the umbrella of JLCH, i.e. Ekika Carbon Dioxide Co., Ltd. and Nippon Tansan Company, Limited. The agreement envisages the completion of the integration of the two operating companies' businesses by October of 2007.

JLCH was established in June 2005 as a first step toward the eventual complete amalgamation of the carbon dioxide operations of TNSC Group members Ekika Carbon Dioxide and Nippon Tansan. Since that time, talks on preparations for the amalgamation have been held by a dedicated committee including members of the managements of the two operating companies and of the holding company and its parent TNSC, and the decision has been reached to effect complete integration of the two carbon dioxide companies' operations on October 1, 2007.

Additionally, the carbon dioxide operations of parent company TNSC itself will be spun off and taken over -- with effect from October 1 -- by the new company to be formed from the merger of JLCH with its two operating companies (preparations for this are underway).

Details of new company to be created through merger:

**Merger date:** October 1, 2007

**Company name:** Nippon Ekitan Corporation

**Surviving company:** Ekika Carbon Dioxide Co., Ltd.

**Merger ratios:**

Ekika Carbon Dioxide: 11

Nippon Tansan: 7

JLCH: 11

Seven (7) shares of the surviving company (under the new name of Nippon Ekitan Corporation) shall be allotted in exchange for every eleven (11) shares of Nippon Tansan Company, Ltd.

One (1) share of the surviving company shall be allotted for every one (1) share of Japan Liquid Carbonics Holding Co., Ltd.

**Paid-in capital:** ¥600 million

**Head office address:** 1-16-7 Nishi-Shimbashi, Minato-ku, Tokyo

**Representatives:**

Chairman and Representative Director: Makoto Henmi

President and Representative Director: Yozo Taijima

Executive Vice President and Representative Director: Hideo Watanabe

**Term end:** March 31