



February 15, 2008

**Summary of Business Results for the
First Three Quarters of Fiscal 2007**
(on a consolidated basis)

1. Outline of business operations for the first three quarters (April 1 to December 31, 2007)

(1) Operating results

(Amounts less than ¥1 million are omitted.)

	Net sales		Operating profit		Recurring profit		Net income	
	(¥ million)	(YoY change)	(¥ million)	(YoY change)	(¥ million)	(YoY change)	(¥ million)	(YoY change)
First 3 quarters of fiscal 2007	370,869	12.8%	30,522	10.0%	30,805	9.3%	17,412	27.7%
First 3 quarters of fiscal 2006	328,680	16.0%	27,753	47.3%	28,181	51.7%	13,632	39.2%
FY2006 full term	458,587	-	36,488	-	37,067	-	20,094	-

	Earnings per share (Yen)
First 3 quarters of fiscal 2007	43.25
First 3 quarters of fiscal 2006	33.87
FY2006 full term	49.93

(2) Financial position (¥ million)

(As of end of terms; amounts less than ¥1 million are omitted.)

	Total assets (¥ million)	Net assets (¥ million)	Equity ratio (%)	Net assets per share (¥)
First 3 quarters of fiscal 2007 (Dec. 31, 2007)	566,901	219,839	36.4	512.27
First 3 quarters of fiscal 2006 (Dec. 31, 2006)	545,289	204,174	34.9	472.44
FY2006 full term (March 31, 2007)	547,791	216,068	36.7	500.28

(3) Cash flows

(¥ million; Amounts less than ¥1 million are omitted.)

	Net cash provided by operating activities	Net cash used in investing activities	Net cash provided by financing activities	Cash and cash equivalents at end of first 3 quarters
First 3 quarters of fiscal 2007	17,308	(28,250)	16,070	19,964
First 3 quarters of fiscal 2006	24,739	(64,457)	41,524	19,622
FY2006 full term	40,061	(66,286)	(22,451)	14,404

1. Explanation of business performance

In the nine-month period under review, TNSC reported net sales of ¥370,869 million, an increase of 12.8% over the same period of the previous year. Operating profit rose 10.0% to ¥30,522 million, recurring profit grew 9.3% to ¥30,805 million, and net income soared 27.7% to ¥17,412 million. The rise in both revenues and earnings is due largely to the inclusion in consolidated performance results the figures of Linweld Inc. and the helium operations of Linde BOC, both of which were purchased in the previous term.

Breakdown by Segment

The Company's Gas Business benefited from steady shipments to domestic and overseas customers, supported by firm demand in our principal customer industries, and our U.S. subsidiary also posted a favorable performance in line with our expectations. In the Machinery and Equipment Business, sales of equipment to semiconductor manufacturers both in Japan and overseas remained strong. There was also a growth in sales of medium-sized and large cutting and welding machines. In the Housewares Business, an increase in shipments of sports bottles contributed to a favorable performance in line with our initial projections.

2. Supplemental disclosure on financial position

Total assets increased by ¥19,110 million during the nine-month reporting period, to reach ¥566,901 million at the end of the third quarter. Net assets stood at ¥219,839 million, with an equity ratio of 36.4%.

Cash and cash equivalents at the end of the third quarter increased ¥5,559 million over the previous term-end, to ¥19,964 million.

Net cash provided by operating activities amounted to ¥17,308 million. Income before income taxes of ¥30,619 million and depreciation expenses of ¥18,466 million more than offset income tax expenditure of ¥14,026 million and a ¥11,041 million increase in trade receivables, which is attributable to a partial discontinuation of the securitization of trade receivables to maximize utilization of loans and other procured funds.

Net cash used in investing activities amounted to ¥28,250 million. This was due mainly to an outlay of ¥24,554 million for the acquisition of property, plant and equipment, as well as an expenditure of ¥2,747 million for the purchase of investment securities, which far exceeded ¥1,411 million in proceeds from the sale of investment securities.

Net cash provided by financing activities came to ¥16,070 million. A net increase in commercial paper totaling ¥13,000 million and long-term loans of ¥14,188 million more than offset an outlay of ¥9,537 million to repay long-term loans and a ¥5,233 million dividend payment.

3. Full-term Outlook

The Company is expected to post net sales in the amount of approximately ¥497,000 million on a consolidated basis, operating income of ¥39,600 million, recurring profit of ¥39,200 million, and net income of ¥21,800 million for the current term. No change has been made in our full-term business performance forecasts of November 14, 2007. In addition, no change has been recognized in the premises on which our forecasts have been made.

First Three Quarters of Fiscal 2007 (April 1 to December 31, 2007)

(Millions of yen)

	Gas Business	Machinery and Equipment Business	Housewares Business and Others	Total	Eliminations or Corporate	Consolidated
I. Sales and Operating Profit						
Sales						
(1) Sales to customers	251,519	106,122	13,227	370,869	-	370,869
(2) Sales from inter-segment transactions and transfers	75	6,796	107	6,978	(6,978)	-
Total	251,594	112,919	13,334	377,848	(6,978)	370,869
Operating Expenses	226,327	105,733	11,921	343,982	(3,635)	340,347
Operating Profit	25,267	7,185	1,413	33,865	(3,343)	30,522

Note 1:

Methods of segmentation and lists of principal products under each segment:

1. Segmentation Method

Products (whether developed and/or made in-house or by other companies [i.e. bought-in merchandise]) are allocated to one of the three segments of the Gas Business, the Machinery and Equipment Business, and the Housewares Business and Others.

2. The principal products and services included in the three segments are shown in the table below.

Business segment	Main Products
Gas Business	Oxygen, nitrogen, argon, carbon dioxide, helium, rare gases such as xenon and neon, hydrogen, medical gases(oxygen, dinitrogen monoxide), specialty gases (semiconductor materials gases, standard reference gas), dissolved acetylene, liquid petroleum gas (LPG), other gases, stable isotopes, equipment lease
Machinery and Equipment Business	Cutting and welding equipment, welding materials, cylinders, semiconductor related engineering/equipment, semiconductor manufacturing equipment, medical equipment, air separation plants (oxygen, nitrogen, argon, rare gases), cryogenic air separation plants, ultra-low-temperature equipment, high-vacuum equipment, pressure swing adsorption (PSA) gas generators, hydrogen generators, gas compressors, gas

	expanders, liquefied gas storage/pumps, vacuum brazing, atomic power/space development equipment and other related equipment, air-conditioning equipment, drainage treatment systems
Housewares Business and Others	Stainless steel vacuum bottles(household, laboratory), vacuum thermal insulation cooking pans, assembly, processing and inspection of electronic components, maintenance of facilities, other outsourced business

Note 2:

The operating expenses of “Eliminations or corporate” that cannot be allocated to any particular segment comes to ¥1,609 million for the previous first three quarter period on a consolidated basis, ¥1,694 million for the reporting first three quarter period, and ¥2,724 million for the previous business term. The majority of these items consist of expenses incurred by the Company’s administrative divisions.

Note 3:

Changes in accounting standards for depreciation

In line with revisions to the Corporate Income Tax Law, the Company has adopted the new accounting standards for the depreciation of tangible fixed assets acquired on and after April 1, 2007 for the first three-quarter period (April 1 to December 31, 2007) of the current term. This change has caused operating expenses to increase by ¥132 million for the Gas Business, ¥34 million for the Machinery and Equipment Business, and ¥6 million for the Housewares Business and Others. The operating income of each segment has decreased by the same amount.

First Three Quarters of Fiscal 2007 (April 1 to December 31, 2007)

(Amounts less than ¥1 million are omitted)

	Japan	North America	Other countries	Total	Eliminations or corporate	Consolidated
I. Sales and Operating Profit						
Sales						
(1) Sales to customers	286,387	64,788	19,694	370,869	-	370,869
(2) Sales from inter-segment transactions and transfers	3,573	8,732	2,370	14,676	(14,676)	-
Total	289,960	73,521	22,064	385,546	(14,676)	370,869
Operating Expenses	267,409	64,972	20,491	352,873	(12,526)	340,347
Operating Profit	22,551	8,548	1,572	32,672	(2,150)	30,522

Notes:

1. Principal countries in the North America and Other Countries segments are as follows:

(1) North America: The United States of America

(2) Other countries: Singapore, Malaysia, Philippines, China, Taiwan

2. The operating expenses of “Eliminations or corporate” that cannot be allocated to any particular segment comes to ¥1,609 million for the previous first three quarter period on a

consolidated basis, ¥1,694 million for the reporting first three quarter period, and ¥2,724 million for the previous business term. The majority of these items consist of expenses incurred by the Company's administrative divisions.

3. Changes in accounting standards for depreciation

In line with revisions to the Corporate Income Tax Law, the Company has adopted the new accounting standards for the depreciation of tangible fixed assets acquired on and after April 1, 2007 for the first three-quarter period (April 1 to December 31, 2007) of the current term. This change has caused operating expenses to increase by ¥172 million for the business in Japan. The operating income of each segment has decreased by the same amount.