

August 3, 2007

**Summary of Business Results for the
First Quarter of Fiscal 2007**

(on a consolidated basis)

1. Outline of business operations for the first quarter

(April 1 to June 30, 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 quarter of fiscal 2007	119,316	12.0%	9,638	11.3%	9,795	4.2%	5,222	5.9%
First quarter of fiscal 2006	106,569	16.9%	8,659	41.9%	9,397	40.3%	4,931	60.2%
Reference: FY2006 full term	458,587	-	36,488	-	37,067	-	20,094	-

	Earnings per share (Yen)
First quarter of fiscal 2007	12.97
First quarter of fiscal 2006	12.25
Reference: 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 quarter of fiscal 2007 (June 30, 2007)	559,137	220,408	36.8	511.52
First quarter of fiscal 2006 (June 30, 2006)	477,995	195,231	37.5	484.96
Reference: 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 (used in) financing activities	Cash and cash equivalents at end of first quarter
First quarter of fiscal 2007	(3,127)	(7,109)	12,574	16,777
First quarter of fiscal 2006	6,590	(8,447)	8,564	24,281
Reference: FY2006 full term	40,061	(66,286)	22,451	14,404

Supplementary Disclosure on Business Performance

For the first quarter (April 1– June 30, 2007) of fiscal 2007, TNSC reported sales of ¥119,316 million (up 12.0% year-on-year), operating profit of ¥9,638 million (up 11.3%), recurring profit of ¥9,795 million (up 4.2%), and net income of ¥5,222 million (up 5.9%) on a consolidated basis. Mergers and acquisitions implemented during the previous term (the purchase of the U.S. company Linweld Inc. and the purchase of the helium operations of the former BOC) also contributed to the Company's performance, and we recorded across-the-board year-on-year increases in revenues and earnings.

Results by Operating Segment

In the Gas Business, demand for the Company's products remained strong in our principal user industries, and gas shipments on a volume basis maintained a firm trend in both Japan and overseas, with the U.S. gas business also performing according to our expectations. In the Machinery & Equipment Business, sales were favorable to customers in the semiconductor industry, both at home and abroad. In addition, both large and medium-sized welding and cutting equipment sold well. In the Housewares Business and

Others segment, shipments of sports-use vacuum flasks were brisk, and business performance was in line with our projections.

Supplementary Disclosure on Financial Position

Total assets as of the end of the first-quarter period under review stood at ¥559,137 million, for an increase of ¥11,346 million over the end of the fiscal 2006 term. Net assets stood at ¥220,408 million and the equity ratio (net assets attributable to shareholders as a percentage of total assets) was 36.8%.

Cash Flows

As a result of the cash flows detailed below, cash and cash equivalents at the end of the quarter stood at ¥16,777 million, an increase of ¥2,372 million over the previous fiscal term-end.

Net cash used in operating activities amounted to ¥3,127 million. Principal cash inflows included income before income taxes of ¥9,881 million and depreciation expenses of ¥6,293 million, while principal outflows were income tax payments of ¥7,678 million, a decrease in trade payables of ¥5,342 million, and an increase in trade receivables of ¥1,940 million. The increase in trade receivables is mainly attributable to the suspension of the securitization of a portion of trade receivables due to the effective utilization of funds raised through the issuance of corporate bonds.

Net cash used in investing activities amounted to ¥7,109 million. The cash inflow is mainly attributable to a gain of ¥1,198 million from the sale of investment securities, while the outflows were an outlay of ¥6,833 on the acquisition of property,

plant and equipment and an outlay of ¥1,744 million on the acquisition of investment securities.

Net cash provided by financing activities amounted to ¥12,574 million. The principal cash inflows were revenue of ¥10,000 million from the issuance of corporate bonds, and a net increase of ¥4,000 million from the issuance of commercial paper. The principal outflows were the payment of ¥2,817 million in dividends by the parent company and an outlay of ¥1,814 million on the repayment of long-term debt.

Segment Information

1) Results by Operating Segment

First Quarter of Fiscal 2007 (April 1 to June 30, 2007)

(Amounts less than ¥1 million are omitted)

	Gas Business	Plant and Gas Equipment Business	Housewares Business and Others	Total	Eliminations and corporate	Consolidated
I. Sales and Operating Profit Sales						

(1) Sales to customers	80,595	33,827	4,893	119,316	-	119,316
(2) Sales from inter-segment transactions and transfers	36	2,460	36	2,533	(2,533)	-
Total	80,631	36,287	4,930	121,849	(2,533)	119,316
Operating Expenses	72,529	34,033	4,192	110,756	(1,078)	109,678
Operating Profit	8,102	2,253	737	11,093	(1,455)	9,638

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
Plant and Gas 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
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Note 2:

The operating expenses of "Eliminations or corporate" that cannot be allocated to any particular segment comes to ¥485 million for the previous first quarter period on a consolidated basis, ¥583 million for the reporting first 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.

Results by Geographical Segment

First Quarter of Fiscal 2007 (April 1 to June 30, 2007)

(Amounts less than ¥1 million are omitted)

	Japan	North America	Other countries	Total	Eliminations and corporate	Consolidated
I. Sales and Operating Profit						
Sales						
(1) Sales to customers	92,211	21,304	5,800	119,316	-	119,316
(2) Sales	1,748	2,091	734	4,574	(4,574)	-

from inter- segment transactions						
Total	93,959	23,395	6,535	123,890	(4,574)	119,316
Operating Expenses	86,833	20,698	6,091	113,623	(3,945)	109,678
Operating Profit	7,126	2,697	443	10,267	(628)	9,638

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 ¥485 million for the previous first quarter period on a consolidated basis, ¥583 million for the reporting first 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.