

News Release

**Operation started at Yahata Kyodo Ekisan's
first air separation plant**

Since September 2007 an air separation plant has been under construction to be operated by Yahata Kyodo Ekisan Co., Ltd., a joint venture of Taiyo Nippon Sanso Corporation (TNSC) and Nippon Steel Corporation. The plant, located on the premises of Nippon Steel's Yahata Works in Kita-Kyushu City, Fukuoka Prefecture, was recently completed and began operation.

Background Information

Yahata Kyodo Ekisan was established in a joint venture with Nippon Steel to address the problem of the superannuation of the air separation plant at the Kurosaki Plant of TM Air, a subsidiary of TNSC. The construction of a cutting-edge industrial gas production plant on the grounds of Nippon Steel's Yahata Works has been pursued through collaboration with the steelworks management. The new Yahata Works' plant supplies oxygen and nitrogen to be used in Nippon Steel's steel production. Excess gas is liquefied, and packaged in cylinders by TNSC. The recent start-up of the new plant has greatly enhanced TNSC's capabilities to reliably supply liquefied oxygen and nitrogen to industrial enterprises throughout Kyushu.

Outline of New Plant

Site area: 4,015 sq.m.

Nominal production capacity of liquefied gas: Liquid oxygen: 2,500 Nm³/h, liquid nitrogen: 4,100 Nm³/h

Storage capacity: Liquid oxygen: 500t, liquid nitrogen: 750t

Outline of Yahata Kyodo Ekisan Co., Ltd.

Address: 2-3-1 Higashi-Minato, Kokura Kita-ku, Kita-Kyushu, Fukuoka Prefecture (on grounds of Kita-Kyushu Branch of TNSC)

Established: April 25, 2007

Paid-in capital: ¥10 million

Shareholders: TNSC, 90%; Nippon Steel, 10%

Representative: Keiji Futamatsu (Executive Vice President, TNSC)

Lines of business: Production and sale of liquefied oxygen and nitrogen for industrial and medical uses



The new air separation plant at the Yahata Steel Works