



Kelley Drye Represents Matheson in Recent Acquisition

May 12, 2009

Kelley Drye represented Matheson Tri-Gas, Inc. (Matheson), a subsidiary of Taiyo Nippon Sanso Corporation (Taiyo), in its acquisition of Valley National Gases, LLC (Valley) from Caxton-Iseman Capital Partners, LLC, a New York-based private equity firm. This was the largest acquisition to date for Matheson and its parent company, Taiyo, which is also a Kelley Drye client and the fifth largest global producer and distributor of industrial and specialty gases and related equipment.

The transaction was signed on March 20, 2009 and closed on April 20, 2009. The acquisition increased the size of Matheson by about one-third, gives it a strong distribution presence in the Midwest and Northeast, which it has not had to date and, in general, make it more of a "national player." Matheson expects to make follow-on investments in production facilities within Valley's primary distribution area. The acquisition supports Taiyo's global expansion strategy and significantly strengthens Taiyo's presence in the United States.

Matheson is a manufacturer and supplier of industrial and specialty gases and related equipment for various industrial, medical, welding and electronics applications. It currently has production and distribution facilities in 18 states, mainly in California, and in the Southwest and Southeast. Valley was the largest independently owned distributor of industrial and medical gases and welding supplies in the United States, and also has been a significant supplier of propane gas for home heating.