



- Industrial Gases & Welding Supplies
- Welding Equipment Repair & Rental
- Bulk & MicroBulk Gases
- Specialty Gases
- Beverage Gases

May 31, 2008

Dear Valued TWSCO Customers:

TWSCO is committed to providing our customers with unmatched customer service and product offerings for the industrial and specialty gas industry. Our 25-year history of meeting and exceeding our customer's expectations continues to be the principal goal throughout our organization.

Today's economic environment continues to be challenging. Our industry has undergone extraordinary events that make it necessary for TWSCO to increase pricing to all customers effective July 1, 2008 by the following:

- 10% for atmospheric gases, hydrogen, HPG, CO₂, acetylene, and propane
- 25% for helium

This increase is being driven by extremely tight product availability and high demand for industrial gas products, combined with unprecedented increases in raw materials costs. These costs are due to increased energy costs, higher operating costs, including rising utility and labor costs, stringent regulatory requirements, continued increases in auto and general liability insurance, and rising fuel prices. Helium has become a global product with high demand in Asia at premium price levels. This exodus of product out of the United States has reduced inventory domestically which has driven helium prices to unprecedented levels.

I want you to know that TWSCO is making every effort to insure un-interrupted product supply while closely monitoring all of our costs so that we may minimize the impact of price adjustments to all of our customers.

Thank you for the business you have afforded us and the confidence you have shown in our company and our employees. Should you have any questions about this price adjustment please feel free to contact your sales representative or myself.

Sincerely,

J. Blake Felton
Vice-President, Sales

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