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A €40m contract with a steel producer in northeastern China

press release

Contacts:

Corporate Communications

Corinne Estrade-Bordry
+ 33 (0)1 40 62 51 31
Garance Bertrand
+ 33 (0)1 40 62 59 62

Investor Relations

Virginia Jeanson
+33 (0)1 40 62 57 37
Annie Fournier
+33 (0)1 40 62 57 18

Air Liquide China

Jessica Li
+86 (0)21 60 90 36 05

Air Liquide has just signed another major long-term contract in the steel industry in China. It will invest about €40 million in Yichun, Heilongjiang Province (northeastern China), 350 kilometres north of Harbin, Heilongjiang's capital city, to supply Xilin Steel Group, a new customer, with oxygen, nitrogen and argon. A 1,200 tonnes per day Air Separation Unit will be designed and built by Air Liquide Hangzhou, the Engineering teams of Air Liquide in China, and will be commissioned in Q1 2012.

Over forty years, Xilin Steel has become the largest iron and steel producer - and the biggest private enterprise - in Heilongjiang province. It has grown while rationalizing and modernizing its production facility, so as to become the most profitable iron and steel enterprise in the whole of north-eastern China.

Air Liquide in China

Air Liquide employs 2,500 people in China, with operations in key industrial areas: from "Beijing/Tianjin", Liaoning, Shandong, and the east (Shanghai/Jiangsu/ Zhejiang/Anhui), to more recently "Hubei/Shaanxi", Sichuan, Guangdong and now Heilongjiang. Air Liquide also has a major Engineering facility in Hangzhou.

Heilongjiang is a leading industrial region of China, with abundant natural resources. In recent years, Heilongjiang has witnessed stable and fast growth in its economic development, with GDP growing at double-digit rates for eight consecutive years. The Province and the municipality of Yichun initiated in 2009 the "Eight Economic Districts" and "Ten Key Projects" to boost economic and social development.

Miao Qingyuan, Chairman of Xilin Steel Group, said: *"We are happy that Air Liquide has decided to invest and support our growth. We will learn also from its management practices and worldwide expertise. This investment will benefit both Yichun and the Province."*

The Large Industries business line of Air Liquide

proposes gas and energy solutions that improve process efficiency and help achieve greater respect for the environment, mainly to the refining and natural gas, chemicals, metals and energy markets. 2009 revenues were € 3,219 million.

Jean-Marc de Royere, Senior Vice-President Asia-Pacific, a member of the Air Liquide's Executive Committee, said: *"We thank Xilin Steel Group for having chosen Air Liquide as their partner. We also thank the Heilongjiang and Yichun authorities for their great support in facilitating our project. This new success in China illustrates Air Liquide's ability to meet the expectations of Chinese customers in terms of reliability, low-energy consumption, short construction delays and safety. Emerging economies are a growth driver of Air Liquide."*



The Heilongjiang province in China

Air Liquide is the world leader in gases for industry, health and the environment, and is present in over **75 countries** with **42,300 employees**. Oxygen, nitrogen, hydrogen and rare gases have been at the core of Air Liquide's activities since its creation in 1902. Using these molecules, Air Liquide continuously reinvents its business, anticipating the needs of current and future markets. The Group innovates to enable progress, to achieve dynamic growth and a consistent performance.

Innovative technologies that curb polluting emissions, lower industry's energy use, recover and reuse natural resources or develop the energies of tomorrow, such as hydrogen, biofuels or photovoltaic energy... Oxygen for hospitals, homecare, fighting nosocomial infections... Air Liquide combines many products and technologies to develop valuable applications and services not only for its customers but also for society.

A partner for the long term, Air Liquide relies on employee commitment, customer trust and shareholder support to pursue its vision of sustainable, competitive growth. The **diversity** of Air Liquide's teams, businesses, markets and geographic presence provides a solid and sustainable base for its development and strengthens its ability to push back its own limits, conquer new territories and build its future.

Air Liquide explores the best that air can offer to preserve life, staying true to its sustainable development approach. In 2009, the Group's revenues amounted to **€12 billion**, of which almost 80% were earned outside France. Air Liquide is listed on the Paris Euronext stock exchange (compartment A) and is a member of the CAC 40 and Dow Jones Euro Stoxx 50 indexes.