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China: design and construction of four new oxygen units

press release



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Air Liquide Hangzhou

Founded in 1995, Air Liquide Hangzhou is the Engineering & Construction Cryogenics Center of Air Liquide in China. With around **700 employees**, the company is specialized in **designing, manufacturing and building air separation units, and syngas purification units**. To date, Air Liquide Hangzhou has supplied around 60 ASUs to support the Group's gas business, and to satisfy external customer requirements.

Air Liquide in China

Air Liquide employs **more than 2,500 people** in total in China, with operations in **key industrial areas** including "Beijing/Tianjin/Hebei/Liaoning/Shandong" in the north, "Shanghai/Jiangsu/Zhejiang/Anhui" in the east, and expanding to "Sichuan/Hubei/Shaanxi/Shanxi" and "Guangdong" in the west and south.

In **China**, the Coal-to-Chemicals (CTC) industry is developing rapidly, and large quantities of oxygen are required to meet demand related to the Coal-to-Chemicals transformation process.

Air Liquide has just signed two contracts in China supplying **four Air Separation Units (ASUs) for new clients in the coal-to-chemical industry**. **Air Liquide Hangzhou**, the Engineering & Construction center in China, will design, manufacture and build:

- two ASUs, each with a production capacity of **1,400 tonnes of oxygen per day**, for the **Yulin Energy and Chemical Corporation of Shaanxi Yanchang Petroleum Group**,
- two ASUs, each with a production capacity of **2,100 tonnes of oxygen per day** for the **Shandong Hualu Hengsheng Group**.

The Shaanxi Yanchang Petroleum Group is one of four enterprises qualified by the government for petroleum and natural gas exploration in China. The two ASUs will be installed at its Jingbian Energy and Chemical Integration Industry Park project, which is located in **Yulin region**, Shaanxi province. This complex will be a key project for the utilization of coal, refinery residue and associated dissolved natural gas to produce polyethylene and polypropylene. These new ASUs will supply oxygen for a new clean coal technology.

The Shandong Hualu Hengsheng Group, a Chinese petroleum and chemical enterprise located in **Dezhou**, Shandong province, is one of the large-scale national chemical fertilizer manufacturers. The new ASUs will be installed to supply oxygen to coal gasification units of its new acetic acid plant.

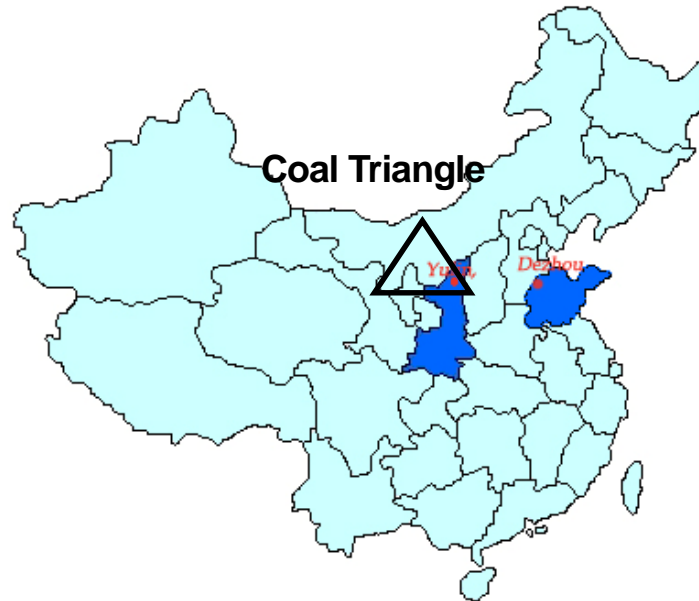
These four ASUs will offer the advantage of high safety, efficiency and reliability **contributing positively to energy savings and lower CO₂ emissions of the overall projects**.

François Darchis, Senior Vice-President, Air Liquide Group, in charge of R&D, Advanced Technologies and Engineering & Construction, noted: **"With the signature of these two contracts, Air Liquide strengthens its presence in China, especially in the Coal Triangle Region. Numerous successes in coal conversion, in addition to our recent contracts in the iron and steel industry in**

Air Liquide Engineering

designs, develops and builds gas production units for the Group and its customers. It comprises many companies and 3,200 employees, spread over ten Engineering & Construction centers, covering its major markets. Lurgi GmbH, a leading technology company operating worldwide in the fields of process engineering and plant contracting for the refining and petrochemicals markets, is part of the Air Liquide Engineering group of companies. Its technological leadership is based on proprietary technologies and exclusively licensed technologies which aim to convert all carbon energy resources (oil, coal, natural gas, biomass ...) in clean products.

China, demonstrate the competitive edge of our teams. We are delighted to have been chosen by these new customers in China where the Group is developing its activities at a rapid pace. Emerging economies are a growth driver for the Group."



Shaanxi Province and Shandong Province, 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 generated 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.