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Russia: Air Liquide signs a new major contract in the Chemical industry

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Air Liquide announces the **signature of a long term agreement with RusVinyl** – a joint venture between a Russian leading chemical company Sibur and the Belgian PolyVinyl Chloride (PVC) major Solvin (75% Solvay – 25% BASF). Air Liquide will supply **oxygen**, as well as nitrogen and compressed dry air to RusVinyl's new world-scale PVC plant being built in Kstovo, in the region of Nizhny Novgorod.

Air Liquide will invest, build and operate a new state-of-the-art Air Separation Unit (ASU) with a capacity of **more than 350 tonnes per day of oxygen** in Kstovo, which is scheduled to start-up at the **end of 2012**. In addition, Air Liquide will produce a large quantity of **liquid air gases** (oxygen, nitrogen and argon) to meet the needs of the industrial customers in this region.

The Air Liquide investment amounts to €60 million for the production facilities and for the supply chain altogether.

The Russian Chemical industry is expected to develop strongly over the next decade. PVC is a key product for many industries and enjoys a solid growth in Russia. It is a versatile, durable and recyclable polymer which is used among others in automotive, plumbing, insulation, construction materials, decoration of houses, clothes, and electrical equipment. PVC consumption in the country represents around 1 million tons per year, part of which still needs to be imported.

Guy Salzgeber, member of the Air Liquide Group Executive Committee, Vice-President North and Central Europe, declared: ***“We are very proud that RusVinyl and its shareholders have selected Air Liquide to become their long term partner for their new facility in Nizhny Novgorod region. This new investment allows us to expand our activities on a long term basis with a major player of the Chemical industry in Russia and create a solid basis for future developments of gas sales in a very promising economic region of Russia.”***

Air Liquide in Russia

Air Liquide Russia has been based in Moscow since 1989 and was primarily concerned with the sale of industrial gas production equipment in Russia and Ukraine. In 2005, OOO Air Liquide, the Russian subsidiary for production and sale of industrial gases was founded and since that time several long term contracts for industrial gases supply have been signed with large Russian and foreign companies.

The **Russian industrial gases market** has been growing **annually by 5%** and is still in development. Air Liquide operates several production units in Russia and has already **invested €150 million** in this market over the last years.

The Large Industries business line of Air Liquide

Offers **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**.



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.