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Russia: start-up of a new unit in Tatarstan

press release



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Industrial Merchant activities of Air Liquide

The Industrial Merchant business line manages the production and distribution of **gases in bulk and cylinders**, and provides customers with the applications and services required for their implementation. Its customers range from tradesmen to major businesses and use industrial gases in 5 key sectors: food and pharmaceuticals, automobile and manufacturing, crafts and distribution, materials and energy, and technology and research. For 2011, the Industrial Merchant business line generated revenue of **€4,892 million**.

Air Liquide is pursuing **its long-term development in Russia**, and **starting-up a new Air Separation Unit** that will produce **oxygen and nitrogen** in the Special Economic Zone "Alabuga" in the Volga region, Tatarstan.

Tatarstan is one of the most economically developed republics in the Russian Federation. Its economy is the fifth largest in Russia in terms of gross regional product. One of the main drivers of this large regional economy is a significant manufacturing capacity: industrial production constitutes about 40% of Tatarstan's gross regional product.

This **new state-of-the-art Air Separation Unit** will produce **200 tonnes per day** of oxygen and nitrogen to supply the current and future needs of industrial customers in the region. It is fully standardized, highly cost efficient, comes in fully packaged modules and offers many benefits, including compact design and layout and simpler operations and maintenance.

Air Liquide is planning to further develop its business in Alabuga by creating a pipeline network and developing supply chain for its customers. Air Liquide's overall investment in this project is around €35 million (as announced on 14 May 2009).

Air Liquide has been present in SEZ Alabuga since 2008. In the first step, which started up in 2010, a unit producing 40 tonnes per day of gaseous oxygen to supply by pipeline Preiss-Damler-Tatneft's fiberglass production unit was commissioned.

Guy Salzgeber, Vice-President North and Central Europe and member of the Air Liquide Executive Committee, commented: ***"The standardization of these units is an example of the innovative capacity of the Group when it comes to ensuring the efficiency of its operations and improving competitiveness. With the latest development, Air Liquide will be able to expand its industrial merchant offer in this fast-growing area in Russia. This investment is in line with the Group's program of targeted investments in expanding industrial basins in developing economies."***

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Air Liquide in Russia

is a leading supplier of industrial gases for industry, health and the environment and advanced engineering solutions.

Air Liquide was established in Russia in **1989** and was primarily concerned with the sale of industrial gas production equipment.

In **2005**, OOO Air Liquide, the Russian subsidiary for production and sale of industrial gases was founded. Since then, the Russian industrial gases market has been growing annually by 5% and is still in its development phase.

Today, the company operates seven industrial sites in key regions. **More than 550 employees** supply products and services to **over 1,000 Russian and international customers**.

Over the last five years, Air Liquide has already committed to invest more **than €350 million** in Russia.



Air Liquide is the world leader in gases for industry, health and the environment, and is present in **80 countries** with **46,200 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, home healthcare, 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 Corporate Social Responsibility and sustainable development approach. In 2011, the Group's revenues amounted to **€14.5 billion**, of which more than 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.