

Air Liquide signs a major ultra-pure carrier gases contract in China

press release

The global popularity of smartphones and other mobile devices is driving the need for **advanced semiconductor components** such as mobile application processors and wireless communication chips. China possesses more than **50% of the global assembly capacity for televisions and mobile devices** and is the **world's largest electronics and smartphone market**.

Air Liquide has just been **awarded a major long-term contract in China** by **SMIC** (Semiconductor Manufacturing International Corporation) to supply **ultra-pure carrier gases** to its latest cutting-edge fab in Beijing which will **manufacture advanced integrated circuits** for consumer electronics and mobile devices for both international and Chinese markets. **SMIC Beijing Fab B2** will begin operating in early 2014 and will produce **300 millimeters wafers with 28 nanometers advanced technology***.

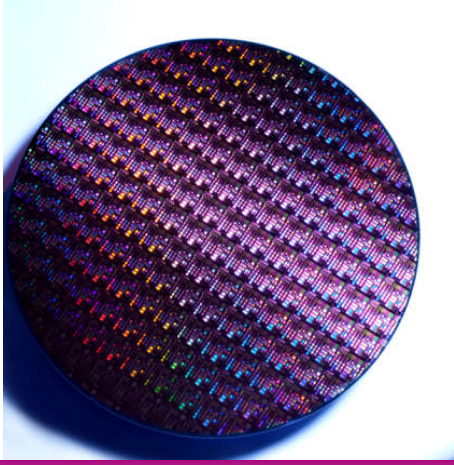
To meet the needs of this customer, Air Liquide will **invest in a large on-site generator producing ultra-high purity nitrogen**. Nitrogen is an essential molecule that is used in the production processes, along with electronics specialty gases and precursors, to ensure that the stringent cleanliness requirement is met and that manufacturing equipment is safely operated. Air Liquide will also invest in the necessary bulk gases supply infrastructure. **Air Liquide's overall investment will amount to €18 million**.

Founded in 2000, **SMIC** is the **largest foundry manufacturer in China and the fourth largest worldwide**. **Air Liquide and SMIC have established a long-term relationship that goes back to 2001**. Air Liquide already supplies electronic specialty gases to SMIC's large fabs in Shanghai, Beijing, Tianjin, and Shenzhen.

Tzu-Yin Chiu, CEO of the SMIC Group, said: ***"We are delighted to enter into this new long-term collaboration with Air Liquide in Beijing. Air Liquide has shown an excellent understanding of our needs and offered us competitive solutions. Thanks to its worldwide experience, technology, and excellence in operational management, we will benefit from a safe, reliable and energy efficient supply of industrial gases."***

Michael J. Graff, Air Liquide Group Senior Vice-President for the Americas and Executive Committee member overseeing Electronics, commented: ***"Building on the successful and long-term partnership with SMIC, we are very pleased to expand this relationship to supply SMIC in the strategic Beijing area. This new contract attests to our ability to supply electronics customers with products and services that meet the highest standards, and reaffirms the value and competitiveness of our offer and our position in the fast-growing mobility and smart devices revolution."***

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Air Liquide Electronics

With over **3,500 employees and revenue of €1,222 million in 2012**, Air Liquide Electronics has activities in ultra-pure carrier and specialty gases, new molecules, related equipment, and customized services.

The Electronics division management is based in Asia to enhance its proximity to the markets for semiconductors, flat panel displays, and solar photovoltaics.

*The semiconductor chips at a glance

Semiconductor chips are manufactured using **thin and spherical high purity silicon wafers** as the base substrate. The largest wafers in production are 300 millimeters wide.

Billions of tiny digital on/off electrical switches or transistors that constitute each chip are formed on top of the wafer surface. The transistors can be as small as a few tens of nanometers or one to two thousand times thinner than hair. The larger the wafer and the smaller the transistor the better the chip performs and the lower the cost of production.

Air Liquide in China

operates more than **70 plants** and **employs 4,000 employees** today, with a strong presence in the key coastal industrial areas, and is expanding into the center, northeast, south and west.

Air Liquide also has **strong Engineering and Construction capabilities** based in Hangzhou and Shanghai.

Air Liquide entered China in 1916, returned to supply Air Separation Units in the 1970s and restarted gas operations in 1990.

***Air Liquide is the world leader in gases for industry, health and the environment, and is present in 80 countries with close to 50,000 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 for the good of society while delivering profitable growth and 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 2012, the Group's revenues amounted to **€ 15.3 billion** of which 82% 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.*