



Paris, July 27, 2010

China: contract with 6G Flat Panel Display producer

press release

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Demand for TFT-LCD panels in China has tripled over the last 3 years, and the country already accounts for over 20% of the global market. However, less than 5% of the flat panel displays used globally are manufactured today in China.

To supply this fast-growing market, TFT-LCD manufacturers from Japan, Taiwan, Korea and China are requesting permits to invest in new manufacturing plants in China, with the support of provincial government and authorities. China Electronics Corporation (CEC), the largest state-owned electronics and IT company, is one of the new players entering this market.

In this context, Air Liquide has just signed a **long-term contract with Nanjing CEC Panda LCD Technology Corporation (CEC Panda, a subsidiary of CEC)** for its **new 6-generation Flat Panel Display (FPD) fab** in the new Nanjing Crystal Valley, the capital city of Jiangsu Province. This fab will be one of the most advanced 6-generation FPD fabs in China, with a total investment of 13.8 billion Rmb (€1.5 billion).

Air Liquide Electronics

With over **3,000 employees** and **€72 million revenue in 2009**, Air Liquide Electronics has activities in ultra-pure and specialty gases, new molecules, related equipment, and customized services.

The Electronics division management is based in Tokyo to enhance its proximity to the semiconductor, TFT-LCD and PV markets in Asia.

Under the terms of the agreement, Air Liquide will supply to CEC Panda a **turnkey solution** including **ultra high purity carrier gases** (nitrogen, oxygen, hydrogen, argon and helium), as well as turnkey specialty Gas Equipment & Installation and related on-site gas management Services.

Air Liquide will invest in a new nitrogen production facility, designed and built by Air Liquide Engineering & Construction, to produce **above 230 tonnes per day**, using the latest technologies in terms of energy efficiency, safety and reliability. The start-up is scheduled for **July 2011**.

Air Liquide in China

operates today more than **30 large plants** and employs more than **2,500 people**, with a presence in the key coastal industrial areas, while expanding into the west and the northeast.

Air Liquide has also strong **Engineering capabilities** through Air Liquide Hangzhou and Lurgi.

Air Liquide returned to China in the 1970s to supply air separation units and restarted gas operations in 1990.

Sun Xuejun, Vice General Manager of Nanjing CEC Panda LCD Technology Corporation, said: ***"We are greatly impressed by Air Liquide's strong expertise in Electronic gases. Air Liquide has understood our needs and can provide state-of-the-art solutions. We look forward to a close cooperation with Air Liquide and to benefit from its worldwide capabilities."***

Xu Zhiguo, Assistant Director of Nanjing Economical and Technological Development Zone, said: ***"We are happy to have Air Liquide settled as the first industrial gas company in Crystal Valley, to improve the infrastructure of industrial gases in the Zone and serve more customers in the near future."***

The use of gases in the Flat Panel Display industry

Different high purity gases are used to manufacture Thin Film Transistors – Liquid Cristal Display (TFT-LDC) at the heart of the FDP technology. Gases are used at all stages of the flat panel manufacturing process.

Francisco Martins, Vice-President World Business Line Electronics of the Air Liquide Group, commented: **“We are very honored to start a cooperation with a leading company like CEC. This new long-term contract reinforces our position in the fast-growing Chinese TFT-LCD industry and confirms the competitiveness of our gases and services offer. High-Tech and Emerging economies such as China are long-term growth drivers for the Group.”**

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, expand into 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.