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Electronics: Long Term Silane Supply Agreement with REC

press release



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Air Liquide Electronics

With **3,000 employees** and **€944 million** sales in 2007, 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 booming semiconductor market in Asia.

Silane (monosilane, SiH₄) is a high purity gas and a key material used in the manufacturing of semiconductors, flat panel displays and photovoltaic products. The global market is growing at more than 25% per year thanks particularly to the booming demand in the solar panel market.

Air Liquide is today the world leader for Silane with more than 35% market share. This leadership is based on a strong position in the complete supply chain from production in Japan and sourcing from the USA through regional filling and analysis centers to total gas service teams for customers.

Air Liquide has just signed a new long-term supply agreement with Renewable Energy Corporation (REC). REC is also a global leading manufacturer of Silane, especially for its own polysilicon production needs. Under the terms of this contract, Air Liquide will source a sizeable part of its Silane requirements from REC.

In a worldwide context where demand for Silane could exceed supply capacity in the coming years, Air Liquide has signed this major sourcing agreement which doubles its access to Silane, while keeping the ambitious 2000 tons per year production expansion program with its partner Denal. Despite market pressures, this dual and balanced sourcing policy will allow Air Liquide to serve its customers and partners worldwide.

Christophe Fontaine, Vice-President Electronics Air Liquide Group, declared: ***"This new Silane supply agreement with REC in the USA, combined with our production expansion in Japan, demonstrates again Air Liquide's commitment to provide reliable and differentiated global Silane supply solutions to our customers. This strategic partnership, which complements our investment in Electronics Material Centers in Asia, confirms our global leadership in ultra pure Silane."***

With more than 40,000 employees in 75 countries, Air Liquide is the world leader in industrial and medical gases and related services. The Group offers innovative solutions based on constantly enhanced technologies and produces air gases (oxygen, nitrogen, argon, rare gases...) and many other gases including hydrogen. The Group contributes to the manufacturing of many everyday products: bubbles in sparkling beverages, protective atmosphere for packed foods, oxygen for hospitals and homecare patients, ultra-pure gases for the semiconductor industry, hydrogen to desulfurize fuels...

Air Liquide is committed to sustainable development and helps to protect life. Founded in 1902, Air Liquide has successfully developed a long-term relationship with its shareholders built on trust and transparency and guided by the principles of corporate governance. Since the publication of its first consolidated financial statements in 1971, Air Liquide has posted strong and steady earnings growth. Sales in 2007 totaled 11,801 million euros, with sales outside France accounting for almost 80%. Air Liquide is listed on the Paris stock exchange and is a component of the CAC 40 and Eurostoxx 50 indices (ISIN code FR 0000120073).