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New investments in Europe

press release

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The Large Industries business line of Air Liquide

proposes **gas and energy solutions** to the world industrialists to improve the efficiency of their processes and to help them better respect the environment. Its main fields are:

- **refining and natural gas:** hydrogen to desulphurise fuels and to "break up" hydrocarbons, and oxygen to gasify oil residues...
- **chemistry:** air, hydrogen and carbon monoxide used for manufacturing, PVC for example,
- **metals:** oxygen to improve energy performance and to reduce emissions, and argon to manufacture stainless steel...
- **energy:** oxygen to transform coal and natural gas into fuel or liquid chemical products...

In 2006, its turnover reached **2,922 million euros**.

World production of steel has increased by more than 7% each year over the last few years, reaching 1.2 billion tonnes of raw steel in 2006. As a result of this trend, based on a demand which should continue to grow by more than 4% each year in the next few years, Air Liquide will increase and modernise its production capacities in Europe in order to satisfy customers' needs.

In this context, Air Liquide has recently signed a 15 year contract with ArcelorMittal, the world's leading steel company, for the renewal and extension of the supply of all of the oxygen, nitrogen, argon and compressed gas needs of its Dunkirk and Mardyck sites (France, Nord-Pas de Calais).

In response to the increasing demands of ArcelorMittal and the Dunkirk industrial basin, **Air Liquide will therefore invest in a new air separation unit (ASU) with a production capacity of 1,100 tonnes of oxygen per day** which will be integrated into its existing ASUs and its pipeline network. This new production unit will be put into use in the 4th quarter of 2009.

The new Air Liquide oxygen production unit will enable ArcelorMittal to increase its steel production capacity to **more than 7.5 million tonnes per year** and to **improve performances** of the Dunkirk site in terms of energy efficiency and economy.

In addition to this, **in 2009 Air Liquide will also put a new ASU into operation on its existing site in Fos sur Mer (France, Bouches-du-Rhône) with an oxygen, nitrogen and argon production capacity of 1,100 tonnes per day** to respond to the region's growing industrial demands in air gases and to modernise its production equipment.

Finally, **a new air gas production unit will also be put into operation at the end of 2009 on the Mons site (Belgium, Wallonia), replacing the existing unit.** This new unit with a production capacity of **1,100 tonnes of oxygen per day** will reduce electrical consumption by nearly 20% compared with the current consumption, thus contributing to Air Liquide's sustainable development objectives.

These three new units will be designed and manufactured by the Engineering and Construction Department of the Air Liquide Group and represent a total investment of 130 million euros.

Oxygen

is the most abundant element at the surface of the earth (89% water and 21% air). It is essential to life, but also to industry. Oxygen is used to reduce pollution emitted by combustion processes. In the field of healthcare, it is essential for the treatment of respiratory difficulties and plays a vital role in almost all medical procedures.

Guy Salzgeber, Vice-President European Operations and member of the Executive Committee, Air Liquide Group, commented: *“These new investments respond to the high demands of the clients, who include steelmakers, refiners and chemical companies. They are part of the policy of Air Liquide, which will invest around 2 billion euros each year between 2007 and 2011, to accelerate its growth and to respect its commitments in terms of sustainable development.”*



With nearly **40,000 employees** in **72 countries**, Air Liquide is a **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 2006 totaled **10,949 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).