Air Liquide moves into a new phase in Asia

With a longstanding and very significant presence in Asia, Air Liquide is moving into a new phase in the high-growth zones of South-East Asia by acquiring from Linde its shares in four joint-venture companies that were already managed by the Group.

Air Liquide announces the purchase of:
- 50% of Soxal (subsidiary in Singapore), of which it already owns 50%,
- 50% of EIG (subsidiary in Thailand) of which it already owns 50%,
- 50% of VIG (subsidiary in Vietnam) of which it already owns 50%,
- 25% of Brunox (subsidiary in the Sultanate of Brunei) of which it already owns 25%. The rest of the capital is held by a local partner, QAF Investment.

The combined total revenue of these four companies is approximately €230 million.

At the same time, Air Liquide will sell to Linde its 16.6% share of Malaysian Oxygen, a joint-venture company in Malaysia of which Linde holds 28.4%. It will also sell its 50% holding in Hong Kong Oxygen, based in Hong Kong and with a Chinese partner in the Canton region.

On this basis, Linde will receive the sum of around €275 million. These transactions are subject to the approval of the anti-trust authorities.

Air Liquide, operating in Singapore since 1917 through Far East Oxygen, an entity which was integrated into Soxal (Singapore Oxygen Air Liquide) in 1975, has made significant investments in Singapore, considering it to be a key market through which to capitalize on South-East Asia’s dynamic growth. Soxal, the undisputed leader in the Singapore market, employing 600 people recognized for their high levels of expertise, supplies gas and services to numerous semiconductor manufacturing facilities as well as to the petrochemical facilities on Jurong Island, an international refining platform which is expanding regularly. Soxal combines good current economic performance with strong prospects for future growth.

In Thailand, EIG (Eastern Industrial Gases) is particularly active in the province of Chonburi, near the Map Ta Phut petrochemical complex, approximately 80km southeast of Bangkok. Its production units supply oxygen and nitrogen via pipeline to major customers in the glass and chemical industries. These operations will be integrated with those of wholly-owned subsidiary Air Liquide Thailand, founded in 1991, which produces and sells hydrogen and carbon monoxide at Map Ta Phut for Bayer.

Capitalizing on the Vietnamese economy’s strong growth, with its population of 84 million inhabitants, VIG (Vietnam Industrial Gases) is the market leader in the northern part of the country, in the Hanoi region. It is developing rapidly in both the north and the south, in the region around Ho Chi Minh City. Relying on the skills of its teams, VIG is determined to seize the growth opportunities for industrial gases in Vietnam offered by the secondary electronics and metallurgy sectors.

Soxal, present in the Sultanate of Brunei since 1974, created Brunox (Brunei Oxygen) in 1983. This joint-venture with a local partner has industrial gas operations which are currently focused on the petroleum exploration and production sectors.
Once these acquisitions are completed, Air Liquide will wholly own the equity of its subsidiaries in Singapore, Thailand, Vietnam, Indonesia, and the Philippines. Thanks to these subsidiaries in high-growth markets, Air Liquide will be able to pursue its development in South-East Asia in a quicker and more integrated way.

Benoît Potier, Chairman and CEO of Air Liquide stated: "Today, Asia accounts for nearly 20% of the Group’s total sales, and is at the center of our growth dynamic. These acquisitions enable us to significantly reinforce our positions in South-East Asia and capitalize on growth in economies clustered around the industrial hub of Singapore. Our strategy has also led us to increase our presence in Japan considerably in recent years, doubling our market share. We are also accelerating our penetration of the Chinese market through a dual approach based on gas sales and engineering. Together, these steps have enabled the Group to take the leadership position in this part of the world."

PRESENT 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. THESE SOLUTIONS, WHICH ARE CONSISTENT WITH AIR LIQUIDE’S COMMITMENT TO SUSTAINABLE DEVELOPMENT, HELP TO PROTECT LIFE AND ENABLE OUR CUSTOMERS TO MANUFACTURE MANY INDISPENSABLE EVERYDAY PRODUCTS. FOUNDED IN 1902, AIR LIQUIDE HAS MORE THAN 36,000 EMPLOYEES. THE GROUP 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 TOTALLED 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).

For further information, please contact:

Corporate Communication
Dominique Maire  +33 (0)1 40 62 53 56
  +33 (0)6 07 94 10 54

www.airliquide.com