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Engineering: two new contracts for very large oxygen production units

press release

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Air Liquide Engineering

designs, develops and builds gas production units for the Group or for its customers. After the acquisition of the Lurgi group in 2007, it comprises **3,200 employees**, spread over **ten Engineering & Construction centres**, covering its major markets. Together with R&D and Advanced Technologies, Engineering is **one of the Group's engines for growth**.

Air Liquide's **Engineering & Construction teams**, located in ten centres throughout the world, **design and build production units** for the Group and its customers, and are constantly improving technological solutions to increase the units' efficiency and reliability. **Air Liquide has just signed two contracts to design and build very large units to separate gas from air, each of them with a production capacity of over 3,000 tonnes of oxygen per day: with Posco in South Korea and with Shenhua Ningxia Coal in China.**

Air Liquide has signed a **sales contract for two Air Separation Units** with **Posco**, the fourth largest steelmaker in the world, each with a production capacity of **3,700 tonnes per day of oxygen**. These are the largest production capacities ever installed for a steelmaker. The oxygen produced will allow the Gwangyang and Pohang sites to meet the Posco Group's increase in global steel production in **South Korea**. Air Liquide has already supplied Posco with 15 units to separate gas from air on these two sites, and has been recognized by the steelmaker as the "Best supplier 2007".

In China, Air Liquide has completed contract with the **Shenhua Ningxia Coal Industry Group**, a subsidiary of the Shenhua Group, the global number two for coal production, for **two Air Separation Units**, each with a production capacity of **3,000 tonnes of oxygen per day**. These two units, which are by far the largest ever designed and built locally, will supply the oxygen needed for the synthesis of methanol and propylene from coal gasification.

François Darchis, Senior Vice-President in charge of Global Engineering & Construction and a member of Air Liquide's Executive Committee, declared: **"These new contracts in developing economies strengthen our international leadership. They demonstrate our expertise in oxygen production technologies, to an extent previously not possible. They came in 2007, which was a record year for Air Liquide Group's Engineering & Construction, with a very high order book."**

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 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).

Posco produces in 2007 31.1 million tons of steel with sales of 22,207 billion Korean won. Air Liquide has already sold 15 production units to this Group at the Gwangyang and Pohang sites in South Korea.

Shenhua-Ningxia Coal Industry Group is a main subsidiary of Shenhua Group founded in 1995. Shenhua Group, 84 billion RMB sales by end of 2006, is the leading coal company in China with 200 million tons of coal production a year and an extensive coal transportation network.