



FOR: QUALIFLOW

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QUALIFLOW HAS SIGNED A PRELIMINARY AGREEMENT TO PURCHASE A SHAREHOLDING IN LINTEC (Japan)

Montpellier, 16 July 2001: QUALIFLOW (Euroclear 7786), a company specialising in the design, development, production and sale of ultra-high purity gas flow control components, has announced today that it is purchasing a shareholding in Lintec. As a result of this transaction, the two companies will broaden the scope of their technological and marketing cooperation.

Cooperation between the two companies started two years ago through an exclusive cross-distribution agreement limited to Europe and Japan. Lintec is a Japanese company that designs, develops and sells liquid-stage flow controllers. The company has earned a worldwide reputation in the semiconductor sector for its expertise in vaporization and liquid flow control.

Financial terms and Lintec's shareholders:

Qualiflow is set to acquire a 33% stake in Lintec. Following the capital increase, Lintec's capital structure will be as follows:

- Company's management and private shareholders: 34%
- Victor Taichung (Taiwanese industrial group operating in metallurgy and electronics): 33%.
- Qualiflow: 33%

Qualiflow is acquiring this shareholding through an issue of new shares for ¥149,850,000 (FF9.3m / Euros1,41m).

Technological commitment and intensification of research efforts

Together, the two companies have decided to set up a joint Research and Development centre to be directed by Dr Ono, Lintec's founding chairman. The centre's goal is to develop innovative solutions for the market leveraging the various technologies used by each of the companies.

Lintec, a specialist in flow control systems:

Lintec was founded in 1987. This company has sales of ¥418m (FF26m in 2000 / Euros3.96m) and 52 employees around the world. Through its patent portfolio, Lintec has protected its vaporization systems and all the other products in its catalogue.

"Bringing together Qualiflow's and Lintec's product portfolios will yield a combination of gas flow controllers (Qualiflow's speciality), liquid flow controllers and vaporisation systems (Lintec's speciality) that is truly unique worldwide" said Jean-Pierre Liébaud, Qualiflow's president and COO. "This tight fit will put the two companies at a significant advantage in the marketplace as various customer applications require both types of flow control systems. The technology developed by Lintec for its semiconductor customers in Japan will soon generate demand from Qualiflow's current and future customers."

"We are delighted to be expanding the scope of the cooperation that was initiated two years ago and has steadily enhanced our mutual technological expertise" added Dr Ono, Lintec's founding chairman. "Qualiflow has always been a first-class partner with a good understanding of the Asian market. The fact that cooperation has been followed up by the purchase of an equity stake reflects our confidence in one another."

"At the time of our IPO on the Nouveau Marché in October 2000, we decided to devote some of the funds raised to expand our technological portfolio and our geographical presence" concluded Claude Jacquemin, Qualiflow's chairman. "The purchase of this significant shareholding in Lintec represents the first concrete move to execute our geographical expansion strategy. In addition, Lintec's stronger equity base will enable it to improve its production facilities."

QUALIFLOW – www.qualiflow.com – specialises in the design, development, production and sale of ultra-high purity gas flow control components: valves, mass flow controllers (MFCs) and gas systems. With sales of close to €11.49m (FF75.37m) and a forecast of €18.29m (FF120m) in sales in 2001, QUALIFLOW's goal is to become a key worldwide benchmark in gas components. QUALIFLOW is positioning itself as a technological leader in digital mass flow controllers, which are revolutionising the control of ultra-high purity gases. The company's expertise is vitally important in the manufacture of semiconductors, fibre optics, and electronic components used in the development of mass-market telecommunications applications.

Euroclear: 7786

Bloomberg: QUFL NM

Reuters: QFLW.LN

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