

Paris, 21 April 2005

Press release

Q1 2005 CONSOLIDATED SALES

Continued growth in the first quarter

Consolidated sales: 2,476 million euros (+13.3%)

Consolidated sales for the first quarter 2005 were **2,476 million euros**, an increase of **+13.3%** compared with the first quarter of 2004.

Sales in Gas and Services, which represent more than 88% of total Group sales, reached **2,201 million euros**, an increase of **+16.2%** over the same period in 2004. This figure includes sales from acquired Messer operations of 180 million euros, a contribution of **+9.5%**, and comparable growth from our activities of **+5.1%**.

Commenting on these figures, **Benoît Potier, Chairman of the Management Board of Air Liquide**, said:

« During the first quarter of 2005, we obtained good performance from the most dynamic geographic markets and activities.

Sales growth in the first months of the year comes chiefly from our main growth markets. Hydrogen is developing rapidly, both in the US and Europe. Our European Healthcare activities are making favourable progress in medical gases and homecare. In a more volatile environment, good levels of activity were maintained in Electronics, particularly with equipment and installation sales in Asia, which will be followed by future gas sales. Besides Electronics, our development in emerging Asia is continuing with sustained momentum.

Recently acquired Messer operations are developing in line with our expectations both in terms of activity and of anticipated synergies.

On this basis, the Group maintains its outlook for the full year. »

1- GAS AND SERVICES

The first quarter saw very good levels of activity, with sales of 2,201 million euros. Compared with the first quarter of 2004, growth was +5.1% on a comparable basis (excluding foreign exchange, natural gas and major perimeter changes).

Sales <i>(millions of €)</i>	1st quarter 2005	Change as reported	Q1 change (excl. Forex, natural gas, Asian consolidation)	
			<i>with Messer</i>	<i>excl. Messer</i>
Asia-Pacific	393	+12.8%	+6.3%	+6.3%
Americas	584	+12.1%	+13.6%	+6.1%
Europe	1,187	+19.8%	+18.5%	+4.2%
Africa	37	+7.5%	+4.8%	+4.8%
Gas and Services	2,201	+16.2%	+14.6%	+5.1%
Industrial Customers	1,003	+19.7%	+19.1%	+3.2%
Large Industries	636	+17.8%	+14.0%	+6.9%
Electronics	225	+7.7%	+5.3%	+5.3%
Healthcare	337	+9.5%	+10.0%	+7.2%

Figures given below exclude foreign exchange, natural gas, Messer and the consolidation of Asian activities.

Asia-Pacific

Sales reached **393 m€**, an increase of **+6.3%** on a comparable basis. Excluding Japan, comparable growth was **+16.4%**.

Activity in **China** was strengthened by our presence in new basins : with significant success in Large Industries and Engineering over the last 18 months. The Group recently enhanced its geographic presence by signing new contracts, increasing to six the number of air separation units in service in China. In **Electronics**, we achieved strong growth in China and Taiwan, notably thanks to equipment and installation sales, most particularly in the TFT-LCD segment. The coming quarters will see the ramp-up of gas sales, in tandem with the start-up of new production units for semiconductors and flat screens.

In **Japan**, activity was underpinned by equipment and service sales in Electronics and Industrial Customers.

Americas

In the Americas, sales reached **584 m€**, up **+6.1%** on a comparable basis, in addition to which Messer activities contributed an increase of **+7.5%**.

In the **US**, growth remains strong in industrial gases, driven by continued strong chemicals demand in Large Industries and the effect of economic growth on Industrial Customers. **Messer** integration, in line with expectations, allowed us to strengthen significantly the Group's competitive positioning. Synergies are progressing as anticipated.

The first quarter saw the start-up of a large **hydrogen** unit (100,000 m³/h) situated in El Segundo in California. To meet growing client demand, we are building additional capacity for hydrogen production.

South America registered solid growth, particularly in Large Industries.

Europe

Sales amounted to **1,187 m€**, increasing by **+4.2%** on a comparable basis, with Messer assets contributing a further **+14.3%**.

Medical gases, homecare and hygiene continue to deliver solid growth. The Group made focused homecare and hygiene acquisitions in Austria and Germany, allowing us to be better positioned in these two countries.

The ramp-up of hydrogen units in Puertollano (Repsol), Antwerp (BASF) and Port Jérôme (Exxon) contributed to sustained growth in **Large Industries**, which benefited from good levels of activity, particularly in the steel market.

Sales of **electronic equipment** in Germany were strong in the quarter.

Sales for **Industrial Customers** were boosted by Messer activities and our development in Central Europe. In a slow economic environment, our new pan-European organization will enable us to reduce our cost base by pooling certain resources.

2 – RELATED ACTIVITIES

Sales (millions of €)	1st quarter 2005	Q1 change (like-for-like)
Welding	125	+5.2%
Engineering and Construction	64	<19.3%>
Other activities	86	<6.2%>
Related activities	275	<5.1%>

Welding activities registered good growth. **Engineering and Construction** sales were lower, owing to an unfavorable base for comparison – however the outlook for 2005 remains positive, in view of expected invoicing in the coming quarters.

2005 financial calendar

IFRS conference call
AGM
1st half 2005 sales
1st half 2005 results
3rd quarter 2005 sales
2005 full year results

Monday 9 May 2005
Wednesday 11 May 2005
Tuesday 26 July 2005
Tuesday 6 September 2005
Wednesday 26 October 2005
February 2006

*Present in more than 70 countries, **Air Liquide** provides 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 nearly 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 2004 totaled 9,376 million euros, with sales outside France accounting for almost 80%. Air Liquide is listed on the Euronext Paris stock exchange and is a component of the CAC 40 and Eurostoxx 50 indices (ISIN code FR 0000120073).*

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APPENDICES (1)

In addition to the comparison of published figures, financial information is given excluding foreign exchange and the impact of fluctuations in natural gas price and excluding the consolidation of major acquisitions (acquired Messer assets) and the effect of consolidating subsidiaries in Singapore and Hong Kong.

Since industrial and medical gases are not exported, the impact of currency fluctuations is limited to the accounting consolidation in euros of the financial statements of our foreign subsidiaries. Fluctuations in natural gas prices are passed on to our customers through indexed pricing clauses.

Consolidated sales take into account the following elements:

Q1 sales	In millions of euros	change % (reported)	Foreign exchange impact	Natural gas impact	Messer impact	Asian consolidation impact	Change* (comparable)
Group	2 476	+ 13.3%	<1.0%>	+ 1.1%	+ 8.2%	+ 1.2%	+ 3.8%
Gas and Services	2 201	+ 16.2%	<1.1%>	+ 1.2%	+ 9.5%	+ 1.5%	+ 5.1%

**excluding foreign exchange, natural gas, Messer, Asian consolidation*

- The foreign exchange impact linked with the conversion of the accounts of our foreign subsidiaries into euros is -22 million euros; an impact of -1% on the Group's sales growth. For Gas and Services, this effect is -21 million euros or -1.1%. The average dollar exchange rate over the period is lower than during the four previous quarters.
- The effect of price variation in natural gas represents additional sales of 23 million euros, or +1.1%. For Gas and Services activities, this effect is +1.2%. The impact stems principally from North America, where the price has fallen slightly compared with the fourth quarter.
- Principal perimeter effects are linked with the full consolidation of Messer assets, representing +180 million euros (+8.2% for the Group and +9.5% for Gas and Services). Since the fourth quarter of 2004, the consolidation perimeter also includes our activities in Singapore (Soxal) and in Hong Kong (HKO). We consolidate sales in proportion to our 50% interest, representing +27 million euros. This decision has a positive effect of +1.2% for the Group and +1.5% for Gas and Services.

APPENDIX (2)

Sales by business

	2004	2005
	1st Quarter	1st Quarter
GAS & SERVICES	1,895.1	2,201.5
<i>Industrial Customers</i>	837.6	1,002.5
<i>Large Industries</i>	540.4	636.4
<i>Electronics</i>	209.3	225.6
<i>Healthcare</i>	307.8	337.0
AL WELDING	119.2	125.5
OTHER ACTIVITIES	92.2	85.7
<i>Chemicals</i>	52.4	51.8
<i>Sundry</i>	38.9	32.7
<i> Holding</i>	0.9	1.2
ENGINEERING/CONSTRUCTION	79.8	63.6
TOTAL	2,186.3	2,476.3

Sales by region

2005: End of March	France	Europe Excl. France	Americas	Asia Pacific	Africa	TOTAL
GAS & SERVICES	434.5	752.7	583.6	393.2	37.5	2,201.5
AL WELDING	42.1	83.4				125.5
OTHER ACTIVITIES	59.4	10.6	13.8	1.9		85.7
Sub/total excluding Eng/Construc.	536.0	846.7	597.4	395.1	37.5	2,412.7
ENGINEERING/CONSTRUCTION	22.3	14.0	12.5	13.2	1.6	63.6
TOTAL	558.3	860.7	609.9	408.3	39.1	2,476.3

2004: End of March	France	Europe Excl. France	Americas	Asia Pacific	Africa	TOTAL
GAS & SERVICES	401.5	589.6	520.4	348.6	35.0	1,895.1
AL WELDING	42.2	77.0				119.2
OTHER ACTIVITIES	62.7	11.7	15.9	1.9		92.2
Sub/total excluding Eng/Construc.	506.4	678.3	536.3	350.5	35.0	2,106.5
ENGINEERING/CONSTRUCTION	11.3	4.0	2.3	17.1	45.1	79.8
TOTAL	517.7	682.3	538.6	367.6	80.1	2,186.3