

Paris, 26 October 2005

*Press release*

**CONSOLIDATED SALES  
AT 30 SEPTEMBER 2005**

**9 month sales progression : +11.2%**

**Continued growth momentum**

Consolidated sales at 30 September 2005 reached **7,608 million euros**, an increase of **+11.2%**. On a comparable basis (excluding foreign exchange, natural gas and perimeter effect), this increase was **+5.9%**.

In the third quarter, consolidated sales amounted to **2,566 millions d'euros**, an increase of **+8.9%**. On a comparable basis, the rise was **+5.4%**.

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

***« Further progress from our activities in the third quarter brings our sales growth at the end of September to +11.2%, with dynamic performance in Asia and a recovery in Japan, a continued favorable environment in industrial and electronics markets in the Americas, and performance in Europe driven principally by innovative products and services.***

***Hydrogen consumption for refining and chemicals, demand for services in Healthcare and increased production capacity in new territories continue to give momentum to our growth. This is reflected in very high levels of activity in our Engineering businesses and the signing of numerous contracts which will underpin the Group's ongoing development in the months and years to come.***

***In this context, excluding any significant exceptional items, we maintain our double digit net earnings growth target for 2005. »***

## 1- GAS AND SERVICES

At 30 September 2005, sales for Gas and Services activities amounted to 6,688 million euros, an increase of +5.3% on a comparable basis\* compared with the first nine months of 2004.

In the third quarter of 2005, sales for Gas and Services reached 2,267 million euros, up +4.7% on the same base of comparison, in which Messer activities are fully integrated.

Sales (in millions of €)	At 30 September 2005	Change as reported	Change on comparable basis*	3rd quarter 2005	Change as reported	Change on comparable basis *
Asia-Pacific	1,201	+ 16.0%	+ 7.9%	412	+ 18.0%	+ 8.3%
Americas	1,817	+ 8.9%	+ 5.8%	644	+ 11.1%	+ 5.0%
Europe	3,549	+ 11.3%	+ 4.1%	1 168	+ 4.4%	+ 3.3%
Africa	121	+ 5.6%	+ 5.6%	43	+ 6.1%	+ 6.8%
<b>Gas and Services</b>	<b>6,688</b>	<b>+ 11.3%</b>	<b>+ 5.3%</b>	<b>2 267</b>	<b>+ 8.6%</b>	<b>+ 4.7%</b>
Industrial Customers	3,088	+ 10.8%	+ 3.3%	1 044	+ 5.3%	+ 3.3%
Large Industries	1,932	+ 17.4%	+ 6.5%	671	+ 19.6%	+ 5.5%
Electronics	644	+ 2.8%	+ 8.4%	212	<1.1%>	+ 8.0%
Healthcare	1,024	+ 7.9%	+ 6.8%	340	+ 5.9%	+ 5.3%

\*on comparable basis : excluding foreign exchange, estimated Messer, natural gas, Asian consolidation and deconsolidation of US chemical liquids for Electronics

% variations discussed below are all on a comparable basis\*.

- **Asia-Pacific**

At 30 September, sales for Asia-Pacific were **1,201 million euros**, up **+7.9%**. Excluding Japan, growth was **+17.6%**. The Asia-Pacific zone continued to deliver dynamic growth in the third quarter.

**Japan** shows positive signs, with good sales momentum for specialty gases and equipment in Electronics. Our Industrial Customers activity is growing again (+2.3% in the 3<sup>rd</sup> quarter) and is benefiting from high levels of equipment sales.

Our activities outside Japan continue to achieve growth of more than 15%, particularly in **China** where the effective ramp-up of our recent investments accounts for a quarter of new sales.

Growth from **Large Industries** is strong across the zone, with new capacity and the ramp-up of Caojing (China).

**Electronics** continues to deliver dynamic sales in carrier gases, thanks to new contracts signed in 2004. Specialty gases are beginning to return to peak levels, in line with rising fab utilization. Billing levels for equipment and installation continue on a sustained trend, as in previous months.

- **Americas**

In the Americas, sales at 30 September were **1,817 million euros**, an increase of **+5.8%**. The positive general sales trend continued in the third quarter.

At the end of the third quarter, **Large Industries** registered a limited impact from hurricanes Katrina and Rita which hit Louisiana and Eastern Texas. The Group did not sustain any significant damage to its facilities and return to full production capacity will depend on the speed of resumption of operations of our clients' plants, currently in progress. This effect is, however, offset by the ramp-up of our new 100,000 m<sup>3</sup>/h hydrogen unit in California. Levels of activity in Canada were good, particularly with the start-up of a new hydrogen unit.

**Industrial Customers** saw an acceleration in Canada, with new capacity now in service. In the US, strong activity levels seen in the first half were maintained.

**Electronics** in the US delivered good performance linked with the new Texas Instruments contract, particularly in terms of equipment and installation sales.

- **Europe**

At 30 September 2005, sales amounted to **3,549 million euros**, a rise of **+4.1%**.

Progress in **Large Industries** was driven by the ramp-up of hydrogen volumes, compensating for lower consumption of oxygen for the steel industry and low levels of energy production over the summer.

**Healthcare** continues to be very dynamic and an important growth driver. In the third quarter, Hygiene and Homecare confirmed a trend of strong organic growth, linked in particular with the success of our new products.

In **France**, the third quarter was characterized by lower levels of activity, particularly in Industrial Customers and Electronics, which suffered from an unfavorable economic backdrop.

**Germany** is well positioned, with good growth in Healthcare (homecare and hygiene) and stable sales in Industrial Customers.

Momentum is positive in **Southern Europe**. Two new air gas units started up this quarter in Italy and Belgium, while the ramp-up of the Repsol La Corogne unit continues. Liquid gas volumes were strong.

In addition to its continued development in Central Europe, in July the Group signed an agreement with the **Russian** steel company Severstal, for the creation of a joint venture to set up and operate an air gas separation unit.

## 2 – RELATED ACTIVITIES

Sales (in millions of €)	At 30 September 2005	On a comparable basis	3rd quarter 2005	On a comparable basis
AL Welding	375	+ 5.1%	118	+ 4.7%
Engineering and Construction	271	+ 28.4%	93	+ 21.1%
Other activities	273	+ 3.5%	88	+ 10.4%
<b>Related activities</b>	<b>919</b>	<b>+ 10.5%</b>	<b>299</b>	<b>+ 11.1%</b>

In a continued sluggish economic environment, **Welding** continued to deliver solid growth, underpinned by a favorable pricing environment.

**Engineering and Construction** made further contributions to the Group's growth this quarter, thanks to new projects.

**Chemicals** saw an acceleration in pharmacy and cosmetics, registering double digit growth over the quarter.

### Financial calendar 2006

2005 full year sales	Thursday 26 January 2006
2005 full year results	Monday 27 February 2006
First quarter 2006 sales	Wednesday 26 April 2006
AGM	Wednesday 10 May 2006
First half 2006 sales	Wednesday 26 July 2006
First half 2006 results	Monday 4 September 2006
Third quarter 2006 sales	Thursday 26 October 2006

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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 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 2004 totalled 9,428 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).

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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 prices and excluding the consolidation of major acquisitions (acquired Messer assets), the effect of consolidation of subsidiaries in Asia and of deconsolidation of US chemical liquids in Electronics*

*Since industrial and medical gases are not exported, the impact of currency fluctuations on sales and results 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.*

*The impact of adopting IFRS reporting on sales is limited to Engineering and Construction. Since 1 January 2005, sales are registered according to the stage of advancement of work and no longer according to when work is completed. The main impacts from the transition to IFRS reporting were communicated on 9th May 2005.*

### Consolidated sales at 30 September 2005 incorporate the following elements :

	In millions of euros	change % (as reported)	Foreign exchange impact	Natural gas impact	Perimeter effect*	Change on comparable basis**
<b>Group</b>						
<b>At 30 September 2005</b>	<b>7,608</b>	<b>+ 11.2%</b>	<b>&lt;0.4%&gt;</b>	<b>+ 1.7%</b>	<b>+ 4.0%</b>	<b>+ 5.9%</b>
<b>Q3 2005</b>	<b>2,566</b>	<b>+ 8.9%</b>	<b>+ 0.6%</b>	<b>+ 2.9%</b>	<b>0.0%</b>	<b>+ 5.4%</b>
<b>Gas &amp; Services</b>						
<b>At 30 September 2005</b>	<b>6,688</b>	<b>+ 11.3%</b>	<b>&lt;0.5%&gt;</b>	<b>+ 1.9%</b>	<b>+ 4.6%</b>	<b>+ 5.3%</b>
<b>Q3 2005</b>	<b>2,267</b>	<b>+ 8.6%</b>	<b>+ 0.7%</b>	<b>+ 3.2%</b>	<b>0.0%</b>	<b>+ 4.7%</b>

\* perimeter effects : estimated Messer effect, Asian consolidation, deconsolidation of US chemical liquids for Electronics

\*\*excluding foreign exchange, natural gas, perimeter effects

- At 30 September, the foreign exchange impact linked with the conversion of the accounts of our foreign subsidiaries into euros, represented -30 million euros, or an impact of -0.4% on the Group's growth. For Gas and Services, this effect was -26 million euros, or an impact of -0.5% on growth. The average dollar exchange rate over the third quarter was higher than in the second quarter.
- At 30 September, the effect of price variation in natural gas represents additional sales of +116 million euros excluding foreign exchange, or a contribution of +1.7% for the Group and +1.9% for Gas and Services. This impact was principally seen in North America. In the third quarter, the price was very significantly higher than in the first half and 2004.
- For the third quarter, the perimeter effect is neutral as the acquired Messer assets are well integrated within the base and the consolidation of our activities in Singapore and Hong Kong compensates the deconsolidation of billing of liquid chemicals for Electronics in the US. For the first nine months, these effects are estimated at +276 million euros, or a contribution of +4% to growth for the Group and of +4.6% for Gas and Services.

## APPENDICES (2)

### Sales by business

Millions of €

	2004		2005	
	3 <sup>rd</sup> Quarter	Total 9 Months	3 <sup>rd</sup> Quarter	Total 9 Months
<b>GAS &amp; SERVICES</b>	<b>2,087.9</b>	<b>6,007.2</b>	<b>2,267.2</b>	<b>6,688.4</b>
<i>Industrial Customers</i>	991.1	2,786.1	1,044.0	3,088.0
<i>Large Industries</i>	561.2	1,645.5	671.0	1,932.1
<i>Electronics</i>	214.7	626.8	212.4	644.1
<i>Healthcare</i>	320.9	948.8	339.8	1,024.2
<b>AL WELDING</b>	<b>112.4</b>	<b>356.6</b>	<b>117.9</b>	<b>375.0</b>
<b>OTHER ACTIVITIES</b>	<b>79.8</b>	<b>265.5</b>	<b>88.2</b>	<b>273.0</b>
<i>Chemicals</i>	48.0	150.2	54.2	160.0
<i>Sundry</i>	31.1	113.2	33.2	109.5
<i>Holding</i>	0.7	2.1	0.8	3.5
<b>ENGINEERING/CONSTRUCTION</b>	<b>76.9</b>	<b>213.2</b>	<b>93.0</b>	<b>271.3</b>
<b>TOTAL</b>	<b>2,357.0</b>	<b>6,842.5</b>	<b>2,566.3</b>	<b>7,607.7</b>

### Sales by region

Millions of €

2005: Total 9 Months	France	Europe Excl. France	Americas	Asia Pacific	Africa	TOTAL
<b>GAS &amp; SERVICES</b>	1,257.5	2,292.1	1,817.0	1,200.9	120.9	6,688.4
<b>AL WELDING</b>	123.5	251.5				375.0
<b>OTHER ACTIVITIES</b>	188.0	34.7	44.6	5.7		273.0
<b>Sub/total excluding Eng/Construc.</b>	<b>1,569.0</b>	<b>2,578.3</b>	<b>1,861.6</b>	<b>1,206.6</b>	<b>120.9</b>	<b>7,336.4</b>
<b>ENGINEERING/CONSTRUCTION</b>	95.9	25.5	43.9	86.8	19.2	271.3
<b>TOTAL</b>	<b>1,664.9</b>	<b>2,603.8</b>	<b>1,905.5</b>	<b>1,293.4</b>	<b>140.1</b>	<b>7,607.7</b>
2004: Total 9 Months	France	Europe Excl. France	Americas	Asia Pacific	Africa	TOTAL
<b>GAS &amp; SERVICES</b>	1,198.1	1,989.9	1,669.2	1,035.5	114.5	6,007.2
<b>AL WELDING</b>	120.5	236.1				356.6
<b>OTHER ACTIVITIES</b>	177.7	35.4	46.7	5.7		265.5
<b>Sub/total excluding Eng/Construc.</b>	<b>1,496.3</b>	<b>2,261.4</b>	<b>1,715.9</b>	<b>1,041.2</b>	<b>114.5</b>	<b>6,629.3</b>
<b>ENGINEERING/CONSTRUCTION</b>	66.8	26.1	17.7	81.0	21.6	213.2
<b>TOTAL</b>	<b>1,563.1</b>	<b>2,287.5</b>	<b>1,733.6</b>	<b>1,122.2</b>	<b>136.1</b>	<b>6,842.5</b>