

Paris, 26 April 2006

Press release

FIRST QUARTER 2006 CONSOLIDATED SALES

Good level of activity in first quarter

Consolidated sales: 2,773 million euros (+12.0%)

Consolidated sales for the first quarter 2006 amounted to **2,773 million euros**, an increase of **+12.0%** compared with the first quarter of 2005. On a comparable basis (excluding currency and natural gas effects and the deconsolidation of liquid chemicals in the US), growth was **+7.1%**.

Gas and Services sales, at **2,445 million euros**, rose **+11.1%** versus the same period of 2005. On a comparable basis, growth was **+5.7%**.

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

«The beginning of 2006 saw a good level of activity, in line with 2005 trends.

During the first quarter, strong performance in Industrial Customers, particularly in the Americas, reinforced our businesses, Large Industries in Europe and Asia, Homecare and Hygiene in Europe, and gas sales in Electronics. Continued rises in energy costs however should progressively be offset by further pricing and efficiency efforts.

Our growth drivers – especially hydrogen, China and Healthcare – together with a solid portfolio of large projects under development and a sustained order level for Engineering, confirm the development outlook for our markets in industrial and medical gases.

On this basis, we maintain our net profit target for 2006.»

1- GAS AND SERVICES

In the first quarter 2006, Gas and Services sales amounted to 2,445 million euros, an increase of +11.1% and +5.7% on a comparable basis (excluding currency and natural gas effects and the deconsolidation of liquid chemicals in the US) versus the first quarter of 2005.

Sales (million €)	1st quarter 2006	Q1 change 2006/2005 (as reported)	Q1 change 2006/2005 (comparable*)
Asia-Pacific	417	+ 5.9%	+ 3.3%
Americas	680	+ 16.5%	+ 4.2%
Europe	1,305	+ 9.9%	+ 7.1%
Africa	43	+ 15.4%	+ 10.2%
Gas and Services	2,445	+ 11.1%	+ 5.7%
Industrial Customers	1,092	+ 8.9%	+ 5.3%
Large Industries	774	+ 21.7%	+ 6.3%
Electronics	211	-6.3%	+ 3.6%
Healthcare	368	+ 9.2%	+ 7.3%

* on a comparable basis: excluding currency and natural gas effects and the deconsolidation of liquid chemicals in the US

Except where indicated, variations discussed below are all on a comparable basis.

- **Asia-Pacific**

In the first quarter 2006, Asia-Pacific sales reached **417 million euros**, a rise of **+3.3%**. The zone continued to progress, despite an unfavorable comparison effect for equipment and installation sales which were very high in the first quarter of 2005.

Industrial Customers sales in **Japan** increased, confirming the first early signs of recovery in 2005, in an environment of firmer pricing. **Excluding Japan**, this business line registered double digit growth.

Electronics saw strong growth in carrier and specialty gases. Billing levels for equipment and installation, lower than the peak in Q1 2005, reflect both our clients investment cycle and our more selective targeting of markets.

Growth continues for **Large Industries** across the zone. Momentum is being driven by ramp-ups in **China**, where in addition the Group has recently signed an agreement with Tianjin LG Bohai Chemical to provide a large air separation unit (ASU).

- **Americas**

In the Americas, first quarter 2006 sales amounted to **680 million euros**, an increase of **+4.2%**.

In a favorable environment, **Industrial Customers** achieved double digit growth across the zone. Volumes showed strong acceleration in Canada and South America. In the US, increased prices, linked to the rising energy costs, supplemented the growth arising from the good level of activity.

In **Large Industries**, demand from chemical and refinery clients remained strong. This quarter did not benefit from any new contract start-ups and was impacted by several significant client plant turnarounds, some of these following the 2005 hurricanes, with volumes set to pick up in the second quarter. In the steel industry, prices are rising again and US volumes increase, whilst in Canada, steel production has fallen in line with the American car industry.

Electronics saw good performances thanks to carrier and specialty gas sales for new contracts, supported by good equipment and installation sales. For reference, the deconsolidation impact of liquid chemicals in the US from the second quarter 2005, will have no further effect as of the next quarter.

- **Europe**

Sales in the first quarter 2006 amounted to **1,305 million euros**, up **+7.1%**.

Large Industries recorded a significant rise in activity, with the ramp-up of hydrogen volumes in Spain and France, good progress in air gases particularly in Northern Europe and Italy, and solid cogeneration sales in Spain and Germany. In February, we announced an 80 million euros investment in Antwerp, Belgium, which will double our hydrogen production for BASF.

Industrial Customers sales progressed well, with good liquid volumes. It should be noted, however, that continued rises in energy costs could have an impact.

Healthcare activities continued to develop in Europe, with particularly positive trends in hygiene and homecare. The Group has strengthened its position through a number of small acquisitions: Farmec in Italy (antiseptics), Unident in Switzerland (dental care), Arcana in Austria (hospital disinfection), Rubel Atem und Sauerstoffgeräte and Zuther & Hautmann in Germany (homecare).

In **France**, increased sales are driven by Healthcare and Large Industries. Industrial Customers, benefiting from two additional working days, registered good liquid volumes and progress in services. Energy costs, however, continued to increase significantly.

In **Germany**, Large Industries saw double digit growth. Industrial Customers sales were impacted by lower volumes, linked partly to certain clients converting to Large Industries on-site supply better suited to their needs.

2 – RELATED ACTIVITIES

Sales (million €)	1st quarter 2006	Q1 change 2006/2005 (comparable)
Welding	133	+6.0%
Engineering & Construction	98	+53.1%
Other activities	97	+11.1%
Related activities	328	+18.5%

** on a comparable basis: excluding currency and natural gas effects*

Growth continues for **Welding**. Particularly dynamic levels of activity in Central Europe were notable during the quarter.

Engineering and Construction sales benefited from recognition of revenues for work in progress, under new IFRS norms. All our capacities remain fully loaded.

Chemicals saw double digit growth, thanks to momentum in cosmetics and pharmacy.

2006 financial calendar

Shareholders' AGM	Wednesday 10 May 2006
Information meeting in Grenoble	Tuesday 16 May 2006
Information meeting in Nantes	Wednesday 17 May 2006
Information meeting in Nancy	Tuesday 23 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

*Present in more than 70 countries, **Air Liquide** is the **world leader** 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 2005 totaled 10,435 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:

Investor Relations
Anthony McCord

☎ + 33 (0)1 40 62 55 19

Corporate Communications

Dominique Maire ☎ + 33 (0)1 40 62 53 56
Corinne Estrade ☎ + 33 (0)1 40 62 51 31

www.airliquide.com

APPENDIX (1)

In addition to the comparison of published figures, financial information is given excluding currency, the impact of fluctuations in natural gas price and the deconsolidation of liquid chemicals for Electronics in the US.

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.

First quarter 2006 consolidated sales take the following elements into account:

	In million euros	change % (as reported)	Currency effect	Natural gas effect	Perimeter effect *	On a comparable basis **
Group						
1st quarter 2006	2,773	+12.0%	+82	+65	<27>	+7.1%
Gas and Services						
1st quarter 2006	2,445	+11.1%	+79	+65	<27>	+5.7%

*perimeter effect: deconsolidation of liquid chemicals for Electronics in the US

**excluding currency, natural gas and perimeter effect

- In the first quarter 2006, the currency effect linked with the conversion of the financial statements of our foreign subsidiaries into euros represents +82.0 million euros, an impact of +3.3% on the Group's growth. For Gas and Services, this effect is +79,2 million euros, an impact of +3.6% on growth. This stems predominantly from the rise of the US and Canadian dollars.
- The effect of the variation in natural gas prices in the first quarter 2006 represents additional sales of +65.1 million euros excluding currency, a contribution of +2.7% for the Group and +3.0% for Gas and Services. In Europe, natural gas prices continue to rise. In the US, even though the price of natural gas remains higher than in the first quarter 2005, it has fallen since the end of 2005.
- In the first quarter 2006, the perimeter effect is negative to the extent of -26.5 million euros, or an impact of -1.1% on Group sales and -1.2% on Gas and Services sales. It stems from the deconsolidation of liquid chemicals activities for Electronics in the US, since the second quarter 2005.

APPENDIX (2)

Sales by business

Million €

	2005	2006
	1 st quarter	1 st quarter
GAS & SERVICES	2,201.5	2,444.8
<i>Industrial Customers</i>	1,002.5	1,091.3
<i>Large Industries</i>	636.4	774.3
<i>Electronics</i>	225.6	211.3
<i>Healthcare</i>	337.0	367.9
AL WELDING	125.5	133.0
OTHER ACTIVITIES	85.7	96.7
<i>Chemicals</i>	51.8	59.1
<i>Sundry</i>	32.7	37.1
<i>Holding</i>	1.2	0.5
ENGINEERING/CONSTRUCTION	63.6	98.5
TOTAL	2,476.3	2,773.0

Sales by region

Million €

2006: End of March	France	Europe <i>Excl. France</i>	Americas	Asia Pacific	Africa	TOTAL
GAS & SERVICES	470.2	835.0	679.9	416.5	43.2	2,444.8
AL WELDING	44.7	88.3				133.0
OTHER ACTIVITIES	66.9	10.7	17.3	1.8		96.7
Sub/total excluding Eng/Construc.	581.8	934.0	697.2	418.3	43.2	2,674.5
ENGINEERING/CONSTRUCTION	32.7	8.8	11.1	43.8	2.1	98.5
TOTAL	614.5	942.8	708.3	462.1	45.3	2,773.0

2005: End of March	France	Europe <i>Excl. France</i>	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