

Resilience in sales and net profit 2009 objectives maintained

press release

First half performance

- **Solid revenue at €5,937 million (-5.8% comparable)**
- **Resilient margins and net profit of €596 million almost at the same level as 1st half 2008 (-0.8%)**
- **Strong contribution** from cost control, cash management and selectiveness in investments

First half highlights

- Start-up and ramp-up of **Large Industries** units, in particular in **Europe and China**
- New **Industrial Merchant** investments in **Russia** and the **Middle East**
- New contracts in **Healthcare** and integration of three companies specializing in homecare (Tunisia and the Netherlands)
- **Electronics**: new contracts in China for **flat screen manufacturers** and in **photovoltaics**

Air Liquide's Board of Directors, chaired by Benoît Potier, Chairman and CEO, met on July 29, 2009 and reviewed the financial statements at June, 30, 2009.

The first half activity level was characterized by **very contrasted sector demand**. **Group revenue** for the 1st half of 2009 reduced slightly by -6.8%, half of which is attributable to the decline in natural gas prices. This compares with an especially strong first half of 2008. After having fallen until April, activity improved in May and June, and **several localized signs of recovery** in the emerging economies and in sectors such as chemicals in the United States and Electronics became apparent. **Sales in the 2nd quarter**, adjusted for natural gas and currency, are **up by about +1%** compared to those of the 1st quarter of 2009.

Large Industries, buoyed by start-ups and ramp-ups in China, Europe and the Middle East, and **Healthcare**, especially in the homecare sector, are still growing. **Electronics** is progressively picking up, in particular in Asia with a recovery in volumes of specialty and carrier gases. In **Industrial Merchant**, the volumes have now stabilized, albeit at a low level. The number of investment projects entering the portfolio of opportunities is again on the rise.

The **very strong resilience in Group margins at 15%** and the limited reduction in the **Operating Income Recurring before depreciation at -2.7%** are the result of the **robustness of the Group's business model** and the effectiveness of the management measures taken for 2009 and deployed in the context of the **ALMA strategic program**. The **Net profit (Group share)** was **€596 million, almost at the same level** as 1st half 2008.

Commenting on the 1st half 2009, **Benoît Potier, Chairman and CEO of the Air Liquide Group**, stated:

"The performance of the 1st half of 2009 is in line with our expectations, in terms of efficiency, cash generation and level of indebtedness. It confirms Air Liquide's resilience in a context of slow demand.

As concerns the levels of activity, the positive signs were more pronounced at the end of the half-year, but some segments remain affected by weak customer demand. In this context and as a result of the momentum generated by the ALMA program, we maintain our objective for 2009, of revenue and net income to be close to the 2008 levels.

The Group remains confident in the robustness of its growth model thanks to the structural potential of its five growth drivers which are Energy, Environment, Emerging Economies, Health and High-Tech. Air Liquide will continue to invest in them to strengthen its strategic positioning."

Key figures for 1st half 2009

<i>In million of euros</i>		<i>published</i>	<i>comparable*</i>
Group revenue	€5,937 M	-6.8%	-5.8%
of which Gas & Services	€5,022 M	-6.0%	-4.6%
Operating Income Recurring before depreciation	€1,396 M	-2.7%	
Operating Income Recurring	€889 M	-6.5%	
Net profit	€596 M	-0.8%	
Diluted earnings per share (in euros)	€2.30	=	
Net debt as at June 30, 2009	€5,654 M	+3.1%	
		against 31.12.08	
Net cash flows**	€1,113 M	+24.9%	

* on a comparable basis: excluding impact of currency and natural gas

** net cash from operating activities

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Upcoming events

3rd quarter revenue

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Air Liquide is the world leader in gases for industry, health and the environment, and is present in over **75 countries** with **43,000 employees**. Oxygen, nitrogen, hydrogen and rare gases have been at the core of Air Liquide's activities since its creation in 1902. Using these molecules, Air Liquide continuously reinvents its business, anticipating the needs of current and future markets. The Group innovates to enable progress, to achieve dynamic growth and a consistent performance.

Air Liquide combines many products and technologies to develop valuable applications and services not only for its customers but also for society. **Innovative technologies** that curb polluting emissions, lower industry's energy use, recover and reuse natural resources or develop the energies of tomorrow, such as hydrogen, biofuels or photovoltaic energy... Oxygen for hospitals, homecare, fighting nosocomial infections...

A partner for the long term, Air Liquide relies on employee commitment, customer trust and shareholder support to pursue its vision of sustainable, competitive growth. The **diversity** of Air Liquide's teams, businesses, markets and geographic presence provides a solid and sustainable base for its development and strengthens its ability to push back its own limits, conquer new territories and build its future.

Air Liquide explores the best that air can offer to preserve life, staying true to its sustainable development approach. In 2008, the Group's revenues amounted to **€13.1 billion**, of which almost 80% were earned outside France. Air Liquide is listed on the Paris Euronext stock exchange (compartment A) and is a member of the CAC 40 and Dow Jones Euro Stoxx 50 indexes.