

2010 First half performance

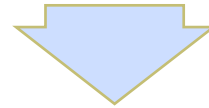
Solid progression in sales and profits
Recovery in growth projects

Benoît Potier, Chairman and CEO
Pierre Dufour, Senior Executive Vice-President
Jean-Pierre Duprieu, Senior Vice-President
Fabienne Lecorvaisier, Chief Financial Officer

August 2, 2010



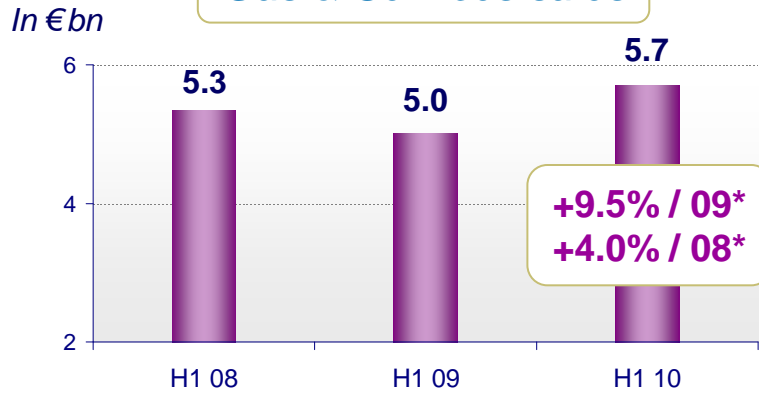
ALMA program continues
in a new environment



- Solid performance in revenue and profits
- Operating margin improvement
- Recovery in volumes and new project signings

Growth and operational control

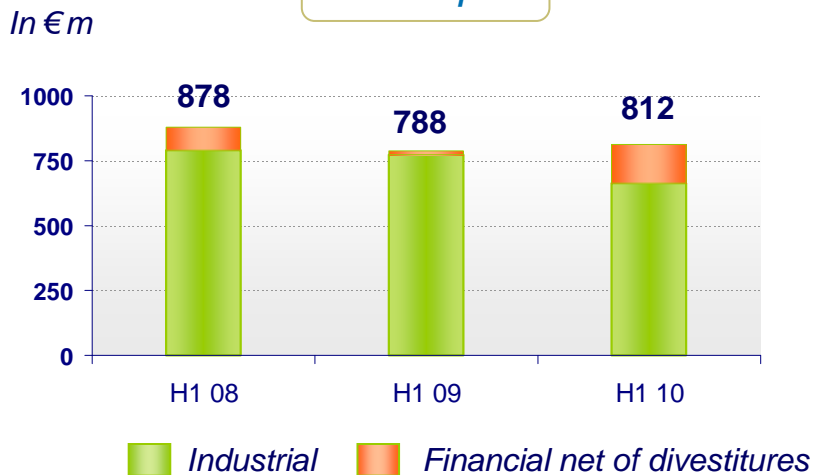
Gas & Services sales



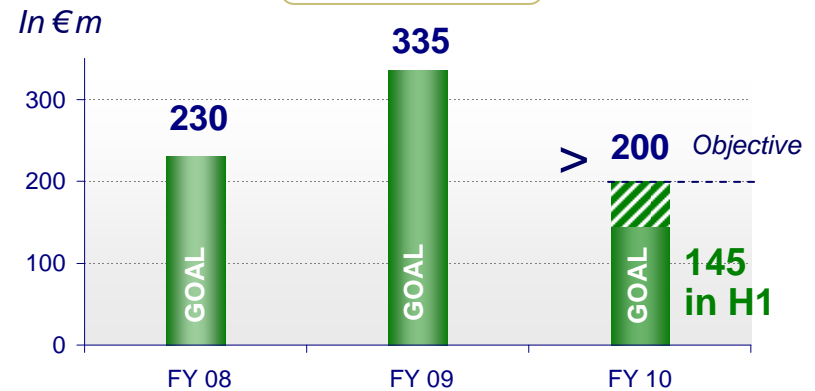
Operating Cash flow



Net Capex



Efficiencies



* Comparable: excluding impact of currency and natural gas

Solid progression in sales and profits

ALMA

Fabienne Lecorvaisier, Chief Financial Officer



Growth compared to 2009 and 2008*


<i>In €m</i>	H1 2010	10/09 change	H1 2010 change vs	
			H1 09	H1 08
Group revenue	6,516	+9.7%	<i>Comparable**</i>	
Gas & Services revenue	5,695	+13.4%	+6.3%	stable
Operating income recurring	1,084	+22.0%	+9.5%	+4.0%
Net profit (Group share)	676	+13.3%	<i>As published</i>	
Net Debt at June 30	5,691	≈	+13.3%	+12.4%

* pre-crisis reference

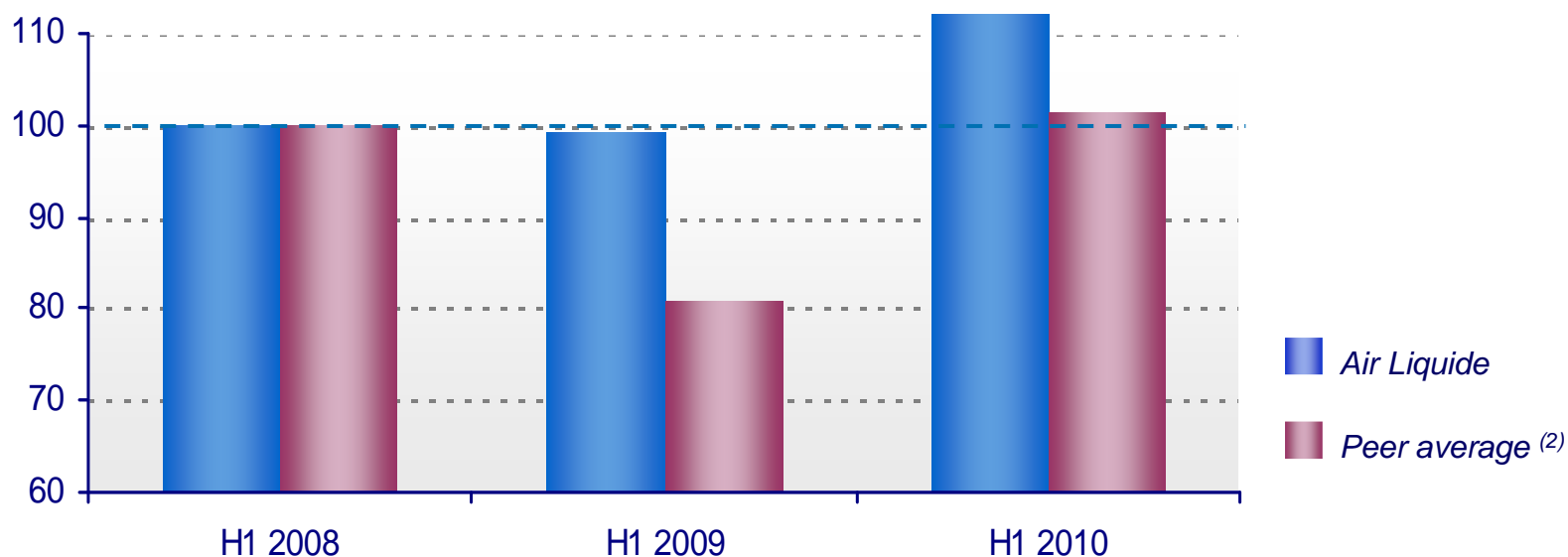
** excluding forex and natural gas

Performance above industry average

H1 2010 Gas & Services sales: comparable⁽¹⁾ growth

		Peer average ⁽²⁾
vs H1 2009	+9.5%	+10.6 %
vs H1 2008	+4.0%	- 2.8%

Net income⁽³⁾: base 100 in H1 2008

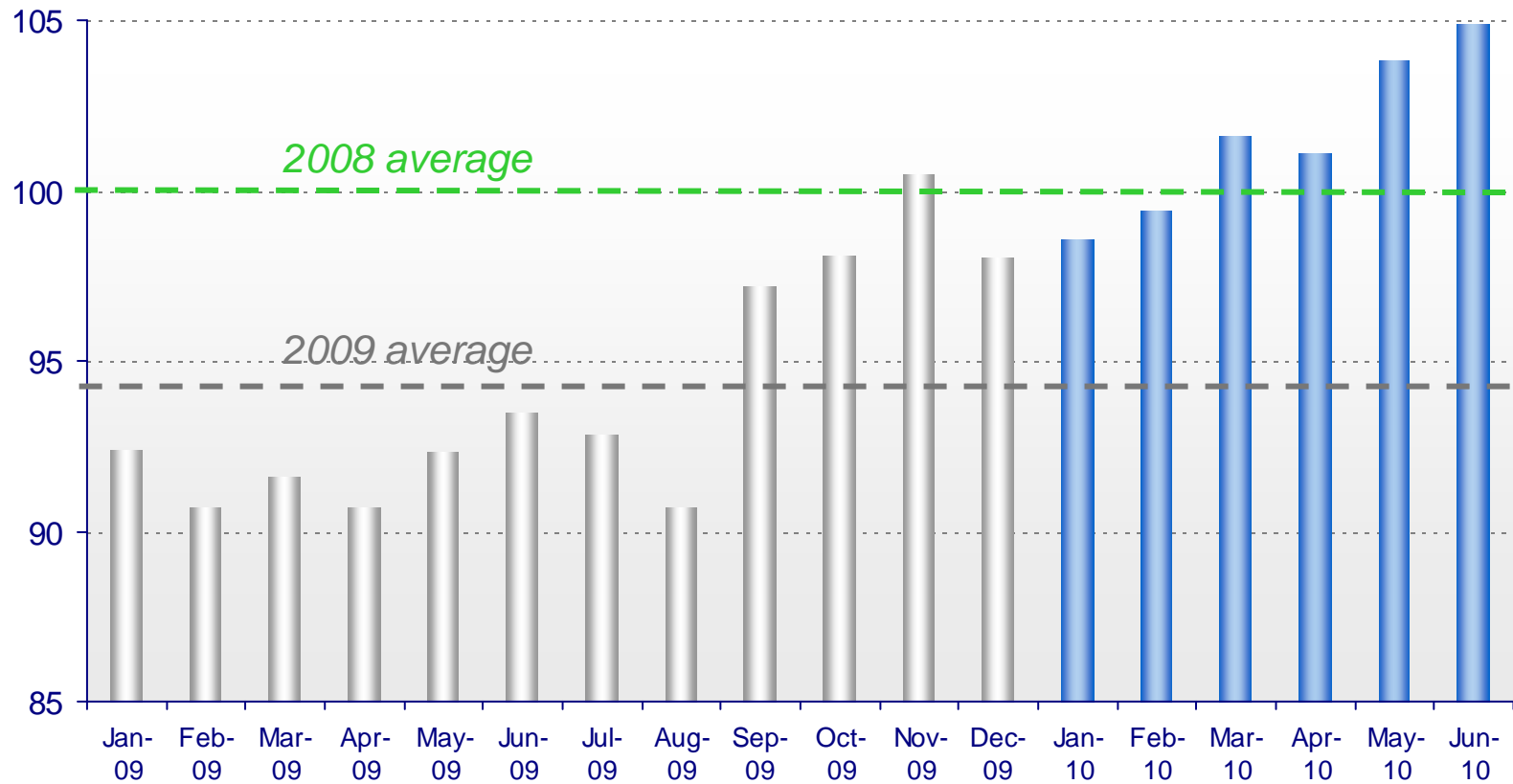


(1) excl. forex and nat. gas (2) h1 2010 figures for peers who have published before 30 july 2010

(3) for the peers, net income adjusted for published exceptional impacts

Confirmed recovery

Gas & Services monthly activity index, 2008 average base 100*



* comparable revenue, adjusted for the number of days per month

Continued improvement in all regions

H1 Gas & Services sales

Comparable growth

■ H1 2010/09 ▨ Q1 2010/09

Europe
€3,002m



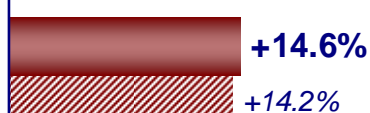
Americas
€1,347m



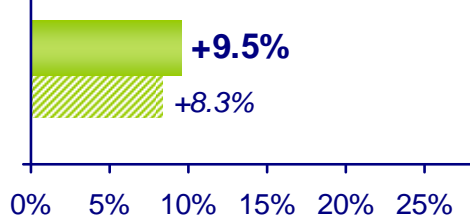
Asia Pacific
€1,213m



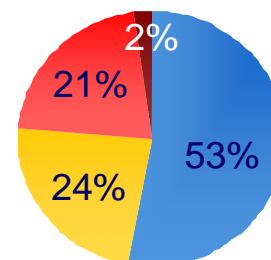
ME & Africa
€133m



Total G&S
€5,695m



- Strong recovery in steel
- Solid growth in Homecare
- Dynamic Eastern Europe
- Contract ramp-ups in South America and the US
- Industrial Merchant momentum in South America and Canada
- Numerous start-ups in China
- Confirmed turnaround in Electronics
- Japan: industrial production recovery
- Integration of acquisitions and strong momentum



Acceleration in emerging economies

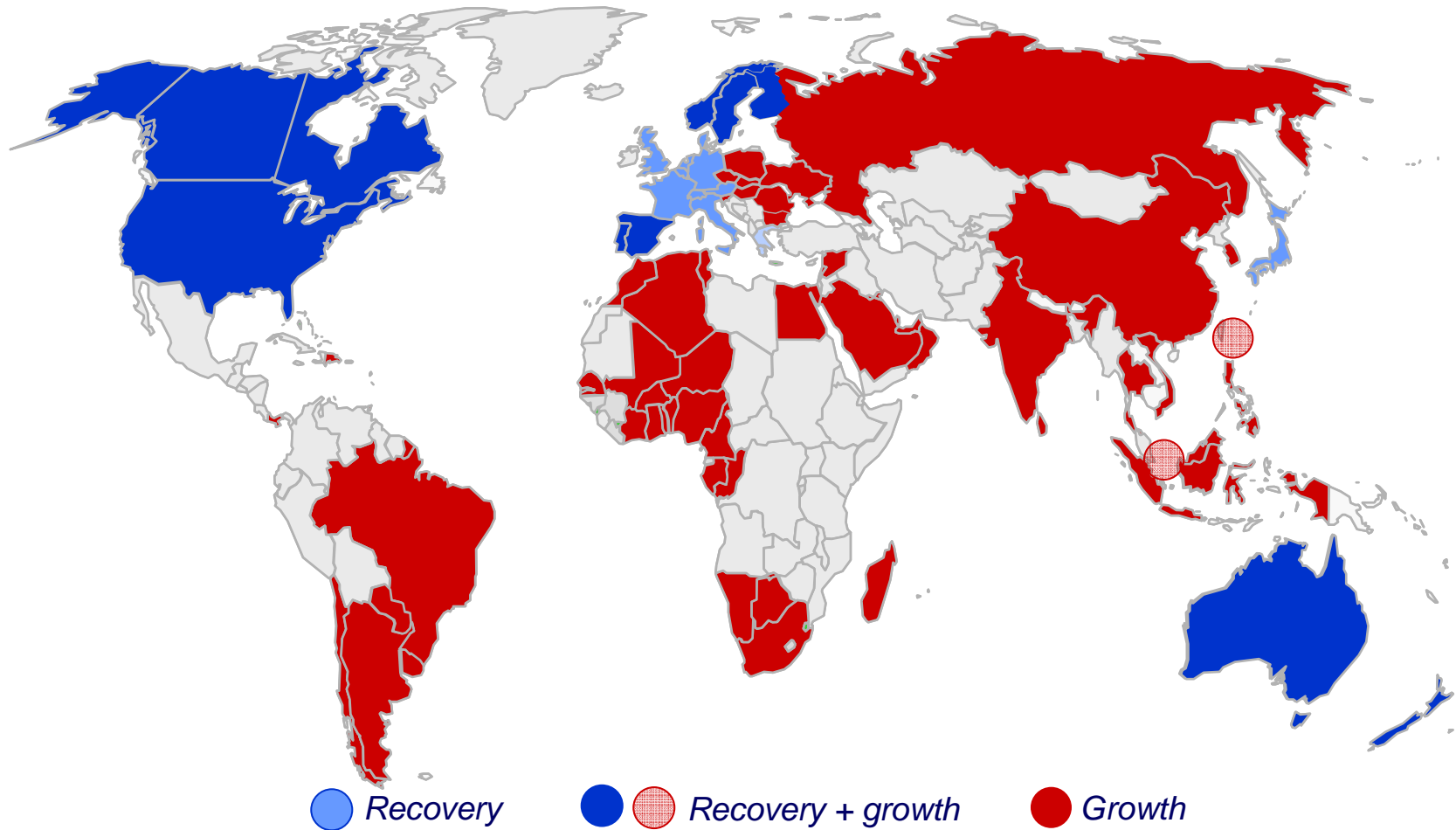
Mature economies

+6%

Gas & services sales growth
H1 2010 / H1 2009

Emerging economies

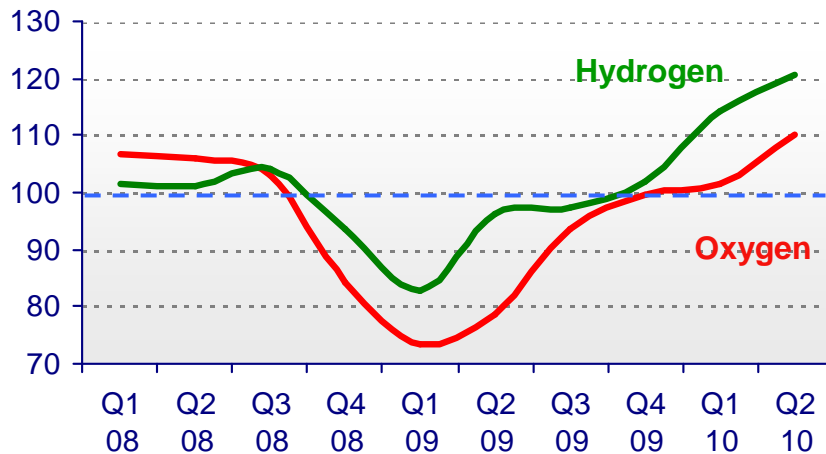
+30%



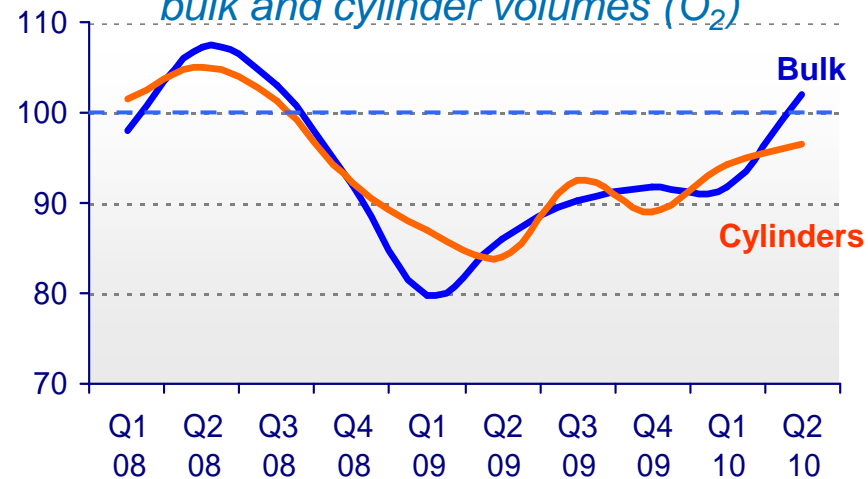
Progressive volume recovery

Base 100, average 2008

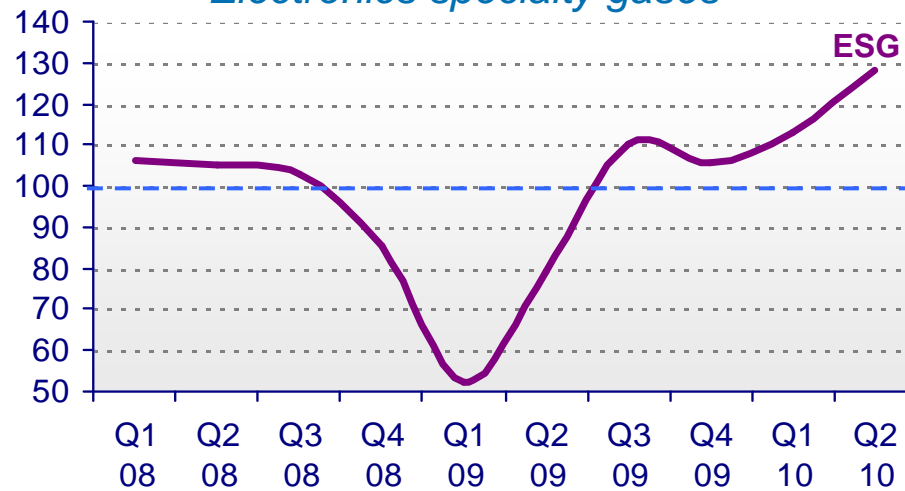
Large Industries gas volumes



Industrial Merchant bulk and cylinder volumes (O₂)

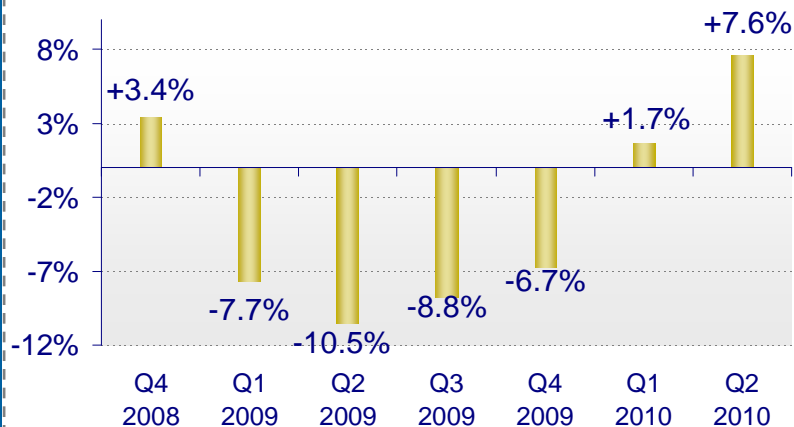


Electronics specialty gases



Continued improvement in all business lines

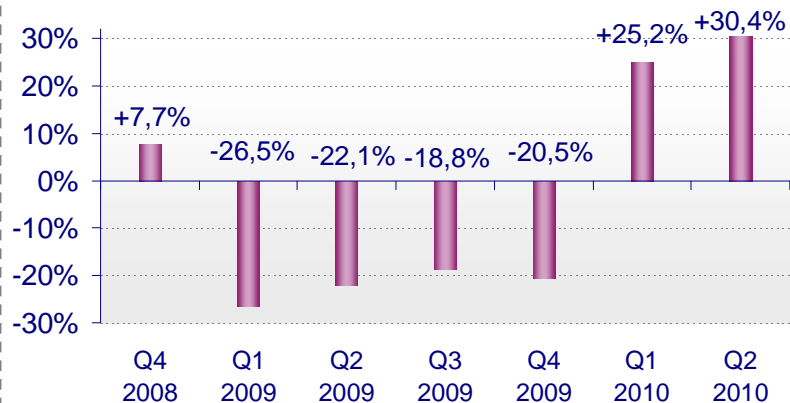
Industrial Merchant: +4.6% in H1



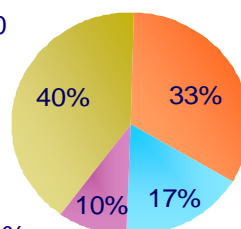
Large Industries: +13.3% in H1



Electronics: +27.8% in H1



H1 2010

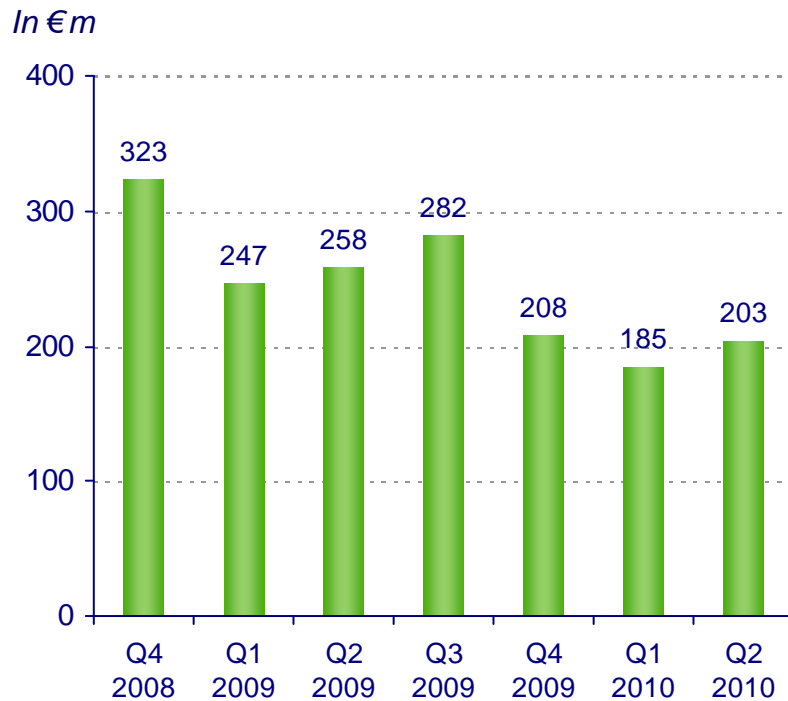


Healthcare: +5.6% in H1



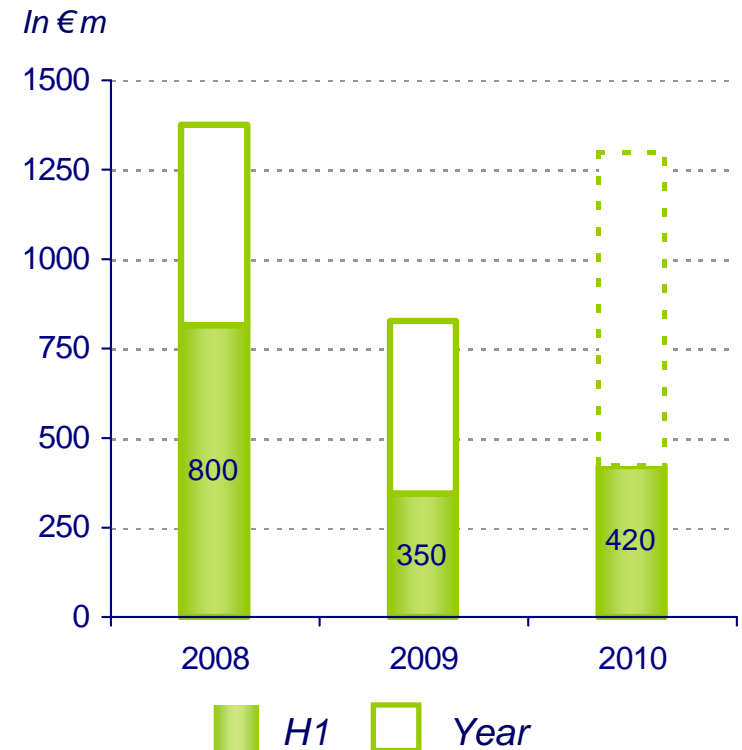
half-year and quarter comparable growth, excluding impact of currency and natural gas, relative to the same period in preceding year

Third-party E&C sales



■ Sales in line with investment cycle

E&C order intake



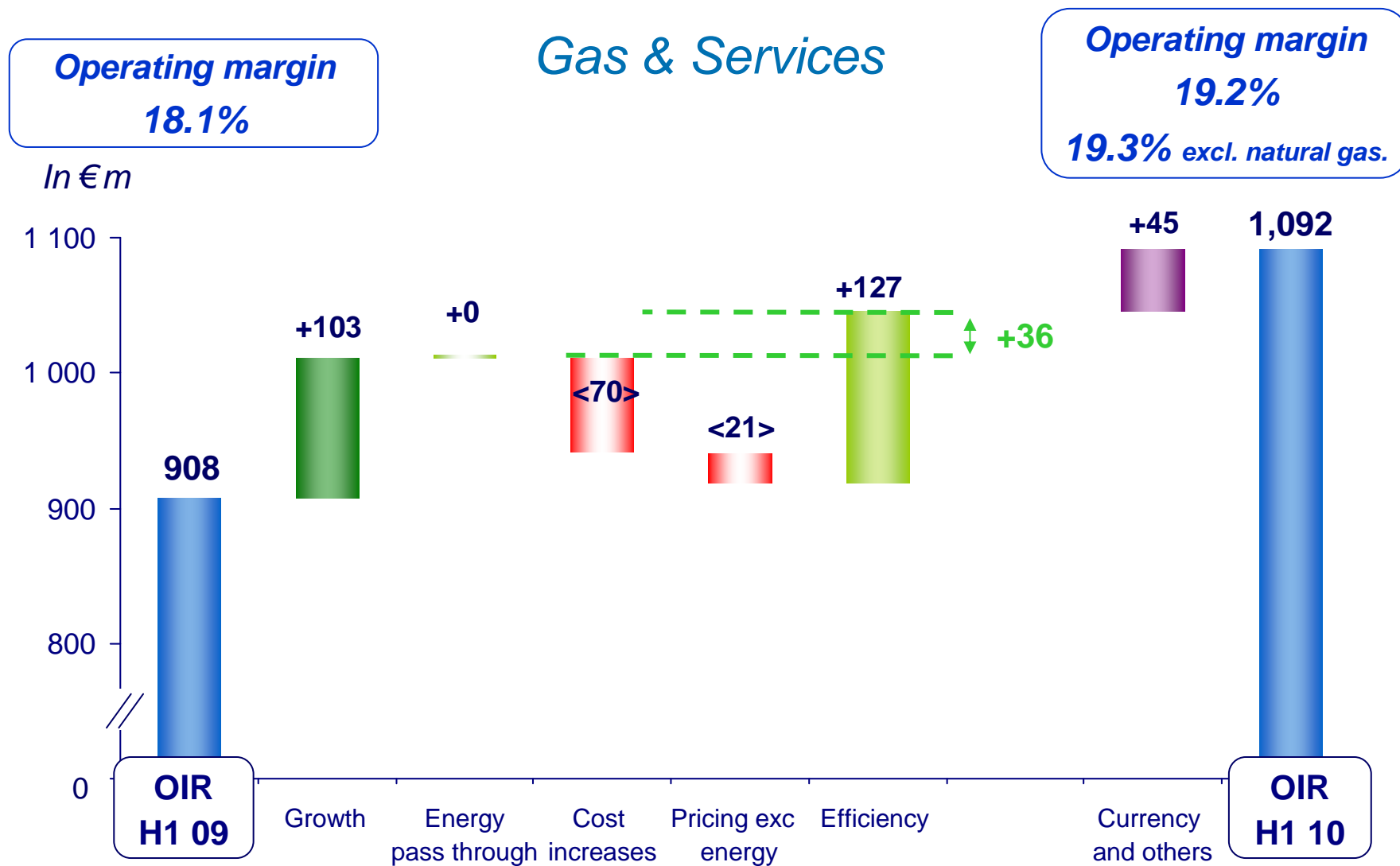
■ Strong commercial activity

Robust performance

In €m

	H1 2009	H1 2010	Change
Revenue	5,937	6,516	+9.7%
Purchases	(2,290)	(2,425)	
Personnel expenses	(1,142)	(1,197)	
Other income and expenses	(1,109)	(1,260)	
Operating Income Recurring before amortization/depreciation	1,396	1,633	+17.0%
Amortization / Depreciation	(507)	(549)	
Operating Income Recurring	889	1,084	+22.0%
Operating margin	15.0%	16.6%	+160 bps
Operating margin excl. Natural gas effect		16.7%	+170 bps

Efficiency ahead of objective



OIR = Operating Income Recurring

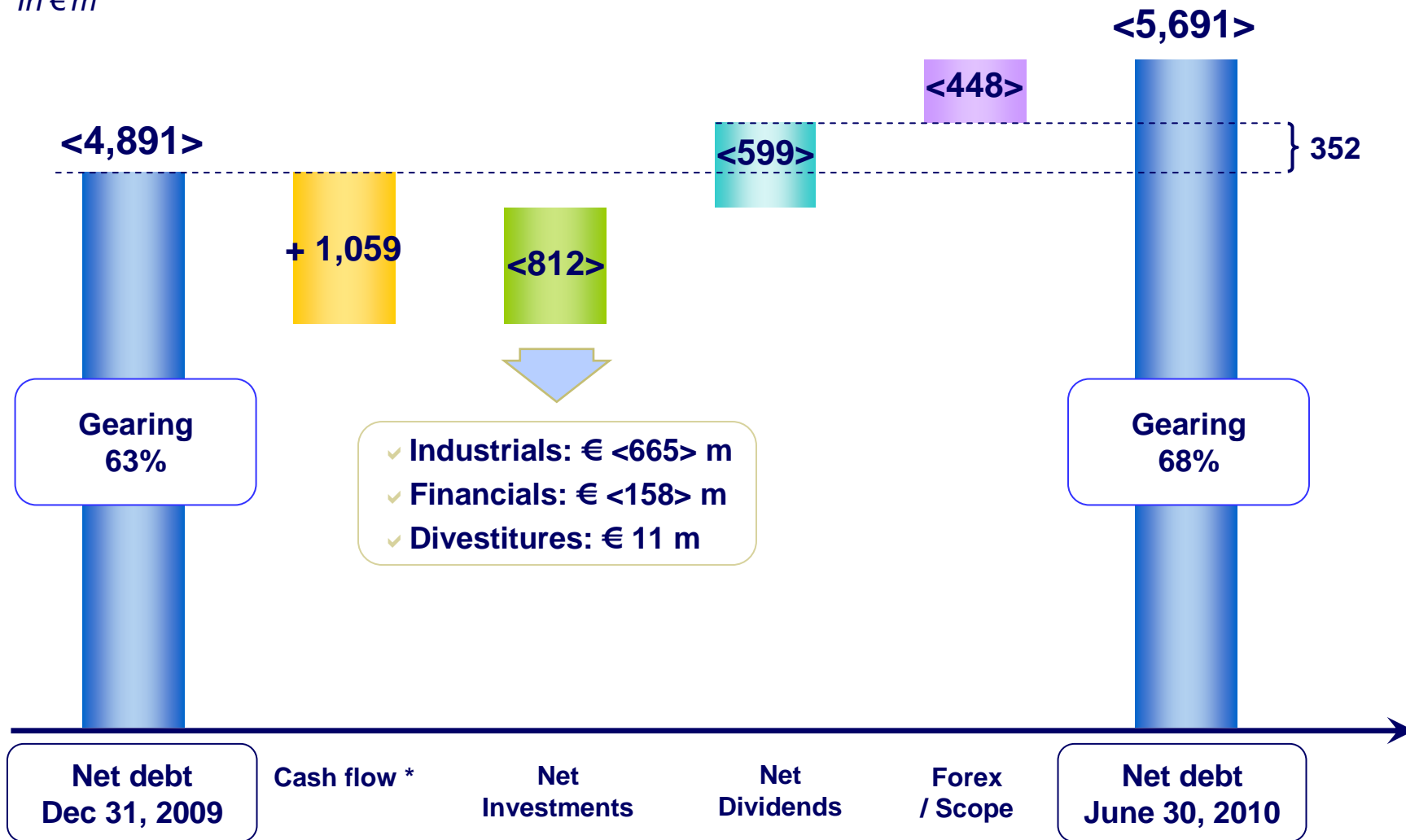
Significant increase in net income

<i>In €m</i>	H1 09	H1 10	<i>Change</i>
Operating income recurring	889	1,084	+22.0%
Other non-recurring operating income & expenses	30	20	
Operating income	919	1,104	+ 20.1%
Net financial costs and other net financial expenses	(120)	(164)	
Income taxes	(185)	(253)	
<i>Tax rate</i>	23.1%	26.9%	
Share of profit of associates	10	18	
Minority interests	(27)	(30)	
Net Profit (Group share)	596	676	+13.3%
Earnings per share (in €)	2.15*	2.40	+11.6%

* adjusted for the 1 for 15 free share issue in May 2010

Debt under control

In €m



* net cash from operating activities, after change in WCR

Recovery in growth projects

ALMA

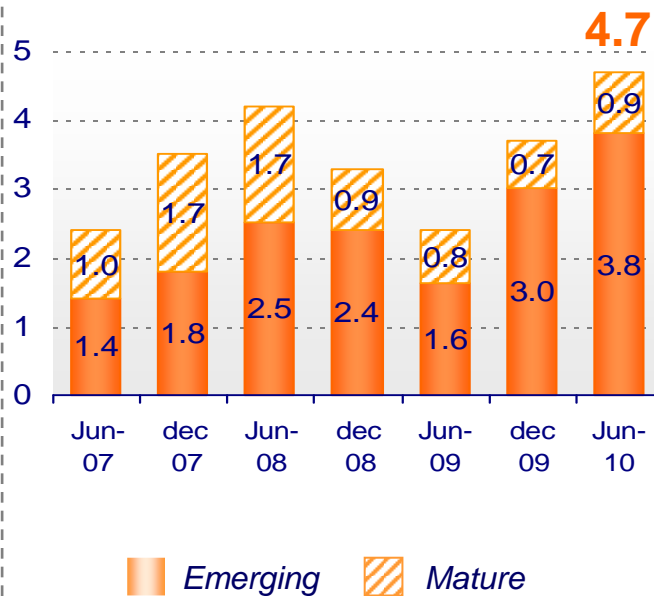
Benoît Potier, Chairman and CEO



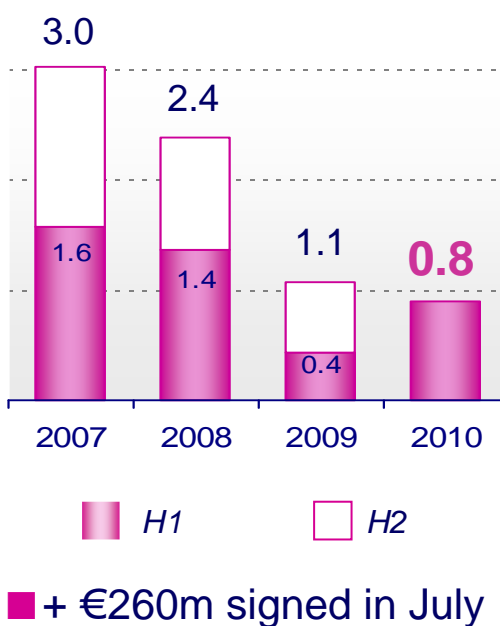
Investment momentum is back



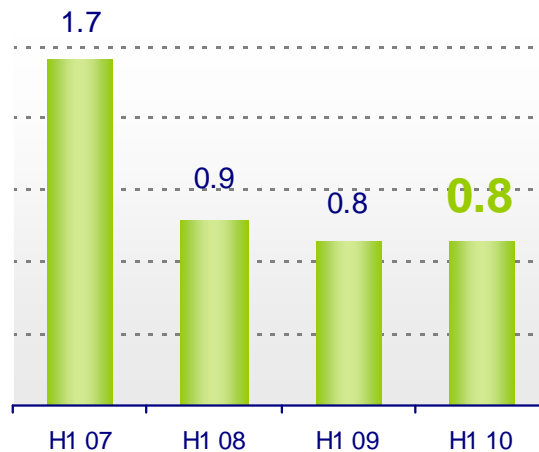
12-month portfolio
In € Bn



Investment decisions
In € Bn



Industrial and financial capex
In € Bn



Record Start-ups

- 13 start-ups in H1
- 12 start-ups expected in H2 2010

Industrial Merchant: acceleration in emerging economies

● Acquisitions *
 ● Liquid capacities
 ○ Filling units

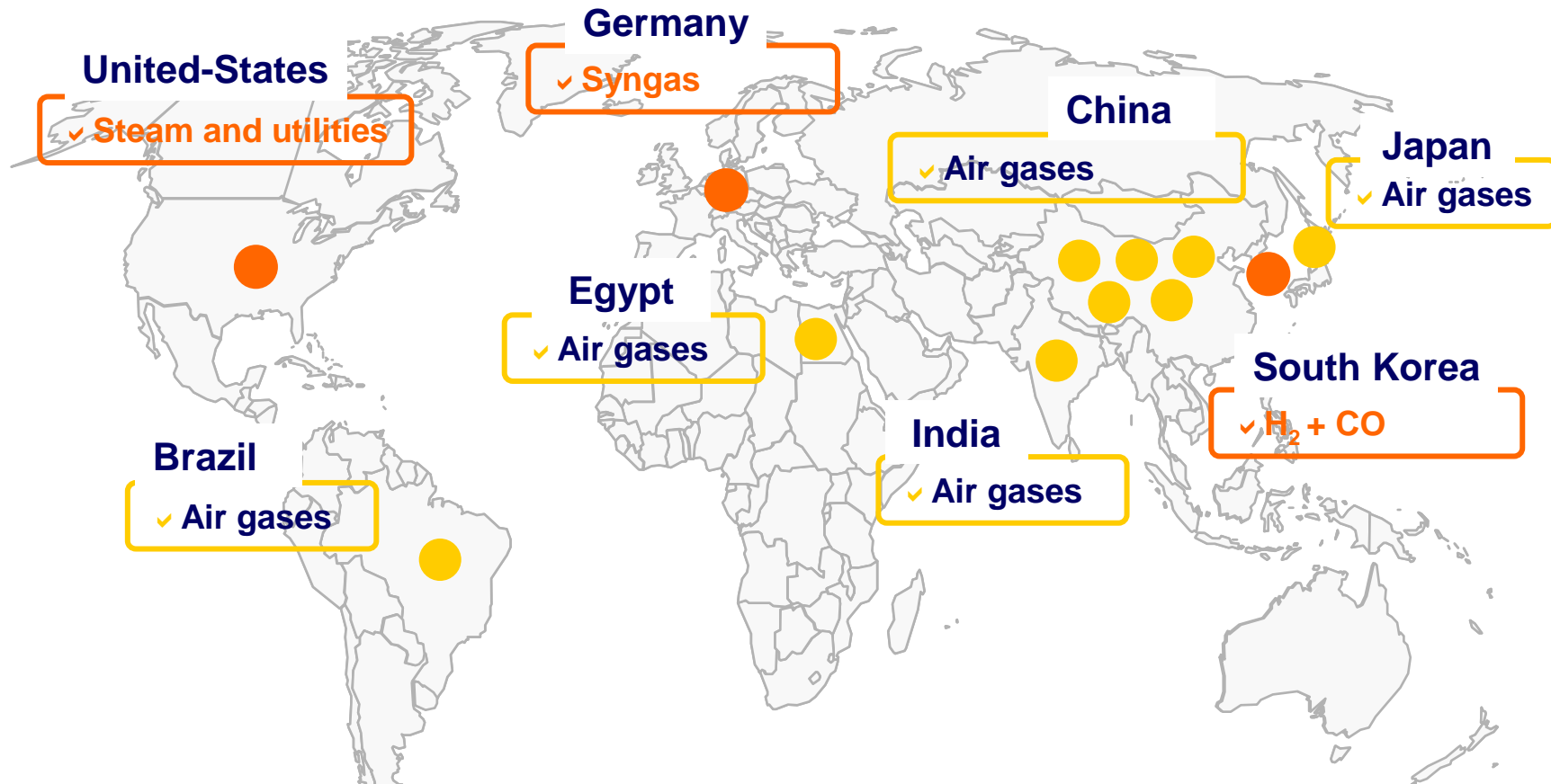


Emerging IM: + 21.6 % in H1 2010

* as of August 2, 2010

Large Industries: outsourcing growth

● 3 takeovers * ● 9 start-ups in H1 2010

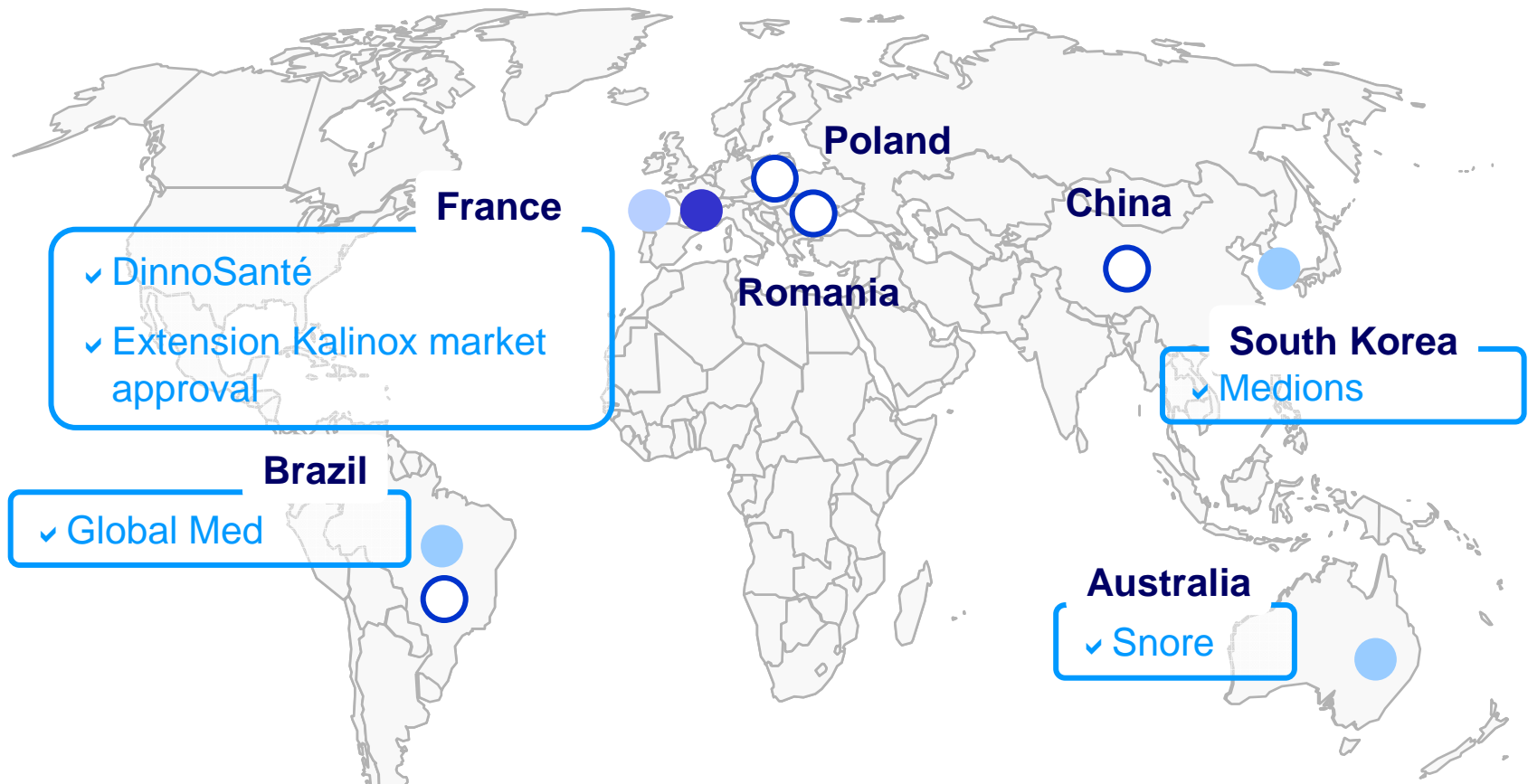


Large Industries: + 13.3 % in H1 2010

* as of August 2, 2010

Homecare: strategic deployment

● Acquisitions* ● Offer expansion ○ New territories



Homecare sales: + 9.4% in H1 2010

* as of August 2, 2010

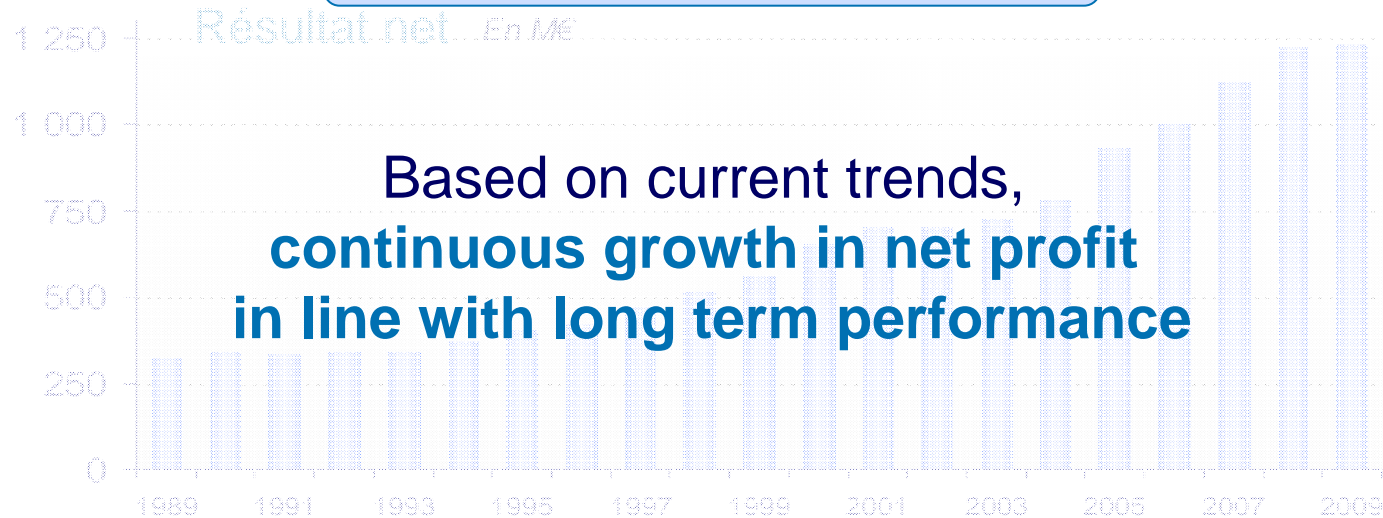


H1 2010

- Solid performance
- Growth and operational control
- Recovery in development projects



2010 objective maintained



Appendices

- *Consolidated statements*
- *Activity analysis*



Impact of currency and natural gas on Gas & Services revenue

■ Currency

<i>In €m</i>	Q2 09	Q3 09	Q4 09	Q1 10	Q2 10
€/USD	+54	+18	(46)	(26)	+30
€/CAD	(1)	0	+2	+14	+25
€/JP¥	+42	+41	(8)	(7)	+31
Other	(9)	(15)	(10)	+31	+71
Total currency impact	+86	+44	(62)	+12	+157

Average exchange rates

	Q2 09	Q3 09	Q4 09	Q1 10	Q2 10
€/USD	1.36	1.43	1.48	1.38	1.27
€/CAD	1.59	1.57	1.56	1.44	1.31
€/JP¥	132.50	133.80	132.70	125.50	117.10

■ Natural gas

<i>In €m</i>	Q2 09	Q3 09	Q4 09	Q1 10	Q2 10
Natural gas impact	(163)	(142)	(83)	(10)	+38

Consolidated P&L

In €m

	H1 2009	H1 2010
Revenue	5,937	6,516
Cost of goods	(4,541)	(4,883)
Operating income recurring before depreciation	1,396	1,633
Depreciation and amortization expense	(507)	(549)
Operating income Recurring	889	1,084
Net non-recurring operating income	30	20
Operating income	919	1,104
Net finance costs & other net financial expenses	(120)	(163)
Income taxes	(185)	(253)
Share of profit of associates	9	18
Profit for the period	624	705
- Minority interest	27	30
- Net profit (group share)	596	676
Basic earnings per share (euros)	2.15 *	2.40

* adjusted for the one for 15 free share issue in May 2010

Consolidated Balance Sheet

In €m

ASSETS	31/12/09	30/06/10	EQUITY AND LIABILITIES	31/12/09	30/06/10
Goodwill	4,003	4,395	Shareholders' equity	7,584	8,165
Fixed assets	10,597	11,728	Minority interests	168	190
Other non-current assets*	940	979	Total equity	7,752	8,355
Total non-current assets	15,540	17,102	Provisions & deferred tax	2,777	3,053
Inventories & work in-progress	710	771	Non-current borrowings	5,529	6,273
Trade receivables & other current assets	2,931	3,108	Other non-current liabilities*	281	358
Cash and cash equivalents*	1,445	1,064	Provisions	222	239
Total current assets	5,086	4,943	Trade payables & other current liabilities	3,197	3,158
Total assets	20,626	22,045	Current borrowings*	867	609
			Total equity and liabilities	20,626	22,045
	31/12/09	30/06/10			
Net debt	4,891	5,691			
Net debt ratio	63%	68%			

* including fair value of derivatives

Cashflow Statement

<i>In €m</i>	H1 09	H1 10
Funds provided by operations	1,084	1,266
Changes in working capital	(7)	(207)
Other items	36	0
Net cash from operating activities	1,113	1,059
Purchase of PPE* and intangible assets	(772)	(665)
Purchase of financial assets	(27)	(158)
Proceeds from sale of PPE*, intangible and financial assets	10	11
Net cash in investing activities	(789)	(812)
Distribution	(618)	(633)
Increase in capital stock	87	34
Purchase of treasury shares	(1)	(3)
Transactions with minority shareholders	0	(6)
Exchange rate and consolidation scope effect	38	439
Change in net indebtedness	(169)	(800)

Number of outstanding shares evolution

H1 2010

Average number of shares outstanding

281,167,826

Number of shares as at June 30, 2010

282,931,628

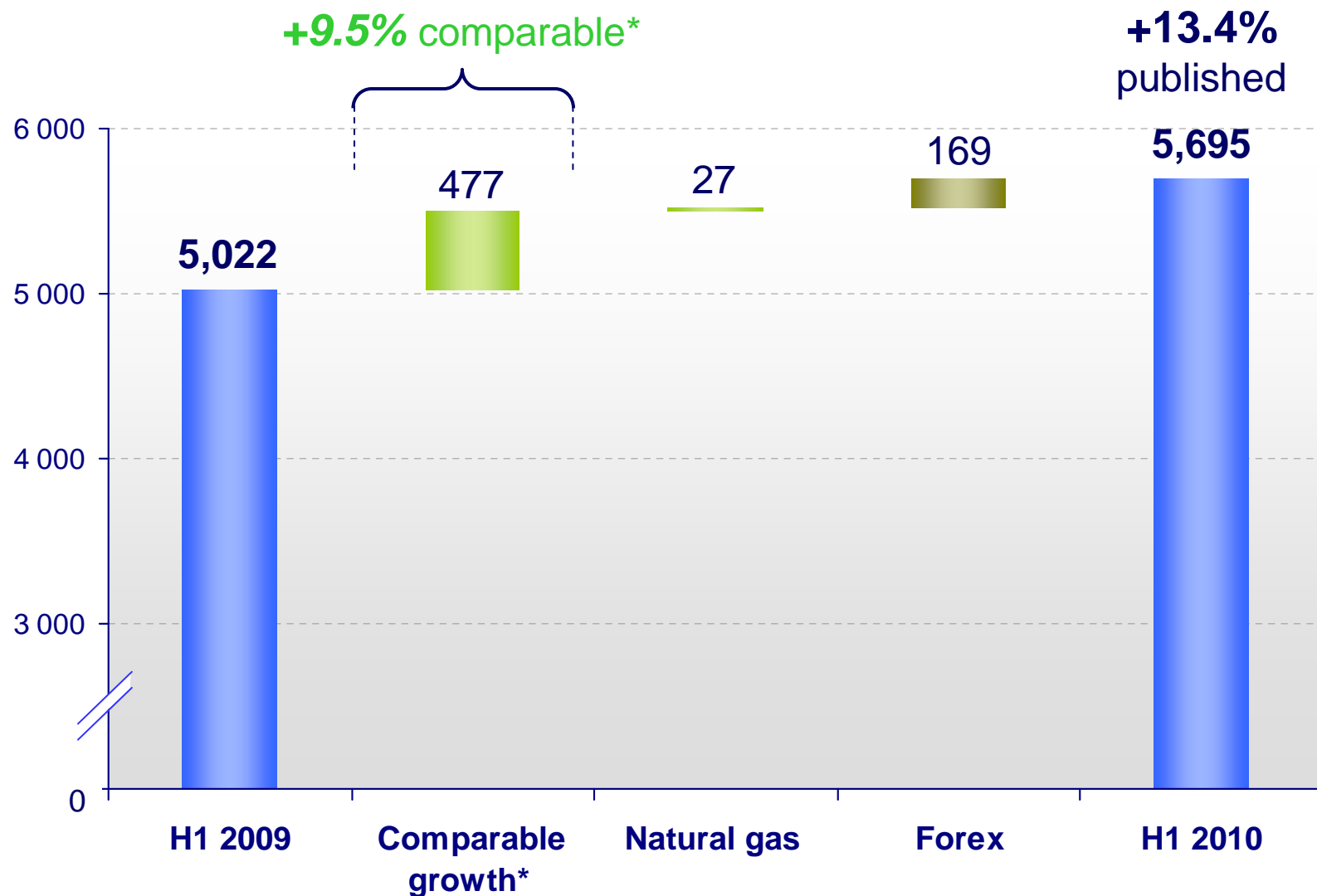
Appendices

- *Consolidated statements*
- *Activity analysis*



H1 G&S comparable revenue growth: +9.5%

In €m



* excl. forex & natural gas

Quarterly sequential growth

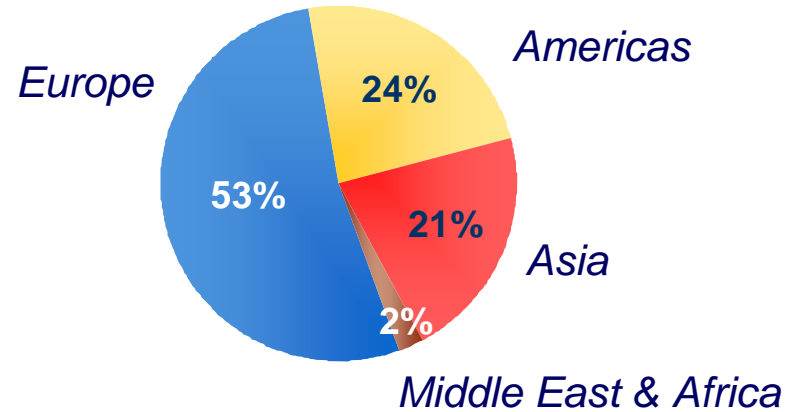
2009-2010 quarterly revenue, at constant natural gas and forex

Base 100



Revenue breakdown by region

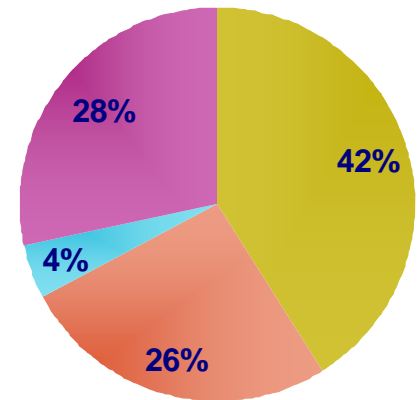
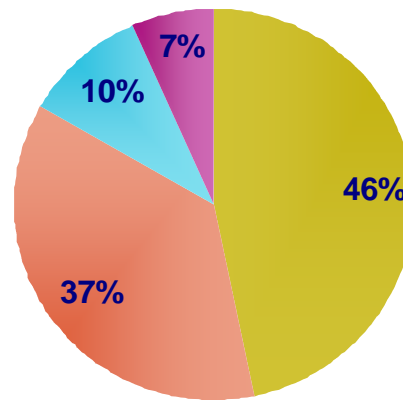
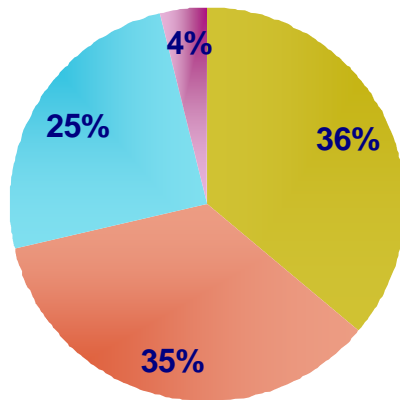
H1 2010 Gas & Services revenue :
€5.7bn



Europe: €3.0bn

Americas: €1.3bn

Asia: €1.2bn



■ Industrial Merchant
 ■ Large Industries
 ■ Healthcare
 ■ Electronics

Europe in Q2: Moderate recovery

■ Industrial Merchant

- ✓ Recovery in bulk volumes
- ✓ Cylinders activity still low
- ✓ Eastern Europe dynamic

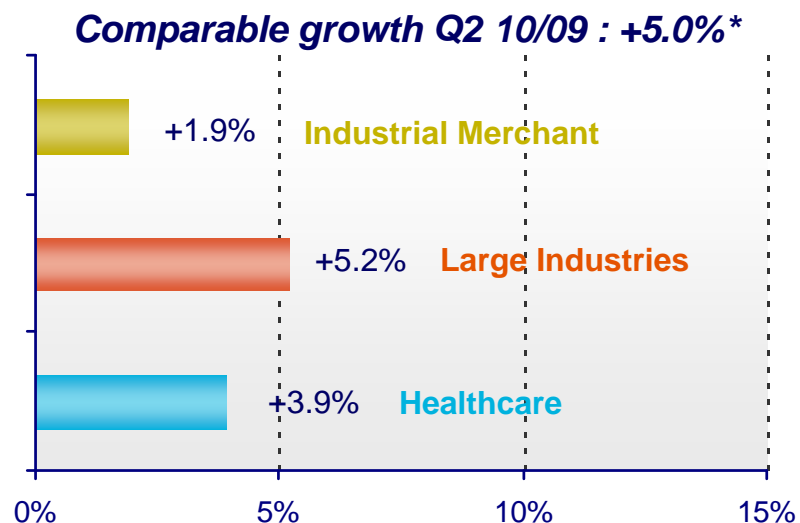
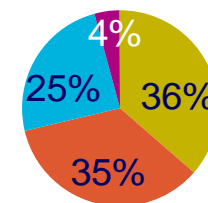
■ Large Industries

- ✓ Strong recovery in steel
- ✓ Sustained growth in hydrogen
- ✓ Temporary shutdowns of some cogeneration units

■ Healthcare

- ✓ Continued growth of homecare
- ✓ Unfavorable comparison base in hygiene business (H1N1 flu)

Sales Gas & Services Q2:
€ 1,505m



In M€	H1 10	Publ. growth	Comp. growth
Sales	3,002	+4.5%	+4.4%
OIR	593	+8.8%	
OIR/Sales	19.8%	+80bp	

* excl. NG and FX

Americas in Q2: Activity in excess of pre-crisis

level

■ Industrial Merchant

- ✓ Strong growth in Latin America
- ✓ Industrial production recovery in Canada
- ✓ Progressive improvement in the US

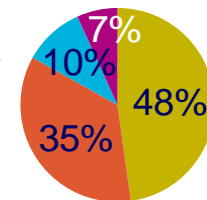
■ Large Industries

- ✓ Ramp-ups of hydrogen contracts in US and Argentina and oxygen in Brazil
- ✓ Steel market recovery

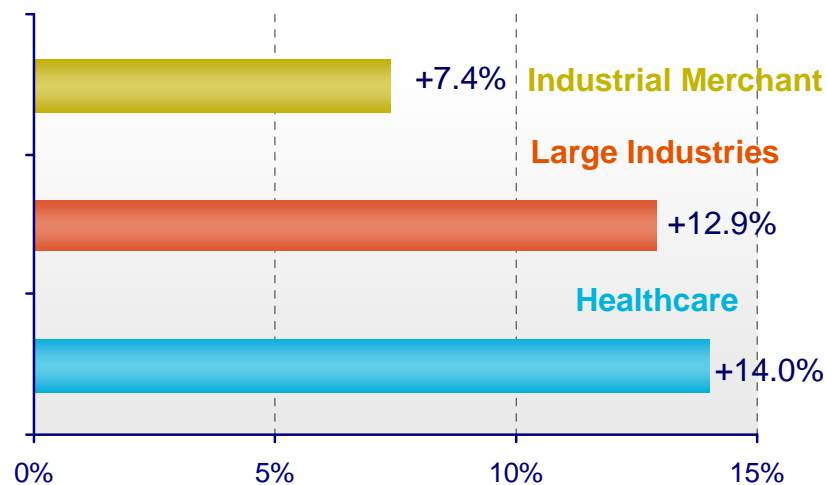
■ Healthcare

- ✓ Solid medical gases growth across the region
- ✓ Global Med acquisition in Brazil (sleep apnea)

Sales Gas & Services Q2:
€703m



Comparable growth Q2 10/09 : +10.4%*



In M€	H1 10	Publ. growth	Comp. growth
Sales	1,347	+17.6%	+9.5%
OIR	259	+19.2%	
OIR/Sales	19.2%	+20bp	

* excl. NG and FX

Asia-Pacific in Q2: Recovery and start-ups

■ Industrial Merchant

- ✓ Partial recovery in Japan
- ✓ New capacities in China
- ✓ Solid industrial production growth in the region

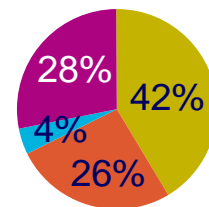
■ Large Industries

- ✓ Four start-ups in China and one in Japan
- ✓ Increasing demand in all countries

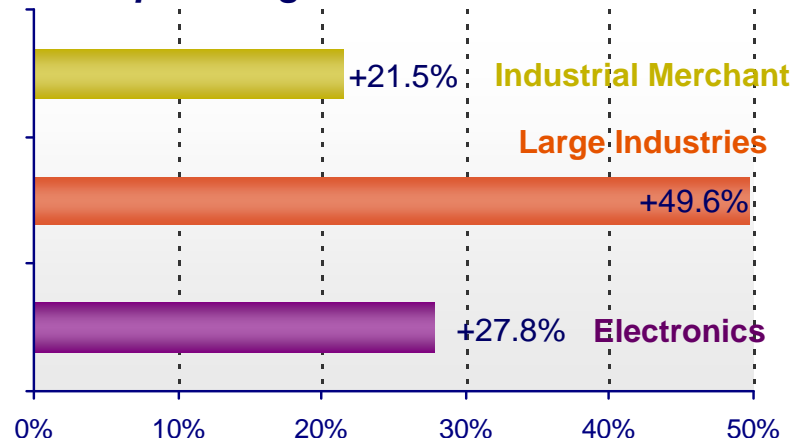
■ Electronics

- ✓ Strong recovery in demand
- ✓ New contracts in China
- ✓ Recovery of E&I sales

Sales Gas & Services Q2:
€ 655m



Comparable growth Q2 10/09 : +28.6%*

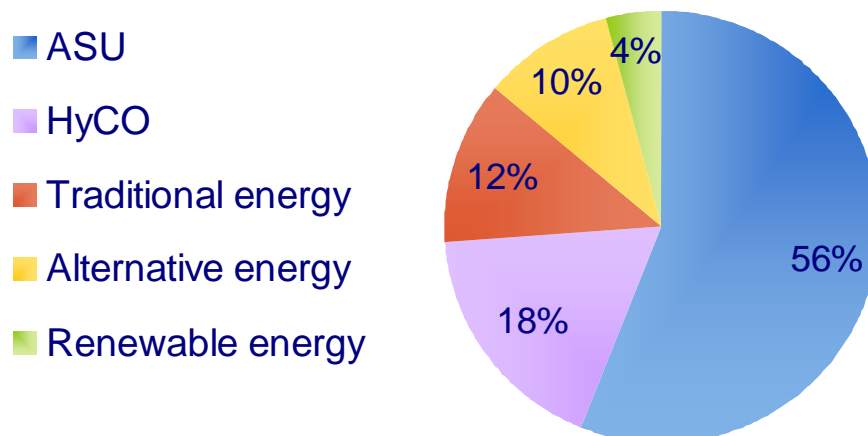


In M€	H1 10	Publ. Growth	Comp. growth
Sales	1,213	+35.2%	+25.2%
OIR	205	+76.7%	
OIR/Sales	16.9%	+400bp	

* excl. NG and FX

<i>In €m</i>	H1 09	H1 10
Consolidated revenues	505	388
OIR* margin	9.8%	9.4%
Total order intake	350	420
Total orders-in-hand	5,000	4,200

Total orders-in-hand breakdown at June 30, 2010



* includes financial income generated by advances from customers.

Gas & Services revenue growth by quarter

	Published Growth	Natural Gas	Forex	Comparable Growth
Q2 2009	-8.2%	-6.0%	+2.9%	-5.1%
Q3 2009	-8.9%	-5.2%	+1.5%	-5.2%
Q4 2009	-9.2%	-2.8%	-1.8%	-4.6%
Q1 2010	+8.3%	-0.4%	+0.4%	+8.3%
Q2 2010	+18.6%	-1.6%	-6.3%	+10.7%

Revenue analysis by quarter (1)

<i>Sales in €m</i>	Q2 09	Q3 09	Q4 09	Q1 10	Q2 10	Q2 10/09 published	Q2 10/09 comparable
Europe	1,402	1,404	1,496	1,497	1,505	+7.3%	+5.0%
Americas	566	552	577	643	703	+24.3%	+10.4%
Asia-Pacific	449	490	522	558	655	+45.7%	+28.6%
Middle East & Africa	57	68	60	62	71	+26.4%	+14.9%
Gas & Services	2,474	2,514	2,655	2,760	2,934	+18.6%	+10.7%
Engineering & Construction	258	282	207	185	203	-21.4%	-24.4%
Others activities	208	184	196	207	226	+8.8%	
Total Group	2,940	2,980	3,058	3,152	3,363	+14.4%	+7.4%

Revenue analysis by quarter (2)

<i>Sales in €m</i>	Q2 09	Q3 09	Q4 09	Q1 10	Q2 10	Q2 10/09 published	Q2 10/09 comparable
Industrial Merchant	1,048	1,069	1,088	1,106	1,208	+15.3%	+7.6%
Large Industries	771	764	848	936	950	+23.2%	+13.0%
Electronics	207	227	232	252	293	+41.3%	+30.4%
Healthcare	448	454	487	466	484	+8.1%	+5.2%
Gas & Services	2,474	2,514	2,655	2,760	2,934	+18.6%	+10.7%

Operating margin (OIR/Revenue)

		H1 07	H2 07	2007
■ 2007	Group	15.2%	15.2%	15.2%
	Gas & Services	17.6%	18.8%	18.1%
<hr/>				
		H1 08	H2 08	2008
■ 2008	Group	14.9%	14.8%	14.9%
	Gas & Services	17.5%	17.8%	17.7%
<hr/>				
		H1 09	H2 09	2009
■ 2009	Group	15.0%	17.6%	16.3%
	Gas & Services	18.1%	21.0%	19.6%
<hr/>				
		H1 2010		
		<i>Published</i>	<i>Excl. Nat. gas</i>	
■ 2010	Group	16.6%	16.7%	
	Gas & Services	19.2%	19.3%	

For further information, please contact:

Investor Relations

Virginia Jeanson ☎ + 33 (0)1 40 62 57 37

Annie Fournier ☎ + 33 (0)1 40 62 57 18

Bastien Maurice ☎ + 33 (0)1 40 62 59 38

Corporate Communications

Anne Lechevranton ☎ + 33 (0)1 40 62 50 93

Corinne Estrade-Bordry ☎ + 33 (0)1 40 62 51 31

www.airliquide.com

L'Air Liquide S.A.
Corporation for the study and application of processes developed by
Georges CLAUDE with registered capital of 1,555,653,830.50 euros

Corporate headquarters :
75, Quai d'Orsay
75321 Paris Cedex 07
Tel : +33 (0)1 40 62 55 55
RCS Paris 552 096 281

