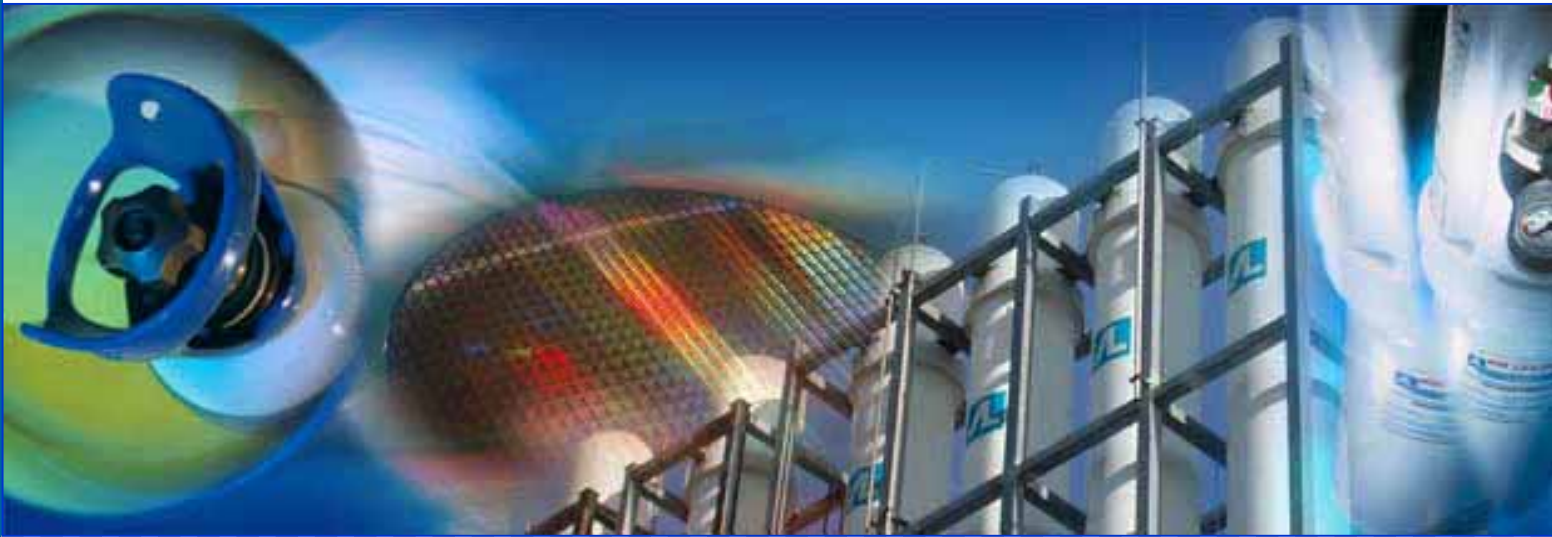




Air Liquide: Positioned for Growth

Citigroup Conference

New York, 6 December 2005



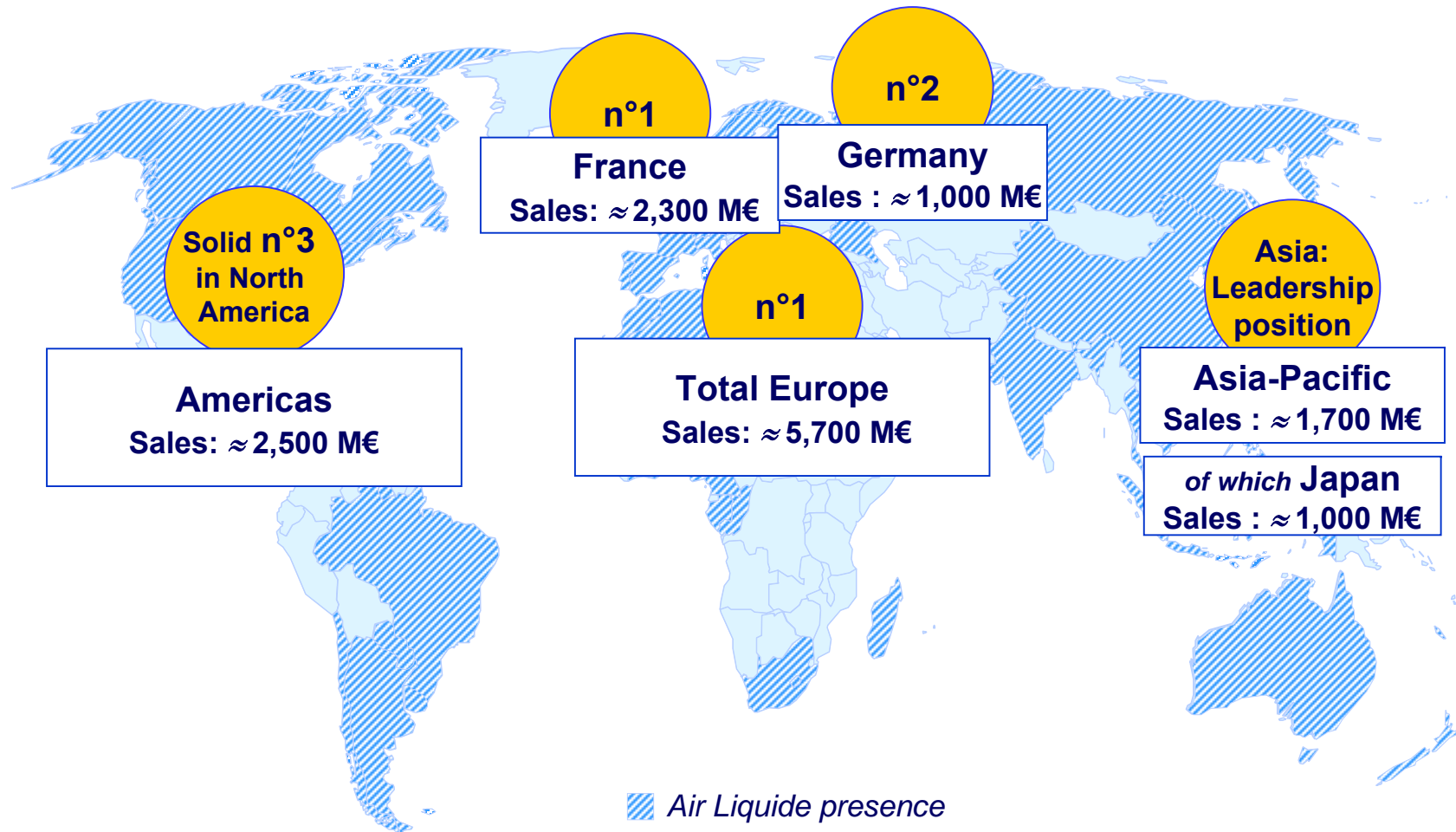
Pierre Dufour - Executive Vice-President

Air Liquide

- # 1 in industrial gases.
- Unique access to customers, markets and know how
- Long track record of successful international expansion
- Robust growth strategy delivers across the cycle

Unique geographic coverage

Estimated group sales in 2005: ~ 10 bn €



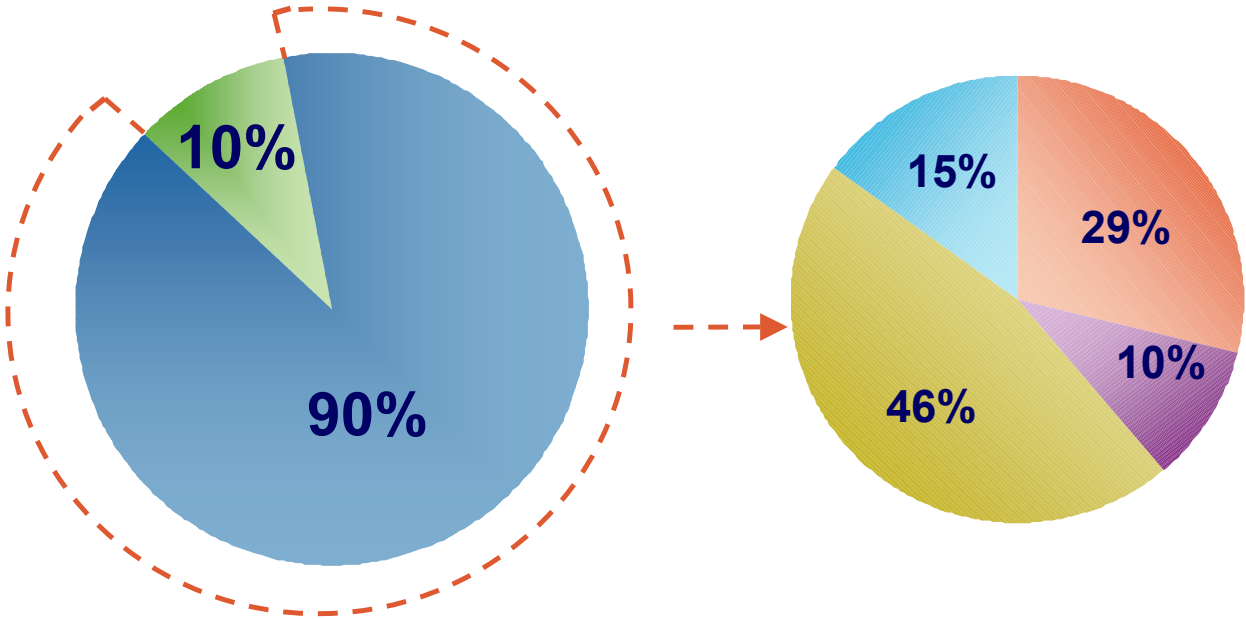
Africa : ~ 200M€

Breakdown of sales by business line

Total sales: ≈ 10 bn €

Gas & Services: ≈ 9 bn€

■ Gas & Services ■ Related activities



■ Large Industries ■ Industrial Customers
 ■ Electronics ■ Healthcare

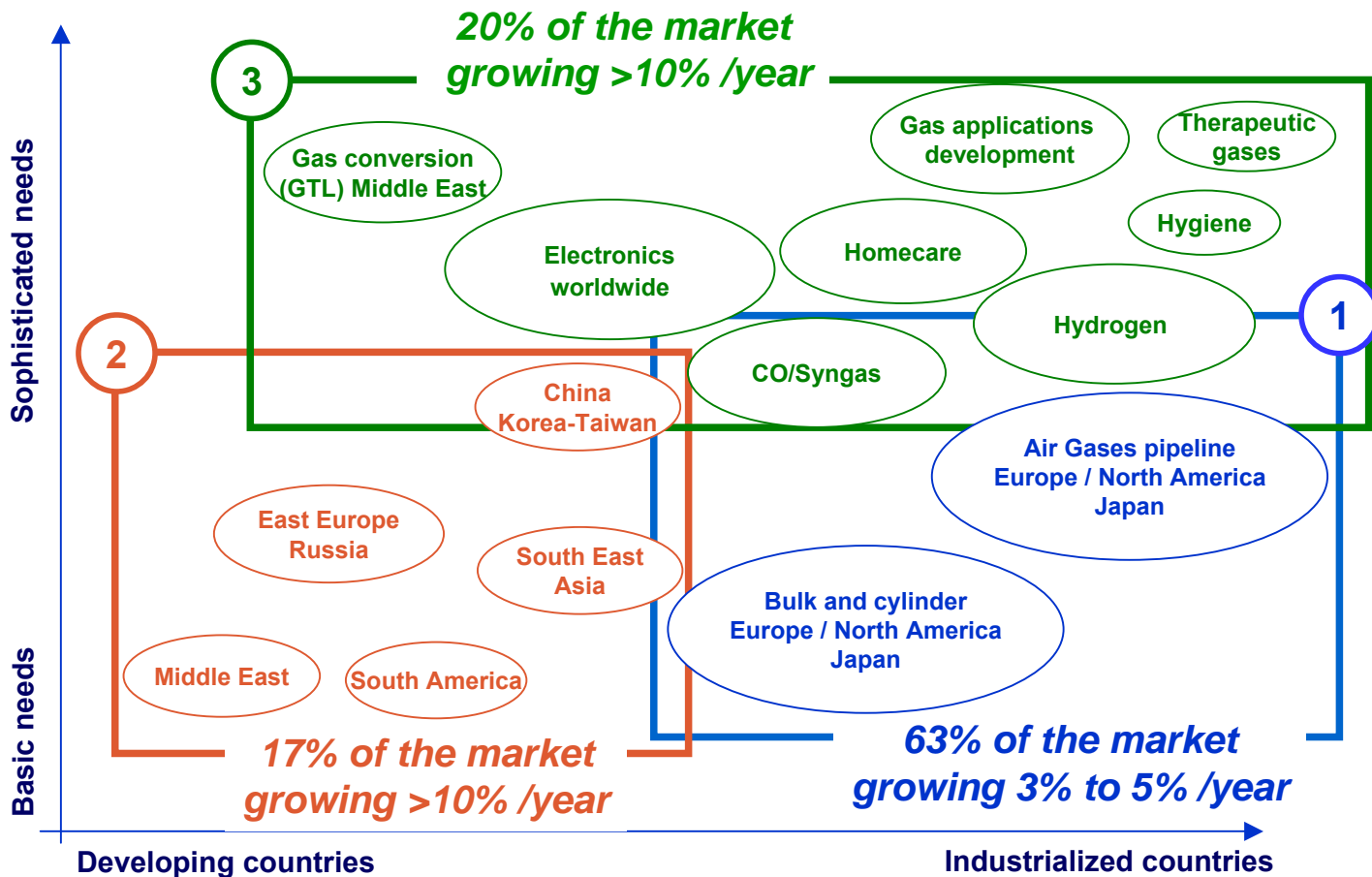
Group objectives to 2008

Objective	Target	Timeline
Sales growth	+ 7 to 9% pa	through to 2008
Net earnings growth	<i>double digit</i>	through to 2008
ROCE (after tax)	<i>back to >12%</i>	by 2008
Debt/Equity	<50%	by 2008

Growth model

Growth drivers

- 7-9% / year in sales from three growth drivers
- Air Liquide global scope creates synergies between growth drivers



Growth drivers: growing our base in large markets

*63% of worldwide gas market
 ≈ 63% of Air Liquide's revenue*



- Local density and presence generates superior returns and cash
- Key business objectives:
 - ✓ Excellent customer service, reliable operations and strong relationships with worldwide customers
 - ✓ Cost effectiveness and capital productivity
 - ✓ Human resources development

Enhanced presence in North America

- Large Industries: 45% of our business
 - ✓ #1 in air gases
 - ✓ Largest pipeline network in the United States
 - ✓ #3 in hydrogen
- Industrial Customers: 40% of our business
 - ✓ #2 in bulk gases
 - ✓ Coverage/density:
 - Productivity and cost efficiency
 - Provides a broader base for innovation growth
 - ✓ Growth in key products (Argon)

Enhanced presence in the United States

- 49 successful contracts 2005 YTD introducing new technologies into a broader base of customers
- Signature rate two times higher than in 2004

Examples:

Welding



Laser Welding

Steel



SPAL

Environment

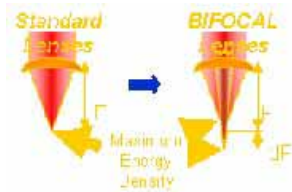


TurboxAL

Food



CrustFlow P



BIFOCAL
Laser cutting

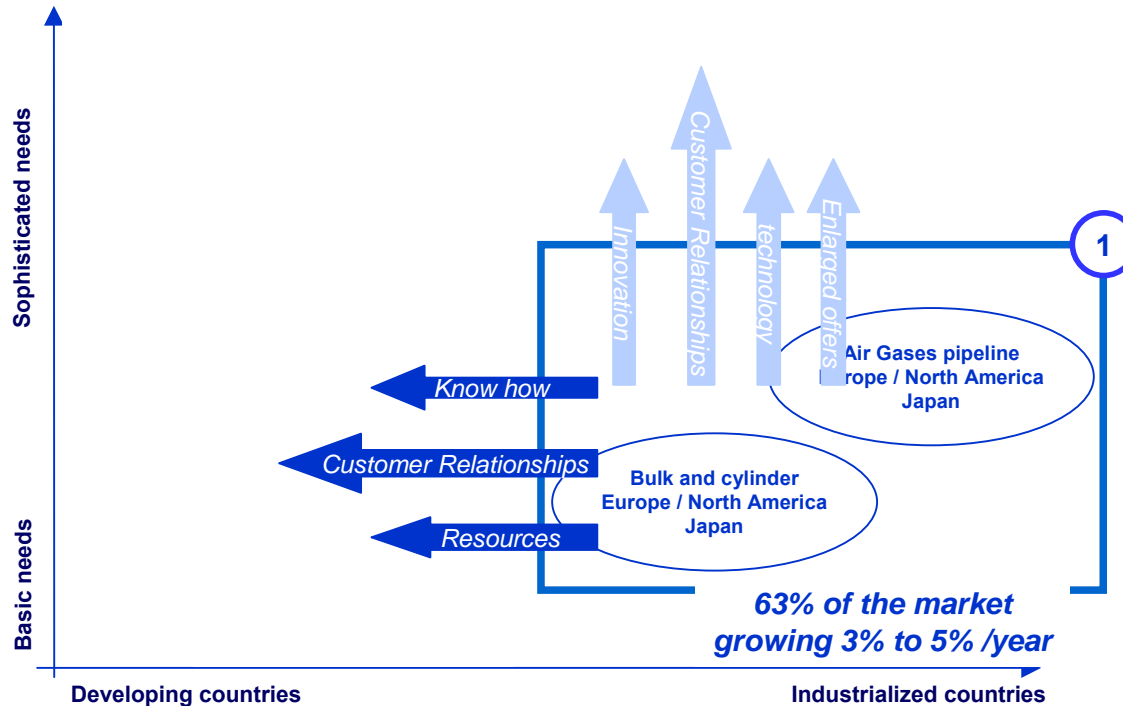


Pyrejet



VentoxAL

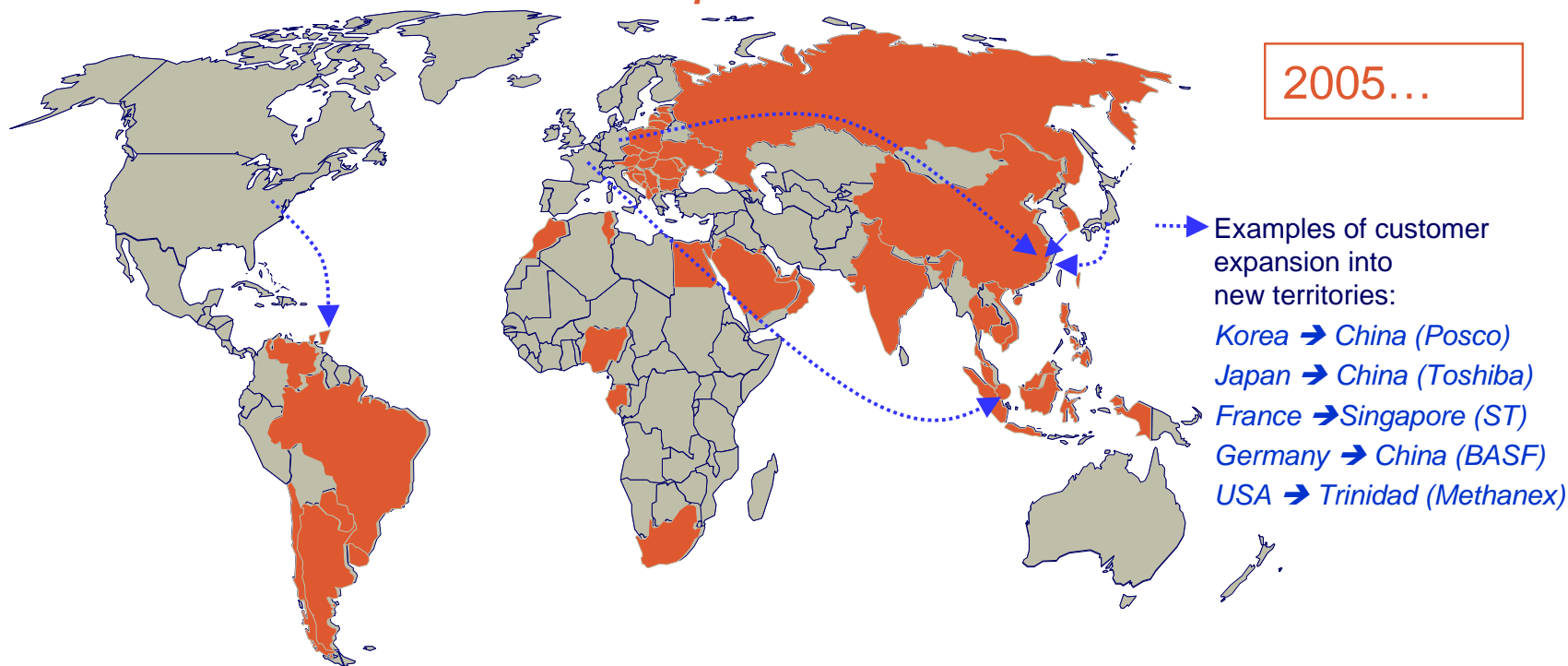
Large markets are strong bases for growth



- International customers drive investment in new territories
- Large markets provide resources, technology and customer relationships

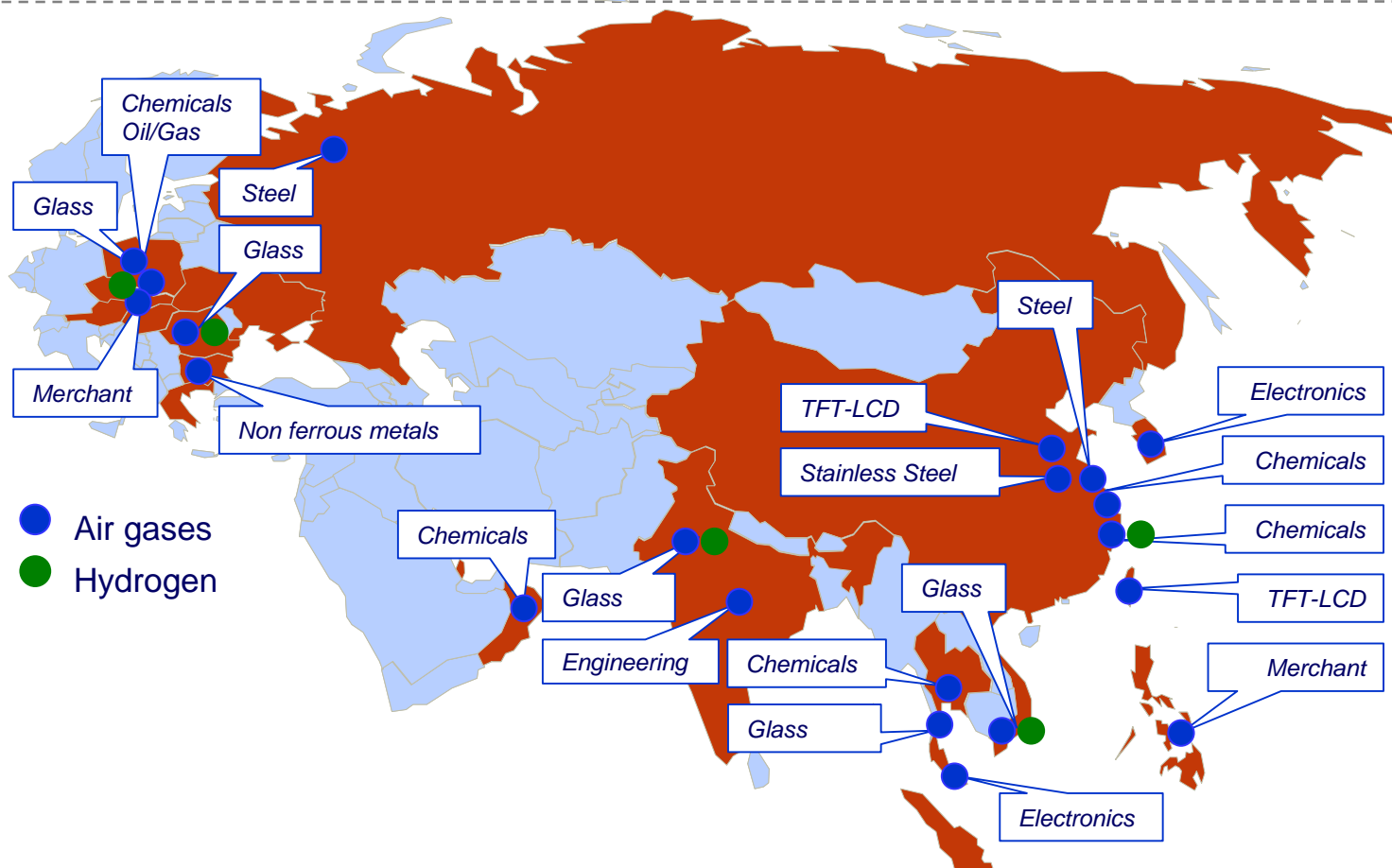
Expanding in new territories: huge potential

*17% of worldwide gas market
 ≈ 12% of Air Liquide's revenue*



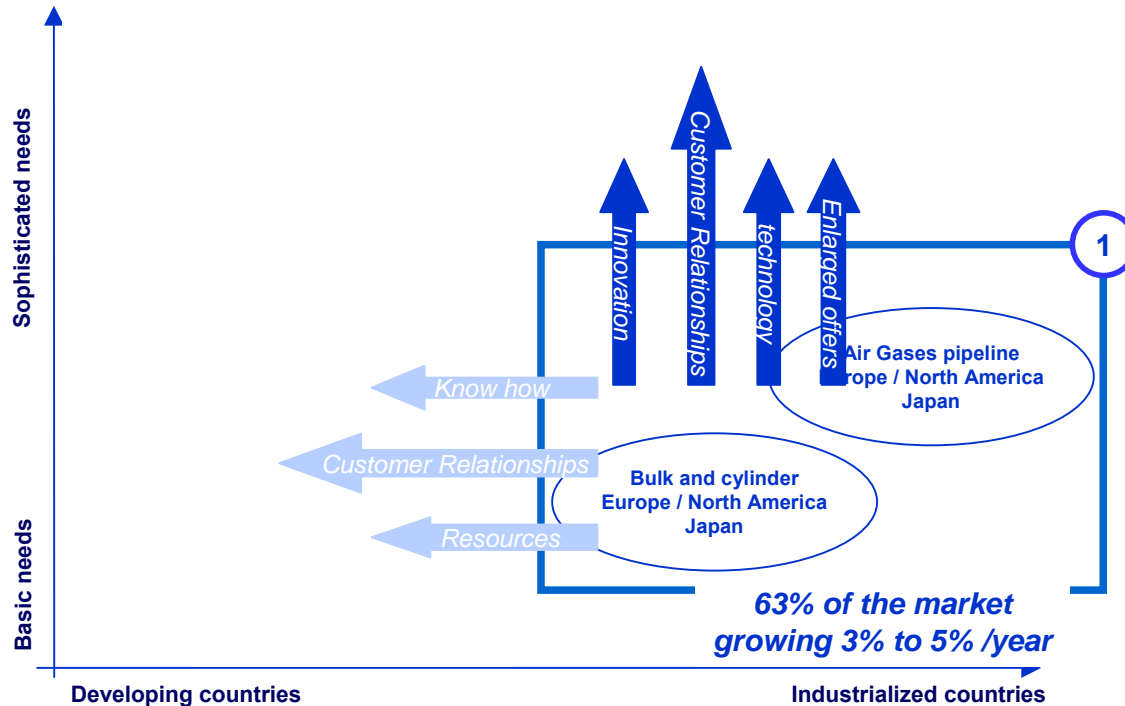
- A \$ 7 bn market growing at more than +10% pa
- Growth in new territories with international customers
- Geographic expansion provides an enlarged platform for innovation

Expansion from Eastern Europe to China



- World class customers provide initial entry points into new territories
- Portfolio diversity provides more sustainable growth capability
- Investment selection and risk evaluation
- Local engineering provides effective cost base

Large markets are strong bases for growth



- International customers drive investment in new territories
- Large markets provide resources, technology and customer relationships

Continuously enlarging the offer:

by introducing innovation, technology and services

20% of worldwide gas market

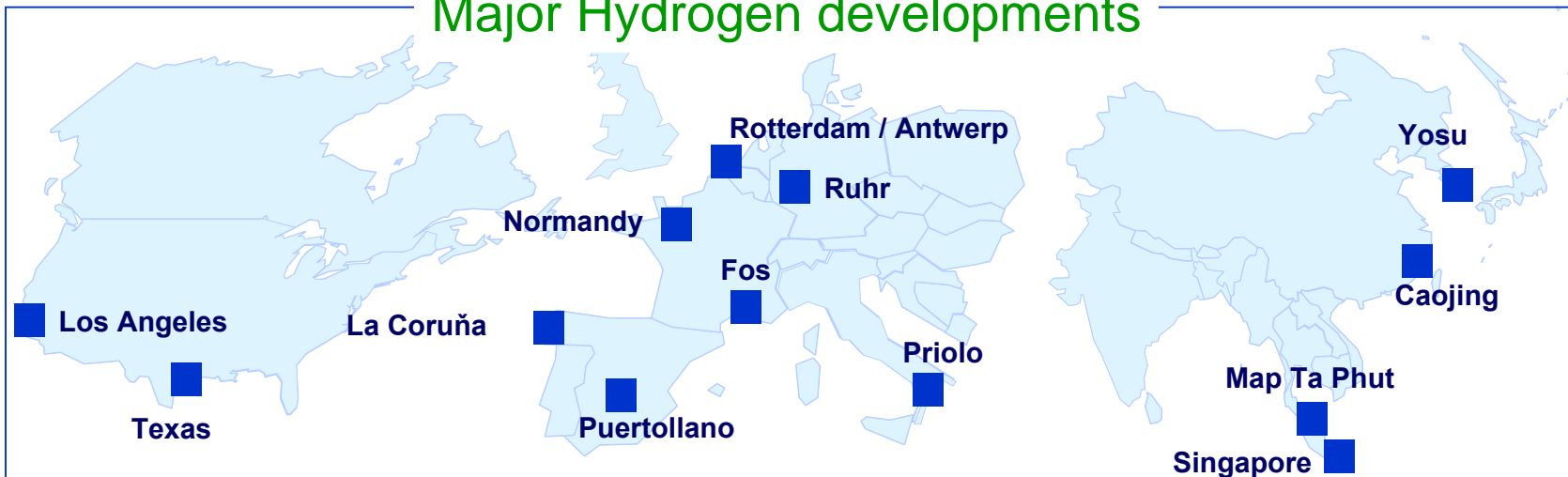
≈ 25% of Air Liquide's revenues

Short term	Mid term	Long term
<ul style="list-style-type: none"> ■ Update mature products ■ Deploy existing innovations faster ■ Align organization to do so ■ Therapeutic gases (Xenon) 	<ul style="list-style-type: none"> ■ HyCO: H₂ for refineries ■ Homecare ■ New molecules in electronics ■ Applications in IC (merchant gases) ■ Hygiene ■ Cogeneration: (Shell Pernis start up in 2007, annual sales 200 M€) 	<ul style="list-style-type: none"> ■ O₂ gasification ■ CO₂ emissions optimizations ■ Therapeutic gases (others) ■ Food safety ■ H₂ Fuel cells

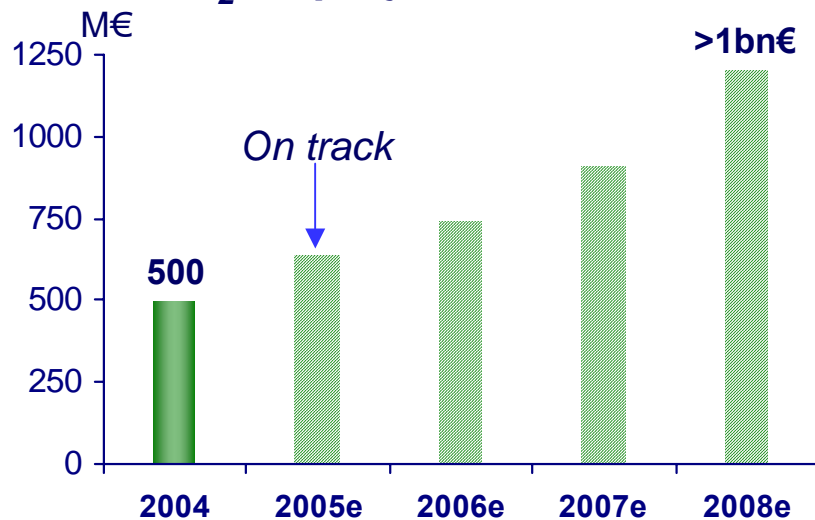
■ \$ 8.5 bn growing >10% pa

For example: refinery hydrogen sales > \$1 bn in 2008

Major Hydrogen developments



H₂CO projected sales

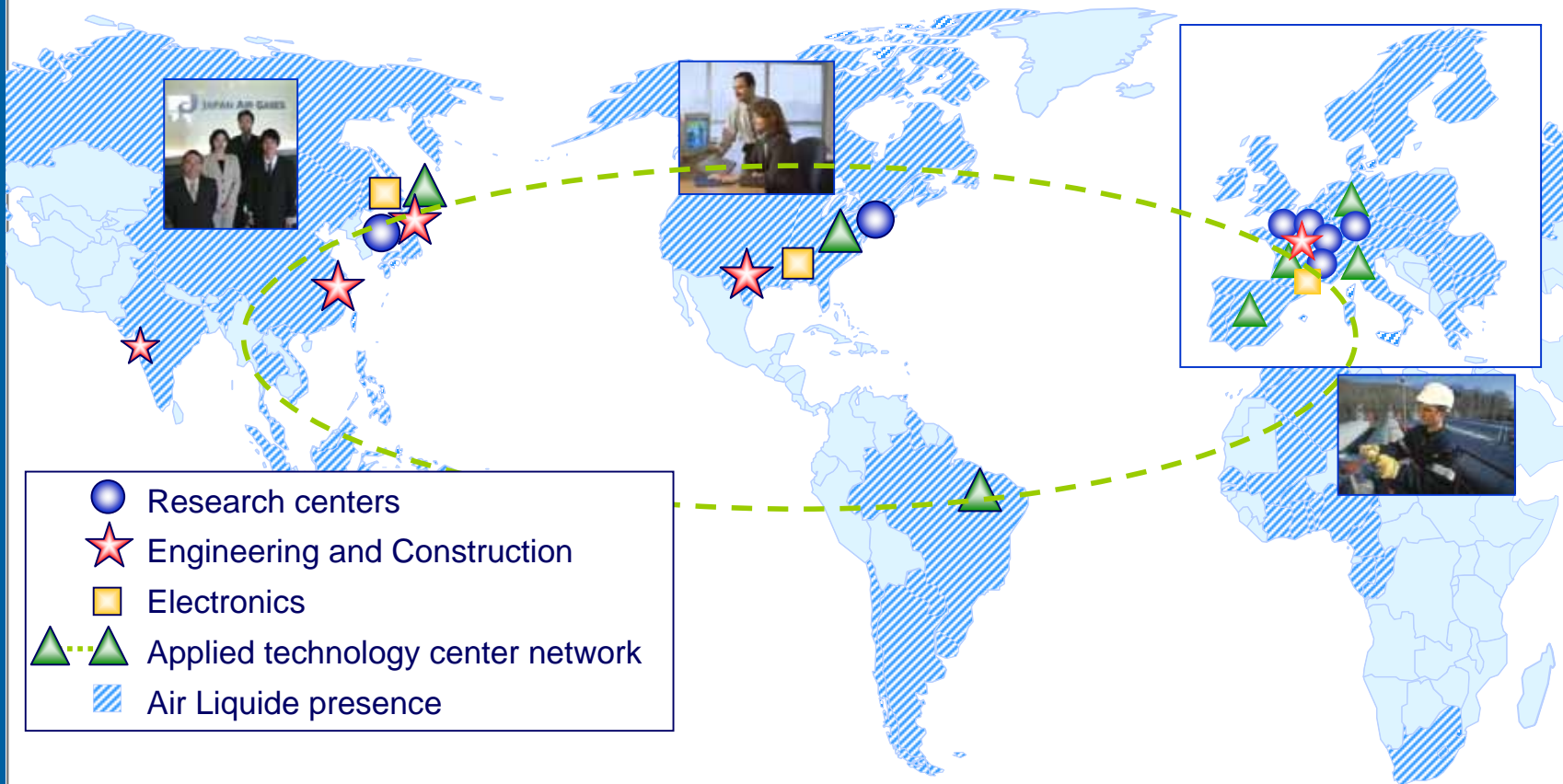


- H₂ for low sulfur fuels
- Crude conversion/upgrade H₂ requirements
- Replacement of old customer H₂ units triggers outsourcing
- Air Liquide pipeline network creates competitive advantage

Long term mega- trends that will trigger market growth...

Market trends	Market needs	Air Liquide opportunities
<p>Securing energy supply</p>	<p>GTL, CTL, Gasification</p>	<p>Large ASU, HyCO Long term OTF gas contracts</p>
<p>Producing clean energy</p>	<p>Desulphurization H₂ energy Clean power</p>	<p>On-site & P/L H₂ supply Oxycombustion, CO₂ sequestration H2 full supply chain, fuel cells</p>
<p>Improving healthcare</p>	<p>Homecare Hygiene New drugs</p>	<p>O₂ supply & services Disinfection services Medical gases, imaging</p>
<p>Increasing food quality</p>	<p>Preservation Safety</p>	<p>Cryogenics, atmosphere Traceability</p>
<p>Supporting “IT everywhere”</p>	<p>New chips Large flat panels</p>	<p>Advanced precursors Bulk / On-site supply</p>

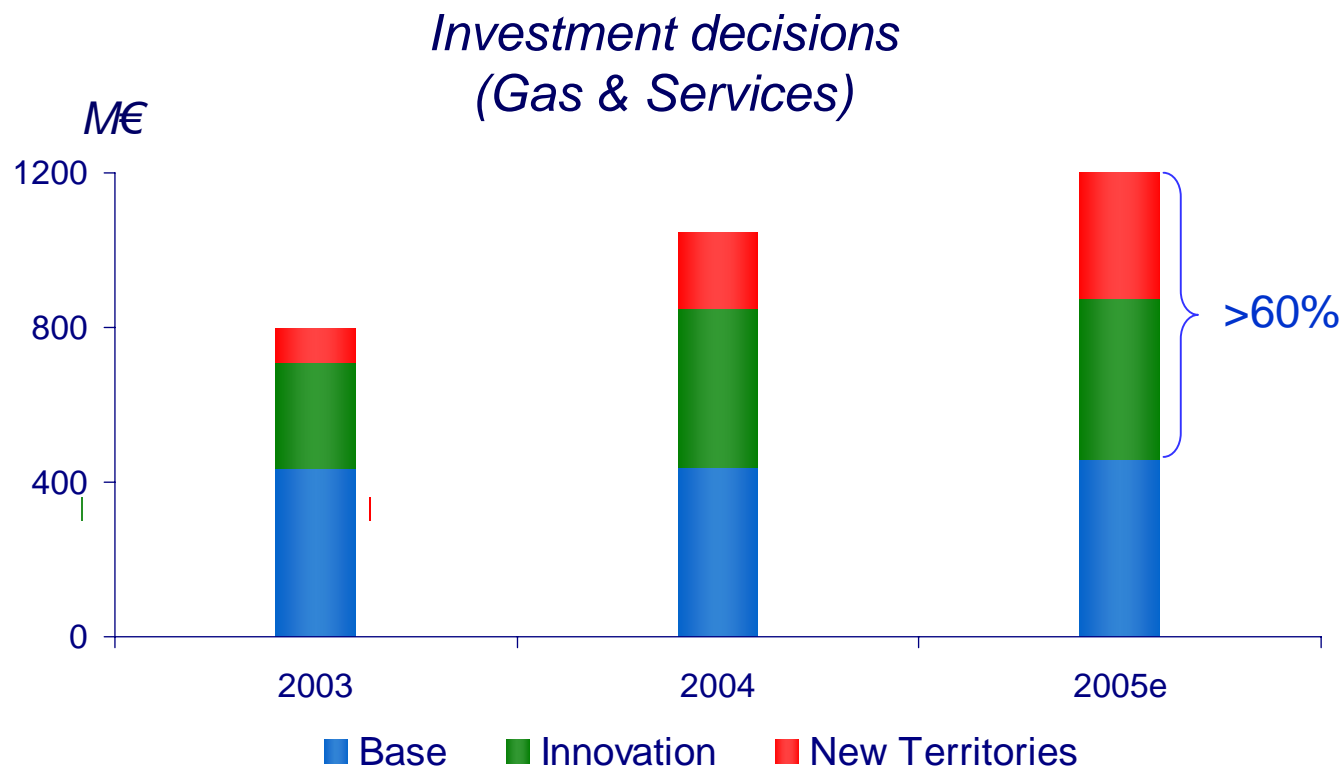
By leveraging Air Liquide's assets in R&D and Engineering



- Leading positions in R&D and engineering
- In zones of high growth and centers of customer decision making

Investment decisions reflect growth strategy

- Innovation + new territories > 60% 2005e
- Rigorous investment evaluation process ensures targeted returns consistent with risk profile



Financial and management discipline

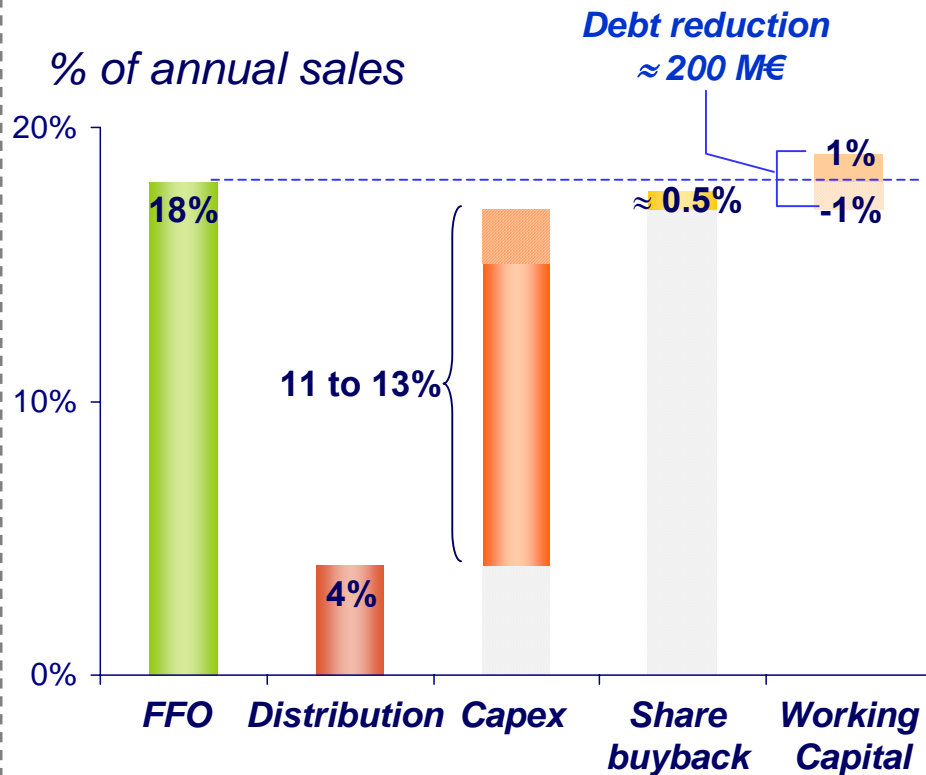
Financial focus on growth strategy...

Financial priorities for each growth driver

<i>Growth driver</i>	<i>Management priorities</i>
Base business	<ul style="list-style-type: none"> ■ Cost effectiveness ■ Capital productivity } Cash generation
New territories	<ul style="list-style-type: none"> ■ Investment selection ■ Proactive risk management
Innovation	<ul style="list-style-type: none"> ■ Target development investment towards significant market opportunities

World wide coordination

...Reflected in cash management ...



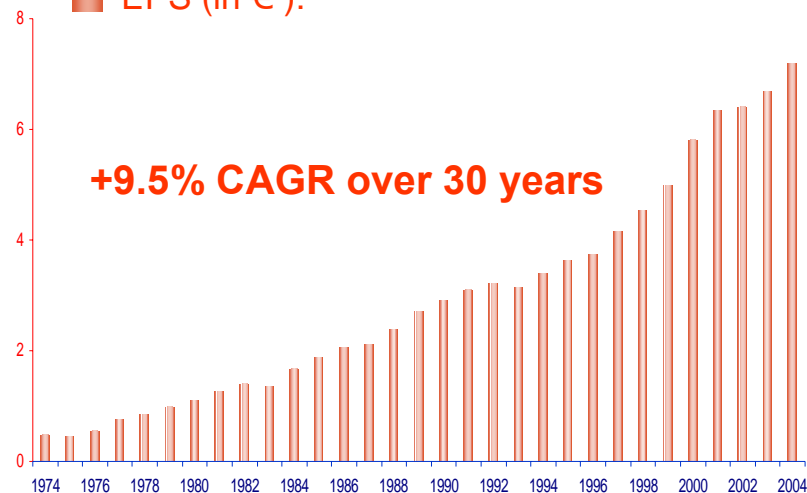
- + Distribution in line with earnings growth (≈ 50% payout)
 - + Significant, disciplined investment in future growth
 - + Share buyback limited to non dilution from stock-options
 - + Productivity targeted in working capital
 - + Portfolio management
-
- = Moderate but regular debt reduction in line with strategic gearing target

... to generate solid and sustained performance

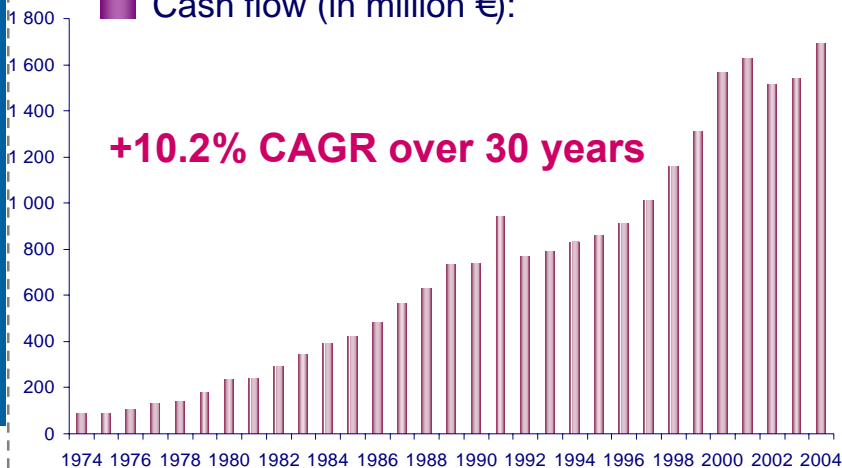
Sales (in million €):



EPS (in €*):



Cash flow (in million €):



Dividends (in € per share):



Figures on this slide are in French GAAP

In summary

Air Liquide's attributes for growth and profits

- Unique geographic presence offers
 - ✓ A wide range of growth opportunities
 - ✓ Ability to leverage growth drivers
- Technology, engineering and financial depth to seize opportunities
- Capital and financial discipline, management track record
- Proven business model robust across the cycle

Appendix

Air Liquide in brief...

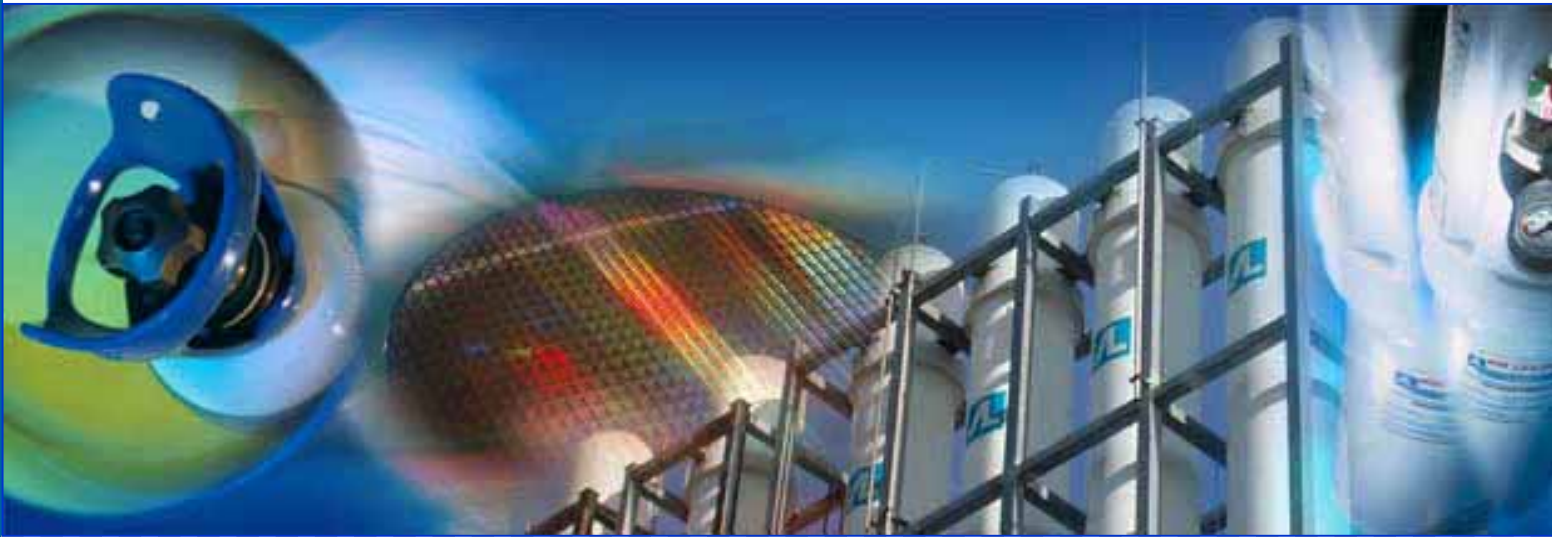
- **World leader** in industrial and medical gases
- **≈10 billion euros** total sales (80% outside France)
- Over **36,000** employees
- Over **1 million** customers
- Present in more than **70** countries
- **8** research and development centers
- Listed on Euronext Paris
(member of **CAC 40 & Dow Jones EuroStoxx50**)
- **350,000** individual shareholders



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Pierre Dufour - Executive Vice-President