2011 Performance
Strong growth in sales and profit
Robustness of the development model

Air Liquide’s Board of Directors, which met on February 16, 2012, adopted the 2011 financial statements which have been audited. An unqualified report will be issued by the external Auditors.

2011 consolidated revenue amounts to €14,457 million. Gas & Services showed strong growth up +7.5% on a comparable basis, boosted notably by the Developing economies, which now represent 21% of sales. Highlights of the year include strong growth in Large Industries, with the start-up of several new production units early in the year; the resilience of the Industrial Merchant activity in the face of contrasting environments; the progression in Electronics and the regular development of Healthcare. However, the fourth quarter saw slower growth, most noticeable in electronics and steel making, related to the global economic situation.

The operating margin reached 16.7% (16.8% excluding the effect of natural gas, up +10 basis points) primarily due to efficiency gains reaching €270 million, above the annual objective. Net profit (Group share) is €1,535 million, up +9.4%.

Net debt stands at €5,248 million, stable at constant perimeter and exchange rates, leading to a gearing ratio of 53%. Return on capital employed at 12.1% is in line with the objectives of the ALMA 2015 program.

Commenting on the 2011 results, Benoît Potier, Chairman and CEO of the Air Liquide Group, stated:

“In 2011, Air Liquide continued its growth and the implementation of its business model, notably in Developing economies where sales have increased more than +20% over the previous year.

This momentum, together with our on-going efficiency programs on a global scale, helped to further improve operating results, demonstrating the Group’s ability to adapt to diverse environments and to generate growth while controlling expenses.

In 2011, investment decisions reached €2 billion, over 60% of which in Developing economies. In addition, the signature of new contracts and permanent innovation broaden our businesses and provide the Group with the capacity to strengthen its position in growth markets. Therefore the Group is confident in its medium-term development within the framework of the ALMA 2015 program.

In this context, and barring a major economic downturn, Air Liquide continues to aim for growth in net profit in 2012.”
At the next Annual General Meeting of Shareholders, the Board of Directors of Air Liquide will propose the payment of a dividend of €2.50 per share, up +6.4%. The ex date has been set for May 11, and the payment date for May 16, 2012. Furthermore, the Board of Directors has decided to award one free share for 10 existing shares as of May 31, 2012, subject to the necessary approvals at the next Annual General Meeting.

The Board also approved the draft resolutions to be submitted to the Annual General Meeting, and in particular the renewal of Ms. Karen Katen, as director, for a period of four years and the appointment as director of Pierre Dufour, Senior Executive Vice-President of the Air Liquide Group. Pierre Dufour will bring to the Board his deep knowledge of the engineering and gas businesses and his extensive international experience. The Board acknowledged the decision by Professor Rolf Krebs and Mr. Jean-Claude Buono not to seek renewal as directors. The Board thanked them warmly for the generous personal contribution they have made to the work of the Board of Directors of Air Liquide over these past years.

Furthermore, the Board set the compensation for the Executive officers for 2012: details will be published on the Air Liquide website.

Benoît Potier also comments on the Group’s 2011 results in a video interview, available in French and English, at www.airliquide.com