

First half 2011: high level of activity and sustained growth in financial results

2011 objective maintained

press release

Performance in first half 2011

- **High level of activity** in Gas & Services
- Sustained growth in **revenue**, up **+9.2%**, and **net profit**, up **+11.1%**
- Increase in **operating margin**, at **16.7%**, up **+30 basis points** (excluding impact of natural gas)
- **Further investments** in all businesses

Highlights

- Entry into **Mexico** and **Ukraine**
- Expansion in **Chile**, **Saudi Arabia** and **China**
- New development in the **United States** in the **hydrogen energy** sector
- **15** new contracts in the **photovoltaic industry**
- **Acquisitions** in **Healthcare** in France

Air Liquide's Board of Directors, chaired by Benoît Potier, Chairman and CEO, met on July 29, 2011, and reviewed the Group consolidated financial statements at June 30, 2011.

The first half was characterized by **sustained growth** in both sales and net profit, **further investments** in all businesses, and **the entry into new countries** with high growth potential. **Group revenue** reached **€7,115** million at June 30, 2011, representing an increase of **+9.2%** versus H1 2010 reported sales.

In **Gas & Services**, revenue reached **€6,356** million, up **+11.6%** on a reported basis (**+10.5%** on a comparable basis), boosted in particularly by the momentum of **Large Industries** and **Electronics**. Growth continued in all geographies, at a significant pace in advanced economies (**+7%**) and at a very strong pace in developing economies (**+28%**).

The **operating margin** reached **16.7%** (up +30 basis points on a comparable basis), thanks mainly to **efficiency gains**, which reached **€132** million in the first half, in advance of the full year objective. **Net profit (Group share)** was **€750** million, up **+11.1%** at June 30.

Net debt, at **€5,580** million, is below the June 30, 2010, level and is not subject to refinancing in the coming months. The number of new **investment projects**, within a portfolio of opportunities totaling **€3.7** billion at June 30, 2011, has remained high.

Benoît Potier, Chairman and CEO of the Air Liquide Group, stated:

"Business was sustained in the first half of 2011 and profits are up strongly. They reflect the positive momentum in our markets as well as the Group's ability to achieve a solid operating performance in an environment that was affected by world events, notably in Japan and the Middle-East.

Our continuing research and innovation efforts in key technologies, as well as our investment decisions totaling nearly €1 billion at June 30, will help to support the Group's medium-term growth.

As part of its ALMA 2015 program, the Group has strengthened its presence in developing economies, which today represent 21% of Gas & Services sales. As a result, our global presence, combined with our pioneering positions in high-growth markets, allows us to reinforce our fundamentals and continue our long term development.

In this context, and assuming normal economic conditions, Air Liquide is confident in its ability to continue to generate steady growth of net profit in 2011."

H1 2011 key figures

In millions of euros		Variation 2011/2010	
		reported	comparable*
Group Revenue	€7,115 m	+9.2%	+8.3%
of which Gas & Services	€ 6,356 m	+11.6%	+10.5%
Operating income recurring	€1,191 m	+9.9%	
Net profit (Group share)	€750 m	+11.1%	
Net earnings per share (in euros)	2.65	+10.4%	
Net debt as at 30 June 2011	€5,580 m		

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

Limited external audit reviews have been completed in relation to the consolidated interim financial statements, and an unqualified opinion is in the process of being issued by the statutory auditors.

Contacts

Corporate Communications

Corinne Estrade-Bordry
+ 33 (0)1 40 62 51 31
Alexandra Mallen
+33 (0)1 40 62 59 62

Investor Relations

Virginia Jeanson
+33 (0)1 40 62 57 37
Annie Fournier
+33 (0)1 40 62 57 18

Upcoming event

3rd quarter revenue

Wednesday, October 26, 2011

Air Liquide is the world leader in gases for industry, health and the environment, and is present in 80 countries with 43,600 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.

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... Air Liquide combines many products and technologies to develop valuable applications and services not only for its customers but also for society.

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 2010, the Group's revenues amounted to **€13.5 billion**, of which more than 80% were generated 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.

www.airliquide.com