October 22, 2009

AIR LIQUIDE

Third quarter 2009 Revenue

In millions of euros	**Q3 2008**	**Q3 2009**	***09/08 published change***	***09/08 change excluding natural gas***	***09/08 comparable* change***
Group revenue	3,247	**2,980**	***-8.2%***	***-3.8%***	*-5.2%*
of which Gas and Services revenue	2,760	**2,514**	*-8.9%*	*-3.7%*	***-5.2%***

Comparable: excluding impact of currency and natural gas

In the third quarter 2009, **Group revenue** was **2,980 million euros**, down **-8.2%.** The positive impact of the increase in the dollar and the yen (+1.4%) has subsided quarter on quarter, while the revenue impact of declining natural gas prices passed through to customers (-4.4%) has increased. Accordingly, at comparable exchange rates and natural gas prices, the decrease in revenue is limited to -5.2%, despite a strong comparative base. **Gas and Services revenue** also declined by **-5.2%** on a comparable basis, demonstrating yet again its resilience.

The last three months have seen higher volumes and sequential sales growth. However, a lower contribution from start-ups and the effect of declining electricity costs in certain regions, directly passed through to customers, weighed on comparable growth.

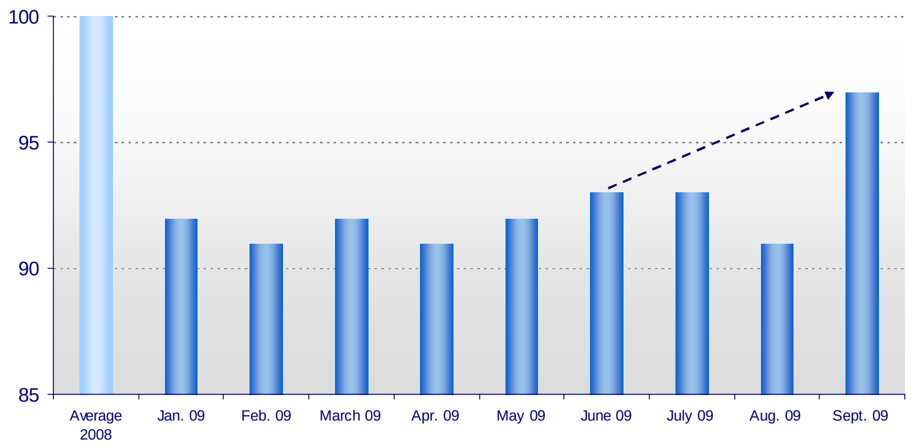
The effort put into the Cost, Cash and Capex projects as part of ALMA 2009 has been fruitful. Efficiencies generated by the end of September are ahead of plan, cash and investments have been tightly controlled. As a result, the operating margin (before and after depreciation and amortization) has improved and net debt has fallen compared to June, in line with the objective of no increase in debt for the year.

1.1 Gas and Services

All growth figures in the text below are on a comparable basis, excluding currency and natural gas impacts.

In the third quarter 2009, **Gas and Services** revenue was **2,514 million euros, down by -5.2**%. The Gas and Services activity indicator has improved sequentially from its low point in April 2009.

*Monthly activity index, base 100, 2008 average **



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

Revenue *in millions of euros*	**Q3 2008**	**Q3 2009**	**Q3 09/08 change**		**Q2 09/08 comparable***	**Q1 09/08 comparable***
			published	***comparable****		
Industrial Merchant	**1,154**	**1,069**	*-7.3%*	*-8.8%*	*-10.5%*	*-7.7%*
Large Industries	**931**	**764**	*-17.9%*	*-3.4%*	*+1.0%*	*+2.2%*
Healthcare	**418**	**454**	*+8.5%*	*+8.7%*	*+6.3%*	*+5.4%*
Electronics	**257**	**227**	*-11.7%*	*-18.8%*	*-22.1%*	*-26.5%*
Gas and Services	**2,760**	**2,514**	***-8.9%***	***-5.2%***	***-5.1%***	***-4.2%***

** Comparable: excluding impact of currency and natural gas*

Despite confirmed volume improvements, sales performance remained contrasted by activity and location, with a speedier recovery in emerging economies. Start-ups and acquisitions contributed +3% to growth over the quarter. There was an improvement in **Industrial Merchant** sales trend with a decline of -8.8% compared to -10.5% in the second quarter 2009. This sequential recovery in Bulk and Cylinder volumes was helped by a significant positive pricing impact. Activity in **Large Industries** was up sequentially during the quarter. The -3.4% decline in revenue was due to falling electricity pass-through in certain countries, particularly in the United States, and a high 2008 comparison helped by start-ups. The gradual recovery of **Electronics** activity continued in the third quarter, with sequential growth in electronics specialty gas (ESG) sales of approximately +18%, representing a year-on-year decline limited to -18.8%. Equipment and Installation sales remained low. Quarterly growth accelerated in **Healthcare** to +8.7% on the same period last year, as demand for hygiene products was stimulated by preventive measures against H1N1 pandemic flu.

Revenue *In millions of euros*	**Q3 2008**	**Q3 2009**	**Q3 09/08 change**		**Q2 09/08 comparable***	**Q1 09/08 comparable***
			published	***comparable****		
Europe	**1,505**	**1,404**	*-6.7%*	*-2.9%*	*-3.1%*	*-0.4%*
Americas	**683**	**552**	*-19.2%*	*-8.0%*	*-4.1%*	*-4.1%*
Asia-Pacific	**517**	**490**	*-5.3%*	*-11.2%*	*-14.7%*	*-18.2%*
Middle-East and Africa	**55**	**68**	*+22.8%*	*+20.4%*	*+19.2%*	*+24.5%*
Gas and Services	**2,760**	**2,514**	***-8.9%***	***-5.2%***	***-5.1%***	***-4.2%***

** Comparable: excluding impact of currency and natural gas*

Europe

In the third quarter 2009, revenue was **1,404 million euros**, down **-2.9%.** Key features of the quarter included a solid performance from Healthcare, and a more pronounced recovery in Eastern Europe. However, as anticipated, the contributions from pricing in Industrial Merchant and start-ups in Large Industries, were less positive than in previous quarters.

Industrial Merchant sales decreased by **-8.7%**. The impact of the pricing campaigns conducted in 2008 and the beginning of 2009 remains positive. There was a clear sequential improvement in Bulk volumes, and a slight recovery in Cylinder volumes in September. Activity is picking up in the emerging European economies.

There was sequential growth in **Large Industries** volumes, particularly in air gases. Sales were down -3.6% relative to third quarter 2008, with volume improvements masked by a high 2008 comparison and a smaller contribution from start-ups.

Up **+8.2%, Healthcare** growth accelerated sequentially driven by substantial demand for hygiene products due to H1N1 flu preventive measures in hospitals as well as in the work-place. Growth was sustained in homecare and hospital gases, in line with previous quarters.

Electronics was down slightly, by **-1.7%**, a clear turnaround compared to previous quarters. This was due largely to a recovery in ESG sales, associated with an upturn in fab activity, as well as solid equipment sales in the photovoltaic sector.

Americas

Revenue for the Americas was **552 million euros,** down **-8.0%**. The pace of growth in South America recovered following a slight downturn in the second quarter 2009. In the United States, revenue was negatively impacted by the decline in electricity prices passed through to customers.

Industrial Merchant sales fell by **-11.4%**. Pricing remained positive across the region, particularly in South America. Liquid and cylinder volumes in the United and States and Latin America gradually improved over the quarter compared to second quarter 2009, but remain below previous year levels.

The sequential recovery in **Large Industries** volumes continued throughout the region. Chemical sector demand returned to close to 2008 levels, while in the Steel sector, two blast furnaces were restarted in Canada. In Latin America, volumes showed a clear sequential improvement. Nevertheless, revenue was impacted by the pass-through to customers of the significant decline in electricity prices, particularly in the United States. As a result, sales decreased by **-6.8%** in the period.

Electronics sales declined by **-15.8%.** Although ESG demand recovered sequentially, Equipment & Installations sales continued to decline significantly, in the absence of new investments in the sector.

Growth in **Healthcare** was strong at +**11.9%**, driven by higher demand for hospital equipment in North America and dynamic homecare sales in Latin America.

Asia-Pacific

Asia-Pacific revenue was **490 million euros,** down by **-11.2%** in the third quarter. There were sequential improvements throughout the region but activity in Japan remained weak. Electronics benefited from recovery in ESG volumes, while growth in China remained dynamic.

Industrial Merchant sales fell by **-10.7%,** with weak industrial activity in Japan offsetting a significant upsurge in China, from new filling capacity and stronger demand.

With a **-24.3%** drop in sales, the trend in **Electronics** has again improved sequentially in the third quarter (+12%), despite significantly lower year on year Equipment and Installations. This trend is due to the steady performance of carrier gas sales and the strong recovery of ESGs. Semi-conductor and flat screen customers saw a pick-up in their activity during the summer to meet year-end seasonal demand. Despite evident excess capacity in the photovoltaic industry, demand for solar panels and the number of construction projects for new facilities remained high.

Large Industries sales grew by **+5.4%** for the period, positive for the first time since third quarter 2008. With the ramp-up of two new major units for the steel industry, China now has the scale to offset the sharp drop in activity in Japan.

Middle-East and Africa

Revenue for the Middle-East and Africa region was **68 million euros, up +20.4%.** The combination of the ramp-up of numerous Large Industries units and the recently acquired Bulk and Cylinder distribution capabilities in the Middle East is generating commercial synergies in the industrial basins where the Group is present.

1.2 Engineering and Construction

Third-party **Engineering and Construction** sales were **282 million euros**, up +10% due to the progress of major projects in China, Korea and South Africa. As a result, year-to-date sales totaled 787 million euros, in line with the one billion euro revenue target for the year. Order-intake was low, with a slow-down in the client decision-making process seen, particularly during the summer. Total order-intake since the beginning of the year reached 437 million euros.

1.3 Other activities

Revenue *In millions of euros*	**Q3 2008**	**Q3 2009**	**Q309/08 change Published**
Welding – Cutting	**143**	**92**	*-35.2%*
Diving and Specialty Chemicals	**90**	**92**	*+1.6%*
Other activities	**233**	**184**	***-20.9%***

Other activities revenue was 184 million euros, a **-21.0%** decrease**.**

Welding - Cutting continues to be affected by the decline in industrial activity in the main European countries.

Specialty Chemicals improved on a sequential basis due to the steady performance of the vaccine and pharmaceutical sales. Diving benefited from a major contract during the period.

2. Strategic developments in the third quarter 2009

In the third quarter 2009, Air Liquide pursued its growth momentum in emerging economies, with several acquisitions and start-ups in the Middle East and Asia. Furthermore, the company confirmed its position as leader in the photovoltaic sector.

- Air Liquide maintained its growth in the Middle East with the commissioning of a new nitrogen production unit in Oman and the start-up of a new oxygen production unit in Egypt.

- With the acquisition of 75% of Al Khafrah Industrial Gases in Saudi Arabia, whose annual revenue exceeds 20 million dollars, Air Liquide strengthened its distribution network, thus consolidating its leading position in a high potential region.

- Two air separation units (ASU) with a daily production capacity of 4,000 tons were commissioned in China at the end of July, representing an investment of around 90 million euros. They meet the needs of the main production site of steelmaker Jiangsu Shagang, located about 100 km east of Shanghai, as well as those of other local industrial customers. This long-term partnership with Jiangsu Shagang is the largest “Over the Fence” contract (industrial gases supplied by pipeline) in China.

- In early October, a long-term carrier gas supply agreement was signed with Semiconductor Manufacturing International Corporation (SMIC), the leading manufacturer of integrated circuits in China, for its new wafers production plant. Air Liquide will invest around 13 million euros in the project’s initial phase. A partner since 2001, Air Liquide already serves SMIC sites in Shanghai, Peking, Tianjin, Chengdu and Wuhan.

- Air Liquide will also build a production unit at the Thalheim high-tech business park in Germany, representing an investment of around 10 million euros. The unit, which will begin operations in 2010, will eventually produce 38,000 tons of nitrogen per year to meet the growing demands of all solar cell manufacturers in the region.

- Air Liquide’s latest world scale hydrogen production unit began operations on September 29, 2009 in California, on the north eastern shore of the San Francisco Bay. US production capacity has thus been more than doubled within the last five years.

- In addition, two small acquisitions in the Healthcare sector were completed during the quarter in Europe to strengthen the Group’s positions in Germany and the Netherlands.

At the end of September 2009, the Group’s portfolio of opportunities increased to 2.9 billion euros compared to the end of June 2009. Emerging economies and Energy account for 80% and 46% of the portfolio, respectively. Over 20% of the portfolio, at the end of September 2009, consists of plant take-over projects in exchange for long-term gas supply contracts.

Investment decisions have dwindled since the beginning of the year due to extended tender processes. For the first nine months of 2009, decisions amounted to 640 million euros.

Capital expenditure is in line with the 2009 objective of 1.6 billion euros.

A total of 36 units are forecast to start up in 2009 and 2010. A few projects that had been planned to start at the end of 2009 have been postponed to early 2010 and the target contribution of one billion euros from all start-ups since 2006 should now be reached in 2011.

3. Alma 2009 ahead of its yearly objectives

The adaptation of the Alma project to the 2009 context led to tight management focus on reducing costs, working capital and capital expenditure (Cost, Cash & Capex). The results are visible.

The operating margin (before and after depreciation and amortization) improved, partly due to the decrease in natural gas prices but mostly due to the numerous efficiency programs implemented across the Group. Efficiency gains accelerated in the third quarter, reaching a total of over 230 million euros since the start of the year, ahead relative to our full year objective of 300 million euros. The improvement of the operating margin also benefited from positive pricing in Industrial Merchant.

Tighter monitoring of customer receivables helped limit payment defaults and the provisions recorded in the accounts at the end of 2008 are adequate to cover client risks to date.

Capital expenditure amounted to 1.1 billion euros for the first nine months, in line with the annual objective of 1.6 billion euros.

As of September 30, the Group's net debt decreased compared to end of June, in line with the Group's flat debt objective for 2009.

4. Outlook

This quarter has once again shown the resilience in our sales. The increase in volumes compared to the 2nd quarter is noticeable, even if they have not yet returned to the high 2008 levels.

The contribution from the ALMA program continues. It is visible in structural efficiency gains, in cash generation and in the control of the debt level. The Group achieved cost reductions of more than €230 million in the first three quarters of 2009.

The ALMA contribution is also demonstrated in the acceleration of our development in Emerging Economies, with a share of Group revenue that will have doubled over 6 years.

The positive signs observed at the end of the first half have therefore been confirmed, signaling a trend reversal in several sectors.

In this context, we maintain our objective for 2009, of revenue and net income close to 2008 levels.

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APPENDIX (1)

CURRENCY AND NATURAL GAS IMPACTS

In addition to the comparison of published figures, the financial information is presented excluding currency translation effects and the impact of natural gas price fluctuations.

Since industrial and medical gases are rarely exported, the impact of currency fluctuations on revenue and results is limited to the translation effects in euros of the financial statements of the Group's subsidiaries outside the Euro-zone. Fluctuations in natural gas prices are generally passed on to customers through indexation clauses.

Consolidated third quarter 2009 revenue includes the following items:

In millions of euros	**Revenue**	**Q3 09/08 Published**	**Foreign exchange impact**	**Natural gas price impact**	**Q3 09/08 Comparable* % change**
Group	**2,980**	*-8.2%*	44	(142)	*-5.2%*
Gas and Services	**2,514**	*-8.9%*	41	(142)	*-5.2%*

** Comparable: excluding impact of currency and natural gas*

Group:
- The positive **currency** impact represents +44 million euros, or +1.4% on Group growth, essentially due to the appreciation of the U.S. dollar and the yen against the euro.
- **Natural gas prices** have significantly declined since the start of the year. The change in natural gas prices represents a negative impact of -142 million euros or -4.4% on Group revenue.

Gas and Services:
- The positive **currency** impact represents +41 million euros, or +1.5% on Gas and Services growth, essentially due to the appreciation of the U.S. dollar and the yen against the euro.
- **Natural gas prices** have significantly declined since the start of the year. The change in natural gas prices represents a negative impact of -142 million euros or -5.2% on Gas and Services revenue.

APPENDIX (2)

REVENUE BY ACTIVITY

In millions of euros	Total 9 months of 2009			
	2008	2009	09/08 published % change	09/08 comparable* % change
Gas and Services	**8,103**	**7,536**	**-7.0%**	**-4.8%**
Industrial Merchant	*3,424*	*3,189*	-6.9%	-9.0%
Large Industries	*2,688*	*2,371*	-11.8%	-0.1%
Electronics	*739*	*639*	-13.5%	-22.4%
Healthcare	*1,252*	*1,337*	+6.8%	+6.8%
Engineering and Construction	757	787	+3.9%	+3.0%
Welding – Cutting	466	312	-33.0%	-32.6%
Other Activities	290	282	-2.7%	-4.9%
TOTAL	9,617	8,918	-7.3%	-5.6%

** Comparable: excluding impact of currency and natural gas*

GAS AND SERVICES REVENUE BY GEOGRAPHICAL AREA

In millions of euros	Total 9 months of 2009			
	2008	2009	09/08 published % change	09/08 comparable* % change
Europe	4,477	4,277	-4.5%	-2.1%
Americas	1,993	1,697	-14.8%	-5.4%
Asia-Pacific	1,491	1,387	-7.0%	-14.6%
Middle East and Africa	143	175	+22.9%	+21.2%
Gas and Services	8,103	**7,536**	-7.0%	-4.8%

** Comparable: excluding impact of currency and natural gas*