

Solid progression of sales and profits 2010 objective maintained

press release

First half 2010 performance

- Solid growth in both **revenue**, up **+9.7%**, and **net profit**, up **+13.3%** versus H1 2009
- Significantly improved **operating margin**: up **+160 basis points** at **16.6%**
- **Increase in operating cash flow**: up **+16.7%**
- Recovery of **volumes** and **new projects signed**

Highlights

- **Strong growth in emerging economies** (large number of contracts signed in **China**)
- **Site takeovers** in an environment where customers are increasingly outsourcing their gas production
- New **liquid production** capacities (in **Brazil**, **India** and **Russia**) and new solar energy contracts in **Asia**
- **Healthcare**: continued **acquisitions** in homecare and expansion of the service offering
- Award of project to build the world's **largest helium production unit** in **Qatar**.

Air Liquide's Board of Directors, chaired by Benoît Potier, Chairman and CEO, met on July 30, 2010, and reviewed the Group's financial statements at June 30, 2010.

Business in the first half was characterised by a **solid progression of both sales and profits**, as well as a recovery in **growth projects**. **Group revenue** reached **€6,516 million** at June 30, 2010, representing an increase of +9.7% versus H1 2009 reported sales. **In Gas and Services**, total sales stood at **€5,695 million**, up +13.4% on a reported basis, and up +9.5% on a comparable basis. After returning to growth in Q1 2010, **all businesses and geographies continued to improve** in Q2, with a continuing contrast between emerging economies (up +30% vs. H1 2009) and mature economies where volumes are gradually returning to their pre-crisis levels (up +6% vs. H1 2009).

Operating income recurring increased +22% to €1,084 million. The **operating margin** reached **16.6%**, up +160 basis points vs. H1 2009, due to an increase in customer volume demand and the effectiveness of operational control measures. **Net profit (Group share)** was **€676 million**, up +13.3% versus H1 2009.

Operating cash flow was up +16.7% at €1,266 million, and **net debt** was stable compared to June 30, 2009. The **number of investment projects** has increased significantly since the beginning of the year. As a result, the portfolio of opportunities reached €4.7 billion in June.

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

"In the first half of 2010, the Group posted a solid progression in sales and profits compared to both 2009 and pre-crisis level of 2008. This sound performance is due not only to continually increasing customer demand but also to the Group's ability to adapt to a new environment thanks to its ALMA program.

Growth projects are picking up at a moderate pace in mature economies, but at a sustained pace in emerging economies. The Group's portfolio of investments opportunities is now back to its pre-crisis level.

In this context, and based on current trends, we maintain our objective of continuous growth in net profit in 2010, in line with our long-term performance."

H1 2010 key figures

<i>In million of euros</i>		<i>Reported</i>	<i>Comparable*</i>
Group revenue	€6,516 M	+9.7%	+6.3%
of which Gas and Services	€5,695 M	+13.4%	+9.5%
Operating income recurring	€1,084 M	+22.0%	
Net profit (Group share)	€76 M	+13.3%	
Net earnings per share (in euros)	2.40	+11.6%**	
Net debt as at 30 June 2010	€5,691 M		

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

** Adjusted to reflect the distribution of one bonus share for every 15 existing shares in May 2010

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.

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Upcoming events

3rd quarter revenue

Tuesday, October 26, 2010

Air Liquide is the world leader in gases for industry, health and the environment, and is present in over 75 countries with 42,300 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 2009, the Group's revenues amounted to **€12 billion**, of which almost 80% were earned 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.