
2010 1st quarter activity

Return to growth

Solid operating performance

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Activity in line with expectations



■ Return to growth in Q1

- ✓ Gas and Services sales up +8.3% on a comparable basis
- ✓ Rebound in Large Industries and Electronics

■ Solid operating performance

- ✓ Maintained cost discipline
- ✓ Net debt stable

Growth relative to 2009 and 2008

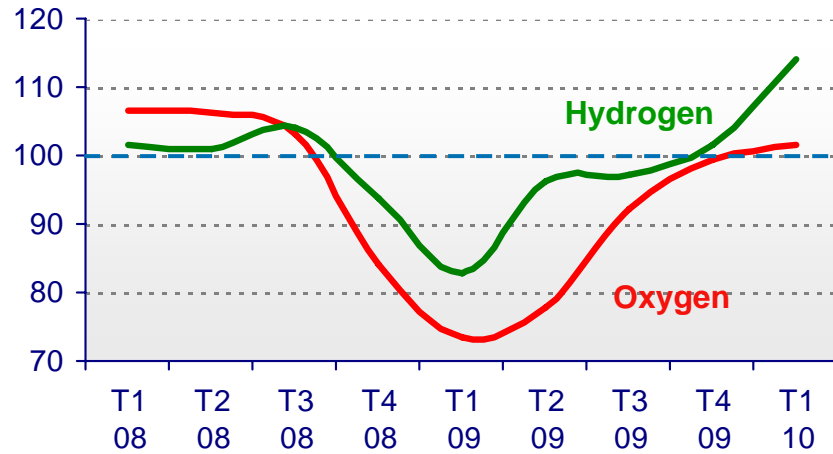
| <i>In €m</i> | Sales Q1 10 | Q1 10/09 <i>as published</i> | Q1 10/09 <i>Comparable*</i> | Q1 10/08 <i>comparable*</i> |
|----------------------------|------------------------------|---------------------------------|--------------------------------|--------------------------------|
| Gas & Services | 2 760 | + 8.3 % | + 8.3 % | + 2.0 % |
| Engineering & Construction | 185 | - 24.9 % | - 25.3 % | - 4.2 % |
| Other activities | 207 | + 2.2 % | + 2.4 % | - 18.5 % |
| Group Total | 3 152 | + 5.2 % | + 5.1 % | ≈ |

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

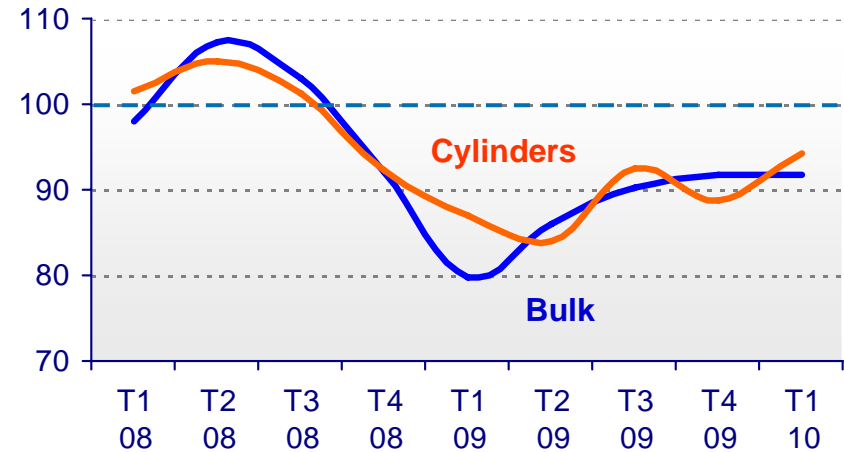
Volume trends continue

Base 100. average 2008

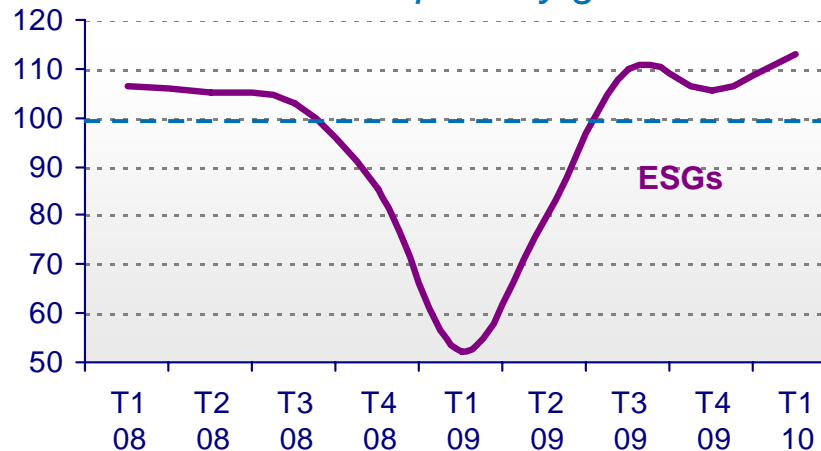
Large Industries gas volumes



Industrial Merchant Cylinder and Bulk O₂ volumes

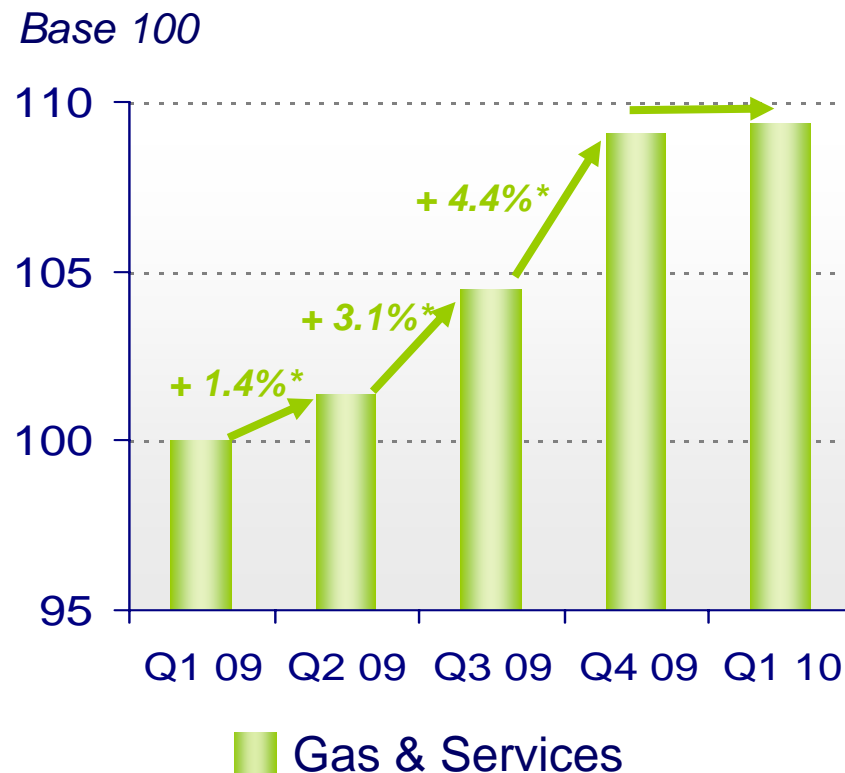
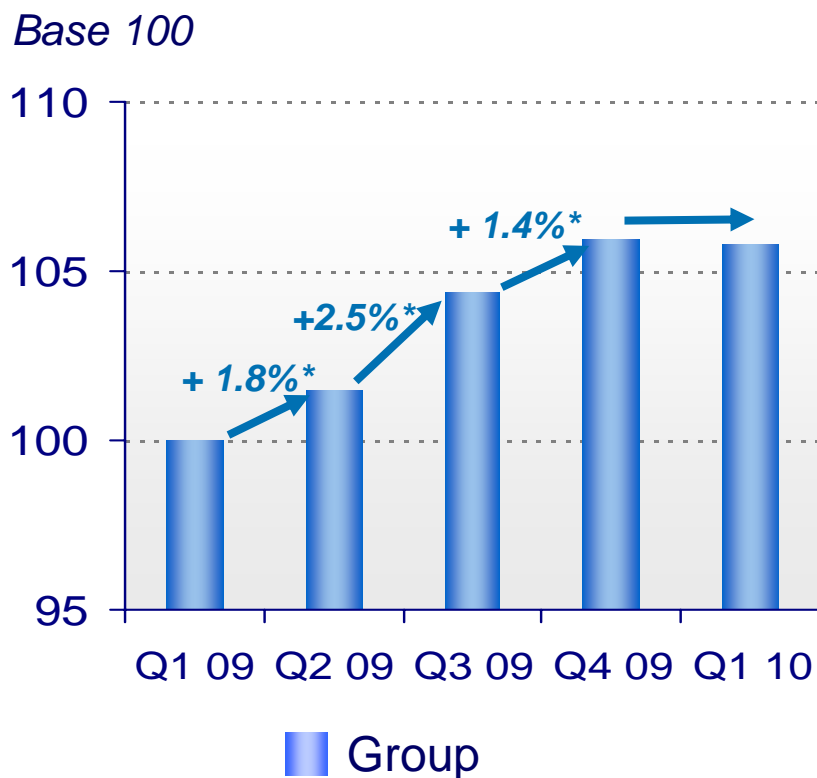


Electronic specialty gases



Q1 2010 at the high level of Q4 2009

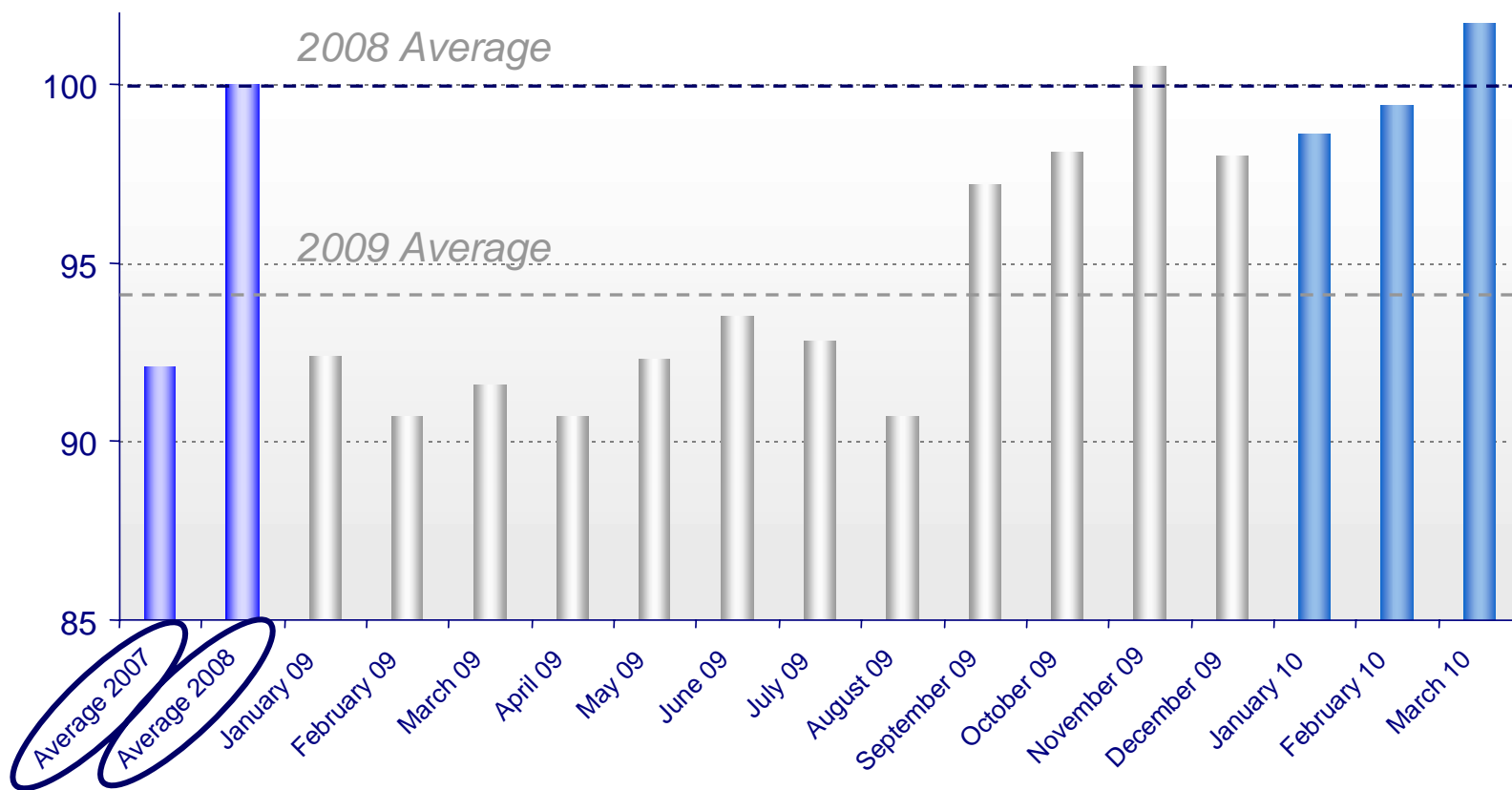
Sales by quarter, at constant natural gas and forex



* Sequential growth

March activity at 15-month high

Monthly G&S activity index. 2008 average base 100*



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

Return to growth in all geographical areas

Gas & Services ■ Q1 2010

Europe



- Signs of industrial recovery in certain countries
- Growth in Healthcare
- Dynamic Eastern Europe

Americas



- Ramp-ups in South America and in USA
- Industrial Merchant growth in Latin America and Canada

Asia Pacific



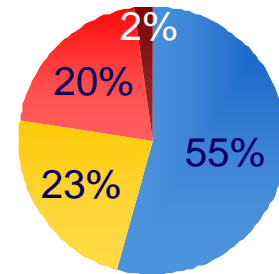
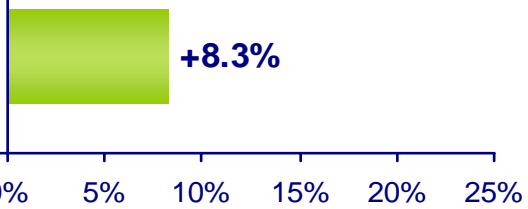
- Start-ups in China
- Rebound in Electronics
- Inflection in Japan

ME & Africa



- Ramp-ups and acquisitions

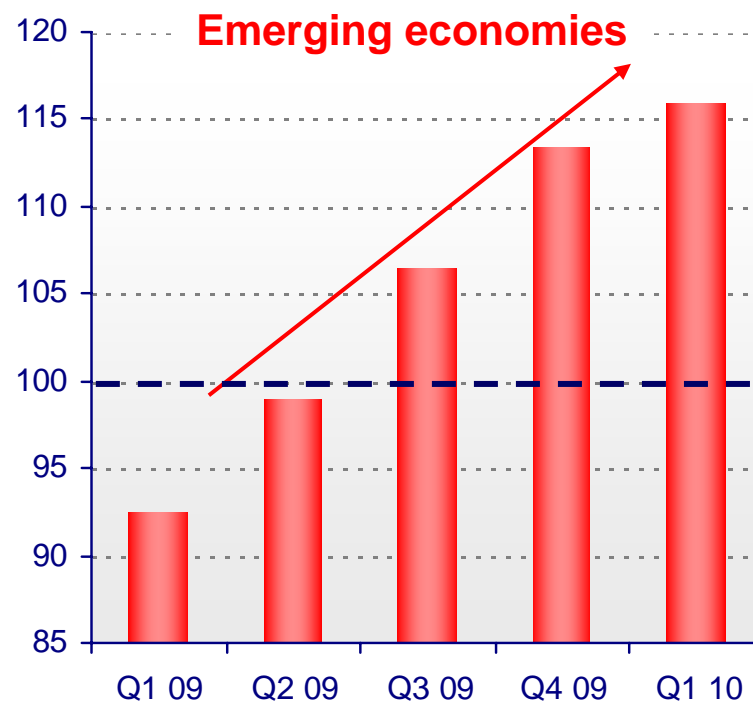
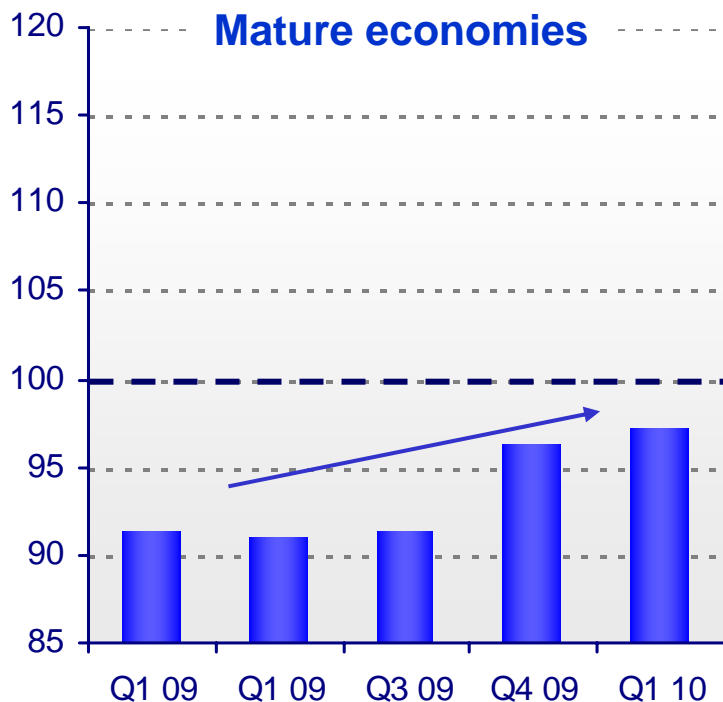
Total G&S



2010/2009 comparable growth: excl. forex and natural gas

Recovery still contrasted between mature and emerging economies

Quarterly G&S activity index, 2008 average base 100*



+ 5 %

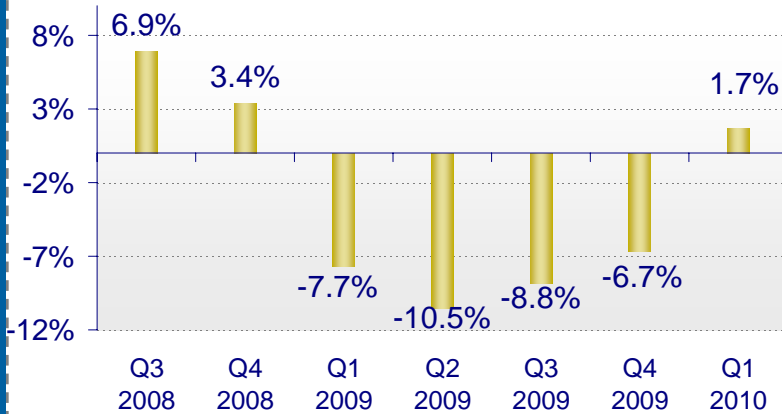
*G&S sales growth
Q1 2010 / Q1 2009*

+ 28 %

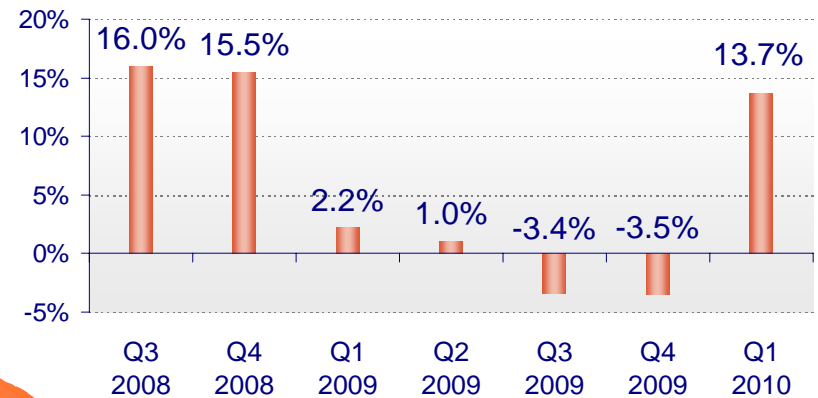
* Comparable revenue adjusted for number of days per month

Return to growth in all business lines

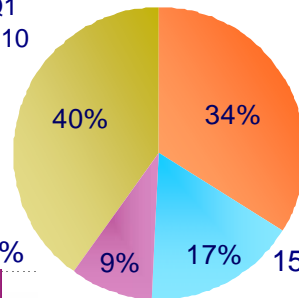
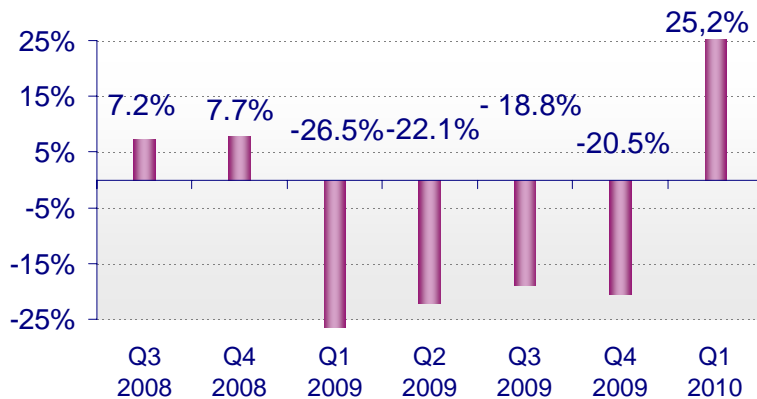
Industrial Merchant



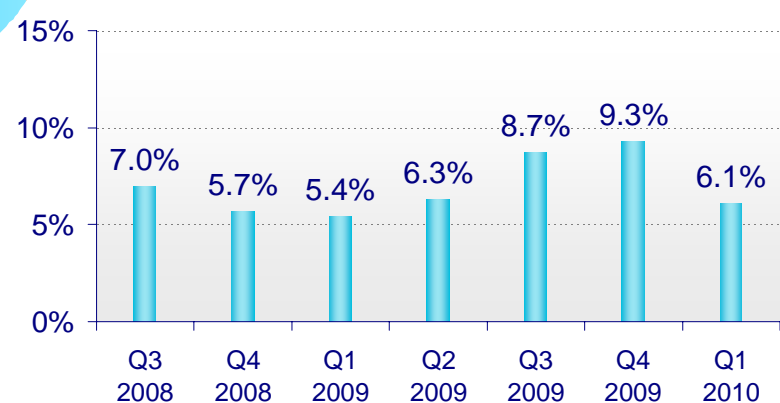
Large Industries



Electronics



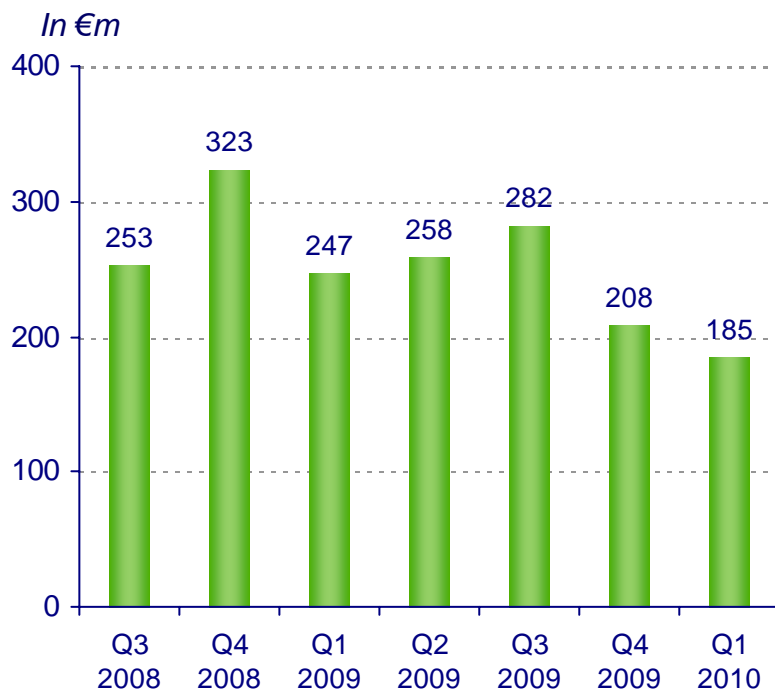
Healthcare



Quarterly comparable growth, excluding forex and natural gas effects, relative to the same period in preceding year

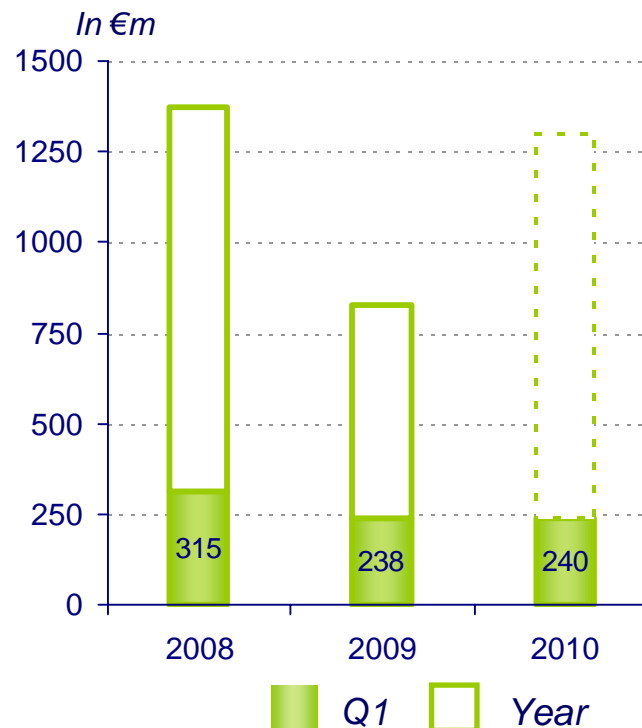
Engineering & Construction: favorable outlook

Third-party E&C sales



■ Sales en line with the investment cycle

E&C order intake

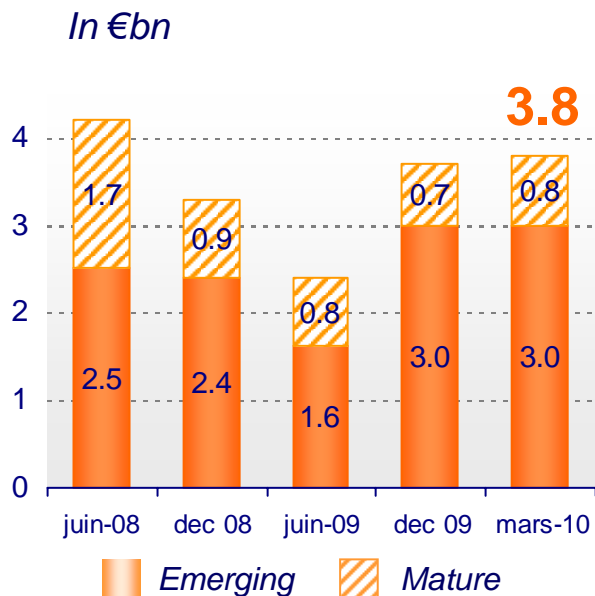


■ Expectations for solid annual order intake

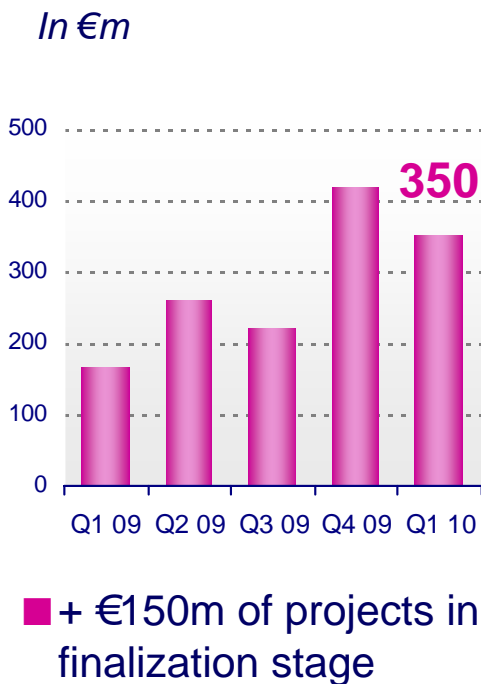
Recovery in investment cycle



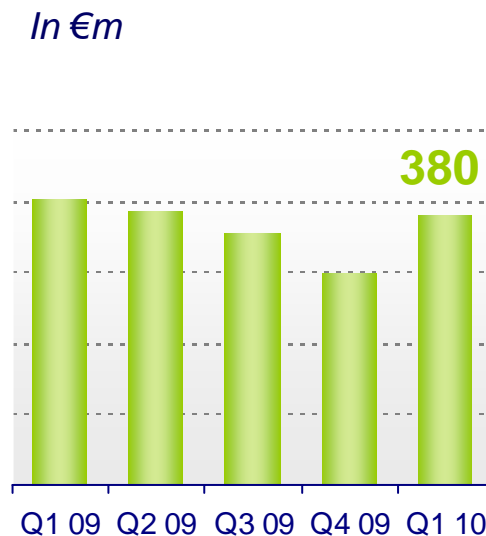
1-year portfolio



Investment decisions



Capex



Ramp-ups

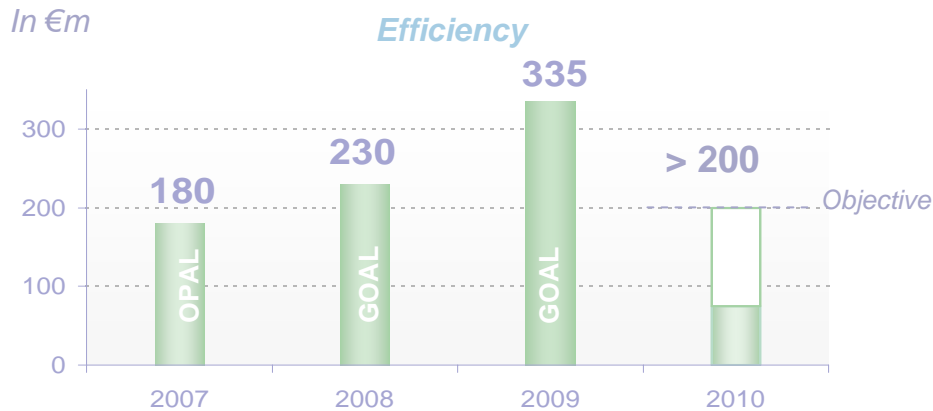
- 5 start-ups in Q1. all in emerging economies
- 21 ramp-ups expected in 2010, of which 6 are in China



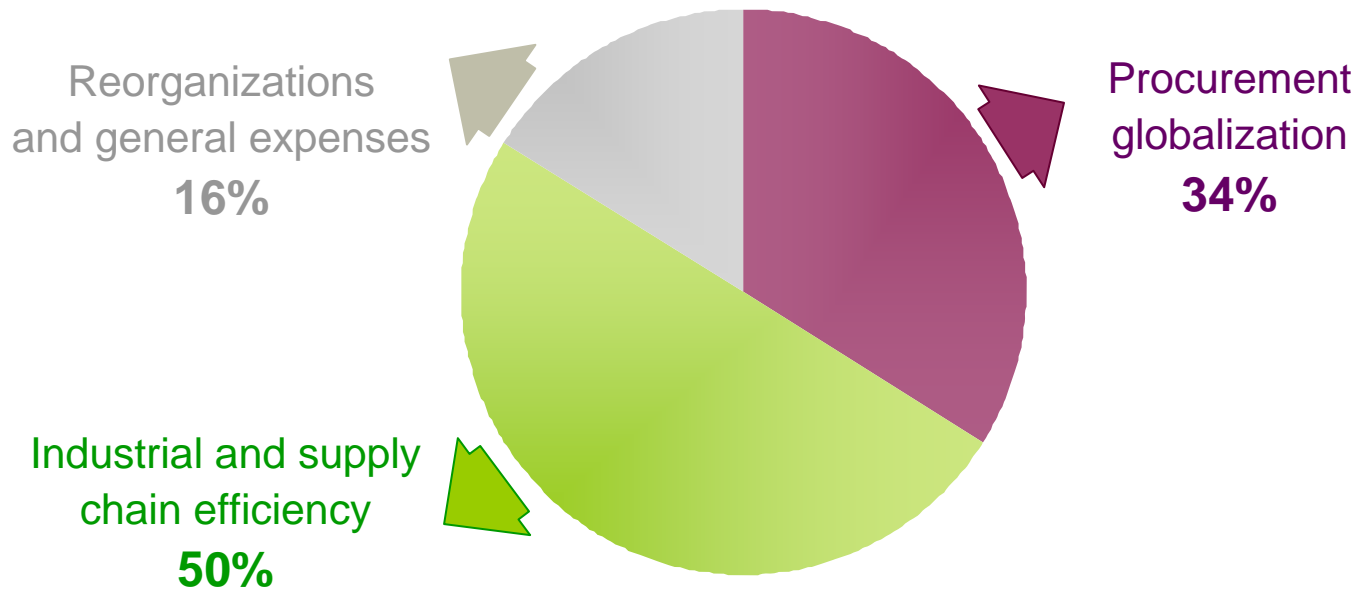
1st quarter 2010 solid operating performance

- ✓ *Maintained discipline on costs*
- ✓ *Net debt stable*

Efficiency programs pursued



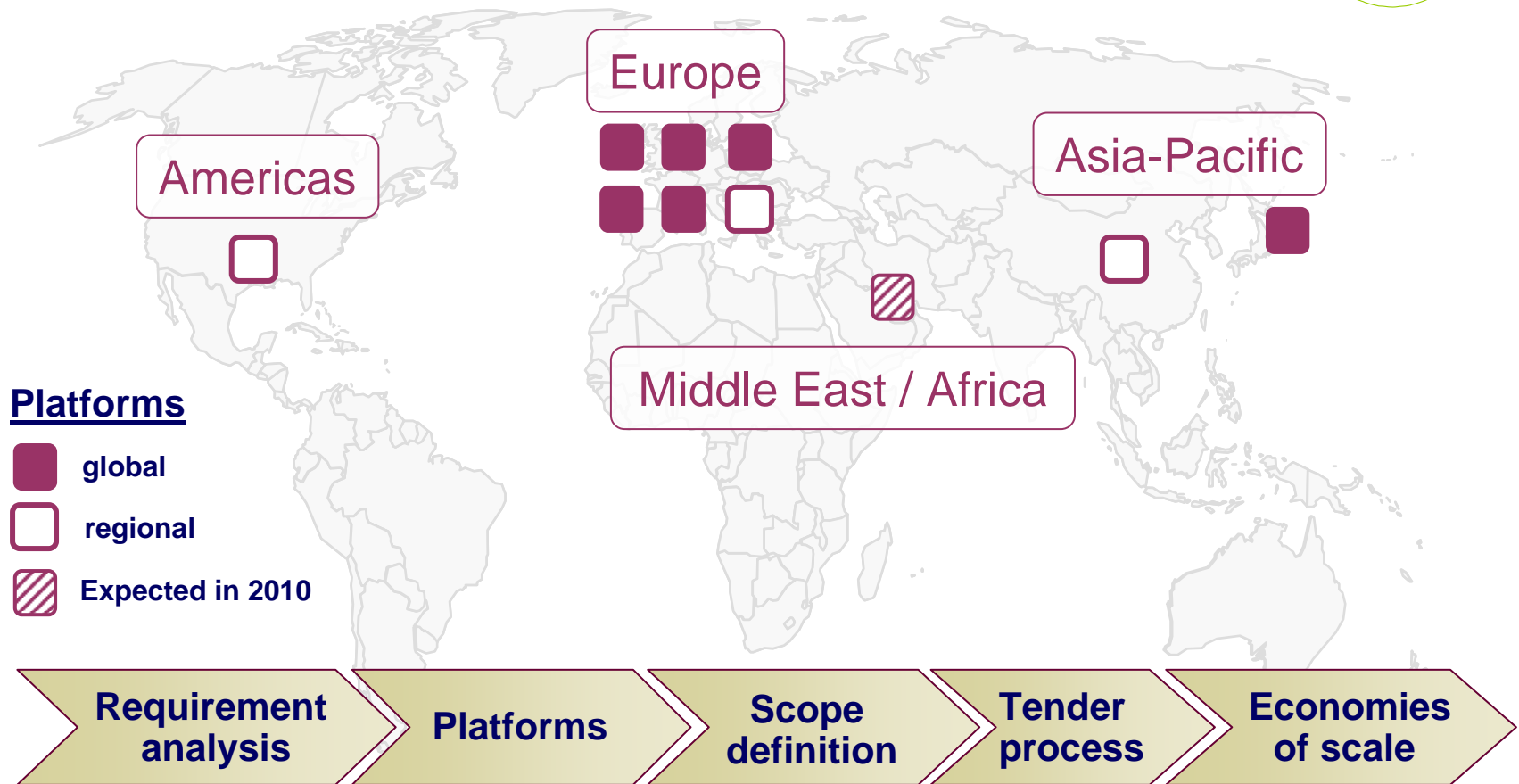
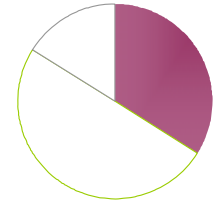
2010 Objective > €200m



Procurement organisation deployment

- 52% of spend already managed through platforms
- 85 category managers out of an objective of 110
- 11 global projects in 2010

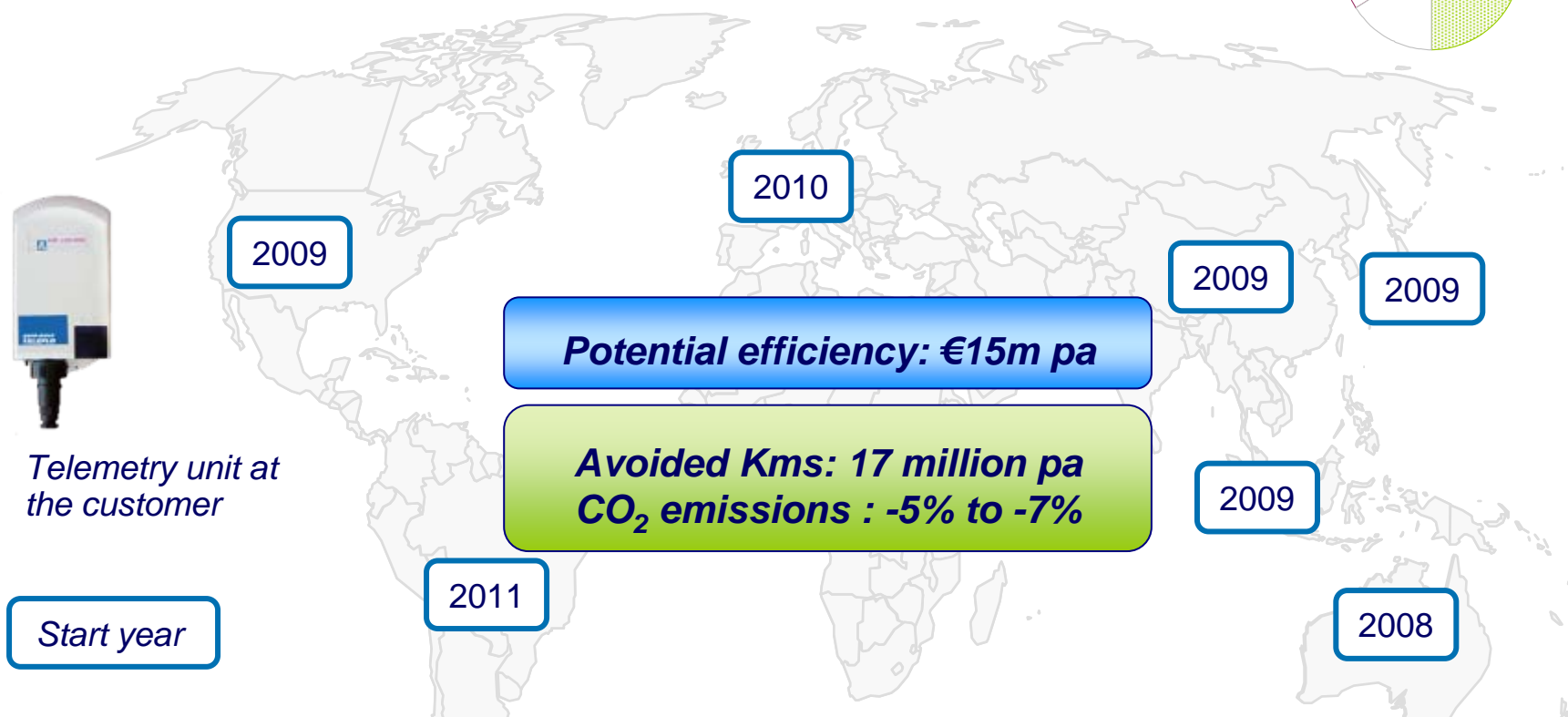
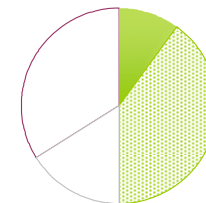
ALMA



Logistics efficiency project deployment

■ 150 projects being deployed, of which automatic customer refilling and stock and delivery optimization

ALMA



Telemetry unit at the customer

Potential efficiency: €15m pa

Avoided Kms: 17 million pa
CO₂ emissions : -5% to -7%

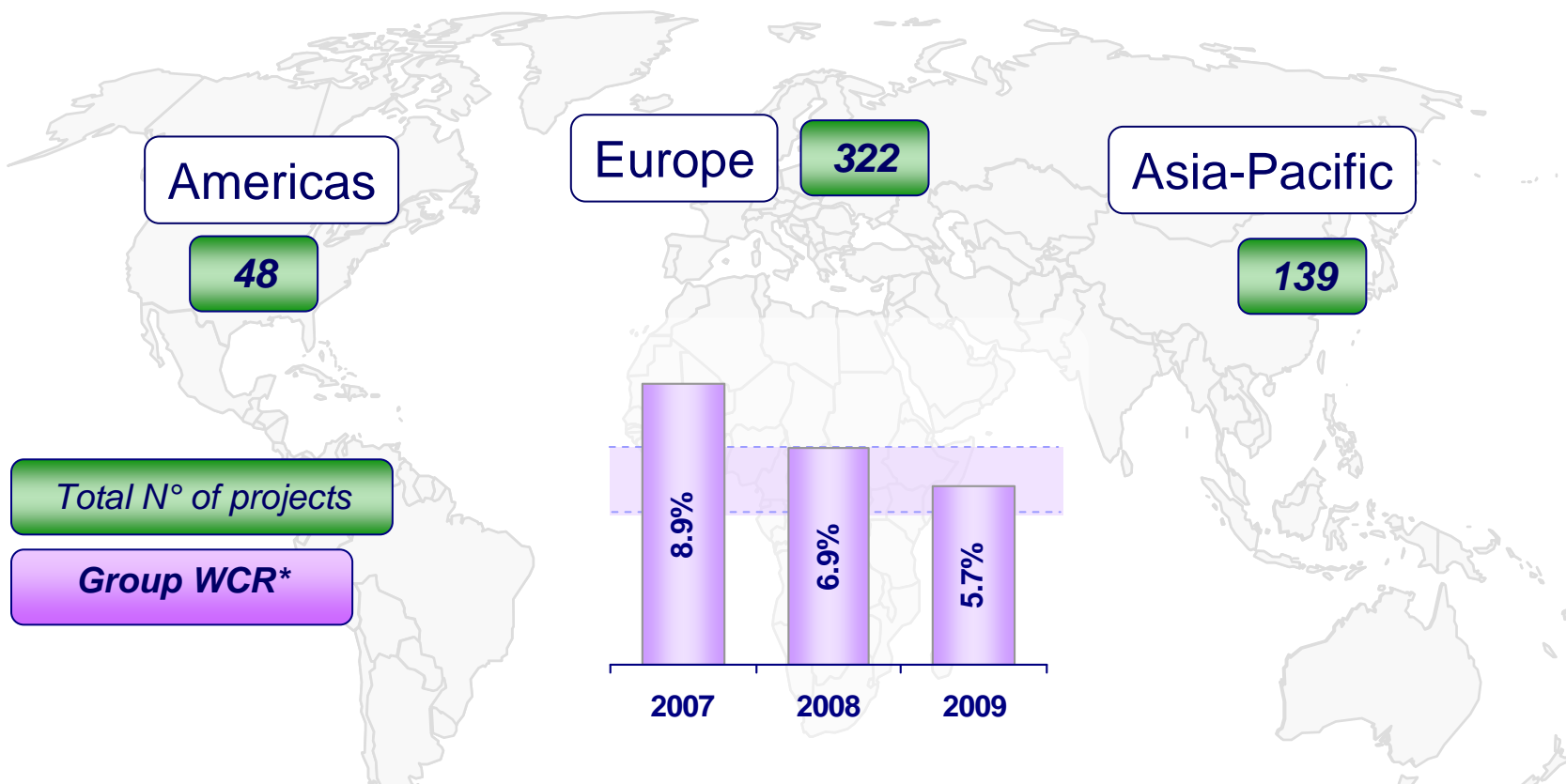
Start year



Cash project deployment



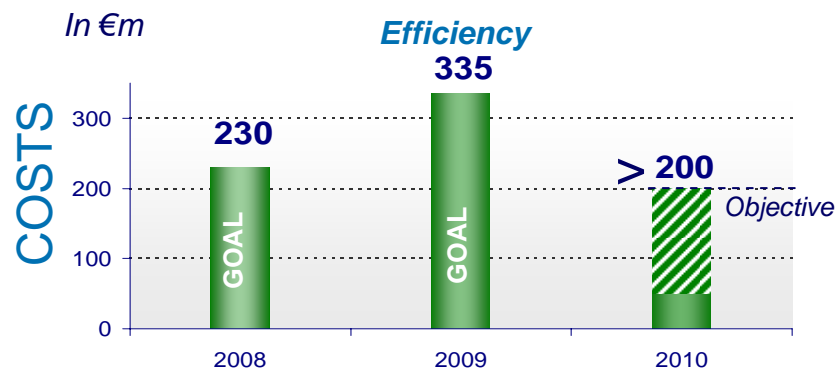
- More than **500 local projects** covering 90% of Group revenue
- Maintain structural WCR between 5 and 7% in a period of growth



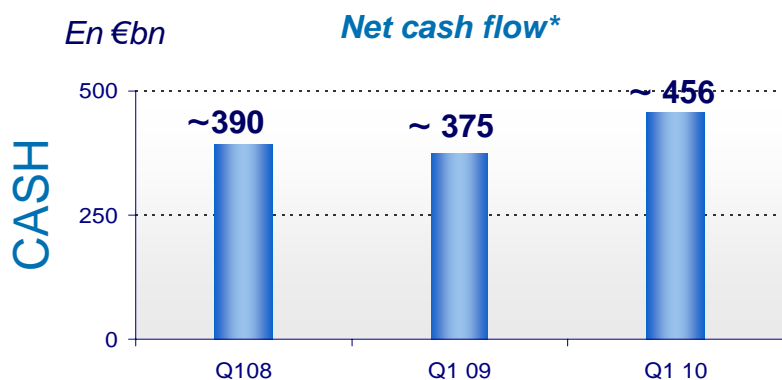
* WCR excluding taxes as a % of revenue



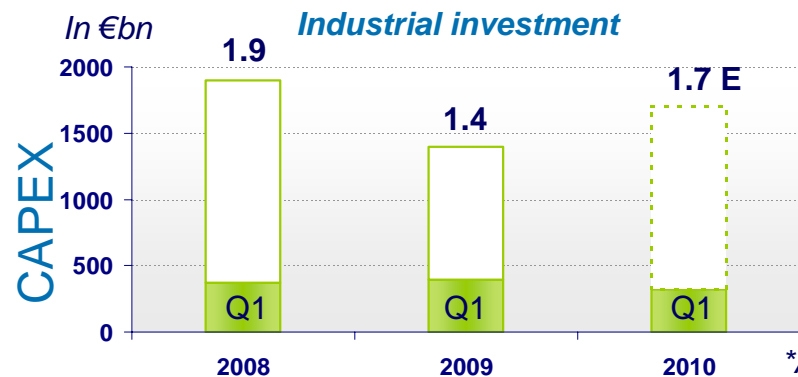
Solid operating performance



- Q1 Operating margin slightly higher than average 2009 margin



- Net cash flow*: + 22% in Q1 2010
- Net debt stable at end of Q1, down by €100m excluding forex



- Pick up in growth capex

*After working capital variation

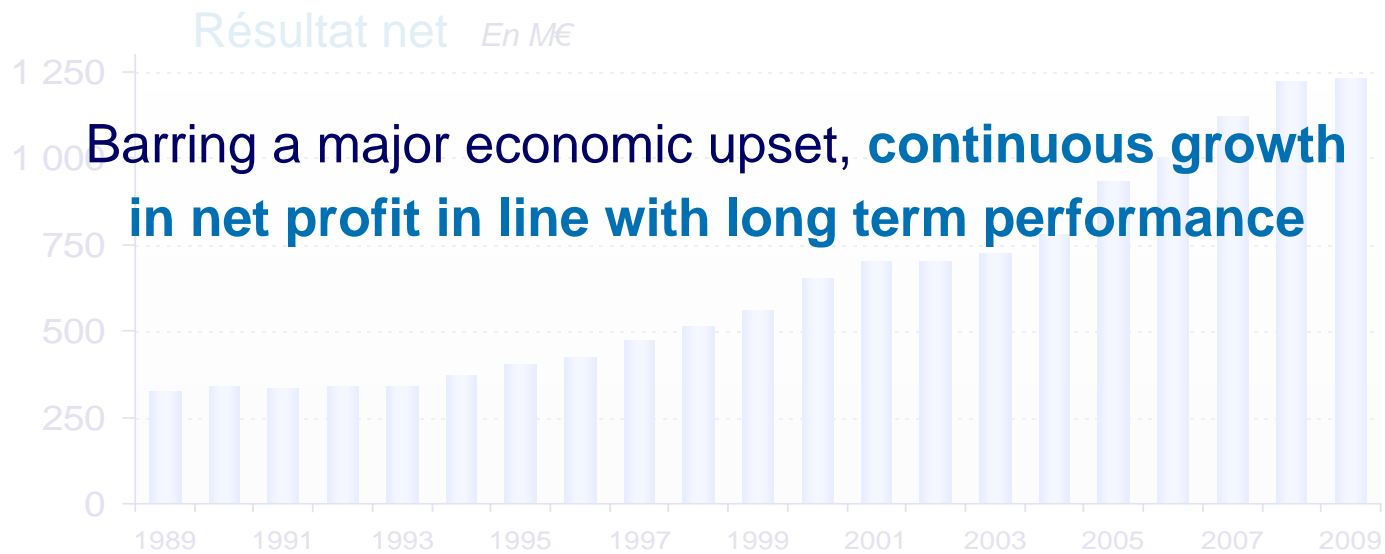
2010 Outlook

Q1 2010

- Return to growth in a contrasted environment
- Potential efficiency gains confirmed
- Recovery in investment cycle

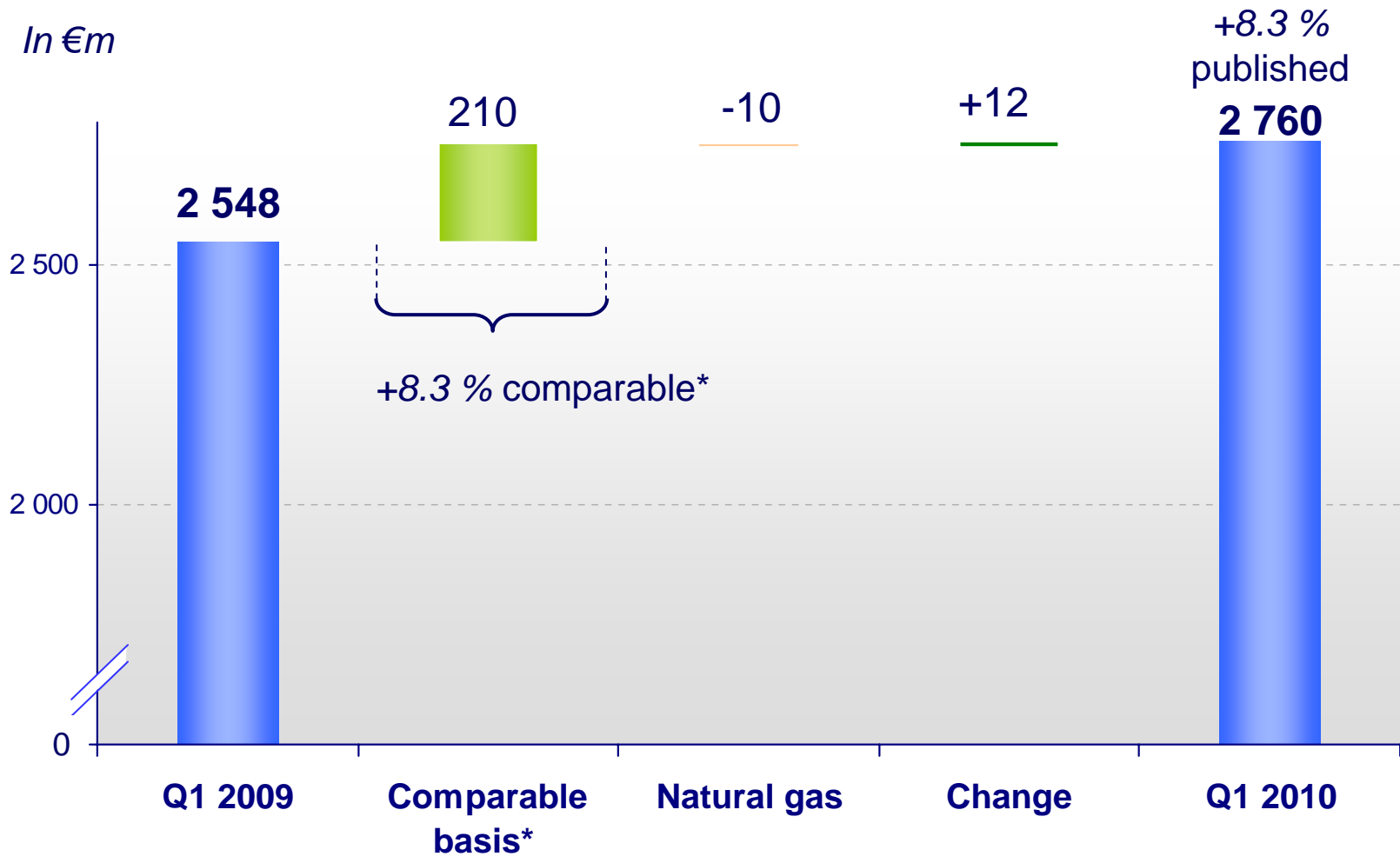


2010 objective maintained



Appendix

Q1 G&S + 8.3 % on a comparable basis



| | | | | | |
|-------|-------|-------|------|------|-------|
| Group | 2 997 | + 153 | - 10 | + 12 | 3 152 |
|-------|-------|-------|------|------|-------|

*excluding natural gas and forex

Europe returns to growth

■ Industrial Merchant

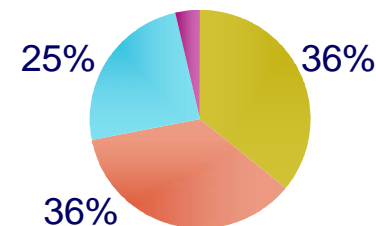
- ✓ Progressive recovery in mature economies
- ✓ Rapid recovery in emerging economies
- ✓ Pricing slightly negative

■ Large Industries

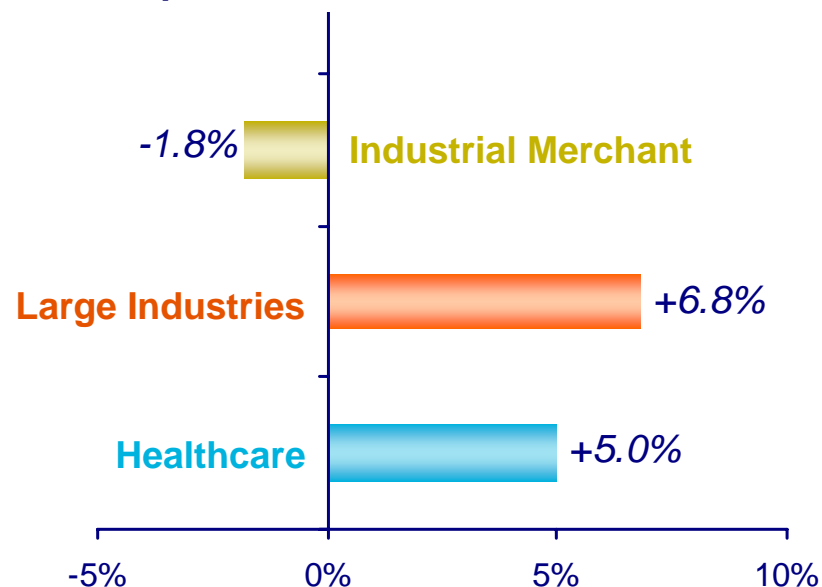
- ✓ Improvement in O₂ and H₂ volumes
- ✓ Recovery in steel demand

■ Healthcare

- ✓ Sustained growth in Homecare
- ✓ Recovery in hygiene sales to industry
- ✓ Medical gases impacted by absence of Winter flu epidemic



Gas & Services revenue : €1,497m
Comparable variation Q1 10/09 : +3.8% *



* Excluding natural gas and forex

Americas: recovery in advance relative to Europe

Industrial Merchant

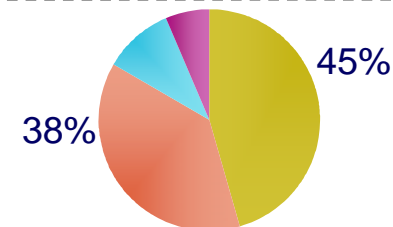
- ✓ Positive pricing in the US
- ✓ Volume growth in Canada and Latin America

Large Industries

- ✓ Strong growth in volumes
- ✓ Start-ups and ramp-ups of new units

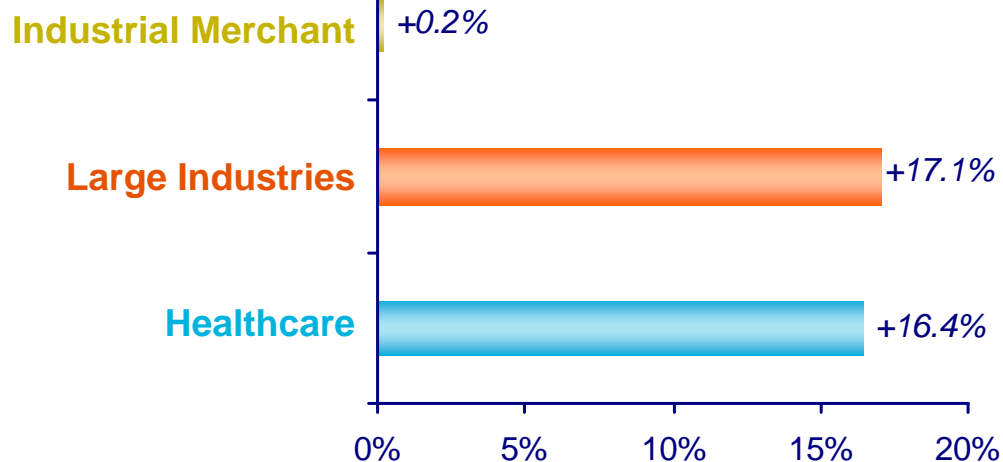
Healthcare

- ✓ Strong demand in medical gases and homecare in Latin America



Gas & Services revenue: €643m

Comparable variation Q1 10/09: +8.5%*



* Excluding natural gas and forex

Asia: Strong recovery

■ Industrial Merchant

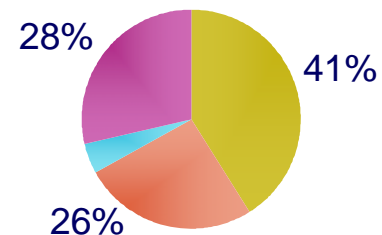
- ✓ Growth in all countries, positive inflection of trend in Japan
- ✓ New capacities in China serving strong demand

■ Large Industries

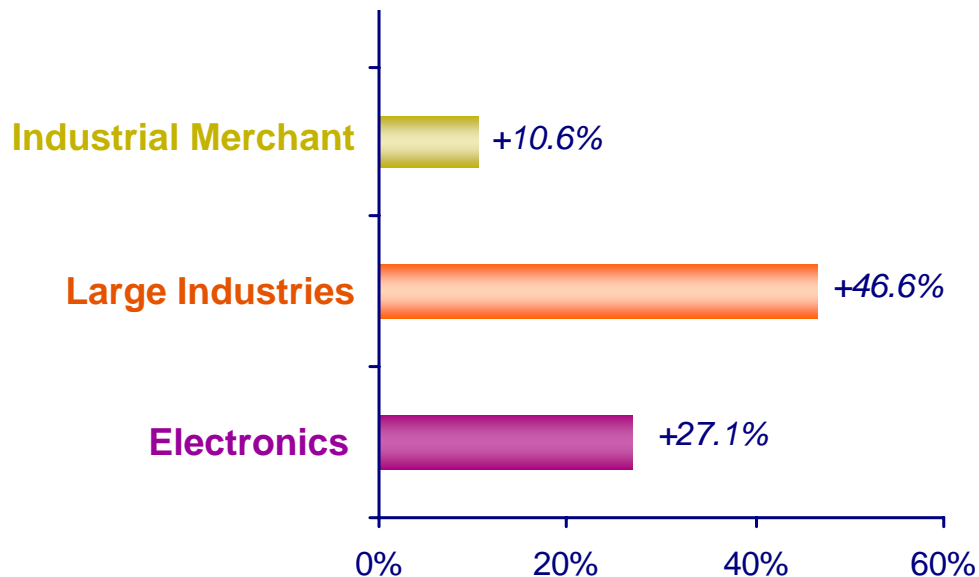
- ✓ Start-ups in China and Singapore
- ✓ Growth in Japan

■ Electronics

- ✓ Strong recovery in ESG sales
- ✓ Beginning of a recovery in E&I sales
- ✓ Steady carrier gas sales



Gaz & Services revenue: €558m
Comparable variation Q1 10/09: +21.9% *



* Excluding natural gas and forex

Gas & Services quarterly growth

| | Published growth | Natural gas | Currency | Comparable growth |
|---------|------------------|-------------|----------|-------------------|
| Q1 2009 | - 3.8% | - 2.3% | +2.7% | - 4.2% |
| Q2 2009 | -8.2% | -6.0% | +2.9% | -5.1% |
| Q3 2009 | -8.9% | -5.2% | +1.5% | -5.2% |
| Q4 2009 | -9.2% | -2.8% | -1.8% | -4.6% |
| Q1 2010 | +8.3% | -0.4% | +0.4% | +8.3% |

Sequential analysis of sales (1)

| <i>Revenue in €m</i> | Q1 09 | Q2 09 | Q3 09 | Q4 09 | Q1 10 | Q1 10/09 as published | Q1 10/09 comparable |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------------------|------------------------|
| Europe | 1 471 | 1 402 | 1 404 | 1 496 | 1 497 | +1.8% | +3.8% |
| Americas | 579 | 566 | 552 | 577 | 643 | +11.2% | +8.5% |
| Asia-Pacific | 447 | 449 | 490 | 522 | 558 | +24.8% | +21.9% |
| Middle East & Africa | 51 | 57 | 68 | 60 | 62 | +20.7% | +14.2% |
| Gas & Services | 2 548 | 2 474 | 2 514 | 2 655 | 2 760 | +8.3% | +8.3% |
| Engineering & Construction | 247 | 258 | 282 | 207 | 185 | -24.9% | -25.3% |
| Other Activities | 202 | 208 | 184 | 196 | 207 | +2.2% | +2.4% |
| Total Group | 2 997 | 2 940 | 2 980 | 3 058 | 3 152 | +5.2% | +5.1% |

Sequential analysis of sales (2)

| <i>Revenue in €m</i> | Q1 09 | Q2 09 | Q3 09 | Q4 09 | Q1 10 | Q1 10/09 as published | Q1 10/09 Comparable |
|---------------------------|--------------|--------------|--------------|--------------|--------------|---------------------------------|-------------------------------|
| Industrial Merchant | 1 071 | 1 048 | 1 069 | 1 088 | 1 106 | +3.2% | +1.7% |
| Large Industries | 836 | 771 | 764 | 848 | 936 | +12.0% | +13.7% |
| Electronics | 206 | 207 | 227 | 232 | 252 | +22.5% | +25.2% |
| Healthcare | 435 | 448 | 454 | 487 | 466 | +7.1% | +6.1% |
| Gas & Services | 2 548 | 2 474 | 2 514 | 2 655 | 2 760 | +8.3% | +8.3% |

Impact of currency and natural gas on G&S sales

| <i>In €m</i> | Q1 09 | Q2 09 | Q3 09 | Q4 09 | Q1 10 |
|--------------------|------------|------------|------------|-------------|--------------|
| €/USD | +54 | +54 | +18 | (46) | (26) |
| €/CAD | (9) | (1) | 0 | +2 | +14 |
| €/JP¥ | +58 | +42 | +41 | (8) | (7) |
| Others | (30) | (9) | (15) | (10) | +31 |
| Total | +73 | +86 | +44 | (62) | +12 |
| Natural gas impact | (62) | (163) | (142) | (83) | (10) |

Average exchange rates for the period

| | Q1 09 | Q2 09 | Q3 09 | Q4 09 | Q1 10 |
|-------|--------|--------|--------|--------|---------------|
| €/USD | 1.30 | 1.36 | 1.43 | 1.48 | 1.38 |
| €/CAD | 1.62 | 1.59 | 1.57 | 1.56 | 1.44 |
| €/JP¥ | 121.80 | 132.50 | 133.80 | 132.70 | 125.50 |



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