



Third quarter 2007 revenue: €2,941 million, +10.3%

Accelerating growth, strengthened by Lurgi acquisition

Third quarter highlights

- Gas and Services sales growth at its **highest rate** since beginning 2004
- Growth acceleration drivers: **Europe and Asia, Electronics and Healthcare**
- **Lurgi** acquisition successfully finalized
- **Homecare, new leadership positions:** n°1 in Germany, n°2 in the UK
- **Industrial capex** for 2007 projected to be **up +30%**

Upcoming dates

Salon Actionaria in Paris:

16 & 17 November 2007

FY 2007 revenue and earnings:

Friday 15 February 2008

Contacts

Corporate Communication

Anne Lechevranton
+33 (0)1 40 62 50 93
Corinne Estrade-Bordry
+ 33 (0)1 40 62 51 31

Investor Relations

Virginia Jeanson
+33 (0)1 40 62 57 37
Aude Rodriguez
+33 (0)1 40 62 57 18

Third quarter 2007 revenue:

		Change as published 2007 / 2006	Comparable* 2007 / 2006
Group revenue	€ 2,941 million	+10.3%	+7.4%
• of which Gas and Services	€ 2,485 million	+5.0%	+7.9%
• of which Related Activities	€ 456 million	+52.7%	+3.4%

* Comparable: excluding impact of currency, natural gas and Lurgi acquisition

Third quarter 2007 **Group revenue grew +10.3%**. Over the three months, currency impact remains negative (-2.4%) while natural gas price impact was not significant (see Appendix 2). On a comparable basis, ie. excluding these effects and the impact of the acquisition of the engineering company Lurgi, revenue growth was **+7.4%**.

In the third quarter, **Gas and Services** sales reached **2,485 million euros** growing **+7.9%** on a comparable basis, their highest growth rate since the beginning of 2004. This acceleration comes after a +6.3% progression in the second quarter and a +5.3% growth in the first quarter. **All business lines and geographies contributed to this good performance.**

Recurring operating margin continues to improve in Gas and Services, thanks to the productivity and efficiency programs. At the Group level, the operating margin is expected to remain stable, given the now more important weighting of engineering activities.

Commenting on third quarter activity, **Benoît Potier, Chairman and CEO of the Air Liquide Group**, stated:

« This good third quarter confirms the relevance of our growth model. We are fully benefiting from positive momentum in our markets in Europe as well as in Asia, with a strong acceleration in our Electronics and Healthcare businesses.

We continue to find attractive, targeted acquisitions on a regular basis, to supplement our internal development strategy.

Finally, our €10 billion investment program over 2007-2011, announced in July, is progressing according to plan.

All these elements give us confidence in Air Liquide's capacity to deliver solid and sustainable growth.

For 2007, we confirm our goal to reach double-digit growth in net profit. »

3rd Quarter 2007 Revenue

in millions of euros	Q3 2006	Q3 2007	07/06 as published	07/06 comparable*
Total Gas and Services revenue	2 367	2 485	+5.0%	+7.9%
Related Activities	299	456	+52.7%	+3.4%
Total revenue	2 666	2 941	+10.3%	+7.4%
	YTD September 2006	YTD September 2007	07/06 as published	07/06 comparable*
Total Gas and Services revenue	7 188	7 397	+2.9%	+6.5%
Related Activities	960	1 173	+22.1%	+7.8%
Total revenue	8 148	8 570	+5.2%	+6.7%

* comparable: excluding impact of currency, natural gas and Lurgi scope effect

Third quarter 2007 Group revenue reached **2 941 million euros, up +10.3%**, including the **consolidation of Lurgi** for two months for total revenue of 151 million euros, included in Related Activities. Over the three months, currency impact remains negative (-2.4%) while natural gas price impact was not significant (see Appendix 2). On a comparable basis, ie. excluding these effects and the impact of the acquisition of the engineering company Lurgi, revenue growth was **+7.4%**.

1.1 Gas and Services

Revenue in millions of euros	Q3 2007	Q3 07/06	
		as published	comparable*
Europe	1 338	+7.2%	+7.6%
Americas	620	-3.1%	+2.7%
Asia-Pacific	480	+10.5%	+16.1%
Middle East and Africa	47	+5.6%	+11.5%
Gas and Services	2 485	+5.0%	+7.9%
Industrial Merchant	1 112	+3.1%	+5.4%
Large Industries	734	+2.6%	+6.4%
Electronics	244	+13.4%	+20.1%
Healthcare	395	+10.4%	+11.1%

* comparable: excluding impact of currency, natural gas and Lurgi scope effect

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

In Q3 **Gas and Services** revenue growth accelerated to **+7.9%** on a comparable basis to **2 485 million euros, compared to +6.3% in Q2 and +5.3% in Q1**. This acceleration was achieved principally due to production unit ramp-ups and acquisitions in Europe and Asia-Pacific.

Growth in **Industrial Merchant** (+5.4%) was driven by strong demand in the US, Germany and China, while activity in France and Japan was stable. New liquid capacity expansions are under construction in Bulgaria, the US and China. **Large Industries** performance (+6.4%) has benefited from a start-up in Russia and ramp-ups in Europe and Asia-Pacific, tempered somewhat by some significant plant stoppages in the US. **Electronics** grew by +20.1%, due to several start-ups in Asia, and the ramp-up of 23 units since the beginning of 2006, boosting carrier gases and Electronics Specialty Gases (ESG) sales. Equipment sales were higher due to a new installation for Toshiba in Japan. This was further helped by the full consolidation of the Singapore activities and the integration of the Japanese JV, Toshiba Nano Analysis. **Healthcare** revenue growth (+11.1%) continued to accelerate in Q3, with solid underlying demand, expansion of portfolio of treatments of chronic pathologies (particularly sleep apnea) and the acquisitions of 5 small homecare companies in Germany and one in the UK. Further, Allied Respiratory, acquired at the end of the quarter, will be consolidated from Q4 and gives the Group a number two position in the UK homecare market.

Europe

Revenue for Q3 2007 was **1 338 million euros**, a comparable growth of **+7.6%, up from +5.2% in Q2 and +4.1% in Q1**. All business lines except Electronics, affected by lower equipment sales, contributed to this acceleration.

Industrial Merchant achieved growth of **+5.5%** for the period, with particularly strong bulk and cylinder demand in Germany, good cylinder volumes in all other countries and the consolidation of the acquired UK business for the full quarter. Good demand was registered in the automotive, manufacturing, and particularly in the fast growing photovoltaic market.

Large Industries achieved **+10% growth** in Q3, largely as a result of the start-up of the oxygen unit for SeverStal in Russia in August and the ramp-ups of the Lavera (France) and Priolo (Italy) hydrogen units. Underlying demand from the steel manufacturers, the refineries and chemical clients is still strong.

Healthcare growth accelerated to **+10.7%** in Q3 versus +6.7% for the first half. This performance was driven by double digit growth in homecare and hygiene and full quarter consolidation of the acquisitions. The performance of the hospital activity has also improved with the easing of price erosion, as the significant Southern European contract renewal phase comes to an end.

Electronics declined by **-4.0%** due to lower equipment sales resulting from the lack of any new fab project in Europe in 2007.

Americas

Revenue for the Americas was **620 million euros**, an increase of **+2.7%**. Performance was contrasted with good growth in Industrial Merchant offset by weaker volumes in Large Industries in the US.

Industrial Merchant progressed by **+5.7%**, benefiting from an attractive US market, in which strong demand is still not met by additional capacity under construction, creating a favorable pricing environment. Sales were stable in Canada, relative to a high level in 2006, due to a tough market environment in manufacturing. South America achieved sustained growth.

Large Industries, with no start-ups during the period, declined by **-1.9%** due to some significant client turnarounds during the period and in particular, a 5-week turnaround at one major client affecting steam and electricity volumes. This was partially compensated by good trends in Canada and South America.

Electronics registered growth of **+4.2%** in Q3, boosted by strong carrier gases and ESG sales due to a major start-up in Q2, offset somewhat by lower equipment sales since the start-up.

Asia-Pacific

Q3 revenue in Asia-Pacific, at **480 million euros**, was **up +16.1%**, against +11.5% for the first half. This is due to continued strong trends in China, additional revenues for the full consolidation of the ex South East Asian JVs and despite a slowdown in Japanese domestic demand.

Industrial Merchant was up **+3.6%**. Activity was stable in Japan resulting from a softening in the economy since August. Emerging Asia remained strong, particularly in China, where new liquid capacities have progressively come on stream.

Electronic recorded **+34.7%** growth, due to start-ups in South Korea, Japan and Singapore and strong seasonal demand. Consequently, ESG volumes saw double digit growth. Equipment sales were also strong, particularly in Japan for the new Toshiba Yokkaichi fab. The performance was also helped by the full consolidation of Singapore operations and TNA, the Japanese JV with Toshiba, created end of 2006.

Large Industries continued to record substantial growth (**+15.7%**), mainly driven by ramp-ups in China, with no new start-up. The next phase of start-ups in China will come in the second half of 2008. South Korea and the Philippines showed good progress.

Healthcare was up **+25.1%**, helped by the entry into the homecare market in China with the acquisition of Hong Kong-based Celki.

Middle East and Africa

Middle East and Africa revenue reached **47 million euros**, and continued to record **double digit growth**, driven mainly by dynamic Industrial Merchant activity in South Africa and Large Industries in Egypt.

1.2. Related Activities

Revenue in millions of euros	Q3 2007	Q3 07 / 06 reported	Q3 07 / 06 comparable*
Engineering and Construction	232	+194.6%	+6.2%
Welding	134	+3.8%	+3.7%
Chemicals	55	+2.5%	+2.5%
Diving & others	35	-5.9 %	-2.1%
Related Activities	456	52.7%	3.4%

* comparable: excluding impact of currency, natural gas and Lurgi scope effect

Related Activities were up 52.7% due to the consolidation of two months of Lurgi. Concerning **Engineering and Construction**, Lurgi hydrogen technology is now embedded into the Group's hydrogen offer and is currently being marketed actively as part of the integration process of Lurgi. The order backlog guarantees us full loading of our capacities and our resources are being progressively orientated towards Large Industries projects. Chinese manufacturing capacity is being doubled.

The growth in **Welding** was impacted by temporary supply issues while demand remains strong.

2. Comment on the financial structure and the results of the Group

Gas and Services recurring operating margins continue to progress due to the contribution of the Opal project. At **Group level, margins** for the full year are expected to be **stable** due to the change in mix of business with the increased weight of engineering in total Group sales.

Industrial capital expenditure for the year is estimated to be up about +30% against the 1.1 billion euros in 2006. Acquisition investments to 30th September totalled approximately 1.2 billion euros.

In July and early October with the emission of 5.5 and 10-year EMTNs for a total of 900 million euros, financed at competitive rates, we extended our debt maturity, brought the fixed debt ratio up to 70% and ensured that our average cost of debt remains more or less stable.

In the first nine months of the year, **share buy-backs** amounted to a total of 3 496 642. This represents **1.4% of the capital** of the Group, and is in line with our announced share buy-back program of 2 to 2.5% per annum. The total number of shares outstanding at 30th September was 242 039 338 million.

3. Outlook

All of our major markets remain well orientated. In the US, we have seen only limited indication of a slowdown, while Europe and Asia continue to show good growth. On this basis, we confirm our guidance of double digit growth in net income in 2007.

*With more than **38,000 employees** in **72 countries**, Air Liquide is a **world leader** in industrial and medical gases and related services. The Group offers **innovative solutions** based on constantly enhanced technologies and produces **air gases (oxygen, nitrogen, argon, rare gases...)** and **many other gases including hydrogen**. The Group contributes to the manufacturing of **many everyday products**: bubbles in sparkling beverages, protective atmosphere for packed foods, oxygen for hospitals and homecare patients, ultra-pure gases for the semiconductor industry, hydrogen to desulfurize fuels...*

*Air Liquide is committed to **sustainable development** and helps to **protect life**. Founded in 1902, Air Liquide has successfully developed a long-term relationship with its shareholders built on **trust** and **transparency** and guided by the principles of **corporate governance**. Since the publication of its first consolidated financial statements in 1971, Air Liquide has posted **strong and steady earnings growth**. Sales in 2006 totaled **10,949 million euros**, with sales outside France accounting for almost 80%. Air Liquide is listed on the Paris stock exchange and is a component of the CAC 40 and Eurostoxx 50 indices (ISIN code FR 0000120073).*

APPENDIX (1)

PREVIOUS QUARTER PERFORMANCES

Revenue in millions of euros	Q1 2007	Q1 07/06		Q2 2007	Q2 07/06	
		as published	comparable*		as published	comparable*
Europe	1 351	+3.5%	+4.1%	1 323	+4.4%	+5.2%
Americas	628	-7.7%	+3.2%	641	+1.4%	+4.5%
Asia-Pacific	431	+3.6%	+11.9%	450	+4.1%	+11.1%
Middle East and Africa	42	-2.9%	+11.9%	46	+3.5%	+14.4%
Gas and Services	2 452	+0.3%	+5.3%	2 460	+3.5%	+6.3%
Industrial Merchant	1 091	+0.0%	+4.3%	1 108	+2.0%	+5.1%
Large Industries	763	-1.5%	+5.5%	728	+4.3%	+5.9%
Electronics	214	+1.5%	+8.8%	236	+4.1%	+11.4%
Healthcare	384	+4.3%	+5.9%	388	+6.1%	+7.2%

* comparable: excluding impact of currency, natural gas and Lurgi scope effect

APPENDIX (2)

CURRENCY, NATURAL GAS AND SCOPE IMPACT

In addition to the comparison of published figures, financial information is given excluding currency, the impact of fluctuations in natural gas price and excluding significant scope effect when applicable.

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

Consolidated 3rd quarter 2007 revenue includes the following elements:

in millions of euros	Revenue	Q3 07/06 as published	Currency	Natural gas	Scope	Q3 07/06 comparable*
Group	2 941	+10.3%	-63.7	-8.6	151	+7.4%
Gas and Services	2 485	+5.0%	-60.1	-8.6	-	+7.9%

* comparable: excluding impact of currency, natural gas and Lurgi scope effect

- The **currency effect** represents -63.7 million euros, an impact of -2.4% on Group revenue, mainly due to the appreciation of the euro, against the US dollar and the yen.
- **Natural gas prices** were globally stable in Q3 2007 relative to Q3 2006. The change in natural gas prices represents an impact of -8.6 million euros, or -0.3% on Group revenue.
- The scope effect is entirely due to the consolidation for two months of Lurgi.

REVENUE BY BUSINESS

in millions of euros

	2006		2007	
	3rd Quarter	Total 9 Months	3rd Quarter	Total 9 Months
GAS AND SERVICES	2,366.8	7,187.8	2,484.6	7,396.7
Industrial Merchant	1,077.9	3,255.1	1,111.2	3,310.4
Large Industries	715.9	2,188.7	734.2	2,225.6
Electronics	215.2	652.6	244.1	693.8
Healthcare	357.8	1,091.4	395.1	1,166.9
AL WELDING	129.6	404.1	134.4	439.5
OTHER ACTIVITIES	90.4	294.2	89.7	292.6
Chemicals	53.3	175.4	54.7	176.2
Other	36.4	116.9	34.5	115.0
Holding	0.7	1.9	0.5	1.4
ENGINEERING/CONSTRUCTION	78.8	262.3	232.5	441.0
TOTAL	2,665.6	8,148.4	2,941.2	8,569.8

REVENUE BY REGION

in millions of euros

2007: Total 9 Months	Europe	Americas	Asia Pacific	Africa/Middle-East	TOTAL
Gas and Services	4,012.6	1,889.0	1,360.9	134.2	7,396.7
AL Welding	439.5				439.5
Other Activities	230.8	57.2	4.6		292.6
Sub/total excluding Eng/Construc.	4,682.9	1,946.2	1,365.5	134.2	8,128.8
Engineering/Construction	287.2	84.1	63.2	6.5	441.0
TOTAL	4,970.1	2,030.3	1,428.7	140.7	8,569.8

2006: Total 9 Months	Europe	Americas	Asia Pacific	Africa/Middle-East	TOTAL
Gas and Services	3,821.1	1,952.5	1,282.7	131.5	7,187.8
AL Welding	404.1				404.1
Other Activities	235.5	53.7	5.0		294.2
Sub/total excluding Eng/Construc.	4,460.7	2,006.2	1,287.7	131.5	7,886.1
Engineering/Construction	112.5	36.5	100.1	13.2	262.3
TOTAL	4,573.2	2,042.7	1,387.8	144.7	8,148.4