

## Pre-Half Year 2018 Results Communication

Air Liquide has compiled the following items for consideration to assist in the financial modeling of the Group H1 2018 results.

- **Significant perimeter impact**

As a reminder, **Airgas refrigerants** activity (in the Industrial Merchant business line) was divested in October 2017. It generates a significant perimeter impact in 2018, notably **-0.7%** in **Q2 2018** at Group level:

At Group level	Q1 2018	Q2 2018	Q3 2018	Q4 2018
€m	-35	-36	-26	-1
%	-0.7%	-0.7%	-0.5%	-

- **Currency impact**

Main currency variations:

€ versus	H1 2017	H1 2018	change	Q2 2017	Q2 2018	change
US Dollar	1.082	1.210	+11.8%	1.100	1.192	+8.4%
Argentinian Peso	17.24	26.51	+53.8%	17.88	28.78	+60.9%
Japanese Yen	212.6	131.6	+8.2%	122.2	130.1	+6.4%
Brazilian Real	3.43	4.13	+20.4%	3.53	4.29	+21.6%

The currency impact in Q1 2018 was **-8.2%** on Group revenue. Based on the evolution of foreign currency rates, the currency impact on Group sales is estimated at around **-5%** in Q2 2018 and **-6.5%** in H1 2018. The impact on Gas & Services sales is expected to be similar. For the FY 2018, the impact is expected to be between **-3%** and **-4%** on Group revenue with an annual average EUR/USD exchange rate estimated at 1.19.

- **Energy Pass-through impact**

In Q1 2018, the energy pass-through effect on Group revenue was **-0.3%**. In **Q2 2018**, it is expected to be around **+0.7%** on Group and Gas & Services revenue and **+0.2%** in H1 2018.

- **Business items**

- In Q1 2018, **Large Industries** posted robust comparable sales growth of +6.0%, notably driven by the start-up of the world's largest ASU for Sasol in South Africa, high demand for oxygen and hydrogen at existing sites and strong cogeneration activity in Europe due to temporary peak electricity winter demand. No significant sales contribution is expected from new major start-up during Q2 2018.
- In **Industrial Merchant**, comparable sales growth stood at +4.2% in Q1 2018, at the top of the range of NEOS objective. Positive underlying trends of end markets were confirmed worldwide.
- **Healthcare**: comparable sales growth remained very solid in Q1 2018, at +4.9%. All regions posted growth and activity was particularly dynamic in developing economies.
- **Electronics**: revenue grew by +5.7% in Q1 2018 on a comparable basis, driven by double-digit growth in Asia and high sales of Equipment and Installations.
- **Engineering & Construction**: sales resumed growth in Q1 2018, +75.2%, benefiting from progressive improvement of Order Intake since beginning of 2017 and a low comparison basis. As mentioned during Q1 2018 conference call, a negative Operating Income Recurring (OIR) is expected for E&C in H1 2018.
- **Global Markets & Technologies**: the dynamic development of sales continued in Q1 2018, growth reached +24.4%, mainly driven by start-ups of biomethane production units.

H1 2018 results will be announced on **July 30, 2018**.

## CONTACTS

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The world leader in gases, technologies and services for Industry and Health, Air Liquide is present in 80 countries with approximately 65,000 employees and serves more than 3.5 million customers and patients. Oxygen, nitrogen and hydrogen are essential small molecules for life, matter and energy. They embody Air Liquide's scientific territory and have been at the core of the company's activities since its creation in 1902.

Air Liquide's ambition is to lead its industry, deliver long term performance and contribute to sustainability. The company's customer-centric transformation strategy aims at profitable growth over the long term. It relies on operational excellence, selective investments, open innovation and a network organization implemented by the Group worldwide. Through the commitment and inventiveness of its people, Air Liquide leverages energy and environment transition, changes in healthcare and digitization, and delivers greater value to all its stakeholders.

Air Liquide's revenue amounted to 20.3 billion euros in 2017 and its solutions that protect life and the environment represented more than 40% of sales. Air Liquide is listed on the Euronext Paris stock exchange (compartment A) and belongs to the CAC 40, EURO STOXX 50 and FTSE4Good indexes.