



Q1 2021 Activity

All Business Lines back to growth

Paris, April 23, 2021



Bécancour Electrolyzer

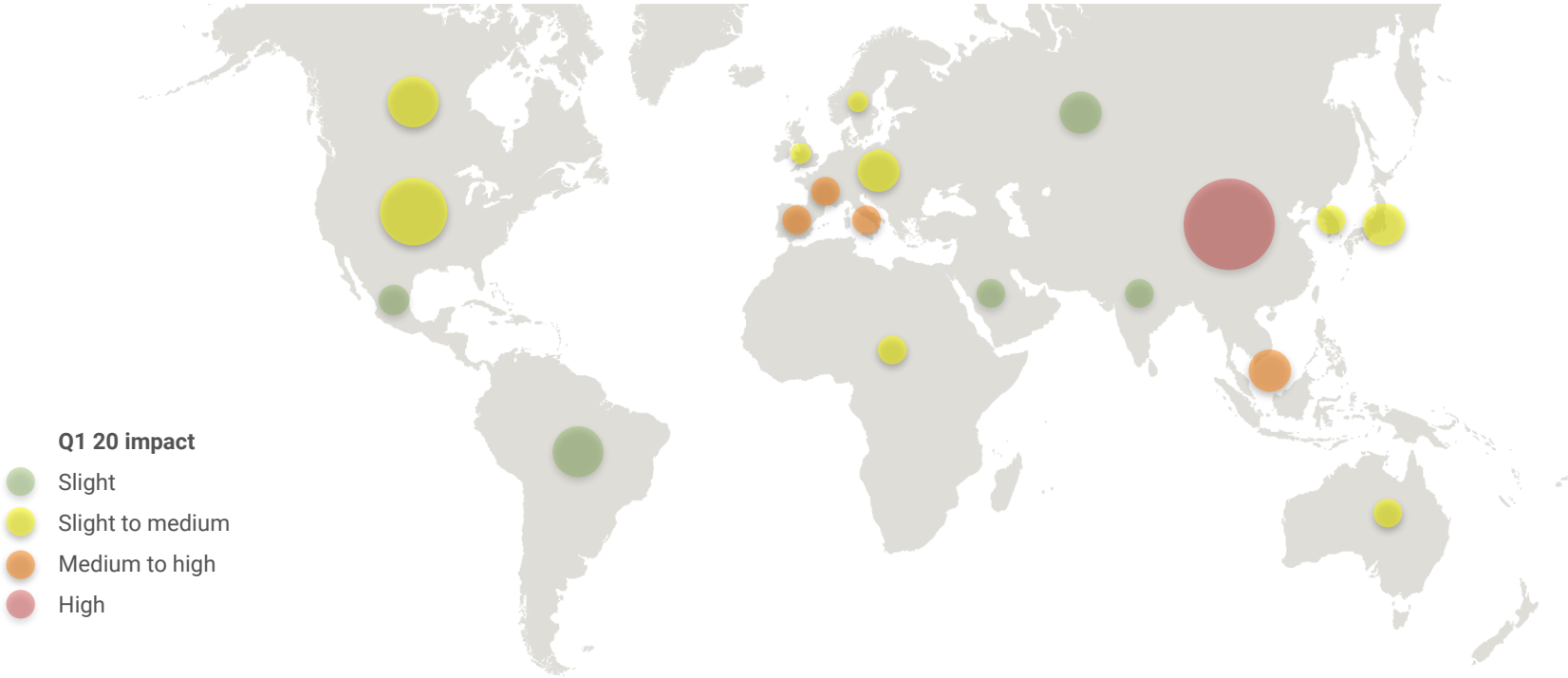
Agenda

- Q1 2021 **key highlights**
- **ESG commitments** reminder
- **2021 Guidance** confirmed

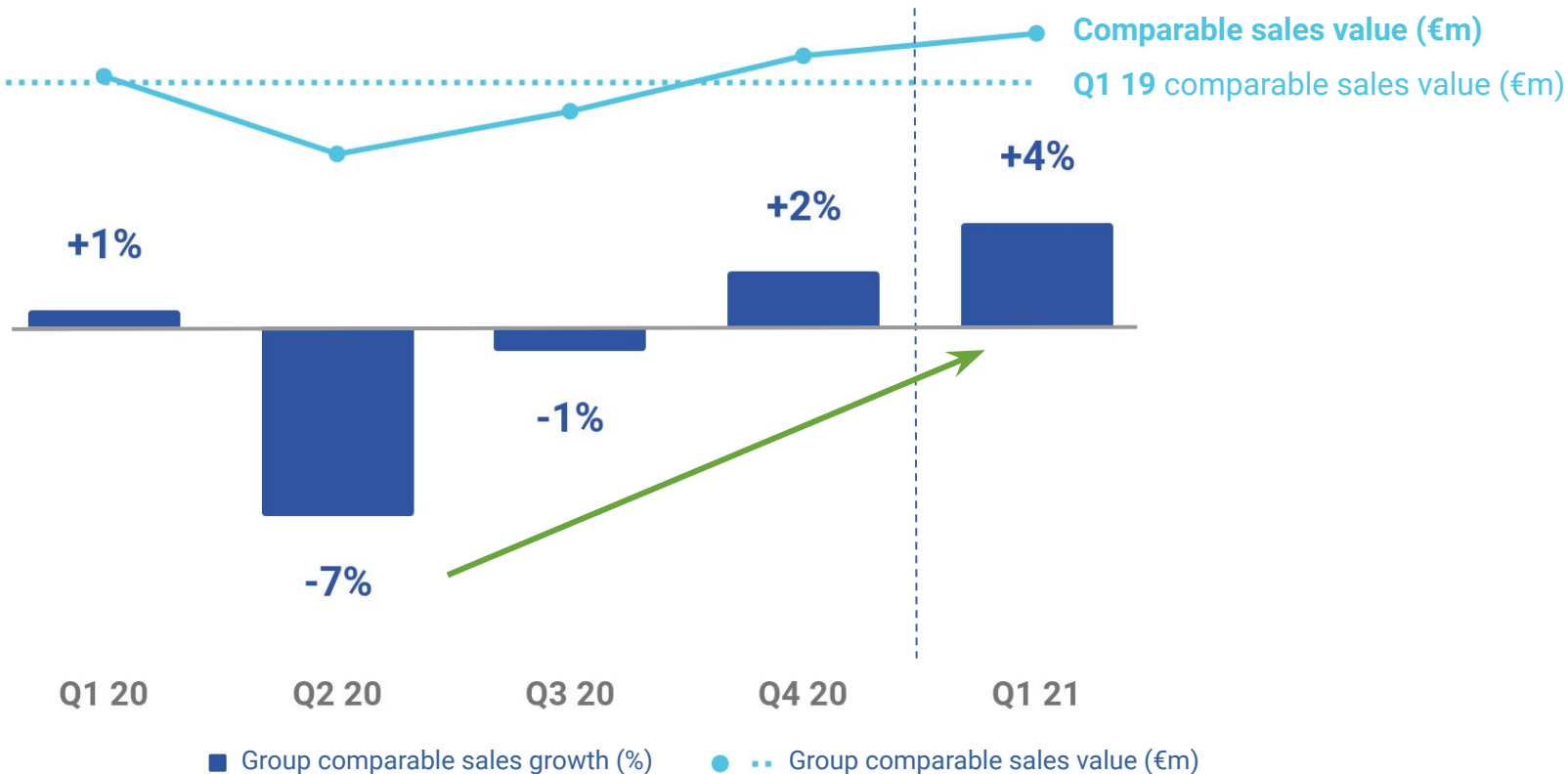
Q1 2021 Key Highlights

- **Group sales up +4%**, overcoming a challenging environment
- **Pursued recovery** in all regions
- **All WBLs** posting sales **growth**
- Continued **focus on performance** and **solid cash flow**
- **Energy transition** and **EL** driving investment opportunities

Covid-19 Impact in Q1 20, a Read Through for Q1 21



Strong Group Sales Recovery since Q2 20



Group Sales up +4%

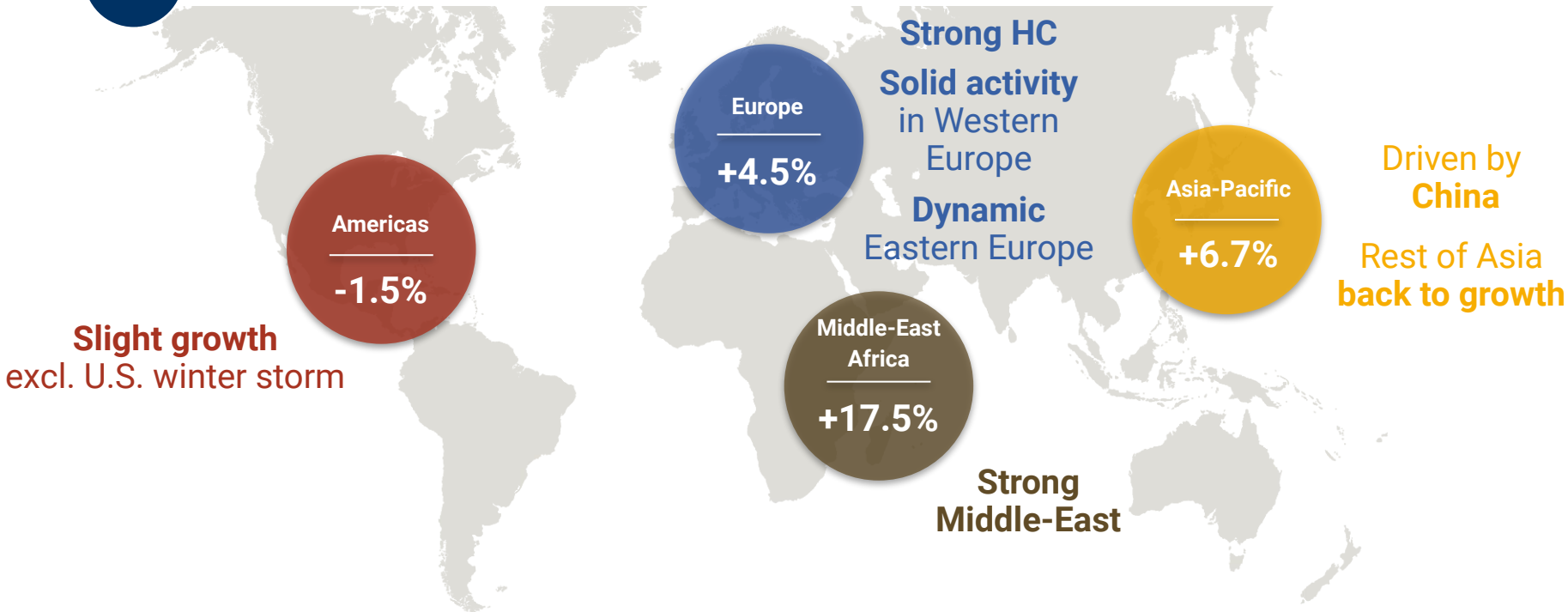
Sales in €m	Q1 20	Q1 21	Q1 21/20 As published	Q1 21/20 Comparable
Gas & Services	5,191	5,103	-1.7%	+2.8%
Engineering & Construction	52	76	+44.5%	+48.5%
Global Markets & Technologies	127	155	+22.0%	+25.7%
Group Total	5,370	5,334	-0.7%	+3.8%

Impacts on Q1 Group Sales: ▪ -5.1% FX ▪ +3.3% Energy ▪ -2.7% Significant Scope

Pursued Recovery in All Regions

+3%

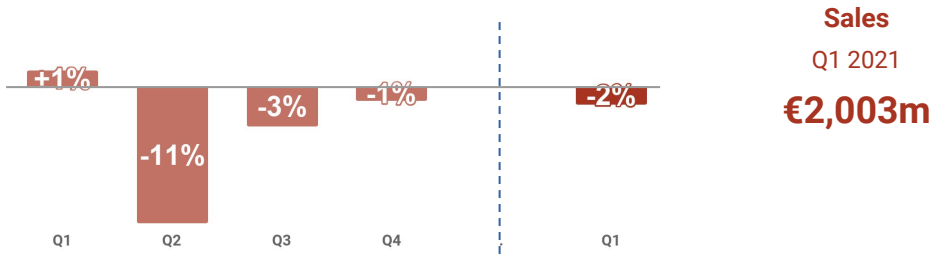
G&S comparable sales growth in Q1 2021



Q1 – Improving Underlying Americas, Strong Europe

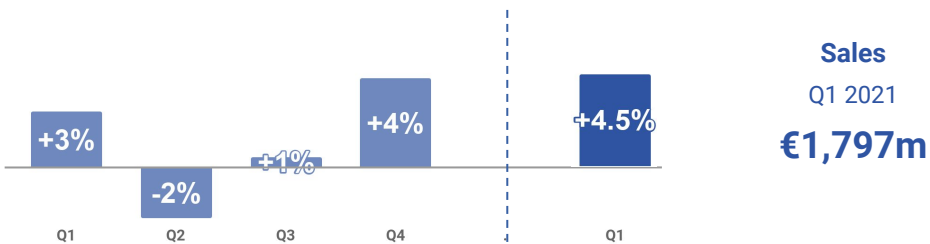
— G&S comparable sales growth

Americas – Pursued recovery, impact of winter storm



- **LI** – Sales growth excl. U.S. winter storm
– Ramp-up in Argentina
- **IM** – Growth of gas sales, all markets well oriented, low Construction
– Solid pricing at +2.3%
- **HC** – High Medical O₂ sales
– Pursued improvement of U.S. proximity care
- **EL** – Strong Carrier Gases, lower Advanced Materials

Europe – Continuous strength in HC, Growing IM

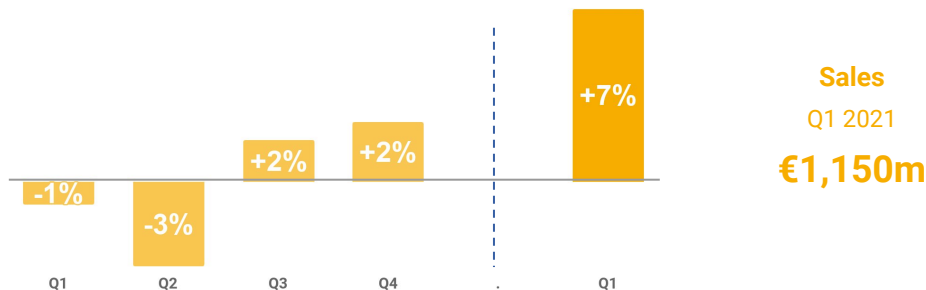


- **LI** – Strong pick-up in Steel, improving Chemicals, soft Refining
– Take Over in Kazakhstan
- **IM** – Sales above Q1 19 level for both Bulk and PG
– Solid Pricing at +1.0%
- **HC** – Strong Medical O₂ and Equipment sales
– Regained momentum in HHC

Q1 – Strong Growth in Asia Driven by China

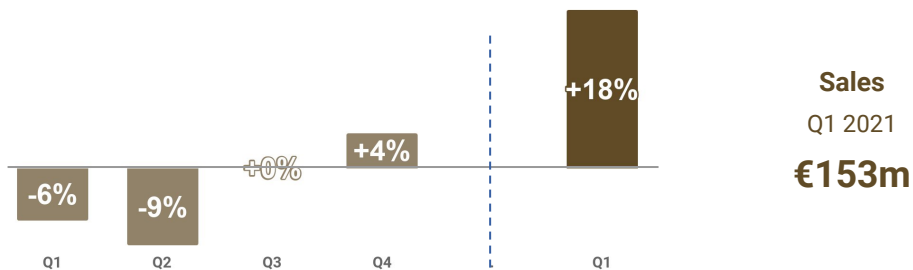
— G&S comparable sales growth

Asia – Buoyant China, growing Rest of Asia



- **LI** – High activity in **China**
– Strong H₂/CO in **Korea** and H₂ in **Singapore**
- **IM** – Dynamic **China** > +30%
– Rest of Asia back to growth
- **EL** – +8% growth in **Carrier Gases** with 2 SUs
– Lower Advanced Materials and E&I sales

AMEI – All Business Lines contributing



- **LI** – High H₂ sales from **KSA network**; favorable comparison vs. turnaround in Q1 20
- **IM** – Strong recovery in March
- **HC** – Very high O₂ sales to hospitals

Q1 – IM Back to Growth, Improving LI

— G&S comparable sales growth

Industrial Merchant - Pursued improvement

Sales - Q1 2021

€2,253m

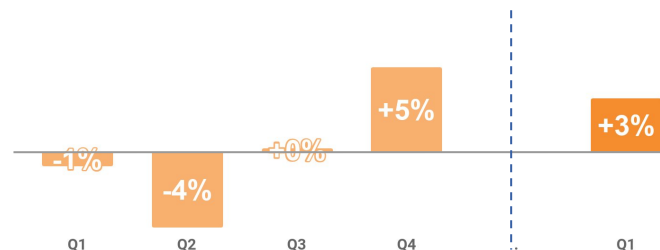


- **3 regions out of 4 back to growth**
- **Growing gases sales, Bulk above 2019**
- Driven by Food & Pharma, Craftsmen & Network, Technology, Automotive; low Construction
- **Solid pricing at +1.6%**

Large Industries - Better underlying activity

Sales - Q1 2021

€1,445m



- **Strong pick-up in Steel, higher Chemicals, low Refining**
- Impact of **winter storm** in the U.S.
- **Solid contribution from SU/RUs**, already some customers **above 2019 level**

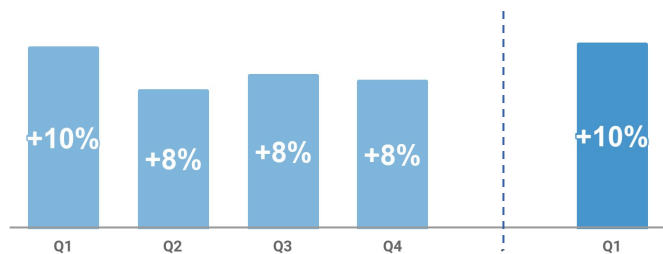
Q1 – Very High Contribution from HC, Solid EL

— G&S comparable sales growth

Healthcare - Sustained growth contributor

Sales - Q1 2021

€914m

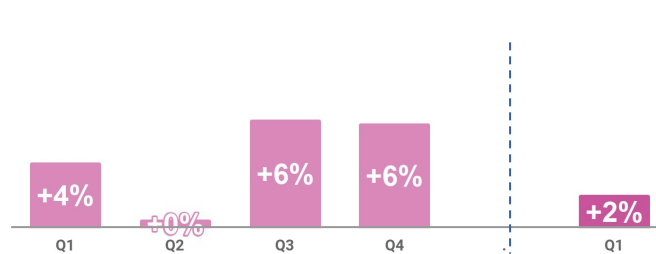


- **Stronger than expected Medical Gases** sales
- Improving Proximity care in the U.S. and increased Elective surgeries
- **Still sustained Equipment** sales but normalizing
- **Increased** number of **HHC patients** with diabetes & sleep apnea

Electronics - Growth driven by Carrier Gases

Sales - Q1 2021

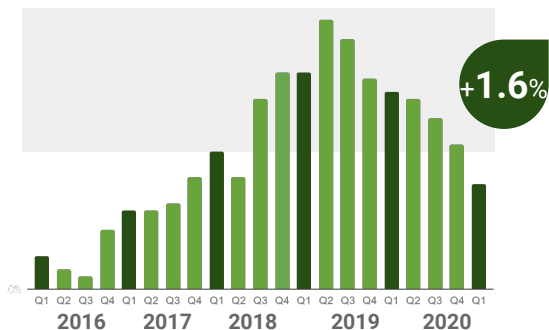
€491m



- **High Carrier Gases** growth in all regions, with several start-ups in Asia
- Solid Specialty Materials
- Lower Advanced Materials
- E&I sales down vs. high Q1 20

Continued Focus on Performance and Solid Cash Flow

IM Price/Mix



- **Solid pricing**
- **Slightly negative helium contribution**
- **Launch of several price campaigns**

Efficiency program

- **€95m** efficiencies in Q1 21
Yearly target €400m
- Business transformations delivering (Digital, Support centers)

Cost Containment

- Plan adjusted to activity recovery

Portfolio management

3 divestitures:



Greece, Sudac France, propane bulk activity U.S.

5 bolt-on acquisitions:



U.S., Europe, China



Europe



GM&T China

Cash Flow to sales: > 23%⁽¹⁾

(1) Operating Cash Flow before change in Working Capital Requirements / Group Revenue

Energy Transition and EL Driving Investment Opportunities

Investment Opportunities⁽¹⁾ 12-month portfolio



- **Increased** level of opportunities:

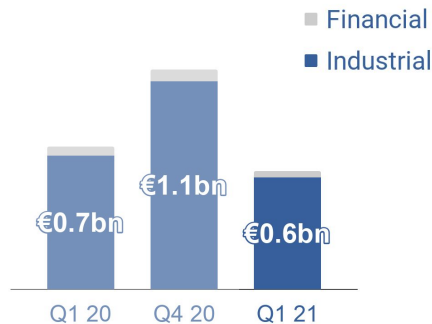


- ~46% **Energy transition**
- Increased share of **EL** projects
- ~80% in **Europe & Asia**

- **Several takeovers**

(1) See definitions in appendix; excluding Sasol takeover

Investment Decisions⁽¹⁾

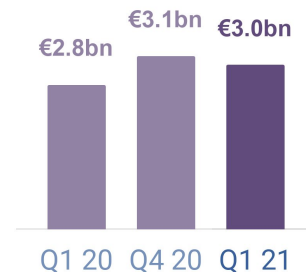


- **After strong Q4**, slightly lower decisions level in Q1:



- ~17% linked to **efficiency**
- Automation of IM filling center, France
- Supply Chain for H₂ liquefier, U.S.

Investment Backlog⁽¹⁾



- **Stable** Backlog

- **€1.0bn** of yearly **sales** backlog after full ramp-up

High Level of Start-ups Contribution to Sales

Start-up/Ramp-up Sales Contribution

Q1 2021



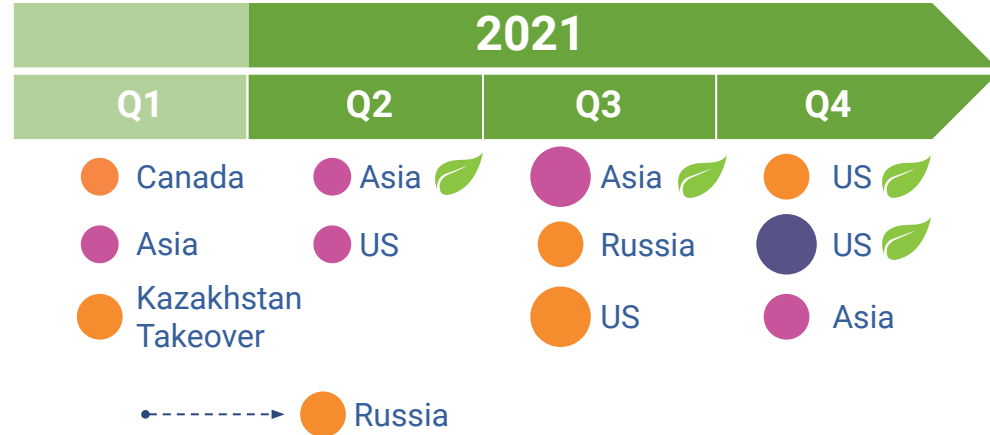
Confirmed
FY 2021
Guidance



+

Contribution of
Sasol ASUs takeover

Start-up date of major projects



Time to **ACT**: Local and Global Programs launched



1



Abatement of CO₂ emissions towards carbon neutrality in 2050

2



Care for patients

3



Trust as the base

- to engage with our employees
- to build a best in class governance

Abatement of CO₂ to Reach Carbon Neutrality



Air Liquide Commitments



CO₂ emissions **start decreasing** in absolute value



Reach **Carbon Neutrality** by **2050**

~2025

2035

2050

-30%
Carbon intensity
in kg CO₂/€ EBITDA^(a)
vs 2015

Decrease scope 1 & 2
CO₂eq emissions in
absolute value by
-33%^(b)



(a) at 2015 exchange rate and excluding IFRS16 for greenhouse gas emissions scopes 1 and 2

(b) from 2020 Market based emissions of 32.5 million tonnes CO₂eq (Scope 1+2)

Sustainability, a Growth Opportunity for Air Liquide

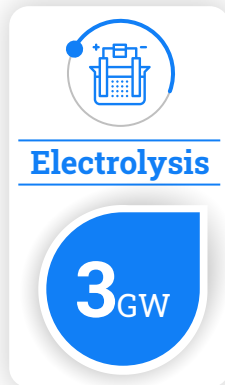


An ambition to triple our H₂ business _____

A unique position to leverage _____

Before 2035

By 2030^(a)



(a) Including 1 GW decided still under construction



Committed to profitable and sustainable growth

2021 Guidance confirmed

Assumptions:

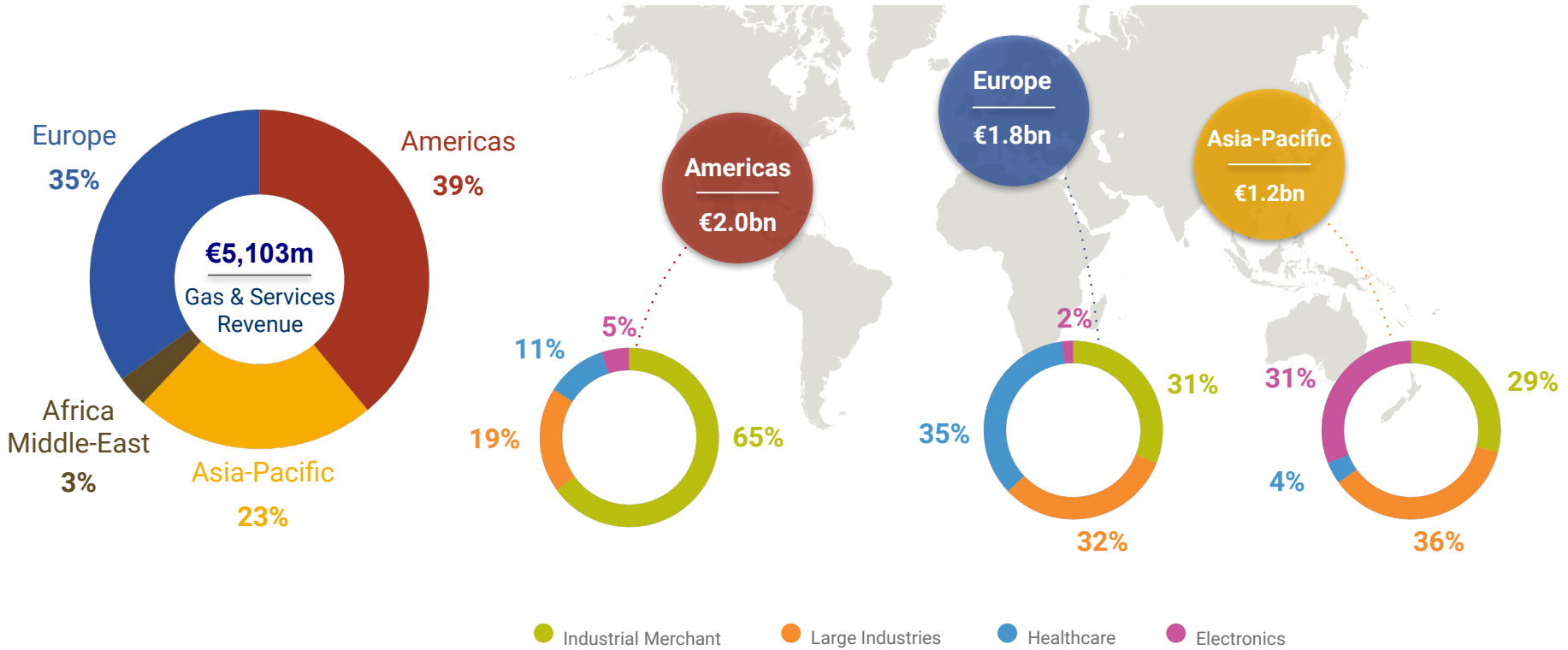
- **1st half** impacted by **Covid-19**
- **Recovery** in **2nd half**
- Pursued **pricing, efficiency** and **portfolio** management

“In a context of limited local lockdowns in 1st half and recovery in 2nd half, **Air Liquide is confident in its ability to further increase its operating margin and to deliver recurring net profit⁽¹⁾ growth, at constant exchange rates.**”

(1) Excluding exceptional and significant items that have no impact on the operating income recurring. Excluding the impact of any US tax reform in 2021.

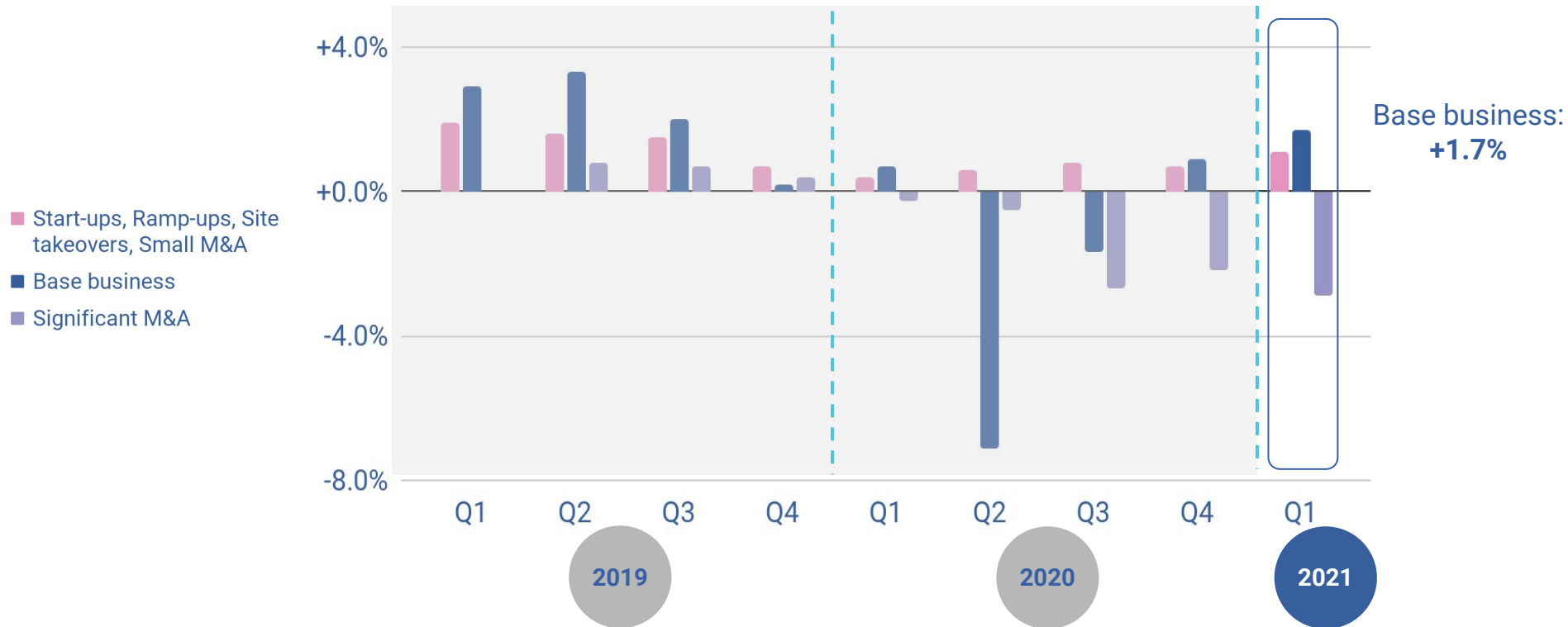
Appendix

Q1 2021 G&S Revenue Breakdown by Region



Solid SU/RU Contribution, Strong Base Business

Breakdown of G&S Sales Growth



Americas

Q1 2021 G&S comparable sales growth

INDUSTRIAL MERCHANT

- Growth of gas sales, low hardgoods
- All markets well oriented, except Construction
- Solid pricing **+2.3%**, launch of price campaigns in March

LARGE INDUSTRIES

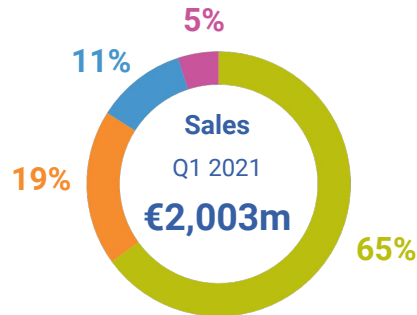
- Sales growth excl. winter storm
- Strong air gases volumes in North America in January
- Ramp-up in Argentina

HEALTHCARE

- High Medical O₂ throughout the region
- Improving Proximity Care activity in the U.S.
- Strong HHC in Latin America

ELECTRONICS

- Strong Carrier Gases
- Slight growth of E&I sales
- Lower Advanced Materials



Q1 21/20 Comparable Growth: **-1.5%**



Europe

Q1 2021 G&S comparable sales growth

INDUSTRIAL MERCHANT

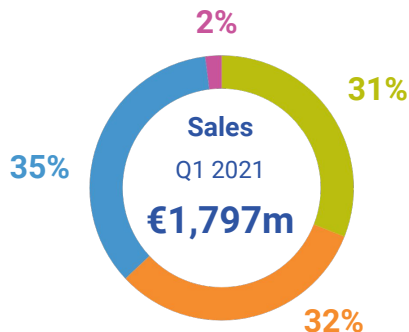
- Sales **above Q1 19**, both PG & Bulk
- **Improving** Metal Fabrication, Energy, Technology, Craftsmen & Network
- **Growth in most countries**, Dynamic Eastern Europe
- **Solid pricing** at **+1.0%**

LARGE INDUSTRIES

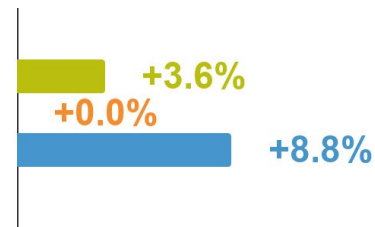
- **Strong pick-up in Steel, improving Chemicals** but soft Refining
- **Takeover** in Kazakhstan

HEALTHCARE

- Continued **strong Medical O₂**
- **High Equipment** sales but normalizing
- **Regained momentum in HHC**



Q1 21/20 Comparable Growth: **+4.5%**



Asia-Pacific

Q1 2021 G&S comparable sales growth

INDUSTRIAL MERCHANT

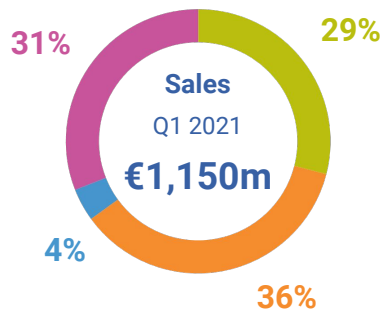
- **Dynamic China >+30%**, well above 2019 levels
- **Rest of Asia back to growth**, with stable sales in Japan
- **Strong month in March**
- Pricing -0.6%, stable excl. Helium

LARGE INDUSTRIES

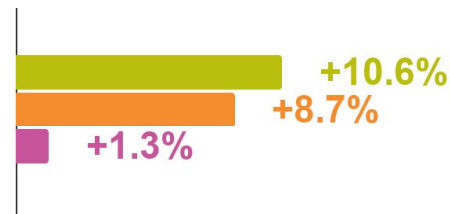
- **High level of activity in China**
- **Strong H₂/CO in Korea** and H₂ in **Singapore**

ELECTRONICS

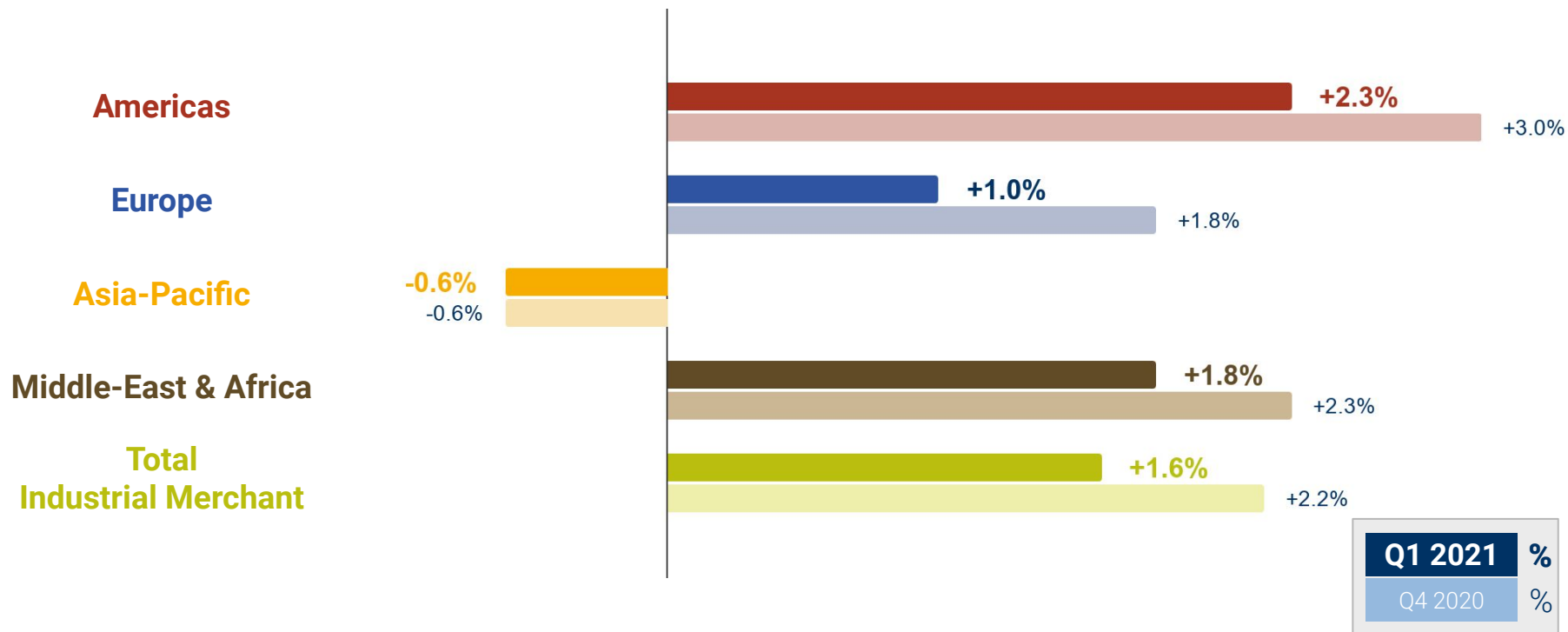
- **Strong Carrier Gases +8%**, with 2 SUs in China
- **Lower Advanced Materials** inventory management, price reduction
- **Lower E&I**



Q1 21/20 Comparable Growth: **+6.7%**



Industrial Merchant Pricing



Q1 2021 E&C and GM&T Activities

Engineering & Construction

- **Solid Sales** vs. low Q1 20

€76m

+48%⁽¹⁾

Total Sales⁽²⁾ +19%

- **Strong increase** of order intake vs. low Q1 2020

€285m

+243%

Global Markets & Technologies

- Sales driven by dynamic **Biogas** and **Deep Tech**

€155m

+26%⁽¹⁾

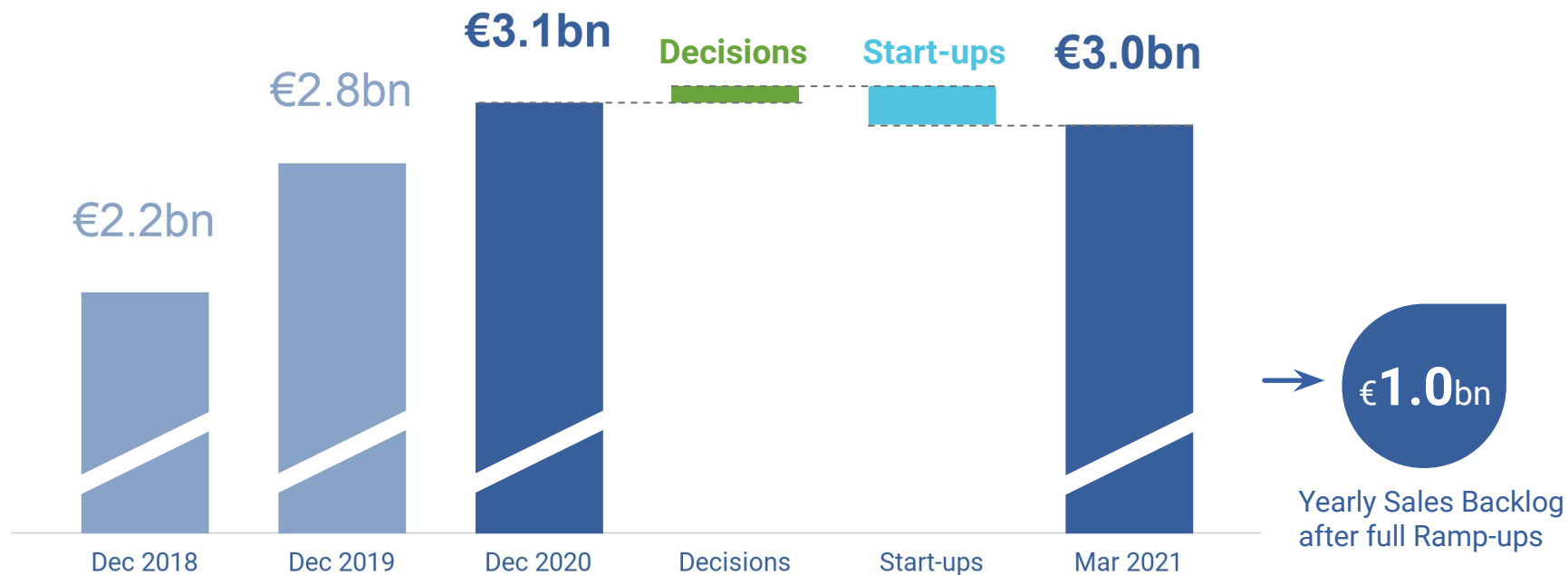
- **Sustained** order intake vs. high Q1 20

€163m

-22%

(1) Comparable growth (2) Including internal sales

Maintained High Level of Backlog at €3.0bn



See definitions in appendix

Impact of Currency and Energy on G&S Revenue

in €m	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21
€/USD	+55	+30	(86)	(126)	(165)
€/JP¥	+11	+11	(11)	(9)	(14)
€/ARS	(16)	(23)	(10)	(26)	(18)
€/BRL	(11)	(22)	(25)	(23)	(23)
Others	+1	(26)	(66)	(62)	(46)
Currency Impact	+40	(30)	(198)	(246)	(266)

in €m	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21
Natural Gas Impact	(103)	(135)	(61)	(18)	+133

in €m	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21
Electricity Impact	(31)	(31)	(19)	(7)	+46

Investment Cycle – Definitions

• Investment opportunities at end of the period

- Investment opportunities under consideration by the Group for decision within **12** months.
- Industrial projects with investment value > **€5m** for Large Industries and > **€3m** for other business lines.
- Includes asset replacements or efficiency projects. Excludes maintenance and safety.

• Investment backlog at end of the period

- Cumulated industrial investment value of projects decided but not yet started.
- Industrial projects with value > **€10m**, including asset replacements or efficiency projects, excluding maintenance and safety.

• Sales backlog

- Cumulated expected sales per year generated by the current investment backlog after full ramp-up.

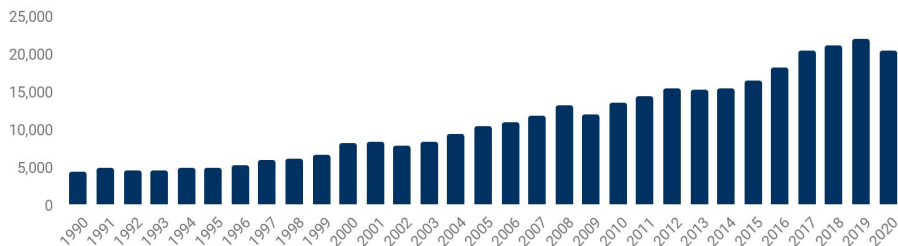
• Decisions of the period

- Cumulated value of industrial and financial investment decisions.
- Industrial, growth and non-growth projects including asset replacements, efficiency, maintenance and safety.
- Financial decisions (acquisitions).

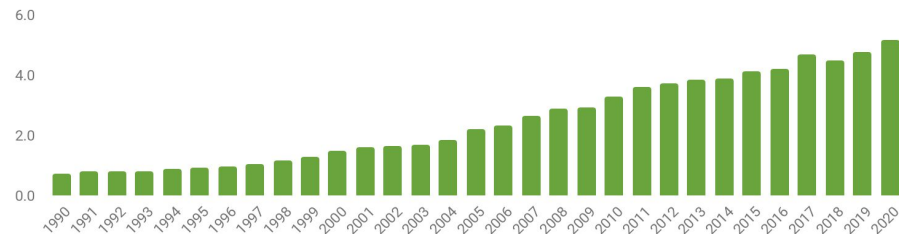
Regular and Sustained Performance

— CAGR over 30 years⁽¹⁾

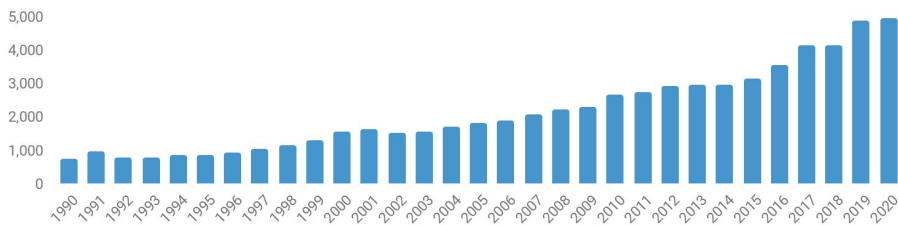
Revenue (in €m) **+5.3%**



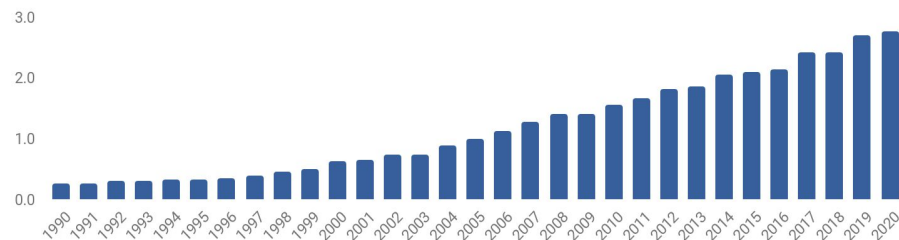
EPS⁽²⁾ (in €) **+6.7%**



Cashflow (in €m) **+6.5%**



Dividend⁽²⁾ (in € per share) **+8.4%**



(1) Calculated according to prevailing accounting rules over 30 years. (2) Adjusted for the 2-for-1 share split in 2007, for free share attributions and for the capital increase completed in October 2016.

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Upcoming events

Annual General Meeting: May 4, 2021

First Half Revenue and Results: July 29, 2021

www.airliquide.com

L'Air Liquide S.A.

*Corporation for the study and application of processes developed by Georges Claude
with registered capital of 2,604,741,958.50 euros*

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