



FY 2021 Results

Strong Results Across all Performance Criteria

Benoît Potier, Chairman & Chief Executive Officer
Jérôme Pelletan, Chief Financial Officer

Paris, February 16, 2022



01

Strong Financials Achievements throughout Recovery Major Steps in Energy Transition

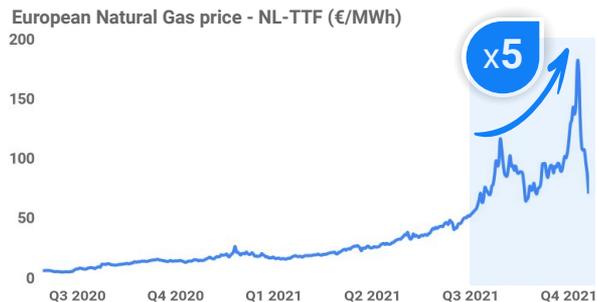
Benoît Potier, Chairman & Chief Executive Officer

FY 2021 Key Highlights

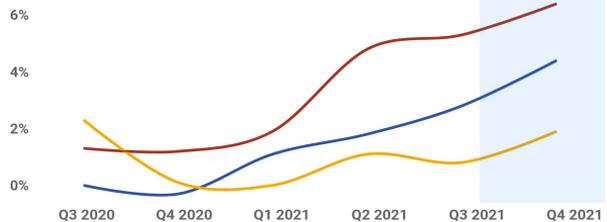
- Strong **profitable growth** in spite of record **inflationary** environment
- **Delivery** on growth, efficiency, pricing and signing
- Key **achievements** in **Energy Transition**
- Active **projects signing** and strong **backlog**

Strong 2021 Profitable Growth in Spite of Inflationary Environment

Spike in energy price



Inflation firming-up



Source Consensus Forecasts — U.S.A — Euro Zone — China

Covid-19 in the background

Sales growth

comparable growth

+14%

+8%

+6%⁽¹⁾

vs. 2019

Group OIR margin⁽²⁾

+70bps

Recurring Net Profit excluding FX⁽³⁾

+13%

Cash Flow / Sales⁽⁴⁾

>24%

Investment Decisions

€3.6bn

(1) Vs. 2019: calculated as the sum of the comparable effects of 2020 and 2021

(2) Operating Income Recurring on Sales excluding energy passthrough impact

(3) Excluding exceptional and significant transactions that have no impact on the operating income recurring

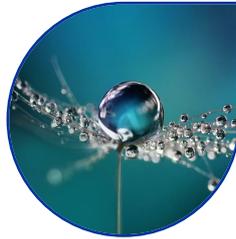
(4) Cash Flow from Operations before changes in WCR on Sales excluding energy passthrough impact

Key Achievements in 2021



Healthcare & Covid-19

~+50%
liquid medical O₂
volumes⁽¹⁾

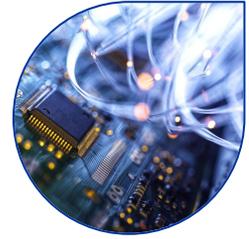


Sustainability objectives

-33%
CO₂ emissions in
absolute value
by 2035



16 Sasol ASUs takeover and decarbonization



Innovation focused on Energy Transition

Thanks to commitment of the Teams facing Covid-19 and spike in energy price

(1) In 2021 vs. 2019

Major Steps in Energy Transition in 2021



Engaging with Key Players
Partnering with Markets Leaders

*ASU= Air Separation Unit; PPA=Power Purchase Agreement; CCS=Carbon Capture and Storage; ELY=Electrolyzer; SMR=Steam Methane Reformer; REN=Renewable energy; RFQ=Request for quote

Steadfast Commitment to Shareholders over the Long Term

Dividend⁽¹⁾ in € per share



Total Shareholder Return⁽²⁾



CAGR over 20 years



- ✓ **New dividend increase proposed in 2022⁽³⁾**
 - **+5.5%** increase
 - **55%** Payout Ratio
 - **+7.7%** CAGR over 20 years
- ✓ **Free shares attribution in June 2022**

(1) Adjusted for the 2-for-1 share split in 2007, for free shares attributions and for the capital increase completed in October 2016

(2) Growth rate of an investment in Air Liquide shares, including reinvested dividends and loyalty bonus

(3) Subject to the approval of shareholders during the General Meeting on May 4, 2022

02

2021: Strong Results & Cash Flow

Jérôme Pelletan, Chief Financial Officer

Strong 2021 Comparable Sales Growth from Resilient Sales in 2020

Sales in €m	FY 20	FY 21	FY 21/20 As published	FY 21/20 Comparable	Q4 21/20 Comparable
Gas & Services	19,656	22,267	+13.3%	+7.3%	+6.7%
Engineering & Construction	250	387	+54.5%	+55.4%	+56.6%
Global Markets & Technologies	579	681	+17.5%	+17.8%	-3.3%
Group Total	20,485	23,335	+13.9%	+8.2%	+7.2%

Impacts on FY Group Sales: -1.6% FX | +8.4% Energy | -1.1% Significant Scope⁽¹⁾

(1) Impact on sales of all acquisitions or disposals of a significant size for the Group

Reinvigorated End-Markets



Chemicals
Steel
Refining



- Strong **Steel** and **Chemicals**
- **Refining** catching up



Integrated Circuit



- **Continued dynamic demand** from end consumers



Metal Fab.
Construction
Automotive
Energy
Food & Pharma



- **Growth in all end-markets** vs. FY 2020
- Soft Construction in the U.S. and Automotive
- Price acceleration



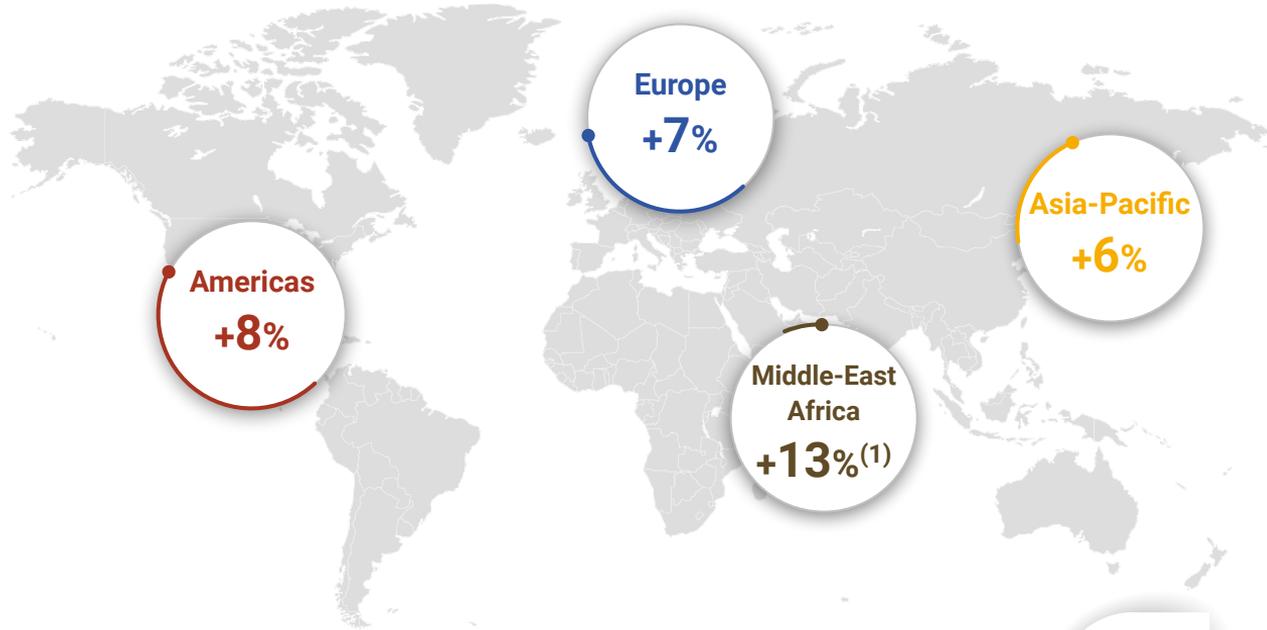
Medical gases
Home Healthcare



- **Normalizing medical O₂** for Covid-19
- Strong **growth**

High 2021 Sales Growth in all Regions and Activities

Gas & Services comparable sales growth



by BLs



+5%⁽¹⁾



+7%



+8%



+7%

Group comparable sales growth

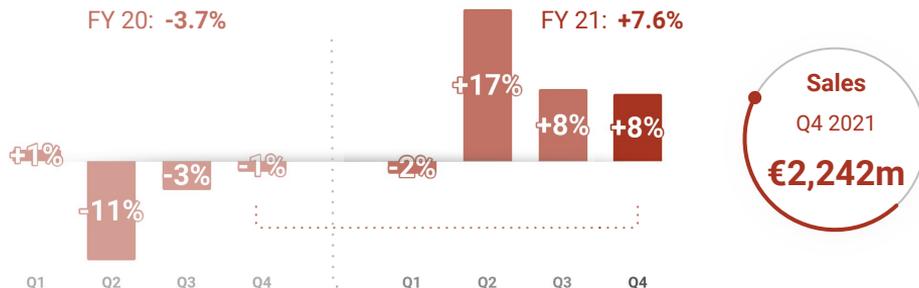
+8%

(1) excluding additional contribution from Sasol ASUs takeover accounted for in Significant Perimeter

Q4 – Growth above +7% in Americas and Europe

Americas

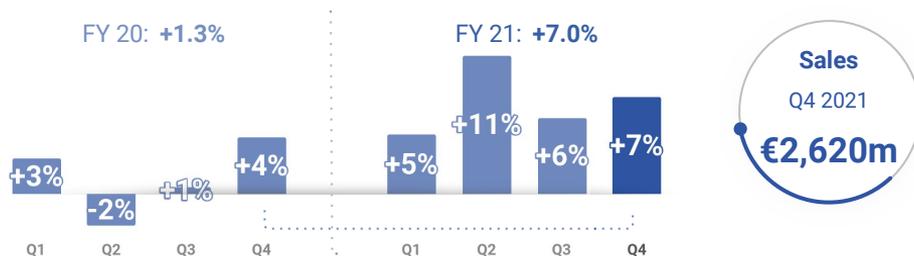
High contribution from all business lines



- LI
 - High O₂ volumes from **Chemicals & Steel**
 - Improved H₂ from **Refining**; customer turnarounds
 - Ramp-ups in the U.S. and Latin America
- IM
 - Strong pricing +7.0%
 - End-markets well oriented, low Construction
- HC
 - High U.S. Medical O₂ for proximity care & Covid-19
 - Dynamic Latam
- EL
 - Very high E&I sales

Europe

Strong industrial activities, IM +13%



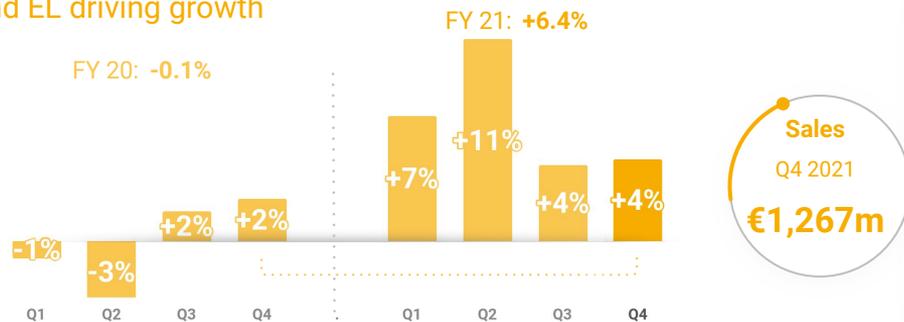
- LI
 - Solid underlying demand in **all markets**
 - New projects contribution in Eastern Europe
- IM
 - Growth in **all end-markets**
 - Historical pricing >+10%, successfully addressing spike in **Energy** costs
- HC
 - Strong HHC driven by **diabetes**
 - Lower O₂ volumes and ventilators sales related to Covid-19 vs. high Q4 20

G&S comparable sales growth

Q4 – Contrasted Asia, Solid AMEI

Asia

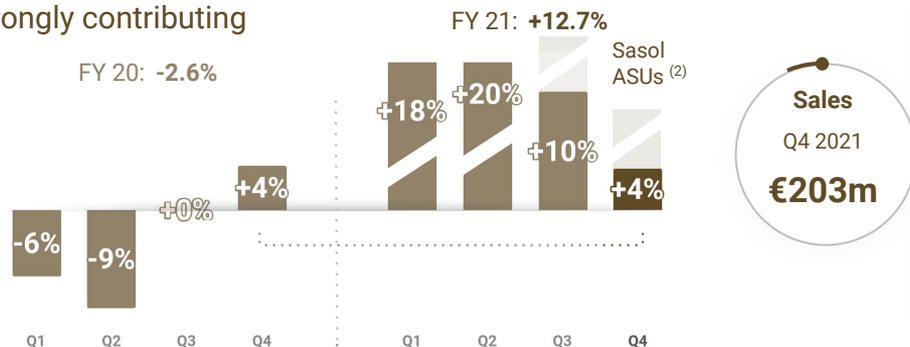
IM and EL driving growth



- **LI**
 - Easing impact of **DEC⁽¹⁾** in **China**
 - **Growth** in **Japan** and **Singapore**
- **IM**
 - **Buoyant China +18%** driven by volume & pricing
 - **Improved** activity in **rest of Asia**
 - Accelerated **pricing +2.6%**
- **EL**
 - **+10%** growth in **Carrier Gases, Advanced and Specialty Materials**
 - Low E&I

AMEI

LI strongly contributing



- **LI**
 - **High H₂** demand in **KSA**
 - **Strong Sasol ASUs** contribution⁽²⁾
- **IM**
 - Sales **recovering**
- **HC**
 - **Decreasing Medical O₂** sales related to Covid-19

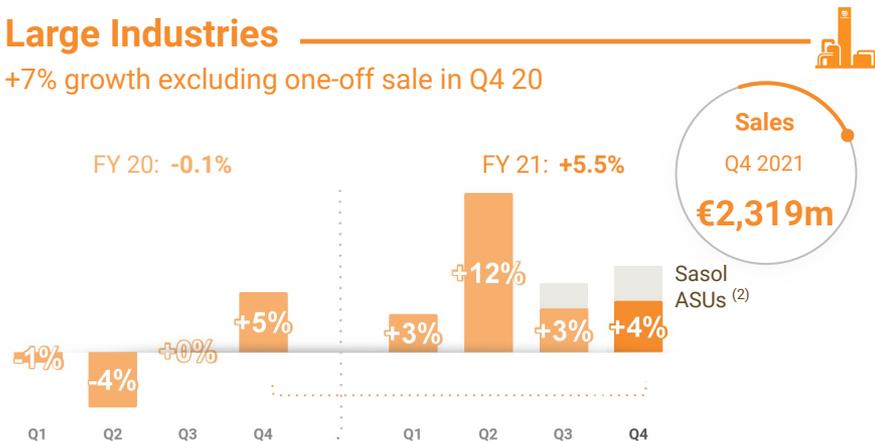
G&S comparable sales growth

(1) Dual Energy Control (2) Accounted for in Significant Perimeter, not included in Comparable growth

Q4 – High Global Activity in LI, Buoyant EL

Large Industries

+7% growth excluding one-off sale in Q4 20



- **Strong** underlying **Steel** and **Chemicals**, improving demand in **Refining**
- **High** contribution from **start-ups** and **ramp-ups**
- Easing impact of **DEC⁽¹⁾** in **China**
- One-off sale in **Russia** in Q4 20

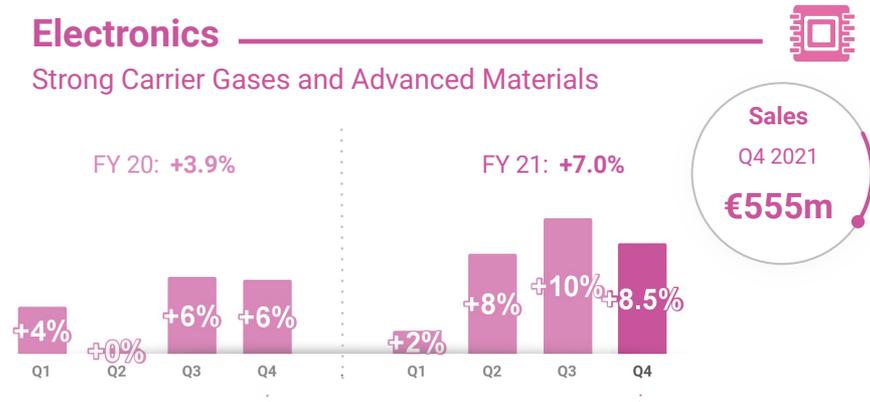
G&S comparable sales growth

(1) Dual Energy Control

(2) Accounted for in Significant Perimeter, not included in Comparable growth

Electronics

Strong Carrier Gases and Advanced Materials

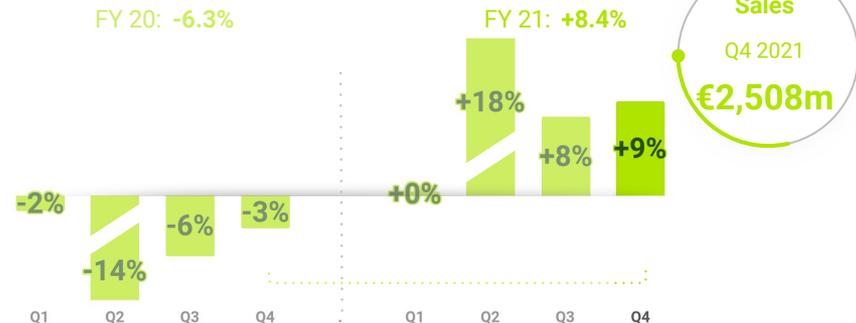


- **>+10%** growth in **Carrier Gases** from ramp-ups in Asia
- **Very high** demand in **Advanced** and **Specialty Materials**
- **Stable E&I** sales vs. high Q4 20

Q4 – Vigorous Growth in IM, Normalizing HC

Industrial Merchant

+7% of accelerated pricing



- **+7.0% pricing**, demonstrating ability to manage inflation and exceptional spike in energy cost
- **Solid gas volumes** growth
- **End-markets well oriented**, soft Auto and Construction

G&S comparable sales growth

Healthcare

Strong Home Healthcare driving growth, high Q4 20



- **Slight Medical O₂ growth** vs. high Q4 20, with lower volumes for Covid-19 & improved U.S. proximity care
- **Strong HHC** driven by **diabetes**
- Dynamic growth in **Specialty Ingredients**
- **Lower ventilators** sales vs. high Q4 20

Significant OIR Margin Improvement

In €m	FY 20	FY 21	FY 21/20 As published	FY 21/20 Comparable
Revenue	20,485	23,335	+13.9%	+8.2%
Purchases	(7,198)	(9,389)	+30.4%	
Personnel Expenses	(4,240)	(4,363)	+2.9%	
Other net income and expenses	(3,119)	(3,250)	+4.2%	
Operating profit before depreciation	5,928	6,333	+6.8%	
Depreciation and amortization	(2,138)	(2,173)	+1.6%	
Operating income recurring	3,790	4,160	+9.8%	+12.7%
Group OIR margin	18.5%	17.8%		
Group OIR margin excluding energy		19.2%		+70bps
G&S OIR margin	20.4%	19.6%		
G&S OIR margin excluding energy		21.2%		+80bps

Pricing, Efficiencies & Portfolio Management Delivering

IM Pricing



- Accelerated pricing in Q4 in all regions
- Proactive campaigns to address spike in energy cost
- Neutral helium pricing impact

Efficiencies



- Well above target of >€400m / year
- Industrial optimizations enabled by Digital and Transformation projects
- Procurement efficiencies

Portfolio Management in 2021

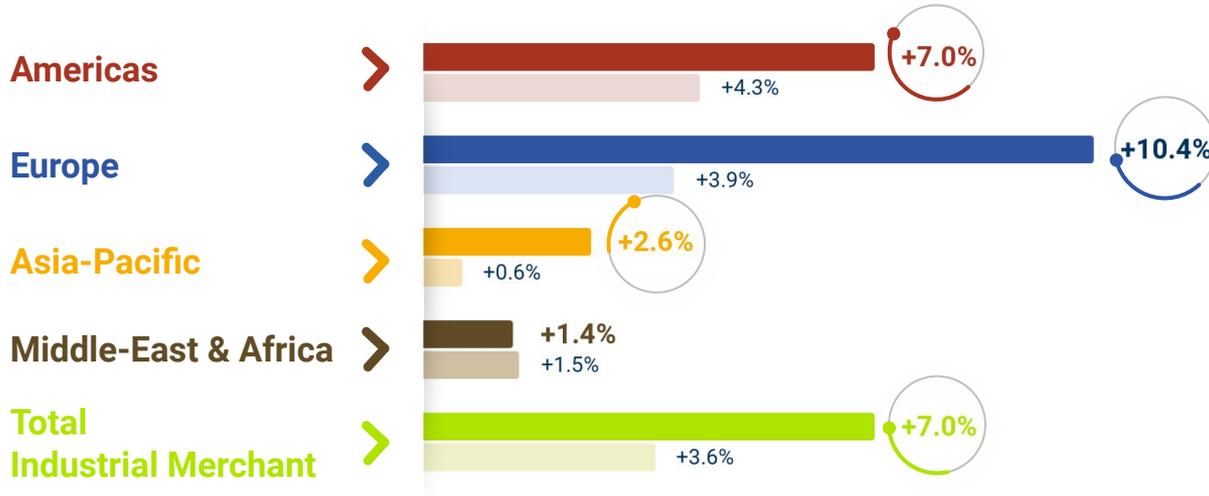
8 divestitures

	Greece	global activity
	Algeria	compressed air
	France	3 small affiliates
	U.S.	cylinders dealers
	Japan	cogeneration unit
	France	

21 acquisitions

	France, South Africa
	U.S., Canada, Europe, China
	Europe, U.S.
	GM&T China

+7% Pricing in IM, Quick and Efficient Response to Spike in Energy Cost



Q4 2021

FY 2021

Pricing Actions



Bulk

- Contractual indexations
- Proactive campaigns to address spike in energy cost



Cylinders

- Price campaigns to tackle cost increase

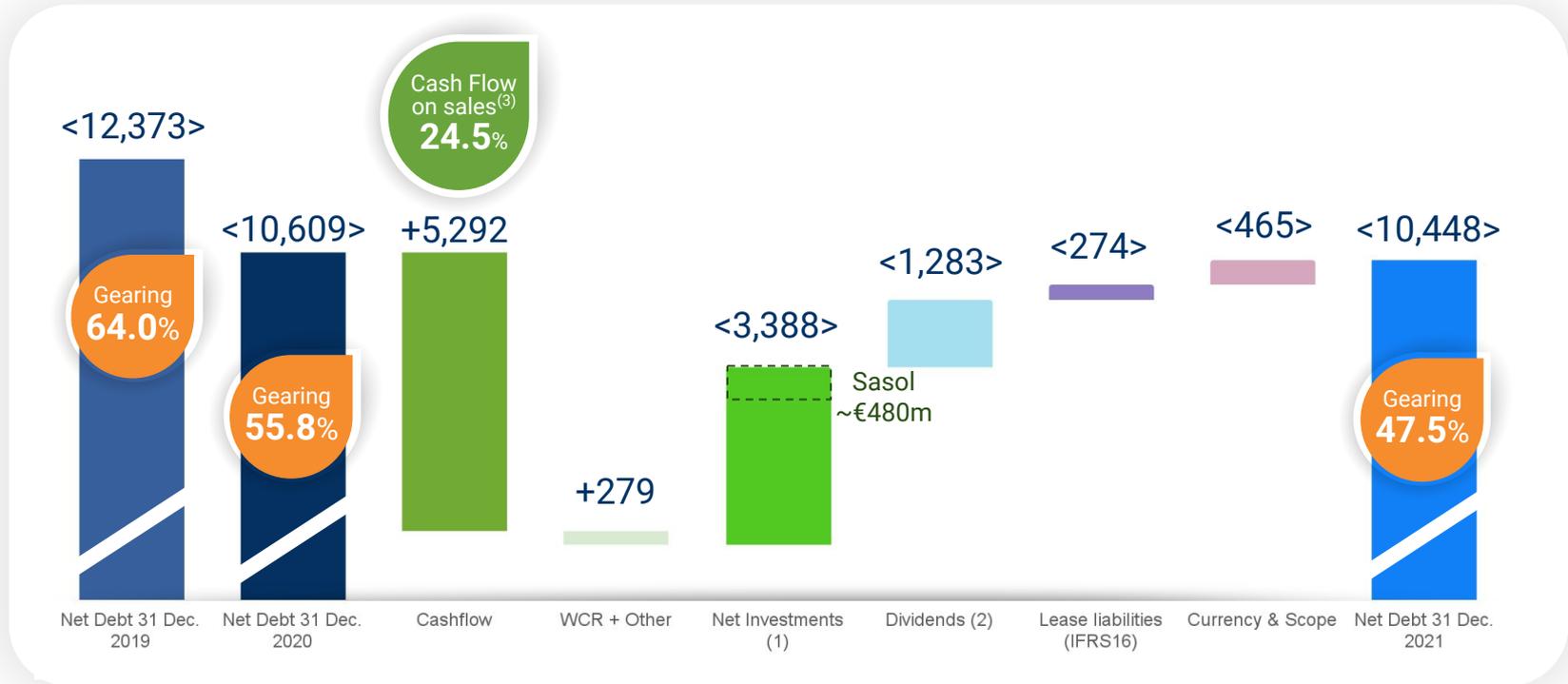
Strong Growth Leverage on Net Profit

In €m	FY 20	FY 21	FY 21/20 As published	FY 21/20 Excl. FX
Revenue	20,485	23,335	+13.9%	+15.5%
Operating income recurring	3,790	4,160	+9.8%	
Other non-recurring operating income & expenses	(140)	(150)		
Operating income	3,650	4,010		
Net financial costs and other net financial expenses	(440)	(408)		
Income taxes	(678)	(915)		
Tax rate	21.1%	25.4%		
Share of profit of associates	(4)	5		
Minority interests	93	120		
Net profit (Group share)	2,435	2,572	+5.6%	+8.9%
Earnings per share (in €)	5.16	5.45	+5.5%	
Recurring net profit⁽¹⁾	2,341	2,572	+9.9%	+13.3%

+8.2%
comparable

(1) Excluding exceptional and significant transactions that have no impact on the operating income recurring

Very Strong Cash Flow Allocated to High Capex and Dividends

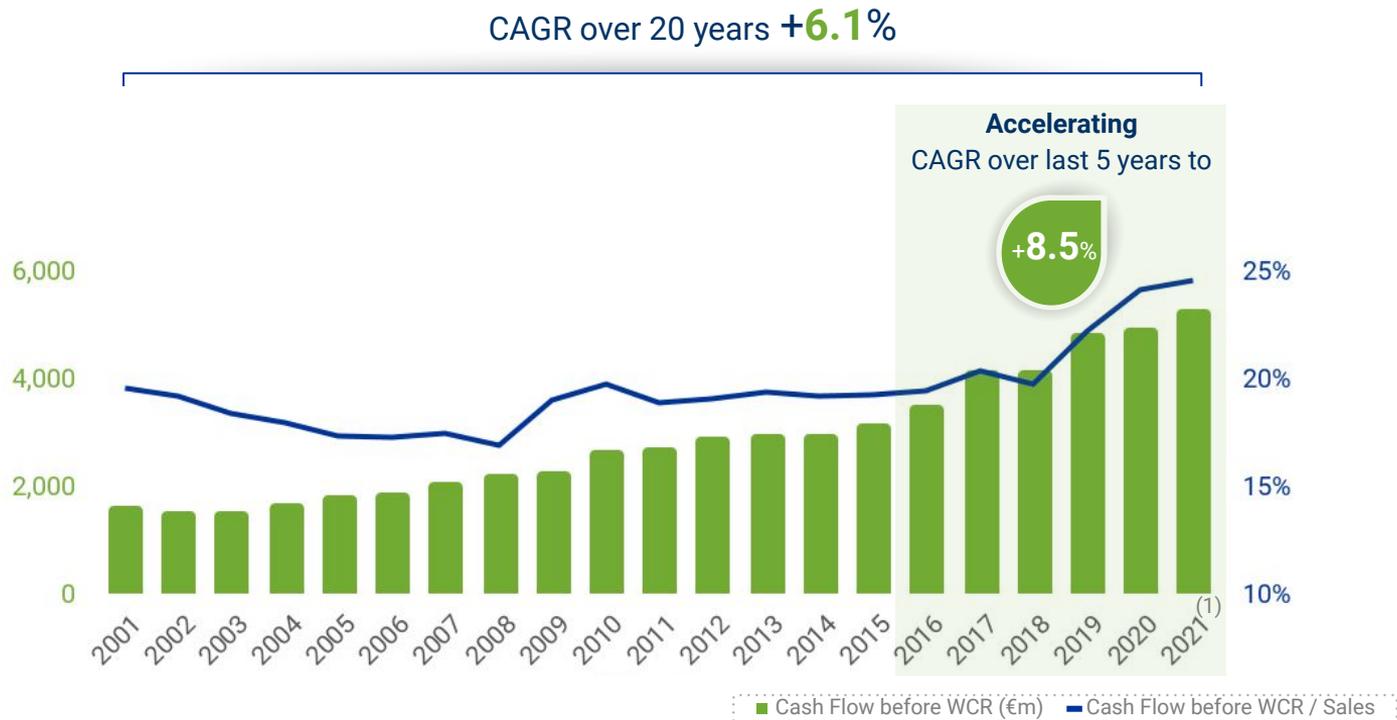


(1) Incl. acquisitions, transactions with minority shareholders, net of divestitures

(2) Incl. treasury shares and capital increase

(3) Cash Flow from Operations before changes in WCR on Sales excluding energy passthrough impact

Sustained Cash Flow Growth over 20 years



(1) For 2021, Cash Flow from Operations before changes in WCR on Sales excluding energy passthrough impact

Active Projects Signing and Strong Backlog

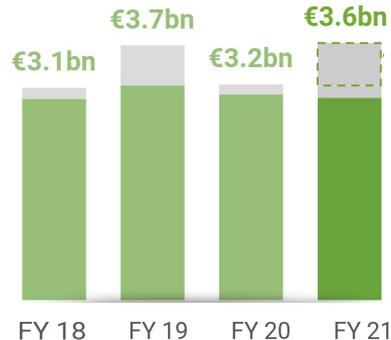
Investment Opportunities ⁽¹⁾



High momentum in investment opportunities

- >40% in **Energy Transition**
- Increasing share of **EL** projects
- ~3/4 in **Europe & Asia**

Investment Decisions ⁽¹⁾



Sustained level of decisions in Q4

4th consecutive year of decisions >€3bn

- 60% in **Europe & Asia**
- record signings of **48 IM on-site** units

Investment Backlog ⁽¹⁾



Strong and **diversified** Backlog

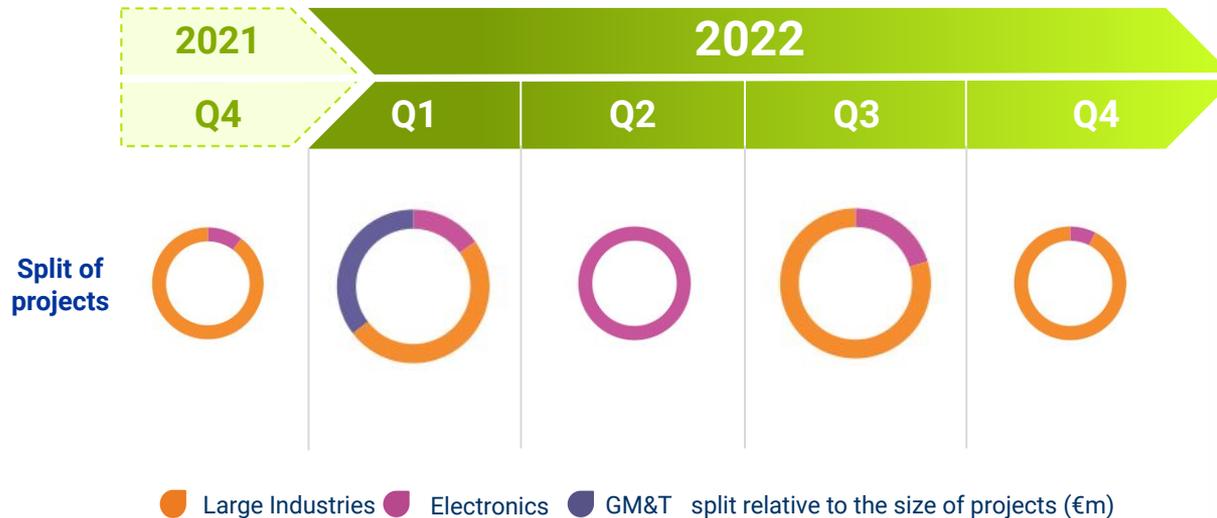
- Increased weight of projects linked to **Energy Transition**

€1.1bn of yearly **sales** after full ramp-up

(1) See definitions in appendix

Significant 2021 SU and RU Contribution to Sales

Start-up date of major projects



Start-up/Ramp-up Sales Contribution⁽¹⁾

Q4 2021

€115m

FY 2021

€345m

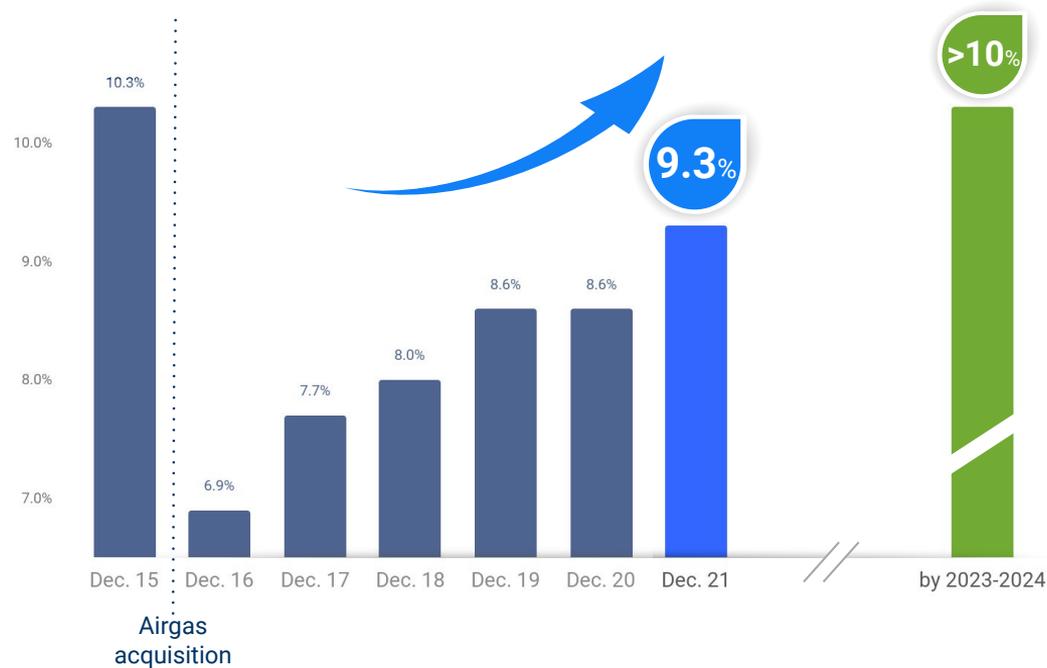
FY 2022
Guidance

€410
435m

(1) Including the additional contribution from **Sasol ASUs takeover** accounted for in Significant Perimeter: €70m for FY 2021; ~€135m for FY 2022

Step-Up in ROCE Improvement, Well On-Track to Meet Objective

Recurring ROCE after tax ⁽¹⁾



Objective of
>10% ROCE
by **2023-2024**

(1) Recurring ROCE based on Recurring Net Profit

Sustainability Objectives: Action Plans Deployed

Sustainability Day
March 2021



Abatement of CO₂ emissions



Care for patients



Trust
Diversity, governance



2021
Early achievements

All ESG
ratings in
1st quartile



Carbon Management
well on-track



First set of **objectives**



people granted with
access to oxygen
in Low-Middle Income Countries



of **women**
among Managers and
Professionals



“

Assuming no significant economic disruption, Air Liquide is confident in its ability to further increase its operating margin and to deliver recurring net profit growth, at constant exchange rates.⁽¹⁾

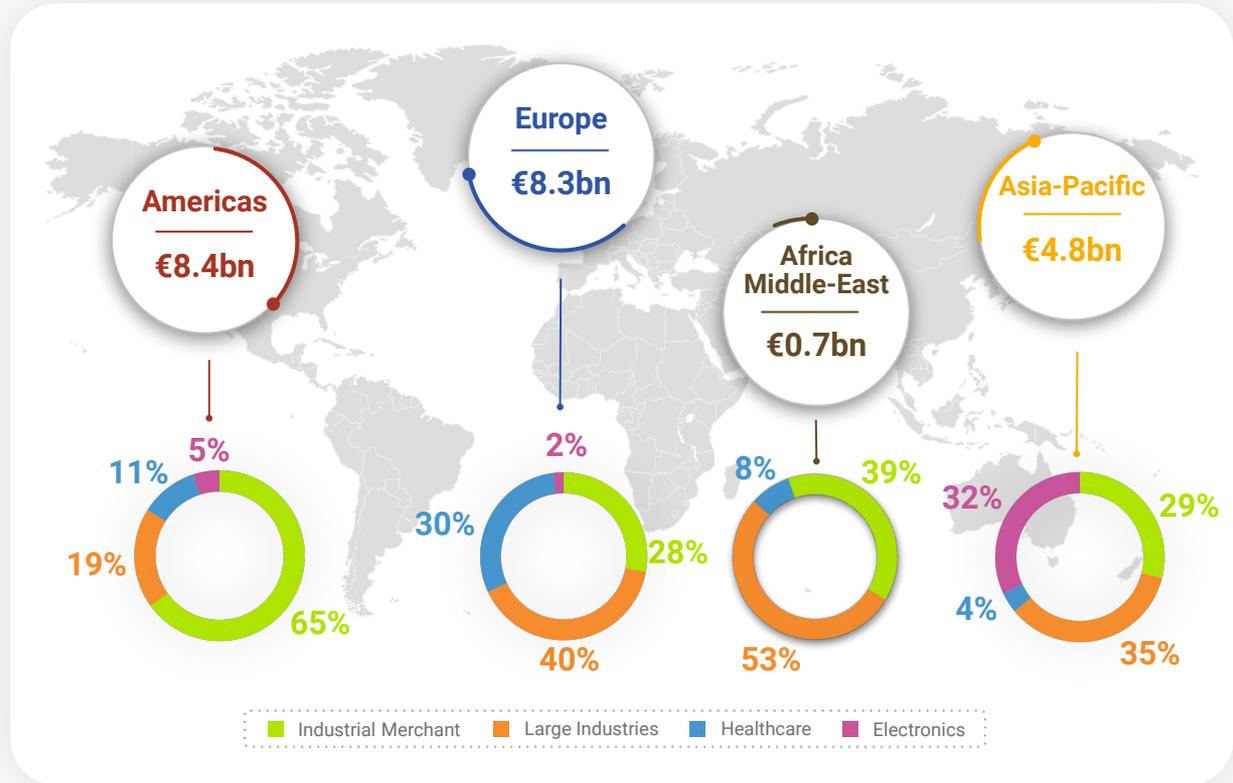
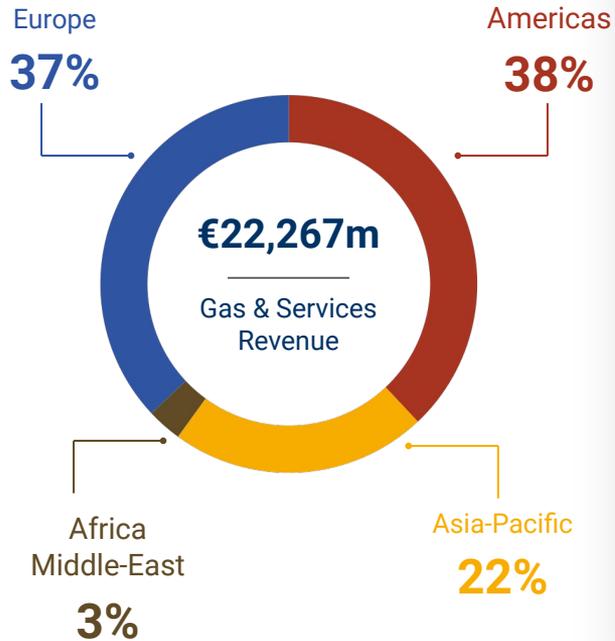
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(1) Operating margin excluding energy passthrough impact. Recurring net profit excluding exceptional and significant transactions that have no impact on the operating income recurring, and excluding the impact of any US tax reform in 2022

03

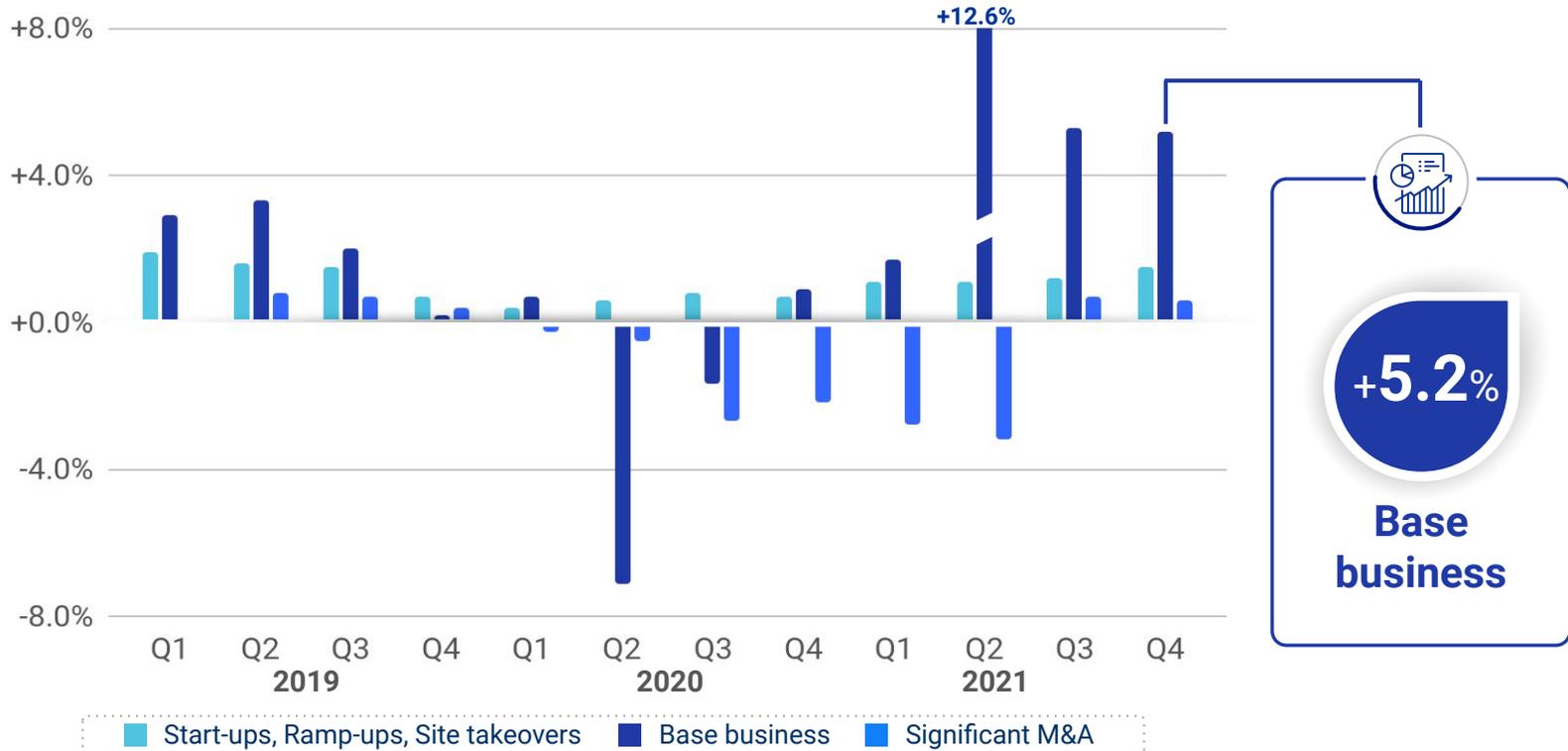
Appendix

FY 2021 G&S Revenue Breakdown by Region



Maintained Strong Base Business, High SU/RU Contribution

Breakdown of G&S Sales Growth



See definitions in appendix

Q4 - Americas

Industrial Merchant

- **Strong pricing +7.0%**
- **Positive gas volumes**, Hardgoods portfolio management
- **End-markets** well oriented, low Construction
- **>+10% sales growth** in Canada and Latam

Large Industries

- **High O₂ volumes** from **Chemicals & Steel** in U.S.
- **Improved H₂** from **Refining**; customer turnarounds in U.S.
- Strong Cogen in Canada
- **Ramp-ups** in U.S. and in Latam

Healthcare

- **High U.S. Medical O₂** for proximity care & Covid-19
- **Strong HHC** in **Latam** mainly driven by Oxygenotherapy

Electronics

- Very high **E&I**
- Solid **Advanced Materials**



Q4 21/20 Comparable Growth: **+7.7%**



in €m	FY 2021	Growth as published	Comparable growth
Sales	8,445	+8.3%	+7.6%
OIR	1,694	+10.7%	
OIR/Sales	20.1%	+50bps	+ 130bps⁽¹⁾

(1) Excluding energy passthrough impact

Q4 - Europe

Industrial Merchant

- **Very solid Volumes**
- **Growth in all end-markets**
- Strong **Eastern Europe**
- **>+10% pricing** to offset Energy price increase

Large Industries

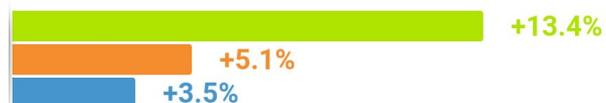
- **Air gases** fuelled by **high Steel** and **Chemicals**
- **Improving H₂** underlying demand from **Refining**
- **New projects contribution** in Russia and Kazakhstan
- One-off sale in Russia in Q4 20

Healthcare

- **Lower O₂ volumes & ventilators** sales related to Covid-19 vs. high Q4 20
- **Strong activity in HHC**, from diabetes and sleep apnea
- Dynamic **Speciality Ingredients**



Q4 21/20 Comparable Growth: **+7.4%**



in €m	FY 2021	Growth as published	Comparable growth
Sales	8,315	+21.8%	+7.0%
OIR	1,444	+2.8%	
OIR/Sales	17.4%	-320bps	- 10bps⁽¹⁾

(1) Excluding energy passthrough impact

Q4 - Asia-Pacific

Industrial Merchant



- **+18% in China**, mainly driven by
 - Automotive, Fabrication, Technology, Energy
 - cylinders and small on-sites
- **Improved activity in rest of Asia**
- Accelerated **pricing +2.6%**, +3.2% excluding helium

Large Industries



- Easing impact of **DEC⁽²⁾** in **China**
- Solid **air gases** and **cogen** activity in **Singapore**
- Continued **Steel recovery** in **Japan**

Electronics



- **>+10% growth in Carrier Gases:** Singapore, China
- **High Advanced Materials** in Singapore and Taiwan
- **Low E&I** vs. high sales in Japan and China in Q4 20



Q4 21/20 Comparable Growth: **+4.4%**



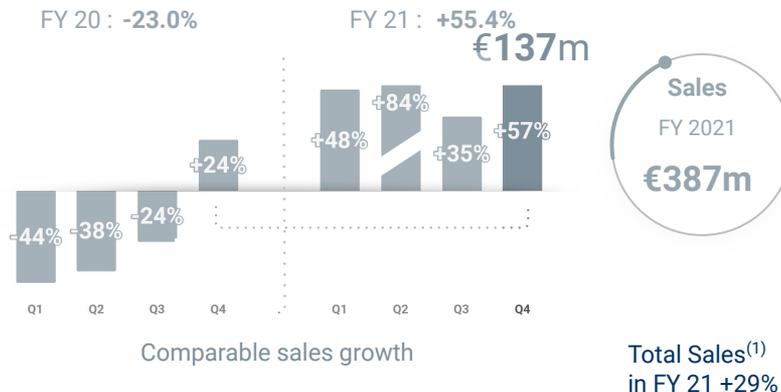
in €m	FY 2021	Growth as published	Comparable growth
Sales	4,790	+7.2%	+6.4%
OIR	1,066	+8.2%	
OIR/Sales	22.2%	+20bps	+ 60bps⁽¹⁾

(1) Excluding energy passthrough impact

(2) Dual Energy Control

High E&C and Biogas Activities in FY 2021

Engineering & Construction



Strong momentum of order intake

€1,249m

+52%

Global Markets & Technologies



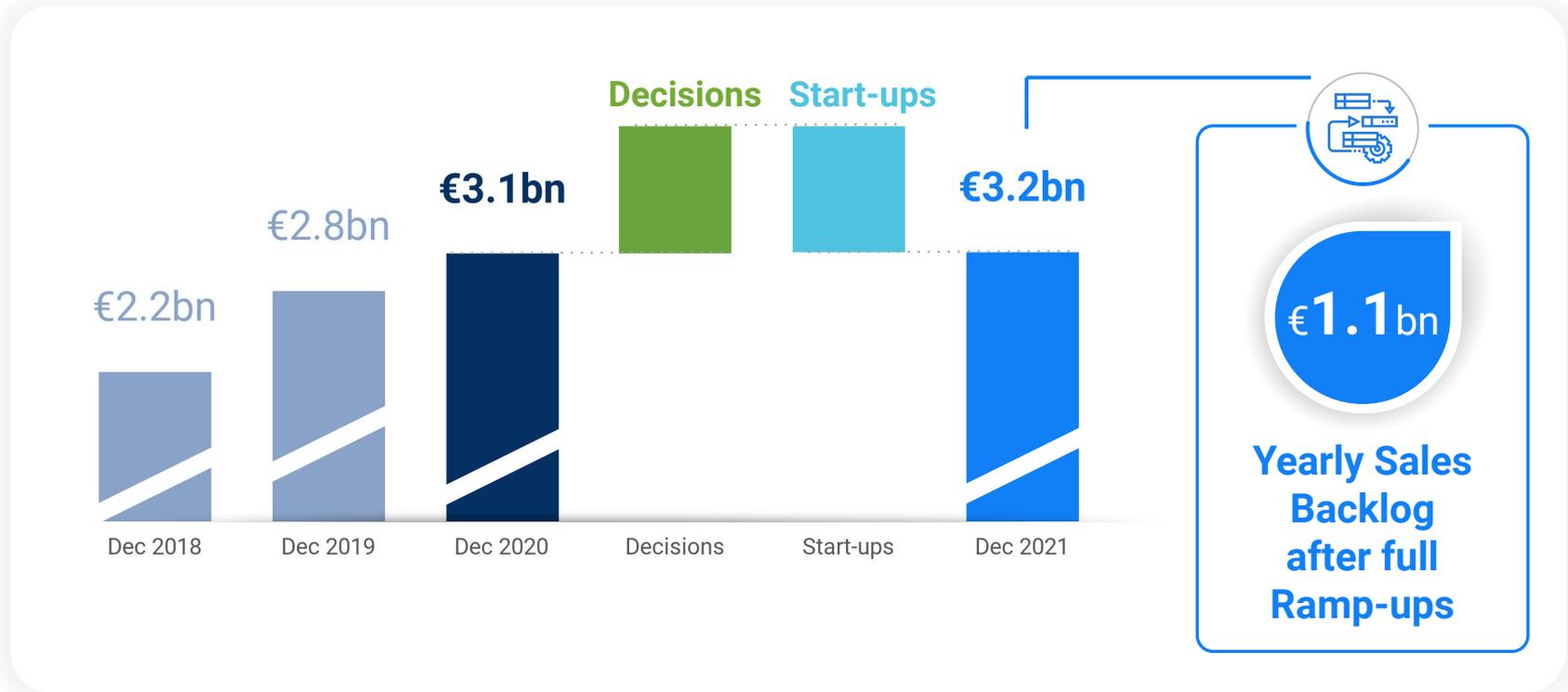
High order intake

€699m

+17%

(1) Including internal sales

Strong & Diversified Backlog at €3.2bn



See definitions in appendix

Consolidated P&L

In €m	FY 20	FY 21
Revenue	20,485	23,335
Operating costs	(14,557)	(17,002)
Operating profit before depreciation	5,928	6,333
Depreciation and amortization	(2,138)	(2,173)
Operating income recurring	3,790	4,160
Other non-recurring operating income & expenses	(140)	(150)
Operating income	3,650	4,010
Net financial costs and other net financial expenses	(440)	(408)
Income taxes	(678)	(915)
Share of profit of associates	(4)	5
Profit for the period	2,528	2,692
- Minority interests	93	120
- Net profit (Group share)	2,435	2,572
Basic earnings per share (in €)	5.16	5.45

Consolidated Balance Sheet Simplified

ASSETS	31/12/2020	31/12/2021
Goodwill	13,087	13,992
Fixed assets	21,401	23,984
Other non-current assets *	1,123	1,216
Total non-current assets	35,611	39,192
Inventories & work in-progress	1,406	1,585
Trade receivables & other current assets	3,033	3,611
Cash and cash equivalents *	1,836	2,311
Total current assets	6,275	7,507
Assets held for sale	91	84
Total assets	41,977	46,783

	31/12/2020	31/12/2021
Net debt	10,609	10,448
Net debt to equity ratio	55.8%	47.5%

EQUITY AND LIABILITIES	31/12/2020	31/12/2021
Shareholders' equity	18,543	21,462
Minority interests	462	537
Total equity	19,005	21,999
Provisions & Deferred tax liabilities	4,290	4,419
Non-current borrowings	10,220	10,506
Non-current lease liabilities	969	1,033
Other non-current liabilities *	218	382
Total equity and non current liabilities	34,702	38,339
Provisions	316	309
Trade payables & other current liabilities	4,462	5,614
Current lease liabilities	218	228
Current borrowings *	2,240	2,256
Total current liabilities	7,236	8,407
Liabilities held for sale	39	37
Total equity and liabilities	41,977	46,783

* Including fair value of derivatives

Cash Flow Statement

In €m	FY 20	FY 21
Funds provided by operations	4,932	5,292
Changes in Working Capital	364	377
Other cash items	(90)	(98)
Net cash from operating activities	5,206	5,571
Purchases of PPE* and intangible assets	(2,630)	(2,917)
Purchases of financial assets and the impact of changes in scope	(129)	(660)
Proceeds from sale of PPE*, intangible and financial assets	804	225
Net cash in investing activities	(1,955)	(3,352)
Distribution	(1,387)	(1,418)
Increase in capital stock	44	175
Purchase of treasury shares	(50)	(40)
Transactions with minority shareholders	(16)	(37)
Change in borrowings and lease liabilities (incl. net interests)	(1,019)	(497)
Impact of Exchange rate changes and net debt of newly consolidated companies & others	(1)	17
Change in net cash and cash equivalents	822	420
Net cash and cash equivalents at the end of the period	1,719	2,139

* PPE: Property, plant and equipment

Impact of Currency and Energy on G&S Revenue

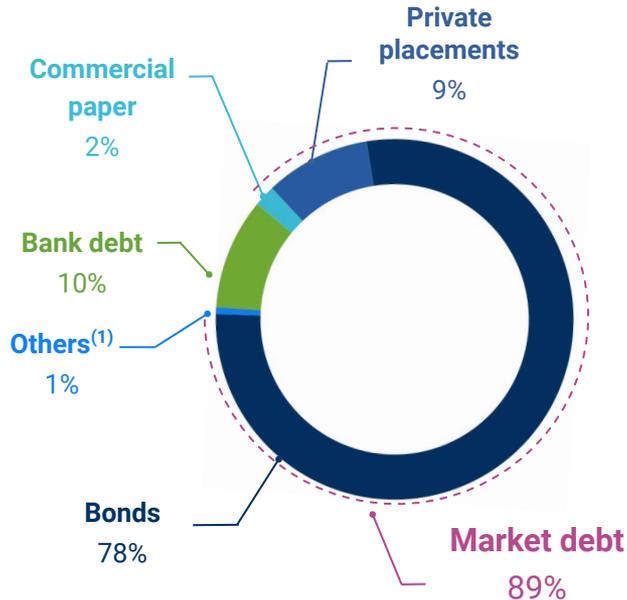
in €m	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21
€/USD	+55	+30	(86)	(126)	(165)	(169)	(19)	+74
€/JP¥	+11	+11	(11)	(9)	(14)	(25)	(10)	(10)
€/ARS	(16)	(23)	(10)	(26)	(18)	(14)	(4)	+6
€/BRL	(11)	(22)	(25)	(23)	(23)	(6)	+1	+1
€/Rmb	(2)	(8)	(17)	(6)	(8)	+1	+29	+40
Others	+3	(18)	(49)	(56)	(38)	(7)	+25	+36
Currency Impact	+40	(30)	(198)	(246)	(266)	(220)	+22	+147

in €m	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21
Natural Gas Impact	(103)	(135)	(61)	(18)	+133	+171	+342	+609

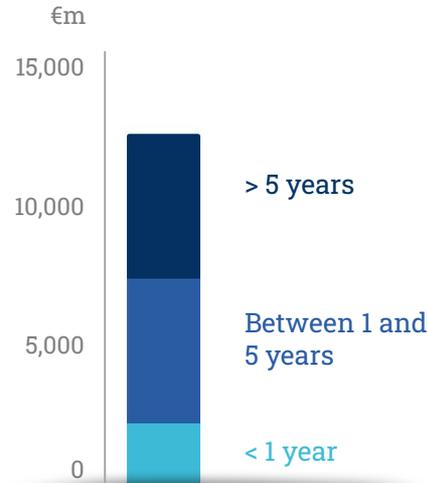
in €m	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21
Electricity Impact	(31)	(31)	(19)	(7)	+46	+68	+99	+254

Financing Structure as of December 31, 2021

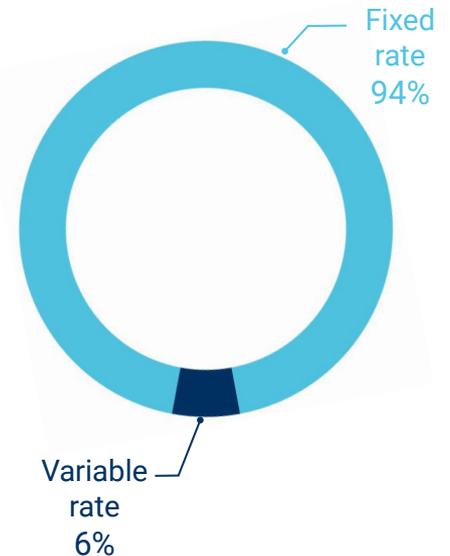
Sources



Maturity



Fixed / Variable rates (gross debt)



(1) Others: put options granted to minority shareholders

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.

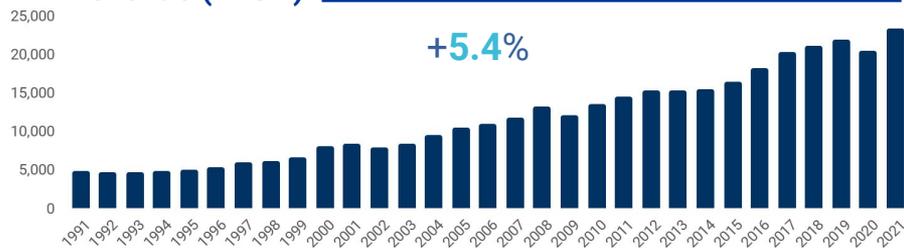
Decisions of the period

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

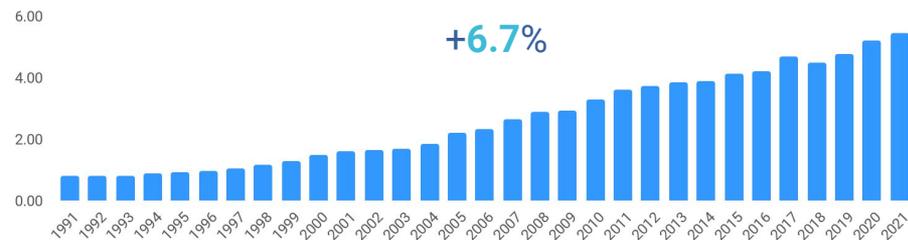
Regular and Sustained performance

CAGR over 30 years⁽¹⁾

Revenue (in €m)



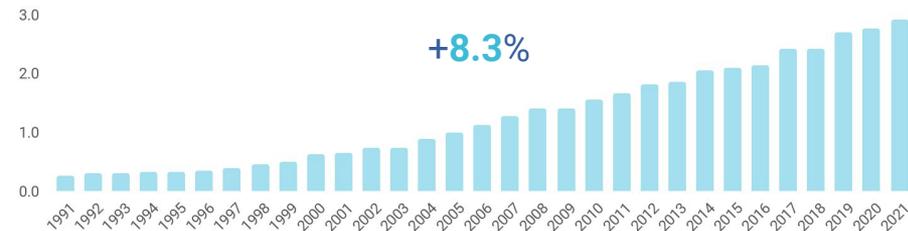
EPS⁽²⁾ (in €)



Cashflow (in €m)



Dividend⁽²⁾ (in € per share)



(1) Calculated according to prevailing accounting rules over 30 years

(2) Adjusted for the 2-for-1 share split in 2007, for free shares attributions and for the capital increase completed in October 2016

Upcoming Events & Contacts

Upcoming events

Capital Markets Day: March 22, 2022

2022 First Quarter Revenue: April 27, 2022



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L'Air Liquide S.A.

Corporation for the study and application of processes developed by
Georges Claude with registered capital of 2,611,804,778.00 euros

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