



Q3 2022 Activity

**Strong Sales Growth**

**High Level of Project Signings**

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François Jackow, Chief Executive Officer  
Jérôme Pelletan, Group Chief Financial Officer  
Mike Graff, Executive Vice President  
Pascal Vinet, Senior Vice President

Paris, October 25, 2022

# 01

## Growth and Resilience Well Positioned to Deliver Future Growth

François Jackow - Chief Executive Officer

# Continued Strong Performance in Q3 2022

**Comparable  
Growth**

**+8%**

**IM  
Pricing**

**+18%**

**Cash Flow/  
Sales<sup>(1)</sup>**

**24%**

**Investment  
Decisions**

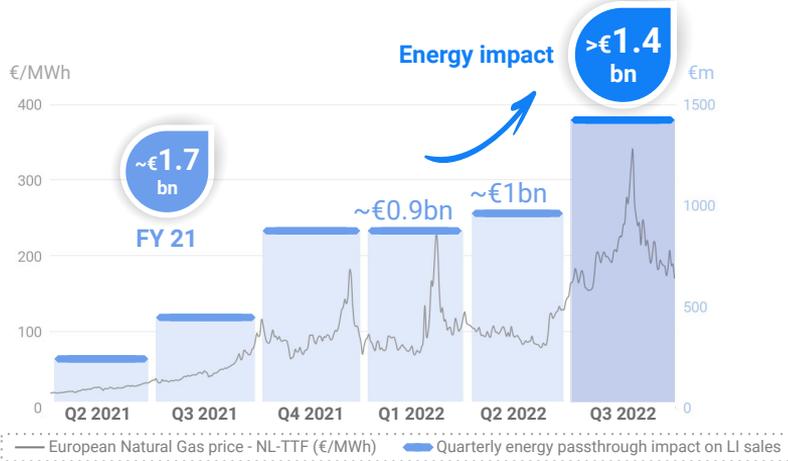
**€1.1  
bn**

Q3 2022 figures

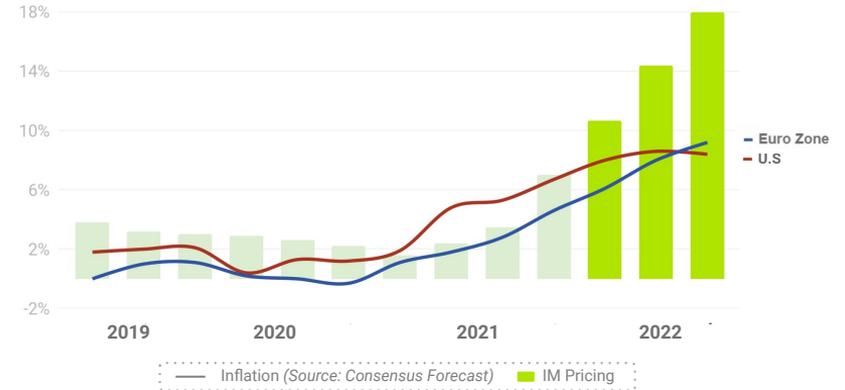
(1) Cash Flow from Operations before changes in WCR on Sales excluding energy pass through impact

# Resilient Business Model Addressing the Current Challenges

## 100% Energy passthrough in LI



## IM pricing addressing spike in energy price and inflation



# ADVANCE



# A reinforced resilient business model

- Strong contracts, fixed revenue from rentals
- Diversity of business reach
- Energy transition, EL & HC
- Performance focused

# Well Positioned to Deliver Future Growth



€3.4bn

Strong &  
Diversified  
Backlog



>€2.5bn of investment in  
**Electronics** over 4 years<sup>(1)</sup>



Already **6** projects selected for  
European/national **subsidies**

Carbon  
Capture

Kairos@C  
 

K6 - Cement plant  
 

Lime plant  
 

Electrolysis

Normand'Hy  
200 MW  


ELYgator  
200 MW  


CurtHyl  
200 MW  


(1) Investment decisions since Q4 2018

# 02

## Strong Sales Growth Active Projects Signing and Strong Backlog

Jérôme Pelletan - Chief Financial Officer

# Continued Strong Sales Growth

Sales in €m	Q3 21	Q3 22	Q3 22/21 As published	Q3 22/21 Comparable	YTD 22/21 Comparable
Gas & Services	5,585	7,897	+41.4%	+7.2%	+7.2%
Engineering & Construction	81	115	+41.1%	+37.3%	+31.7%
Global Markets & Technologies	168	235	+39.5%	+32.7%	+20.3%
<b>Group Total</b>	<b>5,834</b>	<b>8,247</b>	<b>+41.3%</b>	<b>+8.3%</b>	<b>+7.9%</b>

Impacts on Q3 Group Sales: +8.8% FX | +24.4% Energy | -0.2% Significant Scope<sup>(1)</sup>

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

# Q3 – Strong Americas, Mixed Europe

## Americas

High growth across all activities



- **LI**
  - **Start-ups** contributing to robust **air gases** volumes
  - **Strong H<sub>2</sub>** sales in Latam, **turnarounds** in U.S.
- **IM**
  - Higher **pricing >+16%**
  - **+2% volumes** excluding helium
- **HC**
  - **Lower O<sub>2</sub>** for covid-19 across the region
  - **Strong proximity care** in U.S.
  - **Improving Latam**
- **EL**
  - **High Carrier Gases, ESM<sup>(1)</sup> and E&I**

## Europe

Record high IM pricing, low demand in LI, strong HC



- **LI**
  - **Volumes -6%**
  - **Weak Steel and Chemicals**
  - **Lower H<sub>2</sub>** demand in **Refineries**
- **IM**
  - Accelerating **pricing ~+30%**
  - Slight **volume growth**
- **HC**
  - **Strong momentum in HHC** driven by **diabetes**
  - **Lower O<sub>2</sub>** for covid-19, higher pricing

G&S comparable sales growth (1) Electronic Specialty Materials

# Q3 – Strong Asia driven by Electronics, Solid AMEI

## Asia

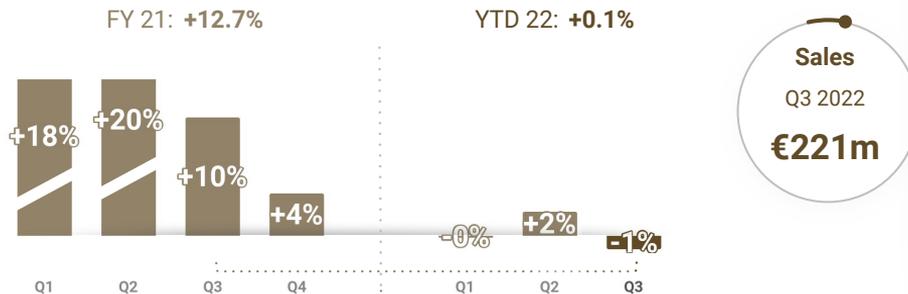
Buoyant EL, accelerating IM pricing over the region



- **LI**
  - **China +9%**
  - **Low demand in rest of Asia**
- **IM**
  - **Pricing >+9%**
  - **Improving volumes**
  - **High China**, driven by pricing and small acquisitions
- **EL**
  - **>+20% growth in Carrier Gases, ESM<sup>(1)</sup> and E&I**

## AMEI

Steady LI, low IM & HC



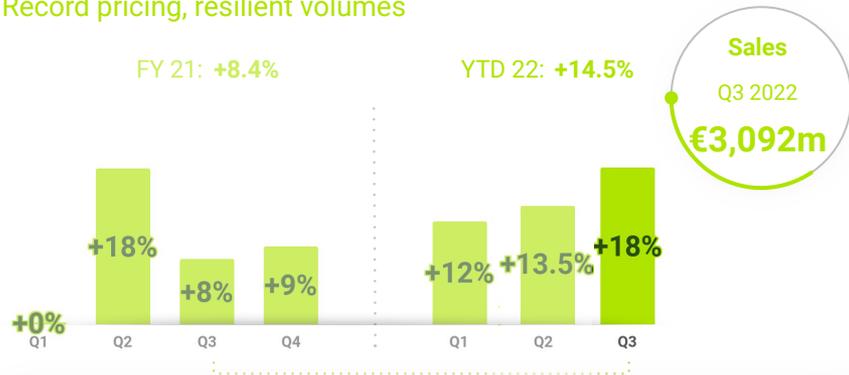
- **LI**
  - **Strong sales in India and Egypt**
- **IM**
  - **Small divestitures** in Middle-East
- **HC**
  - **Reduced O<sub>2</sub> sales** for covid-19

G&S comparable sales growth (1) Electronic Specialty Materials

# Q3 – Pursued Momentum in Industrial Merchant, Mixed Large Industries

## Industrial Merchant

Record pricing, resilient volumes



- **Record +18% pricing**, successfully addressing unprecedented spike in energy cost and high inflation
- **Growing volumes** offset by helium
- **Strong Food & Beverage, Robust Materials & Energy**, improving Auto

## Large Industries

Strong Americas and solid Asia offset by slowing Europe



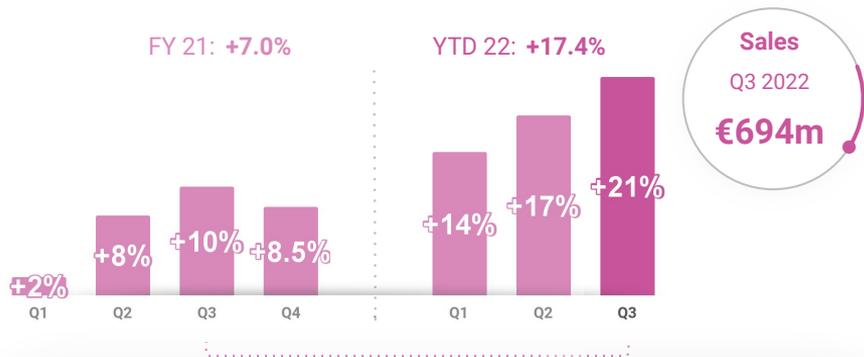
- **Overall volumes -2%**  
[see appendix for combined effect]
- **Robust air gases volumes in Americas and China**
- **Slowing demand in Europe**
- **Solid contribution from start-ups and ramp-ups**

G&S comparable sales growth

# Q3 – Buoyant Electronics, Very Robust Healthcare

## Electronics

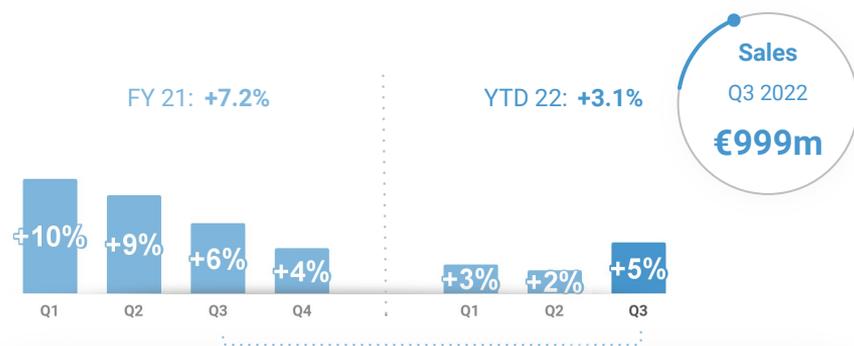
Continued strong momentum in all segments



- **>+21%** growth in **Carrier Gases, ESM<sup>(1)</sup>** and **E&I**
- Continued development of **Advanced Materials**
- Significant contribution from **start-ups** and **ramp-ups**
- High **pricing** in ESM<sup>(1)</sup> driven by **rare gases**

## Healthcare

Strong Home Healthcare

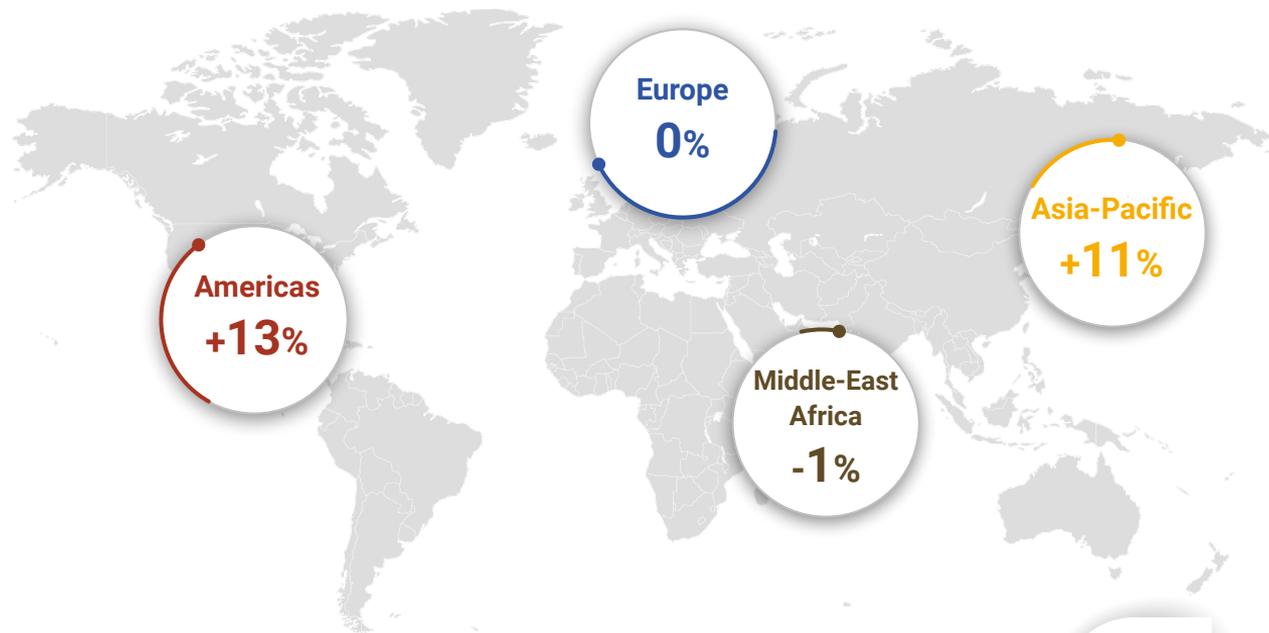


- **Normalizing Medical O<sub>2</sub>** volumes after covid-19
- **Strong Home Healthcare** driven by **diabetes**
- High **Specialty Ingredients**
- **Increasing pricing** in all regions

G&S comparable sales growth (1) Electronic Specialty Materials

# Strong Comparable Growth supported by Geographic and Business Mix

Q3 2022 Gas & Services comparable sales growth



by Activities



+18%



+21%



-10%

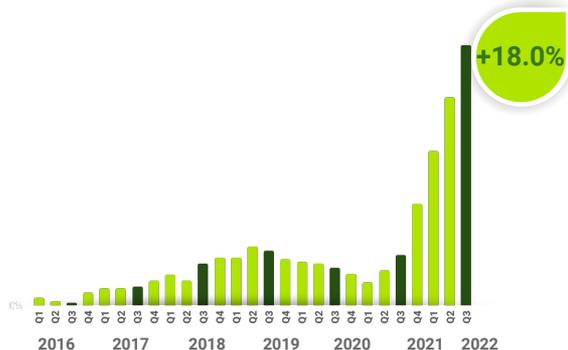


+5%

Group Comparable sales growth **+8%**

# Performance Focused in an Inflationary Environment

## IM Pricing



- Pursued acceleration in pricing
- Successful price management in all geographies to address inflation

## Efficiencies



- Strong focus on operational efficiencies
- Procurement contribution limited by high inflation

## Portfolio Management

### 4 divestitures YTD



### 12 acquisitions YTD



China



U.S., Netherlands, China



U.S., South Africa

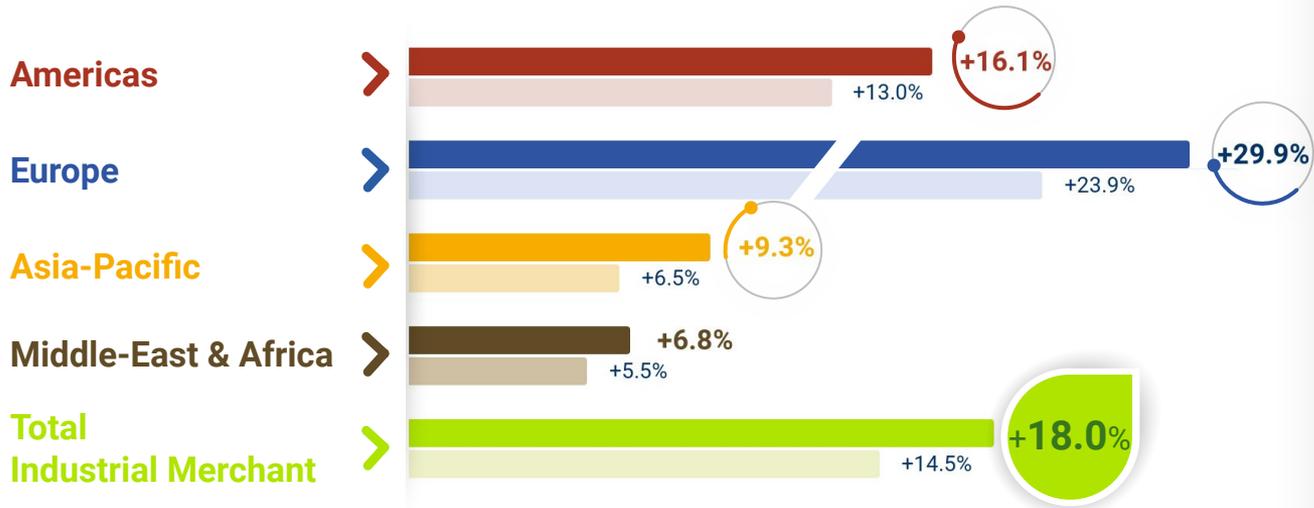
24%<sup>(1)</sup>

Cash Flow to Sales

(1) Cash Flow from Operations before changes in Working Capital Requirements on Group sales excluding energy passthrough impact

# Accelerating IM Pricing

## Effective Management of Spike in Energy Cost & Inflation



### Pricing Actions



#### Bulk

- Contractual indexations
- Strengthened price management to address high energy price and inflation



#### Cylinders

- Targeted actions to address inflationary environment

Q3 2022

YTD 2022

# Active Projects Signing and Strong Backlog

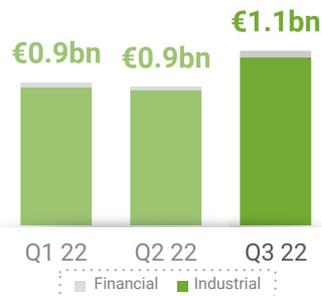
## Investment Opportunities <sup>(1)</sup>



**Sustained** level of investment opportunities:

- 🌱 ▪ >40% in **Energy Transition**
- **Well-balanced** by geographies

## Investment Decisions <sup>(1)</sup>



**High signing activity** in Q3:

- **Strong** in **EL**, major projects in Taiwan
- 🌱 ▪ **Dynamic** in **Energy Transition**
  - **IM oxycombustion**
  - **Biogas**
  - Sasol ASUs **efficiency** program
  - ASUs **electrification** in China

## Investment Backlog <sup>(1)</sup>



**Strong Backlog:**

- Many projects in **EL**, especially in **Asia**

€1.3bn of yearly **sales** after full ramp-up

(1) See definitions in appendix (2) Russian projects have been removed from Q3 2022 Backlog

# Significant SU and RU Contribution to Sales

## Start-up date of major projects



● Large Industries 
 ● Electronics 
 ● GM&T

## Start-up/Ramp-up Sales Contribution<sup>(1)</sup>

YTD  
Q3 2022

€288m

FY 2022  
Guidance

€400  
425m

(1) Including the additional contribution from **Sasol ASUs takeover** accounted for in **Significant Perimeter** (€+72m YTD 2022; estimated at €+135m for FY 2022) and **excluding ramp-ups in Russia** from September 2022. At constant exchange rate and excluding energy passthrough impact

## Confirmed 2022 Guidance



“

***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.<sup>(1)</sup>***

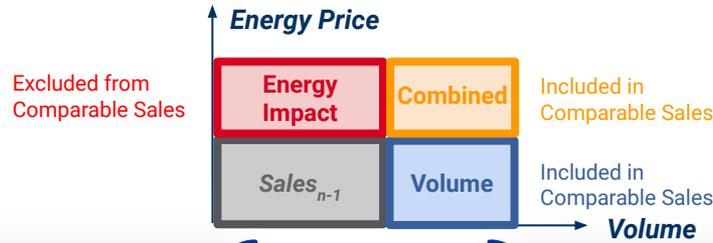
”

*(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*

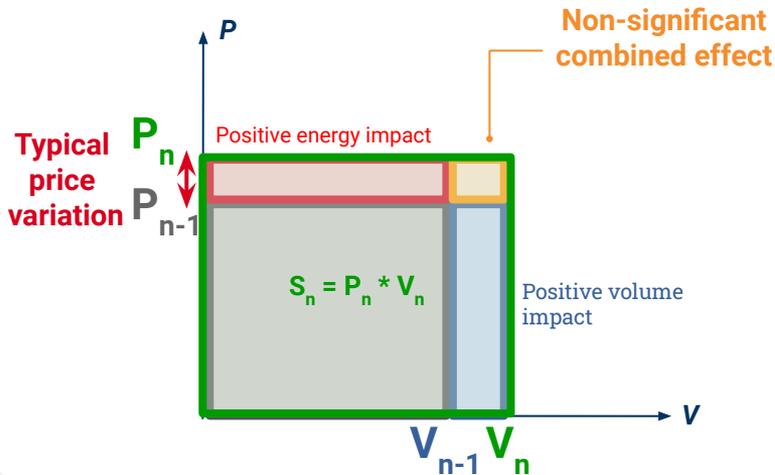
# 03

## Appendix

# Combined Effect

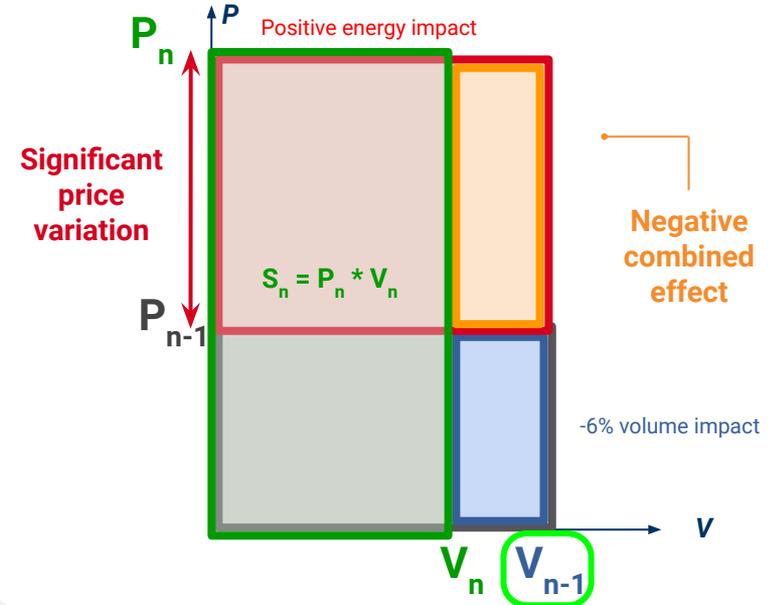


## “Normal” case

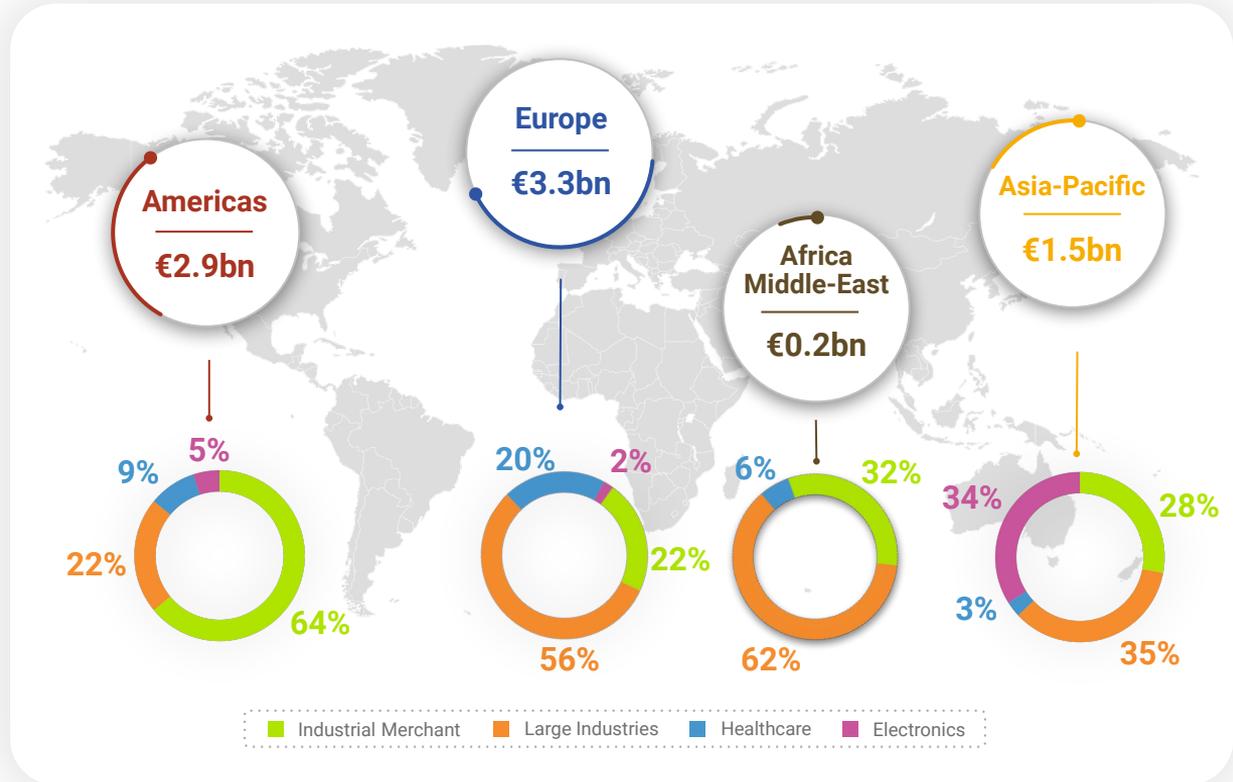
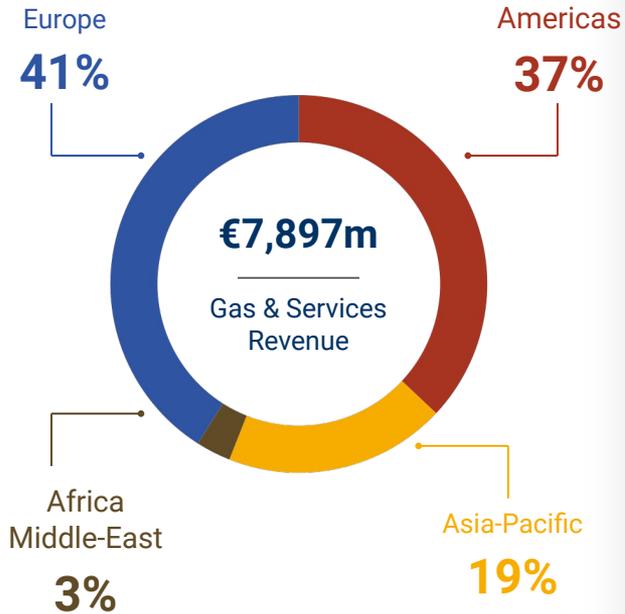


Large Industries Europe

## Exceptional Q3 2022 case

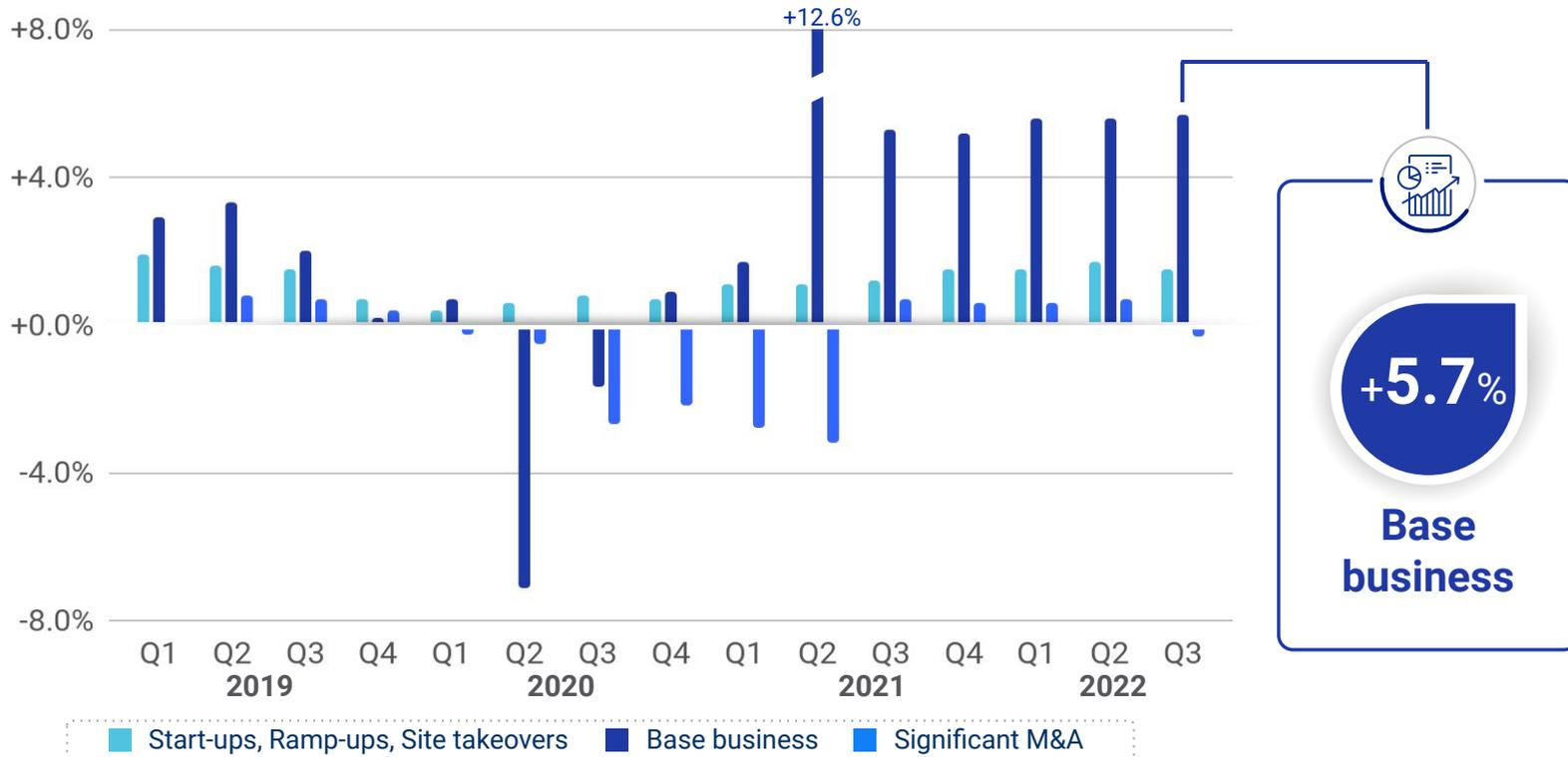


# Q3 2022 G&S Revenue Breakdown by Region



# Maintained Strong Base Business, Significant SU/RU Contribution

## Breakdown of G&S Sales Growth



See definitions in appendix

# Q3 - Americas

## Industrial Merchant



- **Higher pricing +16.1%**
- **+2% volumes** excluding helium, in particular in **bulk** and **hardgoods**
- **End-markets** well oriented, in particular Auto, Food, Fabrication and Energy

## Large Industries



- **Start-ups** contributing to robust **air gases** volumes in Chemicals, softening demand in Steel
- **Strong H<sub>2</sub>** sales in **Latam** from ramp-ups, **turnarounds** in U.S.
- **Strong cogen**, especially in Canada

## Healthcare



- **Lower Medical O<sub>2</sub>** for covid-19 across the region
- **Strong Proximity Care** in U.S. with high pricing
- **Improving Latam**: dynamic HHC, Medical gases back to positive contribution

## Electronics



- Strong contribution from **Carrier Gases**
- High **ESM<sup>(1)</sup>** and **E&I**



Q3 22/21 Comparable Growth: **+12.8%**



(1) Electronic Specialty Materials

# Q3 - Europe

## Industrial Merchant



- **Record high pricing +29.9%** to address high Energy price and inflation
- Slight **daily volume growth**, notably in cylinders
- Sales **growth in all end-markets**, with slight volume increase in Food, Fabrication and Materials

## Large Industries



- **Volumes -6%**  
*[see appendix for combined effect]*
- **Weak Steel and Chemicals**
- **Lower H<sub>2</sub> demand in Refineries**, using lighter crude oil

## Healthcare



- **Strong momentum in HHC** driven by diabetes
- **Lower O<sub>2</sub> volumes** related to Covid-19
- High **Speciality Ingredients**
- **Improving pricing**



Combined effect

Q3 22/21 Comparable Growth: **-0.2%**



# Q3 - Asia-Pacific

## Industrial Merchant



- **Increased pricing** across the region **+9.3%**
- **High China**, driven by pricing and small acquisitions
- Solid Automotive, Technology, Energy and Food, especially in China

## Large Industries



- **China +9%**, driven by **solid air gases** vs. DEC<sup>(1)</sup> impact in Q3 2021
- **Low demand in rest of Asia**, notably air gases for Steel in Japan and H<sub>2</sub> for Chemicals in Korea

## Electronics



- **All segments contributing** to growth, **>+20%** in **Carrier Gases, ESM<sup>(2)</sup>** and **E&I**
- High **pricing** in ESM<sup>(2)</sup> driven by **rare gases**
- **Strong Advanced Materials**, notably in Singapore and China



Q3 22/21 Comparable Growth: **+10.9%**

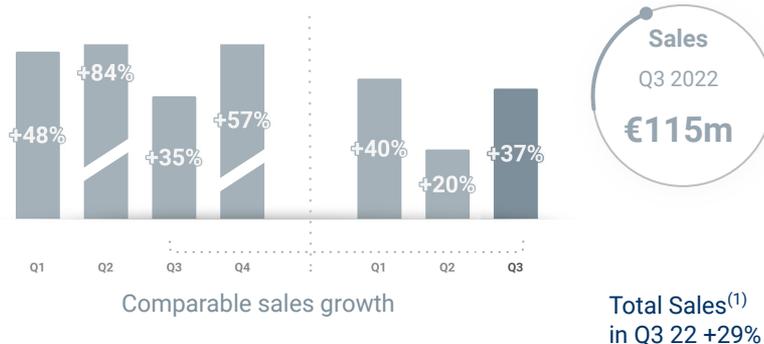


(1) Dual Energy Control

(2) Electronic Specialty Materials

# Q3 - Solid E&C, Strong GM&T Driven by Biogas

## Engineering & Construction

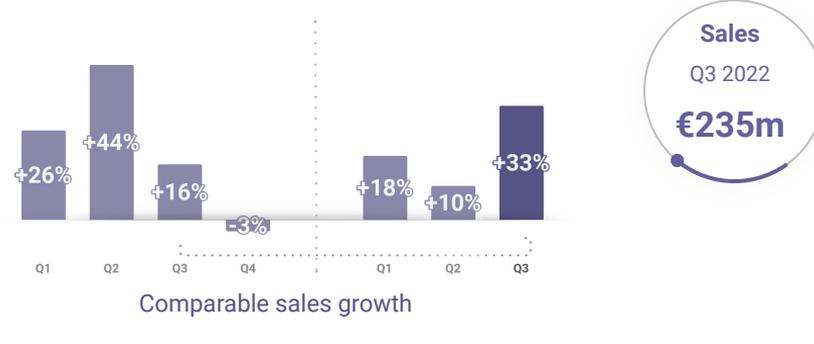


**Solid order intake vs. high Q3 21**

**€169m**

**-44%**

## Global Markets & Technologies



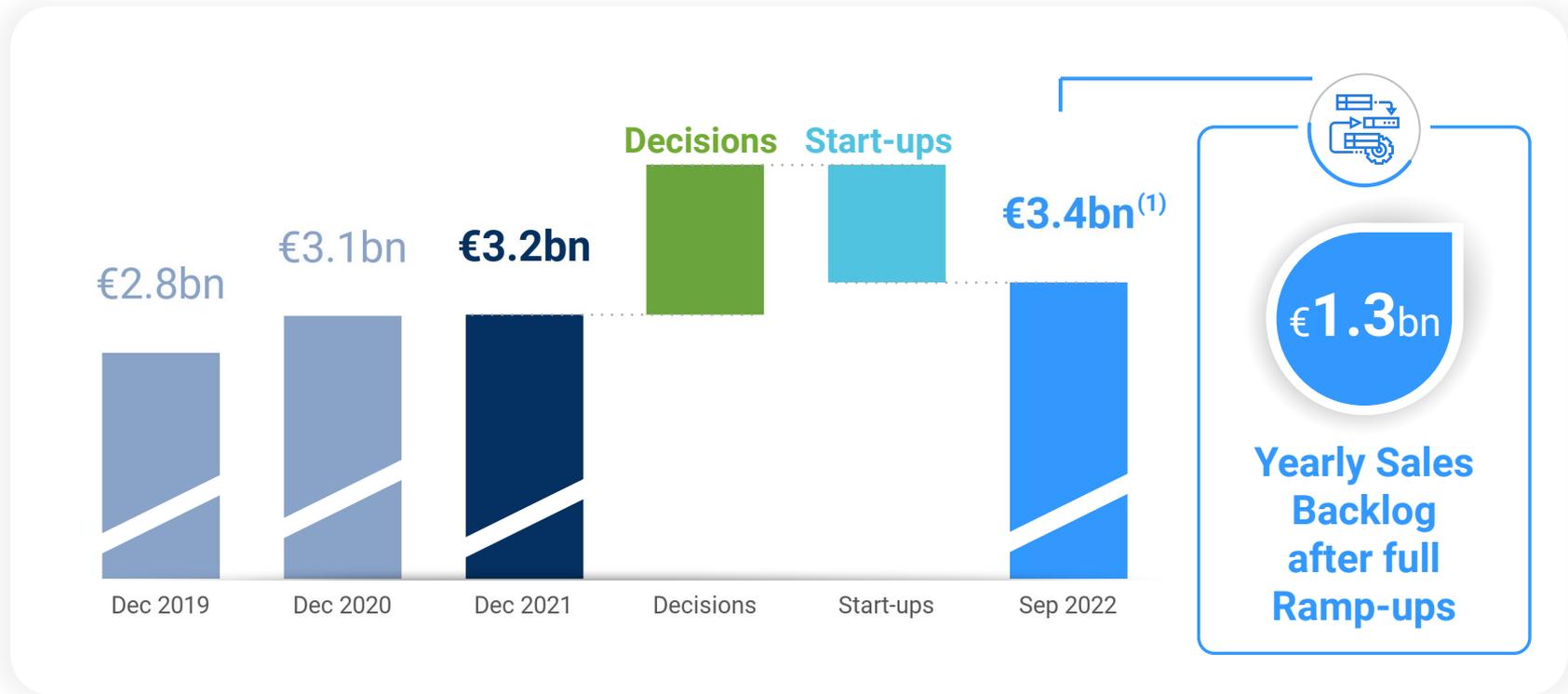
**Strong order intake, led by Turbo Braytons and Biogas equipment**

**€243m**

**+31%**

(1) Including internal sales

# Strong and Diversified Backlog at €3.4bn



See definitions in appendix (1) Russian projects have been removed from Q3 2022 Backlog

# Impact of Currency and Energy on G&S Revenue

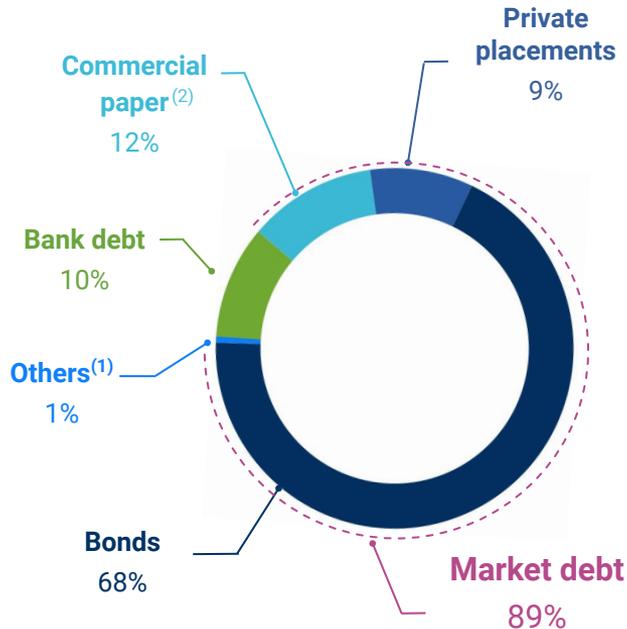
in €m	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22
€/USD	(165)	(169)	(19)	+74	+141	+271	+373
€/JP¥	(14)	(25)	(10)	(10)	(5)	(10)	(16)
€/SGD	(7)	(5)	+1	+5	+10	+18	+24
€/BRL	(23)	(6)	+1	+1	+9	+16	+14
€/Rmb	(8)	+1	+29	+40	+52	+59	+62
€/CAN	(5)	+5	+8	+13	+13	+17	+25
€/TRY	(4)	(4)	(3)	(5)	(13)	(13)	(10)
Others	(40)	(17)	+15	+29	+11	+31	+28
<b>Currency Impact</b>	<b>(266)</b>	<b>(220)</b>	<b>+22</b>	<b>+147</b>	<b>+218</b>	<b>+389</b>	<b>+500</b>

in €m	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22
<b>Natural Gas Impact</b>	<b>+133</b>	<b>+171</b>	<b>+342</b>	<b>+609</b>	<b>+607</b>	<b>+690</b>	<b>+1,014</b>

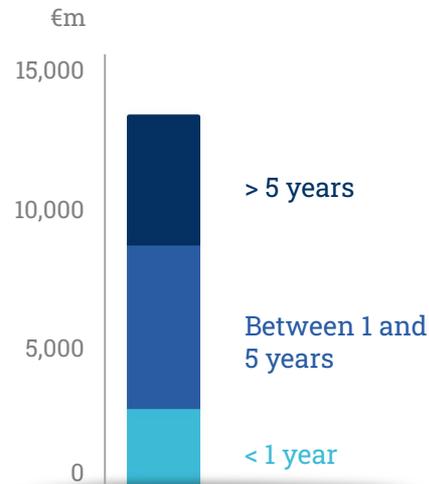
in €m	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22
<b>Electricity Impact</b>	<b>+46</b>	<b>+68</b>	<b>+99</b>	<b>+254</b>	<b>+267</b>	<b>+267</b>	<b>+412</b>

# Financing Structure as of June 30, 2022

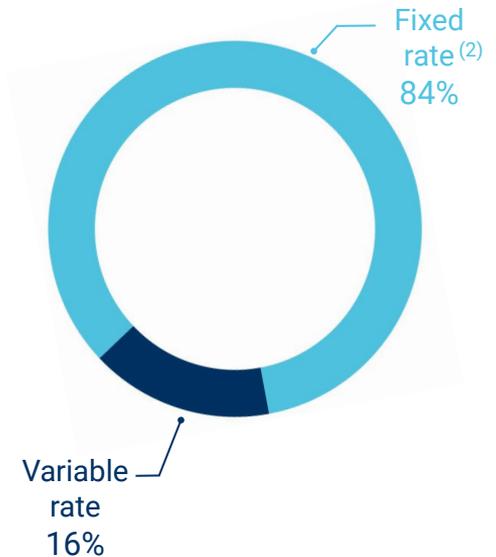
## Sources



## Maturity



## Fixed / Variable rates (gross debt)



(1) Others: put options granted to minority shareholders (2) Higher commercial papers at variable rate: short term financing expected to be mostly reimbursed before year end 2022

# 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.

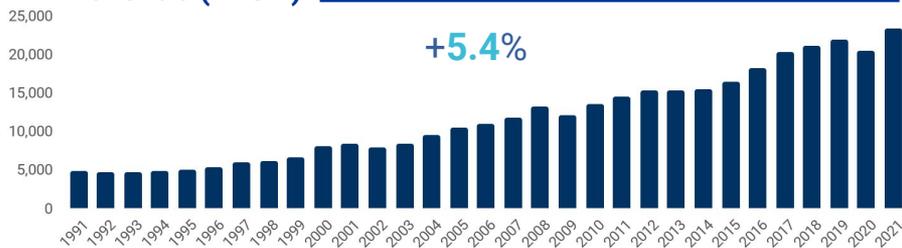
## Decisions of the period

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

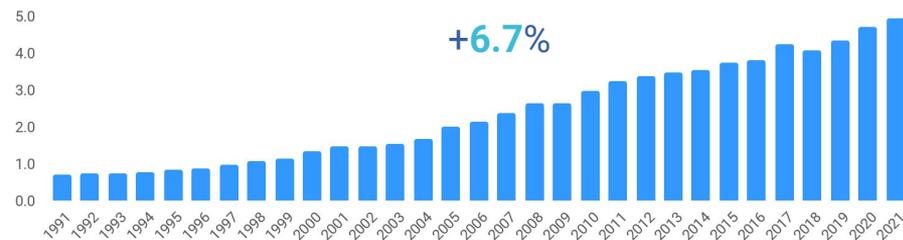
# Regular and Sustained performance

CAGR over 30 years<sup>(1)</sup>

## Revenue (in €m)



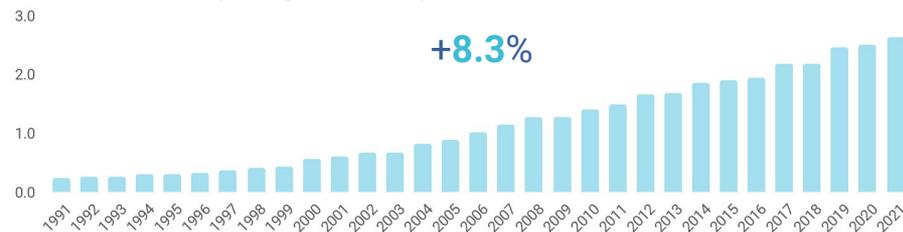
## EPS<sup>(2)</sup> (in €)



## Cash Flow (in €m)



## Dividend<sup>(2)</sup> (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 share attributions and for the capital increase completed in October 2016

For further information, please contact:

## Upcoming events

2022 Full Year Results: February 16, 2023



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Corporation for the study and application of processes developed by  
Georges Claude with registered capital of 2,878,025,870.50 euros

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