Air Liquide

First Half 2024 Financial Report

Content

First Half Financial Report

2024

A world leader in gases, technologies and services for industry and healthcare. Present in **60 countries** with **66,300 employees,** the Group and serves more than **4 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.

Taking action today while preparing the future is at the heart of Air Liquide's strategy. With ADVANCE, its strategic plan for 2025, Air Liquide is targeting a global performance, combining financial and extra-financial dimensions. Positioned on new markets, the Group benefits from major assets such as its business model combining resilience and strength, its ability to innovate and its technological expertise. The Group develops solutions contributing to climate and the energy transition—particularly with hydrogen—and takes action to progress in areas of healthcare, digital and high technologies.

Air Liquide's revenues amounted to more than **27.5 billion euros in 2023**. Air Liquide is listed on the Euronext Paris stock exchange (compartment A) and belongs to the CAC 40, CAC 40 ESG, EURO STOXX 50, FTSE4Good and DJSI indexes.

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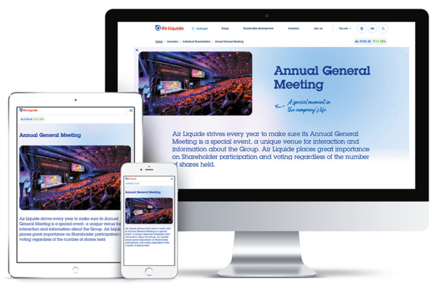

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Activity report

H1 2024 PERFORMANCE

Group revenue totaled **13,379 million euros** in the 1st half of 2024, posting a growth of **+2.6%** on a comparable basis. The contribution of Argentina [(1)] to the comparable growth is of +2.1%. The Group's **published sales** were down **-4.3%** in the 1st half of 2024, affected by unfavorable energy (-3.5%) and currency (-3.4%) impacts. There was no significant scope impact.

Gas & Services revenue reached **12,796 million euros** in the 1st half, **up by +2.6% on a comparable basis** (including a contribution of Argentina of +2.2%). **As published revenue** for **Gas & Services** were down **-4.5%** in the 1st half of 2024, penalized by unfavorable energy (-3.7%) and currency (-3.4%) impacts. There was no significant scope impact in the 1st half.

Growth [(2)] in the **Industrial Merchant** business (**+2.0%**) continued in the 1st half of 2024 with a price effect of +4.2% in addition to the sharp increase (+10.7%) in the 1st half of 2023, and gas volumes down slightly. Revenue from **Large Industries** (**+1.1%**) benefited from the start-up of two large units in the 1st quarter and stronger demand from Chemicals customers in Europe and the United States in the 2nd quarter, but was impacted by the sale of a cogeneration unit in Europe and by customer turnarounds. The **Healthcare** business was the growth driver in the 1st half-year, with an increase in sales of **+9.1%**, supported by the growth of all therapies in Home Healthcare and an increase in the price of medical gases in an inflationary environment. Finally, in **Electronics** (**+0.3%**), sales returned to growth in the 2nd quarter and offset the decline observed in the 1st quarter reflecting the high basis of comparison at the beginning of 2023.

- Gas & Services revenue in the **Americas** reached **5,175 million euros** in the 1st half of 2024 and increased by **+7.9%** (including the contribution of Argentina for +5.7%). All businesses grew in the region. Large Industries (+8.1%) benefited from the start-up of a production unit and demand that firmed up in the 2nd quarter. In Industrial Merchant, revenue increased by +5.5%, supported by a price effect (+7.3%) that strengthened in the 2nd quarter. The growth was very strong in Healthcare (+23.3%). In the Electronics business (+9.2%), sales of Carrier Gases and of Equipment & Installations posted double-digit growth.
- In **Europe**, sales were down slightly by **-1.3%** in the 1st half of 2024 and reached **4,475 million euros**. In Large Industries (-1.7%), excluding the sale of a cogeneration unit in the first quarter, revenue was up. In Industrial Merchant (-5.2%), volumes contracted but the price effect improved in the 2nd quarter. The Healthcare business posted solid sales growth (+4.4%), supported by the development of Home Healthcare and Medical Gases.
- Revenue in the **Asia Pacific** region was nearly stable (**-0.8%**) in the 1st half of 2024 and amounted to **2,593 million euros**. In Large Industries (-0.9%), the start-up of a new unit in March partially offset customer turnarounds. Industrial Merchant's sales (-0.6%) were impacted by the marked decline in helium sales, which was largely offset by the increase in volumes of other gases. Electronics revenue was also flattish (-0.6%), with growth in Carrier Gases and Advanced Materials sales offsetting the decline in Equipment & Installation sales.
- Revenue in the **Middle East & Africa** region increased sharply by **+7.1%** to **553 million euros** in the 1st half of 2024. All business lines grew.

Sales in the **Global Markets & Technologies** business amounted to **386 million euros** in the 1st half of 2024, a decrease of **-2.0%** due in particular to the divestiture of the technological activities for the Aeronautics sector. Order intake amounted to **416 million euros**.

Consolidated revenue from **Engineering & Construction** totaled **197 million euros** in the 1st half of 2024, up **+9.9%** compared to the 1st half of 2023. Order intake for the Group and third-party customers amounted to **557 million euros** in the 1st half.

The Group's **operating income recurring (OIR)** reached **2,601 million euros** in the 1st half of 2024. It increased by +4.9% and by **+10.6% on a comparable basis** [(3)], which is significantly higher than the comparable sales growth of +2.6%.

The **operating margin** (OIR to revenue) stood at **19.4%, a strong improvement of +100 basis points excluding the energy impact** (no impact from Argentina).

Efficiencies [(4)] contributed to this margin improvement and amounted to **233 million euros**, up sharply by **+13.1%** compared to the 1st half of 2023. Management of **prices** and of the **portfolio of activities** also contributed to the margin improvement.

Net profit (Group share) amounted to **1,681 million euros** in the 1st half of 2024, down -2.4% as published. In the absence of significant non-recurring items [(4)] in the 1st half of 2024, **net profit recurring (Group share)** [(4)] was also 1,681 million euros, up **+3.3% on a reported basis. Excluding currency impact, net profit recurring** (Group share) [(4)] was up by +16.0% and increased by +5.0% when excluding the contribution of Argentina. **Net earnings per share** amounted to **2.92 euros per share**, a decline of -2.3% compared with the 1st half of 2023, in line with the change in net profit (Group share) as published. Recurring net earnings per share were up +3.2%.

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(1) *See impact of Argentina in Appendix.*
(2) *Unless otherwise stated, all variations in revenue outlined below are on a comparable basis, excluding currency, energy (natural gas and electricity) and significant scope impacts.*
(3) *Including a contribution of Argentina for +4.4%.*
(4) *See definition and reconciliation in appendix.*

Cash flows from operating activities before changes in working capital amounted to **3,155 million euros** during the 1st half of 2024, down by -1.7%. This amounted to a high level of **23.6% of sales**. Calculated from a net profit showing a change of -2.4% as published, the -1.7% decrease of the cash flows from activities before changes in working capital is mainly explained by higher current taxes in the 1st half of 2024 compared with those of 2023 which benefited from favorable exceptional items.

Net debt at June 30, 2024 reached **10,156 million euros**, a decrease of 394 million euros compared with June 30, 2023 and an increase of 935 million euros compared with December 31, 2023, following the payment of more than 1.7 billion euros in dividends in May. The **net debt-to-equity ratio**, adjusted for the seasonal effect of the dividend payment, reached **35.2%**.

At **10.7%, recurring ROCE** [(5)] remained above the target of more than 10% in the Advance strategic plan, and was up sharply by **+50 basis points** compared to the 1st half of 2023.

In the 1st half-year, the Group continued to **decarbonize its assets**. In particular, Air Liquide announced long-term power purchase agreements (PPAs) for the supply of **500 GWh of renewable electricity per year** and has decided on the **electrification of a third Air Separation Unit** in China. A **CryocapTM carbon capture** unit is under construction to decarbonize the Group's largest hydrogen production unit in Europe. Furthermore, in the 1st half-year, Air Liquide continued to develop projects that will **significantly reduce the carbon footprint of its customers**.

In the 1st half of 2024, **industrial and financial investment decisions** amounted to **1,630 million euros**.

The **investment backlog** maintained a very high level of **4.1 billion euros** in the 1st half of 2024, up compared to 3.5 billion euros in the 1st half of 2023.

The **additional contribution to sales** of unit start-ups and ramp-ups totaled **108 million euros** in the 1st half of 2024.

The **portfolio of 12-month investment opportunities** reached a **record level** of **4.0 billion euros** at the end of June 2024. This reflects the dynamism of project development, particularly in the **energy transition** which represents more than 40% of the portfolio, and in the **Electronics** activity.

The Air Liquide Board of Directors met on July 25, 2024. During this meeting, the **Board reviewed the consolidated financial statements** ending June 30, 2024. Limited review procedures were completed with respect to the consolidated interim financial statements, and an **unqualified review report was in the process of being issued** by the statutory auditors at the date of the Board's meeting.

(5) *See definition and reconciliation in appendix.*

Key Figures

Unless otherwise stated, all variations in revenue outlined below are on a **comparable basis**, excluding currency, energy (natural gas and electricity) and significant scope impacts.

(in millions of euros)	H1 2023	H1 2024	2024/2023 published change	2024/2023 comparable change [(a)]
Total Revenue	**13,980**	**13,379**	**-4.3%**	**+2.6%**
Of which Gas & Services	*13,405*	*12,796*	*-4.5%*	*+2.6%*
Operating Income Recurring (OIR)	2,481	2,601	+4.9%	+10.6%
Group OIR Margin	17.7%	19.4%	+170 bps	
Variation excluding energy [(b)]			*+100 bps*	
Other Non-Recurring Operating Income and Expenses	33	(87)		
Net Profit (Group Share)	1,722	1,681	-2.4%	
Net Profit Recurring (Group share) [(c)]	1,627	1,681	+3.3%	
Net earnings per share *(in euros)* [(d)]	**2.99**	**2.92**	**-2.3%**	
Cash flow from operating activities before changes in working capital	3,211	3,155	-1.7%	
Net Capital Expenditure [(e)]	1,466	1,570		
Net Debt	€10.6 bn	€10.2 bn		
Net Debt to Equity ratio [(f)]	39.2%	35.2%		
Return on Capital Employed after tax - ROCE	10.0%	9.8%	-20 bps	
Recurring ROCE [(g)]	**10.2%**	**10.7%**	**+50 bps**	

(a) Change excluding the currency, energy and significant scope impacts, see reconciliation and impact of Argentina in appendix.
(b) See reconciliation in appendix.
(c) Excluding exceptional and significant transactions that have no impact on the operating income recurring, see reconciliation in appendix.
(d) Adjusted following the free share attribution in June 2024.
(e) Including transactions with minority shareholders.
(f) Adjusted to spread the dividend payment in the 1st half out over the full year.
(g) Based on the recurring net profit, see reconciliation in appendix.

Income Statement

REVENUE

Revenue *(in millions of euros)*	**H1 2023**	**H1 2024**	**2024/2023 published change**	**2024/2023 comparable change**
Gas & Services	13,405	12,796	-4.5%	+2.6%
Engineering & Construction	180	197	+9.3%	+9.9%
Global Markets & Technologies	395	386	-2.3%	-2.0%
TOTAL REVENUE	**13,980**	**13,379**	**-4.3%**	**+2.6%**

Revenue by quarter *(in millions of euros)*	**Q1 2024**	**Q2 2024**
Gas & Services	6,358	6,438
Engineering & Construction	92	105
Global Markets & Technologies	200	186
TOTAL REVENUE	**6,650**	**6,729**
2024/2023 Group published change	**-7.3%**	**-1.2%**
2024/2023 Group comparable change	**+2.1%**	**+3.1%**
2024/2023 Gas & Services comparable change	**+2.0%**	**+3.4%**

Group

Group revenue totaled **13,379 million euros** in the 1st half of 2024, posting a growth of **+2.6%** on a comparable basis. The contribution of Argentina [6] to the comparable growth is of +2.1%. **Global Markets & Technologies** sales were down by **-2.0%** due in particular to the divestiture of the technological activities for the Aeronautics sector. **Engineering & Construction** revenue from third party customers increased by **+9.9%**.

The Group's **published sales** were down **-4.3%** in the 1st half of 2024, affected by unfavorable energy (-3.5%) and currency (-3.4%) impacts. There was no significant scope impact.

Gas & Services

Gas & Services revenue reached **12,796 million euros** in the 1st half, **up by +2.6% on a comparable basis** (including a contribution of Argentina of +2.2%).

Growth in the **Industrial Merchant** business (**+2.0%**) continued in the 1st half of 2024 with a price effect of +4.2% in addition to the sharp increase (+10.7%) in the 1st half of 2023, and gas volumes down slightly. Revenue from **Large Industries** (**+1.1%**) benefited from the start-up of two large units in the 1st quarter and stronger demand from Chemicals customers in Europe and the United States in the 2nd quarter, but was impacted by the sale of a cogeneration unit in Europe and by customer turnarounds. The **Healthcare** business was the growth driver in the 1st half-year, with an increase in sales of **+9.1%**, supported by the growth of all therapies in Home Healthcare and an increase in the price of medical gases in an inflationary environment. Finally, in **Electronics** (**+0.3%**), sales returned to growth in the 2nd quarter and offset the decline observed in the 1st quarter reflecting the high basis of comparison at the beginning of 2023.

As published revenue for **Gas & Services** were down **-4.5%** in the 1st half of 2024, penalized by unfavorable energy (-3.7%) and currency (-3.4%) impacts. There was no significant scope impact in the 1st half.

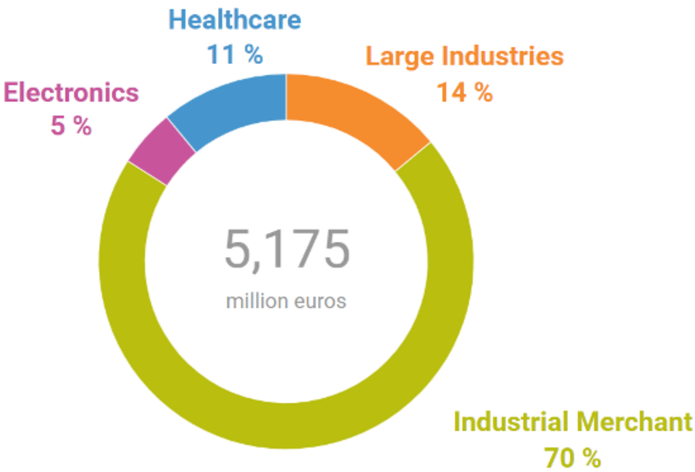
Revenue by geography and business line *(in millions of euros)*	**H1 2023**	**H1 2024**	**2024/2023 published change**	**2024/2023 comparable change**
Americas	5,159	5,175	+0.3%	+7.9%
Europe	4,975	4,475	-10.1%	-1.3%
Asia Pacific	2,763	2,593	-6.1%	-0.8%
Middle East & Africa	508	553	+8.8%	+7.1%
GAS & SERVICES REVENUE	**13,405**	**12,796**	**-4.5%**	**+2.6%**
Large Industries	4,060	3,457	-14.9%	+1.1%
Industrial Merchant	6,050	5,999	-0.8%	+2.0%
Healthcare	2,034	2,121	+4.3%	+9.1%
Electronics	1,261	1,219	-3.4%	+0.3%

(6) *See impact of Argentina in Appendix.*

Americas

Gas & Services revenue in the Americas reached **5,175 million euros** in the 1st half of 2024 and increased by **+7.9%** (including the contribution of Argentina for +5.7%). All businesses grew in the region. Large Industries (+8.1%) benefited from the start-up of a production unit and demand that firmed up in the 2nd quarter. In Industrial Merchant, revenue increased by +5.5%, supported by a price effect (+7.3%) that strengthened in the 2nd quarter. The growth was very strong in Healthcare (+23.3%). In the Electronics business (+9.2%), sales of Carrier Gases and of Equipment & Installations posted double-digit growth.

AMERICAS GAS & SERVICES H1 2024 REVENUE



- **Large Industries** saw revenue growth of **+8.1%** in the 1st half-year 2024. In the United States, air gas volumes benefited from the start-up of a major new unit in the 1st quarter. In the 2nd quarter, demand for hydrogen strengthened in the Chemicals sector and there were fewer customer maintenance turnarounds than at the beginning of the year. In Latin America, hydrogen volumes were down due to the nationalization of a production unit in Mexico at the end of 2023.
- Sales in the **Industrial Merchant** business posted an increase of **+5.5%**. The **price effect** (**+7.3%**) increased over the half-year, from +6.5% in the 1st quarter to +8.1% in the 2nd quarter. It benefited from proactive price campaigns, particularly in the United States (50% of the +8.1% increase in the 2nd quarter) and in Argentina to counter hyperinflation (40% of the +8.1% increase). Gas volumes (excluding hardgoods) remained resilient. In the United States, the trend is improving in most industrial markets, which remain price-driven. Gas volumes were up mainly in the Aeronautics and Research sectors.
- In the **Healthcare** business, sales rose sharply by **+23.3%** in the 1st half-year 2024, driven by the strong increase in prices in the United-States (+5.8%) in Proximity care and in Argentina in a context of hyperinflation. In the 1st semester, medical gas volumes were slightly up in the United-States and the number of new Home Healthcare patients increased in Canada and in Latin America.
- **Electronics** posted a sharp increase in revenue of **+9.2%** in the 1st half-year. Carrier gas sales saw a double-digit increase, supported by the ramp-up of new units and the increase in helium volumes. Sales of Equipment & Installations reached a historically high level in the 1st half-year 2024, while sales of materials remained down.

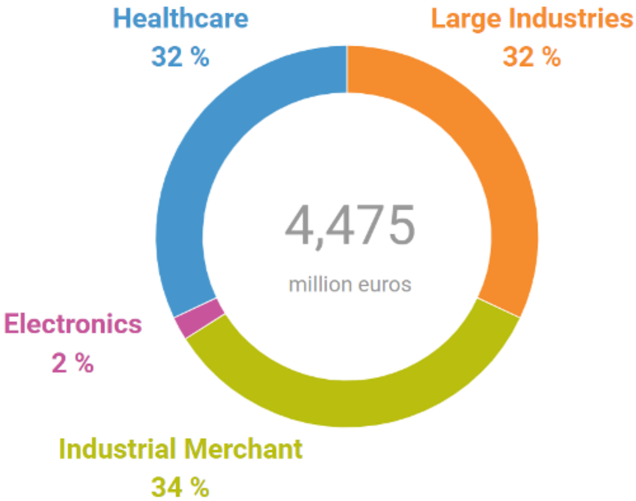
AMERICAS

- Air Liquide plans to invest up to **850 million dollars** to build, own and operate **four Large Modular Air separation units** as well as related infrastructure in the framework of a long-term binding agreement with **ExxonMobil** for its planned low-carbon hydrogen project in **Baytown, TX**. This will enable Air Liquide to **increase its oxygen production capacity by 50% in Texas**. Pending final investment decision, this major project would mark **the largest industrial investment in the history of the Air Liquide Group**. This new Air Liquide Baytown low-carbon platform would deliver primarily **vast amounts of low-carbon oxygen and nitrogen** to ExxonMobil, and also **significant volumes of argon**, krypton and xenon to other Air Liquide's customers, notably in **Industrial Merchant**. This agreement also leverages existing Air Liquide's **pipelines** infrastructure to support **low-carbon hydrogen** development. Thanks to low-carbon electricity supply and Air Liquide's innovative solution, the **CO_2 footprint** of oxygen production will be **reduced by two-thirds**. This major investment would represent the **largest low-carbon oxygen production platform in the Americas**.
- Air Liquide will build a **new industrial gas production facility** in the United States to supply a new fab of one of the world's leading **semiconductor** manufacturers. In the framework of a long-term contract, the plant will provide **large volumes of high purity industrial gases for the production of memory chips**. Air Liquide will invest over **250 million dollars** in this state-of-the art production unit.

Europe

In Europe, sales were down slightly by **-1.3%** in the 1st half of 2024 and reached **4,475 million euros**. In Large Industries (-1.7%), excluding the sale of a cogeneration unit in the first quarter, revenue was up. In Industrial Merchant (-5.2%), volumes contracted but the price effect improved in the 2nd quarter. The Healthcare business posted solid sales growth (+4.4%), supported by the development of Home Healthcare and Medical Gases.

EUROPE GAS & SERVICES H1 2024 REVENUE



- In the 1st half of 2024, revenue from **Large Industries** was down by **-1.7%**. Volumes increased in Chemicals compared to a low level in the 1st half of 2023. They remained stable overall in Steel and Refining. The comparable growth would be positive by excluding the divestiture of a cogeneration unit in the 1st quarter (approximately -4% impact in the 1st half).
- Sales in the **Industrial Merchant** business declined by **-5.2%** following growth of +18.1% in the 1st half of 2023. The price effect (-1.2%) improved in the 2nd quarter (-0.5%) compared to -1.9% in the 1st quarter. The decrease in the price of bulk (indexed to energy prices) was largely offset by the proactive increase in the price of packaged gases, with a specific focus on the creation of value through innovation and on the quality of service to customers. Volumes were down with the exception of liquefied CO_2. They increased in the Manufacturing, Automotive and Aeronautics sectors but declined in the Food and Glass industry markets.
- In the **Healthcare** business, sales increased by **+4.4%** in the 1st half-year. Home Healthcare continued its dynamic growth, with a sharp increase in the number of patients cared for, particularly for sleep apnea and diabetes. Growth in sales of medical gases remained solid, supported by a balanced contribution from volumes and prices in an inflationary context.

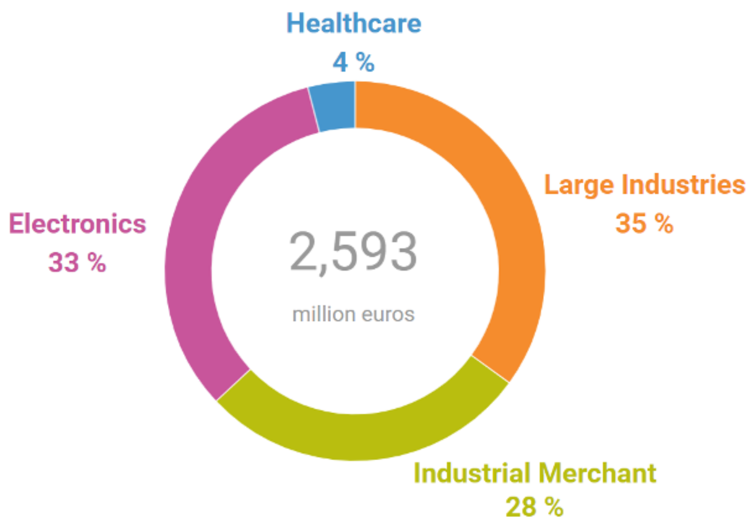
EUROPE

- The CO_2 infrastructure **D'Artagnan project** of Air Liquide and Dunkerque LNG reached a **major milestone** and received the **support of the European Union**. This CO_2 transportation and exportation infrastructure is part of the "**Cap Décarbonation**" initiative, which aims to **reduce CO_2 emissions by 1.5 million tonnes each year** in the industrial basin of Dunkirk (France). The D'Artagnan project will include an Air Liquide **pipeline** to transport CO_2 from the sites of capture as well as a **terminal** located in the port of Dunkirk to liquefy and load CO_2 on ships. The first CO_2 infrastructure project in France to receive support from the European Union, D'Artagnan would benefit from a **grant of more than 160 million euros** as part of the CEF-E (Connecting Europe Facility for Energy) funding program if the project is implemented.

Asia Pacific

Revenue in the Asia Pacific region was nearly stable (**-0.8%**) in the 1st half of 2024 and amounted to **2,593 million euros**. In Large Industries (-0.9%), the start-up of a new unit in March partially offset customer turnarounds. Industrial Merchant's sales (-0.6%) were impacted by the marked decline in helium sales, which was largely offset by the increase in volumes of other gases. Electronics revenue was also flattish (-0.6%), with growth in Carrier Gases and Advanced Materials sales offsetting the decline in Equipment & Installation sales.

ASIA PACIFIC GAS & SERVICES H1 2024 REVENUE



- **Large Industries** revenue was down slightly by **-0.9%** in the 1st half of 2024. In China, several customer turnarounds were offset by the contribution of the start-up of a large hydrogen production unit in March. In the rest of Asia, demand was relatively stable.
- In **Industrial Merchant**, revenue was nearly stable (**-0.6%**) with a neutral price effect (+0.1%) in the 1st half-year. It turned negative in the 2nd quarter (-1.1%), impacted by the decrease in helium prices. In China, the Automotive, Manufacturing and Secondary Electronics sectors notably drove volume growth excluding helium; in particular, the volumes of packaged gases increased sharply (+12%). In the rest of Asia, the increase in sales benefited from a positive price effect and an increase in volumes, particularly of bulk.
- Sales in **Electronics** were flattish (**-0.6%**) in the 1st half: down by -1.7% in the 1st quarter compared to a high basis of comparison in 2023, they increased by +0.6% in the 2nd quarter. The increase in Carrier Gases sales, with the start-up of three new units in the 1st half of 2024, and advanced materials, almost completely offset the low sales of Equipment & Installations.

Middle East and Africa

Revenue in the Middle East & Africa region increased sharply by **+7.1%** to **553 million euros** in the 1st half of 2024. All business lines grew. In Large Industries, hydrogen volumes in Saudi Arabia and air gas volumes in Egypt were both high. The sharp growth in Industrial Merchant sales was supported by a strong price effect. In Healthcare, the rise in medical gas volumes in South Africa and the development of diabetes treatment in Saudi Arabia were the main contributors to revenue growth.

MIDDLE EAST AND AFRICA

- Air Liquide has **finalized the sale** to **Adenia Partners Ltd** of its activities in the following **twelve countries in Africa**: Benin, Burkina Faso, Cameroon, Congo, Côte d'Ivoire, Gabon, Ghana, Madagascar, Mali, Democratic Republic of Congo, Senegal and Togo. These activities represent a **total annual sales of about 60 million euros** (less than 10% of the Group's sales in Africa).
- Air Liquide and Sasol have announced new **renewable Power Purchase Agreements (PPAs)** with **Enel Green Power RSA** for the **long term** supply of an additional capacity of **110 MW** to **Sasol's Secunda site** in **South Africa**. This is the fourth set of PPAs signed by Air Liquide and Sasol after those announced in 2023. Together, these PPAs represent a **total renewable power capacity of around 690 MW**. For Air Liquide, these contracts will enable an **annual reduction of approximately 1.2 million tonnes in its CO_2 emissions** and will largely contribute to the objective to reduce the local emissions of its air separation units by 30% to 40% by 2031.

Global Markets & Technologies

Sales in the Global Markets & Technologies business amounted to **386 million euros** in the 1st half of 2024, a decrease of **-2.0%** on a comparable basis. The increase in sales of technological equipment (Turbo-Braytons, biogas equipment, hydrogen refueling stations, etc.) and the increase in hydrogen volumes for mobility in the United States partially offset the impact of the divestiture of the technological activities for the Aeronautical sector at the end of February and the decrease in biogas prices.

Order intake for Group projects and third-party customers amounted to **416 million euros**. This includes more than 40 Turbo-Brayton LNG reliquefaction units, special systems for the Electronics and Space industries, and equipment for the transportation and distribution of hydrogen and air gases.

Engineering & Construction

Consolidated revenue from Engineering & Construction totaled **197 million euros** in the 1st half of 2024, up **+9.9%** compared to the 1st half of 2023.

Order intake for the Group and third-party customers amounted to **557 million euros** in the 1st half. The first phase of the Group's major project with ExxonMobil in Baytown, Texas (United States), which involves the construction of four large modular Air Separation Units, contributes to this amount. Order intake also includes installations for the hydrogen supply chain. Group orders represent a large majority of new projects.

OPERATING INCOME RECURRING

Operating income recurring before depreciation and amortization totaled **3,828 million euros**, an increase of +3.2% as published compared with the 1st half of 2023. **Purchases** were down significantly by **-13.3%**, due to the decrease in energy costs. Purchases of materials and equipment were stable and the increase in **personnel costs** was limited to **+2.1%** in an inflationary context. The net balance of **other operating income and expenses** improved by **+0.6%**.

Depreciation and amortization amounted to **1,227 million euros** and were stable (**-0.2%**) compared with the 1st half of 2023, with the impact of contract renewals and the end of depreciation and amortization offsetting the start-up of new units.

The Group's **operating income recurring (OIR)** reached **2,601 million euros** in the 1st half of 2024. It increased by +4.9% and by **+10.6% on a comparable basis** [7], which is significantly higher than the comparable sales growth of +2.6%. The **operating margin** (OIR to revenue) stood at **19.4%, a strong improvement of +100 basis points excluding the energy impact** (no impact from Argentina). The increase was +170 basis points as published due in particular to the accretive effect linked to the decrease in energy costs contractually passed through to Large Industries customers.

Efficiencies [8] contributed to this margin improvement and amounted to **233 million euros**, up sharply by **+13.1%** compared to the 1st half of 2023. The Group's **transformation** programs accounted for a quarter of the efficiencies and included in particular the rollout of digital resources to support operations and the optimization of the supply chain, the implementation of shared service centers and the reorganization of the Home Healthcare businesses in France. The rollout of a single ERP for the Europe region and a new simplified Group organization will contribute to future efficiencies. Efficiencies related to **purchases**, which account for more than a quarter of the total, were high despite an inflationary context. In addition, the cross-functional program of **continuous improvement** actively supported the achievement of more than a third of efficiencies. It includes numerous industrial efficiency projects, deployed thanks to a digital platform to help replicate initiatives and a network of committed experts.

Management of prices and of the portfolio of activities also contributed to the margin improvement.

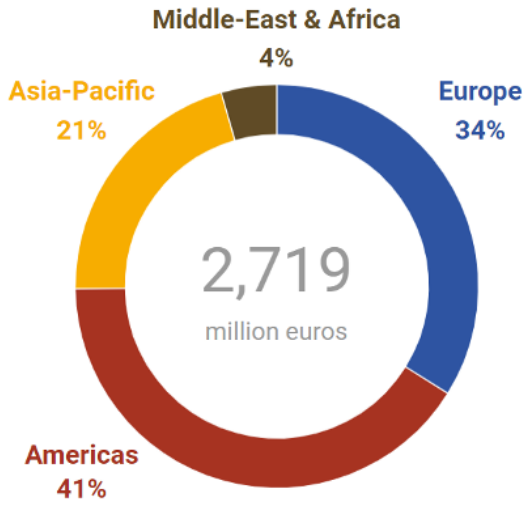
EFFICIENCIES

- Capitalizing on its ADVANCE strategic plan for 2025, on an enhanced performance ambition and on a record-high number of investment opportunities, Air Liquide has launched a **new Group transformation program** to foster **agility** and improve **efficiency**. To support this program, the Group announced **several organizational and governance changes**, to be effective September 1, 2024.

[7] *Including a contribution of Argentina for +4.4%.*
[8] *See definition in appendix.*

Gas & Services

H1 2024 GAS & SERVICES OPERATING INCOME RECURRING



Operating income recurring for the **Gas & Services** businesses amounted to **2,719 million euros,** an increase as published of **+5.1%** compared with the 1st half of 2023. The **operating margin** as published stood at **21.2%**, a significant improvement of **+110 basis points excluding the energy impact** compared with the 1st half of 2023.

Prices in the **Industrial Merchant** business were up **+4.2%** in the 1st half, demonstrating the Group's ability to pass through cost increases. Prices were also up in Large Industries and Healthcare.

Gas & Services Operating margin [a]	H1 2023	H1 2024	2024/2023 excluding energy impact
Americas	19.9%	21.5%	+120 bps
Europe	17.0%	20.6%	+170 bps
Asia Pacific	22.1%	21.7%	-50 bps
Middle East & Africa	20.0%	21.9%	+320 bps
TOTAL	**19.3%**	**21.2%**	**+110 bps**

(a) Operating income recurring / revenue as published.

Operating income recurring in the **Americas** reached **1,112 million euros** over the 1st half of 2024, an increase of **+8.1%** as published. **Excluding the energy passthrough impact**, the operating margin increased by **+120 basis points** compared with the 1st half of 2023. The Industrial Merchant business and, to a lesser extent, Healthcare made the strongest contribution, notably through significant efficiencies and price increases.

Operating income recurring in **Europe** amounted to **922 million euros**, an increase as published of **+8.9%** compared with the 1st half of 2023. **Excluding the energy passthrough impact**, the operating margin improved very significantly by **+170 basis points** compared with the 1st half of 2023. In Industrial Merchant, significant efficiencies and accretive price management supported margin growth. The efficiencies generated in Healthcare and the payment of an indemnity by a Large Industries customer also contributed to this.

In **Asia Pacific**, operating income recurring stood at **564 million euros**, a decrease as published of **-7.7%**. **Excluding the energy passthrough impact**, the operating margin decreased by **-50 basis points**. In the 1st half of 2023, the payment of an indemnity by a Large Industries customer contributed significantly to the improvement in the margin. Excluding this exceptional effect in 2023, the operating margin increased in the 1st half of 2024, driven by efficiencies generated in the Industrial Merchant, Electronics and Large Industries businesses, despite the dilutive effect of lower helium volumes and prices.

Operating income recurring in the **Middle East and Africa** region amounted to **121 million euros**, representing an increase of **+19.6%** as published compared with the 1st half of 2023. **Excluding the energy passthrough impact**, the operating margin grew by **+320 basis points**. Efficiencies and higher volumes across all businesses contributed to this improvement. The increase in prices, particularly in Industrial Merchant, also contributed to the margin improvement.

Engineering & Construction

Operating income recurring for **Engineering & Construction** amounted to **19 million euros** in the 1st half of 2024, or 9.9% of sales, in line with medium-term business objectives.

Global Markets & Technologies

Operating income recurring for **Global Markets & Technologies** stood at **63 million euros**, a slight decrease of **-1.4%** compared with the 1st half of 2023. The operating margin reached **16.4%**, an increase of **+20 basis points** compared with the 1st half of 2023.

Research & Development and Corporate costs

Research & Development expenses and Corporate costs totaled **201 million euros**, a rise of +6.4% compared with the 1st half of 2023.

NET PROFIT

Other operating income and expenses showed a net balance of **-87 million euros** in the 1st half of 2024. Other operating expenses amounted to -125 million euros and notably included restructuring costs. Other operating income amounted to 38 million euros and mainly reflected capital gains on the divestiture of businesses. As a reminder, in the 1st half of 2023, other operating income and expenses showed a positive net balance of 33 million euros which benefited from the sales of the Group's stake in Hydrogenics.

Financial income and expenses amounted to **-216 million euros**, stable compared with -211 million euros in the 1st half of 2023. It included net finance costs of -129 million euros, up +9.3% compared to the 1st half of 2023, which benefited from the proceeds generated by the early redemption of bonds in US dollars. When excluding this exceptional proceeds from the 2023 comparison basis, net finance costs decrease by -7.8%. The **average cost of net debt** of **3.4%** was only slightly higher than in the 1st half of 2023 (3,3% [9]), despite the increase in interest rates, 81% [10] of the Group's gross debt being at fixed rates at the end of June 2024. Other financial income and expenses amounted to -87 million euros, compared to -93 million euros in the 1st half of 2023.

The **tax expense** was **543 million euros**, corresponding to an effective tax rate of **23.6%**, slightly up compared to the 1st half of 2023 (23.4%). These relatively low effective rates are explained by non-recurring items in the 1st half of 2024 and a reduced tax rate on the capital gain on the divestiture of the Group's stake in Hydrogenics in the 1st half of 2023.

The **share of profit of associates** amounted to **-5 million euros**.

The **share of minority interests in net profit** totaled **69 million euros**, up from 44 million euros in the 1st half of 2023, amount impacted by the impairment of an intangible asset in a company not 100% owned by the Group.

Net profit (Group share) amounted to **1,681 million euros** in the 1st half of 2024, down -2.4% as published. In the absence of significant non-recurring items [11] in the 1st half of 2024, net profit recurring (Group share) [12] was also 1,681 million euros, up **+3.3% on a reported basis. Excluding currency impact, net profit recurring** (Group share) [12] was up by +16.0% and increased by **+5.0%** when excluding the contribution of Argentina.

Net earnings per share amounted to **2.92 euros per share**, a decline of **-2.3%** compared with the 1st half of 2023, in line with the change in net profit (Group share) as published. Recurring net earnings per share were up +3.2%. The average number of outstanding shares used for the calculation of net earnings per share as of June 30, 2024 was **576,342,279**.

CHANGE IN THE NUMBER OF SHARES

	H1 2023	H1 2024
Average number of outstanding shares	575,808,001 [a]	576,342,279

(a) Adjusted following the free share attribution in June 2024.

[9] The average cost of net debt in the 1st half of 2023 does not include the exceptional proceeds related to the early redemption of bonds denominated in US dollars.
[10] Temporary increase of Commercial papers (variable rate) in a context of potential liquidity tensions.
[11] With no impact on operating income recurring.
[12] See definition and reconciliation in appendix.

Change in Net debt

Cash flows from operating activities before changes in working capital amounted to **3,155 million euros** during the 1st half of 2024, down by -1.7%. This amounted to a high level of **23.6% of sales**. Calculated from a net profit showing a change of -2.4% as published, the -1.7% decrease of the cash flows from activities before changes in working capital is mainly explained by higher current taxes in the 1st half of 2024 compared with those of 2023 which benefited from favorable exceptional items.

The limited increase of **282 million euros** in the **working capital requirement** (WCR) compared to December 31, 2023 reflects in particular the increase in helium reserves stored in the Group's cavern in Germany, a decrease in trade payables due to the lower energy prices in the period and a slight increase in trade receivables. **Net cash flows from operating activities after changes in working capital** amounted to **2,845 million euros**, a decrease of **-3.9%** compared with the 1st half of 2023.

Gross capital expenditure totaled **1,699 million euros**. It includes payments on industrial investments in the amount of 1,656 million euros and financial investments in the amount of 43 million euros. The **proceeds from sale of assets** amounted to **97 million euros** and notably include the divestiture of technological activities for the Aeronautics sector (Global Markets and Technologies). They compare with 252 million euros in the 1st half of 2023, which included the sale of the Group's stake in Hydrogenics and of the Large Industries business in Trinidad and Tobago. **Net capital expenditure** [13] totaled **1,570 million euros**.

Net debt at June 30, 2024 reached **10,156 million euros**, a decrease of 394 million euros compared with June 30, 2023 and an increase of 935 million euros compared with December 31, 2023, following the payment of more than 1.7 billion euros in dividends in May. The **net debt-to-equity ratio**, adjusted for the seasonal effect of the dividend payment, reached **35.2%**.

The **return on capital employed after tax (ROCE)** was 9.8% for the 1st half of 2024. At **10.7%, recurring ROCE** [14] remained above the target of more than 10% in the Advance strategic plan, and was up sharply by **+50 basis points** compared to the 1st half of 2023.

GREEN BOND EMISSION

- Air Liquide has successfully issued a **new 500 million euros green bond**, in line with its ambition to combine growth and sustainable development. The Group intends to use the proceeds from the issuance to finance or refinance flagship **energy transition** and **sustainable projects**, in particular in low-carbon hydrogen, carbon capture and low-carbon air gases. This new issuance confirms Air Liquide as a **regular ESG issuer**, after its inaugural 2021 green bond issue.

(13) Including transactions with minority shareholders and dividends received from equity affiliates.
(14) See definition and reconciliation in appendix.

Extra-financial performance

In the 1st half-year, the Group continued to decarbonize its assets by rolling out actions aligned with the three levers: low-carbon energy supply, asset management and CO_2 capture.

In order to r**educe its Scope 2 emissions**, in the 1st half-year Air Liquide announced long-term power purchase agreements (PPAs) for the supply of **500 GWh of renewable electricity per year** for its units in South Africa, Brazil and Germany.

The Group also decided on the **electrification of a third Air Separation Unit** in China, which will reduce its Scope 2 emissions by around **340,000 metric tons of CO_2 per year**. Air Liquide announced the construction of **more energy efficient** carrier gas units for an Electronics customer in Singapore and the United States.

In addition, the Group uses high-performance solutions to **reduce its direct CO_2 emissions (Scope 1)**. Thus, a **Cryocap™ carbon capture** unit is under construction to decarbonize the Group's largest hydrogen production unit in Europe.

Furthermore, in the 1st half-year, Air Liquide continued to develop projects that will **significantly reduce the carbon footprint of its customers**. In the United States, this includes the first phase of investment in a site for the production of large quantities of low-carbon air gases, allowing the customer to produce hydrogen with a low carbon footprint by capturing and sequestering **7 million metric tons of CO_2 per year**. In Europe, Air Liquide received support from the European Commission via a 160 million euro grant for the D'Artagnan project, the central link in the CO_2 capture and sequestration chain, which aims to reduce emissions from the Dunkirk industrial basin (France) by **1.5 million metric tons per year**.

Finally, in order to actively contribute to the **decarbonization of mobility**, the Group decided to invest in the logistics chain downstream of the Normand'Hy electrolyzer in France and created the TEAL joint venture with TotalEnergies, which aims to roll out more than 100 hydrogen refueling stations for trucks in Europe in the next 10 years.

SUSTAINABLE DEVELOPMENT

- Air Liquide is taking a proactive approach in **sustainable biomethane production** with the adoption of an **internal charter**, defined in collaboration with various field experts and WWF France. With the release of this charter going beyond current regulations, the Group is committed to measure and track progress towards **more sustainable production**, while contributing to the **development of a worldwide production framework**.

INVESTMENT CYCLE

INVESTMENT DECISIONS AND INVESTMENT BACKLOG

In the 1st half of 2024, **industrial and financial investment decisions** amounted to **1,630 million euros**, compared with 1,798 million euros in the 1st half of 2023.

The **industrial investment decisions** for the 1st half of 2024 reached **1,587 million euros**. In **Large Industries**, they concern in particular the first investment phase for 120 million euros (out of a total of 850 million US dollars) for the major project announced with ExxonMobil in Baytown, Texas (United States). This involves building four large modular Air Separation Units (LMAs) as part of a long-term contract to supply low-carbon oxygen and nitrogen allowing the customer to produce, in particular, low-carbon hydrogen for the synthesis of ammonia and the decarbonization of existing facilities. These decisions also include the electrification of an existing Air Separation Unit (ASU) in China, which currently consumes steam produced by the customer from coal. It is the third ASU of this type to be electrified in China and will contribute to the reduction of CO_2 emissions accounted for under Scope 2. In the **Industrial Merchant** business line, the decisions include on-site gas generation units, in particular two units to supply oxygen to a customer in the Pharmaceuticals sector in Europe, as well as investments in the production and distribution of argon in Europe and the United States. The development of the **Electronics** business continues, notably with the extension of advanced materials production units in the United States and Japan. Lastly, in the **Global Markets and Technologies** business, decisions mainly concern the logistics chain for hydrogen mobility, downstream of the Normand'Hy electrolyzer in France.

Financial investment decisions totaled **43 million euros** in the 1st half of 2024. They included in particular several small acquisitions in **Industrial Merchant** in China, the United States, Canada and Italy. They also included a small acquisition in Europe in Home Healthcare and a capital contribution to the joint venture created with TotalEnergies, which will deploy a network of refueling stations for the hydrogen mobility of trucks in Europe.

The **investment backlog** maintained a very high level of **4.1 billion euros** in the 1st half of 2024, compared to 3.5 billion euros in the 1st half of 2023. They consisted of more than 80 projects with a balanced geographical distribution. Large Industries accounted for nearly half of these investments and Electronics more than one third.

INVESTMENTS

- Air Liquide announced an **investment of over 50 million euros** to build a **new innovative plant in Singapore** and **revamp its existing facilities in Malta** (New York, **U.S.**), supplying high purity nitrogen to **GlobalFoundries** (GF). These Air Liquide projects will enable GlobalFoundries to benefit from higher energy efficiencies.

START-UPS

The **main start-ups** in the 1st half of 2024 included:

- to supply customers in **Large Industries** and **Industrial Merchant**: a major hydrogen and CO production unit integrating a CO_2 capture and recycling system for Chemicals customers in China, a large air separation unit in the United States, and medium-sized units in Egypt, India and China;
- in the **Electronics** business, in particular, a large ultra-pure carrier gas plant in Japan and medium scale units in Taiwan and the United States.

The **additional contribution to sales** of unit start-ups and ramp-ups totaled **108 million euros** in the 1st half of 2024. Over the year, it is expected to be **between 230 and 250 million euros**, a contribution slightly lower than that initially planned, volumes being lower in a context of soft demand and a limited number of start-ups of new units having been postponed for a few months. In 2025, the additional contribution to sales from unit ramp-ups and start-ups should be more than 250 million euros.

INVESTMENT OPPORTUNITIES

The **portfolio of 12-month investment opportunities** reached a **record level** of **4.0 billion euros** at the end of June 2024. Projects at the heart of the **energy transition** represent **more than 40% of the portfolio** and are located mainly in the Americas, with notably the major project with ExxonMobil in Baytown, Texas (United States), and in Europe, where large electrolyzer and carbon capture projects are in an advanced development phase. Opportunities in Electronics are now spread across Asia, Europe and the United States. The **portfolio of opportunities at more than 12 months** is growing and has reached a very high level. It includes in particular significant projects in the energy transition and the Electronics sector.

RISK FACTORS

There was no change in risk factors during the first half. Risk factors are described in the 2023 Universal Registration Document on pages 72 to 89.

OUTLOOK

Air Liquide once again delivered **a very solid financial performance** in the first half of 2024 **with a significant increase in its operating margin**, supported by **the acceleration** of **structural efficiencies**. In a persistently subdued market environment, the Group recorded **growth in sales on a comparable basis**, reflecting the solidity of its business model. Air Liquide successfully continued the rollout of its **ADVANCE strategic plan**, for which **the margin ambition** was **raised** at the beginning of the year. At a time when the Group has never had so many opportunities related to the energy transition and to the growth of digital and artificial intelligence, it is also preparing for the future, **simplifying its organization** to improve its performance and **developing major projects** that will strengthen its long-term growth momentum.

In the first half of 2024, **Group sales were up by +2.6% on a comparable basis** (15), with a sequential **improvement between the first and second quarters**. On a published basis, sales were at -4.3%, due to negative currency impacts and lower energy prices - for which variations are contractually passed through to Large Industries customers. Gas & Services, which represent more than 95% of Group revenue, saw an increase of +2.6% (15) on a comparable basis in the first half of 2024, supported in particular by the dynamism of the **Healthcare** business and the **Americas**.

In line with its ADVANCE plan and raised performance ambition, Air Liquide achieved in the first half of 2024 **a significant improvement of +100 basis points in its operating margin** excluding the energy impact. **Efficiencies have now reached 233 million euros**, thanks to approximately 1,000 operational efficiency projects, to business portfolio management and to price adjustments in Industrial Merchant, based on the ability of the teams to create added value for its customers.

The Group's **net profit recurring** (16) excluding currency impact **rose** by +16%, and **+5%** excluding the contribution of Argentina in the first half of 2024. **The cash flows from operating activities before changes in working capital remained very strong** with a **ratio to sales of 24%**, enabling financing of the investments needed for future growth. At **10.7%** at the end of June, **recurring ROCE** (17) has continued to improve, exceeding 10% in line with the ADVANCE objectives.

The investment backlog remains at a very high level of **4.1 billion euros**, and is well diversified in terms of geographies. The **portfolio of 12-month investment opportunities** increased to **4 billion euros**, mainly in the Americas and Europe. More than 40% of these are **related to the energy transition**. The Group is thus successfully pursuing the development of large-scale projects, in particular in the fields of decarbonization and semiconductors.

In 2024, Air Liquide is confident in its ability to further increase its operating margin and to deliver recurring net profit growth, at constant exchange rates (18).

(15) *See appendix for impact of Argentina.*
(16) *Excluding exceptional and significant transactions that have no impact on the operating income recurring, see reconciliation in appendix.*
(17) *Based on the recurring net profit, see reconciliation in appendix.*
(18) *Operating margin excluding energy passthrough impact. Recurring net profit excluding exceptional and significant transactions that have no impact on the operating income recurring.*

APPENDICES

Performance indicators

Performance indicators used by the Group that are not directly defined in the financial statements have been prepared in accordance with the AMF position 2015-12 about alternative performance measures.

The performance indicators are the following:

- Currency, energy and significant scope impacts
- Comparable sales change and comparable operating income recurring change
- Operating margin and operating margin excluding energy impact
- Recurring net profit Group share
- Recurring net profit excluding currency impact
- Net Profit Excluding IFRS16
- Net Profit Recurring Excluding IFRS16
- Efficiencies
- Return on Capital Employed (ROCE)
- Recurring ROCE

DEFINITION OF CURRENCY, ENERGY AND SIGNIFICANT SCOPE IMPACTS

Since industrial and medical gases are rarely exported, the impact of currency fluctuations on activity levels and results is limited to euro translation impacts with respect to the financial statements of subsidiaries located outside the eurozone. **The currency impact** is calculated based on the aggregates for the period converted at the exchange rate for the previous period.

In addition, the Group passes on variations in the cost of energy (electricity and natural gas) to its customers via indexed invoicing integrated into their medium and long-term contracts. This indexing can lead to significant variations in sales (mainly in the Large Industries Business Line) from one period to another depending on fluctuations in prices on the energy market.

An energy impact is calculated based on the sales of each of the main subsidiaries in Large Industries. Their consolidation allows the determination of the energy impact for the Group as a whole. The foreign exchange rate used is the average annual exchange rate for the year N-1. Thus, at the subsidiary level, the following formula provides the energy impact, calculated for natural gas and electricity respectively:

Energy impact =
Share of sales indexed to energy year (N-1) x (Average energy price in year (N) - Average energy price in year (N-1))

This indexation effect of electricity and natural gas does not impact the operating income recurring.

The significant scope impact corresponds to the impact on sales of all acquisitions or disposals of a significant size for the Group. These changes in scope of consolidation are determined:

- for acquisitions during the period, by deducting from the aggregates for the period the contribution of the acquisition,
- for acquisitions during the previous period, by deducting from the aggregates for the period the contribution of the acquisition between January 1 of the current period and the anniversary date of the acquisition,
- for disposals during the period, by deducting from the aggregates for the previous period the contribution of the disposed entity as of the anniversary date of the disposal,
- for disposals during the previous period, by deducting from the aggregates for the previous period the contribution of the disposed entity.

Calculation of performance indicators (Semester)

COMPARABLE SALES CHANGE AND COMPARABLE OPERATING INCOME RECURRING CHANGE

Comparable changes for sales and operating income recurring exclude the currency, energy and significant scope impacts described above.

(in millions of euros)	H1 2024	2024/2023 Published Growth	Currency impact	Natural gas impact	Electricity impact	Significant scope impact	H1 2024/2023 Comparable Growth
Revenue							
Group	13,379	-4.3%	(471)	(363)	(133)	0	+2.6%
Impacts in %			*-3.4%*	*-2.6%*	*-0.9%*	*+0.0%*	
Gas & Services	12,796	-4.5%	(468)	(363)	(133)	0	+2.6%
Impacts in %			*-3.4%*	*-2.8%*	*-0.9%*	*+0.0%*	
Operating Income Recurring							
Group	2,601	+4.9%	(142)	—	—	—	+10.6%
Impacts in %			*-5.7%*	—	—	—	
Gas & Services	2,719	+5.1%	(141)	—	—	—	+10.5%
Impacts in %			*-5.4%*	—	—	—	

Contribution of Argentina is of +2.1% to the Group's sales comparable growth and of +4.4% to the operating income recurring comparable growth. For the Gas & Services activity, the contributions are respectively +2.2% and +4.2%.

Contribution of Argentina is calculated by the difference between the amounts consolidated at Group level and these same amounts consolidated excluding data from Argentina. The same method applies to the Gas & Services activity.

OPERATING MARGIN AND OPERATING MARGIN EXCLUDING ENERGY IMPACT

The operating margin is the ratio of the operating income recurring divided by revenue. The operating margin excluding energy impact corresponds to the operating income recurring (not affected in absolute value by the the cost of energy contractually re-invoiced to Large Industries customers) divided by revenue excluding the energy impact to which is attached the corresponding currency impact. The ratio of operating income recurring divided by the revenue (whether restated or not from the energy impact) is calculated with rounding to one decimal place. The variation between 2 periods is calculated as the difference between these rounded ratios, which can result in positive or negative differences compared to a more precise calculation, due to rounding.

		H1 2024	Natural gas impact [(a)]	Electricity impact [(a)]	H1 2024 excluding energy impact
Revenue	Group	13,379	(380)	(145)	13,904
	Gas & Services	12,796	(380)	(145)	13,321
Operating Income Recurring	Group	2,601			2,601
	Gas & Services	2,719			2,719
Operating Margin	**Group**	**19.4 %**			**18.7 %**
	Gas & Services	**21.2 %**			**20.4 %**

(a) Including the currency impact attached to the considered energy impact.

RECURRING NET PROFIT GROUP SHARE AND RECURRING NET PROFIT GROUP SHARE EXCLUDING CURRENCY IMPACT

The recurring net profit Group share corresponds to the net profit Group share excluding exceptional and significant transactions that have no impact on the operating income recurring.

	H1 2023	H1 2024	2024/2023 variation
(A) Net Profit (Group Share) - As Published	**1,721.6**	**1,680.9**	**-2.4%**
(B) Exceptional and significant transactions after-tax with no impact on OIR			
■ Sales of Group stake in Hydrogenics	156.5		
■ Impairment of an intangible asset and of assets held for sale	(61.6)		
(A) - (B) = Net Profit Recurring (Group Share)	**1,626.7**	**1,680.9**	+3.3%
(C) Currency impact		(205.9)	
(A) - (B) - (C) = Net Profit Recurring (Group Share) excluding currency impact		**1,886.8**	+16.0%

The net profit recurring (Group share) excluding currency impact is up +5.0% when excluding the contribution of Argentina. Contribution of Argentina is calculated by the difference between the amounts consolidated at Group level and these same amounts consolidated excluding data from Argentina.

NET PROFIT EXCLUDING IFRS16 AND NET PROFIT RECURRING EXCLUDING IFRS16

Net Profit excluding IFRS16:

	H1 2023	FY 2023	H1 2024
(A) Net Profit as Published	**1,765.6**	**3,188.4**	**1,749.6**
(B) = IFRS16 Impact [(a)]	(7.1)	(17.8)	(15.5)
(A) - (B) = Net Profit excluding IFRS16	**1,772.7**	**3,206.2**	**1,765.1**

(a) The IFRS16 impact includes the reintegration of leasing expenses, less depreciation and other financial expenses booked in relation to IFRS16.

Net Profit Recurring excluding IFRS16:

	H1 2023	FY 2023	H1 2024
(A) Net Profit as Published	**1,765.6**	**3,188.4**	**1,749.6**
(B) Exceptional and significant transactions after-tax with no impact on OIR	70.2	(266.1)	0.0
(A) - (B) = Net Profit recurring	**1,695.4**	**3,454.5**	**1,749.6**
(C) IFRS16 Impact(a)	(7.1)	(17.8)	(15.5)
(A) - (B) - (C) = Net Profit recurring excluding IFRS16	**1,702.5**	**3,472.3**	**1,765.1**

(a) The IFRS16 impact includes the reintegration of leasing expenses, less depreciation and other financial expenses booked in relation to IFRS16.

EFFICIENCIES

Efficiencies represent a sustainable cost reduction resulting from an action plan on a specific project. Efficiencies are identified and managed on a per project basis. Each project is followed by a team composed in alignment with the nature of the project (purchasing, operations, human resources...).

RETURN ON CAPITAL EMPLOYED – ROCE

Return on capital employed after tax is calculated based on the Group's consolidated financial statements, by applying the following ratio for the period in question.

For the numerator: net profit excluding IFRS16 - net finance costs after taxes for the period in question.

For the denominator: the average of (total shareholders' equity excluding IFRS16 + net debt) at the end of the past three half-years.

(in millions of euros)		H1 2023 (a)	FY 2023 (b)	H1 2024 (c)	ROCE Calculation
Numerator (b)-(a)+(c)	Net Profit Excluding IFRS16	1,772.7	3,206.2	1,765.1	3,198.6
	Net Finance costs	(118.4)	(265.5)	(129.5)	(276.6)
	Effective Tax Rate [(a)]	23.9 %	23.6 %	24.2 %	
	Net Finance costs after tax	(90.1)	(202.9)	(98.1)	(211.0)
	Net Profit - Net financial costs after tax	**1,862.8**	**3,409.1**	**1,863.2**	**3,409.6**
Denominator ((a)+(b)+(c))/3	Total Equity Excluding IFRS16	24,110.1	25,117.5	25,503.1	24,910.2
	Net Debt	10,550.4	9,220.9	10,156.2	9,975.8
	Average of (total equity + net debt)	**34,660.5**	**34,338.4**	**35,659.3**	**34,886.0**
ROCE					**9.8 %**

(a) Excluding non-recurring tax impact.

RECURRING ROCE

The recurring ROCE is calculated in the same manner as the ROCE using the recurring net profit excluding IFR16 for the numerator.

(in millions of euros)		H1 2023 (a)	FY 2023 (b)	H1 2024 (c)	Recurring ROCE Calculation
Numerator (b)-(a)+(c)	Net Profit Recurring Excluding IFRS16	1,702.5	3,472.3	1,765.1	3,534.9
	Net Finance costs	(118.4)	(265.5)	(129.5)	(276.6)
	Effective Tax Rate [(a)]	23.9%	23.6%	24.2%	
	Net Finance costs after tax	(90.1)	(202.9)	(98.1)	(211.0)
	Recurring Net Profit Excluding IFRS16 - Net financial costs after tax	**1,792.6**	**3,675.2**	**1,863.2**	**3,745.8**
Denominator ((a)+(b)+(c))/3	Total Equity Excluding IFRS16	24,110.1	25,117.5	25,503.1	24,910.2
	Net Debt	10,550.4	9,220.9	10,156.2	9,975.8
	Average of (total equity + net debt)	**34,660.5**	**34,338.4**	**35,659.3**	**34,886.0**
Recurring ROCE					**10.7 %**

(a) Excluding non-recurring tax impact.

Calculation of performance indicators (Quarter)

	Q2 2024	Q2 2024/2023 Published Growth	Currency impact	Natural gas impact	Electricity impact	Significant scope impact	Q2 2024/2023 Comparable Growth
Revenue							
Group	6,729	-1.2%	(190)	(65)	(37)	—	+3.1%
Impacts in %			*-2.8%*	*-1.0%*	*-0.5%*	—	
Gas & Services	6,438	-1.1%	(191)	(65)	(37)	—	+3.4%
Impacts in %			*-2.9%*	*-1.0%*	*-0.6%*	—	

2nd quarter 2024 revenue

BY GEOGRAPHY

Revenue *(in millions of euros)*	Q2 2023	Q2 2024	Published change	Comparable change
Americas	2,530	2,625	+3.8%	+9.5%
Europe	2,336	2,225	-4.8%	-1.0%
Asia Pacific	1,378	1,302	-5.5%	-0.7%
Middle East & Africa	268	286	+6.6%	+4.0%
Gas & Services Revenue	**6,512**	**6,438**	**-1.1%**	**+3.4%**
Engineering & Construction	93	105	+13.2%	+13.1%
Global Markets & Technologies	201	186	-8.0%	-8.5%
GROUP REVENUE	**6,806**	**6,729**	**-1.2%**	**+3.1%**

BY WORLD BUSINESS LINE

Revenue *(in millions of euros)*	Q2 2023	Q2 2024	Published change	Comparable change
Large industries	1,858	1,721	-7.4%	+1.2%
Industrial Merchant	3,012	3,024	+0.4%	+2.5%
Healthcare	1,018	1,070	+5.0%	+10.2%
Electronics	624	623	-0.1%	+2.6%
GAS & SERVICES REVENUE	**6,512**	**6,438**	**-1.1%**	**+3.4%**

Geographic and segment information

(in millions of euros and %)	H1 2023 Revenue	H1 2023 Operating income recurring	H1 2023 OIR margin	H1 2024 Revenue	H1 2024 Operating income recurring	H1 2024 OIR margin
Americas	5,159	1,029	19.9%	5,175	1,112	21.5%
Europe	4,975	846	17.0%	4,475	922	20.6%
Asia Pacific	2,763	611	22.1%	2,593	564	21.7%
Middle East and Africa	508	101	20.0%	553	121	21.9%
Gas & Services	**13,405**	**2,587**	**19.3%**	**12,796**	**2,719**	**21.2%**
Engineering and Construction	180	18	9.9%	197	19	9.9%
Global Markets & Technologies	395	64	16.2%	386	63	16.4%
Reconciliation	—	(188)	—	—	(201)	—
TOTAL GROUP	**13,980**	**2,481**	**17.7%**	**13,379**	**2,601**	**19.4%**

Contribution from Argentina to comparable sales growth *(in %)*	Large Industries	Industrial Merchant	Healthcare	Electronics	Total G&S
Americas					
Q2 2024	+8.1%	+3.9%	+21.7%	—	**+6.2%**
H1 2024	+7.9%	+3.7%	+18.9%	—	**+5.7%**
Gas & Services					
H1 2024	+1.6%	+2.2%	+4.9%	—	**+2.2%**

Contribution of Argentina is calculated by the difference between the amounts consolidated at Gas & Services level and these same amounts consolidated excluding data from Argentina.

	H1 2024/2023 Published	Energy impact			Forex impact			H1 2024/2023 comparable		
Growth *(in %)*	Group	Group	Argentina impact	Excl. Argentina	Group	Argentina impact	Excl. Argentina	Group	Argentina impact	Excl. Argentina
Revenue	**-4.3%**	**-3.5%**	*+0.4%*	**-3.9%**	**-3.4%**	*-2.3%*	*-1.1%*	**+2.6%**	*+2.1%*	**+0.5%**
Operating Income Recurring	**+4.9%**				**-5.7%**	*-4.3%*	*-1.4%*	**+10.6%**	*+4.4%*	**+6.2%**
Group OIR margin excluding energy impact								**+100 bps**		*No impact*
Recurring net profit	**+3.3%**							**+16.0%**	*+11.0%*	**+5.0%**

2 Financial Statements

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Consolidated income statement

(in millions of euros)	Notes	1st half 2023	1st half 2024
Revenue	**(2)**	**13,980.3**	**13,378.6**
Other income		115.3	138.4
Purchases		(5,736.8)	(4,975.4)
Personnel expenses		(2,545.8)	(2,598.6)
Other expenses		(2,103.1)	(2,114.9)
Operating income recurring before depreciation and amortization		**3,709.9**	**3,828.1**
Depreciation and amortization expense	(3)	(1,229.2)	(1,227.0)
Operating income recurring		**2,480.7**	**2,601.1**
Other non-recurring operating income	(4)	205.3	37.8
Other non-recurring operating expenses	(4)	(172.3)	(125.2)
Operating income		**2,513.7**	**2,513.7**
Net finance costs	(5)	(118.4)	(129.5)
Other financial income	(5)	9.8	3.5
Other financial expenses	(5)	(102.8)	(90.4)
Income taxes	(6)	(538.6)	(542.6)
Share of profit of equity affiliates		1.9	(5.1)
PROFIT FOR THE PERIOD		**1,765.6**	**1,749.6**
■ Minority interests		44.0	68.7
■ Net profit (Group share)		1,721.6	1,680.9

Basic earnings per share *(in euros)*	**(8)**	**2.99**	**2.92**
Diluted earnings per share *(in euros)*	**(8)**	**2.98**	**2.91**

Statement of net income and gains and losses recognized directly in equity

(in millions of euros)	1st half 2023	1st half 2024
Profit for the period	**1,765.6**	**1,749.6**
Items recognized in equity		
Change in fair value of financial instruments	0.2	7.9
Change in foreign currency translation reserve	(748.6)	351.1
Items that may be subsequently reclassified to profit	**(748.4)**	**359.0**
Actuarial gains/(losses)	(0.5)	45.9
Items that may not be subsequently reclassified to profit	**(0.5)**	**45.9**
Items recognized in equity, net of taxes	**(748.9)**	**404.9**
Net income and gains and losses recognized directly in equity	**1,016.7**	**2,154.5**
■ Attributable to minority interests	3.3	69.8
■ Attributable to equity holders of the parent	1,013.4	2,084.7

Consolidated balance sheet

ASSETS *(in millions of euros)*	**Notes**	**December 31, 2023**	**June 30, 2024**
Goodwill	(9)	14,194.2	14,447.1
Other intangible assets		1,631.3	1,648.6
Property, plant and equipment		23,652.2	24,529.9
Non-current assets		**39,477.7**	**40,625.6**
Non-current financial assets		696.7	728.8
Investments in equity affiliates		180.1	176.1
Deferred tax assets		225.2	266.6
Fair value of non-current derivatives (assets)		35.1	29.8
Other non-current assets		**1,137.1**	**1,201.3**
TOTAL NON-CURRENT ASSETS		**40,614.8**	**41,826.9**
Inventories and work-in progress		2,027.6	2,080.4
Trade receivables	(10)	2,993.7	3,075.1
Other current assets		862.7	908.3
Current tax assets		42.9	78.3
Fair value of current derivatives (assets)		70.7	39.5
Cash and cash equivalents	(12)	1,624.9	1,785.3
TOTAL CURRENT ASSETS		**7,622.5**	**7,966.9**
ASSETS HELD FOR SALE		**95.1**	**97.9**
TOTAL ASSETS		**48,332.4**	**49,891.7**

EQUITY AND LIABILITIES *(in millions of euros)*	**Notes**	**December 31, 2023**	**June 30, 2024**
Share capital		2,884.8	3,179.7
Additional paid-in capital		2,447.7	2,057.5
Retained earnings		16,063.7	17,987.4
Treasury shares		(152.7)	(208.4)
Net profit (Group share)		3,078.0	1,680.9
Shareholders' equity		**24,321.5**	**24,697.1**
Minority interests		**721.6**	**716.2**
TOTAL EQUITY [(a)]		**25,043.1**	**25,413.3**
Provisions, pensions and other employee benefits	(11)	2,004.8	1,941.6
Deferred tax liabilities		2,329.0	2,447.0
Non-current borrowings	(12)	8,560.5	8,120.2
Non-current lease liabilities		1,046.3	1,102.5
Other non-current liabilities		454.7	468.2
Fair value of non-current derivatives (liabilities)		48.0	31.0
TOTAL NON-CURRENT LIABILITIES		**14,443.3**	**14,110.5**
Provisions, pensions and other employee benefits	(11)	363.8	440.4
Trade payables		3,310.5	3,188.7
Other current liabilities		2,310.1	2,291.1
Current tax payables		236.4	294.6
Current borrowings	(12)	2,285.3	3,821.3
Current lease liabilities		219.7	227.4
Fair value of current derivatives (liabilities)		76.2	50.8
TOTAL CURRENT LIABILITIES		**8,802.0**	**10,314.3**
LIABILITIES HELD FOR SALE		**44.0**	**53.6**
TOTAL EQUITY AND LIABILITIES		**48,332.4**	**49,891.7**

(a) A breakdown of changes in shareholders' equity and minority interests is presented on pages 31 and 32.

Consolidated cash flow statement

(in millions of euros)	Notes	1st half 2023	1st half 2024
Operating activities			
Net profit (Group share)		**1,721.6**	**1,680.9**
Minority interests		**44.0**	**68.7**
Adjustments:			
■ Depreciation and amortization expense	(3)	1,229.2	1,227.0
■ Changes in deferred taxes		66.3	(25.8)
■ Changes in provisions		115.9	(10.3)
■ Share of profit of equity affiliates		(1.9)	5.1
■ Profit/loss on disposal of assets		(149.4)	33.8
■ Net finance costs		90.7	91.7
■ Other non cash items		94.4	83.8
Cash flows from operating activities before changes in working capital (a)		**3,210.8**	**3,154.9**
Changes in working capital		(298.4)	(282.0)
Other cash items		47.9	(28.1)
Net cash flows from operating activities		**2,960.3**	**2,844.8**
Investing activities			
Purchase of property, plant and equipment and intangible assets		(1,713.9)	(1,656.3)
Acquisition of consolidated companies and financial assets		(31.7)	(42.7)
Proceeds from sale of property, plant and equipment and intangible assets		34.8	22.7
Proceeds from the sale of subsidiaries, net of net debt sold and from the sale of financial assets		252.2	97.1
Dividends received from equity affiliates		1.2	11.0
Net cash flows used in investing activities		**(1,457.4)**	**(1,568.2)**
Financing activities			
Dividends paid (b)			
■ L'Air Liquide S.A.	(14)	(1,578.4)	(1,715.1)
■ Minority interests		(34.0)	(56.1)
Proceeds from issues of share capital (b)		20.4	22.8
Purchase of treasury shares (b)		(82.6)	(174.3)
Net financial interests paid		(135.4)	(134.2)
Increase (decrease) in borrowings		238.7	1,104.3
Lease liabilities repayments		(116.2)	(116.6)
Net interests paid on lease liabilities		(18.3)	(21.4)
Transactions with minority shareholders		(8.4)	(1.7)
Net cash flows from (used in) financing activities		**(1,714.2)**	**(1,092.3)**
Effect of exchange rate changes and change in scope of consolidation		(39.8)	(19.0)
Net increase (decrease) in net cash and cash equivalents		**(251.1)**	**165.3**
NET CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		**1,760.9**	**1,403.6**
NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**1,509.8**	**1,568.9**

(a) The cash flows from operating activities before changes in net working capital are presented before of interests paid on lease liabilities.
(b) A breakdown of dividends paid, share capital increases and treasury share purchases is provided on pages 31 and 32.

The analysis of net cash and cash equivalents at the end of the period is as follows :

(in millions of euros)	Notes	December 31, 2023	June 30, 2023	June 30, 2024
Cash and cash equivalents	(12)	1,624.9	1,712.2	1,785.3
Bank overdrafts (included in current borrowings)		(221.3)	(202.4)	(216.4)
NET CASH AND CASH EQUIVALENTS		**1,403.6**	**1,509.8**	**1,568.9**

Consolidated statement of changes in equity

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FROM JANUARY 1, 2024 TO JUNE 30, 2024

(in millions of euros)	Notes	Share capital	Additional paid-in capital	Retained earnings (including net profit)	Fair value of financial instruments	Translation reserves	Treasury shares	Shareholders' equity	Minority interests	Total equity
Equity and minority interests as of January 1, 2024		**2,884.8**	**2,447.7**	**20,495.4**	**(217.3)**	**(1,136.4)**	**(152.7)**	**24,321.5**	**721.6**	**25,043.1**
Profit for the period				**1,680.9**				**1,680.9**	**68.7**	**1,749.6**
Items recognized directly in equity				46.1	7.9	349.8		403.8	1.1	404.9
Net income and gains and losses recognized directly in equity [(a)]				**1,727.0**	**7.9**	**349.8**		**2,084.7**	**69.8**	**2,154.5**
Increase (decrease) in share capital		1.8	21.0					22.8		22.8
Free share attribution		296.5	(296.5)							
Distribution	(14)			(1,719.7)				(1,719.7)	(56.1)	(1,775.8)
Cancellation of treasury shares		(3.4)	(114.7)				118.1			
Purchase/Sale of treasury shares [(c)]							(173.8)	(173.8)		(173.8)
Share-based payments				22.4				22.4		22.4
Transactions with minority shareholders recognized directly in equity				(0.2)				(0.2)	(19.1)	(19.3)
Others [(d)]				139.4				139.4		139.4
EQUITY AND MINORITY INTERESTS AS OF JUNE 30, 2024		**3,179.7** [(b)]	**2,057.5**	**20,664.3**	**(209.4)**	**(786.6)**	**(208.4)** [(c)]	**24,697.1**	**716.2**	**25,413.3**

(a) The statement of net income and gains and losses recognized directly in equity is presented on page 28.
(b) Share capital as of June 30, 2024 was made up of 578,124,790 shares at a par value of 5.50 euros. During the fiscal year, share capital movements affecting share capital were as follows:
- on June 12, 2024, share capital increase by capitalizing share premiums, and attribution of 53,911,973 free shares at an exchange rate of one new share for 10 existing shares and one new share for 100 existing registered shares held continuously from December 31, 2021 to June 11, 2024 inclusive;
- creation of 301 422 shares in cash with a par value of 5.50 euros resulting from the exercise of options before the attribution of free shares;
- creation of 21,617 shares in cash with a par value of 5.50 euros resulting from the exercise of options after the attribution of free shares.
(c) The number of treasury shares as of June 30, 2024 totaled 1,832,701 (including 1,543,256 held by L'Air Liquide S.A.). During the fiscal year, movements affecting treasury shares were mainly as follows:
- acquisitions, net of disposals, of 929,844 shares before the attribution of free shares;
- cancellation of 627,000 shares by capital decrease;
- acquisitions, net of disposals, of -5,500 shares after the attribution of free shares;
- creation of 171,663 shares related to the attribution of free shares;
(d) Mainly the effects of hyperinflation in Argentina and Türkiye.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FROM JANUARY 1, 2023 TO JUNE 30, 2023

(in millions of euros)	Share capital	Additional paid-in capital	Retained earnings (including net profit)	Fair value of financial instruments	Translation reserves	Treasury shares	Shareholders' equity	Minority interests	Total equity
Equity and minority interests as of January 1, 2023	**2,879.0**	**2,349.0**	**18,858.0**	**(169.4)**	**(61.8)**	**(118.4)**	**23,736.4**	**835.6**	**24,572.0**
Profit for the period			**1,721.6**				**1,721.6**	**44.0**	**1,765.6**
Items recognized directly in equity			(0.5)	0.2	(707.9)		(708.2)	(40.7)	(748.9)
Net income and gains and losses recognized directly in equity [(a)]			**1,721.1**	**0.2**	**(707.9)**		**1,013.4**	**3.3**	**1,016.7**
Increase (decrease) in share capital	1.6	18.8					20.4		20.4
Distribution			(1,582.7)				(1,582.7)	(34.1)	(1,616.8)
Purchase/Sale of treasury shares						(82.3)	(82.3)		(82.3)
Share-based payments			21.2				21.2		21.2
Transactions with minority shareholders recognized directly in equity			(0.6)				(0.6)	1.3	0.7
Others [(b)]			114.5				114.5		114.5
EQUITY AND MINORITY INTERESTS AS OF JUNE 30, 2023	**2,880.6**	**2,367.8**	**19,131.5**	**(169.2)**	**(769.7)**	**(200.7)**	**23,240.3**	**806.1**	**24,046.4**

(a) The statement of net income and gains and losses recognized directly in equity is presented on page 28.
(b) Mainly including the effects of hyperinflation in Argentina and Türkiye.

Accounting principles

The condensed interim consolidated financial statements for the half-year ended June 30, 2024 include the Company and its subsidiaries (together referred to as the "Group") as well as the Group share of associates or joint ventures. The Group consolidated financial statements for the fiscal year ended December 31, 2023 are available upon request at the Company registered office at 75, quai d'Orsay, 75007 Paris, France or on the website www.airliquide.com.

BASIS FOR PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The condensed interim consolidated financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting", a standard within the IFRS (International Financial Reporting Standards), as endorsed by the European Union. They do not include all the information required for complete annual financial statements and should be read in conjunction with the Group financial statements for the fiscal year ended December 31, 2023.

Except for the application of standards, interpretations and amendments being mandatory as of January 1, 2024, the accounting principles used for the preparation of the condensed interim consolidated financial statements are identical to those used for the preparation of the consolidated financial statements for the fiscal year ended December 31, 2023. They have been prepared in accordance with IFRS, as endorsed by the European Union as of June 30, 2024.

The IFRS standards and interpretations as endorsed by the European Union are available at the following website:

https://finance.ec.europa.eu/regulation-and-supervision/financial-services-legislation/implementing-and-delegated-acts/international-accounting-standards-regulation_en

The Group has not anticipated any standards, amendments or interpretations published by the IASB but not yet approved, or not yet mandatory in the European Union as of June 30, 2024.

The financial statements are presented in million of euros. They were reviewed by the Board of Directors on July 25, 2024.

NEW IFRS AND INTERPRETATIONS

1. Standards, interpretations and amendments endorsed by the European Union whose application is mandatory as of January 1, 2024

The following texts have no material impact on the Group financial statements:

- amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements", issued on May 25, 2023;
- amendments to IAS 1 "Presentation of Financial Statements: Classification of Liabilities as Current or Non-current", "Classification of Liabilities as Current or Non-current – Deferral of Effective Date" and "Non-current Liabilities with Covenants", issued on January 23, 2020, July 15, 2020 and October 31, 2022 respectively;
- amendments to IFRS 16 "Lease Liability in a Sale and Leaseback" issued on September 22, 2022.

2. Standards, interpretations and amendments not yet endorsed by the European Union

The impacts on the financial statements of texts published by the IASB as of June 30, 2024 and not yet endorsed by the European Union are currently being analyzed. These texts are as follows:

- amendment to IAS 21 "The effects of changes in foreign exchange rates: lack of exchangeability", issued on August 15, 2023;
- IFRS 18 "Presentation and Disclosure in Financial Statements", issued on April 9, 2024;
- amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments", issued on May 30, 2024.

In addition, the following texts are not applicable to the Group:

- IFRS 19 "Subsidiaries without Public Accountability: Disclosures", issued on May 9, 2024.

USE OF ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires Group or subsidiary Management to make estimates and use certain assumptions which have a significant impact on the carrying amounts of assets and liabilities recorded in the consolidated balance sheet, the notes related to these assets and liabilities, the profit and expense items in the income statement and the commitments relating to the period-end. Subsequent results may differ.

The significant judgments exercised by the Group or subsidiary Management in applying the Group accounting policies used in preparing the half-year condensed consolidated financial statements, and the main sources of uncertainty in making the estimates, are identical to those described in the consolidated financial statements for the fiscal year ended December 31, 2023.

BASIS FOR PRESENTATION AND MEASUREMENT OF FIRST HALF-YEAR INFORMATION

The segment information corresponds to the information required by IAS 34 “Interim Financial Reporting”.

The Group’s activities may be affected by significant changes in the economic situation. Therefore, its interim results are not necessarily indicative of those to be expected for the fiscal year as a whole.

The income tax expense for the period is calculated by applying the estimated effective income tax rate for the fiscal year, based on the information available as of the interim reporting date, to the different categories of profit.

Notes to the consolidated financial statements for the half-year ended June 30, 2024

Note 1 Segment information

1.1. INCOME STATEMENT FOR THE HALF-YEAR ENDED JUNE 30, 2024

(in millions of euros)	Gas & Services					Engineering & Construction	Global Markets & Technologies	Reconciliation	Total
	Europe	Americas	Asia Pacific	Middle East and Africa	Sub-total				
Revenue	**4,475.4**	**5,174.3**	**2,593.0**	**552.9**	**12,795.6**	**196.9**	**386.1**	**—**	**13,378.6**
Inter-segment revenue	—	—	—	—	—	*320.3*	*401.0*	*(721.3)*	—
Operating income recurring	**921.5**	**1,112.3**	**563.8**	**121.3**	**2,718.9**	**19.4**	**63.3**	**(200.5)**	**2,601.2**
incl. depreciation and amortization	*(379.9)*	*(485.2)*	*(235.3)*	*(49.1)*	*(1,149.5)*	*(12.6)*	*(40.1)*	*(24.8)*	*(1,227.0)*
Other non-recurring operating income									37.8
Other non-recurring operating expenses									(125.2)
Net finance costs									(129.5)
Other financial income									3.5
Other financial expenses									(90.4)
Income taxes									(542.6)
Share of profit of equity affiliates									(5.1)
Profit for the period									**1,749.6**

The Research and Development and Holdings activities (corporate) are presented in the “Reconciliation” column.

1.2. INCOME STATEMENT FOR THE HALF-YEAR ENDED JUNE 30, 2023

(in millions of euros)	Gas & Services					Engineering & Construction	Global Markets & Technologies	Reconciliation	Total
	Europe	Americas	Asia Pacific	Middle East and Africa	Sub-total				
Revenue	**4,975.4**	**5,158.7**	**2,762.7**	**508.2**	**13,405.0**	**180.1**	**395.2**	**—**	**13,980.3**
Inter-segment revenue	—	—	—	—	—	*266.5*	*373.5*	*(640.0)*	—
Operating income recurring	**845.9**	**1,029.1**	**610.7**	**101.4**	**2,587.1**	**17.9**	**64.2**	**(188.5)**	**2,480.7**
incl. depreciation and amortization	*(372.0)*	*(481.7)*	*(251.5)*	*(52.0)*	*(1,157.2)*	*(12.7)*	*(36.6)*	*(22.7)*	*(1,229.2)*
Other non-recurring operating income									205.3
Other non-recurring operating expenses									(172.3)
Net finance costs									(118.4)
Other financial income									9.8
Other financial expenses									(102.8)
Income taxes									(538.6)
Share of profit of equity affiliates									1.9
Profit for the period									**1,765.6**

Note 2 Revenue

Consolidated revenue for the 1st half of 2024 amounts to 13,378.6 million euros, down to 4.3% compared to the 1st half of 2023 (13,980.3 million euros). Excluding forex and energy, the revenue increased by 2.6 %.

Note 3 Depreciation and amortization expense

(in millions of euros)	1st half 2023	1st half 2024
Intangible assets	(102.3)	(97.3)
Property, plant and equipment [(a)]	(1,126.9)	(1,129.7)
TOTAL	**(1,229.2)**	**(1,227.0)**

(a) Including the depreciation expense after deduction of investment grants released to profit.

Note 4 Other non-recurring operating income and expenses

(in millions of euros)	1st half 2023	1st half 2024
Income		
Net gain on the disposals of activities or group of assets	198.7	34.8
Impact of financial operations related to the scope of consolidation	—	—
Others	6.6	3.0
TOTAL OTHER NON-RECURRING OPERATING INCOME	**205.3**	**37.8**
Expenses		
Reorganization, restructuring and realignment programs costs	(23.2)	(61.1)
Acquisition costs	(2.3)	(1.5)
Political risks and legal procedures	(17.2)	(17.1)
Net loss on the disposals of activities or group of assets and impairments of assets	(126.5)	(39.6)
Others	(3.1)	(5.9)
TOTAL OTHER NON-RECURRING OPERATING EXPENSES	**(172.3)**	**(125.2)**
TOTAL	**33.0**	**(87.4)**

In the 1st half of 2024, the Group recognized:

- Net gains on the disposals of activities or group of assets amounting to 34.8 million euros mostly linked to the disposal of its oxygen and nitrogen aerospace activities ;
- Restructuring costs corresponding to realignment and transformation programs primarily in Gas & Services;

In the 1st half of 2023, the Group recognized:

- Net gains on the disposals of activities or group of assets amounting to 198.7 million euros including 174 million euros related to the disposal of non-consolidated investments;
- Restructuring costs corresponding to realignment programs primarily in Gas & Services;
- Incomes and expenses related to political risks and legal procedures, including a 21 million euros expense related to the equalization charge following the decision of the Council of State in March 2023 which partially questioned the favorable judgment of May 12, 2022 of the Court of Justice of the European Union (CJEU) by referring the case to an Administrative Court of Appeal;
- Impairment losses on assets amounting to 125 million euros, mainly on an intangible asset and on assets held for sale.

Note 5 Net finance costs and other financial income and expenses

The average net finance costs stands at 3.4 % in the 1st half of 2024, stable compared to the average net finance costs of the 1st half of 2023.

Note 6 Income taxes

(in %)	1st half 2023	1st half 2024
Average effective tax rate	23.4	23.6

The entry into force of the Pillar 2 rules has no significant impact on the Group's average effective tax rate.

Note 7 Employee benefits

The expenses recognized for pension and other employee benefits amount to 99.1 million euros in the 1st half of 2024 and can be broken down as follows:

(in millions of euros)	1st half 2023	1st half 2024
Service cost	13.2	13.1
Interest cost	17.7	16.8
Defined benefit plans	**30.9**	**29.9**
Defined contribution plans	**55.6**	**69.2**
TOTAL	**86.5**	**99.1**

Note 8 Net earnings per share

8.1. BASIC EARNINGS PER SHARE

	1st half 2023	1st half 2024
Net profit (Group share) attributable to ordinary shareholders of the parent *(in millions of euros)*	1,721.6	1,680.9
Weighted average number of ordinary shares outstanding	575,633,840	576,342,279
Basic earnings per share *(in euros)*	**2.99**	**2.92**

The average number of outstanding ordinary shares and net earnings per share for the 1st half 2023 have been restated with the impact of the free share attribution performed by L' Air Liquide S.A. on June 12, 2024.

8.2. DILUTED EARNINGS PER SHARE

	1st half 2023	1st half 2024
Net profit used to calculate diluted earnings per share *(in millions of euros)*	**1,721.6**	**1,680.9**
Weighted average number of ordinary shares outstanding	575,633,840	576,342,279
Adjustment for dilutive impact of share subscription options	728,054	450,181
Adjustment for dilutive impact of performance shares	1,470,470	1,429,694
Adjusted weighted average number of shares outstanding used to calculate diluted earnings per share	**577,832,364**	**578,222,154**
Diluted earnings per share *(in euros)*	**2.98**	**2.91**

The average number of outstanding ordinary shares and net earnings per share for the 1st half 2023 have been restated with the impact of the free share attribution performed by L' Air Liquide S.A. on June 12,2024.

All instruments that could dilute net profit – Group share, are included in the calculation of diluted earnings per share.

The Group has not issued any other financial instruments that may result in further dilution of net earnings per share.

Note 9 Goodwill

(in millions of euros)	As of January 1, 2024	Goodwill recognized during the period	Goodwill removed during the period	Foreign exchange differences	As of June 30, 2024
Goodwill	**14,194.2**	**15.4**	**(9.0)**	**246.5**	**14,447.1**

As of June 30, 2024, the Group did not identify any indications of impairment loss on cash-generating units (CGU) or group of cash-generating units to which goodwill is allocated.

Note 10 Customers

As at June 30, 2024, non-recourse factored receivables amount to 1,382 million euros (1,393 million euros as at December 31, 2023). There were no new significant program nor amendment signed during the first half of 2024.

Note 11 Provisions, pensions and other employee benefits

2024 *(in millions of euros)*	As of January 1	Increase	Utilized	Other reversals	Discounting	Foreign exchange differences	Other movements [(a)]	As of June 30
Pensions and other employee benefits	1,129.8	29.6	(43.7)		(54.7)	1.6	26.9	1,089.5
Restructuring plans	83.7	17.8	(20.0)	(0.1)			0.1	81.5
Guarantees and other provisions related to engineering contracts	178.4	24.8	(18.0)	(10.6)		0.2	(2.3)	172.5
Dismantling	273.5		(2.7)		3.6	(0.9)	1.0	274.5
Provisions and contingent liabilities as part of a business combination	130.1	4.0	(6.4)	(3.8)	1.0	3.3	4.1	132.3
Other provisions	573.1	67.1	(22.1)	(2.9)	1.2	1.4	13.9	631.7
TOTAL PROVISIONS	**2,368.6**	**143.3**	**(112.9)**	**(17.4)**	**(48.9)**	**5.6**	**43.7**	**2,382.0**

(a) Other movements correspond to reclassifications, disposals and provisions for dismantling, with no impact on the consolidated cash flow statement.

In the 1st half of 2024, no new litigation is likely to have a material impact on the Group's financial position or profitability.

Furthermore, the assets covering defined benefit plan obligations were measured at fair value. The discount rates used to determine the present value of the Group's obligations were also reviewed.

Note 12 Borrowings

Net debt calculation

(in millions of euros)	December 31, 2023	June 30, 2023	June 30, 2024
Non-current borrowings	(8,560.5)	(8,762.1)	(8,120.2)
Current borrowings	(2,285.3)	(3,500.5)	(3,821.3)
TOTAL GROSS DEBT	(10,845.8)	(12,262.6)	(11,941.5)
Cash and cash equivalents	**1,624.9**	**1,712.2**	**1,785.3**
TOTAL NET DEBT AT THE END OF THE PERIOD	(9,220.9)	(10,550.4)	(10,156.2)

Statement of changes in net debt

(in millions of euros)	2023 financial year	1st half 2023	1st half 2024
Net debt at the beginning of the period	**(10,261.3)**	**(10,261.3)**	**(9,220.9)**
Net cash flows from operating activities	6,263.0	2,960.3	2,844.8
Net cash flows used in investing activities	(3,079.0)	(1,457.4)	(1,568.2)
Net cash flows from (used in) financing activities excluding changes in borrowings	(2,041.6)	(1,817.6)	(2,062.4)
Total net cash flows	**1,142.5**	**(314.7)**	**(785.8)**
Effect of exchange rate changes, opening net indebtedness of newly acquired companies and others	150.7	171.5	(42.8)
Adjustment of net finance costs	(252.7)	(145.9)	(106.7)
Change in net debt	**1,040.4**	**(289.1)**	**(935.3)**
TOTAL NET DEBT AT THE END OF THE PERIOD	(9,220.9)	(10,550.4)	(10,156.2)

The Air Liquide Group net debt breaks down as follows:

	December 31, 2023			June 30, 2024		
	Carrying amount			Carrying amount		
(in millions of euros)	Non-current	Current	Total	Non-current	Current	Total
Bonds and private placements	7,713.1	1,151.2	8,864.3	7,285.0	1,207.8	8,492.8
Commercial paper programs	—	398.8	398.8		1,768.9	1,768.9
Bank debt and other financial debt	813.4	695.1	1,508.5	800.8	806.2	1,607.0
Put options granted to minority shareholders	34.0	40.2	74.2	34.4	38.4	72.8
TOTAL BORROWINGS (A)	**8,560.5**	**2,285.3**	**10,845.8**	**8,120.2**	**3,821.3**	**11,941.5**
TOTAL CASH AND CASH EQUIVALENTS (B)	**—**	**1,624.9**	**1,624.9**	**—**	**1,785.3**	**1,785.3**
NET DEBT (A) - (B)	8,560.5	660.4	9,220.9	8,120.2	2,036.0	10,156.2

Gross debt (A) increased by 1,096 million euros between December 31, 2023 and June 30, 2024. This rise mainly comes from:

- the extended use of commercial paper programs, increasing by 1,370 million euros, both in euros and in US dollar;
- a bond issue of 500 million euros carried out on May 23, 2024 as part of the EMTN program, with a maturity of 10 years. This is a new green bond issue, in line with Air Liquide's ambition to combine growth and sustainable development;
- an unfavorable exchange rate effect, following the depreciation of the euro against the US dollar, partially compensated by appreciation against Japanese yen and Taiwanese dollar.

In return, two bond issues were repaid:

- a bond issue issued in 2014 and maturing June 5, 2024, initially for 500 million euros and whose nominal value had been reduced to 441 million euros following an early redemption carried out in 2023;
- a bond issue issued in 2016 and maturing June 13, 2024, initially for 500 million euros and whose nominal value had been reduced to 451 million euros following an early redemption carried out in 2023.

Current gross debt (maturity less than 12 months) (A) increased by 1,536 million euros between December 31, 2023 and June 30, 2024. This increase in current gross debt is explained by:

- the increase in the commercial paper portfolio by 1,370 million euros;

- the reclassification into current financial debt of a private placement of 100 million euros maturing on March 31, 2025, a bond issue with a residual par value of 371.6 million euros maturing on April 2, 2025 and a bond issue of 500 million euros maturing June 3, 2025;
- in return, the repayments of the two bonds for the first half of the year for 892 million euros.

Cash increased by 160 million euros compared to December 31, 2023.

The net debt amounts to 10,156 million euros, increasing by 935 million euros compared to December 31, 2023 and decreasing by 394 million euros compared to June 30, 2023.

Note 13 Commitments

The Group signed two contracts of renewable energy purchase commitments (in Brazil and Germany) for a total amount of 106 million euros.

The other commitments did not change significantly in comparison to December 31, 2023.

Note 14 Dividend per share

The 2023 dividend authorized by the General Meeting and paid on May 22, 2024 to the Group shareholders was 1,719.7 million euros (including fidelity premium), corresponding to an ordinary dividend of 3.20 euros and a fidelity premium of 0.32 per share.

Note 15 Related party disclosures

Due to the activities and legal organization of the Group, only executives, associates and joint ventures are considered to be related parties to the Group. Transactions performed between these individuals or these companies and Group subsidiaries are not material.

Note 16 Contingent liabilities

To the best of the Group’s knowledge, there is no exceptional event or litigation which has affected in the recent past or which is likely to materially affect its financial situation or profitability.

Note 17 Post-balance sheet events

In accordance with the divestiture agreement announced on March 14, 2024, Air Liquide has now closed the sale to Adenia Partners Ltd of the Group’s activities in twelve countries in Africa.

Note 18 Other information

As of June 30, 2024, given the geopolitical context and reinforced sanctions and counter-sanctions, the Group continues to consider that it no longer has control of its activities in Russia since September 1, 2022. As a reminder, all assets in Russia have been fully depreciated in the accounts as of December 31, 2022.

Statutory auditors' review report on the half-yearly financial information

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying half-yearly consolidated financial statements of L'Air Liquide, for the period from January 1 to June 30, 2024;
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I – Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to interim financial information.

II – Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

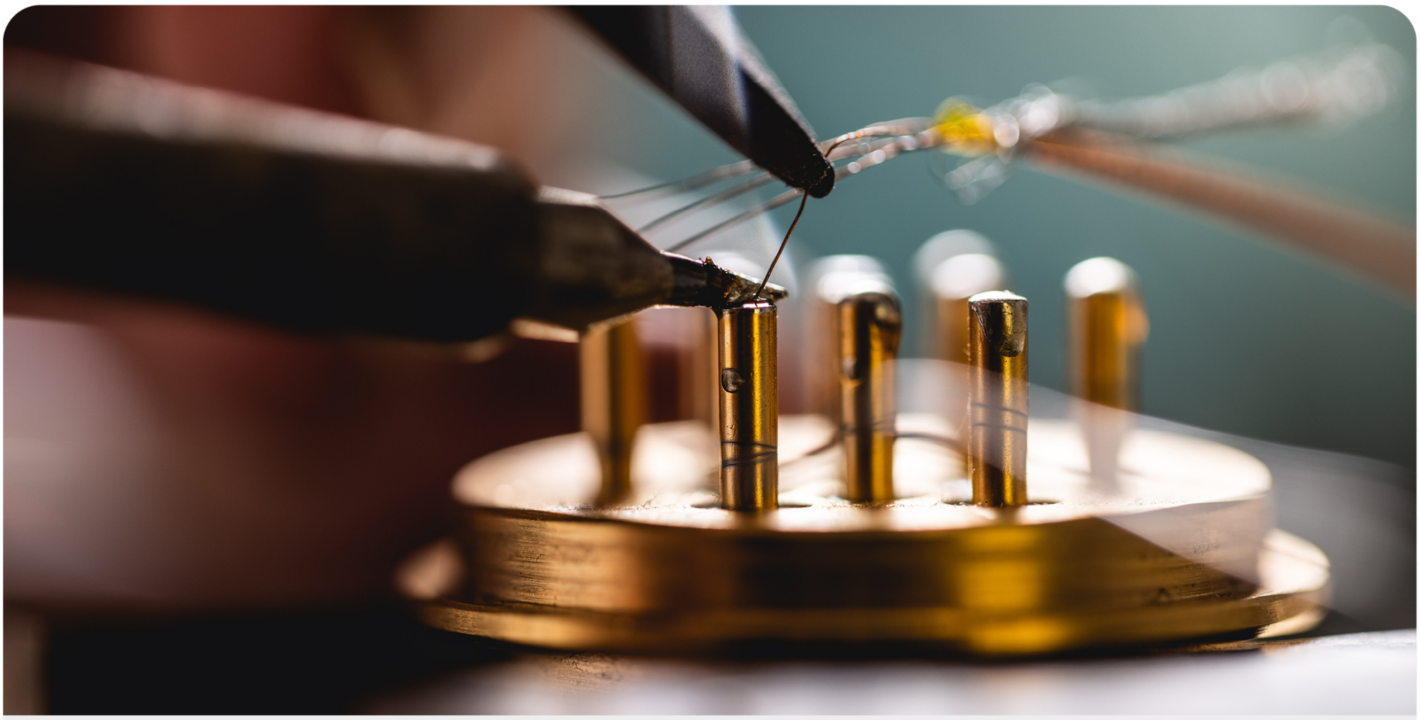
We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Neuilly-sur-Seine and Paris La Défense, July 26, 2024

French original signed by

Statutory auditors

PricewaterhouseCoopers Audit		**KPMG S.A.**	
Olivier Lotz	Cédric Le Gal	Valérie Besson	Laurent Genin



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Certification by the person responsible for the first half financial report

PERSON RESPONSIBLE FOR THE FIRST HALF FINANCIAL REPORT

François JACKOW, Chief Executive Officer of L'Air Liquide S.A.

CERTIFICATION BY THE PERSON RESPONSIBLE FOR THE FIRST HALF FINANCIAL REPORT

This is a free translation into English of the certification by the person responsible for the First half financial report and is provided solely for the convenience of English speaking readers.

I hereby declare that, to the best of my knowledge, the condensed financial statements for the half-year ended June 30, 2024 have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, the financial position and results of the Company and the entities included in the consolidation, and that the first half activity report, available in chapter 1, provides a faithful representation of the major events which occurred during the first six months of the fiscal year, their impact on the financial statements, the main related-party transactions, and describes the major risks and uncertainties for the remaining six months of the fiscal year.

Paris, July 26, 2024

François Jackow

Chief Executive Officer

Cautionary note regarding forward-looking statements

This First half financial report contains information on the Group's prospects, objectives and trends for growth. These forward-looking statements can be identified by the use of the future tense, conditional or of forward-looking terms such as "consider", "intend", "anticipate", "believe", "estimate", "plan", "expect", "think", "aim", or, as the case may be, the negative of these words, or any other terms with a similar meaning. This information is not based on historical data and should not be considered as a guarantee that the prospects and objectives described will be achieved. These statements are based on data, assumptions and estimates considered reasonable by the Group as of the date of this First half financial report. They may be affected by known or unknown risks, uncertainties and other factors which might impact future results, performances and achievements of the Group in a way that is substantially different from the objectives described. This information might therefore change due to uncertainties relating notably to the economic, financial, competitive and regulatory environment or due to the occurrence of certain risks described in Chapter 1 of this First half financial report. This information is given solely as of the date of this First half financial report. All forward-looking statements contained in this First half financial report are qualified in their entirety by this cautionary note.

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Air Liquide - Company established for the study and application of processes developed by Georges Claude with issued capital of €3,179,686,345