

First half 2012: growth in Revenue and Results 2012 objective maintained

press release

Key figures

Revenue:	+5.9%
Net profit:	+5.3%
Operating margin	16.6%
excluding natural gas effect	
Cash flow:	+6.0%

Highlights

- **Geographic Expansion:** new contracts in Mexico, start-up of new production units in Russia, expansion in South Africa
- **Acquisitions** in process: **LVL Médical** and **Gasmedi**, major players in Home Healthcare in France and in Spain
- **Electronics:** signing of several contracts with next generation flat screen manufacturers
- **Hydrogen:** investments for **chemicals** (Germany and China), and in **10 hydrogen distribution stations for mobility** (Germany)
- **Investments** up, particularly in the **energy** sector

Air Liquide's Board of Directors, which met on July 27, 2012, reviewed the consolidated accounts at June 30, 2012.

1st half 2012 Group revenue was € 7,533 million, up **+5.9%** on a reported basis versus 1st half 2011. In **Gas & Services**, revenue reached € 6,837 million, up **+5.6%** on a reported basis. On a comparable growth basis, the momentum in most **developing economies (+10%)**, especially Central and Eastern Europe, South America, Africa and the Middle East, compensates for the weaker level of activity reported in **advanced economies (+1%)**. North America, where industry is benefitting from low natural gas prices, shows a growth rate of **+6%**. Asia is still affected by lower Equipment and Installation sales to the Electronics sector versus 2011.

Operating Income Recurring is up **+4.4%** at € 1,244 million. The **operating margin** adjusted for the effect of natural gas was **16.6%**, helped by **efficiency gains** which reached € 126 million in the 1st half, and by generally solid pricing in an environment which remains inflationary. **Net profit Group share** stands at € 790 million, up **+5.3%** versus 1st half 2011.

Cash flow at € 1,422 million shows a further increase of **+6%**. The **portfolio of opportunities** is still at a high level at more than € 4 billion while **investment decisions** show a significant increase (**+18%**) compared to 1st half 2011.

Benoît Potier, Chairman and CEO of the Air Liquide Group, stated:

"In the first half of 2012, activity levels reflect the caution of many of our customers around the world, in the context of an economic environment which is still affected by the sovereign debt crisis in Europe and by further slackening of global growth.

Yet, the Group has delivered once again a solid performance which will be enhanced in the second half by a large number of plant start ups. Competitiveness and development initiatives defined in the ALMA program thus continue to bear fruit.

Medium term, growth initiatives as well as the seizing of acquisition opportunities demonstrate our Group's ability to constantly adapt its actions in the pursuit of growth over the long term. Therefore the Group has decided € 1.2 billion in new investments during the first 6 months of 2012.

Finally, the exceptional level of the Engineering and Construction order intake and a 12-month portfolio of opportunities which is at its highest level strengthen our confidence in the long term.

In this context, the Group has delivered a satisfying first half and barring a major economic downturn, Air Liquide continues to aim for growth in net profit in 2012."

Key 1st half 2012 figures

<i>in millions of euros</i>		<i>published growth</i>	<i>comparable* growth</i>
Group revenue	7,533 M€	+5.9%	+2.8%
including Gas & Services	6,837 M€	+5.6%	+2.4%
Operating income recurring	1,244 M€	+4.4%	
Net profit	790 M€	+5.3%	
Net earnings per share (in euros)**	2.54	+5.4%	
Net debt as at June 30, 2012	6,011 M€		

* on a comparable basis: excluding impact of currency, natural gas and significant perimeter

** after adjustment for the free share allocation on May 31, 2012

Limited review procedures have been completed in relation to the consolidated interim financial statements, and an unqualified review report is in the process of being issued by the statutory auditors.

Contacts

Corporate Communications

Anne Lechevranton
+33 (0)1 40 62 50 93
Corinne Estrade-Bordry
+ 33 (0)1 40 62 51 31

Investor Relations

Virginia Jeanson
+33 (0)1 40 62 57 37
Annie Fournier
+33 (0)1 40 62 57 18

Upcoming events

3rd quarter revenue

October 25, 2012

Actionaria Exhibition, Paris, France

November 23-24, 2012

Air Liquide is the world leader in gases for industry, health and the environment, and is present in **80 countries** with **46,200 employees**. Oxygen, nitrogen, hydrogen and rare gases have been at the core of Air Liquide's activities since its creation in 1902. Using these molecules, Air Liquide continuously reinvents its business, anticipating the needs of current and future markets. The Group innovates to enable progress, to achieve dynamic growth and a consistent performance.

Innovative technologies that curb polluting emissions, lower industry's energy use, recover and reuse natural resources or develop the energies of tomorrow, such as hydrogen, biofuels or photovoltaic energy... Oxygen for hospitals, home healthcare, fighting nosocomial infections... Air Liquide combines many products and technologies to develop valuable applications and services not only for its customers but also for society.

A partner for the long term, Air Liquide relies on employee commitment, customer trust and shareholder support to pursue its vision of sustainable, competitive growth. The **diversity** of Air Liquide's teams, businesses, markets and geographic presence provides a solid and sustainable base for its development and strengthens its ability to push back its own limits, conquer new territories and build its future.

Air Liquide explores the best that air can offer to preserve life, staying true to its Corporate Social Responsibility and sustainable development approach. In 2011, the Group's revenues amounted to **€14.5 billion**, of which more than 80% were generated outside France. Air Liquide is listed on the Paris Euronext stock exchange (compartment A) and is a member of the CAC 40 and Dow Jones Euro Stoxx 50 indexes.

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