

# Full Year 2015 Solid Performance & Major Initiatives

Paris, 16 February 2016



# Agenda

## Highlights

- Robust results
- Major initiatives for the long-term

## Performance

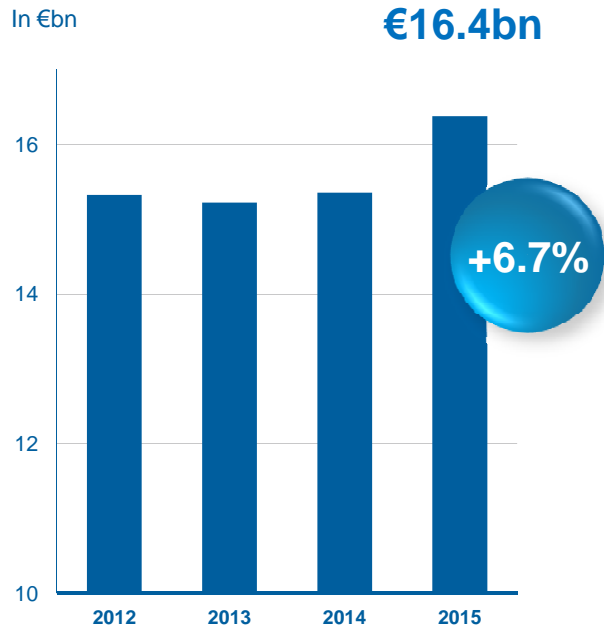
- Growth in a challenging environment
- Solid cash flow

## Investments

- Selective investments
- Controlled capital expenditures

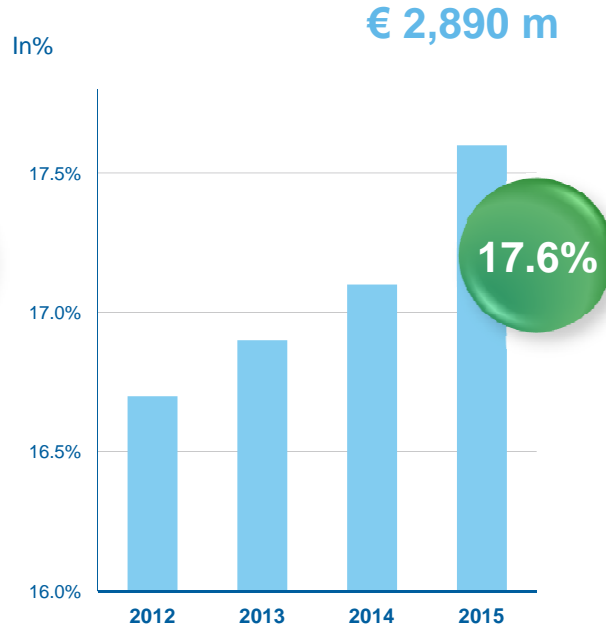
# 2015 Solid Performance

## Group Sales



**Solid sales growth,  
FX tailwinds**

## Group Operating Margin



**Improved operating  
margin**

## Net Profit (Group share)



**Net profit growth**

<sup>(1)</sup> 2012 Net profit restated for IAS 19 revision.

# Major Initiatives

## US Expansion - Innovation



**Airgas:  
signing of  
merger agreement**

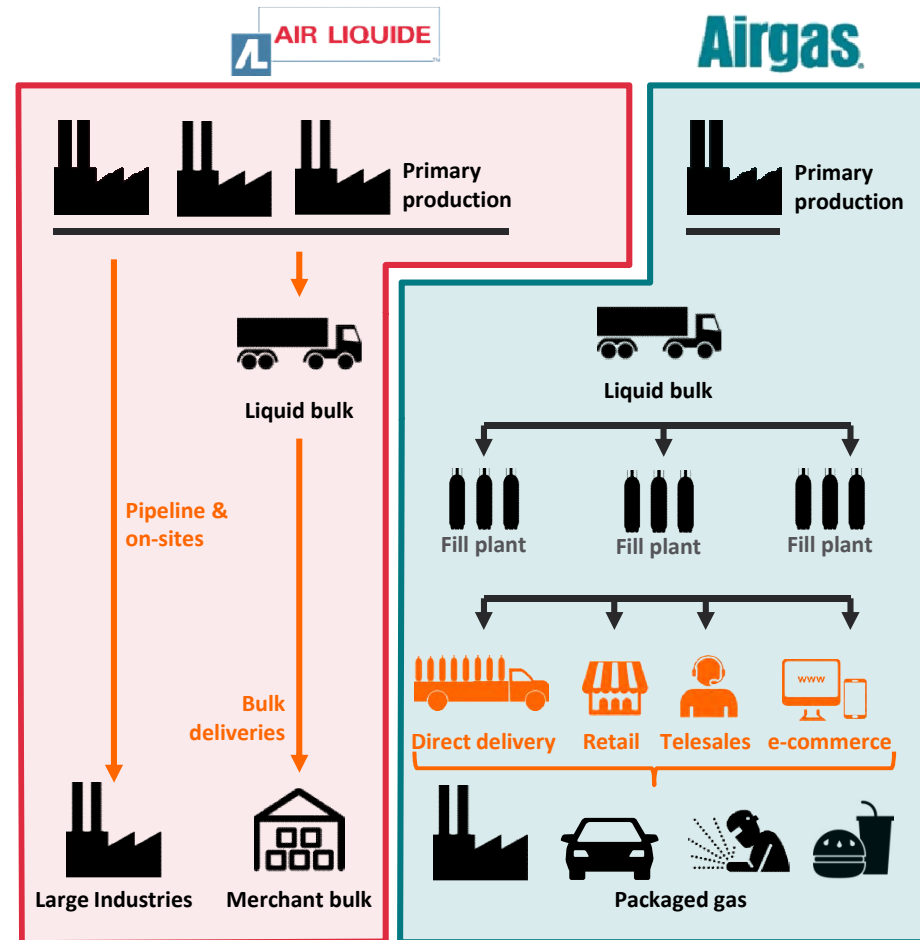


## Global Markets & Technologies (GM&T)

- Space, aeronautics, maritime, extreme cryogenics
- New markets

# Airgas: Strong Industrial & Market Logic

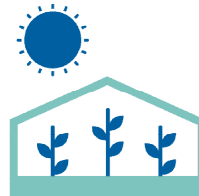
- Long-term value creation
- Enlarged US presence
- Increased customer reach
- Support to IM digital transformation



# Global Markets & Technologies

## Develop existing markets

- Space, aeronautics
- Maritime
- Extreme cryogenics



## Open new markets

- Hydrogen energy
- Clean transportation Bio-NGV
- Biofuels

## Implement innovation more effectively

# Increased Dividend Proposal

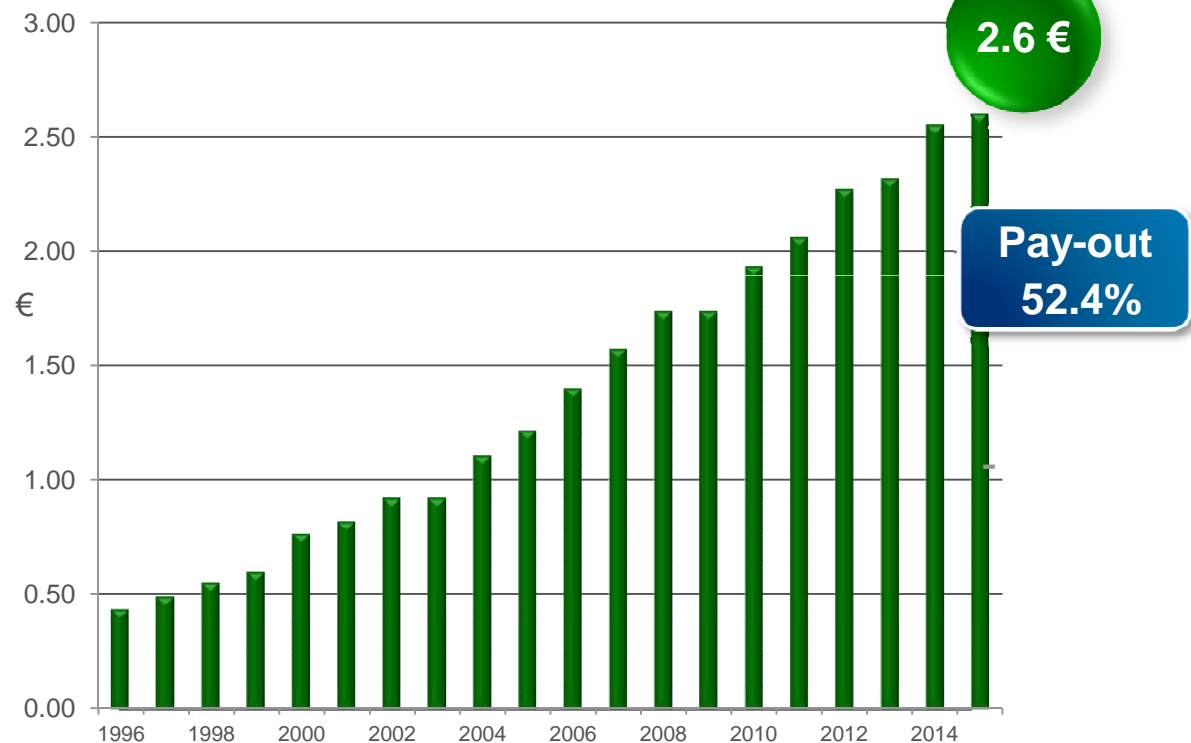
## CAGR 5 years <sup>(1)</sup>

- Dividend: +6.1%
- Net profit: +4.6%

## Average 5 years <sup>(1)</sup>

- Pay-out: 50.7%

## Dividend <sup>(2)</sup> (in € per share over 20 years)



(1) 2011-2015

(2) Subject to approval at the combined Shareholders' Meeting scheduled for 12 May 2016. Historical data adjusted for attribution of free shares.

# 2015 Full Year

Paris, 16 February 2016

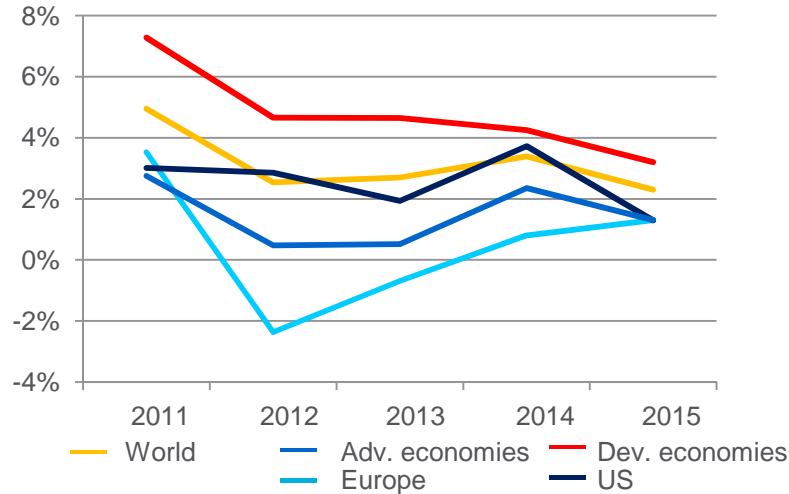
Fabienne Lecorvaisier | Chief Financial Officer

- ➔ **Strengthening sales growth through the year**
- ➔ **Strong operating performance in a challenging environment**
- ➔ **Net profit growth**
- ➔ **Solid cash flow**
- ➔ **Stable adjusted ROCE**

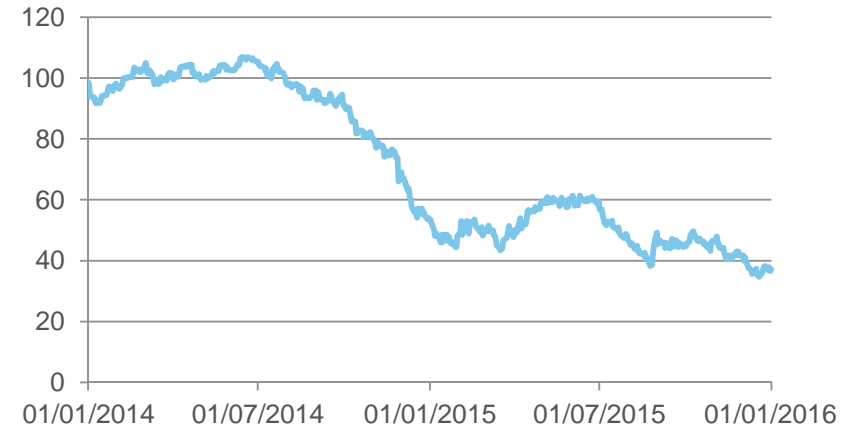


# Global Environment Remains Challenging

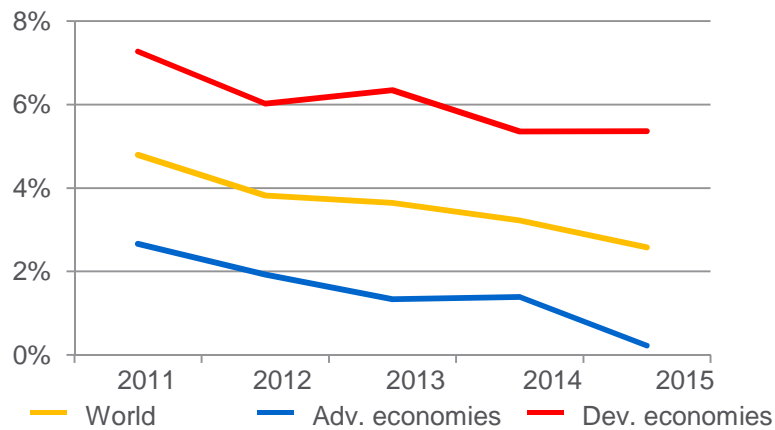
## Industrial Production



## WTI Oil Price (USD/bbl)



## Inflation



- Convergence of Industrial Production across geographies
- Oil price drop in 2015
- Lower inflation worldwide

Source: COE Rexecode.

# Impact of Low Energy Price

		Prior forecast	Actual
<b>Short-Term</b>	■ Customer competitiveness	✓	✓
	■ Activity in OWS <sup>(1)</sup>	✓	✓✓
	■ Hydrogen volumes	✓	✓
	■ Reduced costs	✓	✓
<b>Long-Term</b>	■ Consumption	✓	✓
	■ Investment opportunities	✓	✓
	■ Major signed projects	✓	✓

(1) OWS = Oil Well Services

# Sales Growth Above Market

Industrial Production  
**+1.0%**<sup>(1)</sup>  
 FY 2015

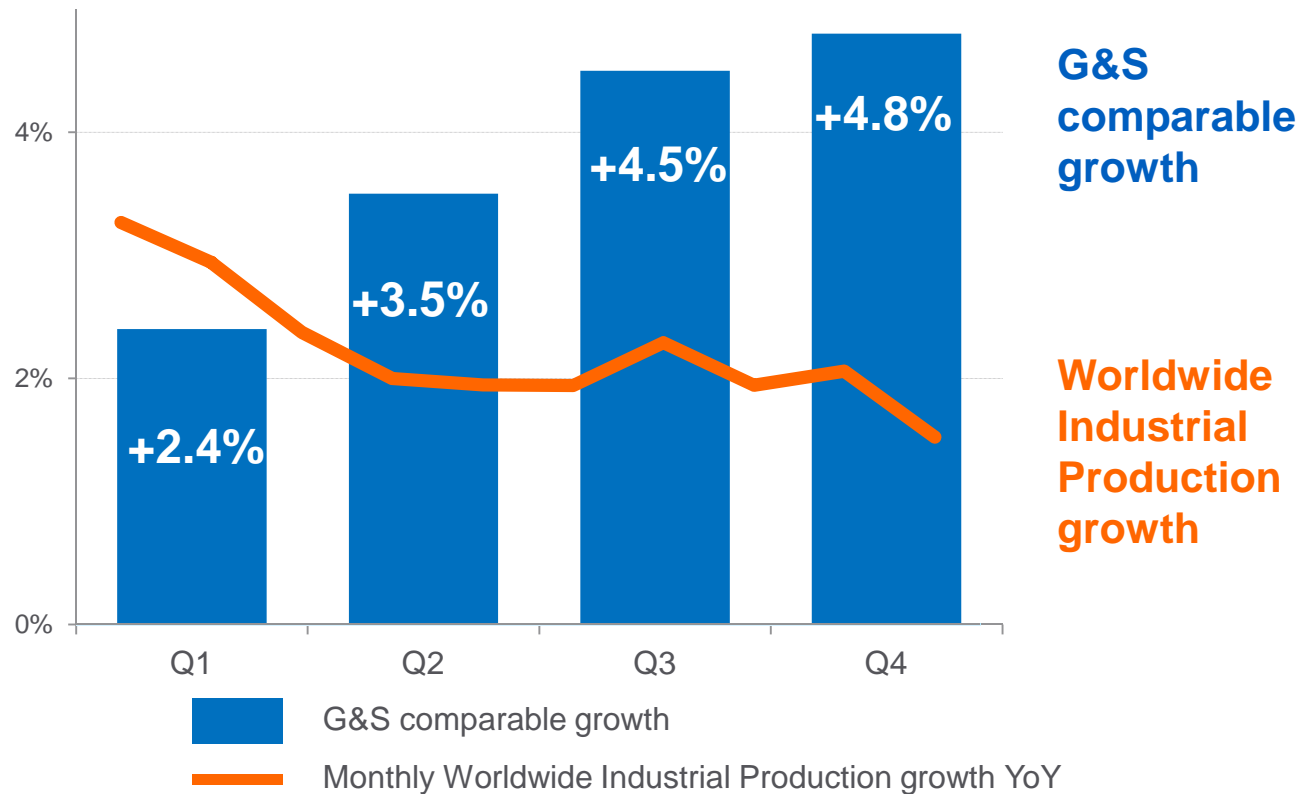
Sales in €m	FY 14	FY 15	FY 15/14 as published	FY 15/14 comparable <sup>(2)</sup>	Q4 15/14 comparable <sup>(2)</sup>
Gas & Services <sup>(3)</sup>	13,800	14,752	+6.9%	+3.8%	+4.8%
Engineering & Construction <sup>(3)</sup>	723	775	+7.1%	-0.7%	-27.4%
Global Markets & Technologies <sup>(3)</sup>	256	292	+14.0%	+11.4%	-0.5%
Other activities	579	561	-3.1%	-6.7%	-8.5%
<b>Group Total</b>	<b>15,358</b>	<b>16,380</b>	<b>+6.7%</b>	<b>+3.3%</b>	<b>+2.4%</b>

(1) Industrial Production weighted average by Air Liquide industrial sales footprint.

(2) Excluding currency and energy impact.

(3) 2014 data are restated to account for the creation of the new activity (GM&T).

# Strengthening G&S Sales Growth

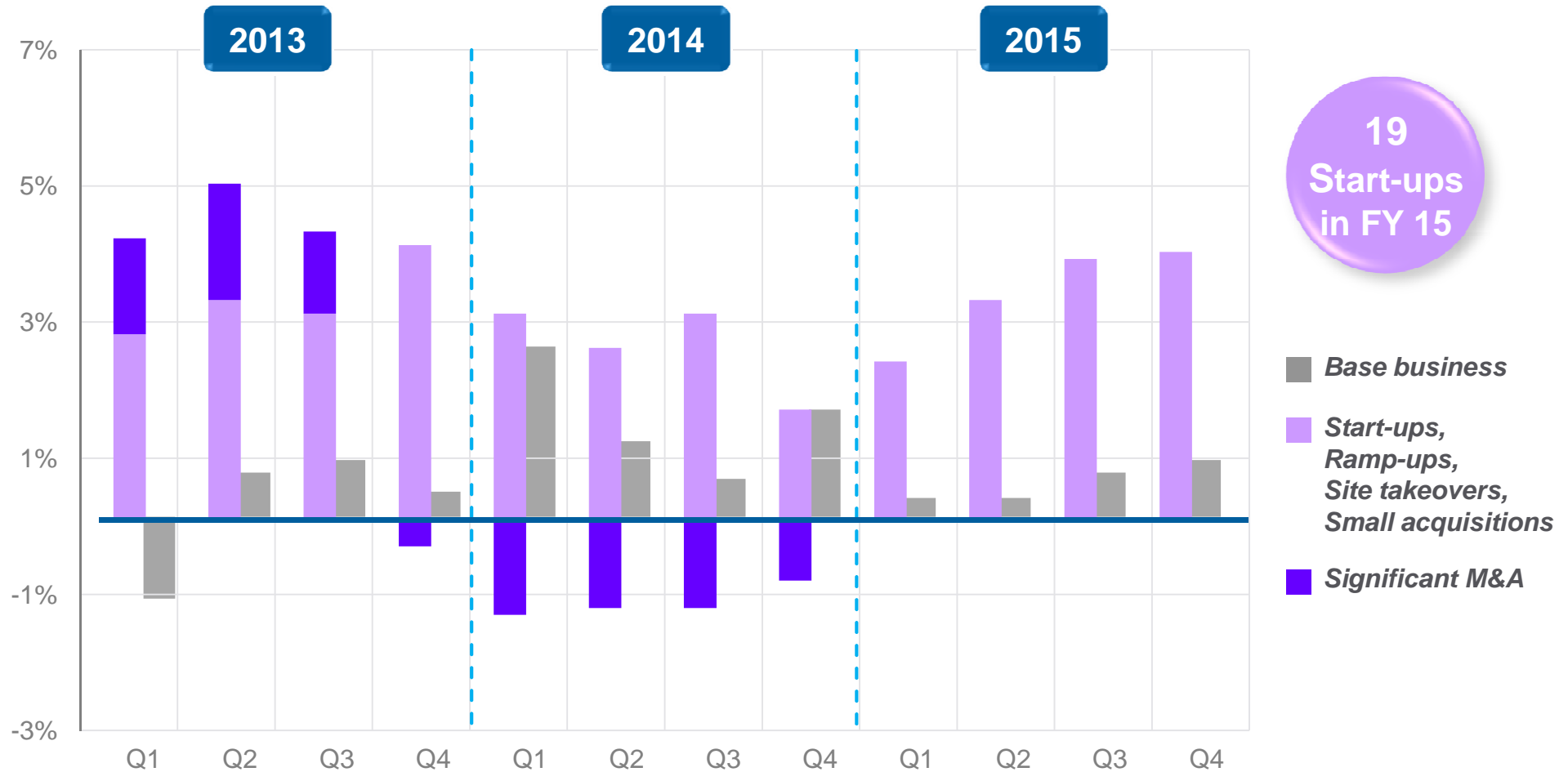


Source Coe-Rexecode as of January 2016

G&S growth through the first 3 quarters of 2015 are restated to account for the creation of the new activity (GM&T).

# Sustained Start-up and Ramp-up Contributions

## G&S quarterly growth analysis



G&S growth through the first 3 quarters of 2015 are restated to account for the creation of the new activity (GM&T).  
As of 1 January 2015, base business adjusted for the electricity impact

# Strong Growth Drivers

Q4 2015

Europe

+5%

Developing  
Economies

+11%

Large  
Industries

+9%

Healthcare  
-  
Electronics

+8%  
each

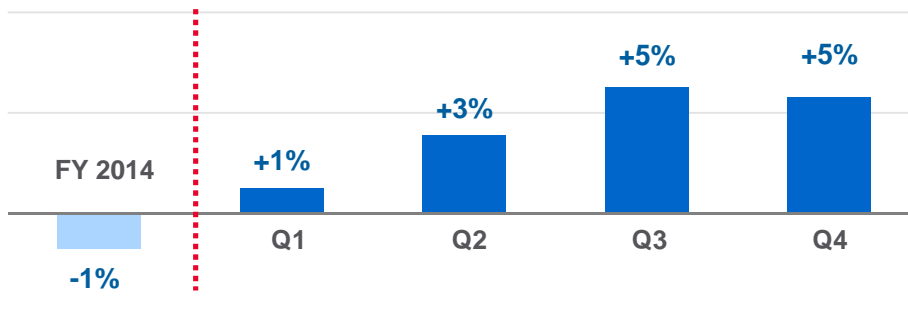
Gas & Services sales growth, excluding currency, energy and significant M&A impacts.

# Q4: Improving Europe, Low IM in US and Canada

⇒ G&S comparable sales growth<sup>(1)</sup>

Europe: € 6,749m

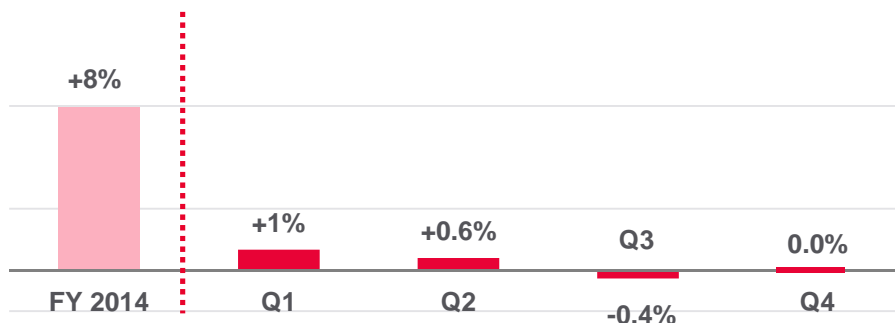
+3% FY



- Ramp-ups in LI
- Positive IM
- Strong Home Healthcare & Hygiene

Americas: € 3,595m

+0.3% FY



- Sustained H2 volumes
- IM highly impacted in US, Canada and Brazil
- HC >+20% in South America

(1) Excluding currency, energy and significant M&A impacts. As of 1 January 2015, energy includes Natural gas and Electricity impacts.

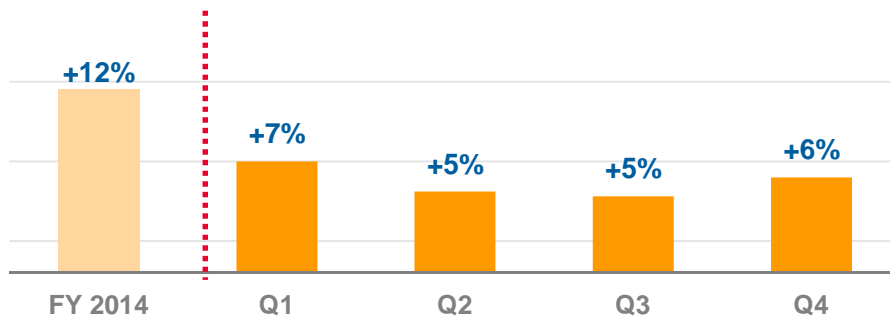
Comments relate to Q4 2015. G&S growth over 2014 and through the first 3 quarters of 2015 are restated to account for the creation of the new activity (GM&T).

# Q4: Continued Growth in Asia, Ramp-ups in MEA

→ G&S comparable sales growth<sup>(1)</sup>

**Asia-Pacific: € 3,850m**

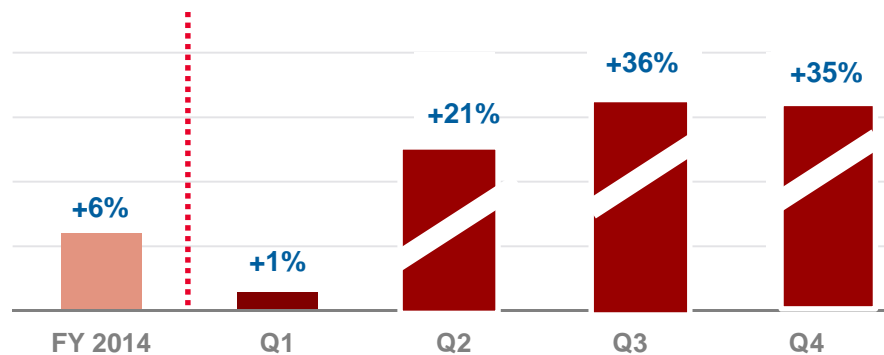
**+6%** FY



- China +8%
- Japan positive
- Dynamic Electronics

**Middle-East & Africa: € 558m**

**+24%** FY



- Further loading of Yanbu H<sub>2</sub> plant
- Better Egypt

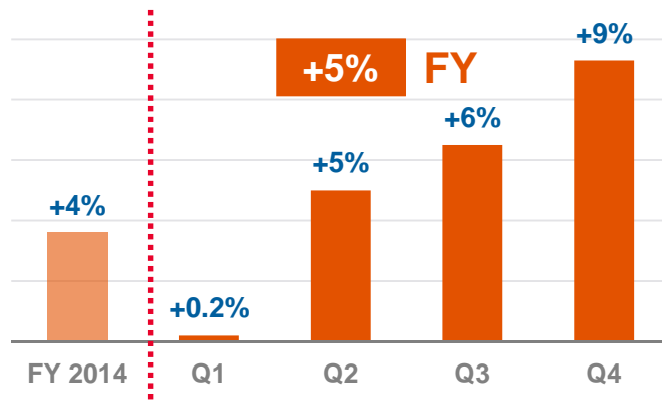
(1) Excluding currency, energy and significant M&A impacts. As of 1 January 2015, energy includes Natural gas and Electricity impacts. Comments relate to Q4 2015. G&S growth over 2014 and through the first 3 quarters of 2015 are restated to account for the creation of the new activity (GM&T). Middle-East & Africa now includes India, previously part of Asia-Pacific. Data over 2014 and the first 3 quarters of 2015 has been restated accordingly.



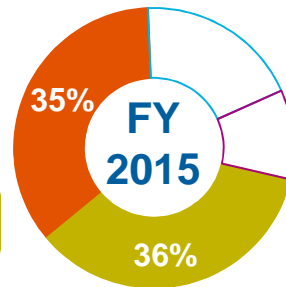
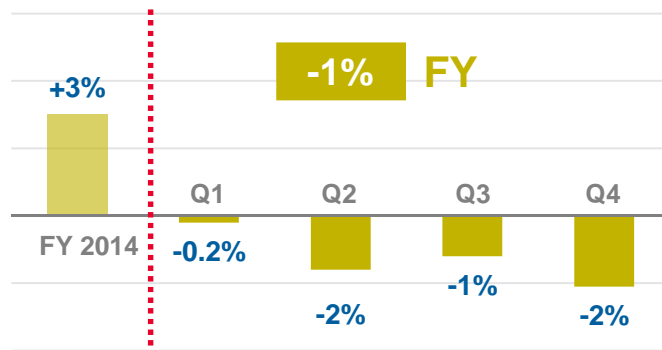
# Q4: Pursued Uplift in LI, Low IM

→ G&S comparable sales growth<sup>(1)</sup>

**Large Industries: € 5,201 m**



**Industrial Merchant: € 5,229 m**



- Growth acceleration in Q4
- Start-ups / Ramp-ups in all regions
- Strong H<sub>2</sub>/CO volumes

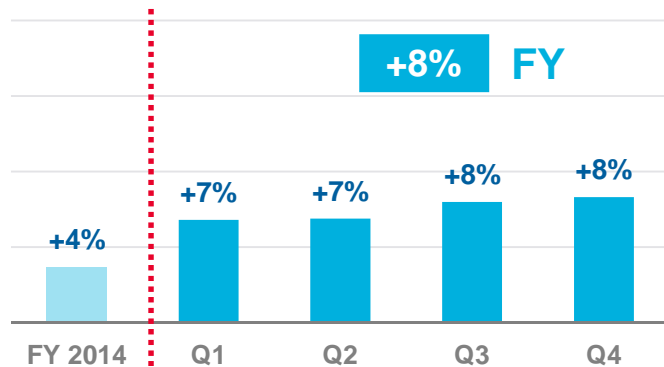
- Improved bulk sales in Europe
- Bulk volumes decrease in US, Canada, Japan
- Pricing stable

(1) Excluding currency, energy and significant M&A impacts. As of 1 January 2015, energy includes Natural gas and Electricity impacts. Comments relate to Q4 2015. G&S growth over 2014 and through the first 3 quarters of 2015 are restated to account for the creation of the new activity (GM&T).

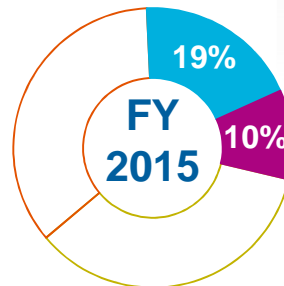
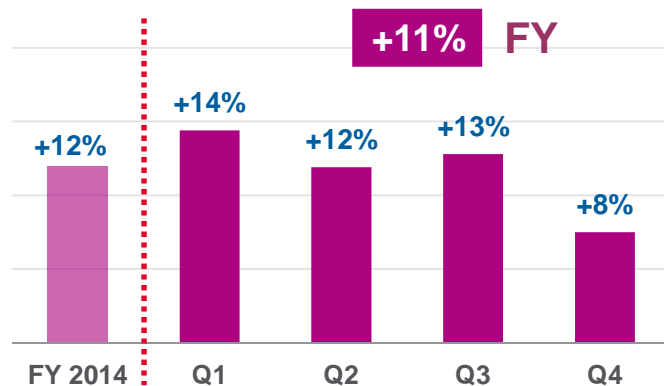
# Q4: Strong Momentum in HC, High Activity in EL

⇒ G&S comparable sales growth<sup>(1)</sup>

**Healthcare: € 2,799 m**



**Electronics: € 1,523 m**



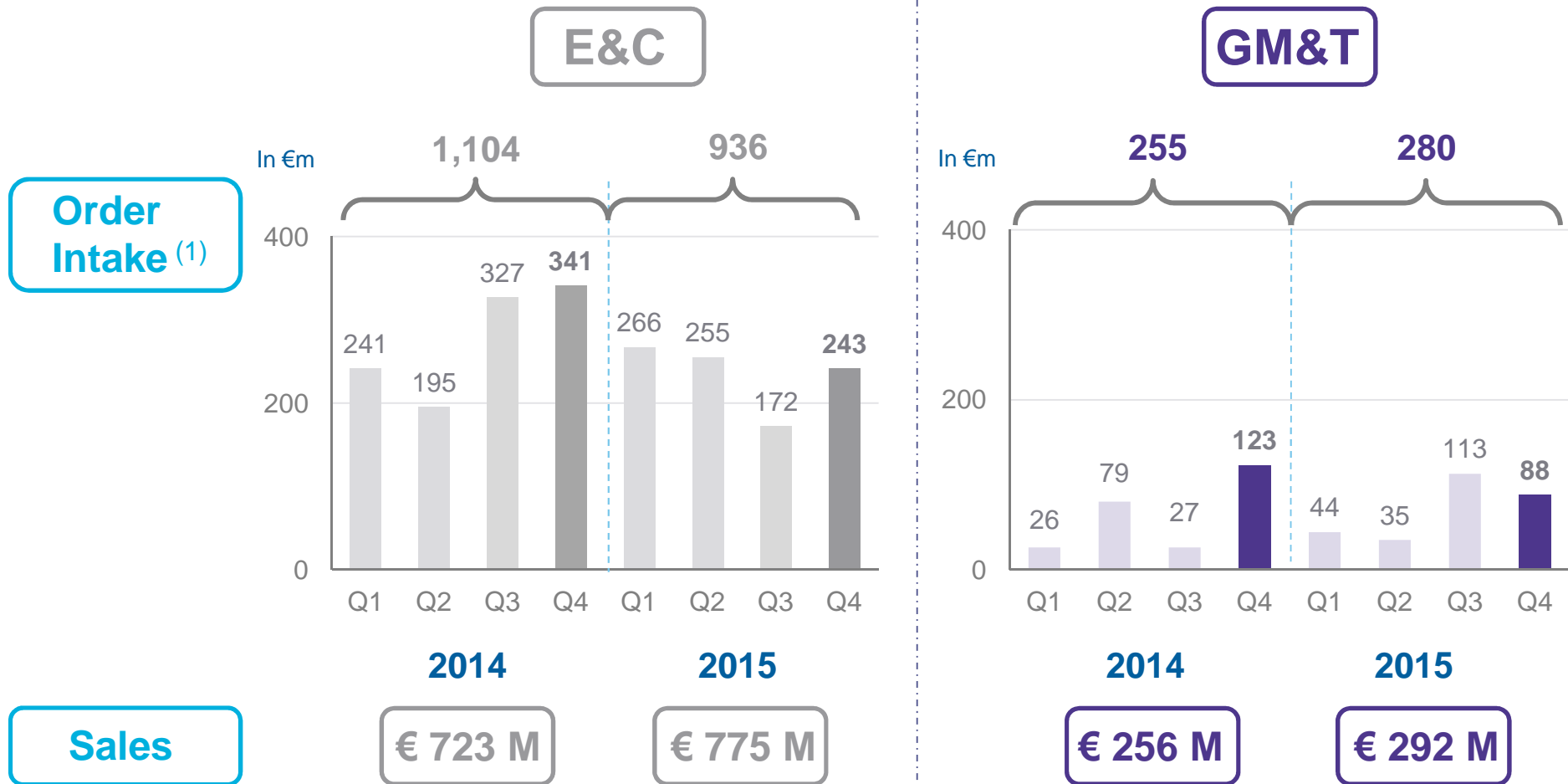
- Increased number of patients in Home Healthcare
- Bolt-on acquisitions
- Growth in Hygiene >+20%

- Sustained activity compared to a high Q4 2014
- Dynamic Asia
- Advanced materials >+30%

(1) Excluding currency, energy and significant M&A impacts. As of 1 January 2015, energy includes Natural gas and Electricity impacts.

Comments relate to Q4 2015. G&S growth over 2014 and through the first 3 quarters of 2015 are restated to account for the creation of the new activity (GM&T).

# E&C and GM&T: Resilient Order Intake



(1) Group and Third Party orders

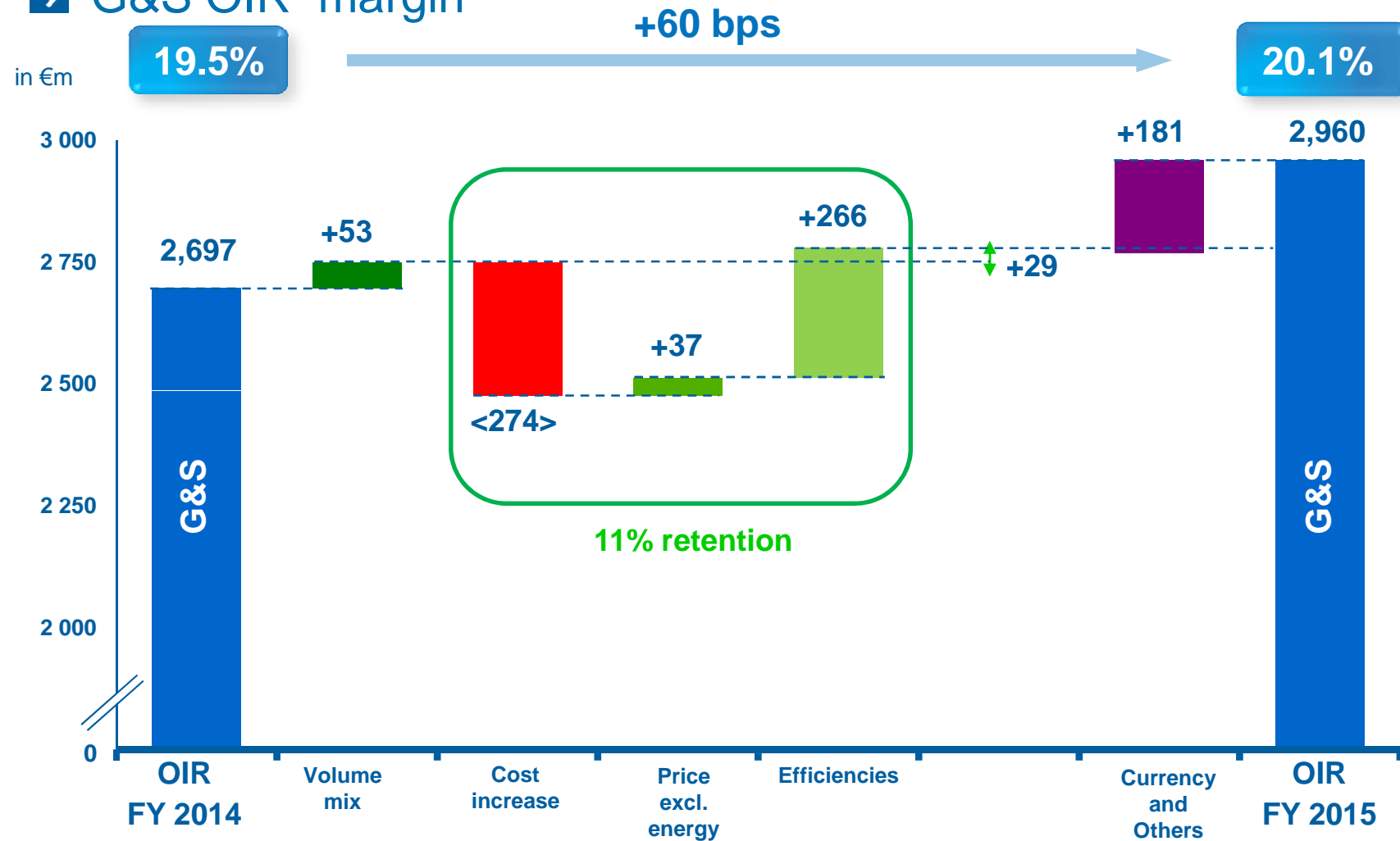
# Positive Leverage on OIR

In €m	2014	2015	FY 15/14	FY 15/14 Comparable <sup>(1)</sup>
<b>Revenue</b>	15,358	<b>16,380</b>	<b>+6.7%</b>	<b>+3.3%</b>
Purchases	(6,007)	<b>(6,164)</b>	<b>+2.6%</b>	
Personnel expenses	(2,653)	<b>(3,069)</b>	} <b>+8.7%</b>	
Other net income and expenses	(2,825)	<b>(2,885)</b>		
Operating profit before depreciation	3,873	<b>4,262</b>	<b>+10.1%</b>	
Depreciation and amortization	(1,239)	<b>(1,372)</b>	<b>+10.7%</b>	
<b>Operating Income Recurring (OIR)</b>	2,634	<b>2,890</b>	<b>+9.8%</b>	<b>+3.9%</b>
<b>OIR margin</b>	17.1%	<b>17.6%</b>	<b>+50 bps</b>	
<b>OIR margin excl. energy effect</b>		<b>17.2%</b>	<b>+10 bps</b>	

(1) Excluding currency, energy and significant M&A impacts.

# Improved OIR margin

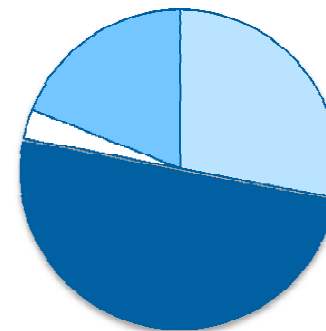
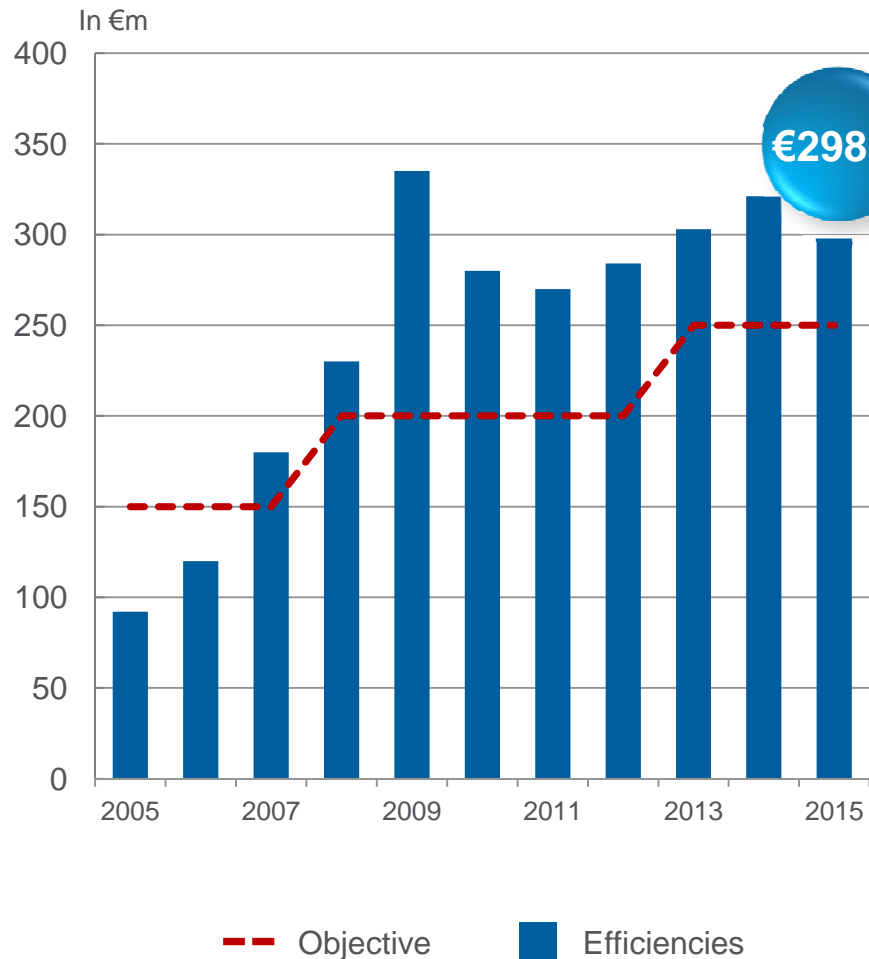
→ G&S OIR margin



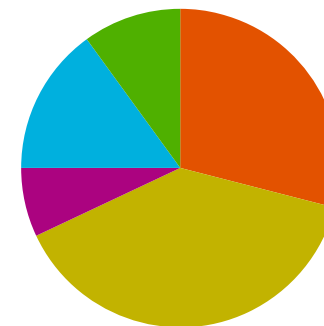
OIR = Operating Income Recurring  
 2014 G&S OIR is restated to account for the creation of the new activity (GM&T).

# High Level of Efficiencies

## Breakdown of efficiencies



- Procurement
- Industrial
- Energy Procurement
- Others



- Large Industries
- Industrial Merchant
- Electronics
- Healthcare
- Others<sup>(1)</sup>

(1) Others: Engineering & Construction, Welding, Aqua Lung™, Corporate

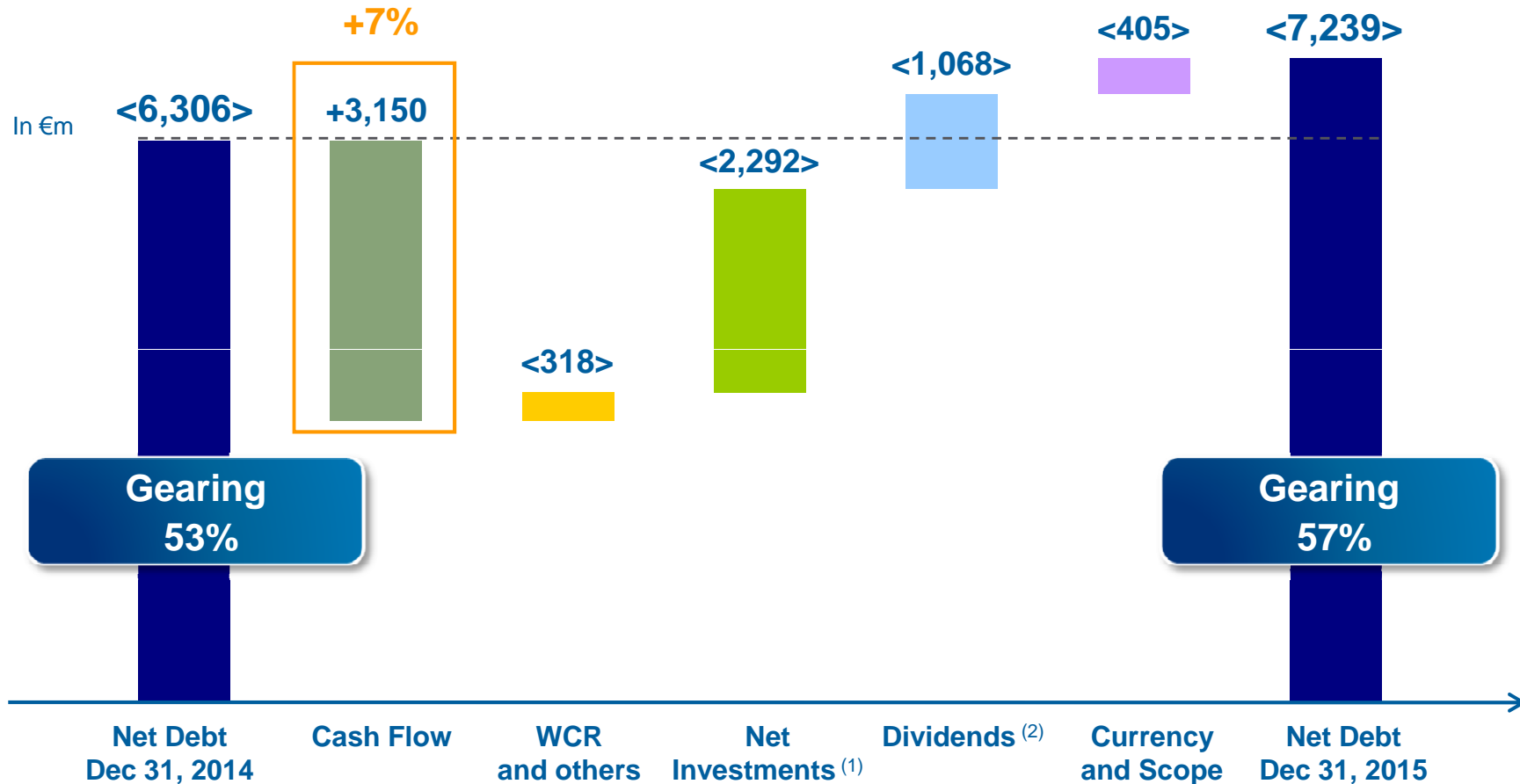
# Net Profit up +5.5%

In €m	2014	2015	FY 15/14	FY 15/14 comparable <sup>(1)</sup>
<b>Revenue</b>	<b>15,358</b>	<b>16,380</b>	<b>+6.7%</b>	<b>+3.3%</b>
<b>Operating Income Recurring</b>	<b>2,634</b>	<b>2,890</b>	<b>+9.8%</b>	<b>+3.9%</b>
Other non-recurring operating income & expenses	16	(132)		
<b>Operating Income</b>	<b>2,650</b>	<b>2,758</b>	<b>+4.1%</b>	
Net financial costs and other net financial expenses	(251)	(268)		
Income taxes	(678)	(666)		
<i>Tax rate</i>	<i>28.3%</i>	<i>26.8%</i>		
Share of profit of associates	4	14		
Minority interests	(60)	(82)		
<b>Net profit (Group share)</b>	<b>1,665</b>	<b>1,756</b>	<b>+5.5%</b>	
Earnings per share (in €)	4.85	5.12	<b>+5.6%</b>	

(1) Excluding currency, energy and significant M&A impacts.

# Solid Cash Flow Model

## Net Debt



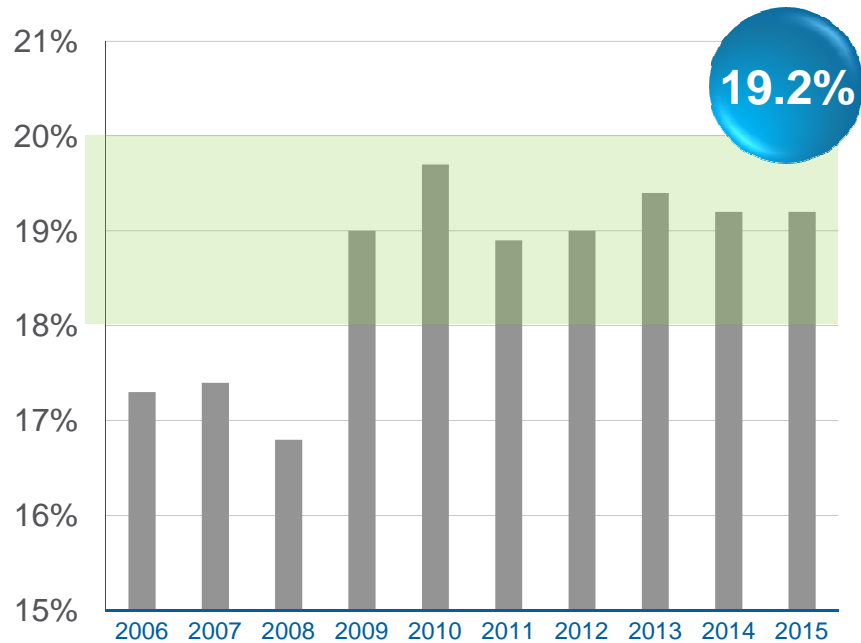
(1) Including acquisitions, transactions with minority shareholders, net of divestitures.

(2) Including share purchases (€178m) and capital increase.

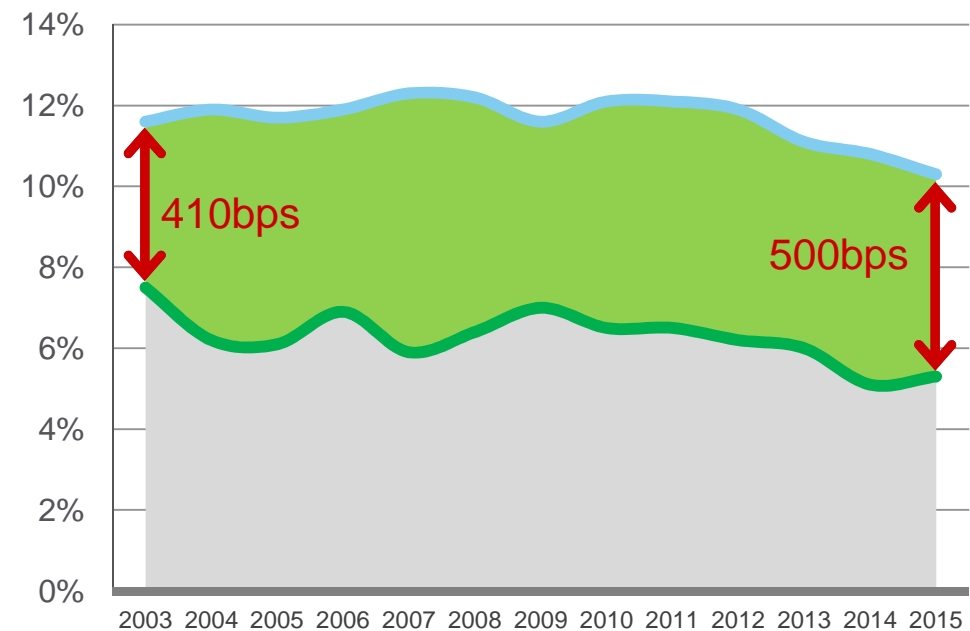


# High Cash Flow Returns and Pursued Value Creation

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



## Adjusted ROCE: 10.8% <sup>(2)</sup>



Value Creation ROCE WACC

(2) Adjusted for a one-off impact on an E&C project; published ROCE 10.3%  
 Return On Capital Employed after tax: (Net profit after tax before deduction of the minority interests – net cost of debt after taxes) / weighted average for the year of (shareholders' equity + minority interests + net indebtedness).

(1) Cash Flow from operating activities before changes in working capital.

# Selective Investments to Generate Future Growth

Paris, 16 February 2016

Pierre Dufour | Senior Executive Vice President

- ➔ **Continued selective investments**
- ➔ **Sustained contribution to growth**
- ➔ **Generating future revenues**

# Continued Selective Investments

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

€ 2.6bn

- Quality projects under discussion
- Balanced portfolio across business lines

## FY 2015 Investment Decisions <sup>(1)</sup>

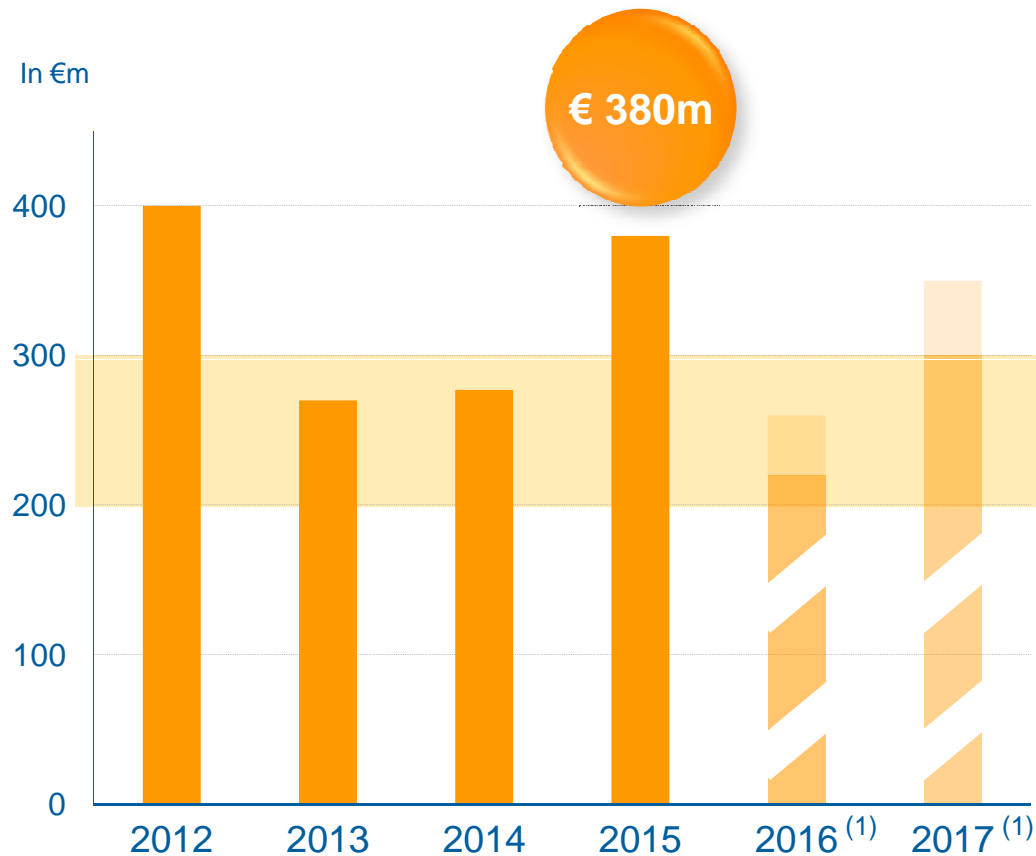
€ 2.4bn

- 14% of sales
- Industrial investments at 2014 level
- Higher bolt-on acquisitions (€0.5 bn)

(1) See definitions in appendix.

# Sustained Contribution to Growth

## Start-up / Ramp-up sales growth contribution



(1) Based on current forecasts of future Start-ups.

# Generating Future Revenues

## ➔ New Long-term Contracts

- Sasol (South Africa)
- Shandong Fangyuan copper (China)
- Yan'an Energy & Chemical (China)
- Several clients in Electronics (Japan, Singapore and Taiwan )

## ➔ Healthcare Bolt-on Acquisitions

- Optimal Medical Therapies (Germany)
- Baywater Healthcare (Ireland)
- Bochemie (Czech Republic)
- Healthcare Antisepsis Solutions (Asia-Pacific)

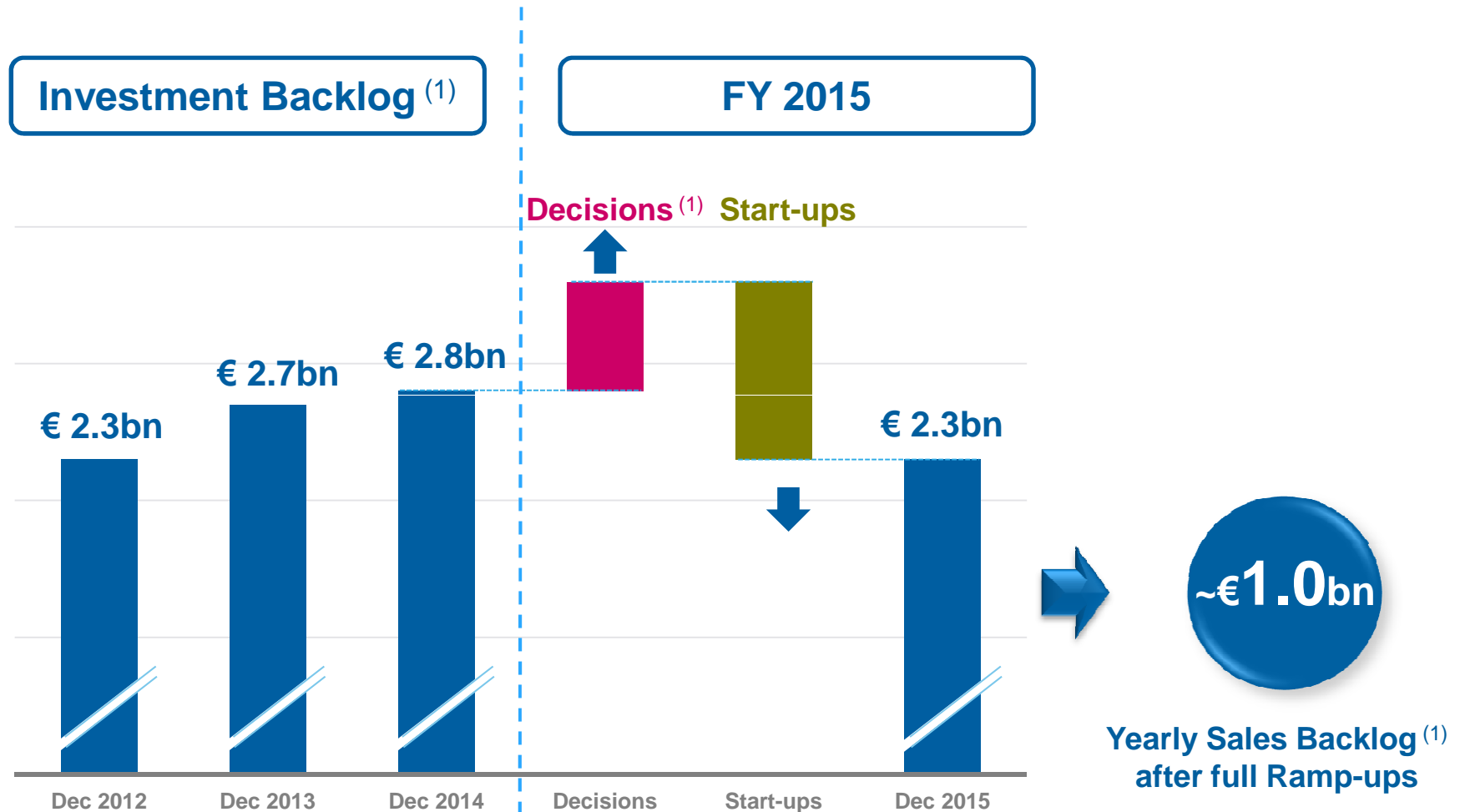
## ➔ Geographies

- Airgas acquisition (US)
- Portfolio management
- Increased presence (Turkey)
- Country entry (Colombia)

## ➔ Innovation

- H<sub>2</sub> charging stations (US, Japan, Germany)
- Biogas (Europe)
- ITER project
- Cryocap™ (France)
- New applications in IM

# Investment Backlog Adjusting for Major Start-ups



(1) See definitions in appendix.

# 2016 Priorities & Outlook

Paris, 16 February 2016

**Benoît Potier** | Chairman & Chief Executive Officer

# 2016 Priorities

## Airgas acquisition

- Deal completion
- Financing
- Launch of integration process

## Enhanced Value Creation

- Execution of projects
- Improved return on capital
- Launch of new strategic plan initiatives

## Innovation

- GM&T deployment
- Technical innovations in LI
- Ramp-up of Technology Centers



# 2016 Outlook

## 2015

- Strong operating performance in a challenging environment
- Enhanced competitiveness
- Solid cash flow
- Continued selective investments

## 2016

Excluding the impact of Airgas acquisition and financing,  
and assuming a comparable environment,  
Air Liquide is confident in its ability  
to deliver another year of net profit growth in 2016

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document contains certain statements that are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended. L’Air Liquide S.A. (“Air Liquide”) has identified some of these forward-looking statements with words like “believe,” “may,” “could,” “would,” “might,” “possible,” “will,” “should,” “expect,” “intend,” “plan,” “anticipate,” or “continue,” the negative of these words, other terms of similar meaning or the use of future dates. Forward-looking statements in this document include without limitation statements regarding the expected timing of the completion of the transactions described in this document, Air Liquide’s operation of the business of Airgas, Inc. (“Airgas”) following completion of the contemplated transactions, and statements regarding the future operation, direction and success of Airgas’ businesses. Such statements are qualified by the inherent risks and uncertainties surrounding future expectations generally, and actual results could differ materially from those currently anticipated due to a number of risks and uncertainties. Risks and uncertainties that could cause results to differ from expectations include: uncertainties as to the timing of the contemplated transactions; uncertainties as to the approval of Airgas’ stockholders required in connection with the contemplated transactions; the possibility that a competing proposal will be made; the possibility that the closing conditions to the contemplated transactions may not be satisfied or waived, including that a governmental entity may prohibit, delay or refuse to grant a necessary regulatory approval; the effects of disruption caused by the announcement of the contemplated transactions making it more difficult to maintain relationships with employees, customers, vendors and other business partners; the risk that stockholder litigation in connection with the contemplated transactions may affect the timing or occurrence of the contemplated transactions or result in significant costs of defense, indemnification and liability; other business effects, including the effects of industry, economic or political conditions outside of the control of the parties to the contemplated transactions; transactions costs; actual or contingent liabilities; and other risks and uncertainties discussed in Airgas’ filings with the U.S. Securities and Exchange Commission (the “SEC”), including the “Risk Factors” sections of Airgas’ most recent annual report on Form 10-K. You can obtain copies of Airgas’ filings with the SEC for free at the SEC’s website ([www.sec.gov](http://www.sec.gov)). Air Liquide does not undertake any obligation to update any forward-looking statements as a result of new information, future developments or otherwise, except as expressly required by law. All forward-looking statements in this announcement are qualified in their entirety by this cautionary statement.

### **Additional Information and Where to Find it**

In connection with the proposed acquisition of Airgas by Air Liquide, Airgas has filed with the SEC and mailed or otherwise provided to its stockholders a definitive proxy statement regarding the proposed transaction. BEFORE MAKING ANY VOTING DECISION, AIRGAS STOCKHOLDERS ARE URGED TO CAREFULLY READ THE DEFINITIVE PROXY STATEMENT IN ITS ENTIRETY AND ANY OTHER DOCUMENTS FILED WITH THE SEC IN CONNECTION WITH THE PROPOSED TRANSACTION OR INCORPORATED BY REFERENCE THEREIN BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND THE PARTIES TO THE PROPOSED TRANSACTION. Investors and security holders may obtain a free copy of the proxy statement and other documents that Airgas files with the SEC (when available) from the SEC’s website at [www.sec.gov](http://www.sec.gov) and Airgas’ website at <http://investor.shareholder.com/arg/>. In addition, the proxy statement and other documents filed by Airgas with the SEC (when available) may be obtained from Airgas free of charge by directing a request to Joseph Marczely, Manager, Investor Relations, Airgas, Inc., 259 N. Radnor-Chester Road, Radnor, PA 19087-5283, Phone: 610-263-8277.

### **Certain Information Concerning Participants**

Airgas and its directors, executive officers and employees may be deemed, under SEC rules, to be participants in the solicitation of proxies from Airgas stockholders with respect to the proposed acquisition of Airgas. Security holders may obtain information regarding the names, affiliations and interests of such individuals in Airgas’ Annual Report on Form 10-K for the fiscal year ended March 31, 2015 and proxy statement for its 2015 annual meeting of stockholders. Additional information regarding the interests of such individuals in the proposed acquisition of Airgas is in the proxy statement relating to such acquisition. These documents may be obtained free of charge from the SEC’s website at [www.sec.gov](http://www.sec.gov) and Airgas’ website at <http://investor.shareholder.com/arg/>.



**AIR LIQUIDE**

TM

*Creative Oxygen*

# FY 2015 Appendix

# Impact of currency and energy on G&S revenue

## → Currency

In €m	Q1 14	Q2 14	Q3 14	Q4 14	Q1 15	Q2 15	Q3 15	Q4 15
€/USD	(21)	(29)	(0)	+50	+109	+129	+110	+91
€/CNY	(4)	(15)	(2)	+19	+52	+76	+52	+36
€/JP¥	(34)	(17)	(11)	(10)	+11	+9	+3	+17
Others	(102)	(81)	(25)	+4	+78	+76	+4	(22)
<b>Total currency impact</b>	<b>(161)</b>	<b>(142)</b>	<b>(38)</b>	<b>+63</b>	<b>+250</b>	<b>+290</b>	<b>+169</b>	<b>+122</b>
Average rate	Q1 14	Q2 14	Q3 14	Q4 14	Q1 15	Q2 15	Q3 15	Q4 15
€/USD	1.37	1.37	1.33	1.25	1.13	1.10	1.11	1.10
€/CNY	8.36	8.55	8.17	7.68	7.04	6.85	7.01	7.00
€/JP¥	140.8	140.0	137.7	142.8	134.6	134.0	135.9	132.9

## → Natural Gas

In €m	Q1 14	Q2 14	Q3 14	Q4 14	Q1 15	Q2 15	Q3 15	Q4 15
<b>Natural Gas Impact</b>	<b>24</b>	<b>(29)</b>	<b>(40)</b>	<b>(42)</b>	<b>(116)</b>	<b>(77)</b>	<b>(55)</b>	<b>(114)</b>

## → Electricity

In €m	Q1 14	Q2 14	Q3 14	Q4 14	Q1 15	Q2 15	Q3 15	Q4 15
<b>Electricity Impact</b>	<b>(7)</b>	<b>(17)</b>	<b>(9)</b>	<b>(21)</b>	<b>(8)</b>	<b>(17)</b>	<b>(16)</b>	<b>(4)</b>

G&S data over 2014 and through the first 3 quarters of 2015 are restated to account for the creation of the new activity (GM&T).

# Consolidated P&L

In €m	2014	2015
<b>Revenue</b>	<b>15,358</b>	<b>16,380</b>
Cost of goods	(11,485)	(12,118)
<b>Operating income recurring before depreciation</b>	<b>3,873</b>	4,262
Depreciation and amortization expense	(1,239)	(1,372)
<b>Operating income Recurring</b>	<b>2,634</b>	<b>2,890</b>
Net non-recurring operating income	16	(132)
<b>Operating income</b>	<b>2,650</b>	<b>2,758</b>
<b>Net finance costs &amp; other net financial expenses</b>	<b>(251)</b>	<b>(268)</b>
Income taxes	(678)	(666)
Share of profit of associates	4	14
<b>Profit for the period</b>	<b>1,725</b>	<b>1,838</b>
- Minority interest	60	82
<b>- Net profit (Group share)</b>	<b>1,665</b>	<b>1,756</b>
Basic earnings per share (in €) <sup>(1)</sup>	4.85	5.12

(1) Earnings per share adjusted for free share attribution.



# Cash Flow statement

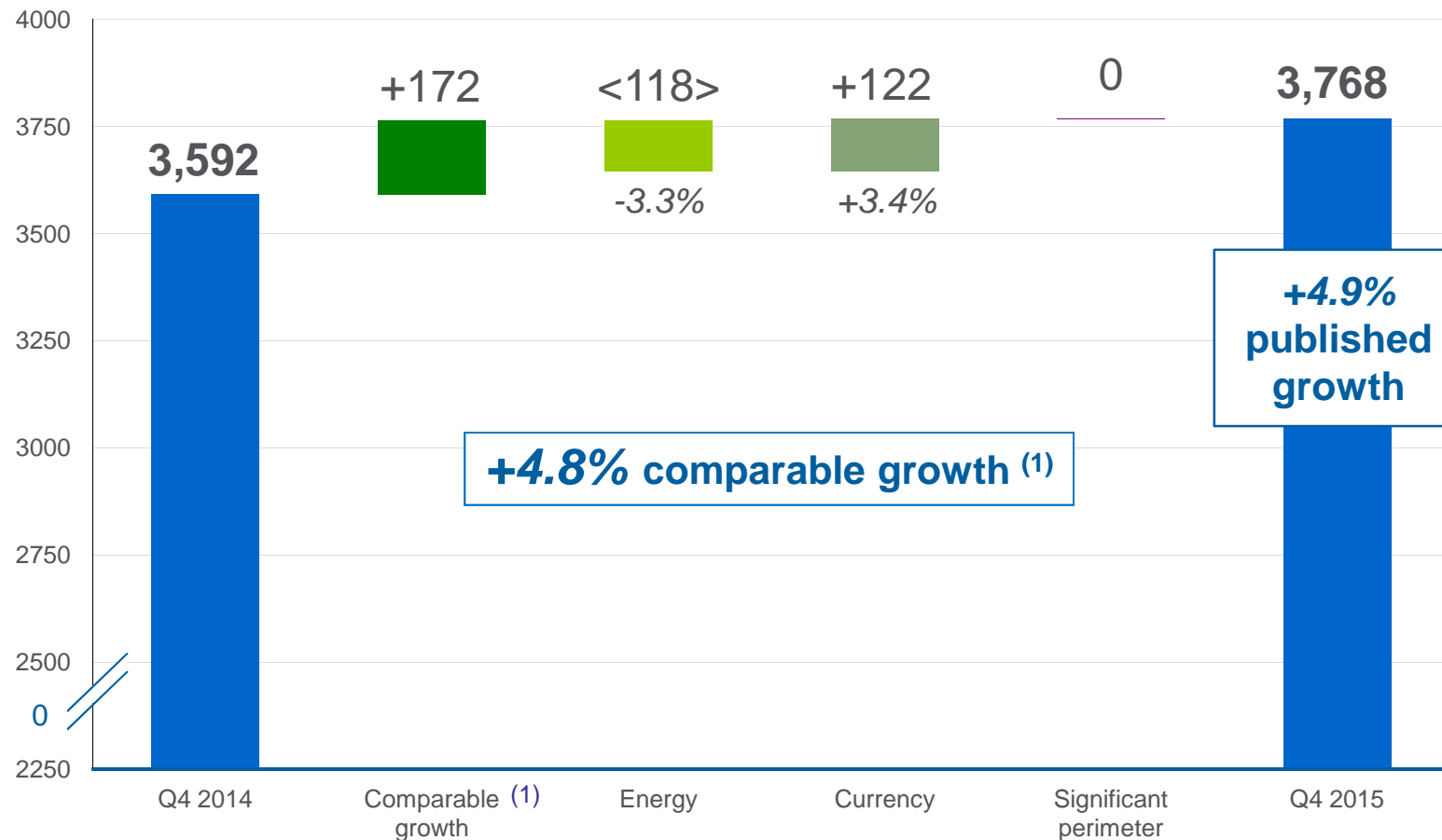
In €m	2014	2015
<b>Funds provided by operations</b>	<b>2,943</b>	<b>3,150</b>
Changes in Working Capital	74	(258)
Other items	(187)	(60)
<b>Net cash from operating activities</b>	<b>2,830</b>	<b>2,832</b>
Purchase of PPE* and intangible assets	(1,902)	(2,028)
Purchase of financial assets	(179)	(384)
Proceeds from sale of PPE*, intangible and financial assets	245	131
<b>Net cash in investing activities</b>	<b>(1,836)</b>	<b>(2,281)</b>
Distribution	(885)	(975)
Increase in capital stock	60	86
Purchase of treasury shares	(116)	(178)
Transactions with minority shareholders	(95)	(11)
Exchange rate and consolidation scope effect	(202)	(406)
<b>Change in net indebtedness</b>	<b>(244)</b>	<b>(933)</b>

\* Property, plant and equipment.



# Growth in Q4 2015 G&S revenue

in €m



(1) Excluding currency, energy and significant scope impacts.

G&S data over 2014 are restated to account for the creation of the new activity (GM&T).

# Revenue analysis by quarter and by geography

Sales in €m	Q4 14	Q1 15	Q2 15	Q3 15	Q4 15	Q4 15/14	Q4 15/14 comparable <sup>(1)</sup>
<b>Europe</b>	1,681	1,684	1,682	1,670	<b>1,713</b>	+1.9%	+4.6%
<b>Americas</b>	894	888	911	897	<b>899</b>	+0.5%	0.0%
<b>Asia-Pacific</b>	905	936	956	963	<b>995</b>	+10.0%	+6.0%
<b>Middle-East and Africa</b>	113	106	139	152	<b>161</b>	+43.1%	+35.0%
<b>Gas &amp; Services</b>	<b>3,593</b>	<b>3,614</b>	<b>3,688</b>	<b>3,682</b>	<b>3,768</b>	<b>+4.9%</b>	<b>+4.8%</b>
<b>Engineering &amp; Construction</b>	224	177	205	219	<b>173</b>	-22.8%	-27.4%
<b>Global Markets &amp; Technologies</b>	91	58	74	67	<b>93</b>	+1.7%	-0.5%
<b>Other Activities</b>	143	144	154	129	<b>135</b>	-6.2%	-8.5%
<b>Group Total</b>	<b>4,051</b>	<b>3,993</b>	<b>4,121</b>	<b>4,097</b>	<b>4,169</b>	<b>+2.9%</b>	<b>+2.4%</b>

(1) Excluding currency, energy and significant M&A impacts.

G&S data over 2014 and through the first 3 quarters of 2015 are restated to account for the creation of the new activity (GM&T).

Middle-East & Africa now includes India, previously part of Asia-Pacific. Data over 2014 and the first 3 quarters of 2015 have been restated accordingly.

# Revenue analysis by quarter and by Business Line

Sales in €m	Q4 14	Q1 15	Q2 15	Q3 15	Q4 15	Q4 15/14	Q4 15/14 comparable <sup>(1)</sup>
<b>Large Industries</b>	1,270	1,264	1,301	1,312	<b>1,324</b>	+4.2%	+9.3%
<b>Industrial Merchant</b>	1,306	1,309	1,313	1,293	<b>1,314</b>	+0.7%	-2.1%
<b>Healthcare</b>	669	685	697	692	<b>725</b>	+8.3%	+8.3%
<b>Electronics</b>	348	356	377	385	<b>405</b>	+16.5%	+7.5%
<b>Gas &amp; Services</b>	<b>3,593</b>	<b>3,614</b>	<b>3,688</b>	<b>3,682</b>	<b>3,768</b>	<b>+4.9%</b>	<b>+4.8%</b>
<b>Engineering &amp; Construction</b>	224	177	205	219	<b>173</b>	-22.8%	-27.4%
<b>Global Markets &amp; Technologies</b>	91	58	74	67	<b>93</b>	+1.7%	-0.5%
<b>Other Activities</b>	143	144	154	129	<b>135</b>	-6.2%	-8.5%
<b>Group Total</b>	<b>4,051</b>	<b>3,993</b>	<b>4,121</b>	<b>4,097</b>	<b>4,169</b>	<b>+2.9%</b>	<b>+2.4%</b>

(1) Excluding currency, energy and significant M&A impacts.

G&S data over 2014 and through the first 3 quarters of 2015 are restated to account for the creation of the new activity (GM&T).

# G&S Revenue growth by quarter and by impact

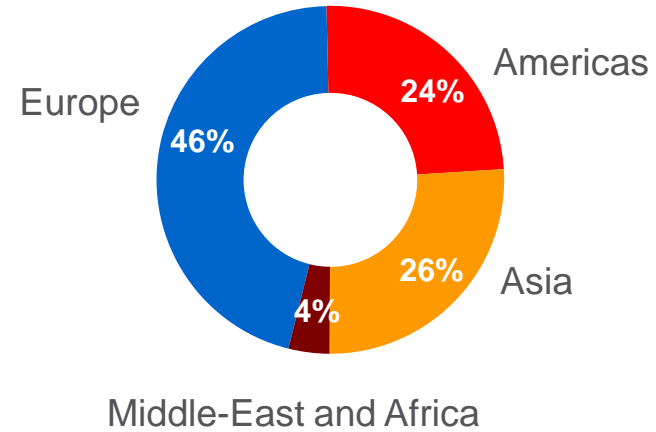
	Growth as published	Natural Gas	Electricity	Currency	Significant perimeter	Comparable growth <sup>(1)</sup>
<b>Q1 2014</b>	+ 0.2%	+ 0.7%		- 4.7%	- 1.4%	+ 5.6%
<b>Q2 2014</b>	- 2.7%	- 0.8%		- 4.1%	- 1.4%	+ 3.6%
<b>Q3 2014</b>	- 0.1%	- 1.2%		- 1.1%	- 1.3%	+ 3.5%
<b>Q4 2014</b>	+ 2.8%	- 1.2%		+ 1.8%	- 0.9%	+ 3.1%
<b>Q1 2015</b>	+ 6.2%	- 3.4%	- 0.2%	+ 7.4%	0.0%	+ 2.4%
<b>Q2 2015</b>	+ 9.3%	- 2.2%	- 0.5%	+ 8.5%	0.0%	+ 3.5%
<b>Q3 2015</b>	+7.4%	- 1.6%	- 0.4%	+ 4.9%	0.0%	+ 4.5%
<b>Q4 2015</b>	<b>+4.9%</b>	<b>- 3.2%</b>	<b>- 0.1%</b>	<b>+ 3.4%</b>	<b>0.0%</b>	<b>+ 4.8%</b>

(1) Excluding currency, energy and significant M&A impacts.

G&S data over 2014 and through the first 3 quarters of 2015 are restated to account for the creation of the new activity (GM&T).

# FY 2015 Revenue breakdown by region

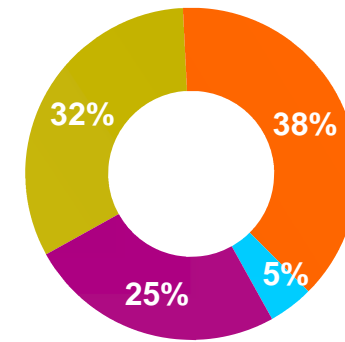
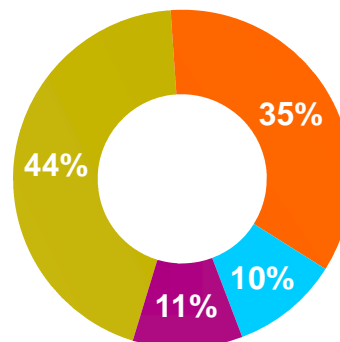
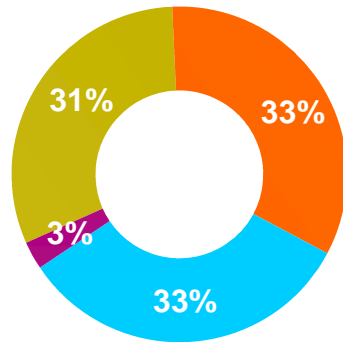
→ Gas & Services  
 FY 2015 Revenue: € 14,752 m



Europe: € 6.7 bn

Americas: € 3.6 bn

Asia: € 3.8 bn



Industrial Merchant
Large Industries
Healthcare
Electronics

# Europe in Q4

➔ Q4 Gas & Services sales: € 1,713 m

## Industrial Merchant

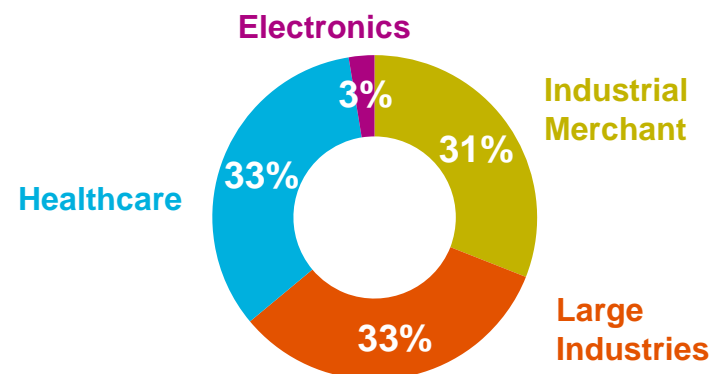
- Confirmed bulk volume growth
- Cylinder activity still weak
- Slightly negative pricing

## Large Industries

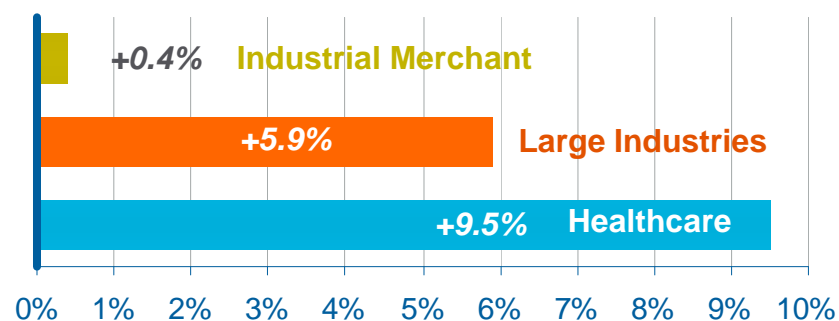
- Sales growth up +5.9%
- Stronger volumes, ramp-ups
- Dynamic Eastern Europe (Poland, Russia)

## Healthcare

- Increased number of patients in Home Healthcare
- Bolt-on acquisitions (Germany, France, Ireland, Czech Republic)
- Strong growth in Hygiene
- Pursued pricing pressure



Q4 15/14 Comparable change <sup>(1)</sup>: +4.6%



In €m	FY 2015	Publ. growth	Comp. growth <sup>(1)</sup>
Sales	6,749	+2.2%	+3.4%
OIR	1,326	+0.8%	
OIR/Sales	19.6%	-30bps	-50bps <sup>(2)</sup>

(1) Excluding impact of currency, energy and significant scope.

(2) Excluding impact of energy.

# Americas in Q4

→ Q4 Gas & Services sales: € 899 m

## Industrial Merchant

- Bulk volumes impacted by slowdown in Oil Well Services and metal fab.
- Weak Industrial Production in US, Canada and Brazil
- Positive pricing

## Large Industries

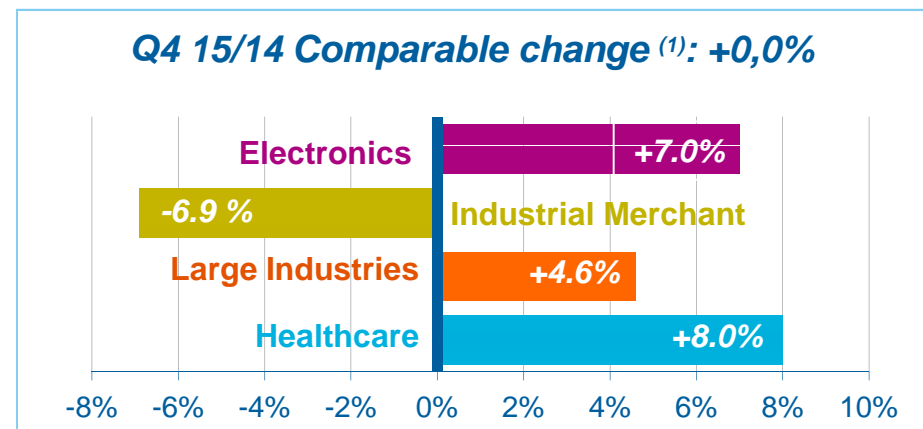
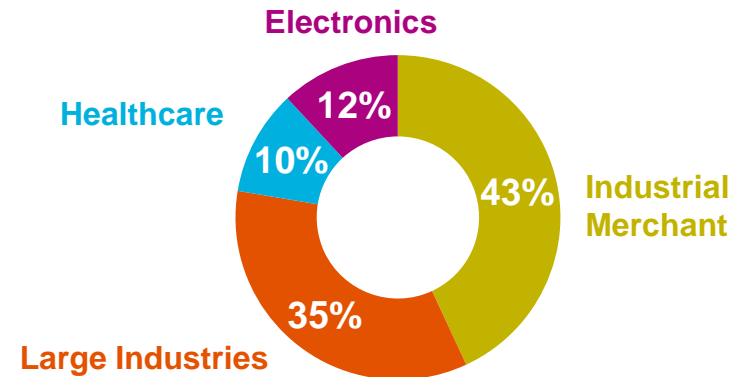
- Solid hydrogen volumes in US
- Ramp-ups in South America

## Healthcare

- Bolt-on acquisition in Canada
- South America >+20%

## Electronics

- Strong growth excluding Equipment & Installations



In €m	FY 2015	Publ. growth	Comp. growth <sup>(1)</sup>
Sales	3,595	+6.2%	+0.3%
OIR	843	+10.1%	
OIR/Sales	23.5%	+90bps	-50bps <sup>(2)</sup>

(1) Excluding impact of currency, energy and significant scope.

(2) Excluding impact of energy.

# Asia-Pacific in Q4

→ Q4 Gas & Services sales: € 995 m

## Industrial Merchant

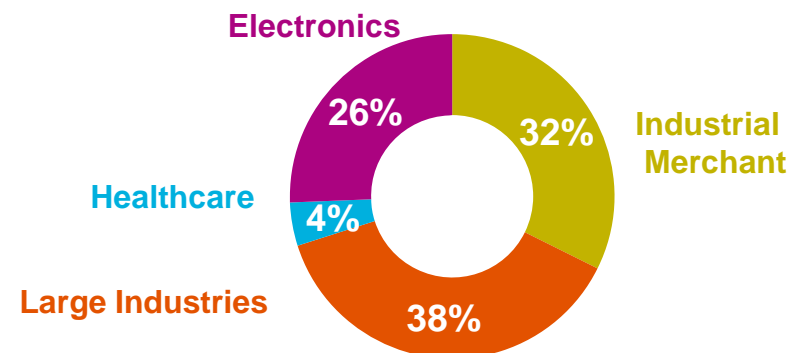
- Good volume increase in China and South-East Asia
- Sales down in Australia (mining sector) and Singapore (oil business)
- Pricing pressure: -2.2%

## Large Industries

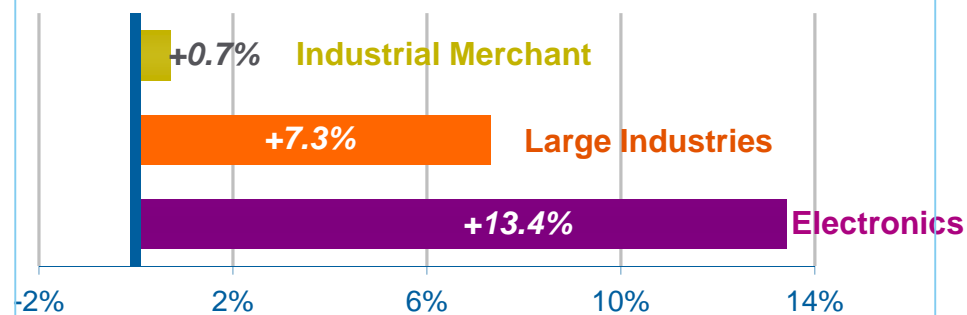
- Pursued ramp-ups in China

## Electronics

- Strong growth through the region
- Dynamic advanced materials and specialty gases
- New contracts in Asia



Q4 15/14 Comparable change <sup>(1)</sup>: +6.0%



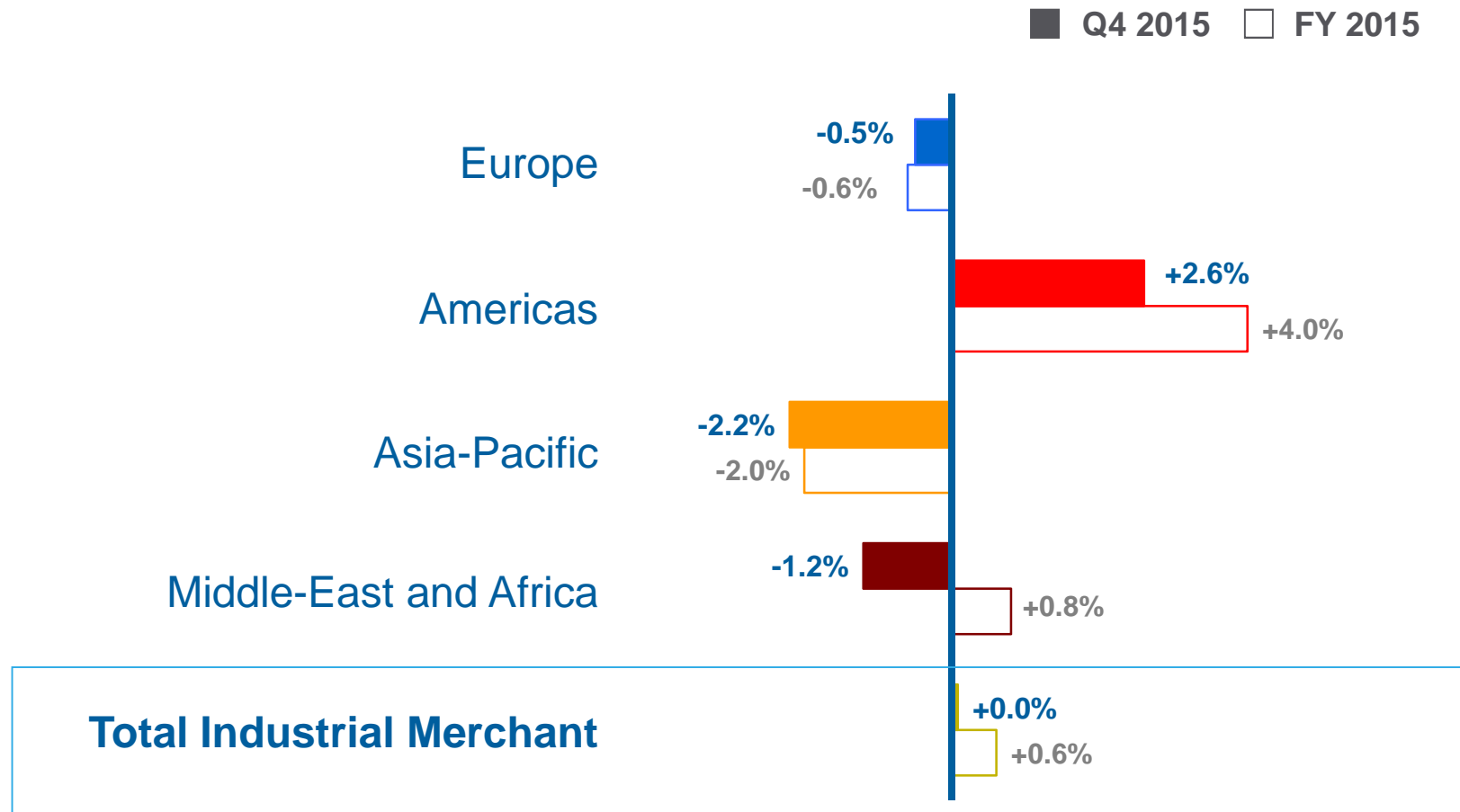
In €m	FY 2015	Publ. growth	Comp. growth <sup>(1)</sup>
Sales	3,850	+13.2%	+5,7%
OIR	702	+26.6%	
OIR/Sales	18.2%	+190bps	+130bps <sup>(2)</sup>

(1) Excluding impact of currency, energy and significant scope.

(2) Excluding impact of energy.



# Industrial Merchant Pricing

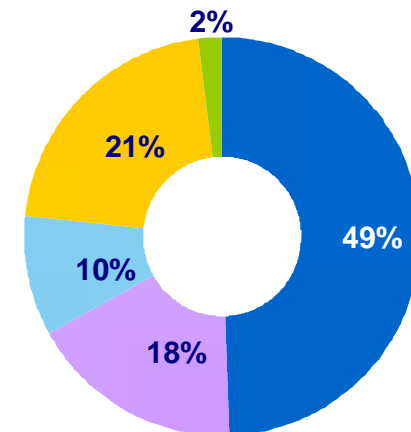


# Engineering & Construction

In €m	2014	2015
Consolidated revenues	723	775
OIR <sup>(1)</sup> margin	11.9%	8.7%
Total order intake	1,104	936
Total orders-in-hand	4,751	4,073

## → Total Orders-in-hand breakdown at Dec 31, 2015

- ASU
- HyCO
- Traditional energy
- Alternative energy
- Renewable energy



(1) Includes financial income generated by customer advances.

# Operating Margin – Energy Effect

Group, in €m	2014	2015
<b>Revenue</b>	<b>15,358</b>	<b>16,380</b>
Incl. energy effect	-87	-406
Operating income recurring	2,634	2,890
Operating margin	17.1%	17.6%
<b>Operating margin excluding energy</b>		<b>17.2%</b>

Gas and services, in €m	2014	2015
<b>Revenue</b>	<b>13,800</b>	<b>14,752</b>
Incl. energy effect	-87	-406
Operating income recurring	2,697	2,960
Operating margin	19.5%	20.1%
<b>Operating margin excluding energy</b>		<b>19.5%</b>

G&S data over 2014 are restated to account for the creation of the new activity (GM&T).

# Operating Margin (OIR/Revenue)

		H1 14	H2 14	2014
2014	Group	16.7%	17.6%	17.1%
	Gas & Services	18.8%	20.3%	19.5%
		H1 15	H2 15	2015
2015	Group	17.4%	17.9%	17.6%
	Gas & Services	19.4%	20.7%	20.1%

G&S data over 2014 are restated to account for the creation of the new activity (GM&T).

# Investment Cycle - Definitions

## → Investment opportunities at end of the period

*Investment opportunities under consideration by the Group for decision within 12 months*

Industrial projects with investment value > €5M for Large Industries and > €3M for other business lines. Includes asset replacements or efficiency projects. Excludes maintenance and safety.

## → Investment backlog at end of the period

*Cumulated G&S industrial investment value of projects decided but not yet started*

Gas & Services industrial projects, with value > €10M, including asset replacements or efficiency projects, excluding maintenance and safety.

## → Sales backlog

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

## → Decisions of the period

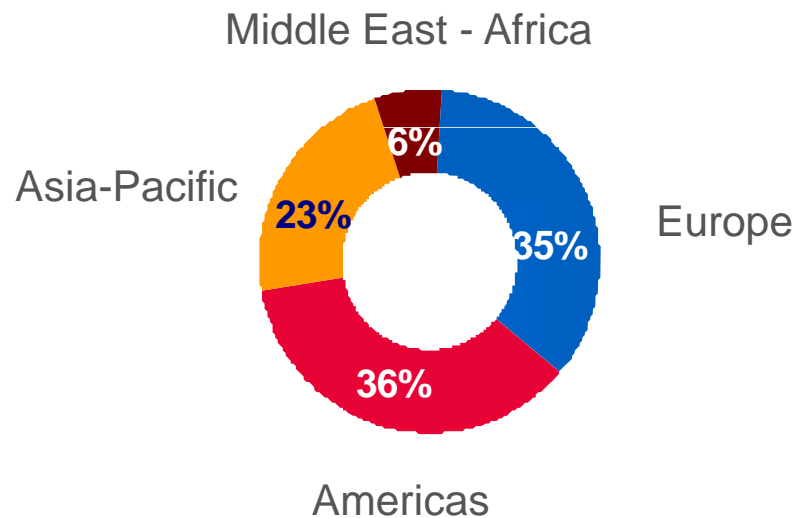
*Cumulated value of industrial and financial investment decisions*

- Industrial, growth and non-growth projects including asset replacements, efficiency, maintenance and safety
- Financial decisions (acquisitions)

# Gas & Services Capex by Geography

➔ G&S 2015 capex<sup>(1)</sup> €2.1bn

➔ G&S capex<sup>(1)</sup> / sales



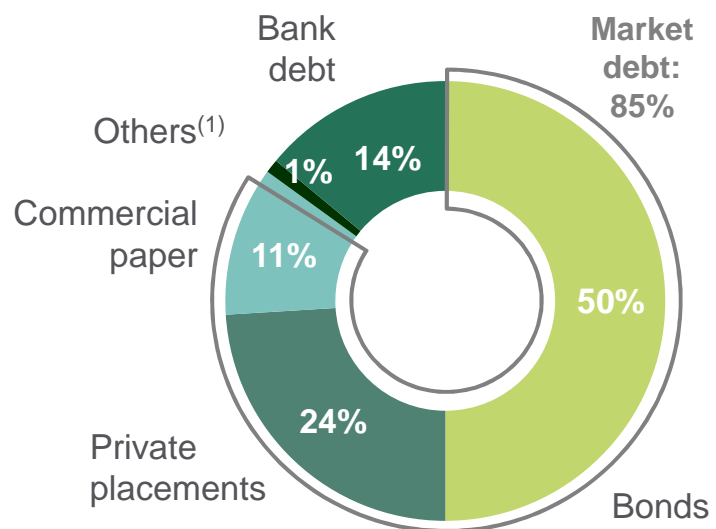
	2014	2015
Europe	11.5%	11.0%
Americas	18.6%	21.1%
Asia-Pacific	14.0%	12.5%
Middle East and Africa	26.3%	23.8%
<b>Total</b>	<b>14.3%</b>	<b>14.3 %</b>

(1) Gross industrial and financial investments, including transactions with minority shareholders.  
G&S data over 2014 are restated to account for the creation of the new activity (GM&T).

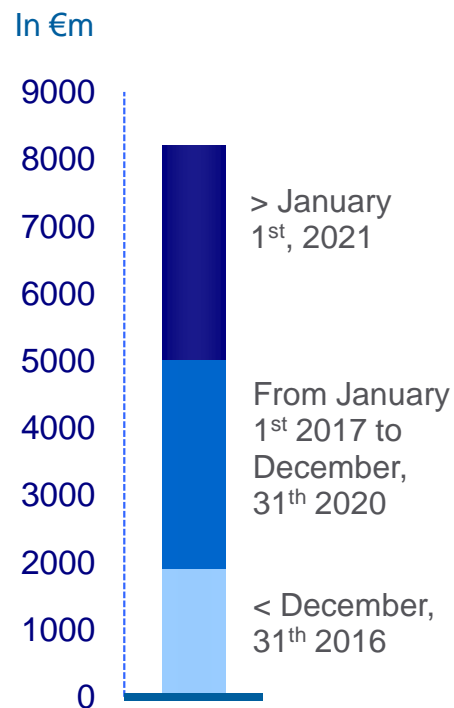
# Financing Structure

At 31 December 2015

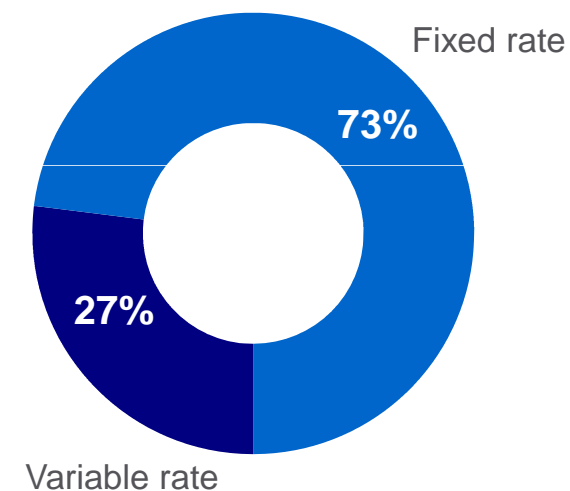
## → Sources



## → Maturity



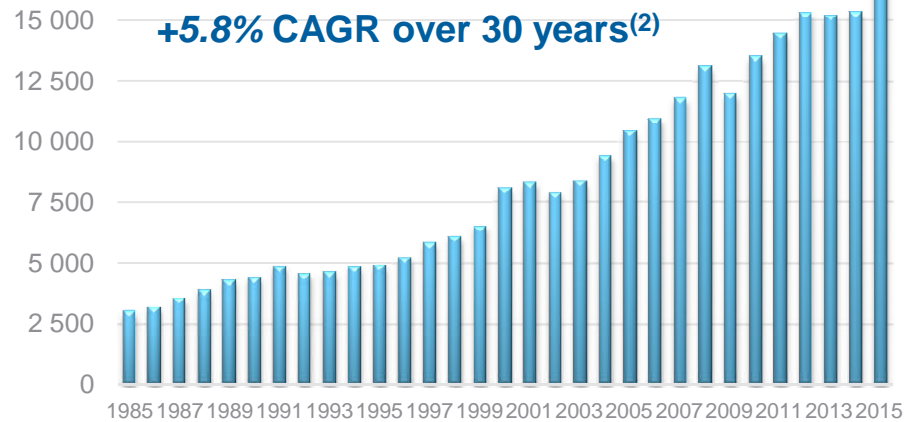
## → Fixed/variable rates



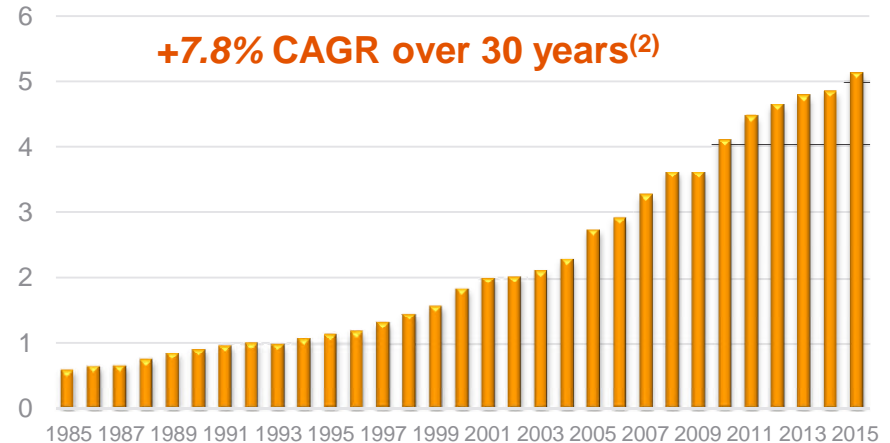
(1) Others: Finance leases and put options granted to minority shareholders.

# Regular and Sustained Performance

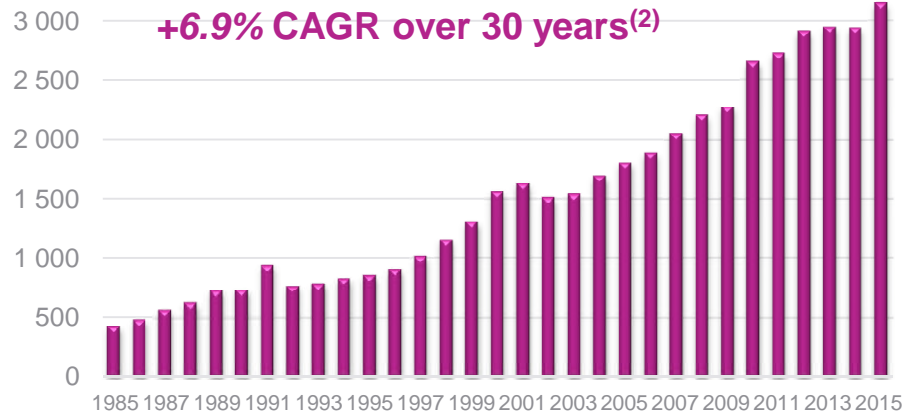
## → Revenue (in €m)



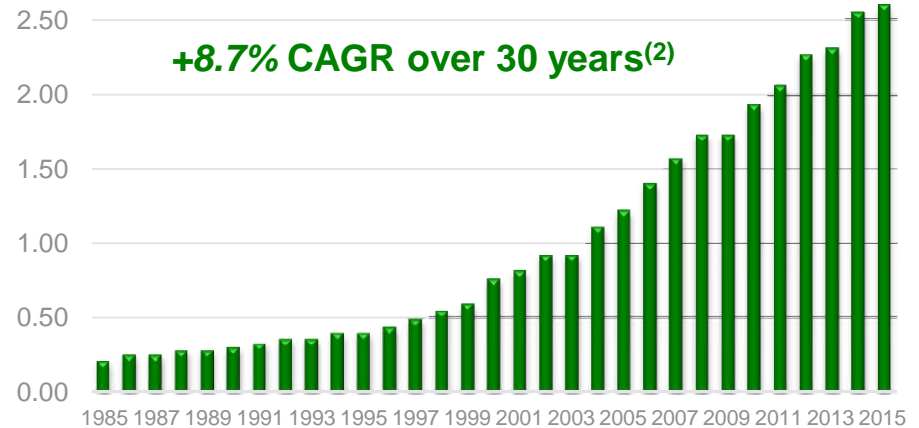
## → EPS <sup>(1)</sup> (in €)



## → Cashflow (in €m)



## → Dividend <sup>(1)</sup> (in € per share)



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



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