



Full Year 2020 Results

Outstanding performance

Resilient business model

Well positioned for future growth

Paris, 10 February 2021



Medical O2 delivery to hospitals

Outstanding Year in a Global Crisis Environment

Benoît Potier

Chairman & Chief Executive Officer

Strong 2020 Performance, Well Positioned for the Future

- Significant **performance improvement**
- **Strength** of **business model** and **portfolio** with a mix of growth (HC, EL, GM&T) and resilience pillars
- **Acceleration** of pre-Covid **trends** benefitting **our activities**
- **Well positioned** for **future growth** and for the acceleration of **energy transition** through **high investments**

Thanks to the agility and commitment of all of our teams worldwide!

Outstanding 2020 Performance Facing Covid-19 Situation

Global IP plunged⁽¹⁾

-5%
FY 2020

Sales resisting

-6.5%

-1.3%

Comparable

Improved OIR margin⁽²⁾

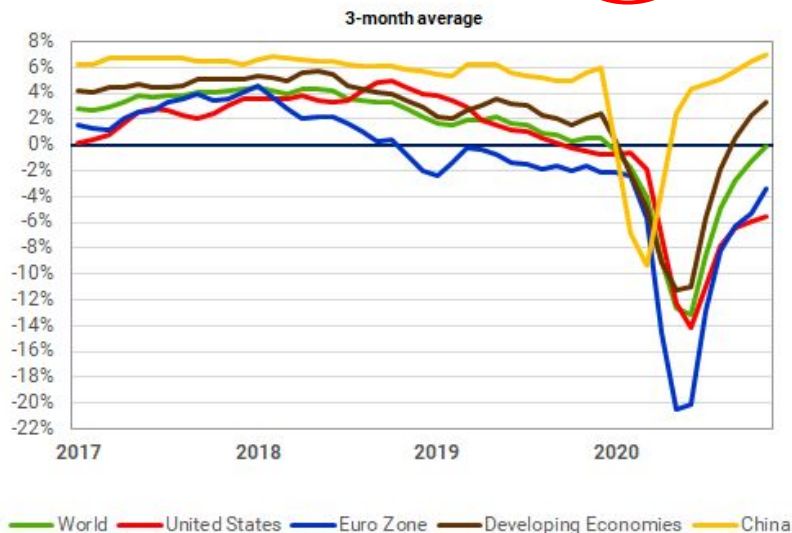
+80bps

High net profit growth

+8.6%

Investment decisions

>€3bn



(1) Industrial Production, Source: Coe-Rexecode (2) Change in Operating Income Recurring on Sales, excluding energy impact

Business Model Validated, Sales Growth in Q4 2020

+1.6%

G&S comparable sales growth in Q4 2020

Recovery continuing
in North America

Americas

-1.2%

Growing
South America

Europe

+4.3%

Strong HC
Solid Recovery
in Western
Europe
Growing
Eastern Europe

Middle-East
Africa

+3.9%

Middle-East
back to growth

Asia-Pacific

+2.3%

Driven by
EL & China
Improving
rest of Asia

Acceleration of pre-Covid Trends Benefitting our Activities



ENERGY TRANSITION ACCELERATION



- Low carbon hydrogen offers
- Decarbonization projects



HEALTHCARE NEW DYNAMISM



- Digital care development
- Acceleration of value-based offers



INCREASING STAKE OF TECHNOLOGIES



- Digital as a value lever for all activities
- Deep cryogenics, fusion, electronic fields, low carbon

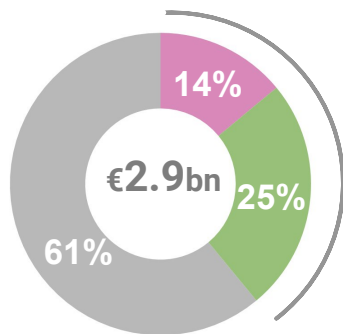
Positioning for Future Growth

Investment Opportunities⁽¹⁾

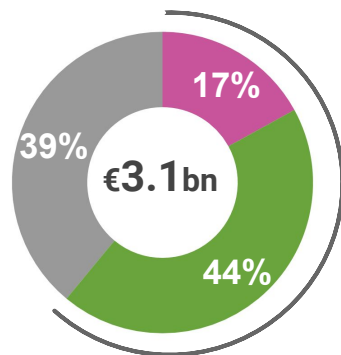
Shift towards
**Energy Transition and
Electronics**



Shift towards
Europe and Asia

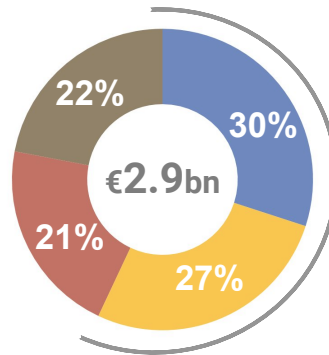


End of 2019

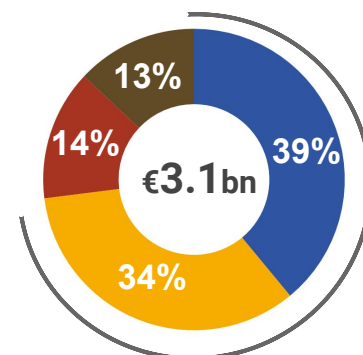


End of 2020

Others Energy Transition Electronics



End of 2019



End of 2020

AME Americas Asia Europe

(1) see definition in appendix

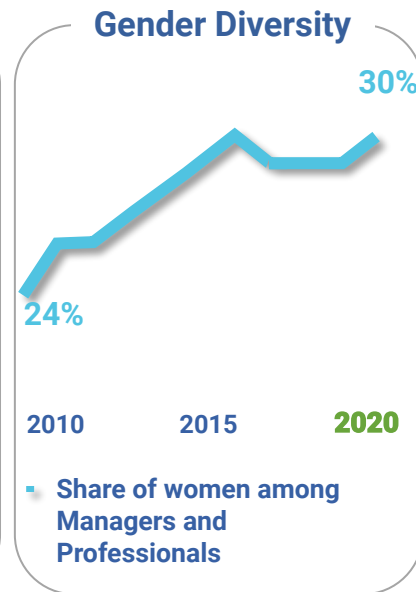
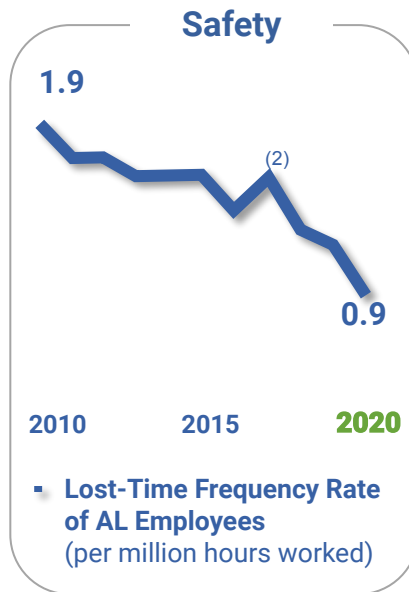
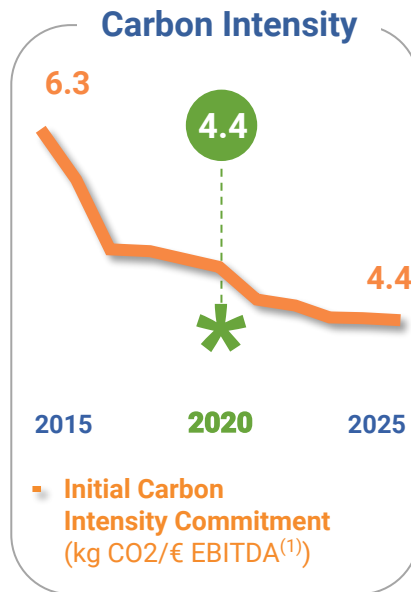
Sustainability at the Forefront

Sustainability Day on March 23rd

Addressing:

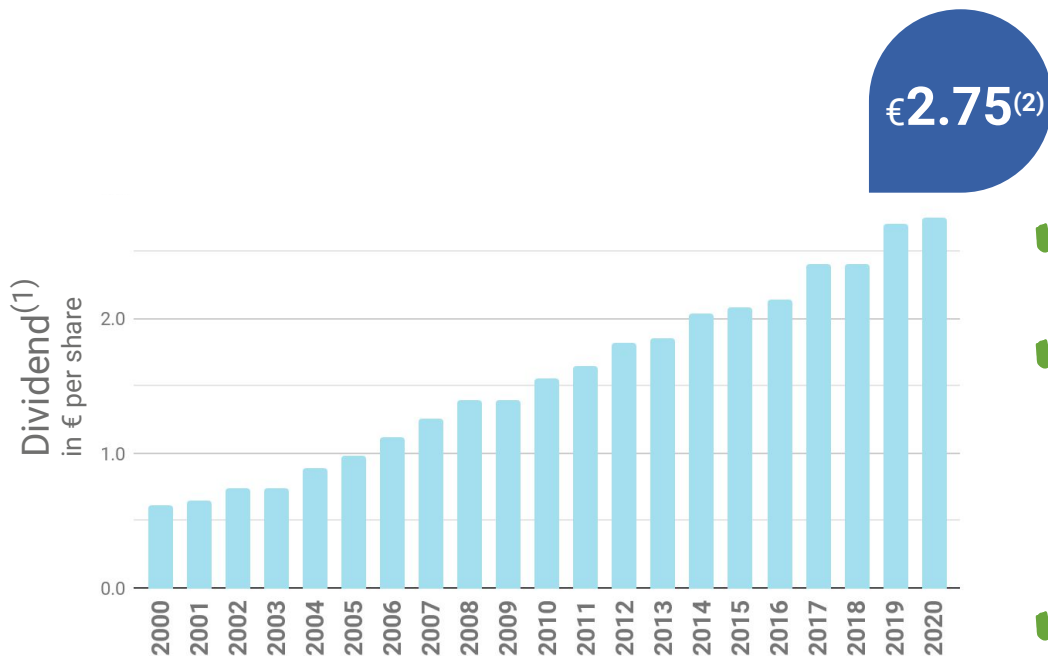
- Decarbonization
- H₂ ambition
- Societal contribution
- Governance

Making progress on current KPIs



(1) Operating Income Recurring before depreciation and at 2015 exchange rate (2) Airgas acquisition

Staying Committed to Shareholders on the long term



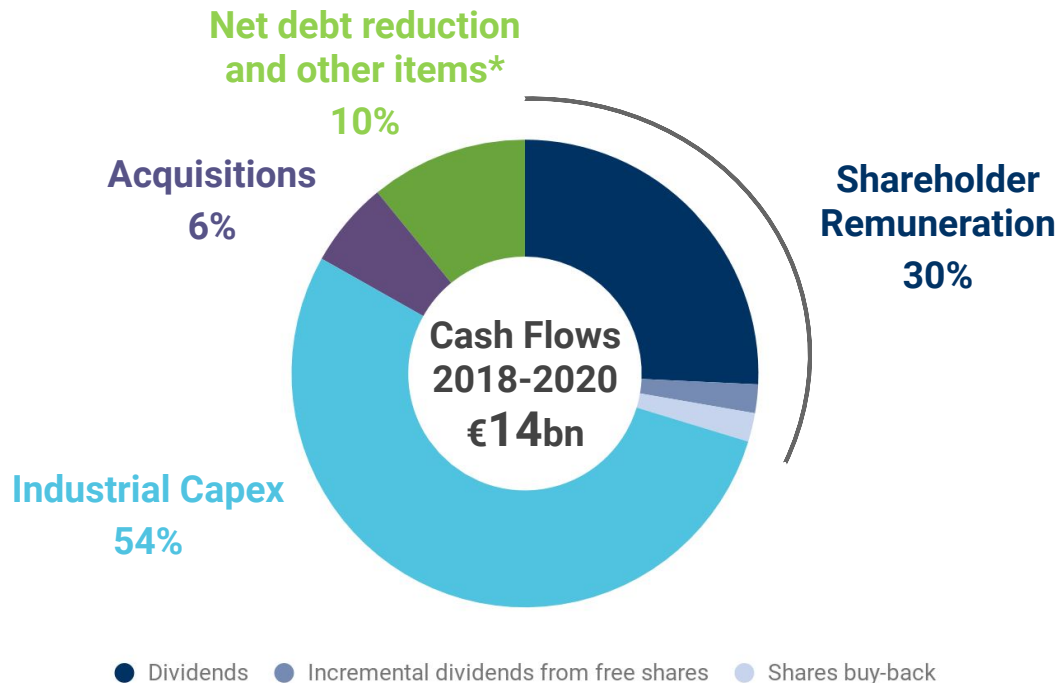
- ✓ Dividend fully paid in 2020, +12.4% increase
- ✓ New dividend increase proposed in 2021⁽²⁾
 - +1.9% increase
 - 55% Payout Ratio
 - +7.8% CAGR over 20 years
- ✓ Free share attribution in June 2022

(1) Historical data adjusted for past free share attributions and for the value of the rights of the 2016 capital increase

(2) Subject to the approval of shareholders during the General Meeting on May 4, 2021

Serving Short Term and Preparing Long Term

Based on 2018-2020 cash flow from operations



* including change in working capital requirement, divestitures, capital increases, lease cash outflows, currency & scope

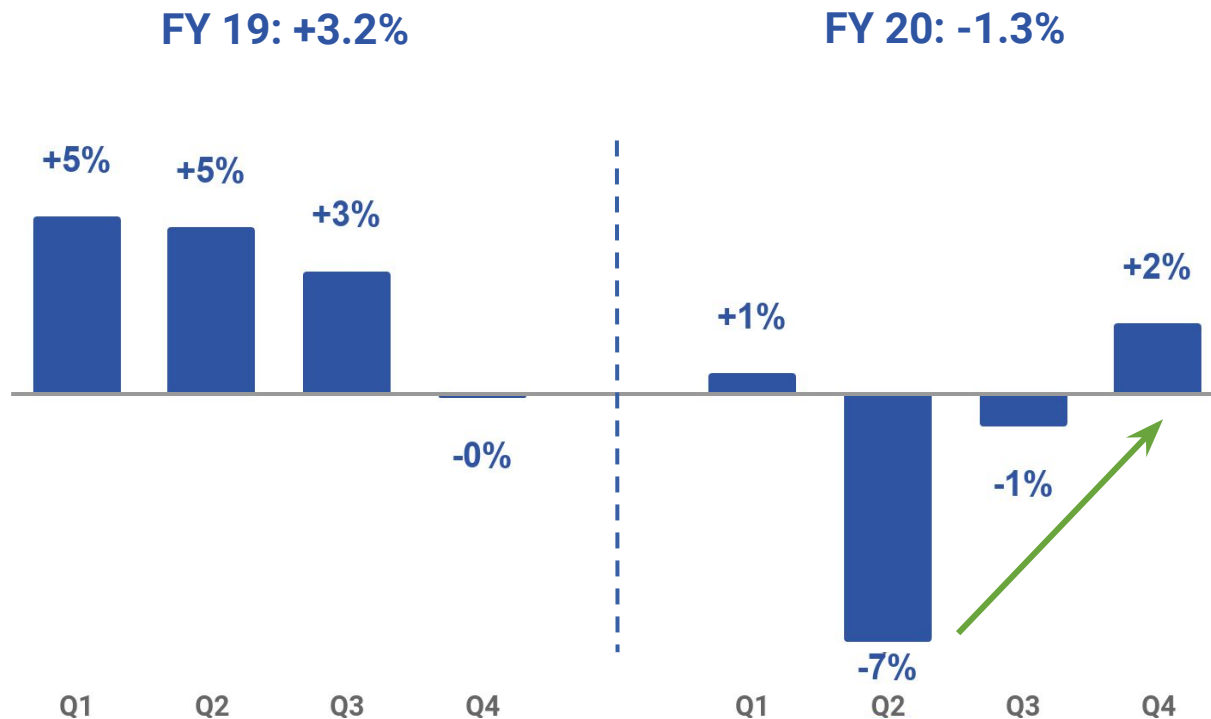
Outstanding 2020 Performance Validation of the Business Model

Fabienne Lecorvaisier

Executive Vice President &
Chief Financial Officer

Group Sales Progressive Recovery since Q2

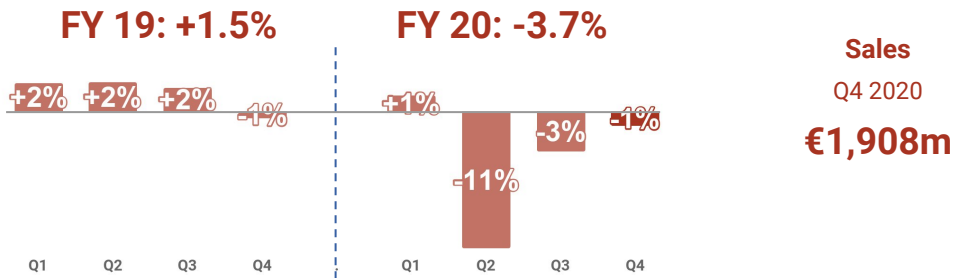
— Group comparable sales growth



Q4 – Improving Americas, Strong Europe

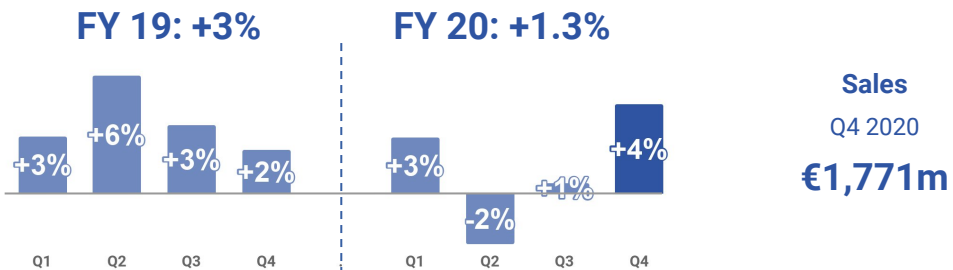
— G&S comparable sales growth

Americas – Continued sequential recovery



- **LI** – Underlying volumes **improving** sequentially
– **Start-up** in Argentina
- **IM** – **Recovering**, esp. in **Packaged Gas**
– **Growing Food, Pharma**, improved Metal Fab, Construction still soft
– Solid **pricing +3.0%**
- **HC** – **High Medical O₂** sales
- **EL** – **Strong Carrier Gases** and **E&I**

Europe – Strong HC, recovering IM and LI

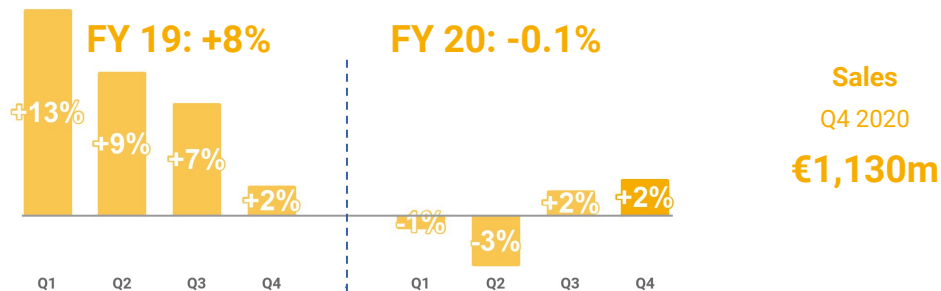


- **LI** – **Strong Eastern Europe**; one-off sale in Russia
– **Signs of recovery in Chemicals and Steel** driven by Automotive
- **IM** – **Improved volumes**
– **Dynamic Eastern Europe**
– **Solid pricing at +1.8%**
- **HC** – **Sustained Medical O₂**, high **Equipment** sales

Q4 – Strong China and Recovering Rest of Asia

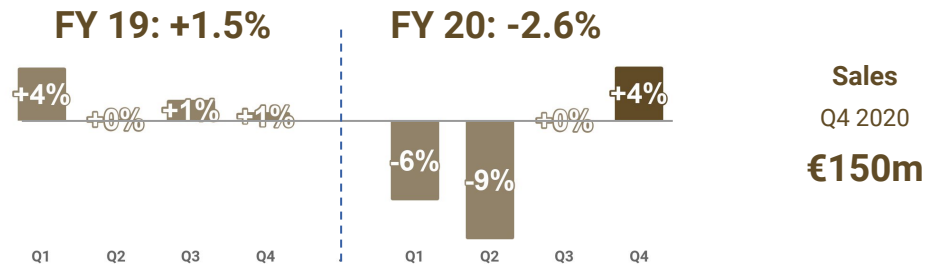
G&S comparable sales growth

Asia – China and EL driving growth



- **LI** – High volumes in **Korea** and **Singapore**
– Flat **China** due to turnarounds
- **IM** – Back to growth in Q4
– **China +10%**
– Improving rest of Asia
- **EL** – +10% growth in **Carrier Gases** and **Advanced Materials**
– Low E&I sales

AMEI – HC Strongly Contributing to Growth

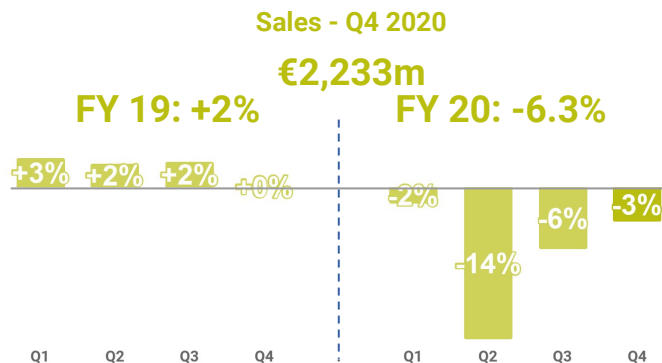


- **LI** – Growing sales in **KSA**
- **IM** – Back to growth, driven by Middle-East and India
- **HC** – Strong **O₂** sales to hospitals

Q4 – Further IM Recovery, LI Back to Growth

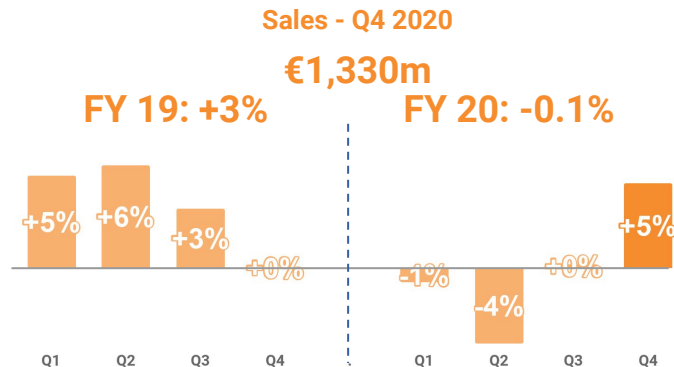
— G&S comparable sales growth

Industrial Merchant - Progressive Recovery



- Gases **recovering** in all regions
- Growing Food and Pharma, improving Automotive, low Construction, Energy and Metals
- **Very solid pricing** at +2.2%

Large Industries - Better Underlying Volumes

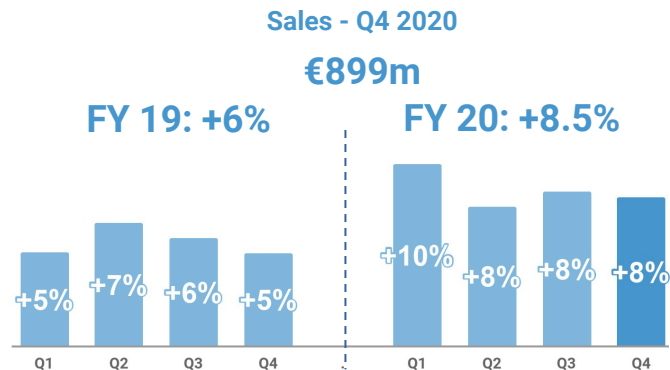


- All regions **back to growth**, Air gases and H₂ **volumes increasing** vs Q4 2019
- Less turnarounds, one-off sale in Europe
- Recovery starting in **Steel** from better Automotive, improvement in **Chemicals** in Europe, low **Refining**

Q4 – Continued High Contribution from HC & EL

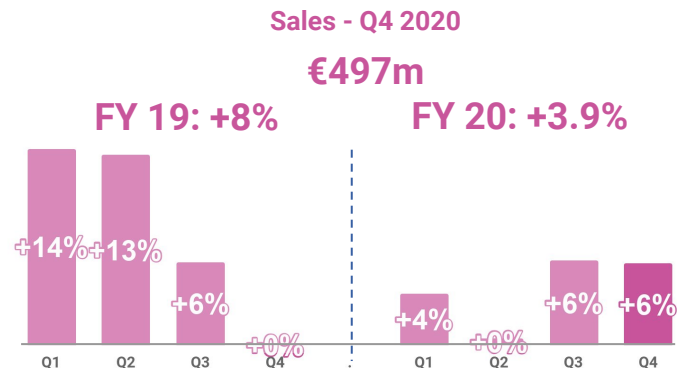
— G&S comparable sales growth

Healthcare - Sustained Mobilization



- **Strong Medical Gases sales**
- Recovering Proximity care and Elective surgeries, esp. in the U.S.
- **Equipment sales** in France still high
- **HHC sales** growth driven by diabetes in Europe

Electronics - Continuous momentum ex. E&I

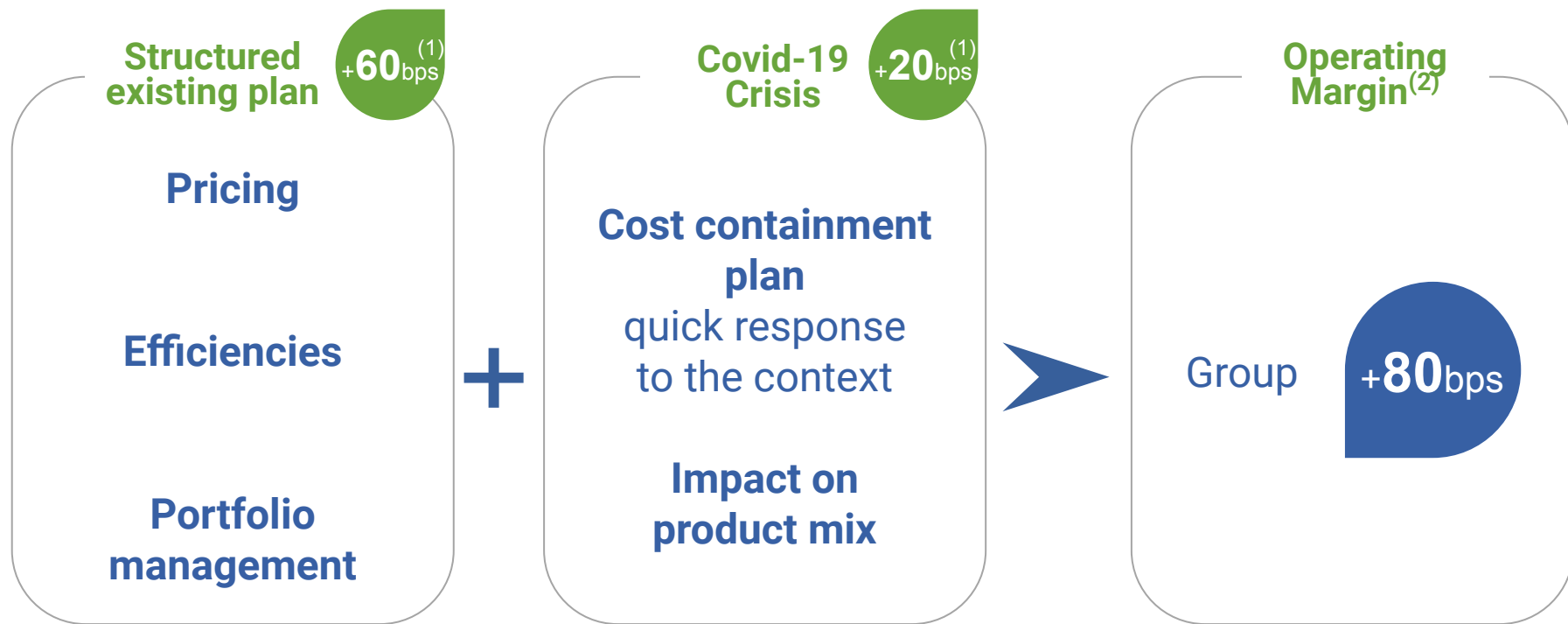


- **+7% growth excluding E&I**
- **Double digit growth of Carrier Gases** in all regions
- Stable E&I sales

Significant OIR Margin Improvement at +80bps

In €m	FY 19	FY 20	FY 20/19	FY 20/19 Comparable
Revenue	21,920	20,485	-6.5%	-1.3%
Purchases	(8,154)	(7,198)	-11.7%	
Personnel Expenses	(4,411)	(4,240)	-3.9%	
Other net income and expenses	(3,423)	(3,119)	-8.9%	
Operating profit before depreciation	5,932	5,928	-0.1%	
Depreciation and amortization	(2,138)	(2,138)	+0.0%	
Operating income recurring	3,794	3,790	-0.1%	+3.6%
Group OIR margin	17.3%	18.5%	+120bps	
Group OIR margin excluding energy		18.1%		+80bps
G&S OIR margin	19.1%	20.4%	+130bps	
G&S OIR margin excluding energy		20.0%		+90bps

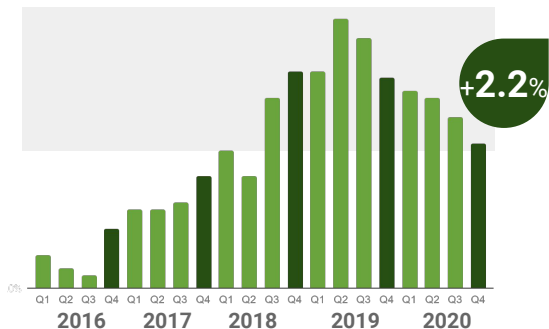
Margin Up from Structural Efficiencies and Cost Containmentment



(1) Management best estimate (2) Operating Income Recurring on Sales, excluding energy impact

Performance Plan Delivering in 2020

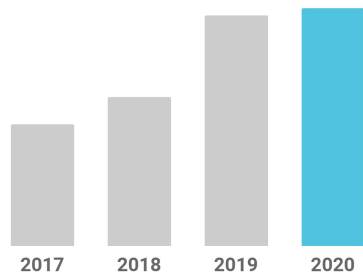
IM Price/Mix



- Pursued **management of pricing**
- **FY 2020: +2.6%**
- **Softening helium** contribution at +0.3% in Q4

Efficiencies

€441m



- Business transformations delivering (Digital, Support centers)
- Cumulated efficiencies **€1.5bn** (2017 - 2020)

Portfolio management

9 divestitures:



Schülke



Reorganization in Japan



CryoPDP,
Czech Rep. and Slovakia

23 bolt-on **acquisitions**:



US, Europe, China



Europe



GM&T in Europe



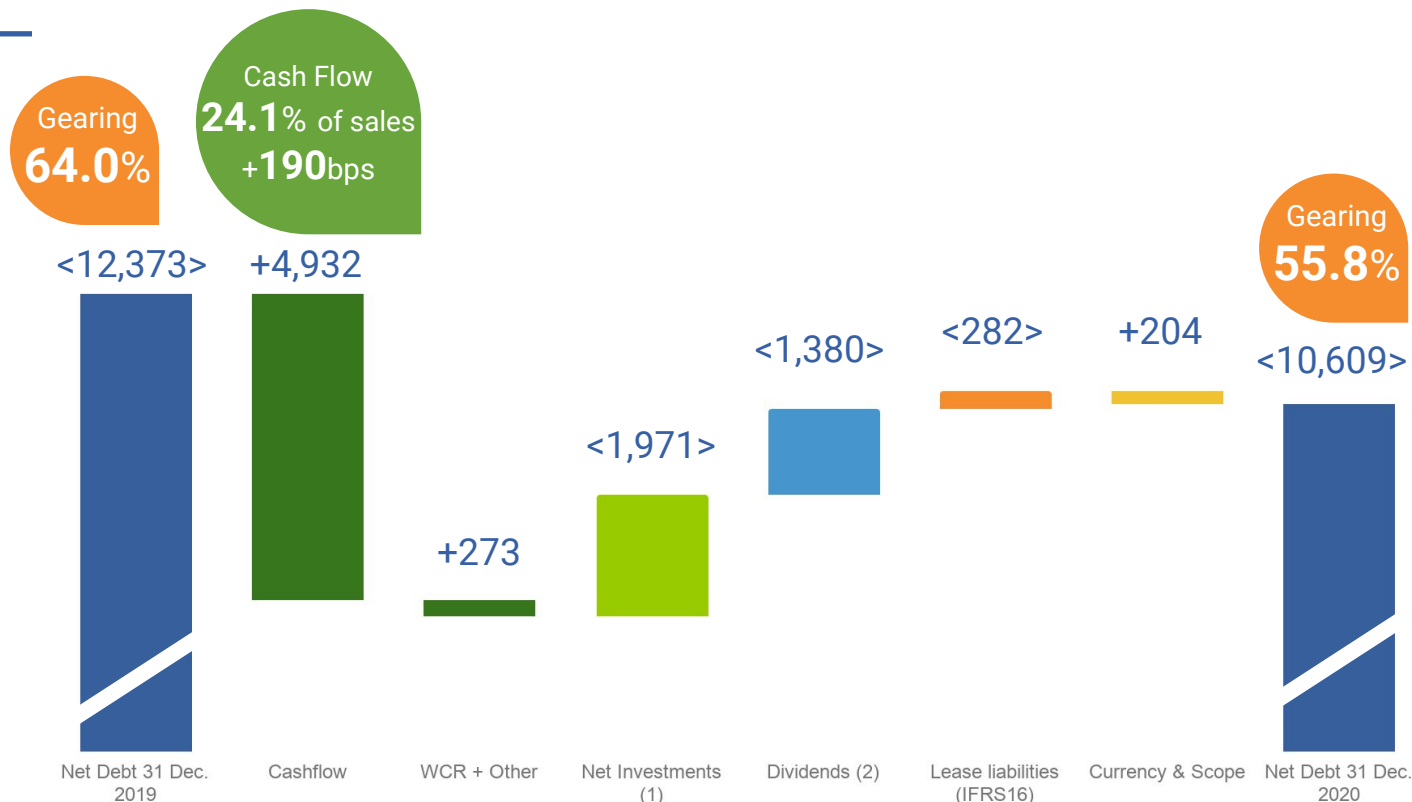
E&C in US

Strong Net Profit Growth at +8.6% as published

In €m	FY 19	FY 20	FY 20/19	FY 20/19 Excl. FX
Revenue	21,920	20,485	-6.5%	
Operating income recurring	3,794	3,790	-0.1%	
Other non-recurring operating income & expenses	(188)	(140)		
Operating income	3,606	3,650		
Net financial costs and other net financial expenses	(468)	(440)		
Income taxes	(801)	(678)		
Tax rate	25.5%	21.1%		
Share of profit of associates	1	(4)		
Minority interests	96	93		
Net profit (Group share)	2,242	2,435	+8.6%	+11.2%
Earnings per share (in €)	4.76	5.16	+8.5%	
Recurring net profit⁽¹⁾	2,307	2,341	+1.5%	+4.4%

(1) Excluding Fujian in 2019. Excluding non-recurring items related to Covid-19, Schülke divestiture, strategic review of asset portfolio and Airgas senior notes in 2020

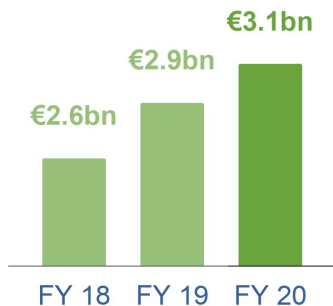
Record Cash Flow, Significant Deleveraging



(1) Including acquisitions, transactions with minority shareholders, net of divestitures (2) Including share purchases and capital increases

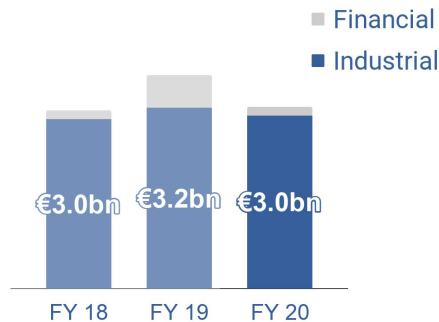
Surge in Energy Transition and Electronics Investments

Investment Opportunities⁽¹⁾ 12-month portfolio



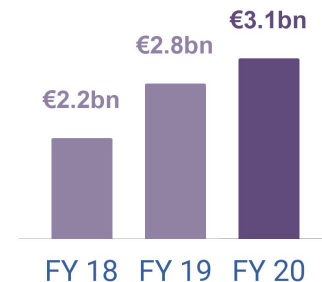
- Increased level of opportunities
- Driven by Energy transition at 44% and EL
- Several takeovers

Investment Decisions⁽¹⁾



- Q4: high level of decisions especially for EL and Biogas
- 2020: industrial decisions >€3bn despite Covid-19
- ~22% linked to energy transition and ~13% to efficiency

Investment Backlog⁽¹⁾



- Increased Backlog
- €1.0bn of yearly sales backlog after full ramp-up

(1) See definitions in appendix, excluding Sasol takeover

2020 Start-Up Contribution to Sales Above Expectations

Start-up/Ramp-up Sales Contribution

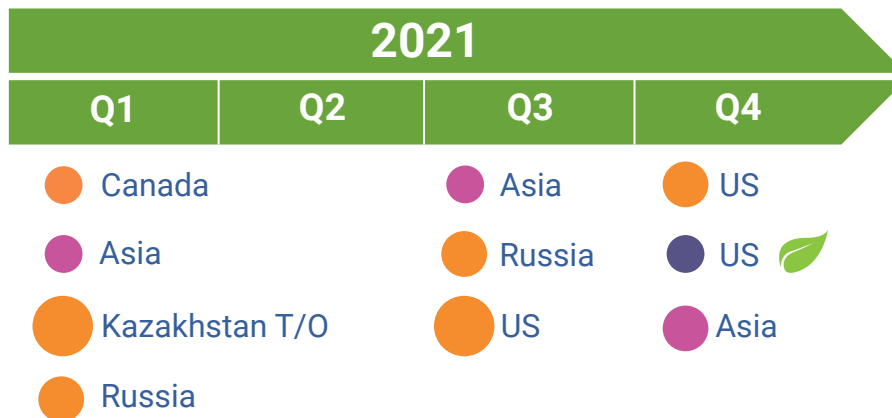


+



from Sasol ASUs takeover

Start-up date of major projects



Achievement of NEOS Objectives at the End of 2019



2021 Guidance

Assumptions:

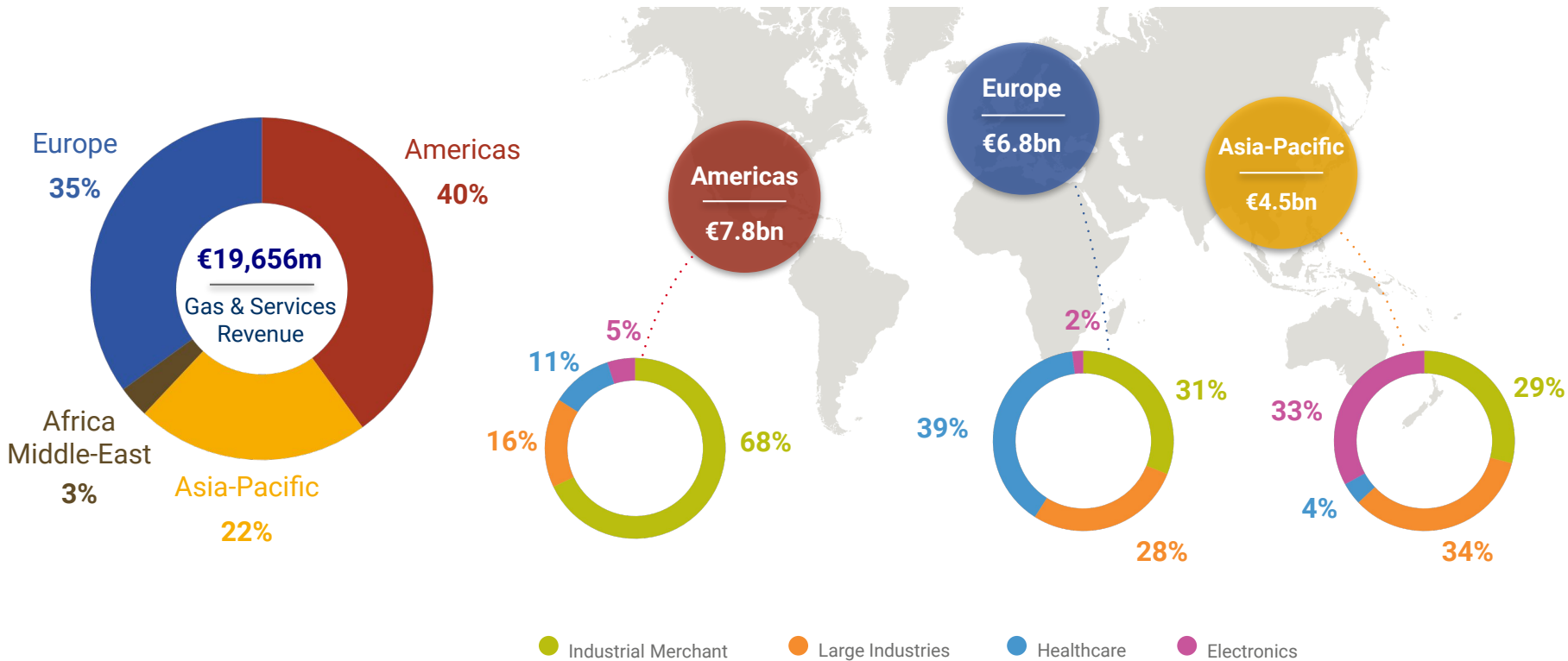
- **1st half** impacted by **Covid-19**
- **Recovery** in **2nd half**
- Pursued **pricing, efficiency** and **portfolio** management

“In a context of limited local lockdowns in 1st half and recovery in 2nd half, **Air Liquide is confident in its ability to further increase its operating margin and to deliver recurring net profit⁽¹⁾ growth, at constant exchange rates.**”

(1) Excluding exceptional and significant items that have no impact on the operating income recurring. Excluding the impact of any US tax reform in 2021.

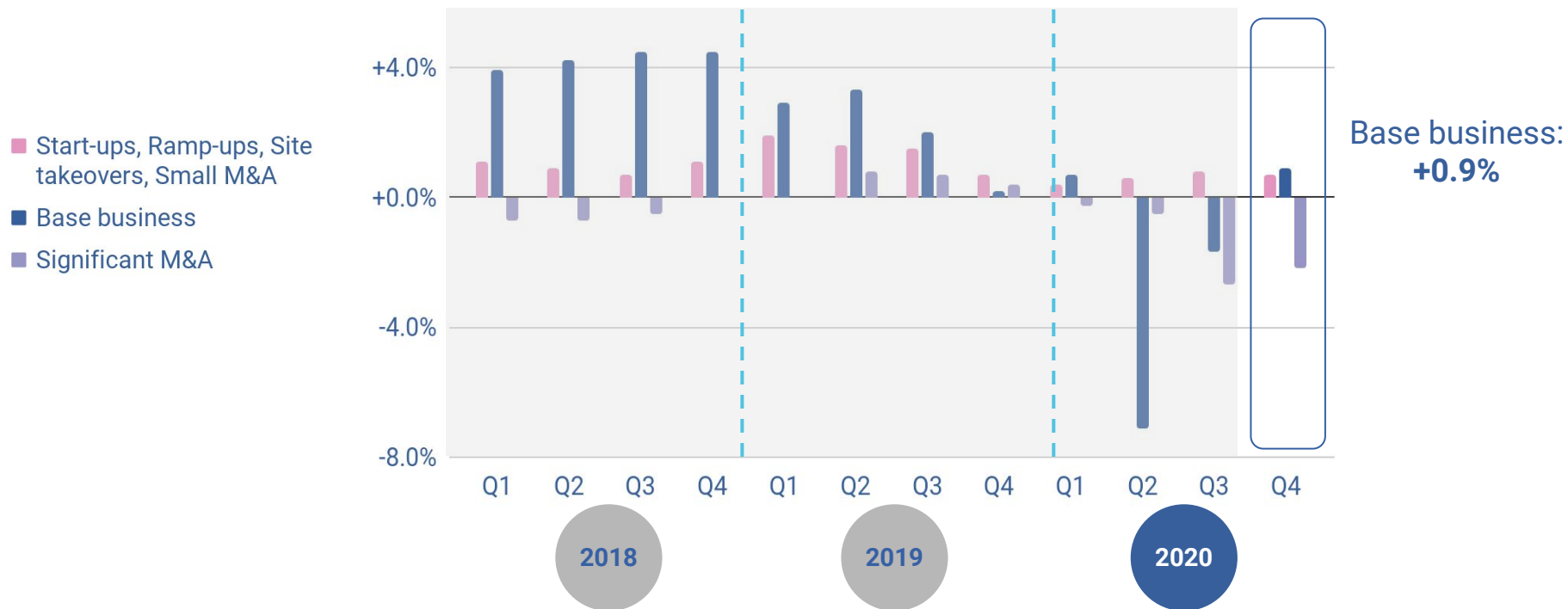
Appendix

FY 2020 G&S Revenue Breakdown by Region



Strong Base Business Improvement

Breakdown of G&S Sales Growth



Americas

Q4 2020 G&S comparable sales growth

INDUSTRIAL MERCHANT

- **Progressive recovery** in North America esp. cylinders
- >+10% in South America
- Strong **pricing, +3.0%**, helium contribution softening

LARGE INDUSTRIES

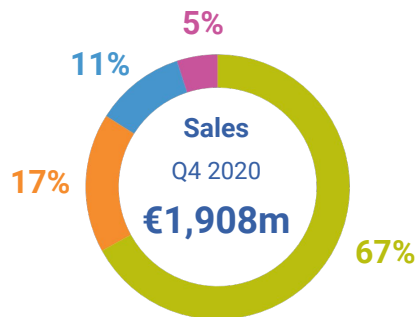
- **Air gases** underlying volumes **improving sequentially**
- **Lower turnarounds** in the US than Q4 2019
- **Start-up** in Argentina

HEALTHCARE

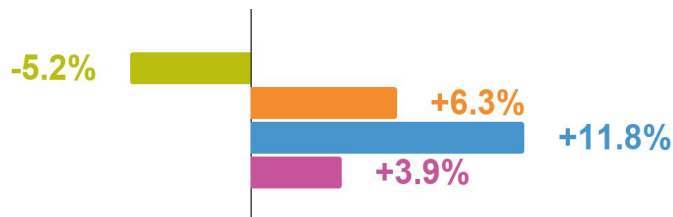
- **Exceptional** sales of **Medical O₂** throughout the region
- **Recovery of elective procedures** in the US
- Strong **HHC** in **Latin America**

ELECTRONICS

- **Strong Carrier Gases** and **E&I**



Q4 20/19 Comparable Growth: **-1.2%**



in €m	FY 2020	Growth as published	Comparable growth
Sales	7,799	-7.8%	-3.7%
OIR	1,530	-0.4%	
OIR/Sales	19.6%	+140bps	+120bps ⁽¹⁾

(1) Excluding energy impact

Europe

Q4 2020 G&S comparable sales growth

INDUSTRIAL MERCHANT

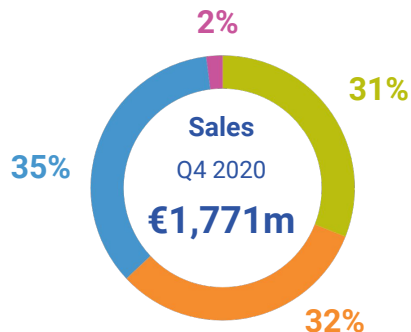
- **Solid recovery**, balanced between cylinders and bulk
- **Back to growth** (+0.7%) **excl. small divestitures**
- **Dynamic East of Europe**
- **Solid pricing at +1.8%**

LARGE INDUSTRIES

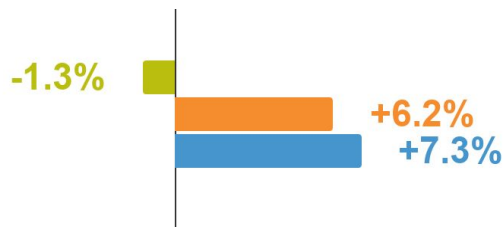
- **One-off sale** in Russia
- **Signs of recovery in Chemicals and Steel** driven by Automotive, esp. in Germany
- **Low Refining**

HEALTHCARE

- **Very strong** demand for **Medical O₂**
- **High Equipment** sales
- **Solid HHC** activity driven by new patients in diabetes



Q4 20/19 Comparable Growth: **+4.3%**



in €m	FY 2020	Growth as published	Comparable growth
Sales	6,826	-4.8%	+1.3%
OIR	1,405	-1.8%	
OIR/Sales	20.6%	+60bps	-10bps⁽¹⁾

(1) Excluding energy impact

Asia-Pacific

Q4 2020 G&S comparable sales growth

INDUSTRIAL MERCHANT

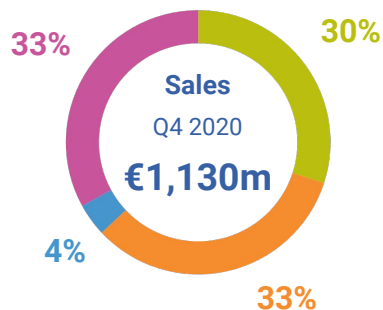
- Growth in Q4, driven by volumes
- China +10%
- Recovering rest of Asia, growing Australia, still low Japan
- Driven by Fabrication, Glass, Electronics assembly and Craftsmen

LARGE INDUSTRIES

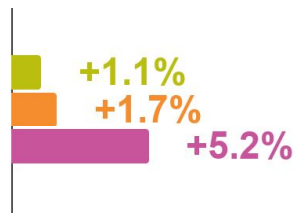
- Volume growth in Korea and Singapore
- Flat China with Air gases growth offset by H₂ turnarounds

ELECTRONICS

- +10% growth in
 - ✓ Carrier Gases (China, Taiwan, Singapore)
 - ✓ Advanced Materials (China, Singapore, Japan)
- Low E&I across the region except China



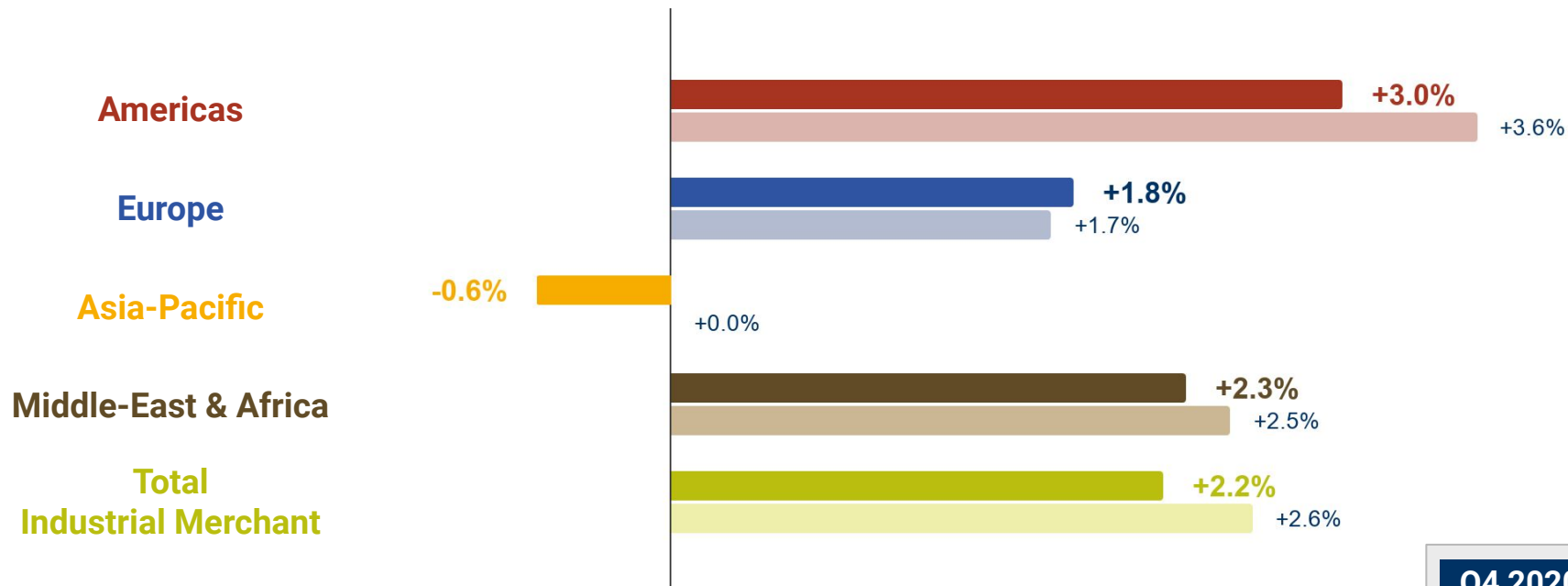
Q4 20/19 Comparable Growth: **+2.3%**



in €m	FY 2020	Growth as published	Comparable growth
Sales	4,467	-6.8%	-0.1%
OIR	985	+3.6%	
OIR/Sales	22.0%	+220bps	+180bps⁽¹⁾

(1) Excluding energy impact

Industrial Merchant Pricing



Q4 2020	%
FY 2020	%

Q4 2020 E&C and GM&T Activities

Engineering & Construction

- Sales⁽¹⁾ **back to growth**

€86m

+24%

- **Strong increase of order intake**

€393m

+16%

Global Markets & Technologies

- Sales⁽¹⁾ driven by dynamic Biogas activity

€187m

+6%

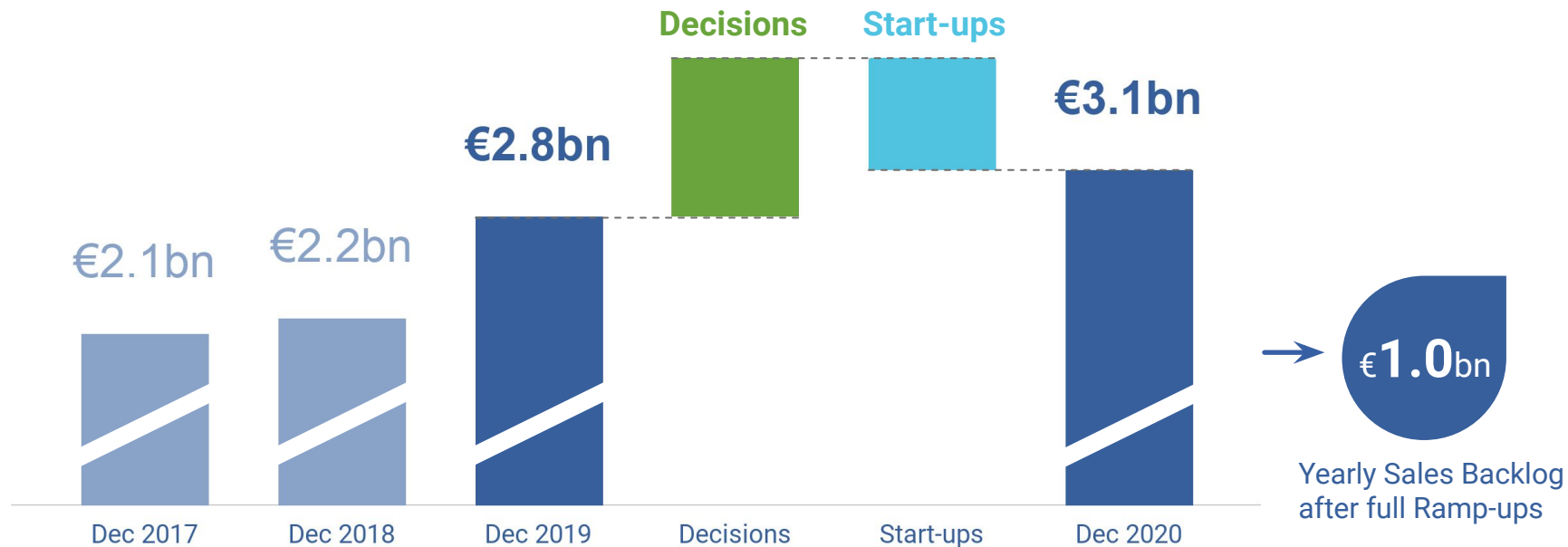
- Order intake in line with Q3 2020

€113m

-30%

(1) Comparable growth

Backlog Increasing at €3.1bn



See definitions in appendix

Consolidated P&L

In €m	FY 19	FY 20
Revenue	21,920	20,485
Operating costs	(15,988)	(14,557)
Operating profit before depreciation	5,932	5,928
Depreciation and amortization	(2,138)	(2,138)
Operating income recurring	3,794	3,790
Other non-recurring operating income & expenses	(188)	(140)
Operating income	3,606	3,650
Net financial costs and other net financial expenses	(468)	(440)
Income taxes	(801)	(678)
Share of profit of associates	1	(4)
Profit for the period	2,338	2,528
- Minority interests	96	93
- Net profit (Group share)	2,242	2,435
Basic earnings per share (in €)	4.76	5.16

Consolidated Balance Sheet Simplified

ASSETS	12/31/2019	12/31/2020
Goodwill	13,943	13,087
Fixed assets	22,673	21,401
Other non-current assets *	1,083	1,123
Total non-current assets	37,699	35,611
Inventories & work in-progress	1,532	1,406
Trade receivables & other current assets	3,379	3,033
Cash and cash equivalents *	1,057	1,836
Total current assets	5,968	6,275
Assets held for sale	-	91
Total assets	43,667	41,977

	12/31/2019	12/31/2020
Net debt	12,373	10,609
Net debt to equity ratio	64.0%	55.8%

* Including fair value of derivatives

EQUITY AND LIABILITIES	12/31/2019	12/31/2020
Shareholders' equity	18,870	18,543
Minority interests	454	462
Total equity	19,324	19,005
Provisions & Deferred tax liabilities	4,573	4,290
Non-current borrowings	11,567	10,220
Non-current lease liabilities	1,088	969
Other non-current liabilities *	308	218
Total equity and non current liabilities	36,860	34,702
Provisions	268	316
Trade payables & other current liabilities	4,396	4,462
Current lease liabilities	244	218
Current borrowings *	1,899	2,240
Total current liabilities	6,807	7,236
Liabilities held for sale	-	39
Total equity and liabilities	43,667	41,977

Cash Flow Statement

In €m	FY 19	FY 20
Funds provided by operations	4,859	4,932
Changes in Working Capital	(37)	364
Other cash items	(110)	(90)
Net cash from operating activities	4,712	5,206
Purchases of PPE* and intangible assets	(2,637)	(2,630)
Purchases of financial assets and the impact of changes in scope	(537)	(129)
Proceeds from sale of subsidiaries, PPE*, intangible and financial assets	589	804
Net cash in investing activities	(2,585)	(1,955)
Distribution	(1,237)	(1,387)
Increase in capital stock	39	44
Purchase of treasury shares	(148)	(50)
Transactions with minority shareholders	(31)	(16)
Change in borrowings and lease liabilities (incl. net interests)	(1,403)	(1,019)
Impact of Exchange rate changes and net debt of newly consolidated companies & others	1	(1)
Change in net cash and cash equivalents	(652)	822
Net cash and cash equivalents at the end of the period	897	1,719

* PPE: Property, plant and equipment.

Impact of Currency and Energy on G&S Revenue

in €m	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
€/USD	+138	+107	+81	+52	+55	+30	(86)	(126)
€/JP¥	+16	+14	+22	+18	+11	+11	(11)	(9)
€/ARS	(28)	(20)	(29)	(16)	(16)	(23)	(10)	(26)
€/BRL	(6)	(2)	+3	(4)	(11)	(22)	(25)	(23)
Others	+21	+4	+30	+31	+1	(26)	(66)	(62)
Currency Impact	+141	+103	+107	+81	+40	(30)	(198)	(246)

in €m	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
Natural Gas Impact	+5	(36)	(134)	(129)	(103)	(135)	(61)	(18)

in €m	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
Electricity Impact	+27	+7	(12)	(30)	(31)	(31)	(19)	(7)

Investment Cycle – Definitions

• Investment opportunities at end of the period

- Investment opportunities under consideration by the Group for decision within **12** months.
- Industrial projects with investment value > **€5m** for Large Industries and > **€3m** for other business lines.
- Includes asset replacements or efficiency projects. Excludes maintenance and safety.

• Investment backlog at end of the period

- Cumulated industrial investment value of projects decided but not yet started.
- Industrial projects with value > **€10m**, including asset replacements or efficiency projects, excluding maintenance and safety.

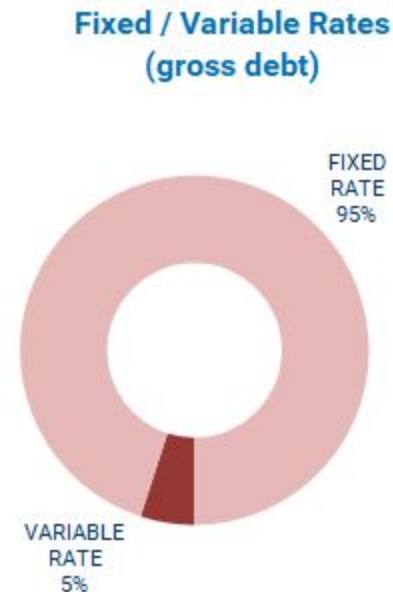
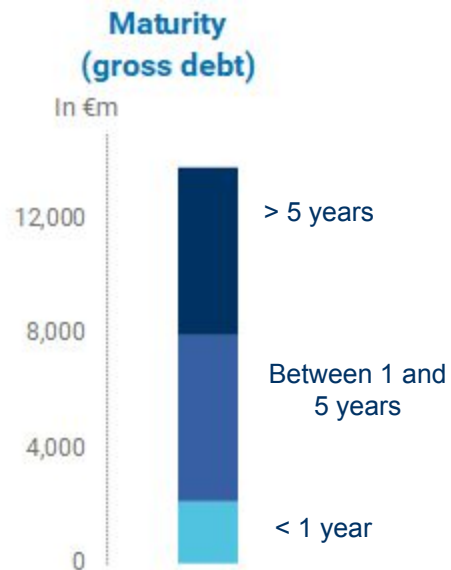
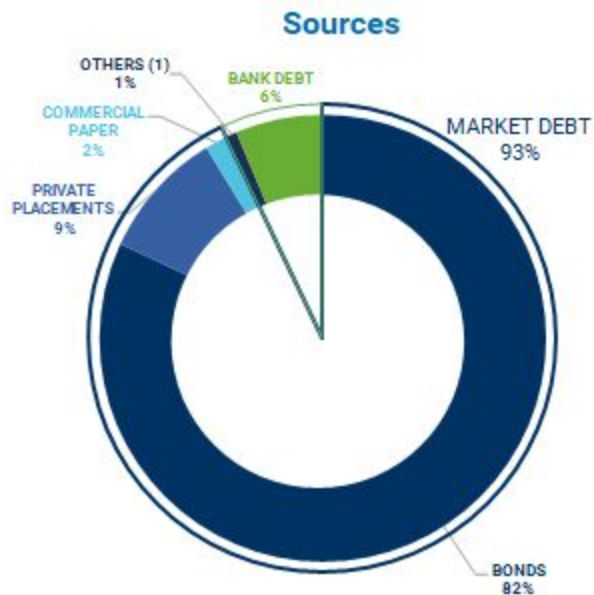
• Sales backlog

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

• Decisions of the period

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

Financing Structure as of December 31, 2020

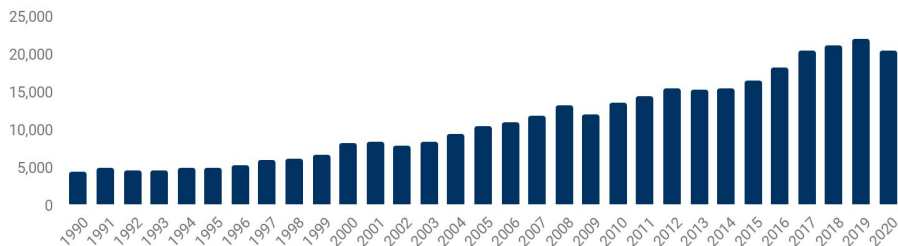


(1) Others: put options granted to minority shareholders.

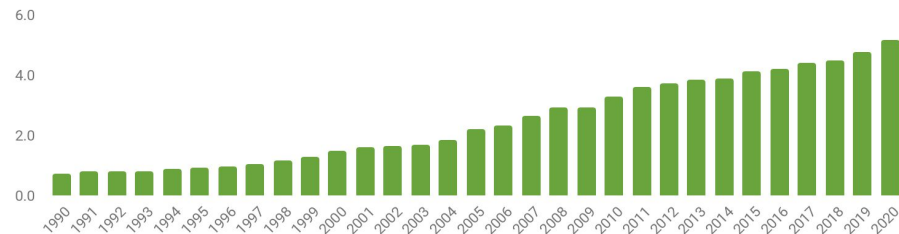
Regular and Sustained Performance

— CAGR over 30 years⁽¹⁾

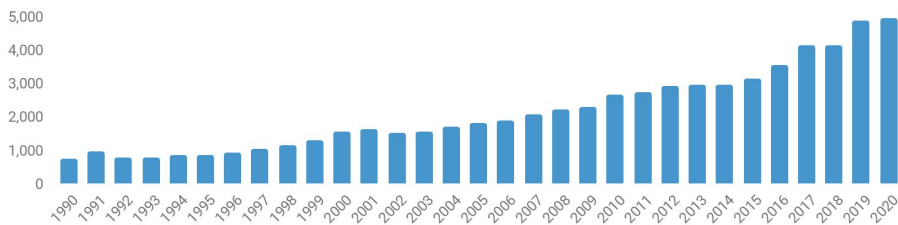
Revenue (in €m) **+5.3%**



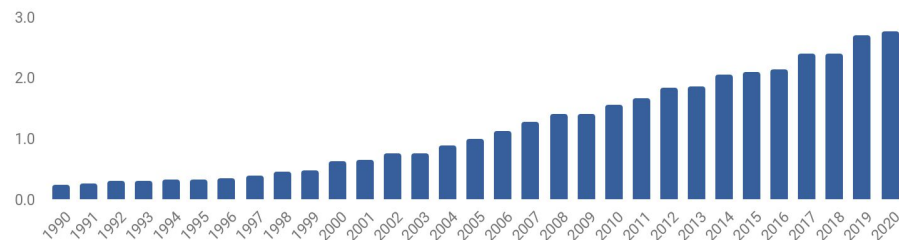
EPS⁽²⁾ (in €) **+6.7%**



Cashflow (in €m) **+6.5%**



Dividend⁽²⁾ (in € per share) **+8.4%**



(1) Calculated according to prevailing accounting rules over 30 years. (2) Adjusted for the 2-for-1 share split in 2007, for free share attributions and for the capital increase completed in October 2016.

Disclaimer

This presentation may contain forward-looking statements (including objectives and trends) about Air Liquide's financial situation, operating results, business activities and strategy.

Although Air Liquide believes that the expectation reflected in such forward-looking statements are reasonable, such statements are not guarantees of future performance. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are outside our control.

Please refer to the most recent Universal Registration Document filed by Air Liquide with the French Autorité des marchés financiers for additional information in relation to such risks and uncertainties.

The information is valid only at the time of writing and Air Liquide does not assume any obligation to update or revise the objectives on the basis of new information or future or other events, subject to applicable regulations.

For further information, please contact:

Investor Relations

IRTeam@airliquide.com

Communication

Media@airliquide.com

Upcoming events

Sustainability Day: March 23, 2021

2021 First Quarter Revenue: April 23, 2021

www.airliquide.com

L'Air Liquide S.A.

*Corporation for the study and application of processes developed by Georges Claude
with registered capital of 2,604,741,958.50 euros*

Follow us on Twitter [@AirLiquideGroup](https://twitter.com/AirLiquideGroup)

Corporate Headquarters:

75, Quai d'Orsay

75321 Paris Cedex 07

Tel : +33 (0)1 40 62 55 55

RCS Paris 552 096 281