

Free translation from the French language “comptes annuels au 31 décembre 2014” of Air Liquide Finance. In the event of any inconsistencies between the statements contained herein and the corresponding statement in the French version, the French version shall prevail.

AIR LIQUIDE FINANCE

Société Anonyme with a capital of 72,000,000 euros

Headquarters: 6, rue Cognacq-Jay - PARIS VII

**FINANCIAL STATEMENTS FOR THE YEAR
ENDED DECEMBER 31, 2014**

ASSETS	As of December 31, 2014			As of December 31, 2013
	Gross	Depreciation, amortization and impairment	Net	Net
Capital subscribed but not called				
TOTAL I				
INTANGIBLE ASSETS	3,048,980		3,048,980	3,048,980
PROPERTY, PLANT AND EQUIPMENT				
Land				
Buildings				
Plant, machinery and equipment				
Recyclable sales packaging				
Other property, plant and equipment				
Property, plant and equipment under construction				
Payments on account – property, plant and equipment				
LONG-TERM FINANCIAL ASSETS				
Equity investments	979		979	979
Loans to equity affiliates				
Other long-term investment securities				
Loans	6,977,617,863		6,977,617,863	4,997,284,764
Other long-term investments				
TOTAL II	6,980,667,823		6,980,667,823	5,000,334,723
INVENTORIES AND WORK-IN-PROGRESS				
Raw materials and other supplies				
Work-in-progress				
Semi-finished and finished goods				
Bought-in goods				
Payments on account from suppliers				
RECEIVABLES				
Trade receivables and related accounts				
Group company and other receivables	964,011,496		964,011,496	2,082,513,072
MISCELLANEOUS				
Short-term financial investments	168,121,001		168,121,001	246,650,893
Cash at bank and in hand	218,466,220		218,466,220	133,112,027
PREPAYMENTS AND ACCRUED INCOME				
Prepaid expenses	2,702		2,702	9,804
TOTAL III	1,350,601,419		1,350,601,419	2,462,285,796
Loan issue costs to be amortized	29,633,049		29,633,049	11,559,632
TOTAL IV				
Bond redemption premiums	32,320,514		32,320,514	29,490,704
TOTAL V				
Unrealized foreign exchange losses	-		-	-
TOTAL VI				
TOTAL ASSETS (I to VI)	8,393,222,804	0	8,393,222,804	7,503,670,855

LIABILITIES AND SHAREHOLDERS' EQUITY	As of December 31, 2014	As of December 31, 2013
	Before approval of the financial statements	Before approval of the financial statements
SHAREHOLDERS' EQUITY		
Share capital	72,000,000	72,000,000
Additional paid-in capital	883,617	883,617
Reserves:		
- Legal reserve	7,200,000	7,200,000
- Tax-driven reserves		
- General reserve		
- Contingency reserve		
- Depreciation or amortization fund		
- Translation reserve		
Retained earnings	35,395	37,368
Net income (loss) for the year	53,916,737	58,138,027
Investment subsidies		
Other tax-driven provisions		
TOTAL I	134,035,749	138,259,012
EQUITY EQUIVALENTS		
Proceeds from issues of participating securities		
Subordinated loans		
TOTAL II	0	0
PROVISION		
Provisions	14,464,728	13,509,208
TOTAL III	14,464,728	13,509,208
LIABILITIES		
Convertible bonds		
Other bonds	4,487,108,469	3,616,130,615
Bank borrowings	33,320,962	68,593,588
Other borrowings		
Payments on account from customers		
Trade payables and related accounts		
Tax and employee-related liabilities	20,514,953	25,724,628
Accounts payable in respect of fixed assets and related accounts		
Amounts payable to Group and other companies	3,702,294,801	3,639,646,582
Dividends		
ACCRUALS AND DEFERRED INCOME		
Deferred income	1,483,141	1,807,222
TOTAL IV	8,244,722,327	7,351,902,635
TOTAL V	0	0
Unrealized foreign exchange gains		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (I to V)	8,393,222,803	7,503,670,855

Income statement	2014	2013
OPERATING INCOME		
Sales of goods and services		
Change in inventories and WIP		
Capitalized production		
<i>Total operating income (I)</i>	0	0
OPERATING EXPENSES		
Purchases of raw materials and other supplies		
Change in inventories of raw materials and supplies		
External charges	3,863,117	2,473,252
Duties and taxes other than corporate income tax	478,887	466,733
Wages, salaries and provisions for paid vacation		
Social security contributions and similar charges		
Depreciation, amortization and impairment losses		
<i>Total operating expenses (II)</i>	4,342,004	2,939,985
NET OPERATING INCOME/(LOSS) (I - II)	(4,342,004)	(2,939,985)
FINANCIAL INCOME		
Financial income from equity affiliates		
Revenues from other marketable securities and long-term loans		
Other interest and similar income	238,205,088	214,437,899
Reversals of impairment and provisions, expense reclassifications		
Foreign exchange gains	609,026	0
<i>Total financial income (III)</i>	238,814,114	214,437,899
FINANCIAL EXPENSES		
Amortization, impairment and provisions	5,055,190	4,520,603
Interest and similar charges	154,394,471	123,794,772
Foreign exchange losses	0	294,390
<i>Total financial expenses (IV)</i>	159,449,661	128,609,766
NET FINANCIAL INCOME/(LOSS) (III - IV)	79,364,453	85,828,133
NET INCOME/(LOSS) FROM ORDINARY ACTIVITIES BEFORE TAX (I - II + III - IV)	75,022,449	82,888,148
EXCEPTIONAL INCOME (V)	0	0
EXCEPTIONAL EXPENSES (VI)		
Exceptional charges on non-capital operations	0	0
NET EXCEPTIONAL ITEMS (V - VI)	0	0
CORPORATE INCOME TAX	21,105,711	24,750,121
NET INCOME FOR THE YEAR	53,916,737	58,138,027

Summary to the Air Liquide Finance company financial statements

A - ACCOUNTING POLICIES	6
1. INTANGIBLE ASSETS	6
2. LONG-TERM FINANCIAL ASSETS	6
3. RECEIVABLES AND PAYABLES	6
4. DEFERRED CHARGES	7
5. PROVISIONS	7
6. FINANCIAL INSTRUMENTS	7
B - NOTES TO THE ANNUAL FINANCIAL STATEMENTS	8
1. INTANGIBLE ASSETS	8
2. LONG-TERM FINANCIAL ASSETS	8
3. SHORT-TERM FINANCIAL INVESTMENTS	9
4. SHAREHOLDERS' EQUITY	9
5. PROVISIONS	9
6. DEBT MATURITY ANALYSIS	10
7. BREAKDOWN OF ACCRUED EXPENSES	11
8. BREAKDOWN OF ACCRUED INCOME	11
9. LOAN ISSUE COSTS TO BE AMORTIZED	11
10. BOND REDEMPTION PREMIUM	11
11. DEFERRED INCOME	12
12. ITEMS CONCERNING RELATED UNDERTAKINGS	12
13. TAX CONSOLIDATION	12
14. INCOME TAX	13
15. OFF-BALANCE SHEET COMMITMENTS	14
16. CONSOLIDATED FINANCIAL STATEMENTS	15

In euros (unless otherwise stated)

The balance sheet and income statement of Air Liquide Finance S.A. were prepared in accordance with the French General Chart of Accounts and the French Commercial Code.

A - ACCOUNTING POLICIES

The annual financial statements were prepared in accordance with accounting rules and principles prevailing in France.

1. INTANGIBLE ASSETS

Intangible assets are stated at purchase price.

An impairment test is carried out at each period-end. Impairment losses are recorded for purchased goodwill where its gross value exceeds its closing value.

2. LONG-TERM FINANCIAL ASSETS

Equity investments and other long-term investment securities are recorded at historical value on the balance sheet. Loans are recorded at nominal value on the balance sheet.

An impairment provision is recorded where the carrying amount of long-term investments exceeds their closing value.

3. RECEIVABLES AND PAYABLES

Receivables and payables are stated at nominal value.

At year-end, the difference arising from the translation of receivables and payables, not subject to a forward hedge and denominated in a foreign currency, are recognized in suspense accounts in assets and liabilities (“Unrealized foreign currency gains or losses”).

Foreign currency denominated loans and borrowings are not revalued at the closing rate of exchange since they are fully hedged by foreign currency derivative instruments or loans and borrowings (same currency, term and amount).

When the forecasted date for settlement of hedged transactions is brought forward or deferred, changes in fair value of the hedging instruments (difference between the initial forward price and the adjustment forward price) are recognized in suspense accounts in the balance sheet (“differences offset by foreign exchange hedges”) until the hedges are fully settled.

A contingency provision is recorded for unrealized foreign exchange losses.

4. DEFERRED CHARGES

Loan issue costs are recorded in deferred charges and amortized on a straight-line basis over the term of the loan.

5. PROVISIONS

The deferred tax method is applied for the preparation of the financial statements. Deferred tax liabilities are recorded under provisions for taxes.

6. FINANCIAL INSTRUMENTS

The income or loss arising from financial instruments used in hedging transactions is determined and recorded symmetrically to the recognition of income and expenses on the hedged items. Gains or losses relating to financial instruments used in hedging transactions are determined and recognized in line with the recording of income and expenses on the hedged items.

When the financial instruments used do not constitute hedging transactions, the losses resulting from their year-end fair value measurement are recognized in the income statement. Pursuant to the prudence principle, unrealized gains are not recognized in the income statement.

B - NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1. INTANGIBLE ASSETS

To separate its industrial activities from its financing activity, L'Air Liquide S.A. created Air Liquide Finance, a wholly-owned French subsidiary.

In 2001, L'Air Liquide S.A. transferred the financing and interest rate and cash flow risk management of the Group and its subsidiaries to Air Liquide Finance.

Purchased goodwill in the amount of 3,049 thousand euros was recorded at the time of the transfer. This purchased goodwill was not impaired as of December 31, 2014.

2. LONG-TERM FINANCIAL ASSETS

Changes in the gross value of long-term investments break down as follows:

<i>In euros</i>	Gross value as of January 1, 2014	Increase	Decrease	Gross value as of December 31, 2014
Equity investments	979			979
Loans	4,997,284,764	3,526,835,711	1,546,502,611	6,977,617,863
Other long-term investments	-			-
Total	4,997,285,743	3,526,835,711	1,546,502,611	6,977,618,842

Air Liquide Finance holds 100% of Air Liquide US LLC, in order to borrow on the US market. Air Liquide US LLC's equity investments were recorded at initial value, i.e. 979 euros (1,000 US dollars).

The increase in long-term investments excluding equity investments was attributable to repayments and to new loans granted to Air Liquide Group subsidiaries during the year.

3. SHORT-TERM FINANCIAL INVESTMENTS

The item breaks down as follows:

	December 31, 2014
Certificate of deposit	
Term deposit	140,000,000
Mutual fund	28,098,083
Prepaid interest	22,918
Total	168,121,001

4. SHAREHOLDERS' EQUITY

As of December 31, 2014, share capital comprised 6,000,000 ordinary shares each with a par value of 12 euros.

	As of December 31, 2013 (before appropriation of earnings)	Appropriation of 2013 net income (following AGM decision of 05.21.2014)	Other changes	As of December 31, 2014 (before appropriation of earnings)
Share capital	72,000,000			72,000,000
Additional paid-in capital	883,617			883,617
Revaluation reserve				
Legal reserve	7,200,000			7,200,000
Long-term capital gains reserve				
General reserve				
Retained earnings	37,368	(1,973)		35,395
Net profit for the year	58,138,027	(58,138,027)	53,916,737	53,916,737
Total	138,259,012	(58,140,000)	53,916,737	134,035,749

The company is fully consolidated in the L'Air Liquide Group financial statements.

5. PROVISIONS

In addition to the depreciation and amortization charges for 2014, the change in 2014 deferred tax liabilities was due to the transactions carried out during the year.

Deferred taxes were recorded following three bond issues in January, March and June for 150 million euros, 100 million euros and 500 million euros, respectively, and a bond issue for 130 million Swiss francs in September. These transactions resulted in the recognition of expenses, deducted for tax purposes in 2014, which will be spread over the term of the underlyings.

Considering these transactions, deferred taxes amounted to 14,464,728 euros as of December 31, 2014, compared to 13,509,208 euros as of December 31, 2013.

6. DEBT MATURITY ANALYSIS

ASSETS AS OF DECEMBER 31	Gross amount 2013	Gross amount 2014	≤ 1 year	> 1 year
Loans to equity affiliates				
Other long-term investment securities				
Loans	4,997,284,764	6,977,617,863	1,449,710,969	5,527,906,894
Trade receivables and related accounts				
Group company and other receivables	2,082,513,072	964,011,496	964,011,496	
Total	7,079,797,836	7,941,629,359	2,413,722,465	5,527,906,894

DEBTS AS OF DECEMBER 31	Gross amount 2013	Gross amount 2014	≤ 1 year	> 1 to ≤ 5 years	> 5 years
Other bonds (1)	3,616,130,615	4,487,108,469	302,101,487	1,693,920,546	2,491,086,436
Bank borrowings (2)	68,593,588	33,320,962	33,320,962		
Trade payables and related accounts					
Tax and employee-related liabilities	25,724,628	20,514,953	20,514,953		
Amounts payable to Group and other companies	3,639,646,582	3,702,294,801	3,702,294,801		
Total	7,350,095,413	8,243,239,185	4,058,232,203	1,693,920,546	2,491,086,436

(1) The increase in debts is attributable to bond issues;

- a. on January 23, 2014, a private placement under the EMTN program for 150 million euros, maturing on January 23, 2026, at a fixed rate of 3%;
- b. on March 17, 2014, a private placement under the EMTN program for 100 million euros, maturing on March 17, 2029, at a fixed rate of 3%;
- c. on June 5, 2014, a bond issue under the EMTN program for 500 million euros, maturing on June 5, 2024, at a fixed rate of 1.875%, whose interest rate had been hedged at the end of 2013 (actuarial rate of 2.051%);
- d. on September 19, 2014, a private placement under the EMTN program for 130 million Swiss francs (equivalent to 108 million euros), maturing on September 19, 2022, at a fixed rate of 0.925%.

(2) Of which current bank loans: 19,399 thousand of euros

7. BREAKDOWN OF ACCRUED EXPENSES

<i>(In euros)</i>	Amount
Interest on bonds	52,101,487
Interest on bank borrowings (1)	13,730,454
Interest on Group company borrowings	10,837,674
Accrued expenses	76,669,615
Other payables	388,738

(1) This mainly concerns swaps and financial expenses on option premiums.

8. BREAKDOWN OF ACCRUED INCOME

<i>(In euros)</i>	Amount
Interest on loans to Group companies	55,710,735
Other accrued interest receivable	54,006
Accrued income	55,764,741

9. LOAN ISSUE COSTS TO BE AMORTIZED

<i>In thousands of euros</i>	Amount as of 12/31/2013	Changes in costs to be amortized as of 12/31/2014	2014 charges	Amount as of 12/31/2014
Issue costs	6,702	1,590	(1,267)	7,025
Credit line commission costs	4,858	-	(706)	4,152
Swaption		19,582	(1,126)	18,456
Total	11,560	21,172	(3,099)	29,633

10. BOND REDEMPTION PREMIUMS

<i>In thousands of euros</i>	Amount as of 12/31/2013	Changes in costs to be amortized as of 12/31/2014	2014 charges	Amount as of 12/31/2014
2007 issue premium	283		(80)	203
2008 issue premium	229		(36)	193
2010 issue premium	25,096		(3,898)	21,198
2012 issue premium	2,903		(372)	2,531
2013 issue premium	979		(216)	763
2014 issue premium		7,885	(453)	7,432
Total	29,490	7,885	(5,055)	32,320

11. DEFERRED INCOME

<i>In thousands of euros</i>	Deferred income as of December 2013	2014 change	Deferred income as of December 2014
Total income to be deferred on financial instruments	1,808	- 325	1,483
Interest paid up front on investments	-	-	-
Total deferred income	1,808	- 325	1,483

12. ITEMS CONCERNING RELATED UNDERTAKINGS

	December 31, 2013		December 31, 2014	
	Gross	Including related undertakings	Gross	Including related undertakings
BALANCE SHEET				
Loans	4,997,284,764	4,997,284,764	6,977,617,863	6,977,617,863
Sundry receivables	2,082,513,072	2,055,312,062	964,011,865	938,442,277
Other payables, prepaid expenses and deferred income	3,639,646,582	3,639,581,764	3,702,294,801	3,702,254,476
INCOME STATEMENT				
Financial expenses	128,315,375	11,569,044	159,449,661	10,503,836
Financial income	214,437,899	212,645,896	238,814,114	236,675,342

13. TAX CONSOLIDATION

L'Air Liquide S.A., together with the French subsidiaries in which it has a direct or indirect interest of at least 95%, forms a tax consolidation group as defined by Article 223 A of the French General Tax Code.

Air Liquide Finance calculates its tax provision as if it was taxed separately and pays its tax to L'Air Liquide S.A., the group parent company.

14. INCOME TAX

Income tax totaled 21,105,711 euros compared to 24,750,121 euros in 2013. The 2014 income tax expense breaks down as follows:

	As of 12/31/2014
- Current tax ⁽¹⁾	20,150,192
- Deferred tax ⁽²⁾	955,519
- 2014 income tax	21,105,711

(1) Taxable income was obtained after allocation of any related add-backs, deductions, and tax credits. In fiscal year 2014, Air Liquide Finance posted a taxable income of 83,232,590 euros. The corporate income tax rate was 33^{1/3}% and the additional contribution was 3.3%. Tax credits for allocation totaled 8,484,385 euros.

(2) The 2014 deferred taxes totaled 955,519 euros and breaks down as follows:

In thousands of euros	Amount as of 12/31/2013	2014 change	Amount as of 12/31/2014	Deferred tax rate: 34.43%		
				2013 deferred tax balance	Deferred tax on 2014 changes	2014 deferred tax balance
Deferred charges	11,559	(382)	11,177	3,979	(131)	3,848
Bond redemption premiums	29,490	2,830	32,320	10,153	974	11,128
Deferred income	(1,808)	325	(1,483)	(623)	112	(512)
Total	39,241	2,773	42,014	13,509	956	14,465

15. OFF-BALANCE SHEET COMMITMENTS

-Commitments received:

Insofar as Air Liquide Finance's sole activity is to finance the Group, L'Air Liquide S.A. is required to guarantee any issues carried out by the company. Air Liquide Finance also conducts foreign exchange and interest rate risk hedging transactions for the Group's subsidiaries. L'Air Liquide S.A. is required to guarantee these transactions.

The total amount of commitments as of December 31, 2014 was 4,630,534 thousand of euros.

-Information on foreign exchange and interest rate derivative instruments: (excluding the foreign exchange and interest rate risk hedging instruments conducted for the Group's subsidiaries)

(In thousands of euros)		
Type of instrument	Nominal value	Fair value
Foreign exchange risk	1,311,233	(9,967)
Currency forwards and foreign currency swaps	1,311,233	(9,967)
Call	357,578	5,585
Put	953,656	(15,552)
Foreign currency options	0	0
Interest rate risk	2,578,933	(36,711)
Interest rate swaps	350,000	(29,344)
Cross Currency Swap (1)	1,978,933	(2,790)
Interest rate options (cap / floor)	250,000	(4,577)
Interest rate options (swaption)	0	0
TOTAL	3,890,167	(46,678)

(1) Including the fair value resulting from foreign exchange risk hedging.

The change in fair value represents the difference between the valuation of the derivative instrument and the value of the contract calculated at the closing rate.

Insofar as all these instruments are allocated to hedging transactions, changes in fair value did not impact the financial statements for the year ended December 31, 2014.

16. CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Article L 223-16 of the French Commercial Code, Air Liquide Finance should prepare consolidated financial statements, as it exclusively controls the subsidiary Air Liquide US LLC that issues marketable securities admitted for trading on a regulated market (USCP). However, the consolidated group formed by Air Liquide Finance and its subsidiary is of minimal importance insofar as;

- The shareholders' equity of Air Liquide US LLC amounts to 86 thousand US dollars before a net income of 7 thousand US dollars
- As of December 31, 2014, Air Liquide Finance borrowed a total of 33 million US dollars from Air Liquide US LLC, which issued USCP in the same amount.

This is a free translation into English of the statutory auditors' report on the financial statements issued in French and it is provided solely for the convenience of English-speaking users.

The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures.

This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to the shareholders.

This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

Air Liquide Finance

Year ended 2014

**Statutory auditors' report
on the financial statements**

Ernst & Young & Autres

Air Liquide Finance

Year ended 2014

Statutory auditors' report on the financial statements

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual Shareholders' Meeting, we hereby report to you, for the year ended December 31, 2014, on:

- the audit of the accompanying financial statements of Air Liquide Finance;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, by audit sampling and other selective methods, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall financial statements presentation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2014 and the results of its operations for the year then ended, in accordance with the accounting rules and principles applicable in France.

II. Justification of our assessments

In accordance with the provisions of article L. 832-9 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you that the assessments we performed concerned the appropriateness of the accounting principles applied.

These assessments were made as part of our audit of the financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verifications and information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the documents addressed to shareholders with respect to the financial position and the financial statements.

Paris-La Défense, April 28, 2015

The statutory auditor
Ernst & Young et Autres
French original signed by

Jean-Yves Jégourel