

9M 2018 Results

Leading.



THE LINDE GROUP

14 November 2018

Forward-looking Statements

This communication contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on our beliefs and assumptions on the basis of factors currently known to us. These forward-looking statements are identified by terms and phrases such as: anticipate, believe, intend, estimate, expect, continue, should, could, may, plan, project, predict, will, potential, forecast, and similar expressions. These forward-looking statements include, but are not limited to, statements regarding benefits of the business combination, integration plans and expected synergies, and anticipated future growth, financial and operating performance and results. Forward-looking statements involve risks and uncertainties that may cause actual results to be materially different from the results predicted or expected. No assurance can be given that these forward-looking statements will prove accurate and correct, or that projected or anticipated future results will be achieved. Factors that could cause actual results to differ materially from those indicated in any forward-looking statement include, but are not limited to: regulatory or other limitations imposed as a result of the business combination; the ability to successfully integrate the Praxair and Linde businesses; the risk that the consummation of the business combination could have adverse effects on the market price of Linde’s or Linde plc’s shares or the ability of the companies to retain customers, retain or hire key personnel, maintain relationships with their respective suppliers and customers, and on their operating results and businesses generally; the risk that Linde plc may be unable to achieve expected synergies or that it may take longer or be more costly than expected to achieve those synergies; state, provincial, federal and foreign legislative and regulatory initiatives that affect cost and investment recovery, have an effect on rate structure, and affect the speed at and degree to which competition enters the industrial gas, engineering and healthcare industries; outcomes of litigation and regulatory investigations, proceedings or inquiries; the timing and extent of changes in commodity prices, interest rates and foreign currency exchange rates; general economic conditions, including the risk of a prolonged economic slowdown or decline, or the risk of delay in a recovery, which can affect the long-term demand for industrial gas, engineering and healthcare and related services; potential effects arising from terrorist attacks and any consequential or other hostilities; changes in environmental, safety and other laws and regulations; the development of alternative energy resources; results and costs of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings and general market and economic conditions; increases in the cost of goods and services required to complete capital projects; the effects of accounting pronouncements issued periodically by accounting standard-setting bodies; conditions of the debt and capital markets; market acceptance of and continued demand for the companies’ products and services; changes in tax laws, regulations or interpretations that could increase Praxair’s, Linde’s or Linde plc’s consolidated tax liabilities; and such other factors as are set forth in Linde’s annual and interim financial reports made publicly available and Praxair’s and Linde plc’s public filings made with the SEC from time to time, including but not limited to those described under the heading “Risk Factors” in Linde plc’s European Listing Prospectus, published on October 24, 2018, and Item 8.01 of Linde plc’s Current Report filed with the SEC on October 31, 2018, which is available via the SEC’s Web site at www.sec.gov. The foregoing list of risk factors is not exhaustive. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than Linde, Praxair or Linde plc has described. All such factors are difficult to predict and beyond our control. All forward-looking statements included in this document are based upon information available to Linde, Praxair and Linde plc on the date hereof, and each of Linde, Praxair and Linde plc disclaims and does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Agenda



1. Operational performance 9M 2018

2. Outlook

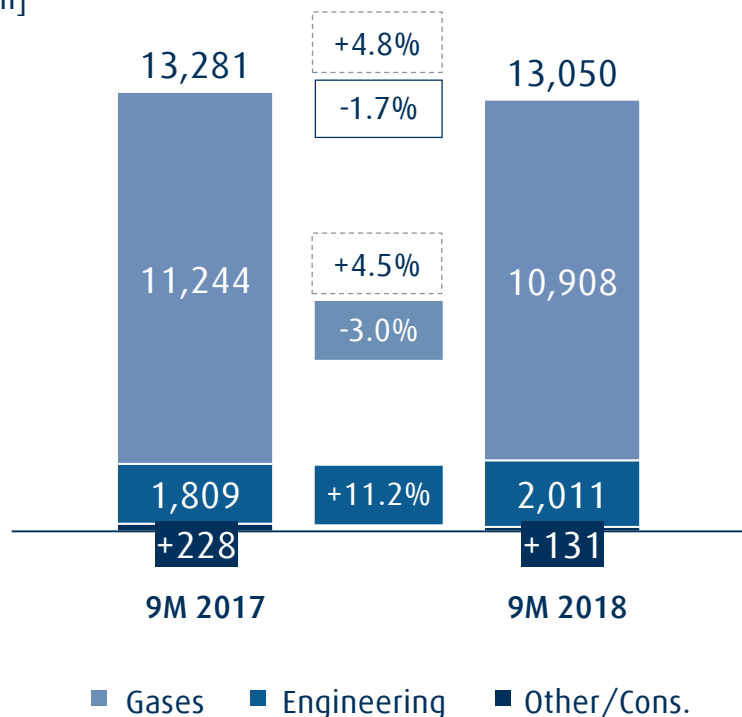
Appendix

Group | Revenue and operating profit by division

Strong margin expansion in both Gases and Engineering

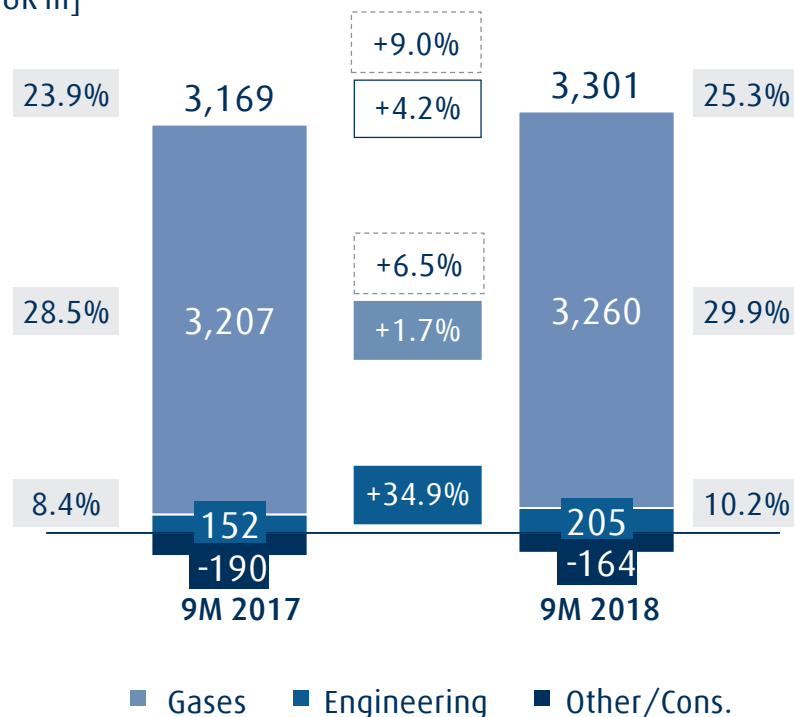
Revenue

[EUR m]



Operating profit

[EUR m]



Gases

Comparable growth of 4.2 percent driven by organic growth

Engineering

Revenue development in line with expected project progress

Gases

140bps margin improvement aided by growth, cost reduction and portfolio optimisation

Engineering

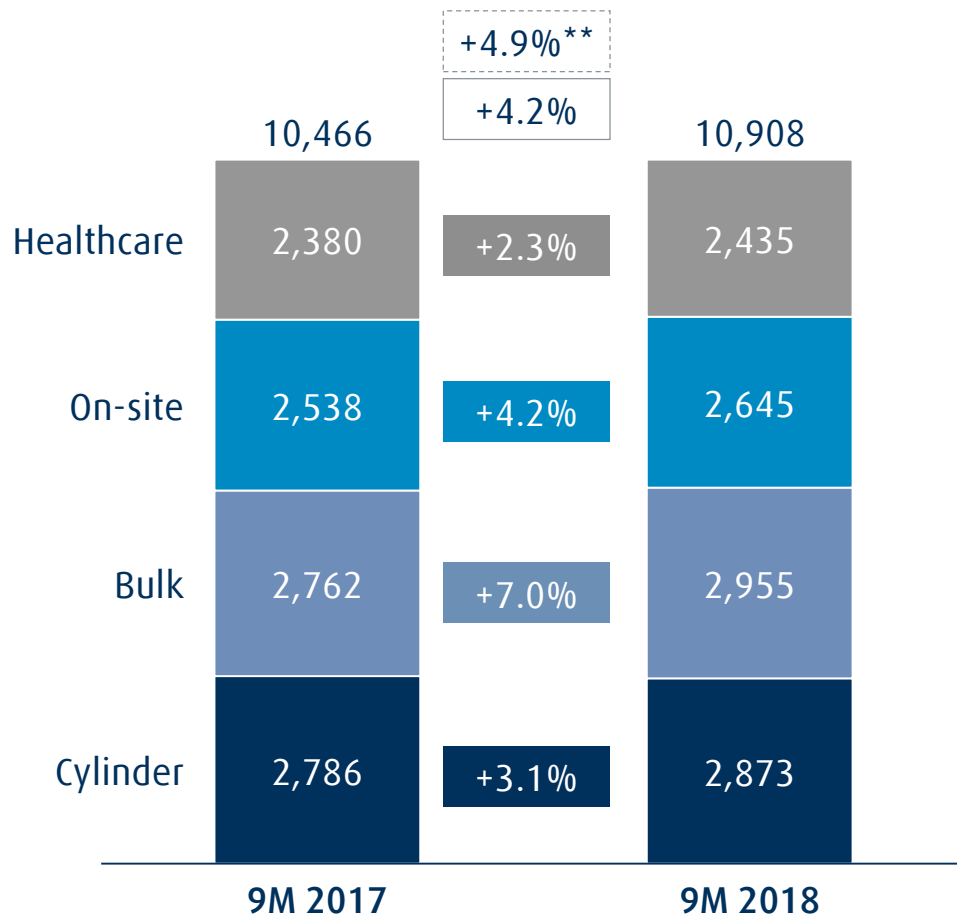
180bps margin improvement due to higher earnings from individual projects and improved capacity utilisation

Gases Division | Revenue by product area

Solid comparable growth in all product areas

Comparable growth*

[EUR m]



*Excluding currency, natural gas price effects and the first-time application effect of IFRS 15.

**Comparable growth adjusted for portfolio optimisation.

Comments / Additional effects



Healthcare

Continued improvement in Lincare business supported by volume growth and Interim Final Rule



On-site

Growth driven by start-ups and decaptivations but restrained by planned turnarounds and unplanned outage in the Americas



Bulk

Sustained solid development in all geographies from higher volumes and pricing activities

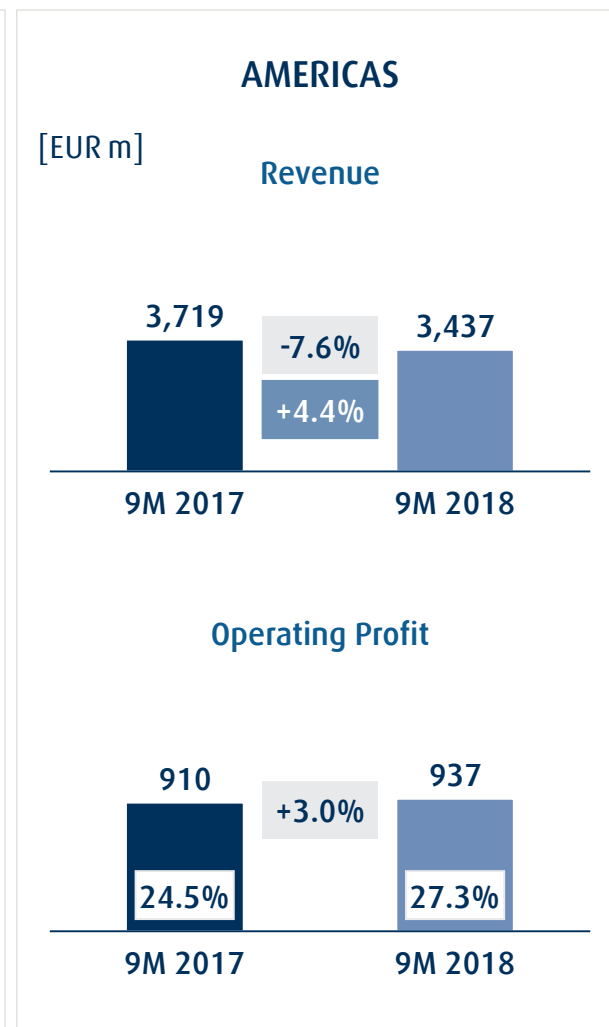
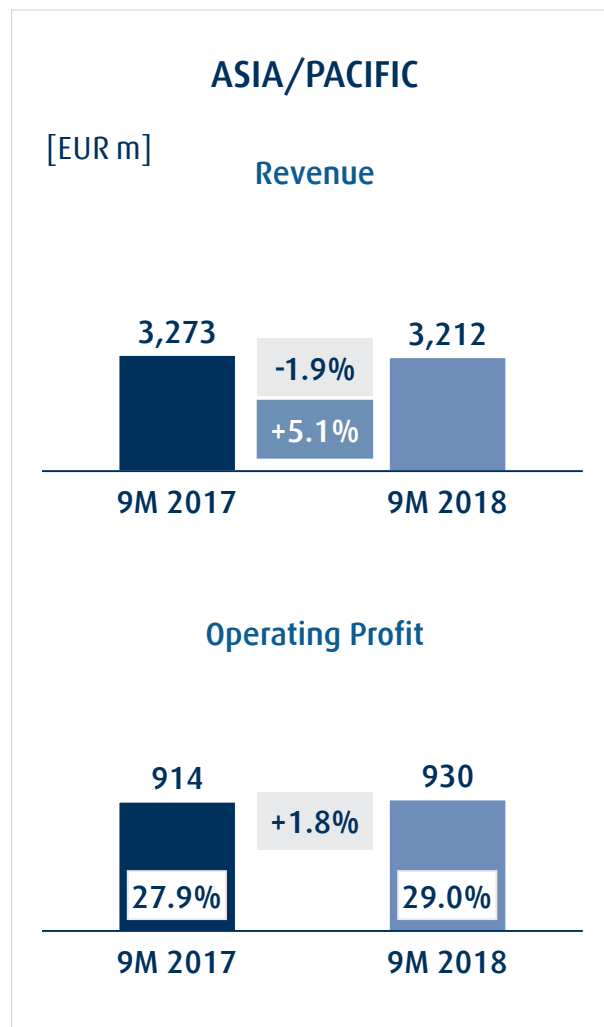
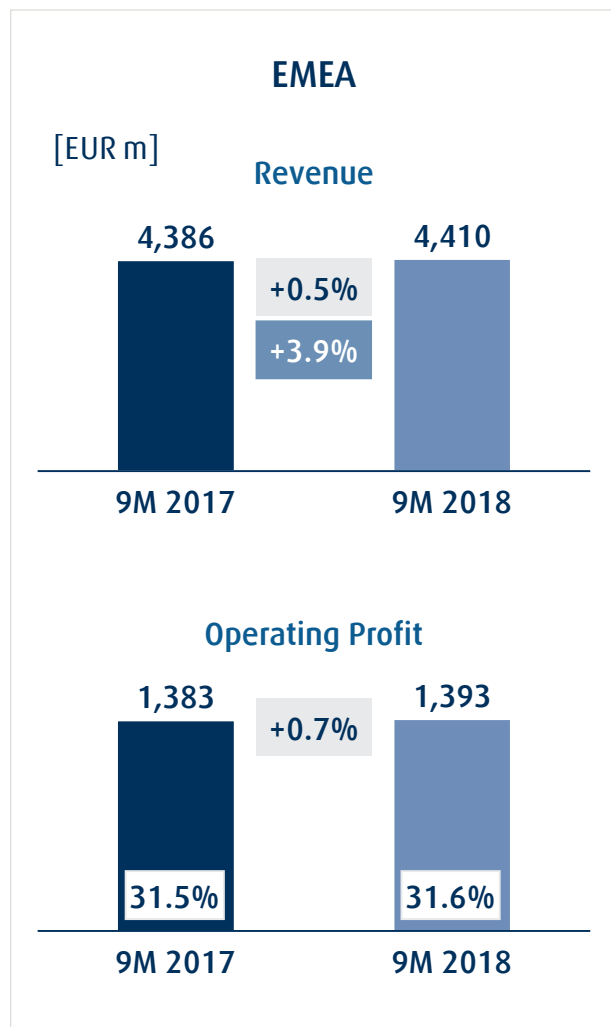


Cylinder

Positive underlying momentum in all operating segments despite negative effects from portfolio optimisation

Gases Division | Revenue by operating segment

Comparable growth and margin expansion in all geographies

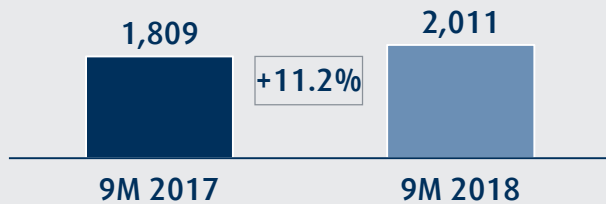


■ Reported growth
 ■ Comparable growth: excluding currency, natural gas price effects and the first-time application effect of IFRS 15
 Operating profit margin

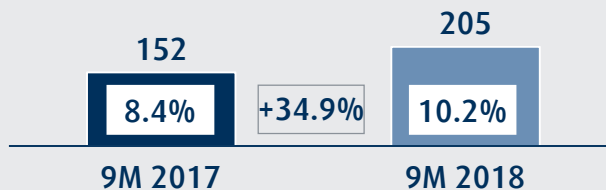
Engineering Division | Key figures

Strong margin improvement by 180bp

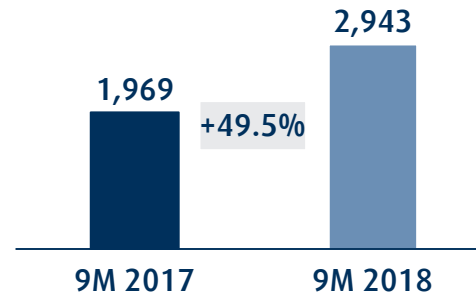
Revenue [EUR m]



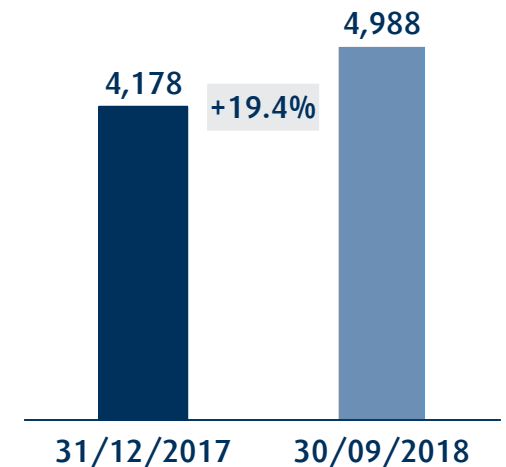
Operating profit [EUR m]



Order intake [EUR m]



Order backlog [EUR m]



- Revenue development in line with expected project progress
- Margin improvement due to higher earnings from individual projects and improved capacity utilisation
- Further order intake received from PJSC Nischnekamskneftekhim (NKNK) for olefin plant in Nischnekamsk, Republic of Tatarstan, Russian Federation and Praxair to supply hydrogen plant on its U.S. Gulf Coast hydrogen system

■ Reported growth □ Operating profit margin

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Outlook 2018

Expect Group & Gases revenue & earnings at top end of range



THE LINDE GROUP

2018

Group

Revenue	±0 to +4% versus 2017 adjusted for FX and IFRS 15
Operating profit	±0 to +5% versus 2017 adjusted for FX
ROCE	Around 10 percent

Gases Division

Revenue	±0 to +4% versus 2017 adjusted for FX and IFRS 15
Operating profit	±0 to +5% versus 2017 adjusted for FX

Engineering Division

Revenue	Around EUR 2.6 billion
Operating margin	Around 10 percent

Please see definitions of key financial figures in the appendix.

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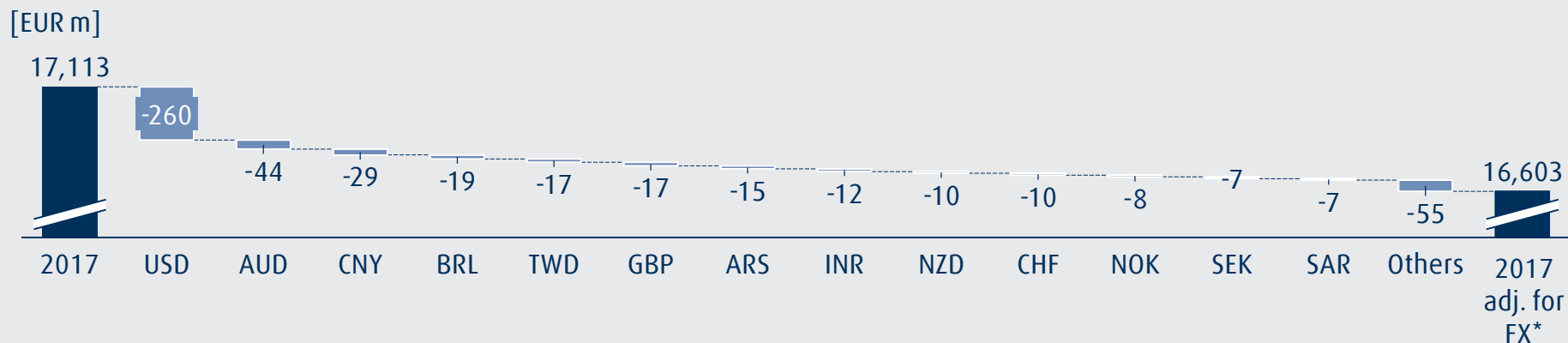
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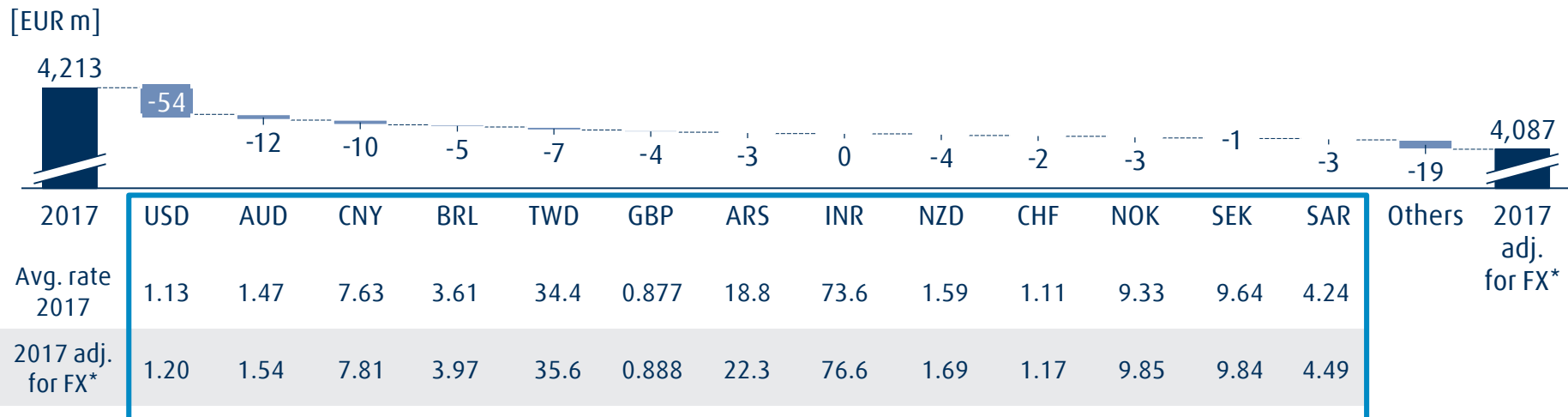
Group | Potential currency impact

Potential impact on revenue and operating profit in 2018

Group revenue adjusted for FX*



Group operating profit adjusted for FX*

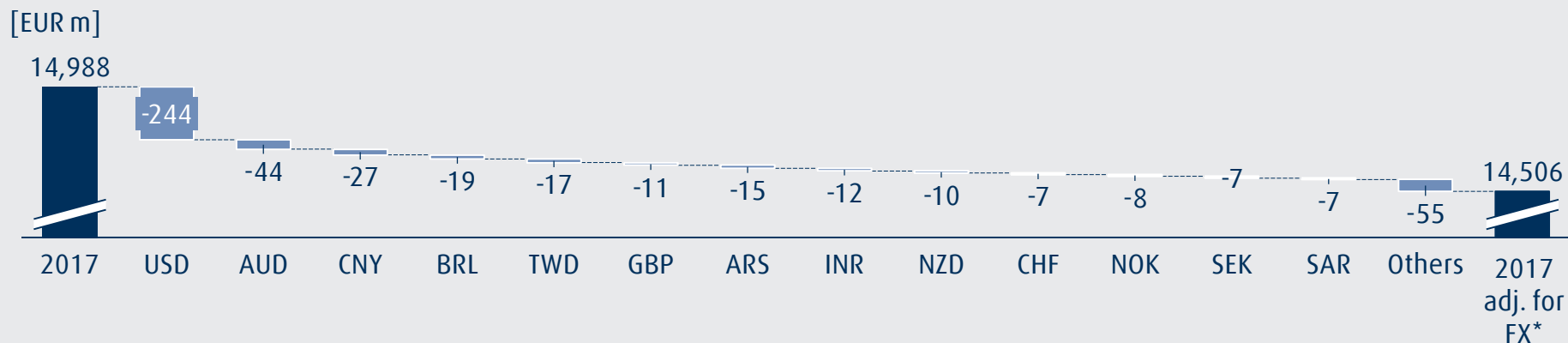


All figures from continuing operations.
 *Based on spot rates as of 31 December 2017.

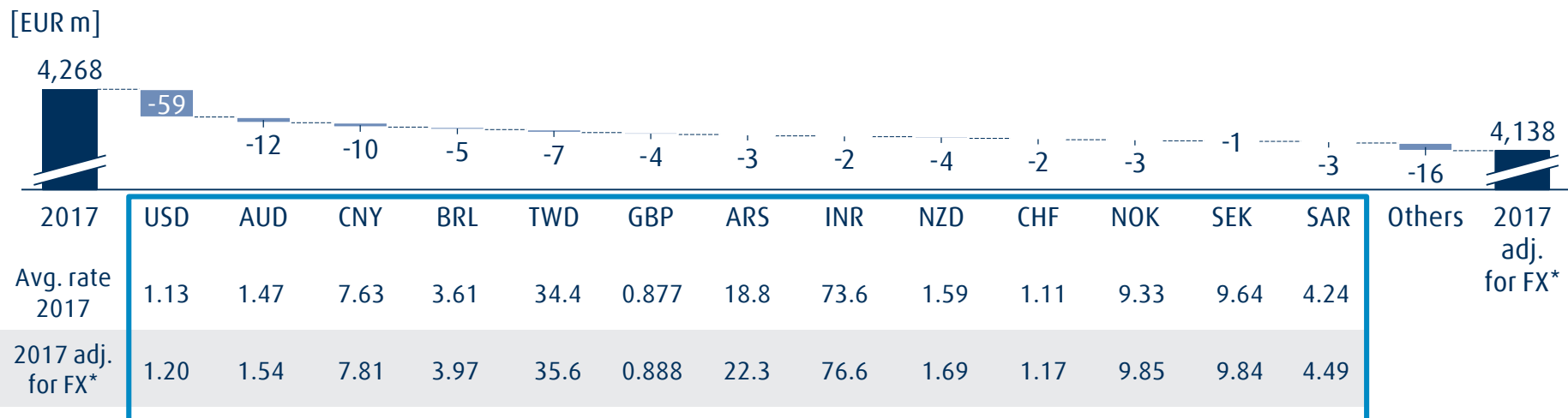
Gases Division | Potential currency impact

Potential impact on revenue and operating profit in 2018

Gases revenue adjusted for FX*



Gases operating profit adjusted for FX*



All figures from continuing operations.
 *Based on spot rates as of 31 December 2017.

Operating Profit	Earnings per Share (EPS) before special items	Earnings per Share (EPS) reported	Return on Capital Employed (ROCE)
Return	Return	Return	Return
EBIT before special items adjusted for amortisation of intangible assets and depreciation of tangible assets	Profit for the period before special items attributable to Linde AG shareholders	Profit for the period attributable to Linde AG shareholders	EBIT before special items
	Shares	Shares	Average Capital Employed
	Number of weighted average outstanding shares	Number of weighted average outstanding shares	Equity (incl. non-controlling interests) + financial debt + liabilities from finance leases + net pension obligations - cash, cash equivalents and securities - receivables from finance leases

Dow Jones Sustainability Index

Linde listed among leading companies (top 10%) in chemicals industry

Ethibel EXCELLENCE

Linde has been reconfirmed as a constituent of the Ethibel Sustainability Index (ESI) Excellence Europe

FTSE4Good

Linde is a component of the FTSE4Good Index series

STOXX Global ESG Leaders Indices

Linde is represented in the EURO STOXX Sustainability 40 and the EURO STOXX ESG Leaders 50 indices

CDP

Linde has achieved A- score for CDP's climate and B for its water rating

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM



Financial calendar



Contact

Phone:
+49 89 357 57 1321

Email:
investorrelations@linde.com

Internet:
www.linde.com



Linde share (untendered)

Type of share:
Bearer shares

Stock exchanges:
All German stock exchanges

Security reference number:
ISIN DE0006483001
CUSIP 648300