



January – September 2011

Conference Call

LeadInG.



THE LINDE GROUP

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Member of the Executive Board and CFO

28 October 2011

This presentation contains forward-looking statements about Linde AG (“Linde”) and their respective subsidiaries and businesses. These include, without limitation, those concerning the strategy of an integrated group, future growth potential of markets and products, profitability in specific areas, the future product portfolio, anti-trust risks, development of and competition in economies and markets of the group.

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Highlights

Group sales increased by 8.5% to € 10,209 m

With an increase of 10.2% to € 2,363 m operating profit grew stronger than sales

Continuous strong increase of reported EPS by 21.5% to € 5.02 and of adjusted EPS by 16.4% to € 5.68

Strong operating cash flow increases by 10.8% to € 1,699 m

Growth in all regions

Strongest momentum in growth markets

Solid development in mature regions

Operating margin of the Gases Division at 27.3% (+20 bp)

2011 Outlook reinforced

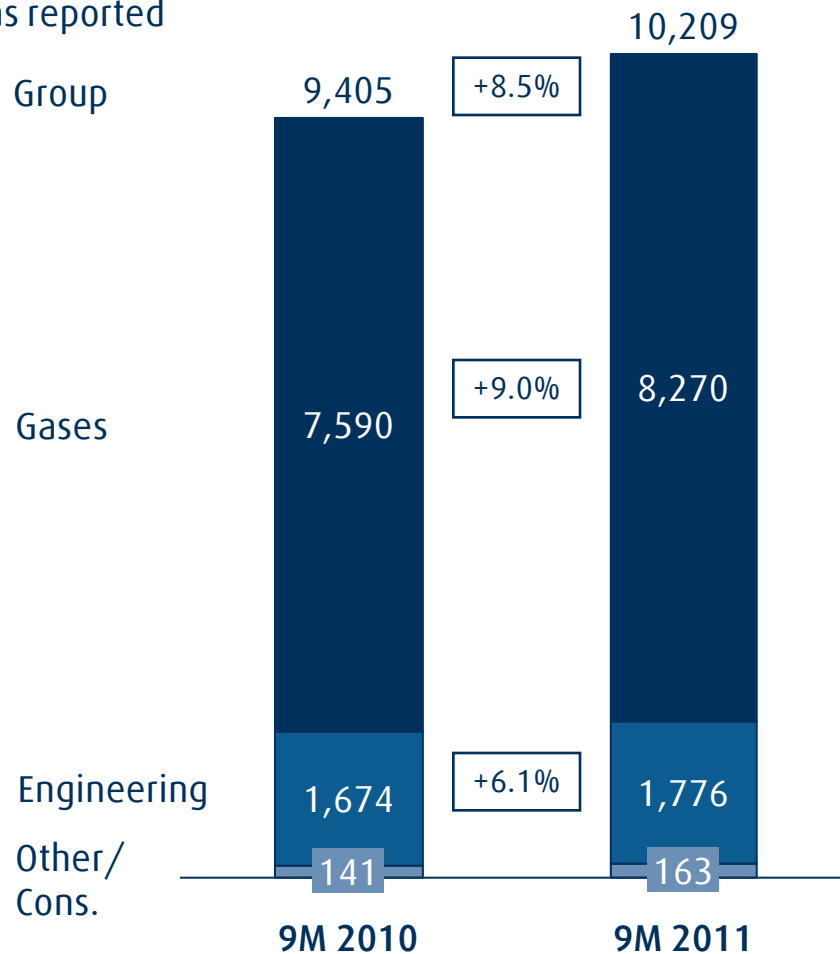
Growth in sales and operating profit vs. record year 2010

HPO: € 650-800 m of gross cost savings in 2009-2012

Group, sales by Divisions

Continued growth in all areas

in € million,
as reported



Gases Division

- Growth momentum continues: comparable* sales up by 8.1%
- Growth in all product areas lead by product area Tonnage

Engineering Division

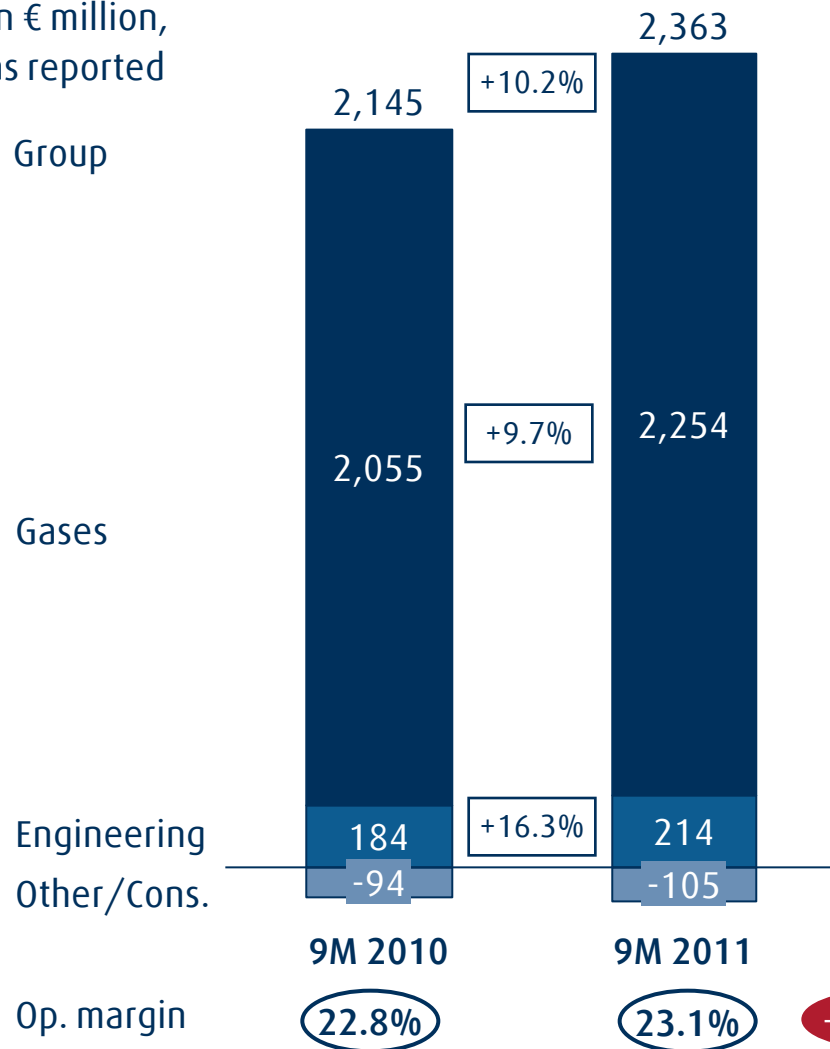
- Order intake well balanced between growth markets and mature markets
- Order backlog remains on high level

*excluding currency, natural gas price and consolidation effect

Group, operating profit by Divisions

Group margin improved

in € million,
as reported



Gases Division

- Growth of operating profit* continues
- Operating margin of 27.3% further improved against previous year

Engineering Division

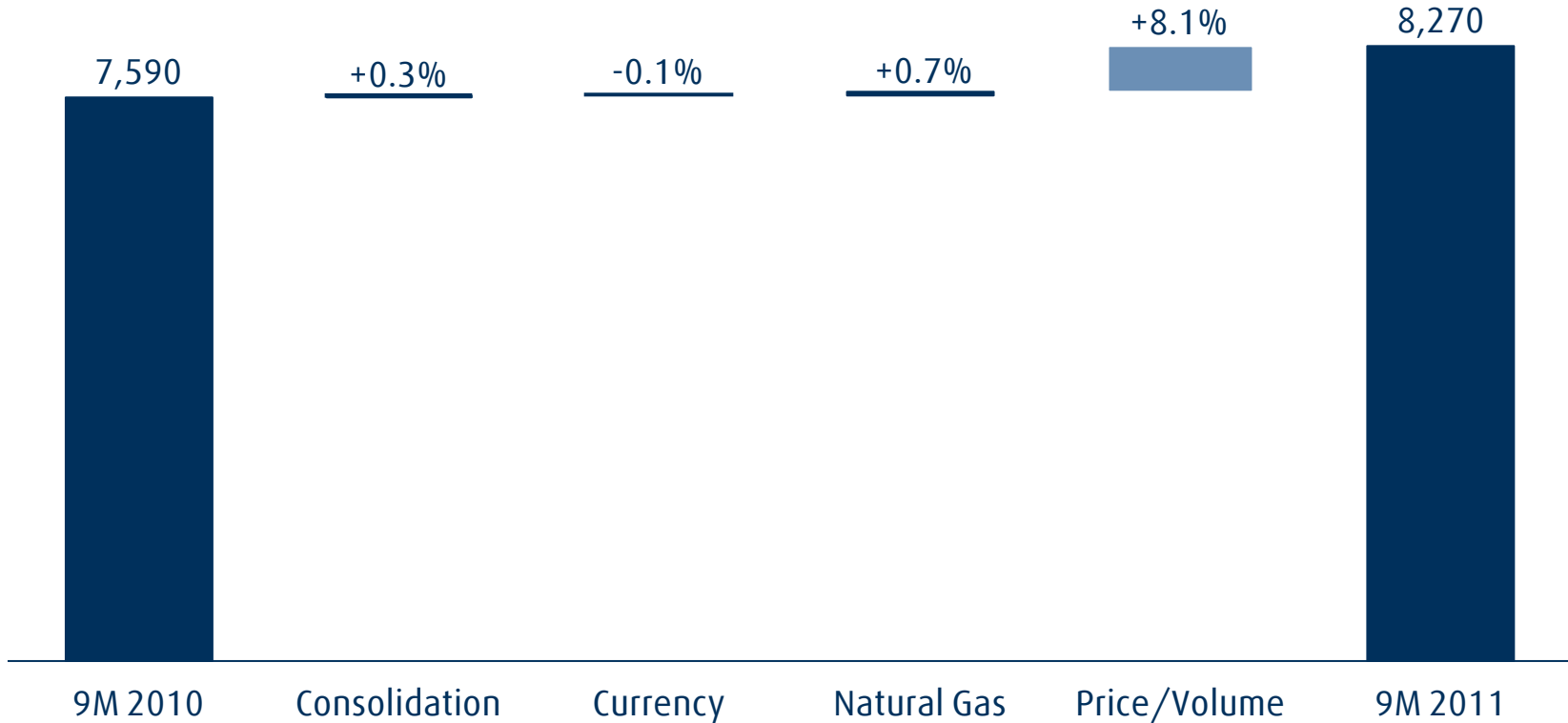
- Operating margin of 12% again well ahead of target margin of at least 10% for the year 2011
- Margin development driven by successful execution of individual projects

*EBITDA incl. share of net income from associates and joint ventures

Division Gases, sales bridge

9M sales increase of 8.1% on comparable basis

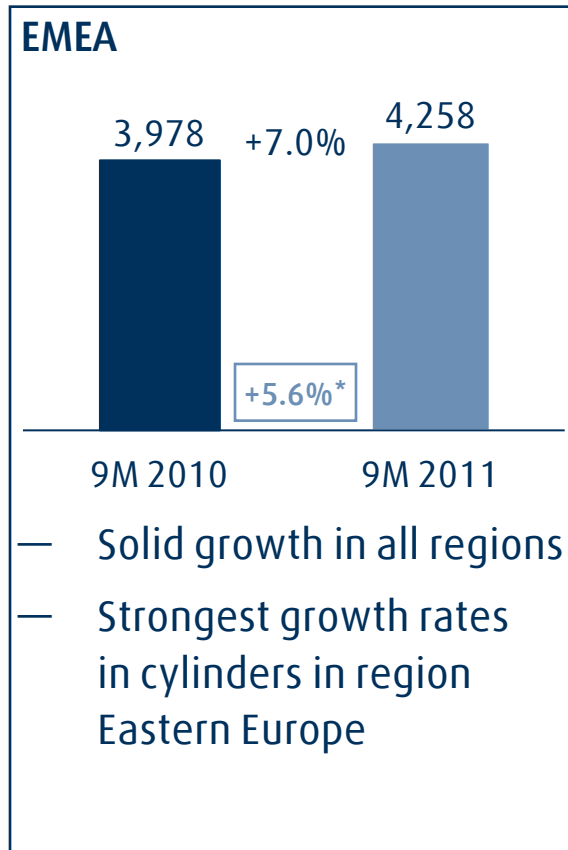
in € million



Gases Division, sales by operating segment

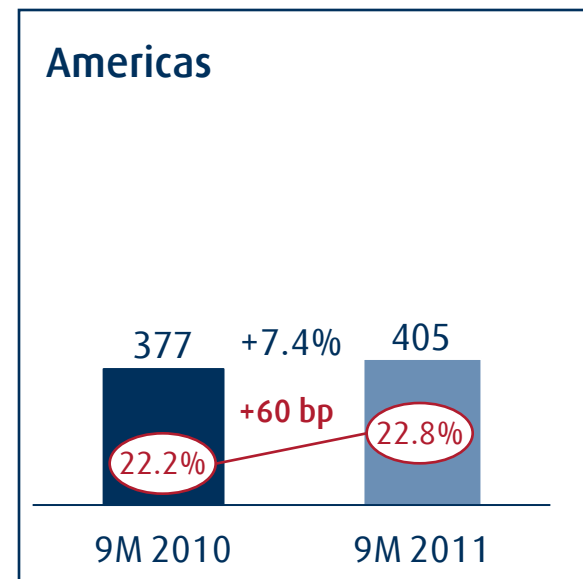
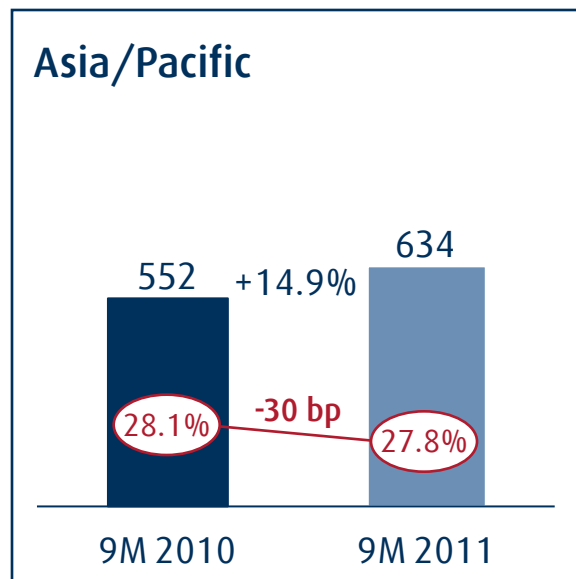
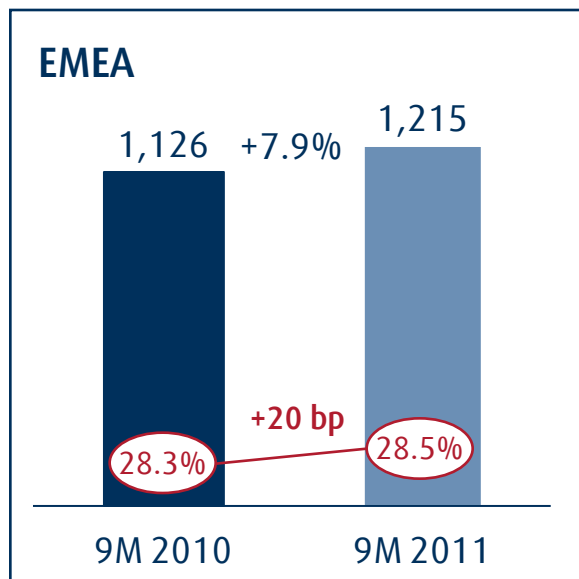
Growth in all regions led by Asia/Pacific

in € million



Gases Division, operating profit by operating segment

in € million

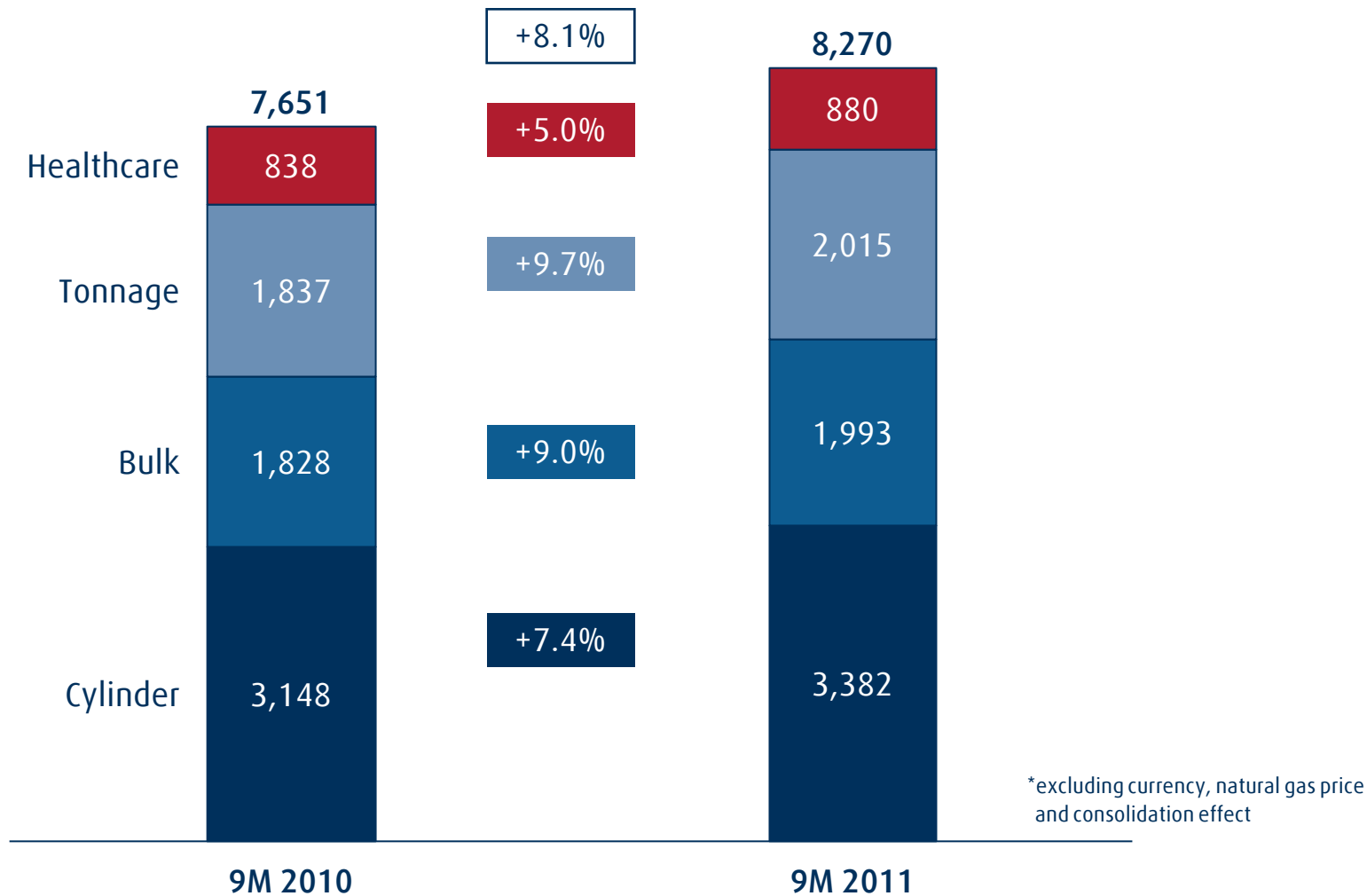


- Continuous implementation of HPO supports margin development in all regions
- Positive margin track record in EMEA
- Despite preliminary investments in structural growth in Asia margin recovers

Gases Division, sales by product areas

Growth accelerated in Bulk

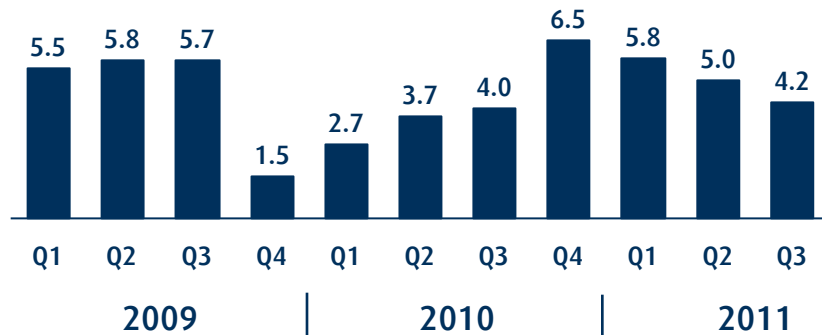
in € million,
comparable*, consolidated



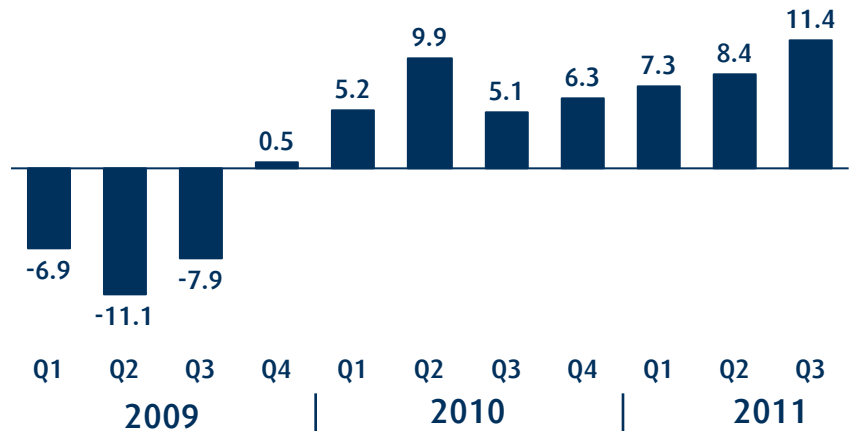
Gases Division, product areas

Comparable year-on-year growth in percent

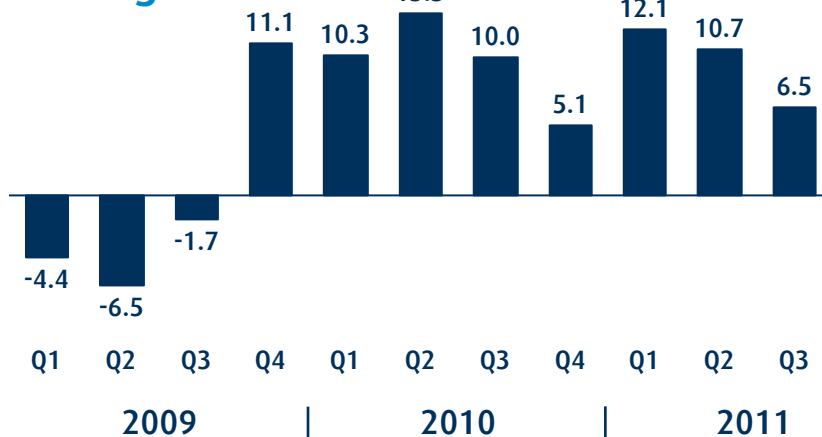
Healthcare



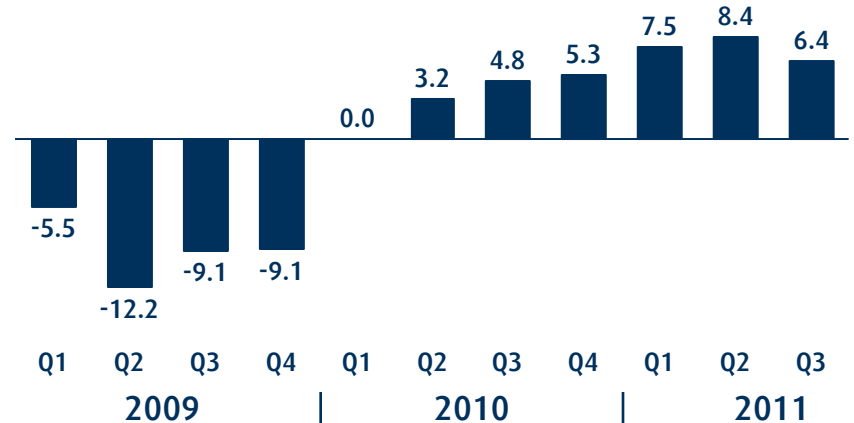
Bulk



Tonnage



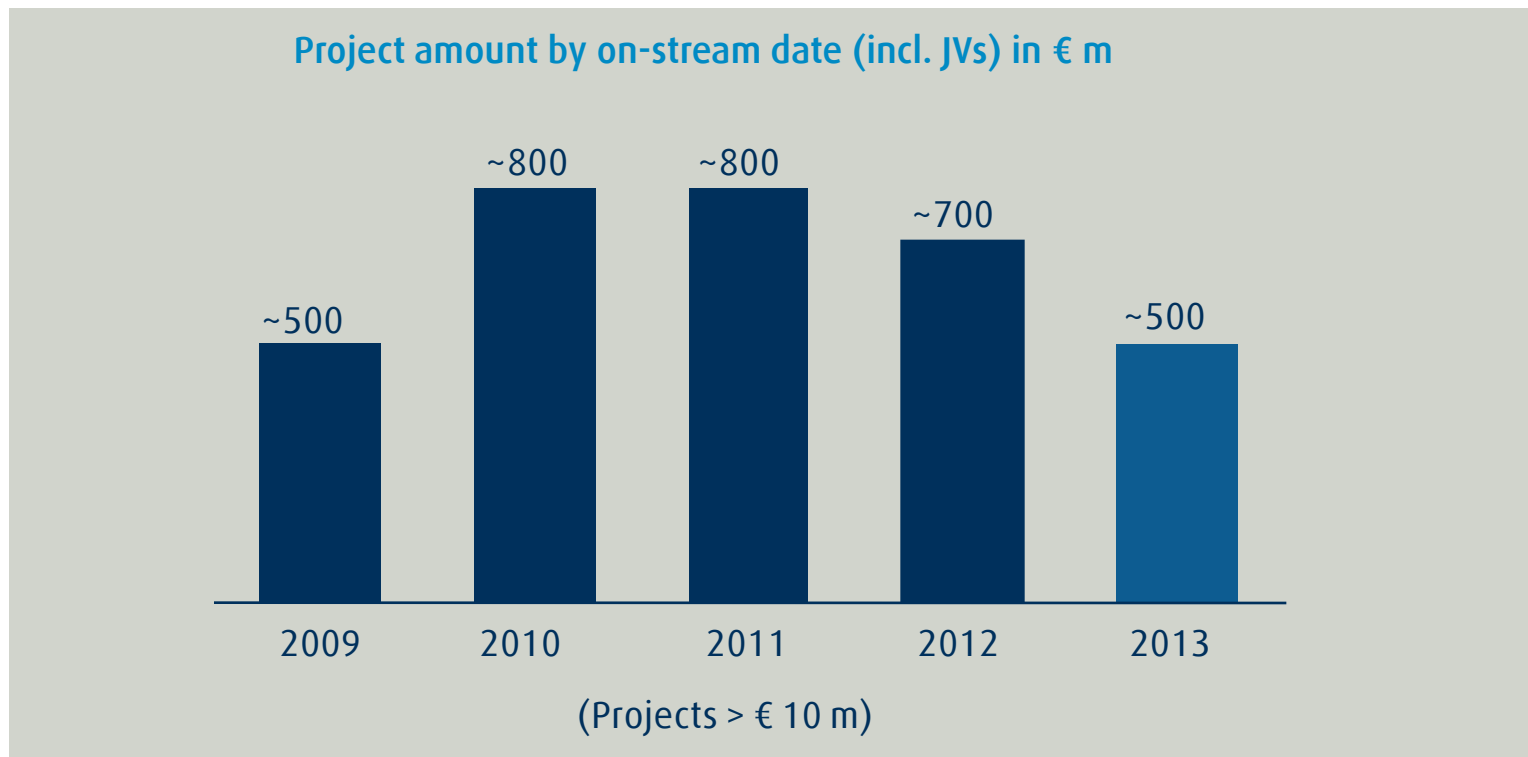
Cylinder



Gases Division, project pipeline

Solid foundation for future growth

- Project amount for 2013 already at € 500 m
- Around € 3.3 bn investments between 2009-2013 (thereof € 0.6 bn in JVs @ share)
- Close to 70% of total project-capex allocated to Growth Markets
- Project opportunities 12 months forward as published in March 2011 around € 4 bn (primarily in Growth Markets)



EOR (N₂ / NRU / CO₂)

- Large-scale enhanced gas recovery in Abu Dhabi
- Nitrogen is pumped into the reservoirs to increase pressure and maintain the gas flow
- Higher exploitation rate of 20-30%

LNG (Merchant/Floating)

- LNG-terminal in Sweden: Merchant LNG
- Pre-Feed-study with PTT for development of a floating LNG facility as basis for investment decision

CLEAN COAL

- Leader in advanced CO₂ capture for power plants
- USD15 m award payment by US Department of Energy for pilot plant testing of CO₂ scrubbing solutions

CO₂ HANDLING

- Agreement with Sapphire Energy to develop CO₂ management system and supply for algae fuel production
- Reduction of greenhouse gas emissions

H₂ FUELING

- Hydrogen technology is a step towards emission-free mobility
- In cooperation with Daimler to build 20 additional hydrogen filling stations in Germany

Engineering Division, key figures

Order intake up by 9 %



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- Order intake mainly driven by air separation units and well balanced between growth and mature markets and
- Order backlog stays strong at € 3,761 bn (year-end 2010: € 3,965 bn)
- Margin expectation for 2011 is at least 10%

in € million	9M 10	9M 11	Δ YoY
Order intake	1,538	1,676	+9.0%
Sales	1,674	1,776	+6.1%
Operating profit*	184	214	+16.3%
Margin	11.0%	12.0%	+100 bp

*EBITDA incl. share of net income from associates and joint ventures

Group, Cash Flow Statement

in € million	Q1 11	Q2 11	Q3 11	9M 11	9M 10
Operating profit	761	798	804	2,363	2,145
Change in Working Capital	-180	6	60	-114	-126
Other changes	-141	-267	-142	-550	-486
Operating Cash Flow	440	537	722	1,699	1,533
Investments in tangibles/intangibles	-237	-310	-346	-893	-764
Acquisitions/Financial investments	-13	-1	-41	-55	-35
Other	43	33	40	116	136
Investment Cash Flow	-207	-278	-347*	-832*	-663
Free Cash Flow before Financing	233	259	375	867	870
Interests and swaps	-45	-114	-123	-282	-240
Dividends and other changes	-2	-385	-7	-394	-308
Net debt increase (+)/decrease (-)	-186	240	-245	-191	-322

* excluding strategic liquidity reserve of € 600m

Group, solid financial position

Net debt/EBITDA ratio of 1.7x

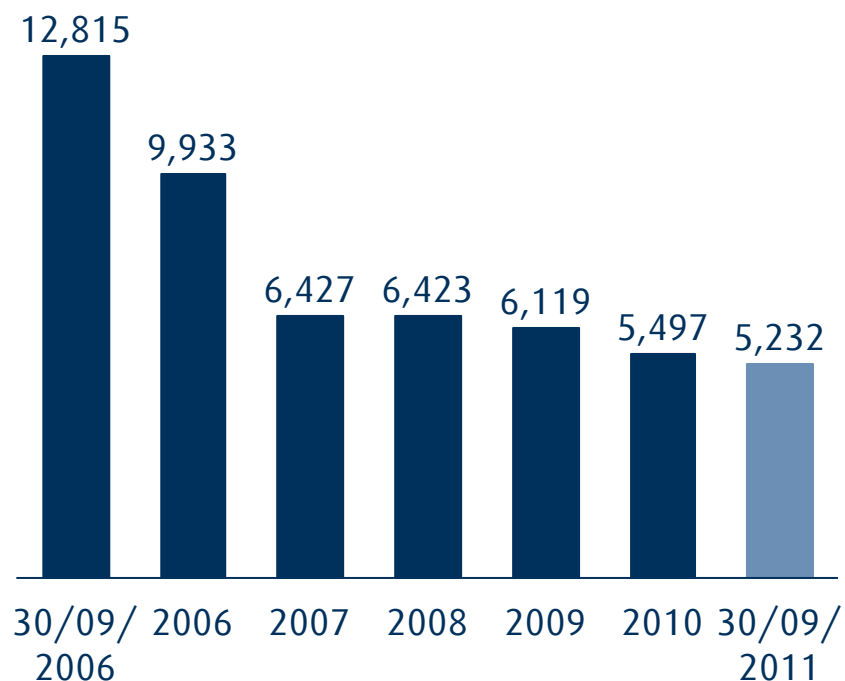


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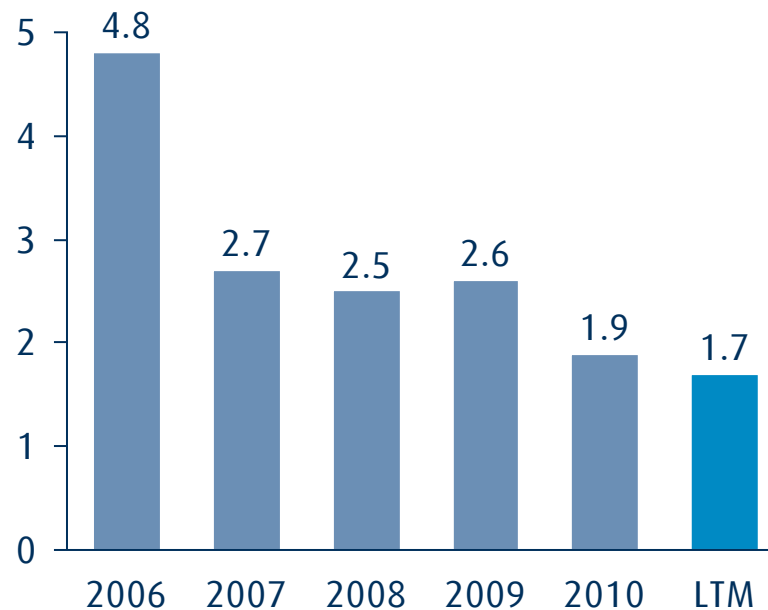
Credit Ratings

- Standard&Poor's: A-/A-2 with stable outlook (12.08.2011)
- Moody's: A3/P-2 with stable outlook (12.10.2011)

Net debt in € bn



Net debt/EBITDA



2011	Group	<ul style="list-style-type: none">— Growth in sales and operating profit vs. 2010— Confirmation of HPO-program: € 650-800 m of gross cost savings in 2009-2012
	Gases	<ul style="list-style-type: none">— Sales increase vs. 2010— Operating profit to grow at a faster pace than sales
	Engineering	<ul style="list-style-type: none">— Sales at the same level as in 2010— Operating margin of at least 10%
2014	Group	<ul style="list-style-type: none">— Operating profit of at least € 4 bn— Adjusted ROCE of 14% or above
	Gases	<ul style="list-style-type: none">— Average capex/sales ratio 13% plus— Revenue increase above market growth— Further increase in productivity



APPENDIX

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Group Financial Highlights

Q3 2011



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in € million	Q3 10	Q3 11	Δ in %
Sales	3,301	3,435	4.1
Operating profit	749	804	7.3
Margin (in %)	22.7%	23.4%	70 BP
EBIT before PPA depreciation	502	541	7.8
PPA depreciation	-66	-60	-9.1
EBIT	436	481	10.3
Financial Result	-79	-89	12.7
Taxes	-92	-87	-5.4
Net income	265	305	15.1
Net income – Part of shareholders Linde AG	253	290	14.6
EPS in €	1.50	1.70	13.3
Adjusted EPS in €	1.73	1.89	9.2

Group Financial Highlights

9M 2011



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in € million	9M 10	9M 11	Δ in %
Sales	9,405	10,209	8.5
Operating profit	2,145	2,363	10.2
Margin (in %)	22.8%	23.1%	30 BP
EBIT before PPA depreciation	1,424	1,580	11.0
PPA depreciation	-191	-181	-5.2
EBIT	1,233	1,399	13.5
Financial Result	-230	-215	-6.5
Taxes	-255	-281	10.2
Net income	748	903	20.7
Net income – Part of shareholders Linde AG	698	856	22.6
EPS in €	4.13	5.02	21.5
Adjusted EPS in €	4.88	5.68	16.4

Gases Division, operating segments

Historical data 2010



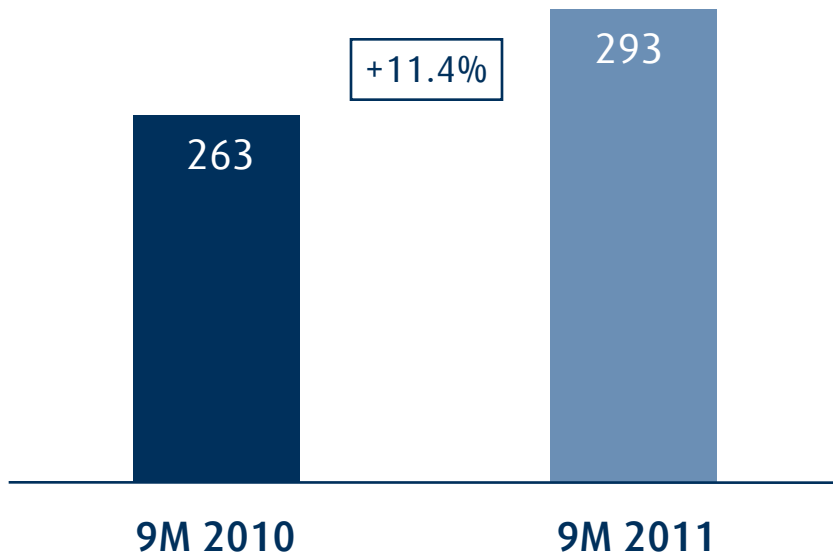
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EMEA (€ m)	Q1 2010	Q2 2010	Q3 2010	Q4 2010	FY 2010
Sales	1,264	1,349	1,365	1,352	5,330
Operating profit*	351	386	389	387	1.513
Operating margin	27.8%	28.6%	28.5%	28.6%	28.4%
Asia/Pacific (€ m)	Q1 2010	Q2 2010	Q3 2010	Q4 2010	FY 2010
Sales	577	677	711	727	2,692
Operating profit*	162	190	200	202	754
Operating margin	28.1%	28.1%	28.1%	27.8%	28.0%
Americas (€ m)	Q1 2010	Q2 2010	Q3 2010	Q4 2010	FY 2010
Sales	514	581	605	579	2,279
Operating profit*	112	136	129	122	499
Operating margin	21.8%	23.4%	21.3%	21.1%	21.9%

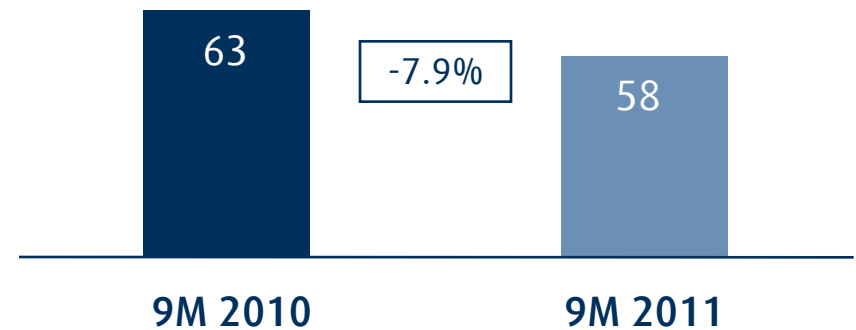
* EBITDA before non-recurring items, including share of net income from associates and joint ventures

in € million

Proportionate Sales (not incl. in the Group top-line)



Share of Net Income (contribution to operating profit)



Purchase Price Allocation (PPA)

Impact in 9M 2011: € 181 m (9M 2010: € 191 m)

Expected impact FY 2011: ~ € 250 m (upper end of guidance due to enforced one-brand strategy)

Background:

- The difference between the purchase cost of BOC and related acquisitions in Asia and their net asset value has been allocated to assets on the Linde balance sheet (for BOC, see Linde 2007 annual report, p. 99)
- The revaluation of these assets leads to additional depreciation and amortisation charges according to the useful life of the assets
- Goodwill is not amortised but subject to a yearly impairment test
- Depreciation & Amortisation from PPA is excluded from the calculation of Adjusted EPS

Definition of financial key figures



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Operating Profit	Return	EBITDA (incl. IFRIC 4 adjustment) excl. finance costs for pensions excl. non-recurring items incl. share of net income from associates and joint ventures
	adjusted ROCE	Operating profit - depreciation / amortisation excl. depreciation/amortization from purchase price allocation
	Average Capital Employed	equity (incl. minorities) + financial debt + liabilities from financial services + net pension obligations - cash and cash equivalents - receivables from financial services
adjusted EPS	Return	earnings after tax and minority interests + depreciation/amortization from purchase price allocation +/- non-recurring items
	Shares	average outstanding shares

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Financial Calendar

- FY 2011 Results: 09 March 2012
- Q1 2012 Results: 04 May 2012
- Annual General Meeting: 04 May 2012