

Innovative Drive

Regional Growth
Markets
Energy & Environment
Process
Optimisation
Healthcare
Regional Growth
Markets
Process
Optimisation
Healthcare
Regional Growth
Markets
Leading Technologies

Leading Technologies
Energy & Environment
Healthcare
Energy & Environment
Leading Technologies
Process
Optimisation
Healthcare
Regional Growth
Markets
Innovative Drive
Regional Growth
Process
Markets
Optimisation
Regional Growth
Markets
Process
Optimisation
Healthcare
Regional Growth
Markets

Energy & Environment
Healthcare
Energy & Environment
Leading Technologies
Healthcare
Regional Growth
Markets

Conference Call Q1 2014 Results

LeadIng.



THE LINDE GROUP

Analysts' Conference Call
06 May 2014

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, development of and competition in economies and markets of the Group.

These forward looking statements involve known and unknown risks, uncertainties and other factors, many of which are outside of Linde’s control, are difficult to predict and may cause actual results to differ significantly from any future results expressed or implied in the forward-looking statements on this presentation.

While Linde believes that the assumptions made and the expectations reflected on this presentation are reasonable, no assurance can be given that such assumptions or expectations will prove to have been correct and no guarantee of whatsoever nature is assumed in this respect. The uncertainties include, inter alia, the risk of a change in general economic conditions and government and regulatory actions. These known, unknown and uncertain factors are not exhaustive, and other factors, whether known, unknown or unpredictable, could cause the Group’s actual results or ratings to differ materially from those assumed hereinafter. Linde undertakes no obligation to update or revise the forward-looking statements on this presentation whether as a result of new information, future events or otherwise.

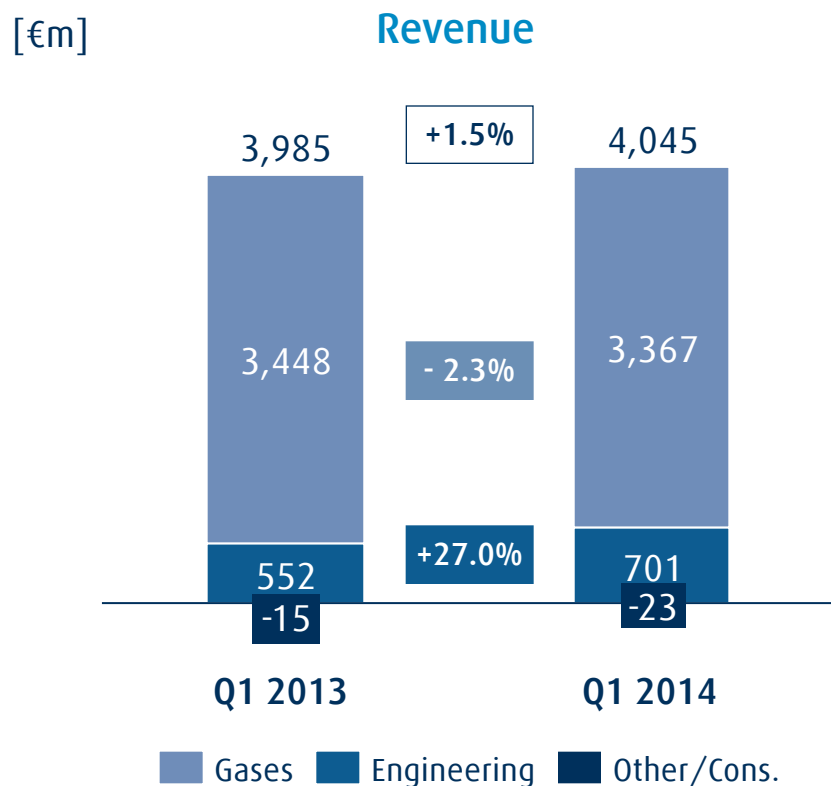
Performance Q1 2014 Highlights

[€]	Q1 2013	Q1 2014	yoy [%]	yoy [%] fx adj.
Revenue [m]	3,985	4,045	+1.5%	+7.3%
Operating Profit* [m]	953	927	- 2.7%	+ 2.8%
Operating Margin [%]	23.9	22.9	- 100bp	
Operating Cash Flow [m]	522	594	+13.8%	
EPS reported	1.72	1.56	- 9.3%	

- Positive revenue development of 7.3% on a currency adjusted basis
- Comparable growth in Gases 3.1%, adjusted for Healthcare tender effects 4.1%
- Strong sales growth in Engineering has a dilutive effect on Group margin
- Strong cash flow increase of 13.8% enabled further debt reduction
- Tax rate of 23.9% is above the level of Q1 2013, which affects the EPS-development

Group | Revenue and operating profit by division

Strong contribution from Engineering affects Group margin

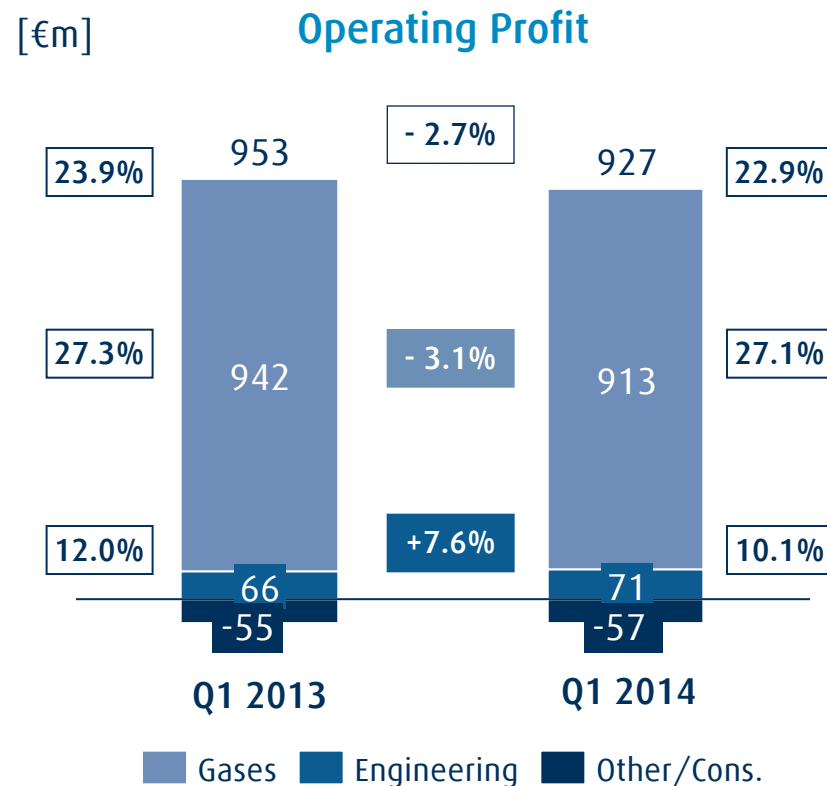


Gases

Development impacted by currency headwinds

Engineering

Project progress triggered strong growth



Gases

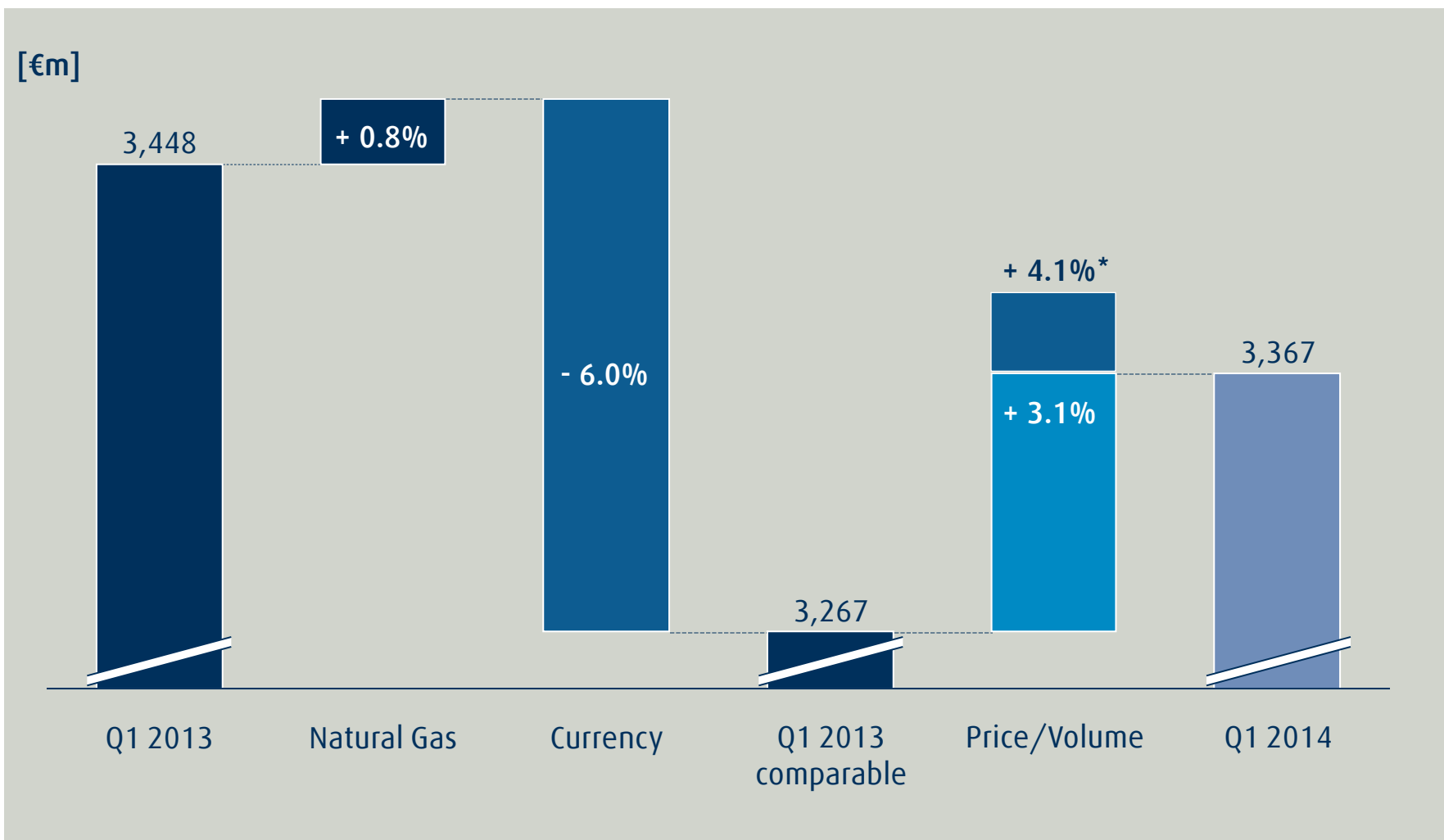
Margin remained on a stable level

Engineering

Margin above industry level

Gases Division | Revenue bridge

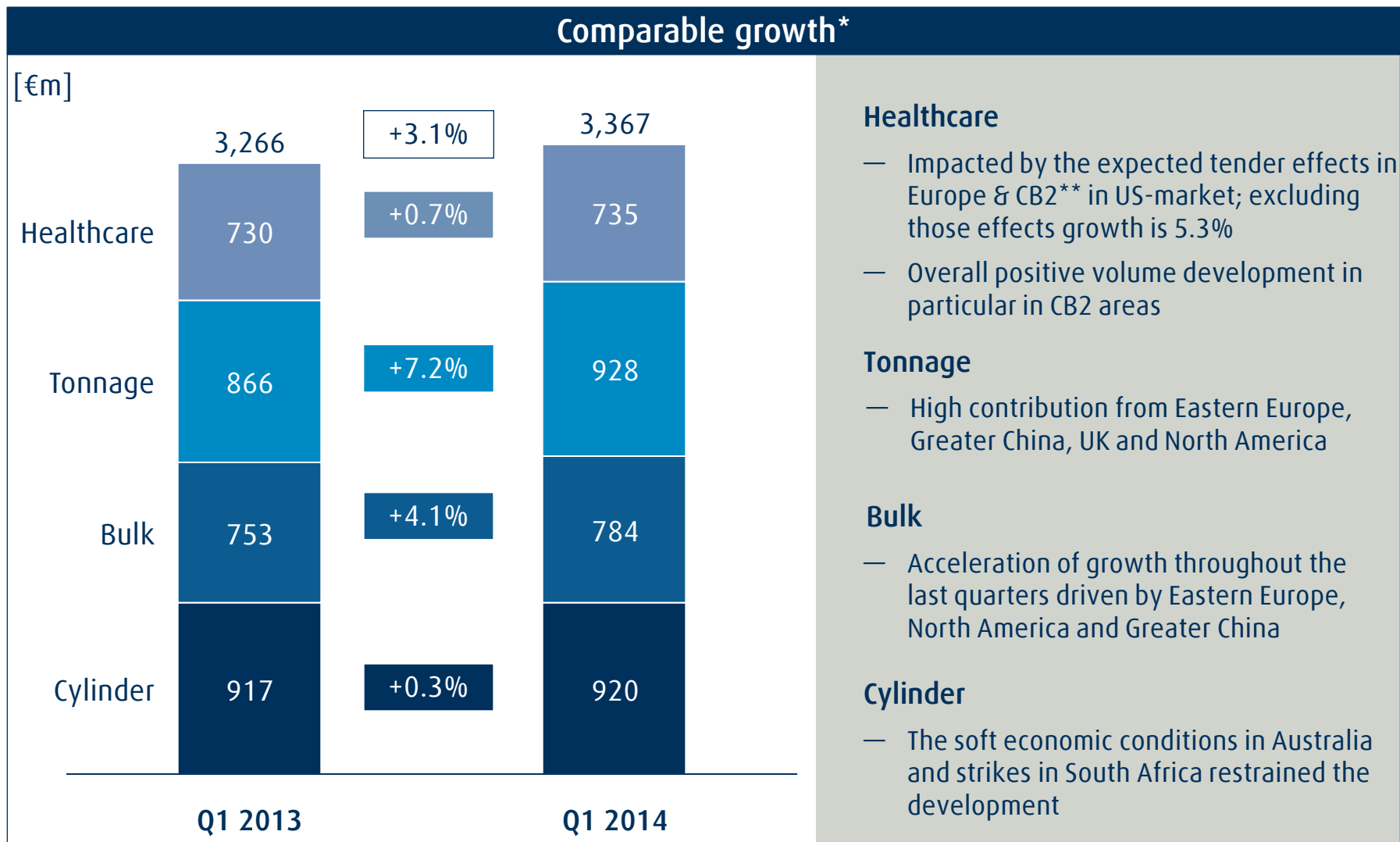
Price/volume increase of 3.1%



*adjusted for the expected loss of Healthcare tenders the comparable growth would be 4.1%

Gases Division | Revenue by product areas

4.1% growth excl. tender effects in Healthcare



*excluding currency and natural gas price effect

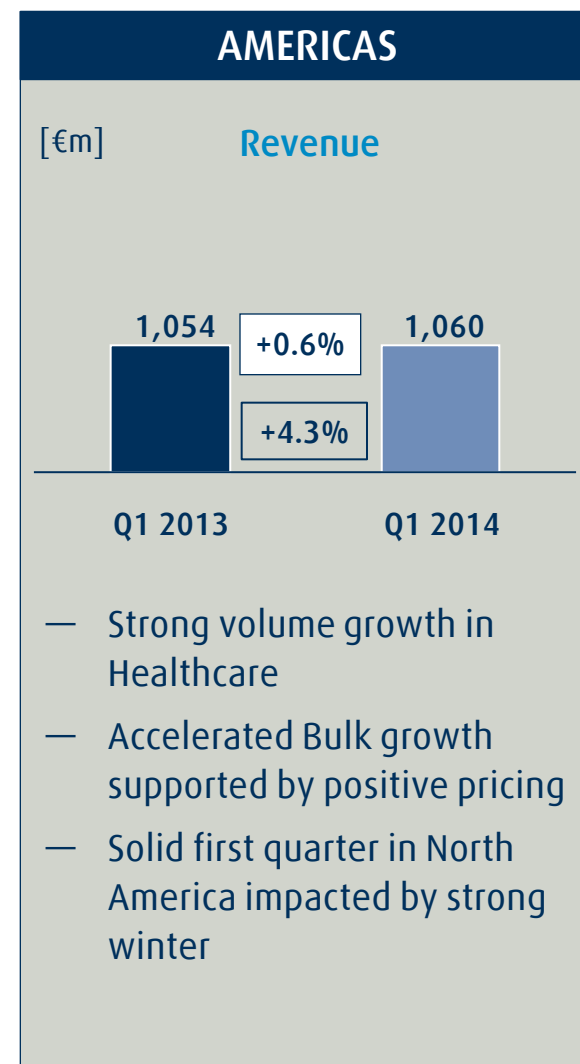
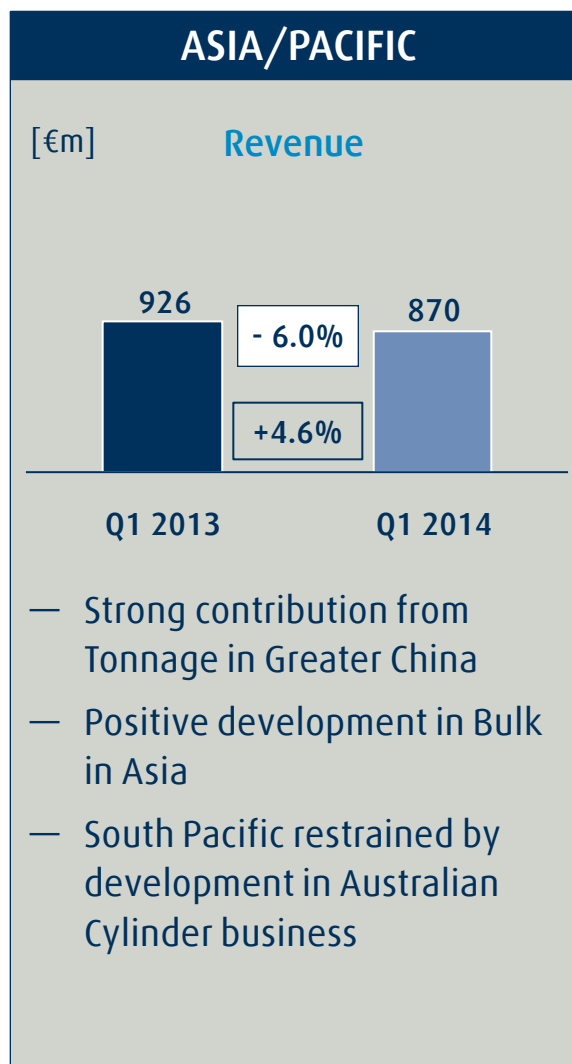
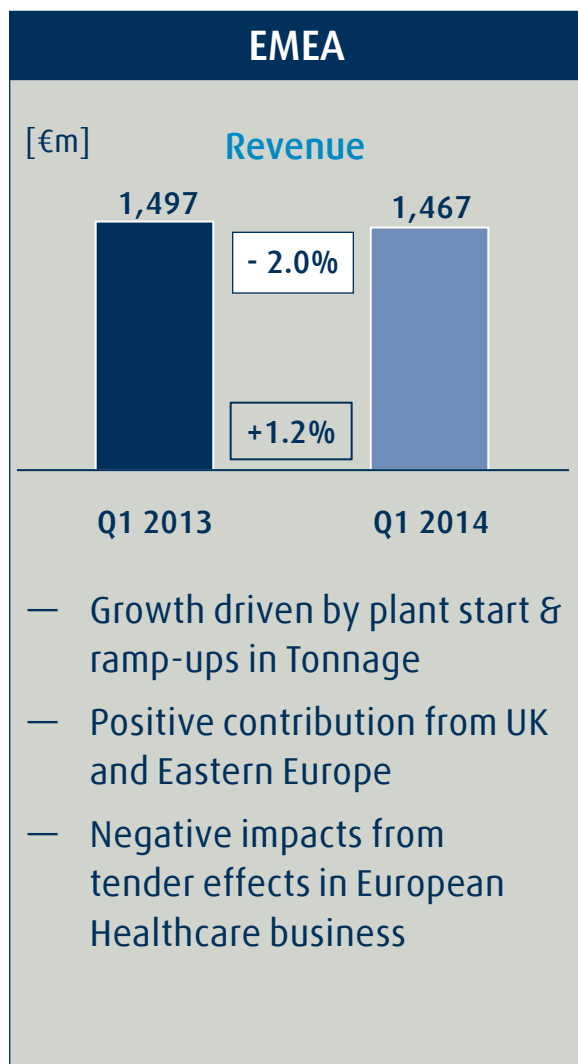
** Competitive Bidding 2 in the US is effective since 1 July 2013

Gases Division | Revenue by reporting segment

Comparable growth in all regions



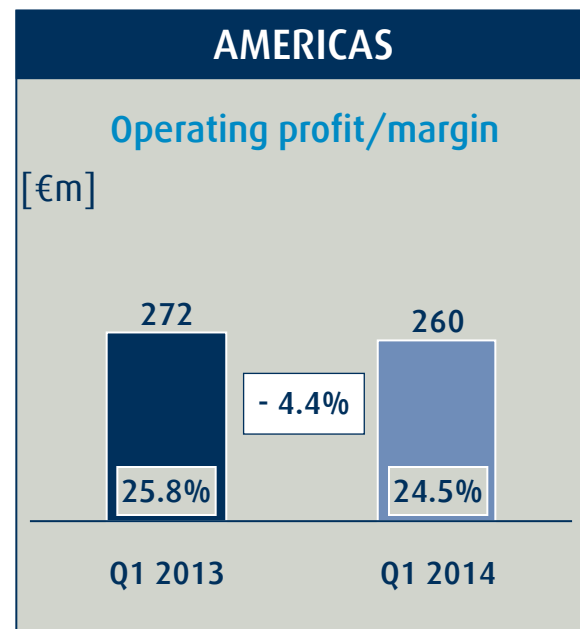
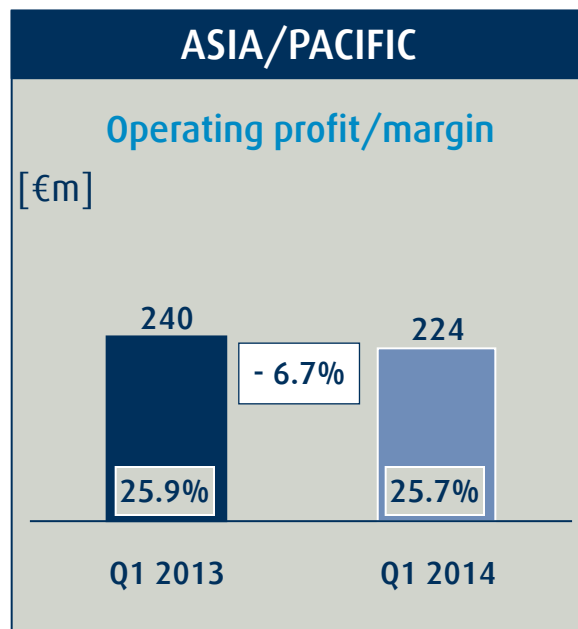
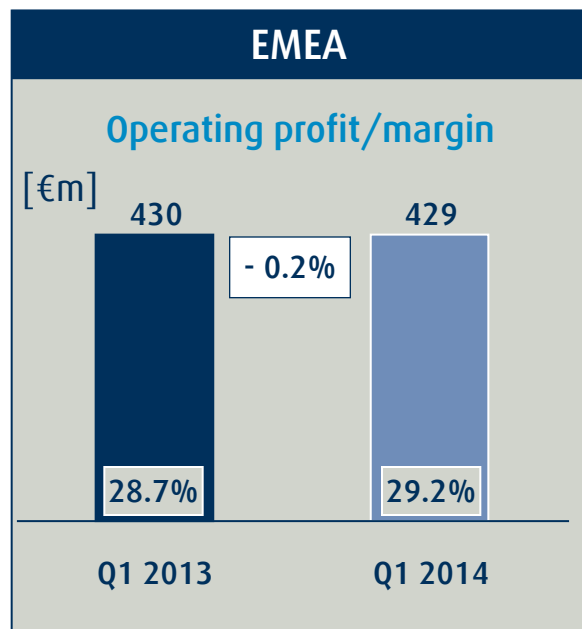
THE LINDE GROUP



□ Reported growth □ Comparable growth: excluding currency and natural gas price effect

Gases Division | Operating profit by reporting segment

Impact by currency headwinds



Margin development

- Further improvement of margin in EMEA
- Stable margin in Asia/Pacific
- Americas margin dilution by higher natural gas prices, weaker development in South America

Engineering Division | Key figures

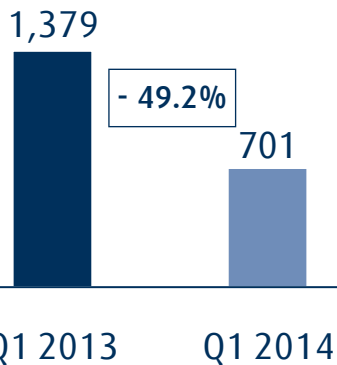
Strong revenue increase



THE LINDE GROUP

Order Intake

[€m]



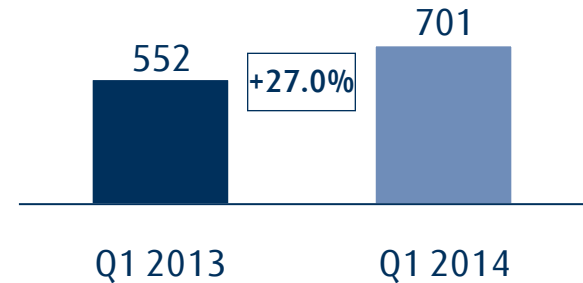
Order Backlog

[€m]



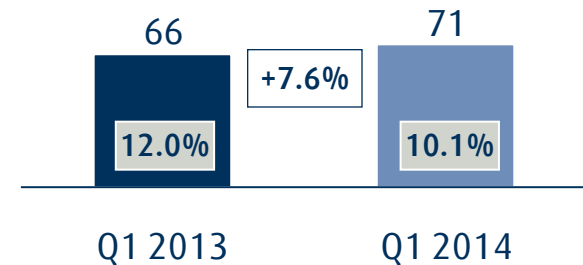
Revenue

[€m]



Operating Profit

[€m]



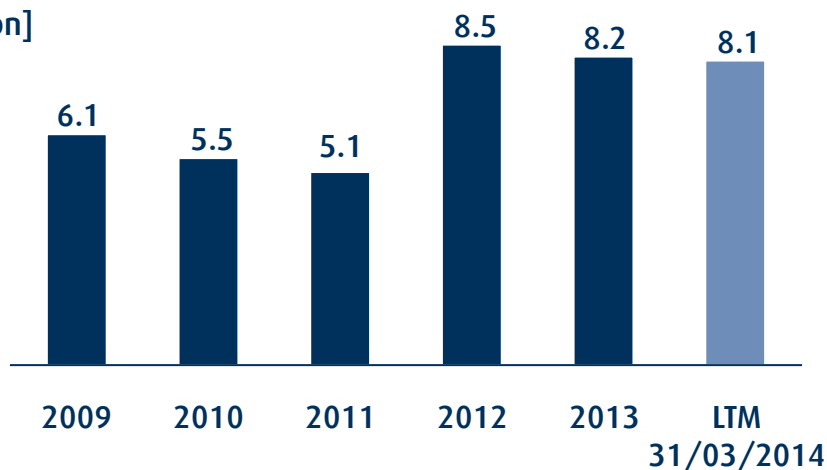
- Order intake, revenue development and margin in line with expectations and guidance
- Around 80% of order intake from North America and Europe
- Around 70% of order intake for natural gas plants and hydrogen/syngas plants
- 10 years enterprise framework agreement signed with Shell for ethane cracker units

Financial Performance | Solid financial position

Positive cash flow development supported debt reduction

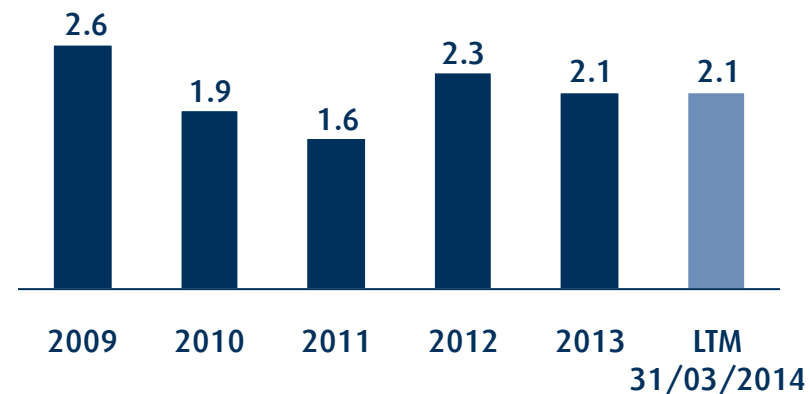
Net debt

[€bn]



Net debt/EBITDA

[x]



- Positive cash flow development supported net debt decrease to € 8.1 bn
- Net debt/EBITDA ratio stabilized at 2.1x
- S&P: Rating upgrade (revised corporate rating criteria) to A+/A-1 with stable outlook (12 Dec 2013)
- Moody's: A3/P-2 with stable outlook (20 Jan 2014)

Gases Division | Market opportunities & project pipeline

Project pipeline further increased



THE LINDE GROUP

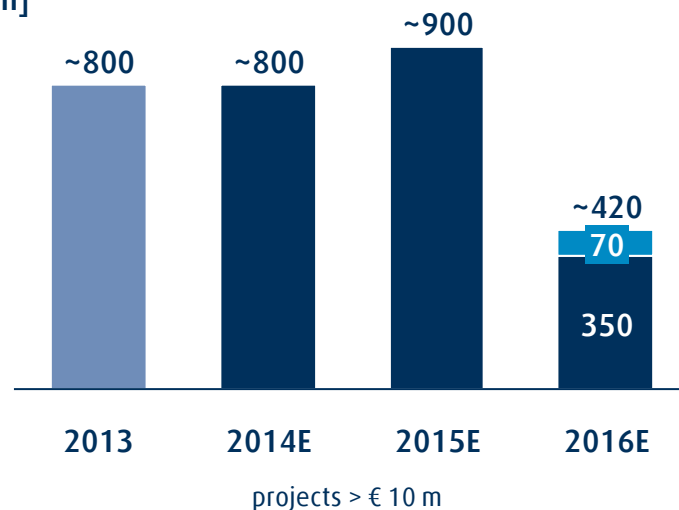
Development of market opportunities (12 months forward)

[€bn]



Amount of committed projects by on-stream date

[€m]



- Level of market opportunities remained relatively stable on a high level
- Increased opportunities in Energy/Environment with actively converting some coal-to-x opportunities into Engineering revenues

- Project pipeline further increased in 2016
- Around 70% of investments in 2014-2016 are allocated to Growth Markets
- Due to larger average project size, average project execution time increased

Outlook*

Well positioned.

Short-term outlook	2014
Revenue	Solid increase vs. 2013 adjusted for currency effects
Operating Profit	Moderate increase vs. 2013 adjusted for currency effects
Gases Division	Moderate revenue and operating profit increase vs. 2013 adjusted for currency effects
Engineering Division	Solid revenue increase vs. 2013 & operating margin of around 10%

Medium-term outlook	2016	Potential currency impact**
Operating Profit	At least 5 billion Euro	Around - € 400 m
ROCE reported	Around 13%	Potentially impacted
HPO 4yrs programme	750-900 million Euro	

*please see assumptions and indications on page 104f of the financial report 2013

**against exchange rates at the target setting date (2012)

Innovative Drive

Regional Growth
Markets
Energy & Environment
Process
Optimisation
Healthcare
Regional Growth
Markets
Process
Optimisation
Healthcare
Regional Growth
Markets
Leading Technologies
Energy & Environment
Healthcare
Energy & Environment
Leading Technologies
Healthcare
Regional Growth
Markets
Innovative Drive
Process
Optimisation
Regional Growth
Markets
Process
Optimisation
Healthcare
Regional Growth
Markets
Leading Technologies

Appendix.

LeadIng.



THE LINDE GROUP

Group | Q1 2014

Cash flow statement



THE LINDE GROUP

[€m]	Q1 2013	Q1 2014
Operating profit	953	927
Change in working capital	- 259	- 174
Other changes	- 172	- 159
Operating cash flow	522	594
Investments in tangibles/intangibles	- 493	- 484
Acquisitions	- 61	- 27
Other (incl. financial investments)	16	92
Investment cash flow	- 538*	- 419*
Free cash flow before financing	- 16	175
Interests and swaps, dividends	- 79	- 41
Other changes	- 5	- 7
Net debt increase (+)/decrease (-)	100	- 127

*Excluding investments in/disposals of securities; 2014: €- 148m ; 2013: €+ 279m

Group | Q1 2014

Key P&L items



THE LINDE GROUP

[€m]	Q1 2013	Q1 2014	Δ in %
Revenue	3,985	4,045	1.5
Operating profit	953	927	- 2.7
Operating margin	23.9%	22.9%	- 100 bp
PPA depreciation for BOC	- 58	- 51	12.1
Depreciation & amortisation (excl. PPA BOC)	- 374	- 358	4.3
EBIT	521	518	- 0.6
Financial result	- 88	- 96	- 9.1
Taxes	- 93	- 101	- 8.6
Profit for the year – attributable to Linde AG shareholders	318	290	- 8.8
EPS reported [€]	1.72	1.56	- 9.3

Group | Currency impact

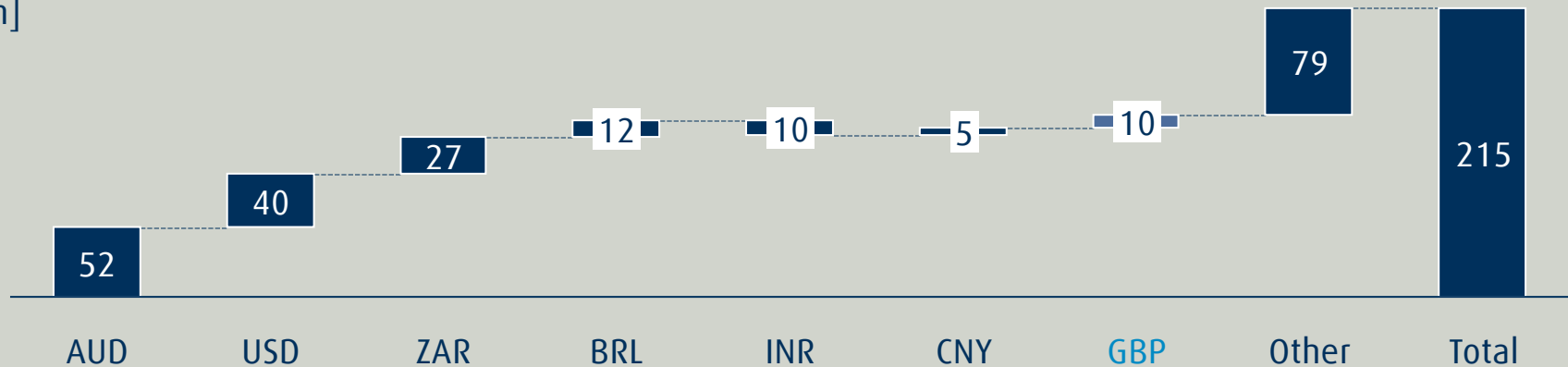
Impact on revenue and operating profit in Q1 2014



THE LINDE GROUP

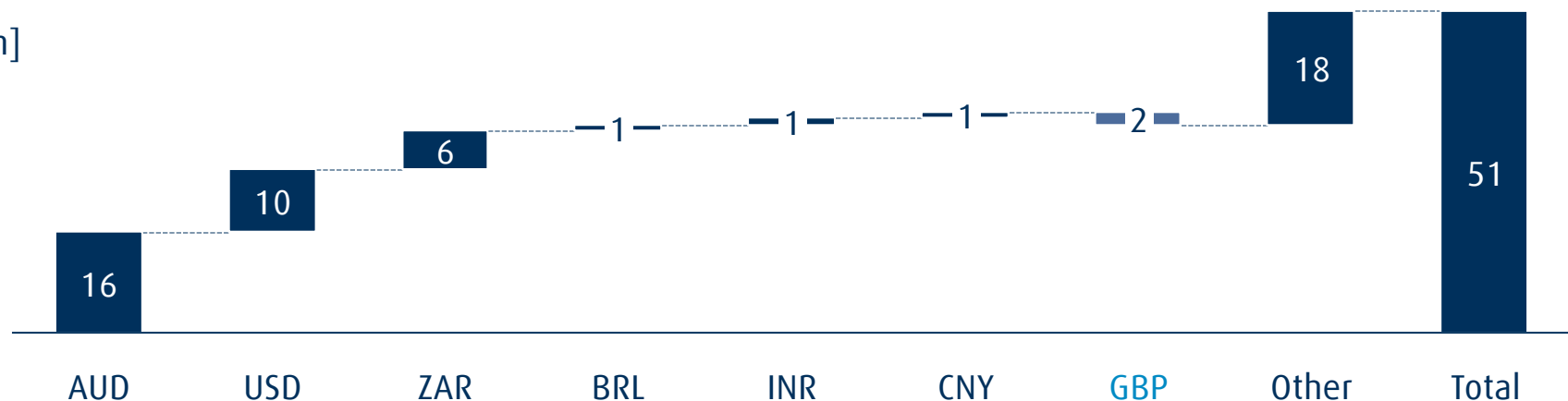
Negative impact on Group revenue in Q1 2014

[€m]



Negative impact on Group operating profit in Q1 2014

[€m]



Gases Division | Quarterly data

Reporting segments



THE LINDE GROUP

EMEA [€m]	Q1 2013	Q1 2014	Q2 2013	Q3 2013	Q4 2013
Revenue	1,497	1,467	1,549	1,523	1,521
Operating profit	430	429	446	438	445
Operating margin	28.7%	29.2%	28.8%	28.8%	29.3%

Asia / Pacific [€m]	Q1 2013	Q1 2014	Q2 2013	Q3 2013	Q4 2013
Revenue	926	870	971	946	924
Operating profit	240	224	257	250	258
Operating margin	25.9%	25.7%	26.5%	26.4%	27.9%

Americas [€m]	Q1 2013	Q1 2014	Q2 2013	Q3 2013	Q4 2013
Revenue	1,054	1,060	1,083	1,053	1,041
Operating profit	272	260	270	310	230
Operating margin	25.8%	24.5%	24.9%	29.4%	22.1%

Operating Profit

Return

EBIT

adjusted for amortisation of intangible assets and depreciation of tangible assets

Return on Capital Employed (ROCE)

Return

EBIT

Earnings per Share (EPS)

Return

Profit for the period attributable to Linde AG shareholders

Average Capital Employed

Equity (incl. non-controlling interests)
+ financial debt
+ liabilities from finance leases
+ net pension obligations
- cash, cash equivalents and securities
- receivables from finance leases

Shares

Number of weighted average outstanding shares



Contact

Phone: +49 89 357 57 1321
Email: investorrelations@linde.com
Internet: www.linde.com

Financial calendar 2014

- AGM 20 May
- 6M report 29 July
- Capital Market Day 13 & 14 October
- 9M report 30 October