

Non-Deal Related Debt Roadshow Benelux

Continuously Improving.

LeadIng.



THE LINDE GROUP

25 January 2012

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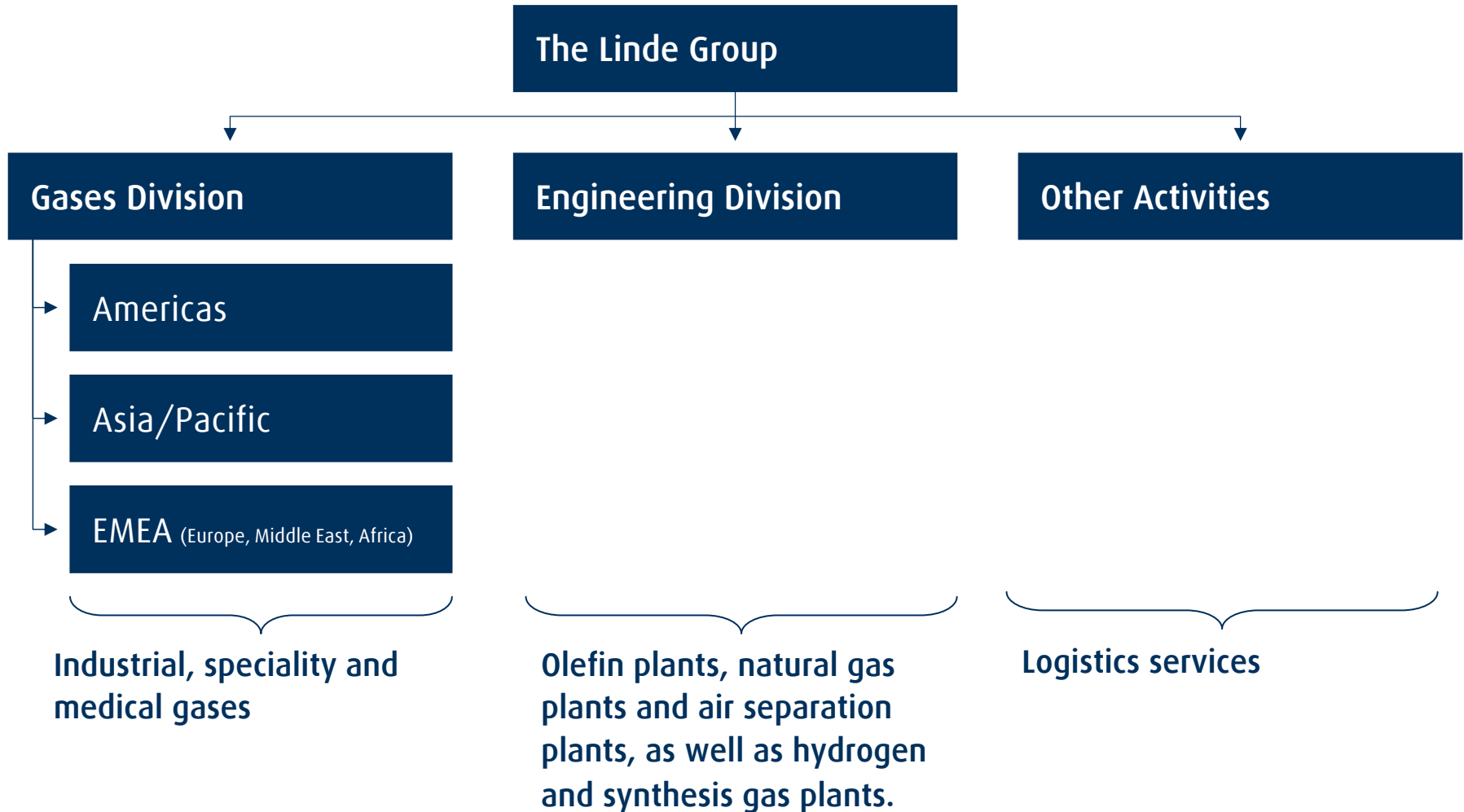
1. The Linde Group
2. Operational Performance
3. Strategic Focus:
  - Growth Markets
  - Energy / Environment
  - Healthcare
4. Debt Story and Financial Policy
5. Outlook

# The Linde Group: 2010 financial year

## Linde achieves record levels and is set for further growth

- Group sales up 14.8 percent to EUR 12.868 bn
- Group operating profit increases at a faster rate than sales, by 22.6 percent to EUR 2.925 bn
- Operating margin up by 140 bp to 22.7%, Gases operating margin further improved to 27%
- Medium-term targets for 2014: Group operating profit of at least EUR 4 bn and ROCE of at least 14 percent







# Engineering Division

Global set-up with leading market position in all segments



## Air Separation Plants



Top1

## Hydrogen/ Synthesis Gas Plants



Top2

## Olefin Plants



Top2

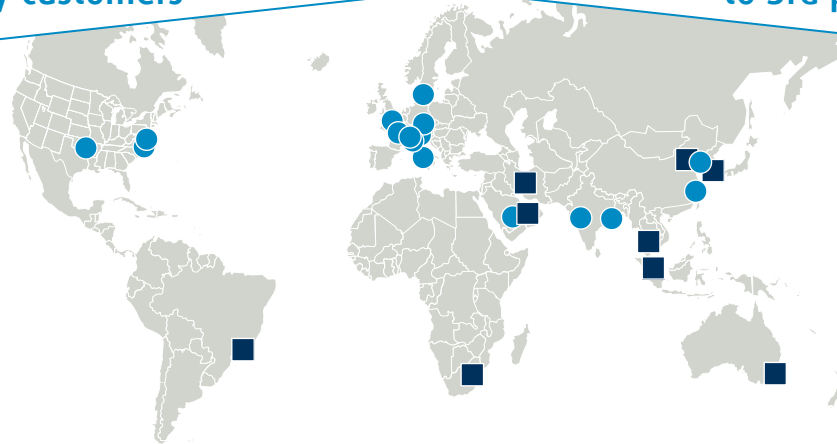
## Natural Gas Plants



Top3

Providing plants for the gases business  
and 3rd party customers

Providing chemistry and energy related solutions  
to 3rd party customers



- Engineering base
- Sales office

Supporting the energy/environmental mega-trend and leveraging customer relations for gas projects

# Gases Division

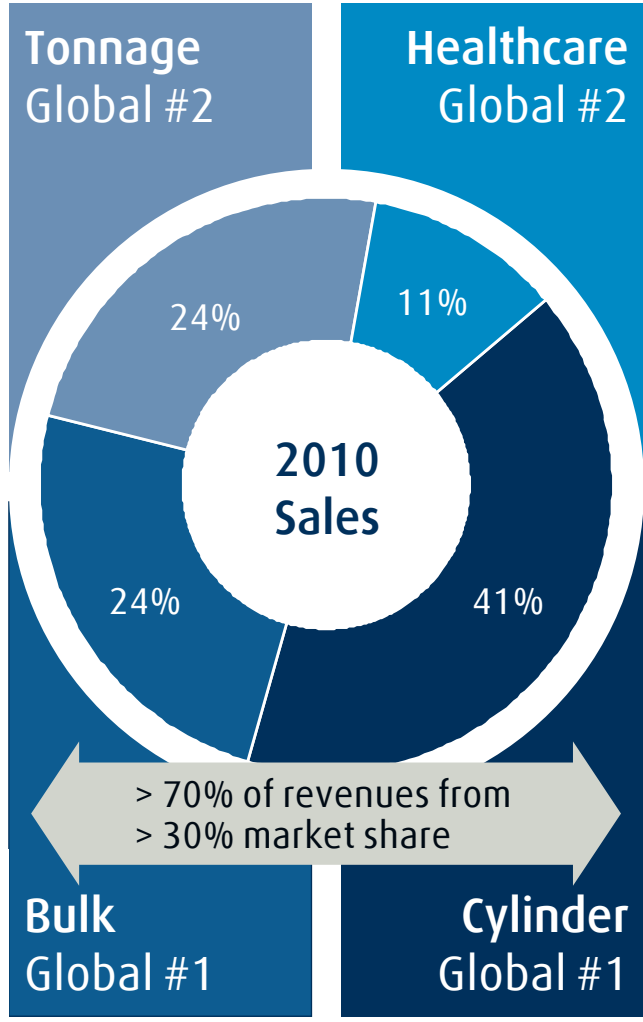
Various distribution mix served from one product source



- 15-year take-or-pay contracts (incl. base facility fees)
- Add. growth in JVs & Embedded Finance Lease projects



- Multi-year contracts
- Application-driven



- Hospital care & Homecare
- Bulk & cylinder gases
- Structural growth



- High customer loyalty
- Includes specialty gases
- Cylinder rentals

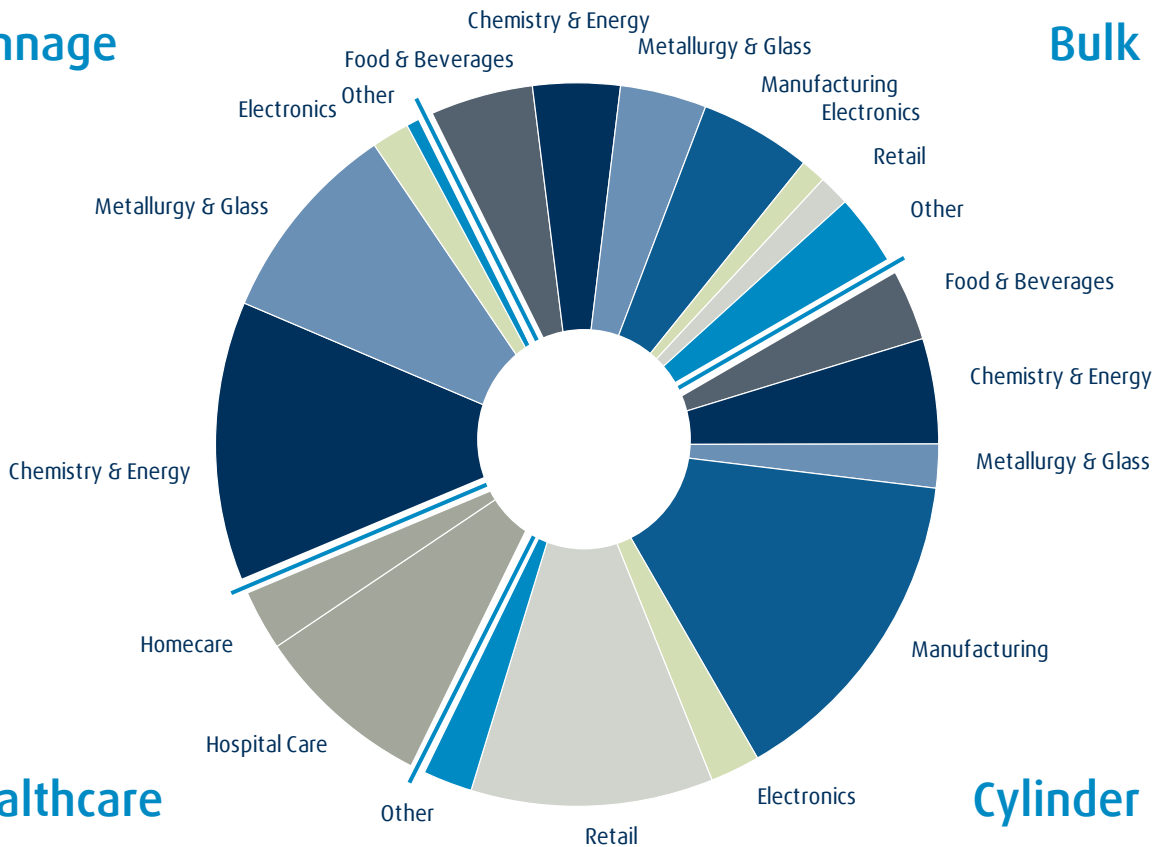
# Gases Division

Stability driven by a broad customer base

2010: Split of product areas by major end-customer groups

Tonnage

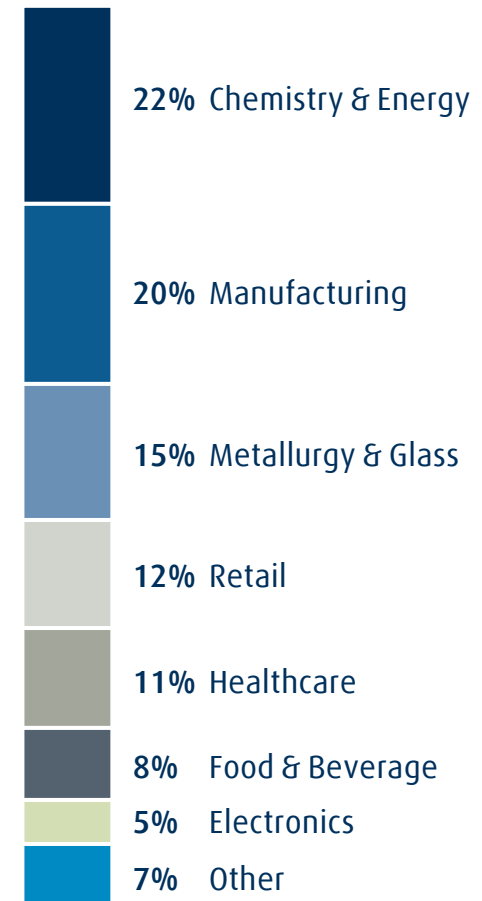
Bulk



Healthcare

Cylinder

2010: Split of sales by major end-customer groups





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# Group

## Performance – 9M 2011



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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

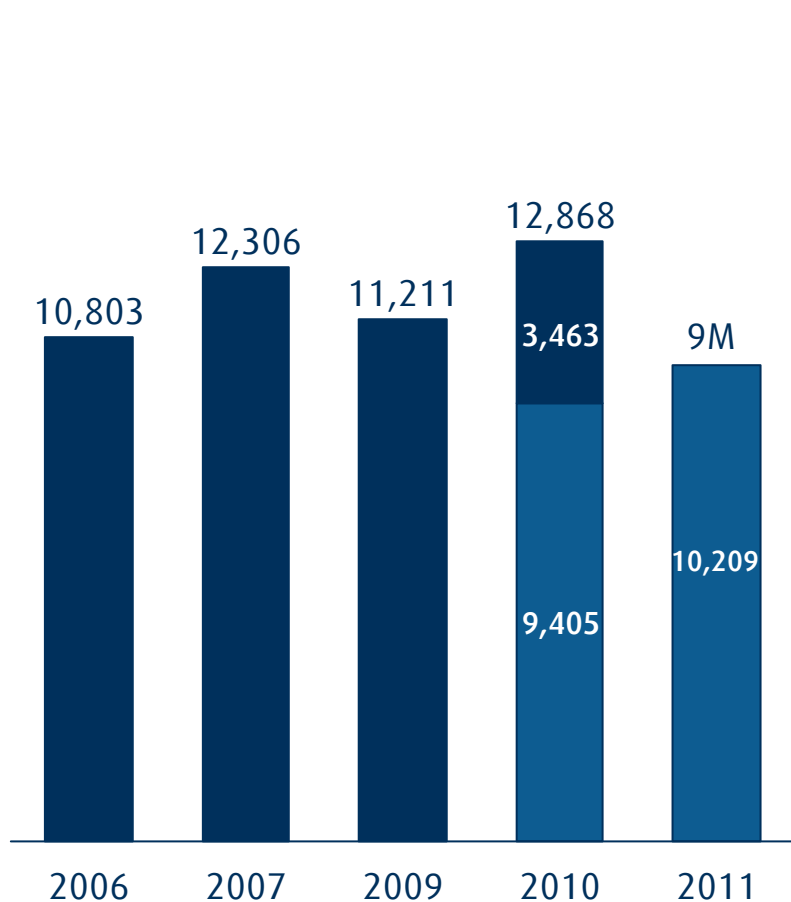
## Operating Cash Flow & Operating Profit



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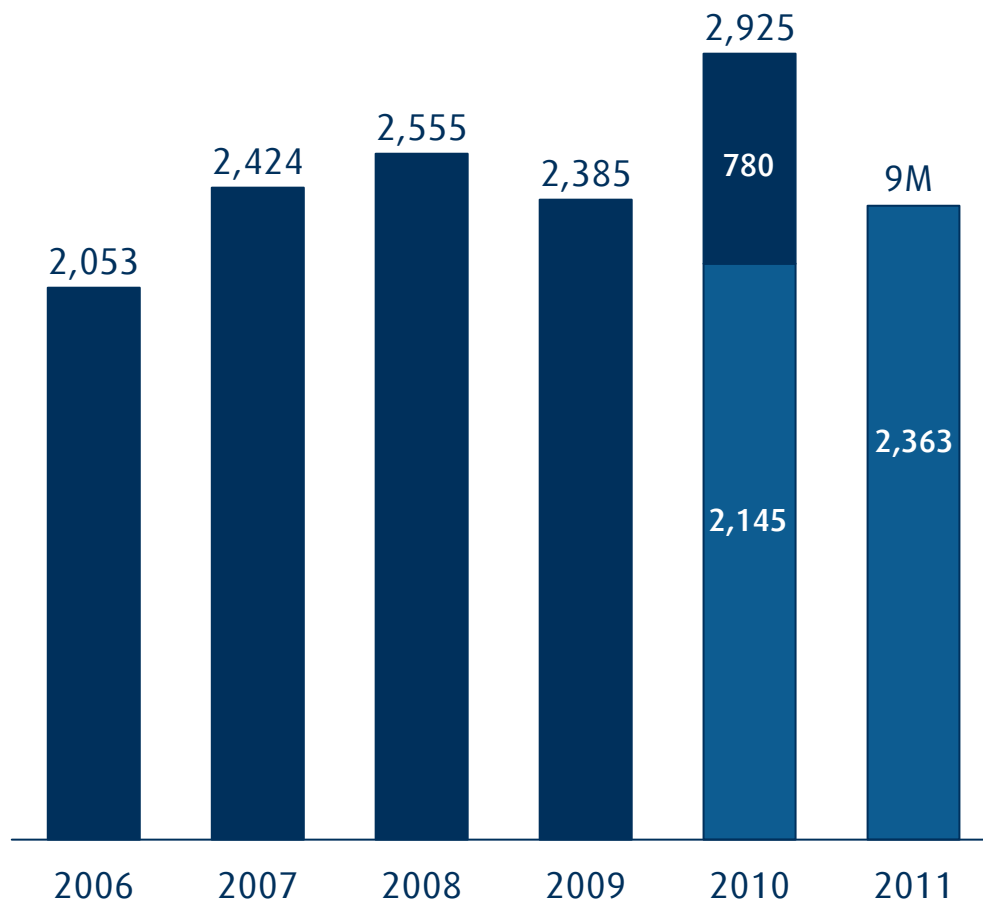
### Group Sales

€ m, as reported



### Operating Profit

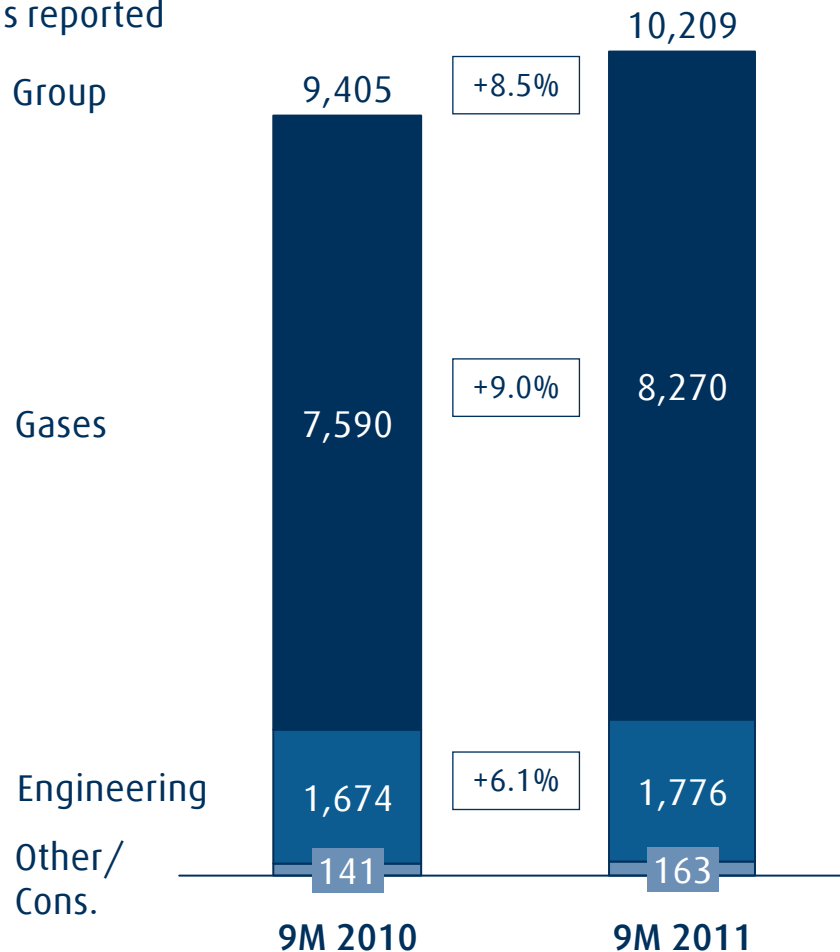
€ m, as reported



# 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

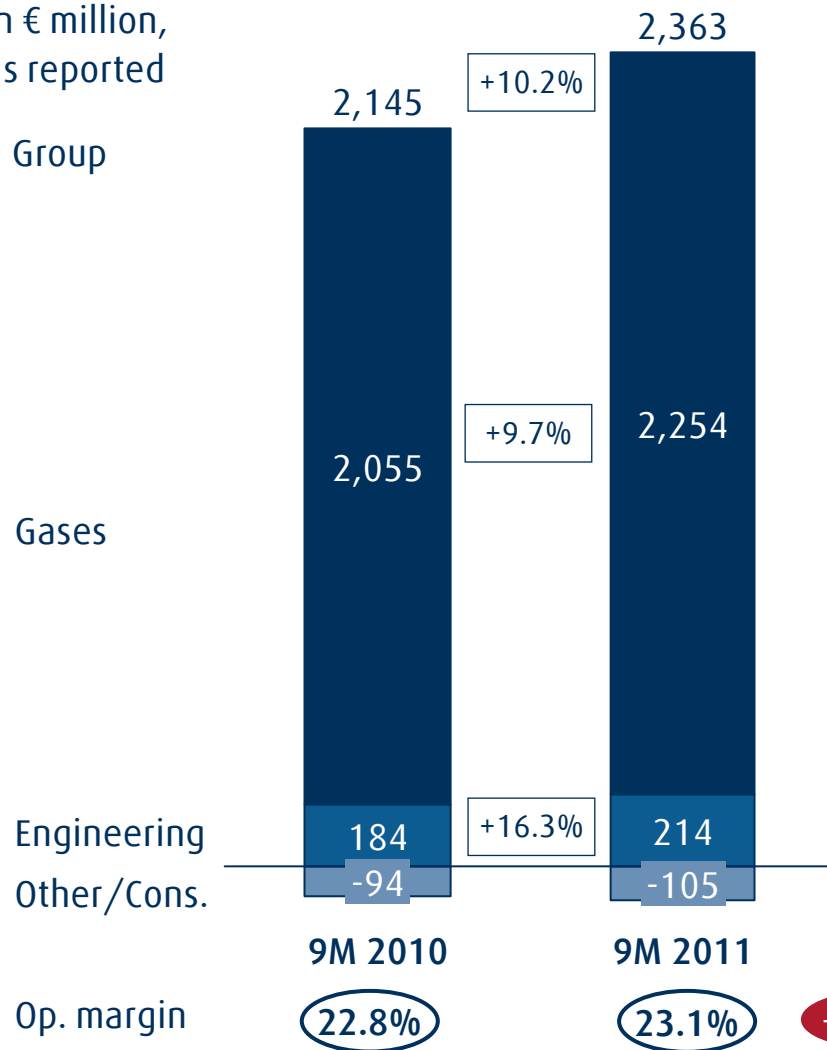
- Order intake well balanced between growth markets and mature markets
- Order backlog remains on high level

\*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



# Group, Cash Flow Statement

Operating Cash Flow increases by 10.8% to € 1,699 m



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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
<b>Operating Cash Flow</b>	<b>440</b>	<b>537</b>	<b>722</b>	<b>1,699</b>	<b>1,533</b>
Investments in tangibles/intangibles	-237	-310	-346	-893	-764
Acquisitions/Financial investments	-13	-1	-41	-55	-35
Other	43	33	40	116	136
<b>Investment Cash Flow</b>	<b>-207</b>	<b>-278</b>	<b>-347*</b>	<b>-832*</b>	<b>-663</b>
<b>Free Cash Flow before Financing</b>	<b>233</b>	<b>259</b>	<b>375</b>	<b>867</b>	<b>870</b>
Interests and swaps	-45	-114	-123	-282	-240
Dividends and other changes	-2	-385	-7	-394	-308
<b>Net debt increase (+)/decrease (-)</b>	<b>-186</b>	<b>240</b>	<b>-245</b>	<b>-191</b>	<b>-322</b>

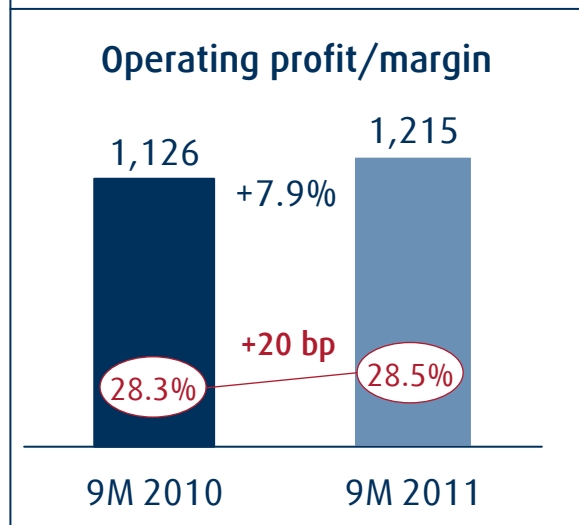
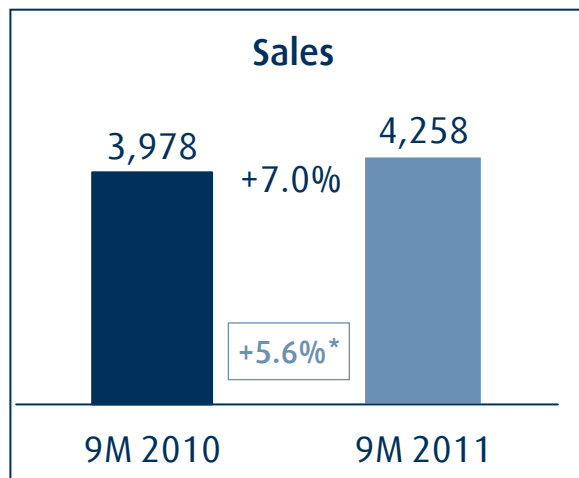
\* excluding strategic liquidity reserve of € 600m

# Gases Division, sales and operating profit by operating segment

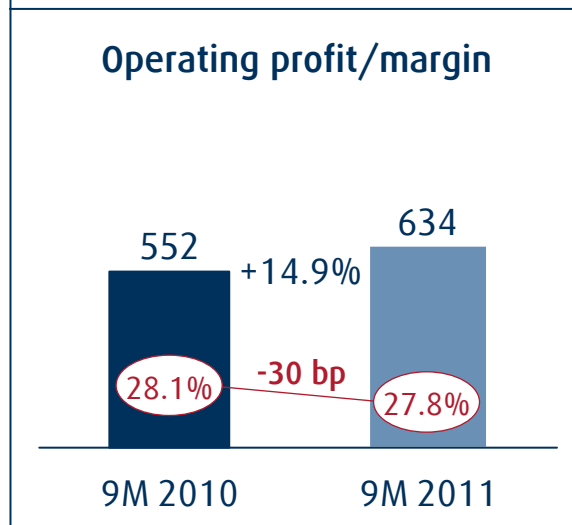
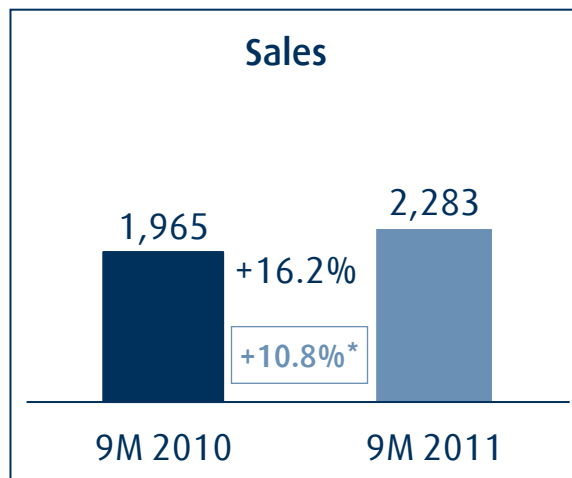
## Growth momentum continues in all regions

in € million

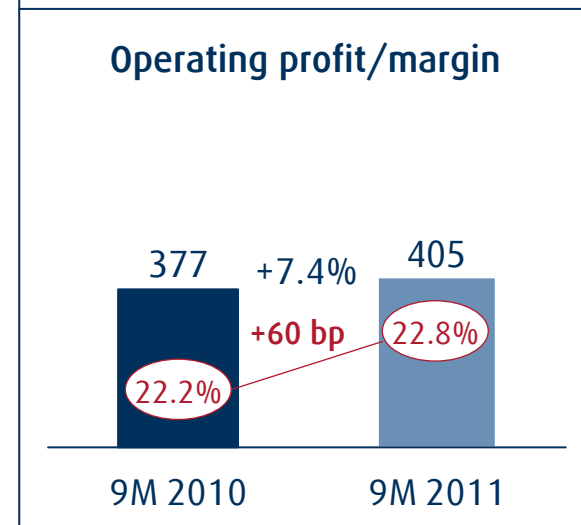
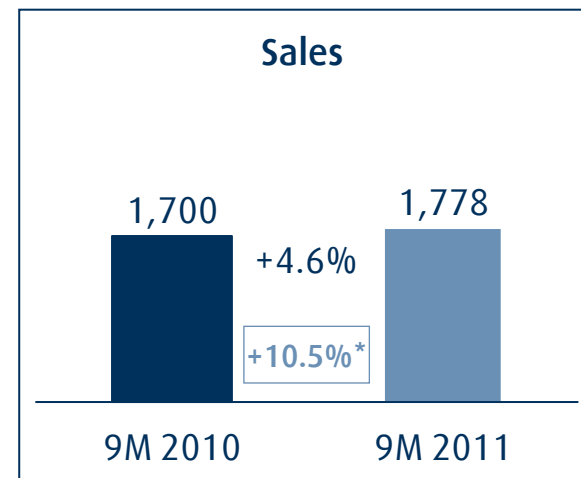
### EMEA



### ASIA/PACIFIC



### AMERICAS

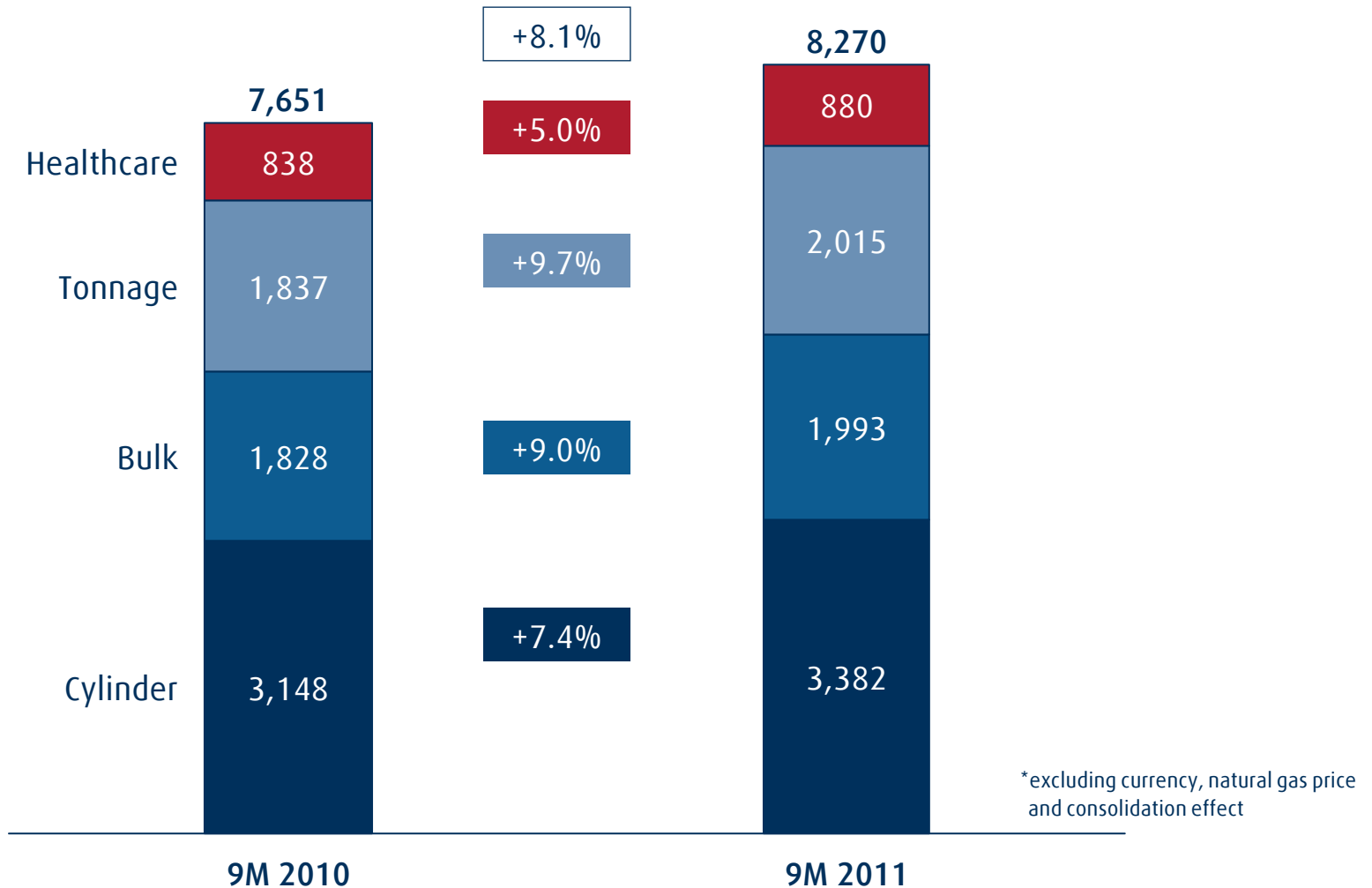


\*excluding currency, natural gas price and consolidation effect

# Gases Division, sales by product areas

## Growth accelerated in Bulk

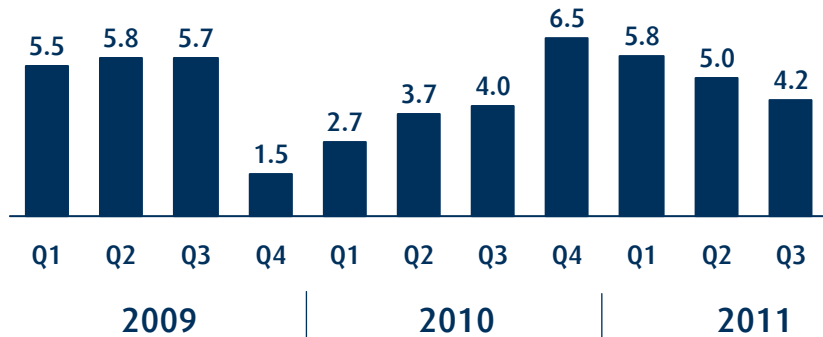
in € million,  
comparable\*, consolidated



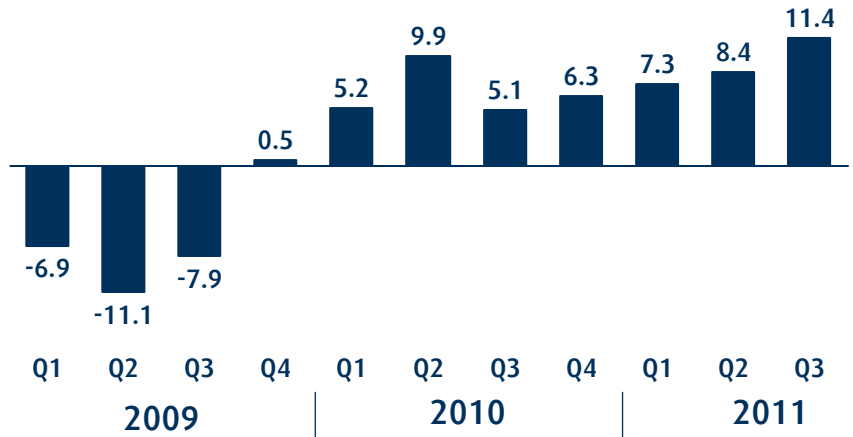
# Gases Division, product areas

## Comparable year-on-year growth in percent

### Healthcare



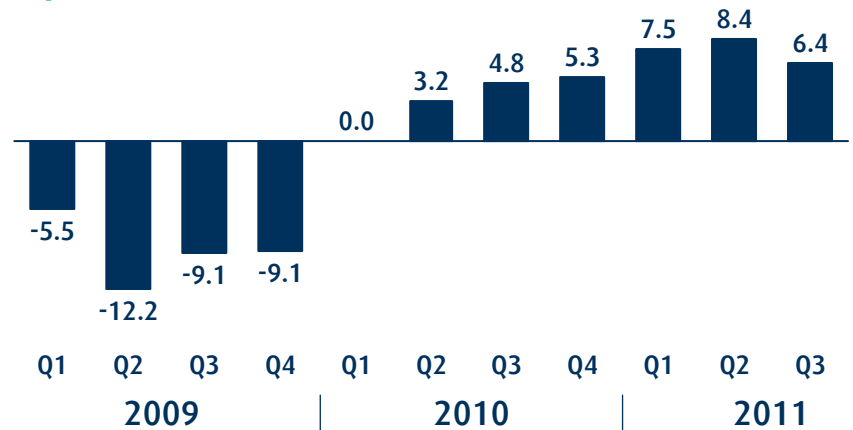
### Bulk



### Tonnage



### Cylinder



# 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

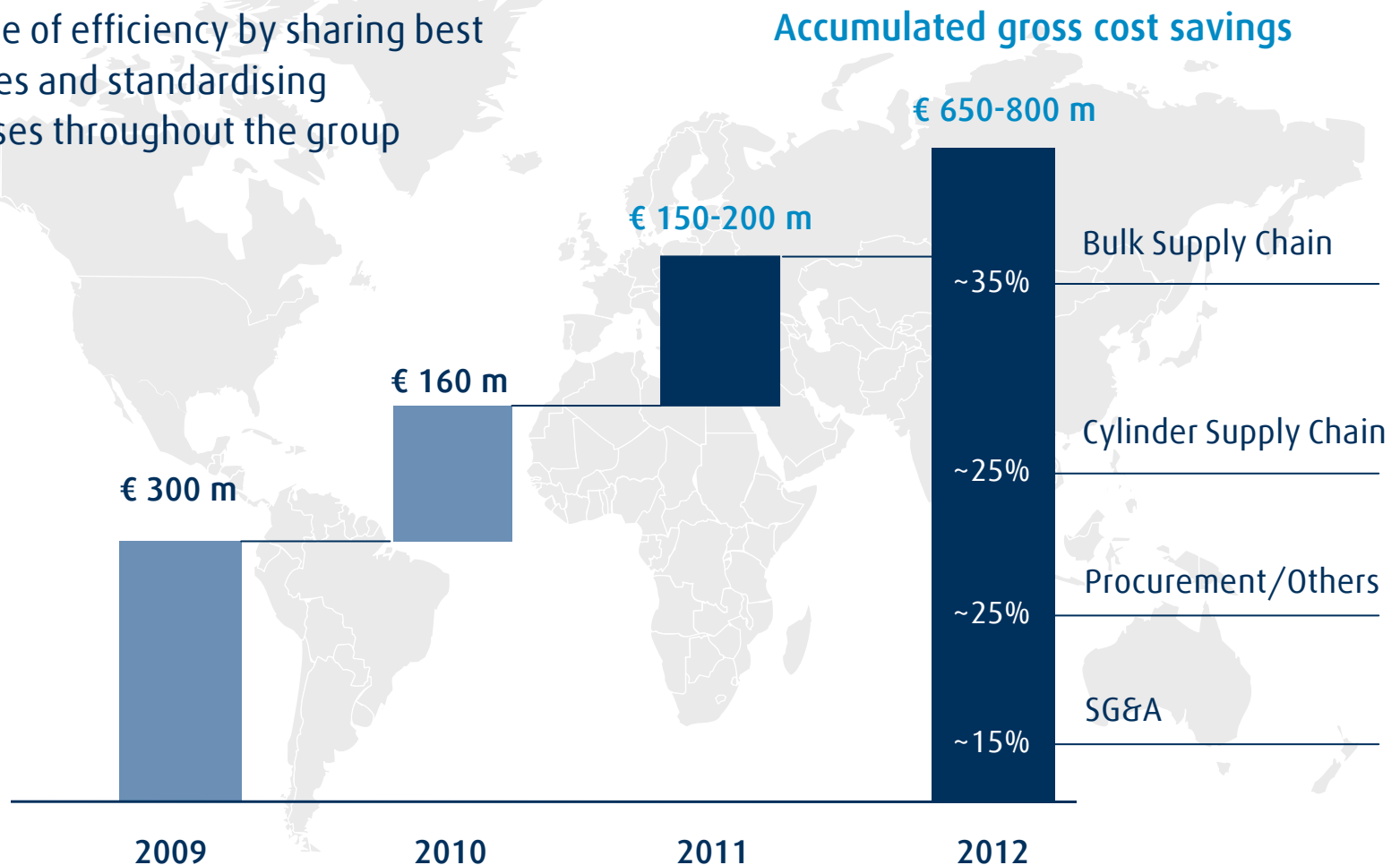
\*EBITDA incl. share of net income from associates and joint ventures



# HPO (High Performance Organisation)

Covering the full value chain in all regions

- Successful start and continuation with savings of ~€ 460 m
- Increase of efficiency by sharing best practices and standardising processes throughout the group



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# Mega-trends

Leveraging growth with our Gas & Engineering set-up



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## Growth Markets



## Energy/Environment



## Healthcare



Leveraging Gases & Engineering business synergies

# Mega-trend Growth Markets

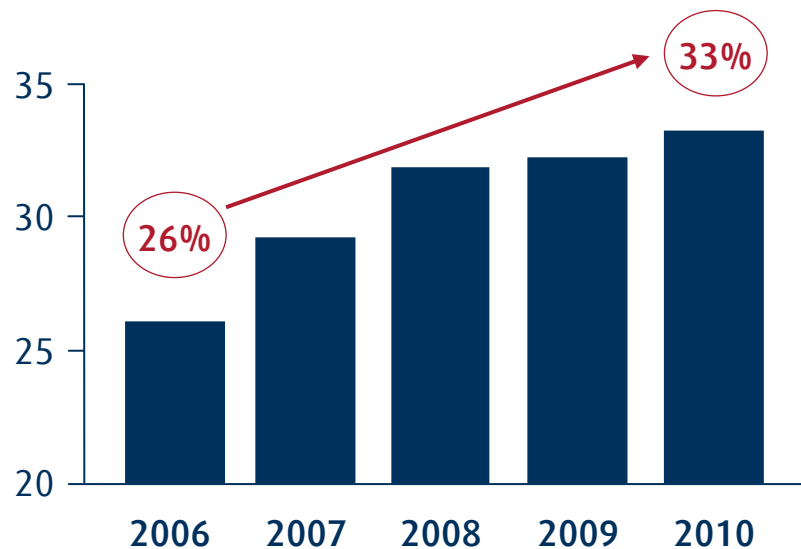
Growth trend leveraged by strong investment decisions



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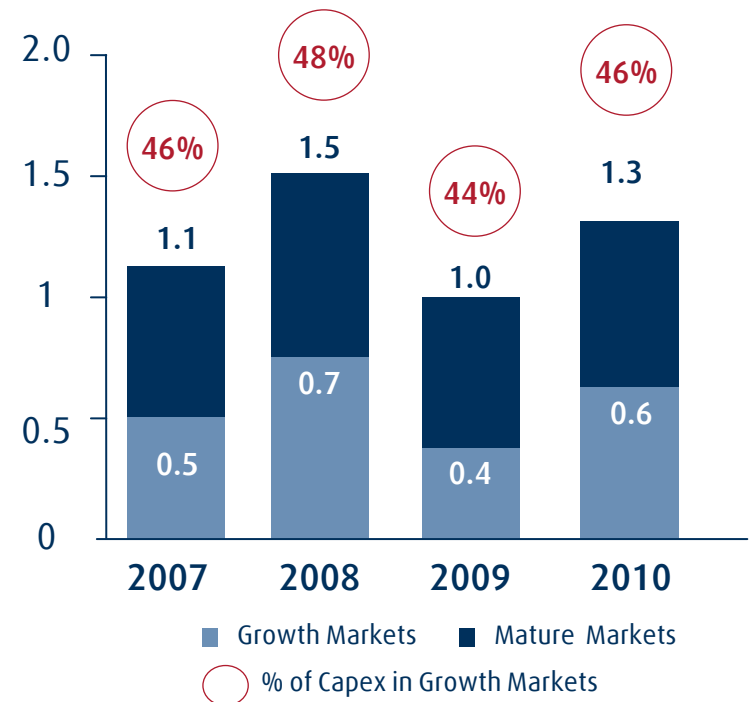
## Growth market sales, excl. JVs

(% of total Gases sales)



Further increasing footprint  
in Growth Markets

## Gases Capex 2007 – 2010 in € bn



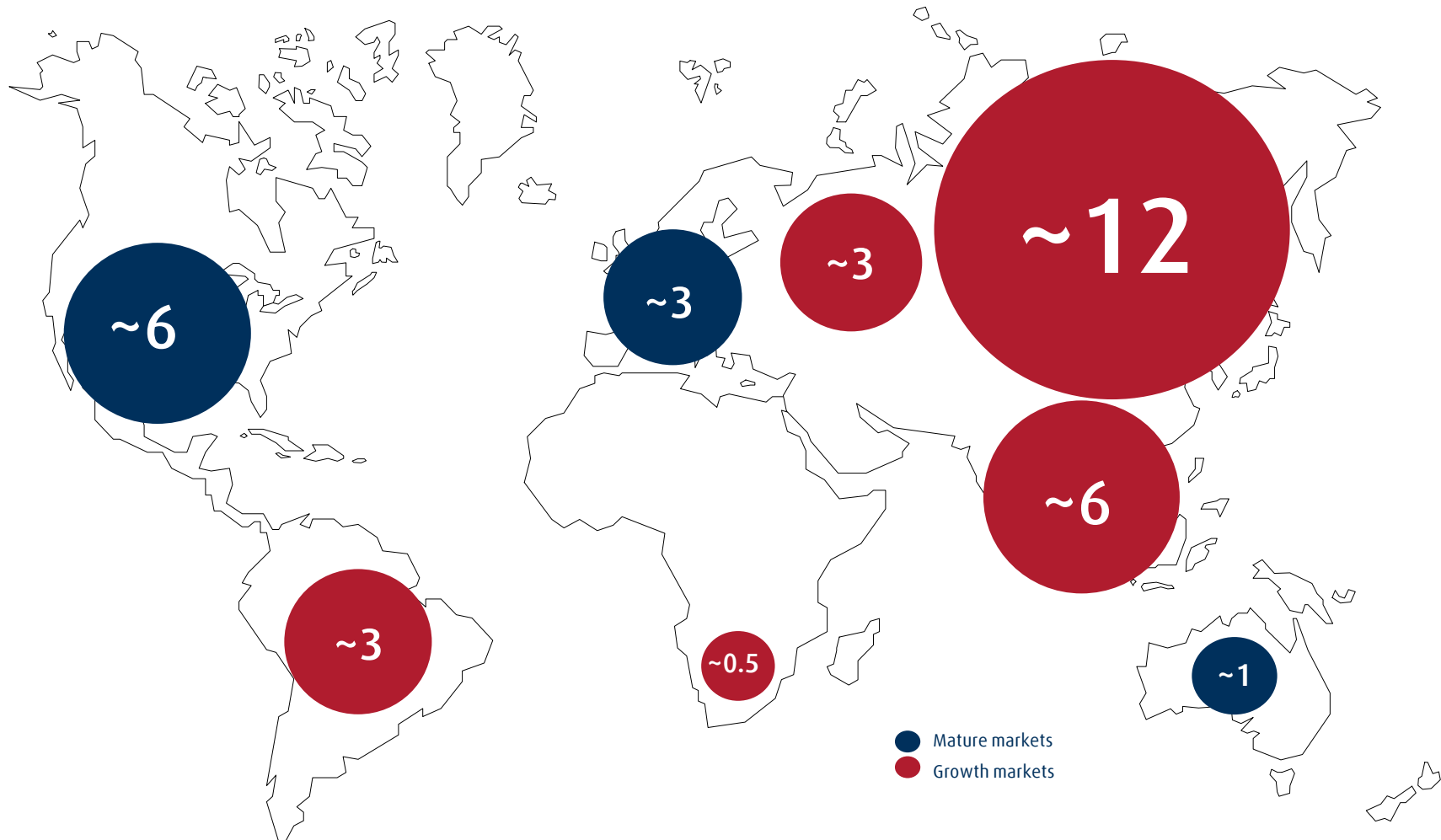
Nearly half of Capex allocated  
to Growth Markets

# Mega-trend Growth Markets

Additional industrial gases market 2010 vs. 2020 in € bn



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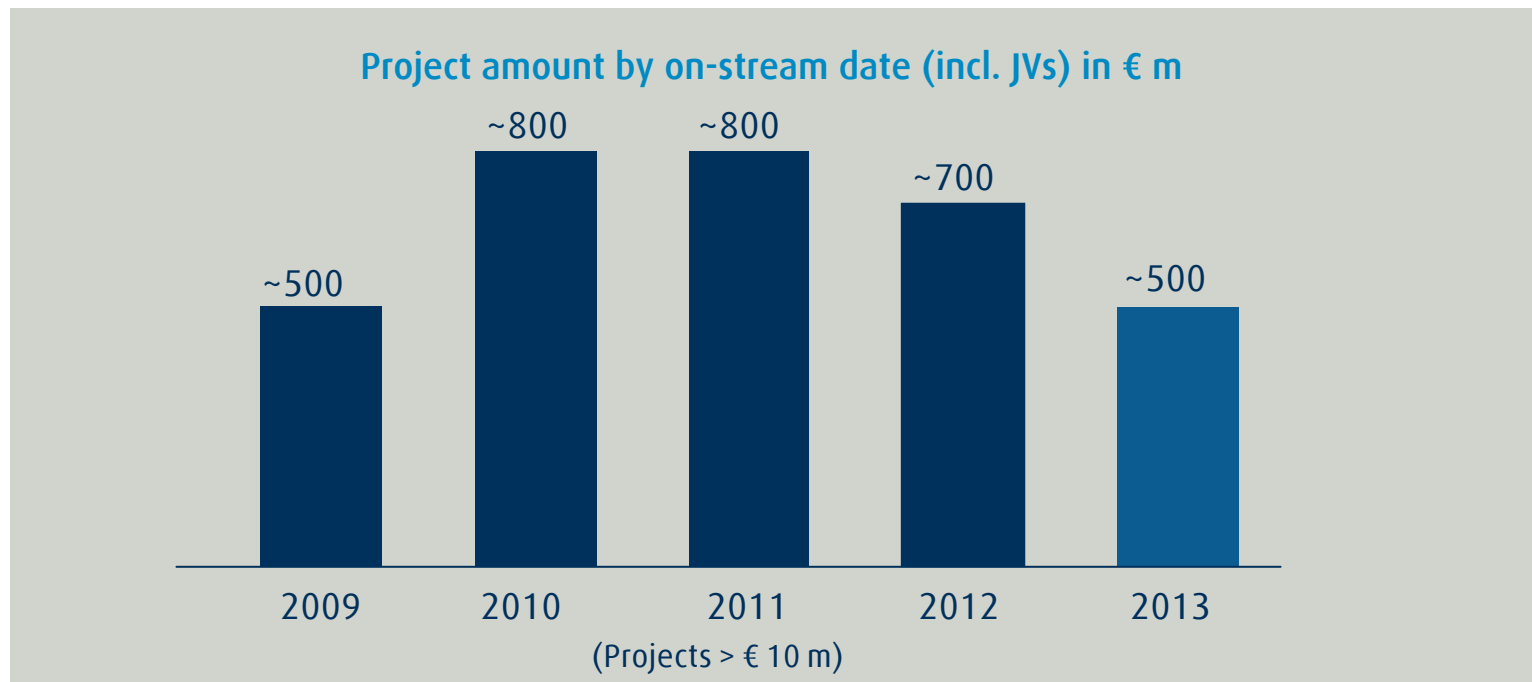




# Gases Division, project pipeline

## 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)

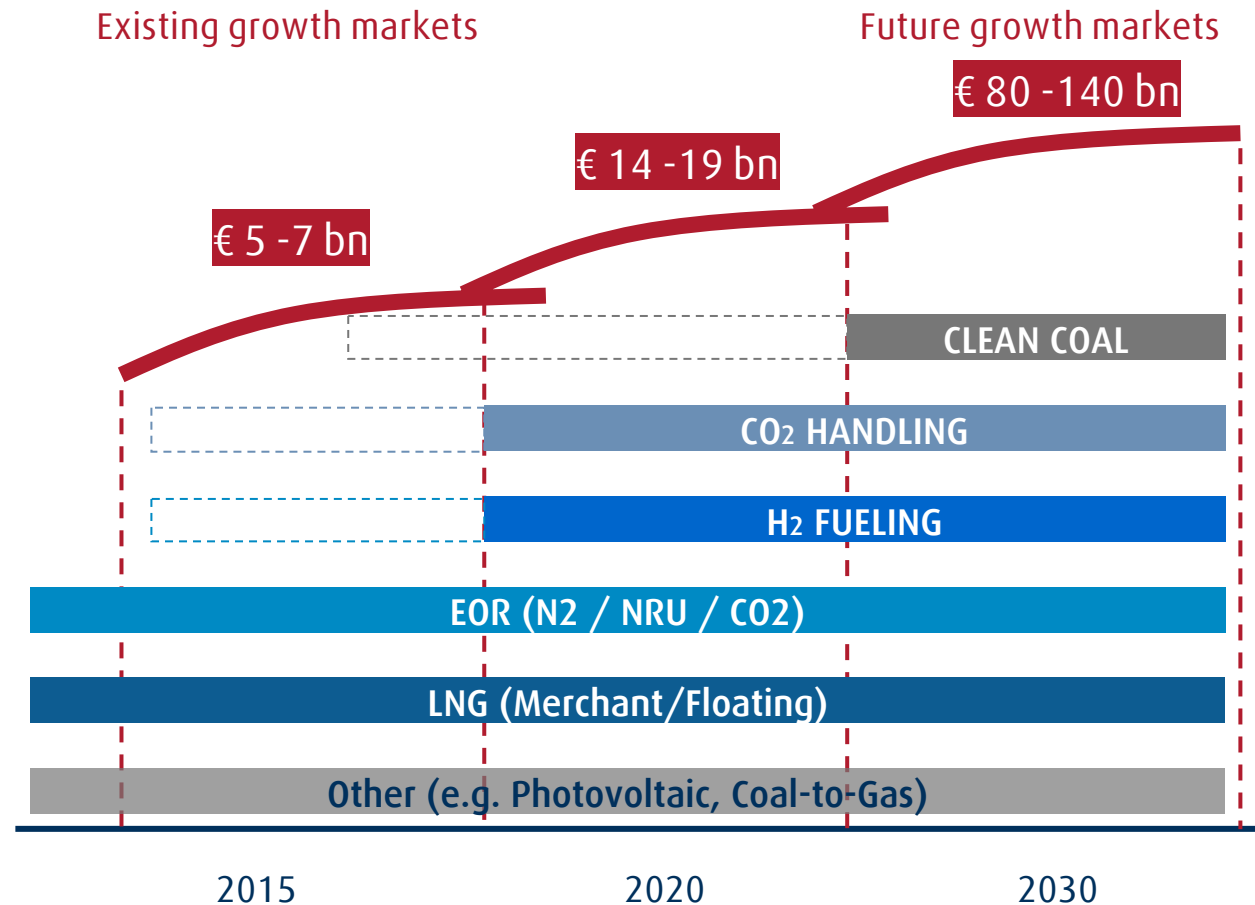


# Mega-trend Energy/Environment

## Potential Energy/Environment market is huge

- Competitive advantage due to Leading Engineering know-how and in particular also development of equipment
- Better use of fossil resources, e.g. enhanced oil & gas recovery
- Renewable energy, e.g. hydrogen fueling
- Clean Energy, e.g. Clean Coal
- Other, e.g. Photovoltaic, Coal-to-Gas

### Energy/Environment annual market revenue estimates in € bn\*



\*Assuming 100% Build Own Operate and excluding sale of equipment and plants

■ Annual market revenue in the respective year  
 □□□ Pilot projects and small volumes

(Please find assumptions for estimates on page 51)

# Mega-trend Energy/Environment

## OCAP project: Greenhouse CO<sub>2</sub> supply via pipeline

### Description

- CO<sub>2</sub> is emitted by a vast number of processes that can be captured, re-distributed and made use of in other applications
- Essential part of many industrial processes and various application areas

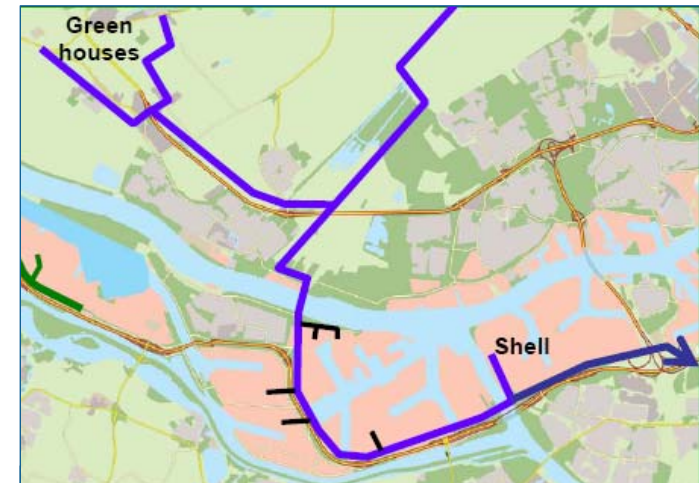
### Scope

- Supplying the captured carbon dioxide via pipeline to a network of customers (here: greenhouses)
- Used to increase growth from plants
- Storage, distribution, cleaning, liquefaction etc.

### Reference project: OCAP

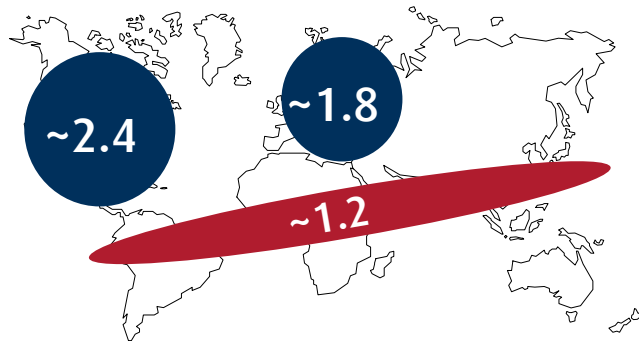
#### (Organic CO<sub>2</sub> for the Assimilation in Plants)

- 50-50 joint venture of Linde Benelux with Volker Wessels Co
- Provides CO<sub>2</sub> for some 550 greenhouses in the Netherlands
- CO<sub>2</sub> is captured at a refinery in Rotterdam; (300 km of pipeline)
- Avoids extra emissions of up to 190.000 tpa of CO<sub>2</sub>



# Mega-trend Healthcare

## Growth through innovation and regional expansion



← Additional medical gases market 2010 vs. 2020 in € bn

- Mature markets
- Growth markets

Source: Linde database, figures incl. gas therapies and care concepts

### Linde Healthcare development approach



# Mega-trend Healthcare

Acquisition of Continental-European homecare business from Air Products\*



## Main Rationale

Strategic acquisition supporting sustainable growth in the mega-trend Healthcare

Step up to a strong number 2 position in the European respiratory homecare market

Scaling-up our product and service offerings

Enhanced competencies support continuous innovations and development of new services

Increased exposure to stable healthcare business

Contribution to the Group's profitable growth strategy

## Key Parameters

Enterprise Value of € 590 m

Sales in the last twelve months of 09/2011 of around € 210 m in Spain, Portugal, Germany, France and Belgium

Approximately 850 employees deliver quality care to around additional 260,000 patients

## Financing

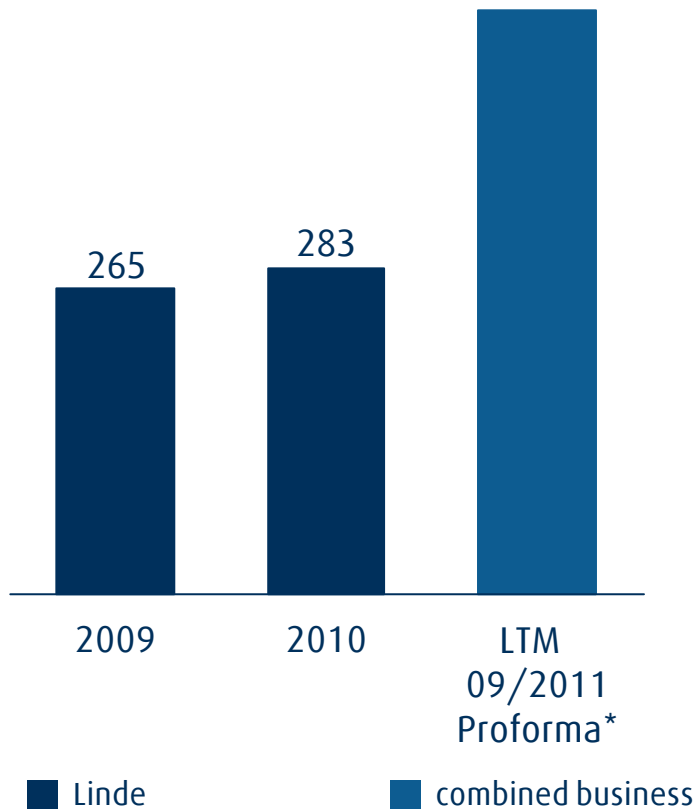
Transaction financed out of strategic cash reserves

\* The completion of the transaction is subject to approval by the antitrust authorities, relevant works council consultation and fulfilment of other usual closing conditions.

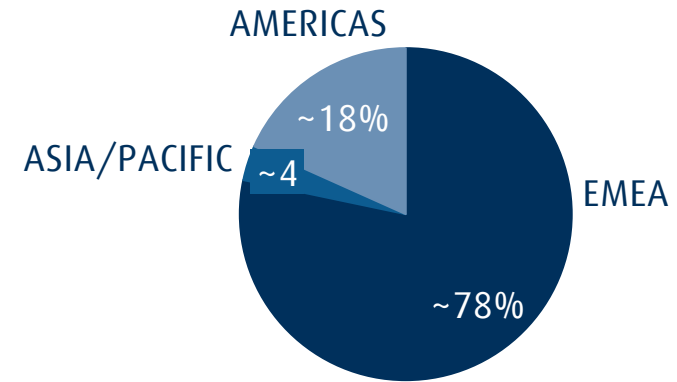
# Mega-trend Healthcare

## Sales as reported in € million

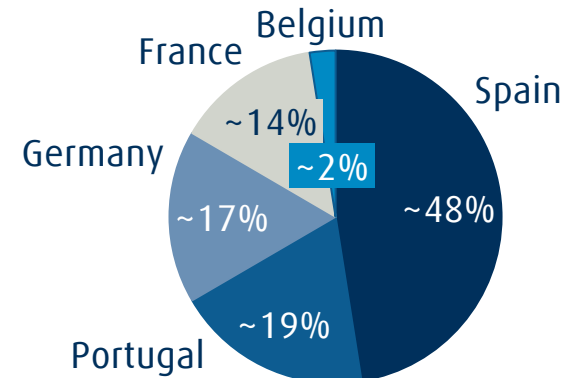
### Linde Homecare globally



### Linde Homecare regional split 2010



### Acquired Homecare business LTM 09/2011\*



\* The completion of the transaction is subject to approval by the antitrust authorities, relevant works council consultation and fulfilment of other usual closing conditions.

# Agenda

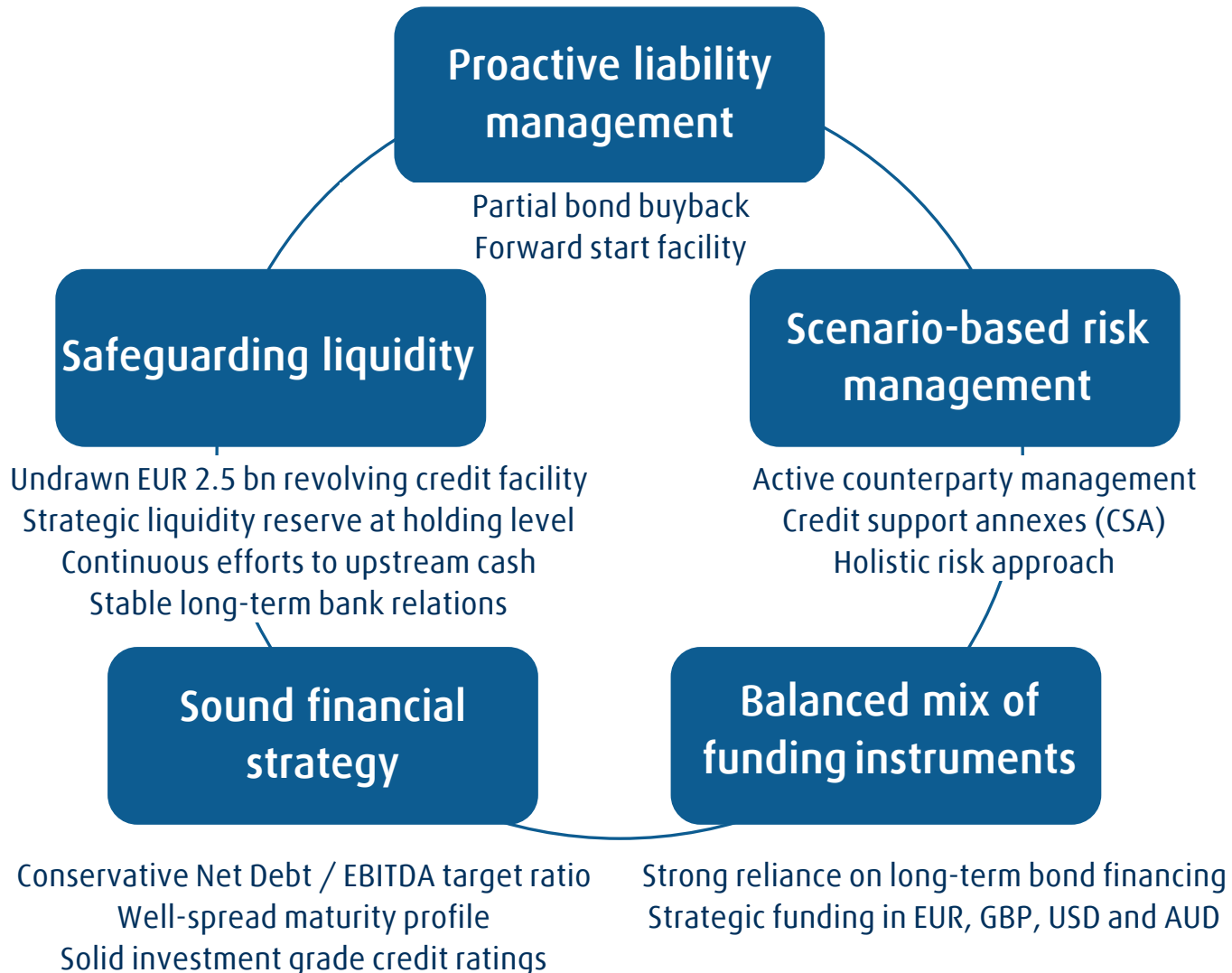


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Appendix

# Linde's debt story and financial policy

## Key cornerstones





# Linde's debt story and financial policy

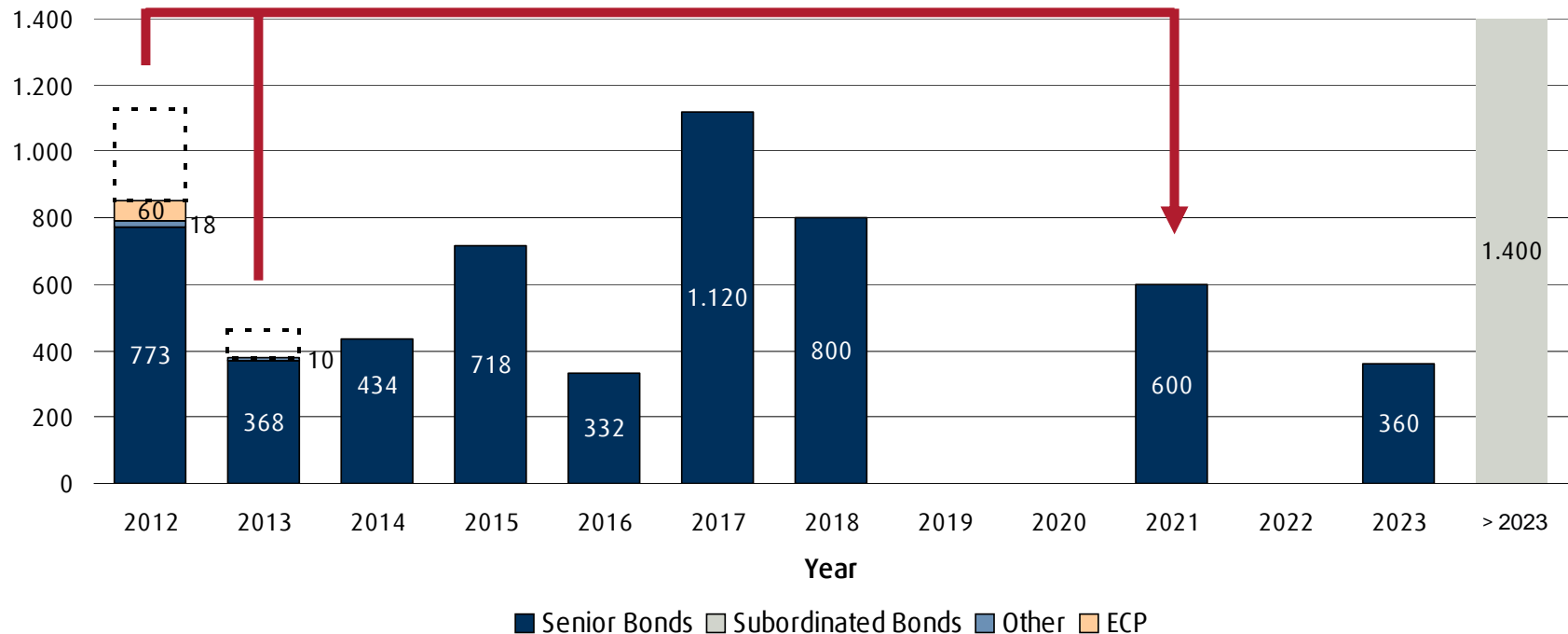
## Proactive liability management

### Early refinancing of existing financial debt

- 2009: Closing of a € 1.6 bn forward start facility
- May 2011: ~€ 360 m partial bond buyback and issuance of € 600 m 3.875 % (M/S+60 bps) notes due in 2021
- Dec 2011: Issuance of € 750 m 3.125 % (M/S+87 bps) senior notes due in 2018

### Maturity profile of capital markets debt (nominal value as of 31 December 2011)

Nominal (EUR mn)



### Active counterparty management

- Centralized credit risk assessment as well as country and customer specific risk premia for all regional capex projects
- Ongoing monitoring of banking partners with the help of market data (credit default swaps, market capitalization) and external credit ratings
- Comprehensive limit system for all kind of financial transactions

### Credit support annexes (CSA)

- Central derivative business with banks mostly on the basis of credit support annexes
- Mutual cash depositing helps to limit counterparty risks and reduces transaction costs

### Holistic risk approach

- Monitoring and management of country risks
- Regular meetings with leading bank economists
- Monthly Treasury Committee
- Planning in scenarios: Base case and worst case

# Linde's debt story and financial policy

## Balanced mix of funding instruments

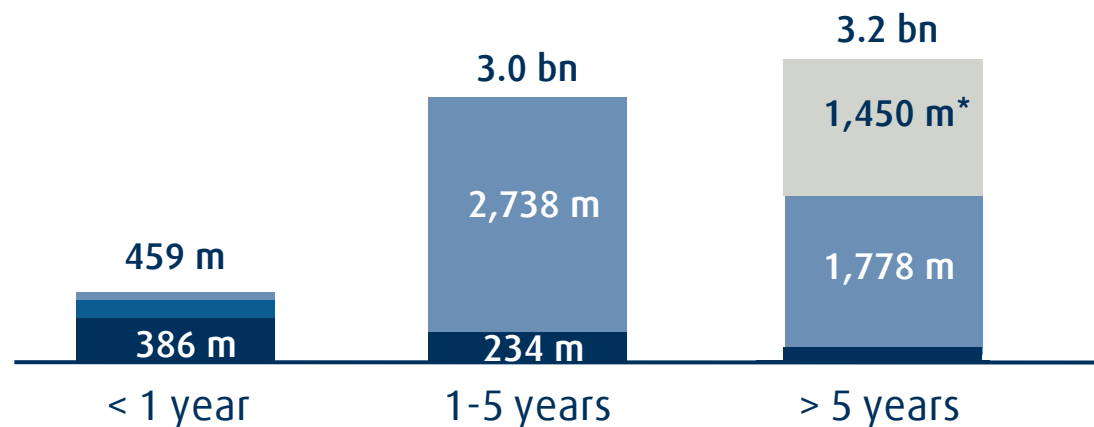
### Well-spread and long-dated maturity profile

- Regular issues have continuously lengthened our refinancing schedule
- More than 90% of total financial debt is due beyond 2011
- Approx. 50% of total financial debt has a longer maturity than 5 years

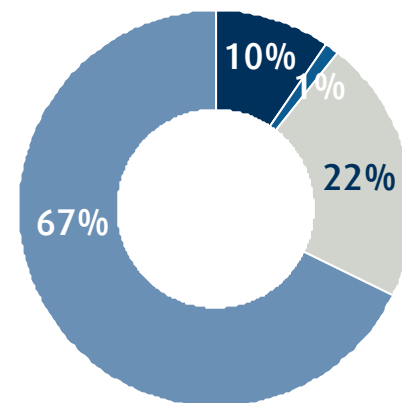
### Balanced mix of various financing instruments

- Long-term bond financing covers approx. 90% of financial debt
- Strategic funding in EUR, GBP, USD and AUD

### Financial debt, by maturity (in € / FY 2010)



### Financial debt, by instrument (FY 2010)

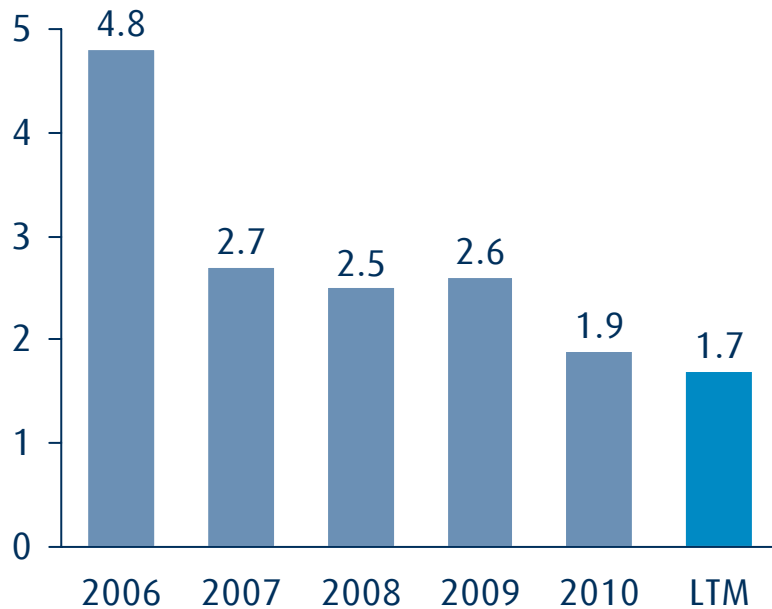


- Senior Bonds
- Subordinated Bonds  
(\*callable in 2013/2016)
- Commercial Paper
- Bank Loans

# Linde's debt story and financial policy

## Sound financial strategy

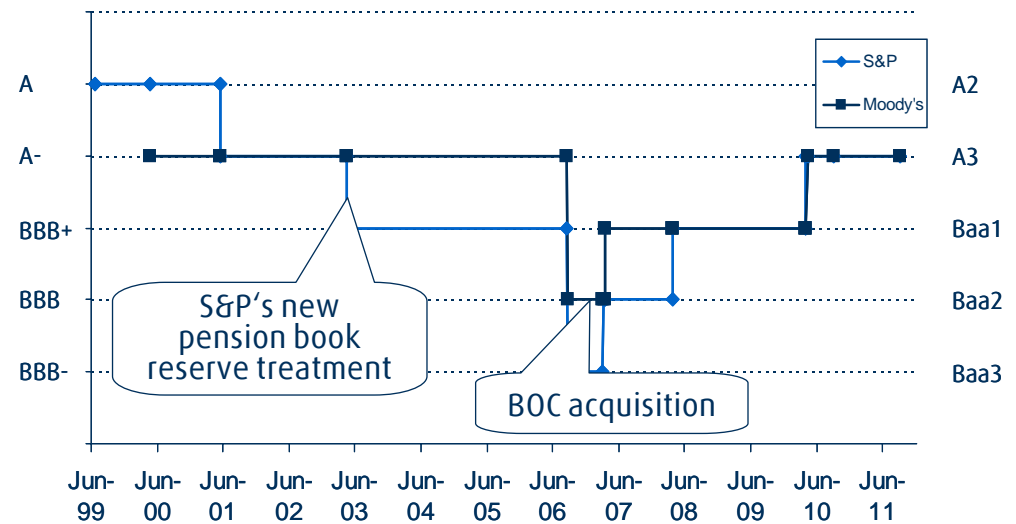
### Net debt/EBITDA



- Consistent deleveraging since BOC acquisition in 2006

### Linde's credit rating history

current: A3 / A- (stable outlook)



- Ongoing improvement in credit quality since 2006 reflects conservative leverage policy and stable cash flow generation
- Published target credit rating: solid investment grade

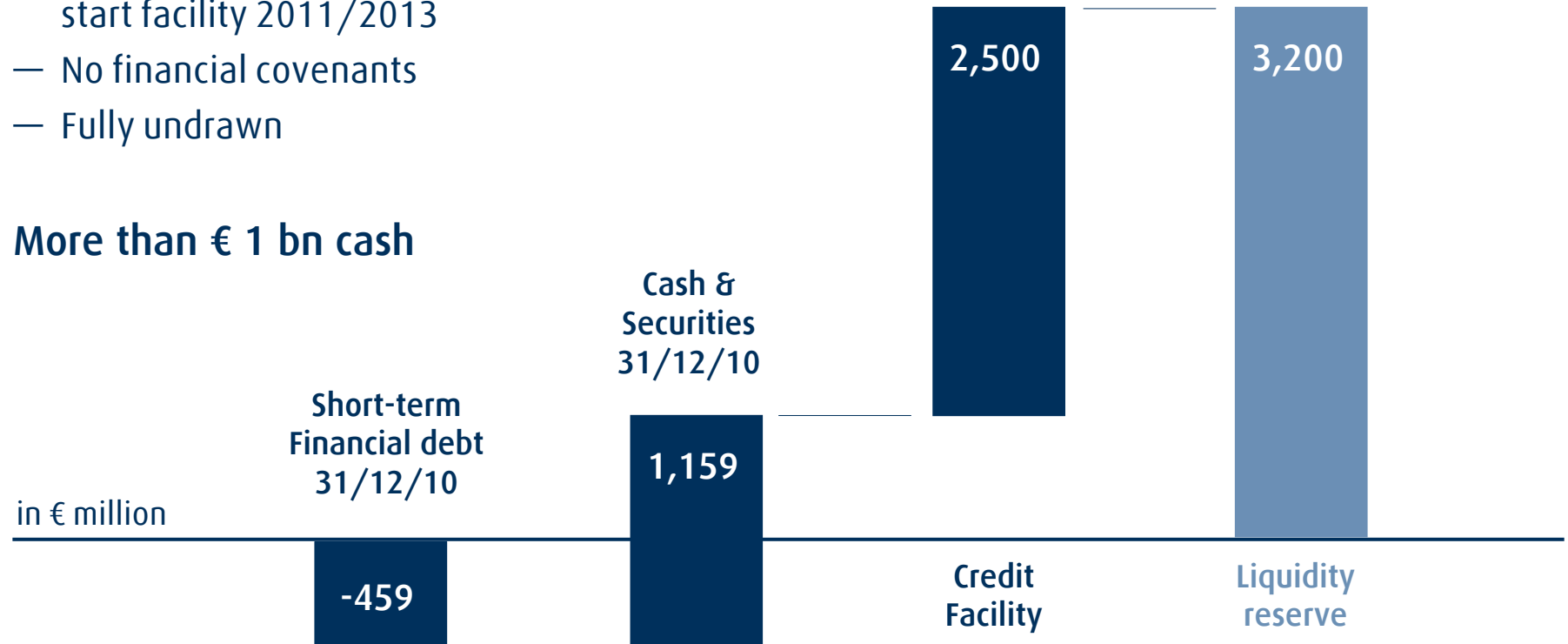
# Linde's debt story and financial policy

## Safeguarding liquidity I

### € 2.5 bn committed revolving credit facility maturing in 2015

- Arranged with a broad spectrum of banks
- Replaced € 2 bn syn loan maturing in 2011 and € 1.6 bn forward start facility 2011/2013
- No financial covenants
- Fully undrawn

### More than € 1 bn cash



### Stable long-term bank relations

#### Core banks

- International presence
- Broad product range
- Good and stable credit worthiness
- Comprehensive spectrum of financing instruments
  - Syndicated loans
  - Capital markets
  - Project financing

#### Ancillary banks

- Special product know-how
- Local presence
- Cash collection
- Local financings
- Working capital financing

# Agenda



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Appendix

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

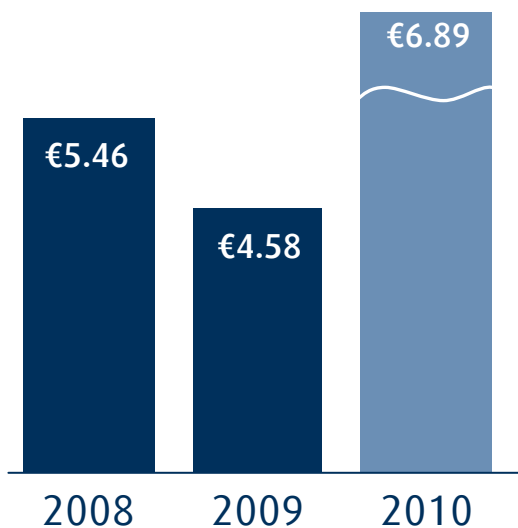


1. Operational and Financial Performance
2. Strategic Focus:
  - High Performance Organisation
  - Growth Potential Mega-trends
3. Outlook

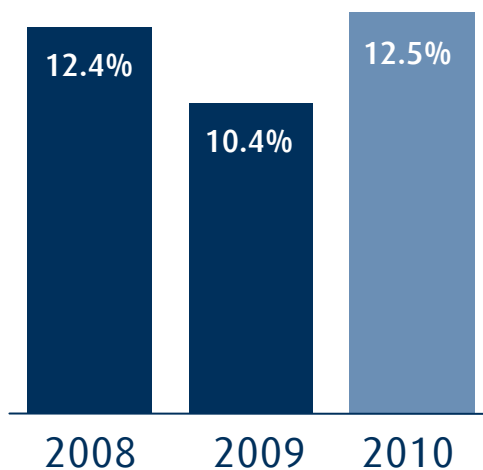
### Further improvement in all our three key financial indicators

- Profitable growth for our shareholders: adjusted EPS and adjusted ROCE
- Strong cash flow generation further improved: OCF up by 13.1%

#### Adjusted EPS

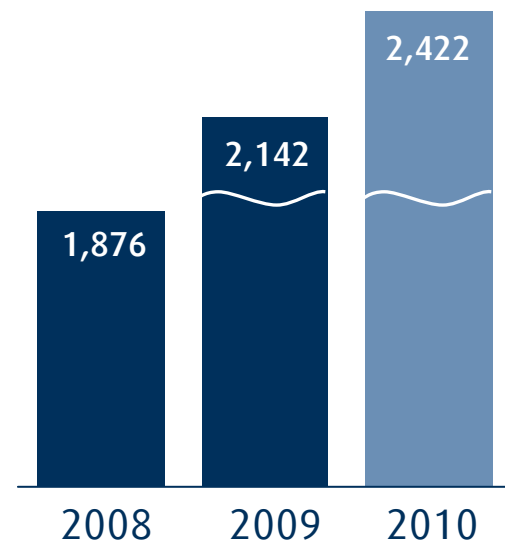


#### Adjusted ROCE



#### Operating Cash Flow

€ m, as reported



# Group

## Financial Highlights – FY 2010



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in € million	2009	2010	Δ in %
Sales	11,211	12,868	14.8
Operating Profit	2,385	2,925	22.6
Margin (in %)	21.3	22.7	
EBIT before PPA depreciation	1,460	1,933	32.4
PPA depreciation	-293	-254	
EBIT	1,167	1,679	43.9
Financial Results	-329	-280	14.9
Taxes	-185	-335	81.1
Net income	653	1,064	62.9
Net income – Part of shareholders Linde AG	591	1,005	70.1
EPS in €	3.51	5.94	69.2
Adjusted EPS in €	4.58	6.89	50.4

# Group Financial Highlights

9M 2011



THE LINDE GROUP

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

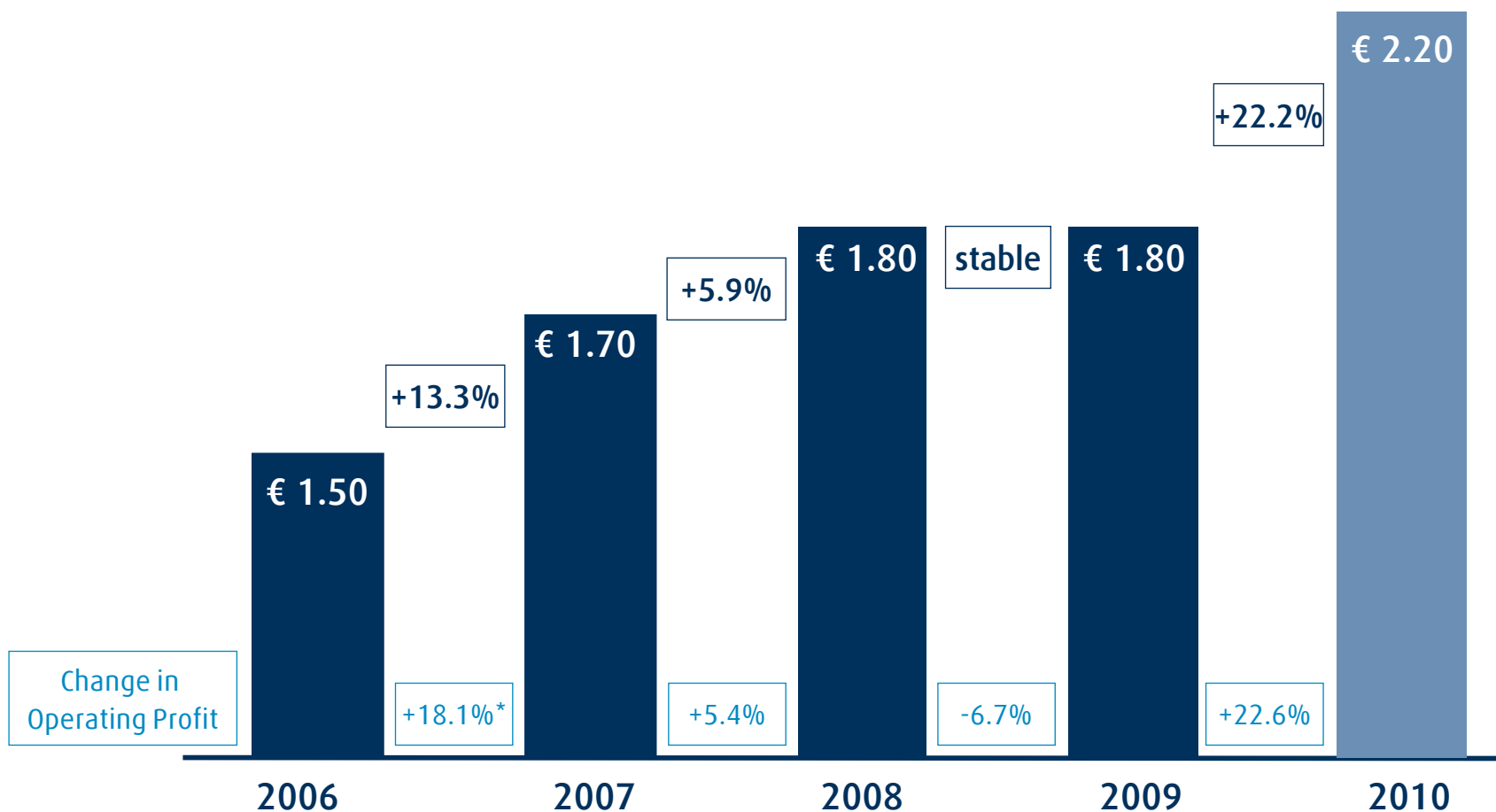
# Group

Dividend increased by 22.2% to € 2.20



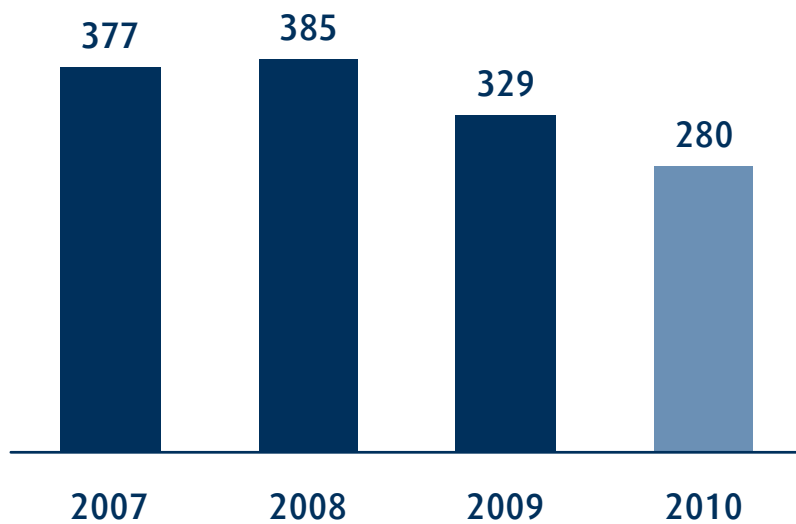
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## Consistent dividend policy

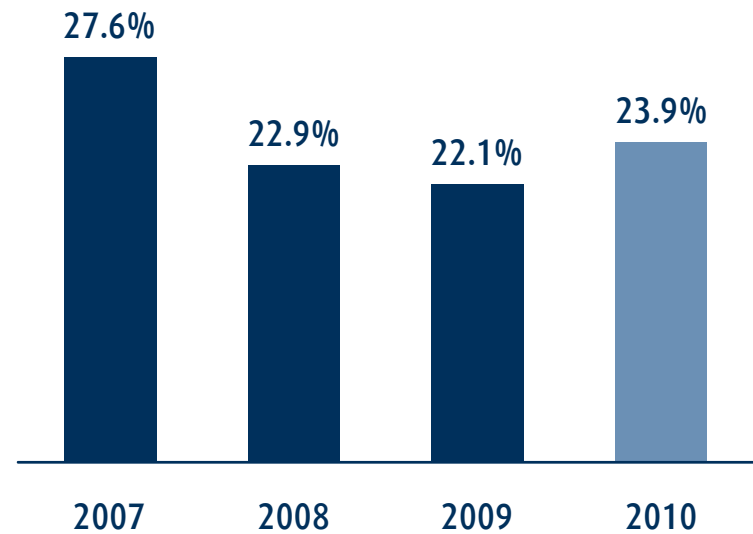


\* Comparable change: prior year figures including twelve months of BOC

### Financial Result (in € million)



### Tax Rate



# Group

## Cash Flow – FY 2010

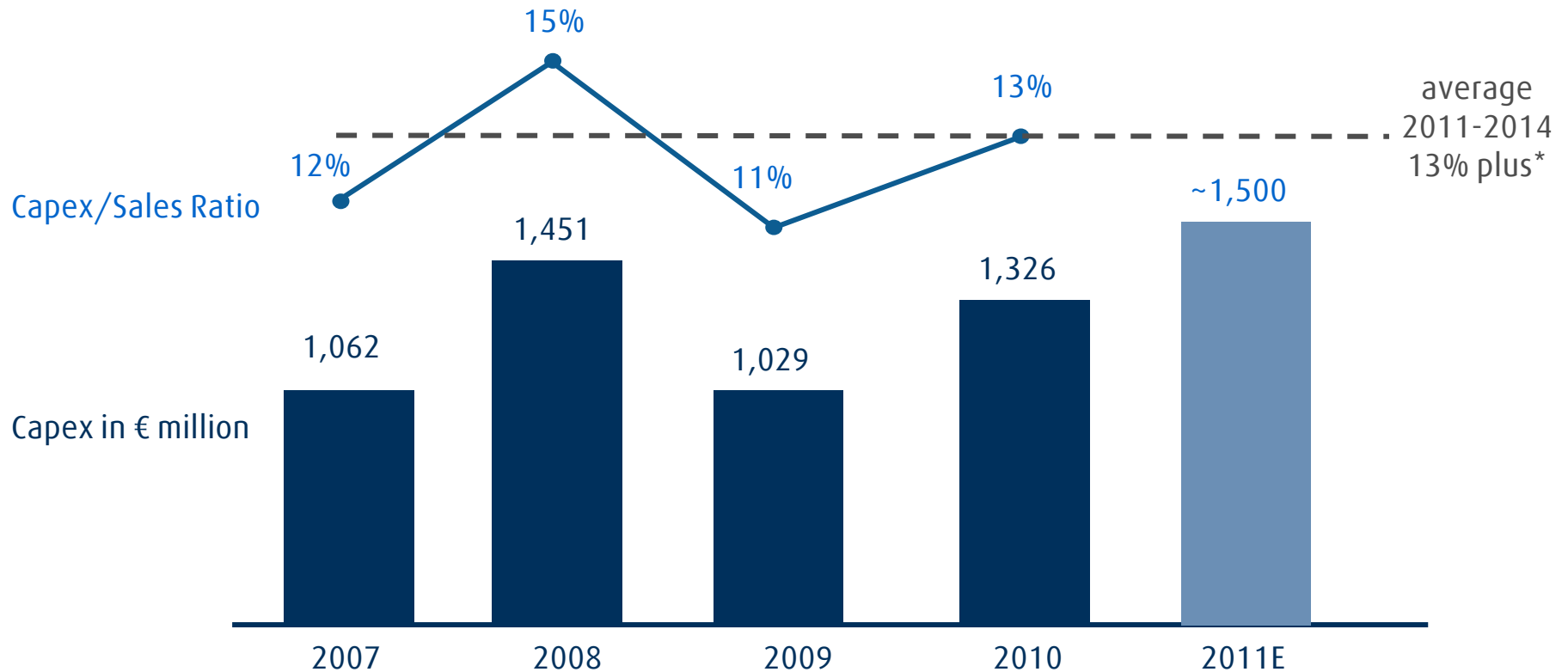


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in € million	Q1/10	Q2/10	Q3/10	Q4/10	2010	2009
Operating Profit	641	755	749	780	2,925	2,385
Change in Working Capital	-98	-3	-25	210	84	160
Other changes	-146	-247	-93	-101	-587	-403
<b>Operating Cash flow</b>	<b>397</b>	<b>505</b>	<b>631</b>	<b>889</b>	<b>2,422</b>	<b>2,142</b>
Investments in tangibles / intangibles	-223	-280	-261	-428	-1,192	-1,104
Acquisitions / Financial investments	-6	-9	-20	-33	-68	-86
Other	38	44	54	59	195	200
<b>Investment Cash flow</b>	<b>-191</b>	<b>-245</b>	<b>-227</b>	<b>-402</b>	<b>-1,065</b>	<b>-990</b>
<b>Free Cashflow before financing</b>	<b>206</b>	<b>260</b>	<b>404</b>	<b>487</b>	<b>1,357</b>	<b>1,152</b>
Interests and swaps	-22	-120	-98	-58	-298	-301
Dividends and other changes	-1	-303	-4	28	-280	-329
<b>Net debt increase (+) / decrease (-)</b>	<b>-183</b>	<b>163</b>	<b>-302</b>	<b>-457</b>	<b>-779</b>	<b>-522</b>

# Gases, Capex

## Development Capex Sales Ratio 2007 - 2010



Data 2007-2010 @ actual average fx rates at the end of the respective year;

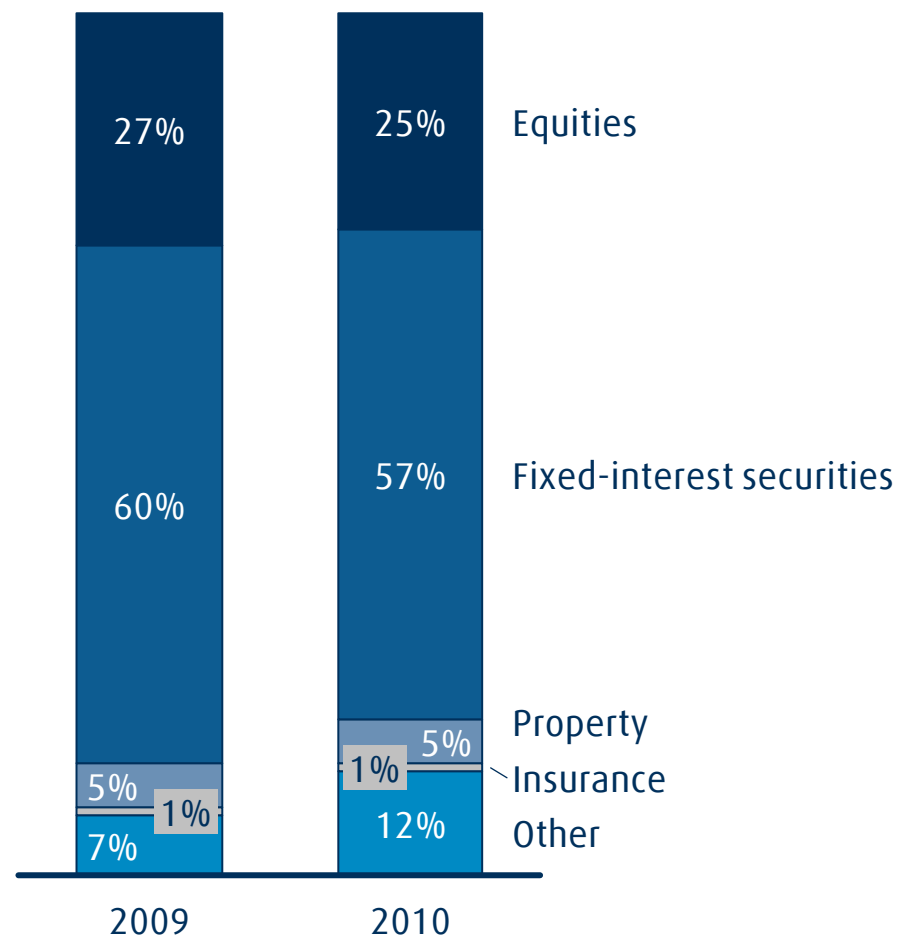
\* plus: additional potential for mega-projects



### Net obligation

in € million	DBO	Plan asset	Net obligation
01.01.2010	4,744	3,896	848
Service costs	93		93
Net financing	265	246	19
Actuarial gains/losses	-92	141	-233
Contributions/payments	-217	-9	-208
FX	209	200	9
Other	-31	-7	-24
31.12.2010	4,971	4,467	504

### Pension plan assets portfolio structure



# Gases Division

## Operating Segments – Historical data 2010



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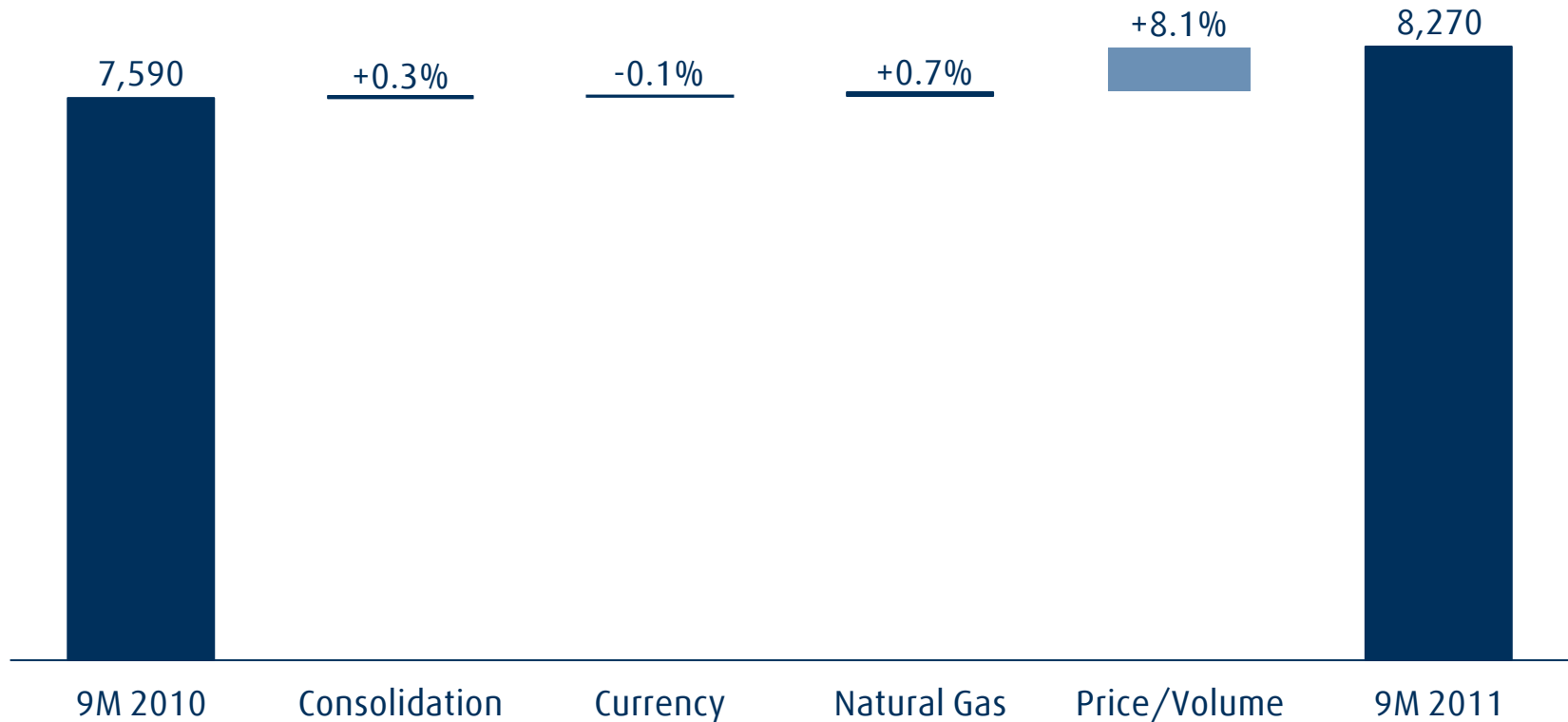
<b>EMEA (€ m)</b>	<b>Q1 2010</b>	<b>Q2 2010</b>	<b>Q3 2010</b>	<b>Q4 2010</b>	<b>FY 2010</b>
Sales	1,264	1,349	1,365	1,352	5,330
Operating profit*	351	386	389	387	1,513
Operating margin	27.8%	28.6%	28.5%	28.6%	28.4%
<b>Asia/Pacific (€ m)</b>	<b>Q1 2010</b>	<b>Q2 2010</b>	<b>Q3 2010</b>	<b>Q4 2010</b>	<b>FY 2010</b>
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%
<b>Americas (€ m)</b>	<b>Q1 2010</b>	<b>Q2 2010</b>	<b>Q3 2010</b>	<b>Q4 2010</b>	<b>FY 2010</b>
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

# Division Gases, sales bridge

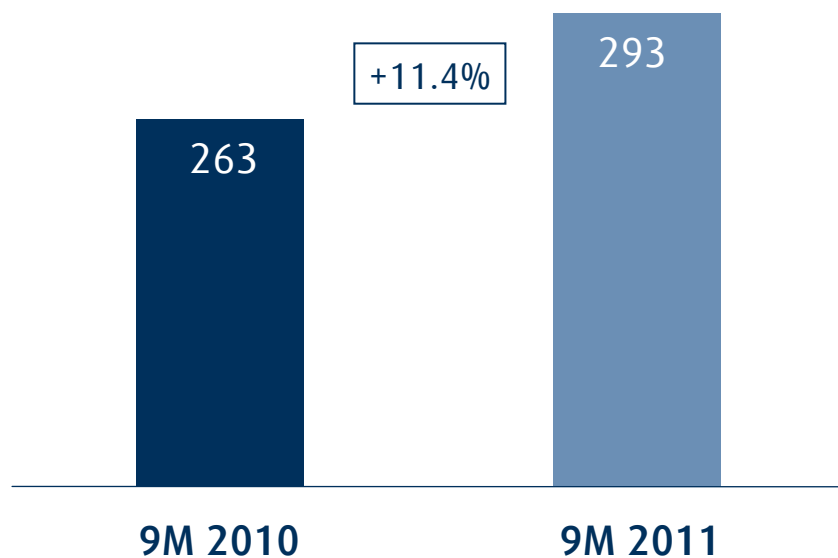
9M sales increase of 8.1% on comparable basis

in € million

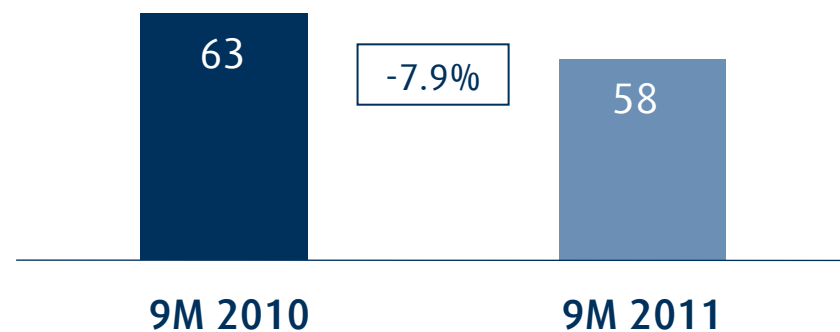


in € million

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



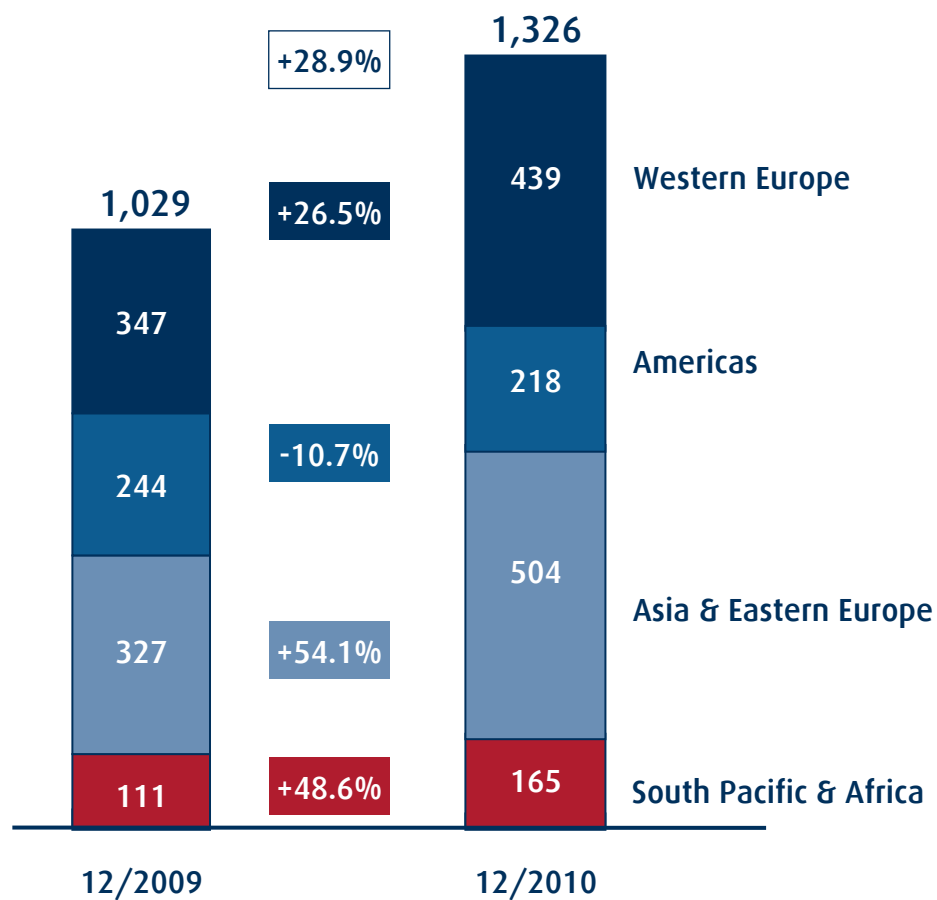
**Share of Net Income**  
(contribution to operating profit)



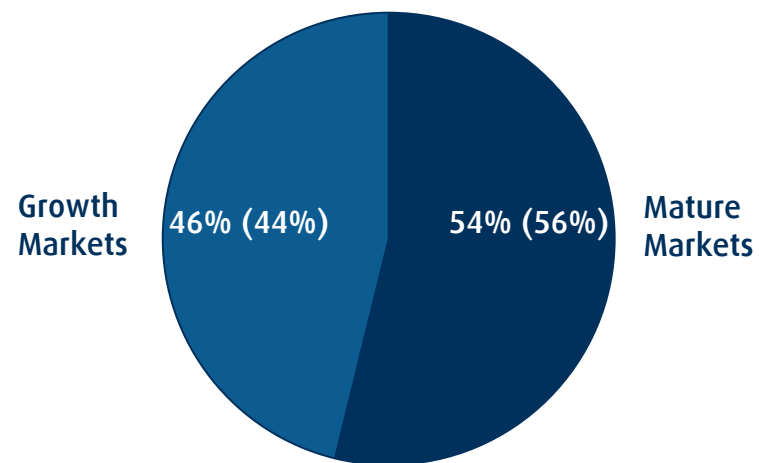
# Gases Division

## Split of Capex by operating segment

in € million



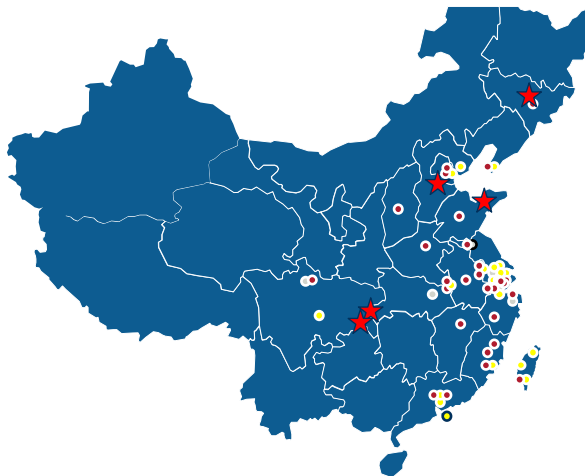
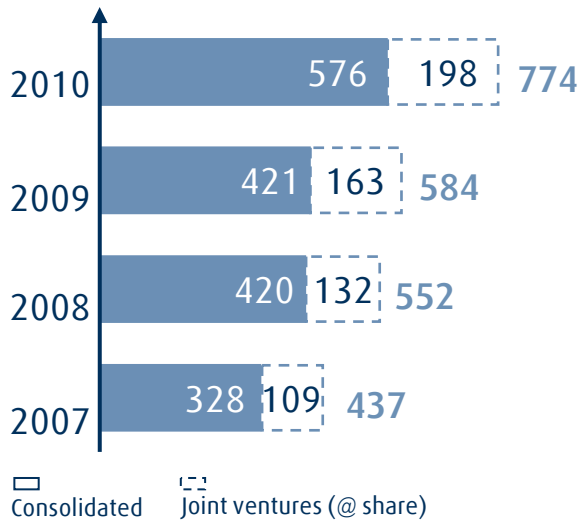
### Split Capex by markets 2010 (2009)



# Linde Gases Division in Greater China

## Important project wins in 2011

### Sales in Greater China in € m



Key locations of Linde Gases: ● Supply Schemes ● Industrial Parks ● Offices ○ Application Center

### Jilin (Q4/2011)

- On-site supply contract with Evonik Industries and Jilshen
- Hydrogen plant (SMR): ~€ 42 m capex, on stream date 2013/2014

### Wu'an (Q4/2011)

- On-site supply contract with Hebei Puyang Iron and Steel Ltd.
- Decaptivation of 7 ASUs of with energy efficiency upgrade and construction of a new ASU: ~ € 120 m capex, expected on stream date of the new plant is in 2014

### Yantai (Q3/2011)

- On-site supply contract with Wanhua Polyurethanes Co., Ltd.
- Two large scale ASUs: ~€ 130 m capex, on stream date 2013/2014

### Chongqing (Q2/2011)

- On-site supply contracts with CCPHC and BASF
- Large scale HYCO plant: ~€ 200 m capex, expected on stream date 2014

### Chongqing:

- On-site supply contract with Sinopec
- ASU start-up in Q2/2011

# Mega-trend Growth Markets

## Leading player in Greater China



### Oil/Petrochemicals



扬子石化-巴斯夫有限责任公司  
BASF-YPC Company Limited



### Chemicals



### Metallurgy



ThyssenKrupp Steel



### Electronics



### Others



# Gases Division in China

## Integrated offer in selected industrial poles

### Integrated Clusters

Example – Ningbo

Gases products supply to bulk and cylinder markets

4

Pipeline linkage (key concept)

1

Fully Integrated Cluster

2

Multiple customers supplied by pipeline (GAN/GOX/GHY)

3

Integrated plant operation





# Clean Energy market estimation 2020 & 2030 top down

## General assumptions:

- Market numbers are directional only and w/o inflation or fx
- Oil price development at 80-100 USD/bll
- Outsourced gases market only (excl. captive market or equipment sales),

## Market size in € bn

Assumptions for 2030	2015	2020	2030
<b>LNG merchant/floating</b> <ul style="list-style-type: none"> <li>- Based on penetration rate of LNG replacing existing fuels;</li> <li>- Merchant LNG projects based on geographical set up and existing infrastructure</li> <li>- Floating LNG projects</li> </ul>	3-4	6-10	11-23
<b>Enhanced Oil Recovery Nitrogen Rejection Unit</b> <ul style="list-style-type: none"> <li>- Single to double digit number of large N2 EOR/NRU projects</li> <li>- Double digit number of large CO2 EOR projects including industrial CO2 capture and pipeline (overlapping w/CCS)</li> </ul>	1-1.5*	4-5*	18-35*
<b>Carbon Capture &amp; Clean Coal</b> <ul style="list-style-type: none"> <li>- Triple-digit number of 1 GW Carbon Capture (1.5 Gt/a CO2 at EUR25-40/t)</li> </ul>	----	----	30-50
<b>CO<sub>2</sub> networks</b> <ul style="list-style-type: none"> <li>- Installation of significant pipeline network and corresponding compression (1.5 Gt/a handling fee CO2 at EUR 10-15/t)</li> </ul>	small	1	15-25
<b>Hydrogen fuelling</b> <ul style="list-style-type: none"> <li>- Installation of a significant fuel station infrastructure</li> <li>- Corresponding annual H2 consumption of some bn tons p.a.</li> </ul>	small	1	10-15
<b>Photovoltaic</b> <ul style="list-style-type: none"> <li>- Includes all gases used for manufacturing of photovoltaic cells only</li> </ul>	1	2	3
<b>Range</b>	<b>5-7</b>	<b>14-19</b>	<b>80-140</b>

\* Assuming 100% Build Own Operate and excluding sale of equipment and plants

# Mega-trend Energy/Environment

## Current and future growth markets for Gases & Engineering



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### Better use of fossil resources:

#### Existing growth markets

Liquefied Natural Gas (LNG)	Statoil plant, Hammerfest, Floating LNG
Gas-To-Liquid (GTL)	Pearl GTL project, Qatar Shell GTL LTD
CO <sub>2</sub> scrubbing	RECTISOL® CO <sub>2</sub> wash, used at Hammerfest LNG plant
Coal-to-Gas	ASUs and Rectisol for coal gasifications in China
Coal liquefaction	Tonnage contract with Bayer/SCCC <sup>1</sup> in China
Enhanced Oil& Gas Recovery	Pemex Cantarell project, Mexico Adnoc Joint Venture, Abu Dhabi
Refinery Hydrogen	Tonnage contracts with Shell, EMAP, Chevron, CITGO,...

### Renewable energy:

#### Developing growth markets

Photo-voltaic	Signed Gases contracts for 6 GWp of nominal capacity
Bio to Liquids	Waste Management JV plant started up in 2009
Biomass-Conversion	Choren/Sun Fuel Pilot Project, Germany
Geothermal	Turbines for geothermal project in France
Automotive Hydrogen	H2 Mobility Initiative launched with key industrial partners

### Clean energy:

#### Future growth markets

OxyFuel	Vattenfall Pilot Project, Schwarze Pumpe, Germany
Post-comb. CO <sub>2</sub> capture	RWE/BASF Pilot Project, Niederaussem, Germany
CO <sub>2</sub> handling	Recycling CO <sub>2</sub> (OCAP, Nld) CO <sub>2</sub> SINK, Ketzin, Germany Statoil LNG plant, Norway

### Higher efficiency in energy use: Sustained growth in traditional end markets

REBOX® oxy-fuel (steel), WASTOX® (aluminium), Oxygen burner (glass), Water Treatment, ...

<sup>1</sup> Shanghai Cooking & Chemical Corporation

# Linde Homecare product and service portfolio today and synergies between segments

## Home Oxygen Therapy



**Chronic respiratory diseases, patients need oxygen (COPD, Asthma)**

**Products:** LOX, GOX and Concentrators

**Services:** Home delivery, assessment and rehab centers

## Sleep Therapy



**Obstructive Sleep Apnea, patients need positive air pressure during sleep**

**Products:** Positive Airway Pressure Devices, Masks

**Services:** Screening, Diagnostics, Home delivery, Therapy, Adherence monitoring

## Ventilation Services



**Advanced respiratory diseases and congenital disorders, patients need mechanical ventilation support**

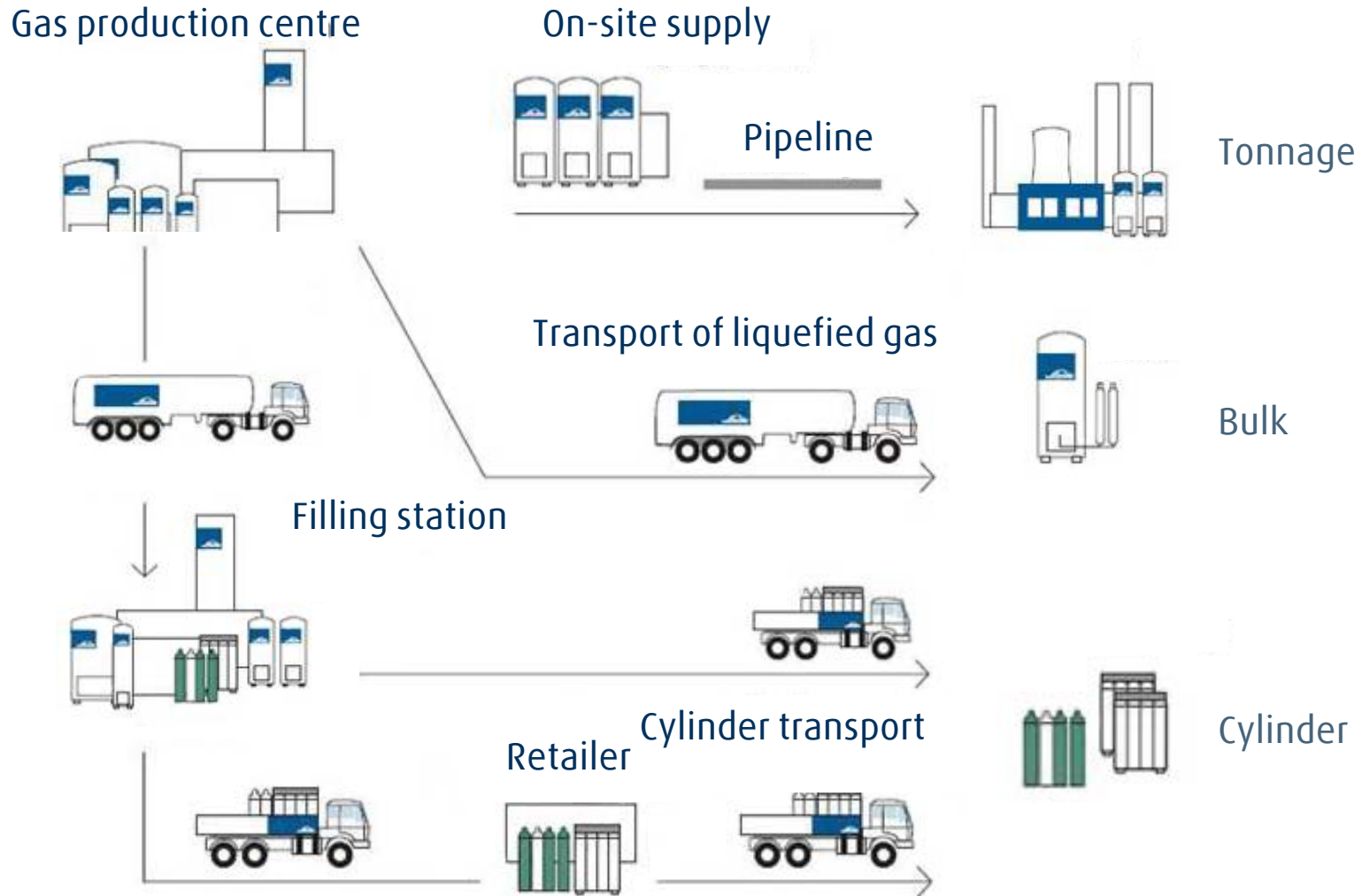
**Products:** Mechanical Ventilators, Equipment

**Services:** Home delivery, Care Centers (REMEO), Tele-monitoring

**Synergies:** sales & marketing, logistics, integrated patient management, care center, adherence program, technology development

# Gases Division

## From source to customer



# Gases Division, local business model

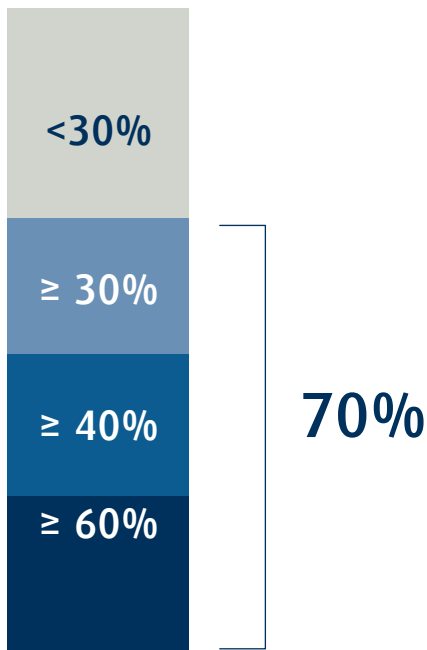
70% of revenues come from a leading market position

In bulk & cylinder: >70% of revenues from >30% market share positions

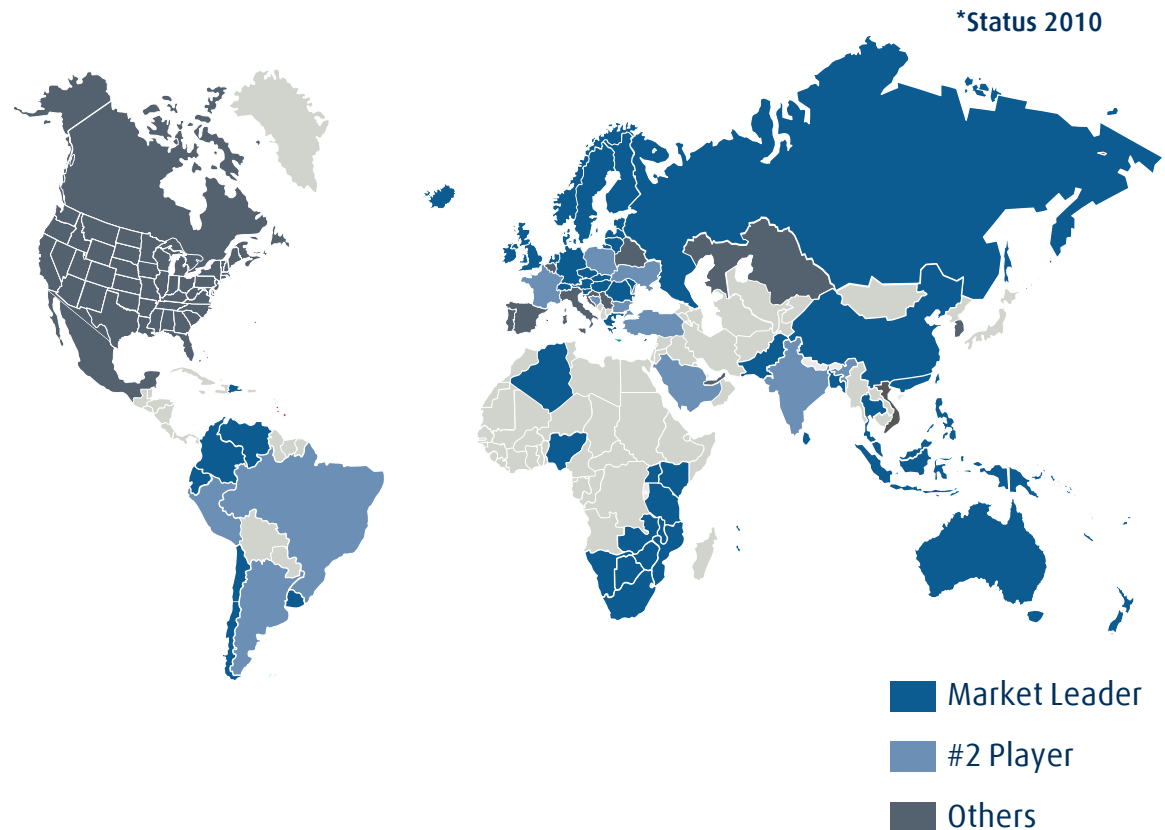
Sales split by market shares

Market leader in 47 of the 75 major countries,  
#2 Player in another 15

€10.2 bn\*

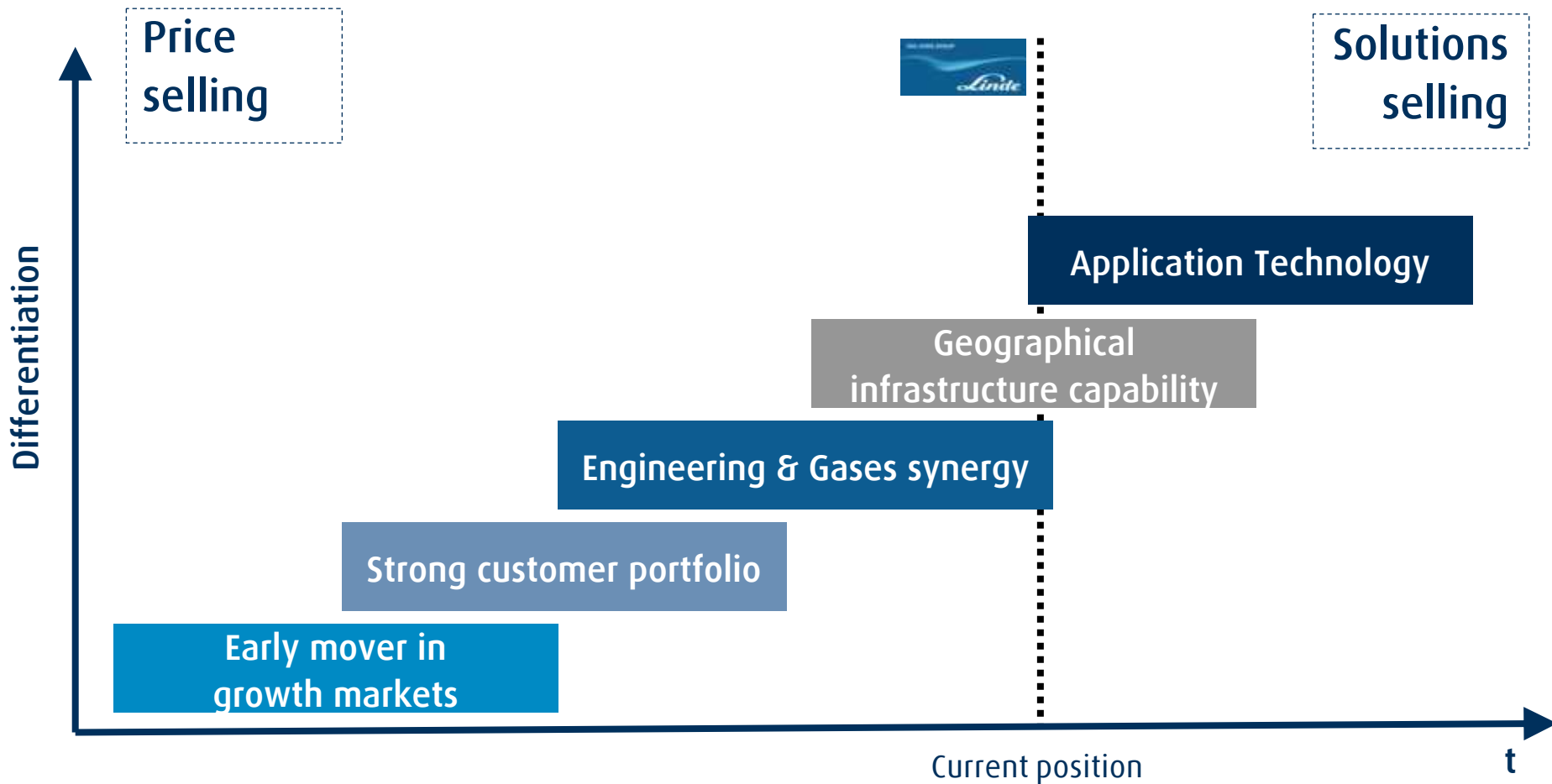


\*FY 2010



# Mega-trend Growth Markets

## Business approach in Growth Markets

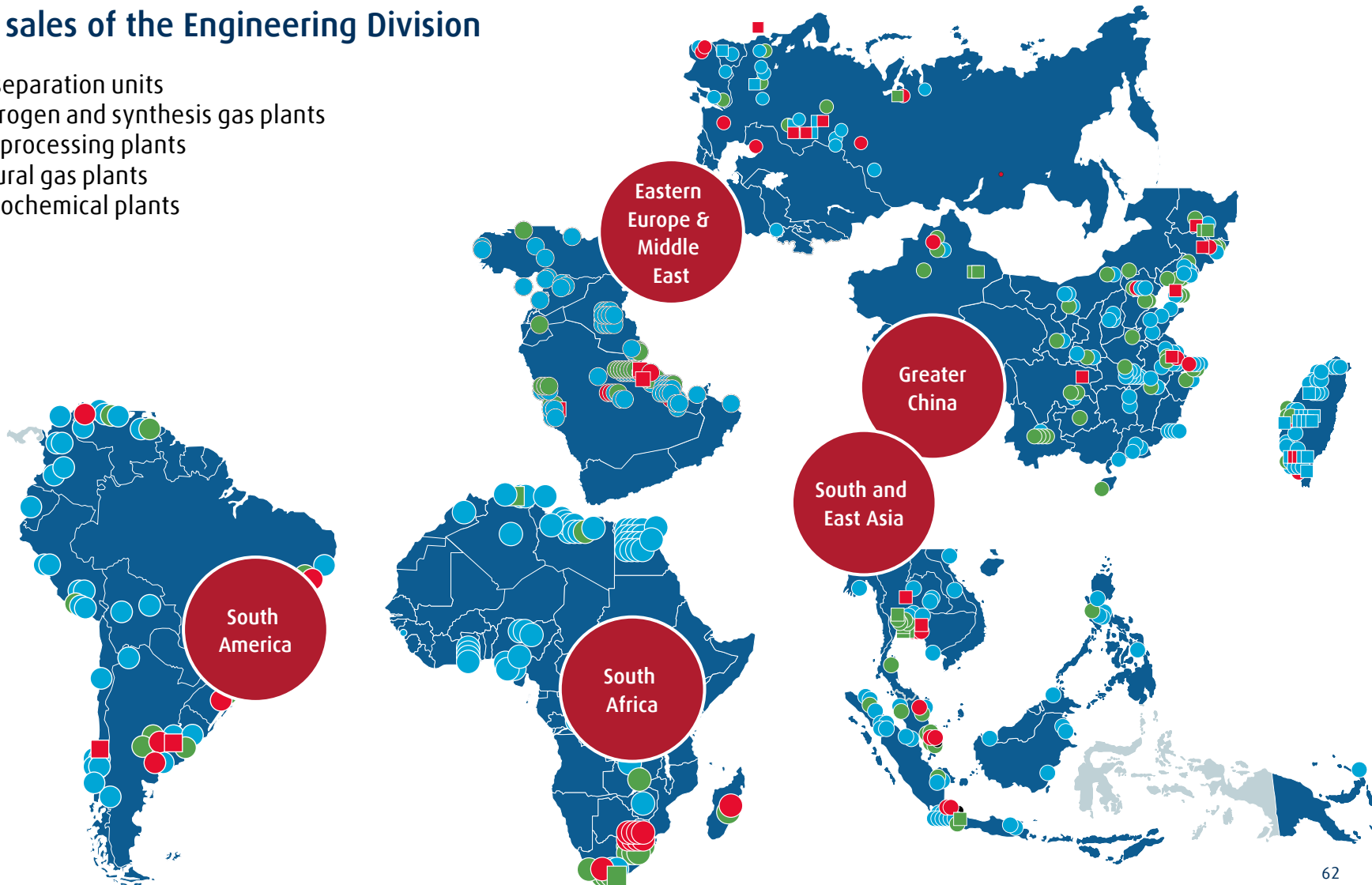


# Mega-trend Growth Markets

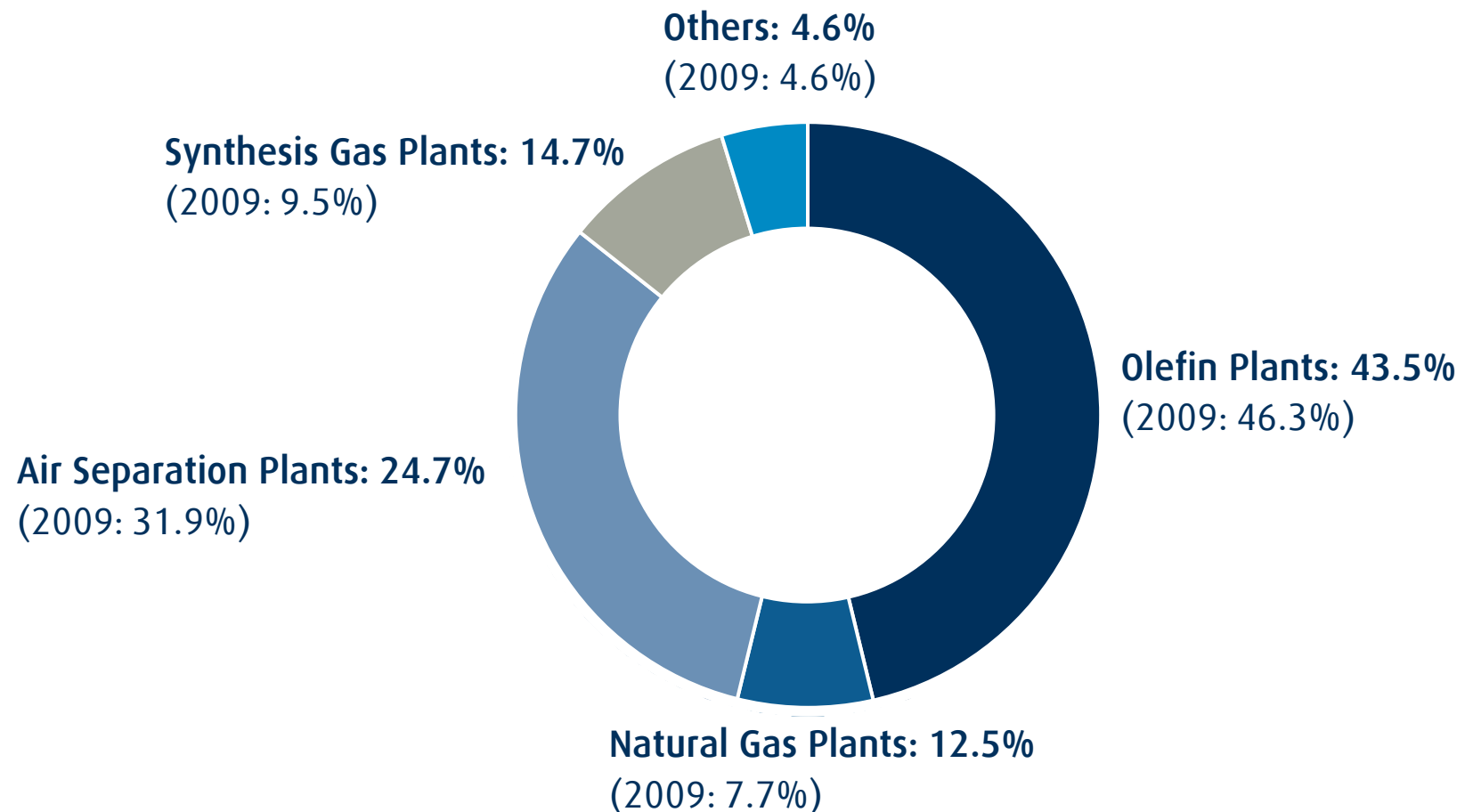
## Strong customer relationships in Engineering

### Plant sales of the Engineering Division

- Air separation units
- Hydrogen and synthesis gas plants
- Gas processing plants
- Natural gas plants
- Petrochemical plants



### Order backlog by plant type (31/12/2010)



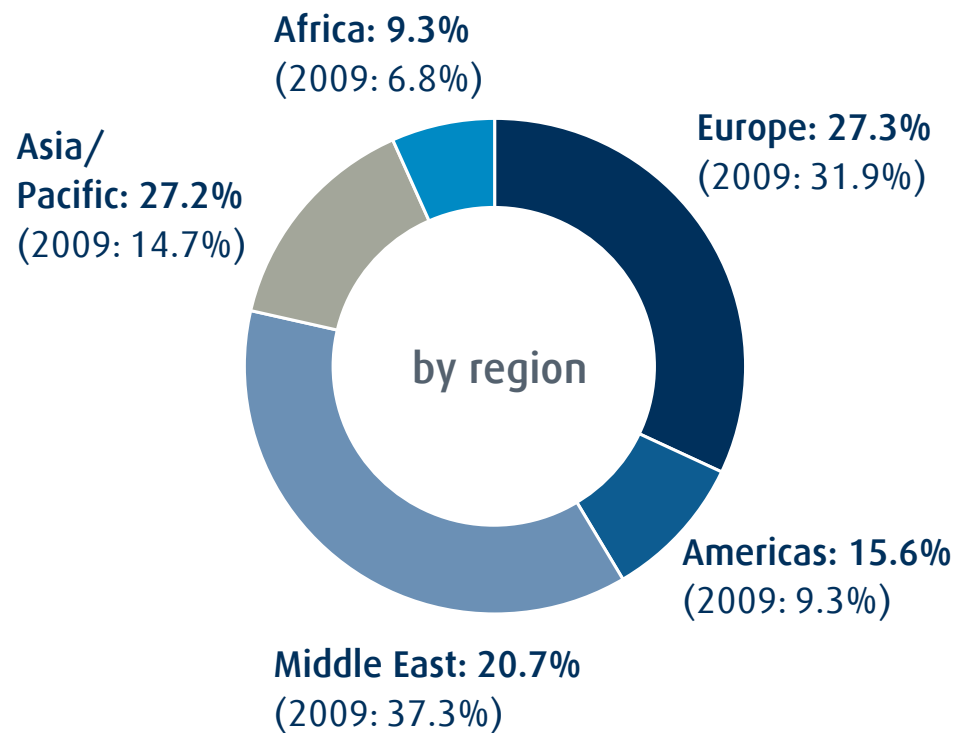
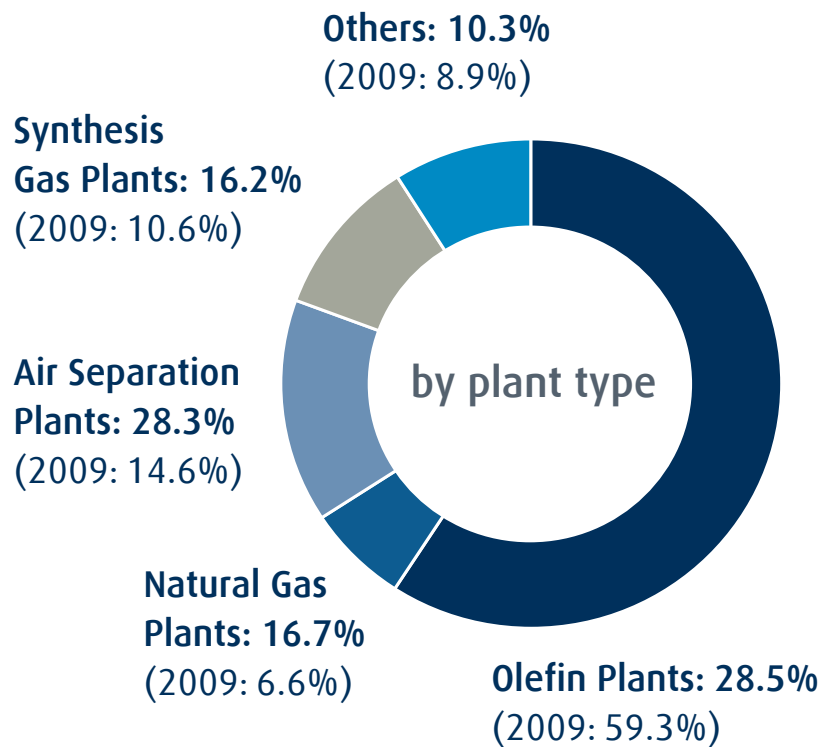


# Engineering Division

## FY 2010 order intake by plant type and region



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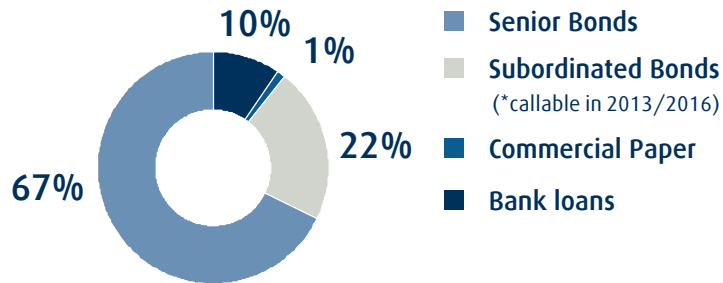


# Increasing regulation of the financial industry

## Consequences for the Linde Group

The following factors help to limit regulation's negative repercussions

### High share of capital market financing



### Solid corporate credit rating

Moody's: A3  
S&P: A-

### Credit support annexes with banks (CSA)

Standard  
for derivative business

### Banks' competitive situation

Stable  
long-term bank relations

# Group, selected public bond issues

Issuer	Issue Rating	Volume (mn)	Interest in percent	Maturity	ISIN
<b>Senior Bonds<sup>(1)</sup></b>					
Linde Finance B.V.	A3 / A-	EUR 723	4.375	04/24/2012	XS0297698853
Linde Finance B.V.	A3 / A-	EUR 216	5.375	09/12/2013	XS0387377756
Linde Finance B.V.	A3 / A-	USD 400	3.625	11/13/2014	XS0465484938
Linde Finance B.V.	A3 / A-	EUR 600	6.750	12/08/2015	XS0403540189
Linde Finance B.V.	A3 / A-	EUR 1,000	4.750	04/24/2017	XS0297699588
Linde Finance B.V.	A3 / A-	EUR 750	3.125	12/12/2018	XS0718526790
Linde Finance B.V.	A3 / A-	EUR 600	3.875	06/01/2021	XS0632659933
Linde Finance B.V.	A3 / A-	GBP 300	5.875	04/24/2023	XS0297700006
<b>Subordinated Bonds<sup>(1)(2)</sup></b>					
Linde Finance B.V.	Baa2 / BBB	EUR 400	6.000	Perpetual / Call Right from 2013 on	XS0171231060
Linde Finance B.V.	Baa2 / BBB	EUR 700	7.375	07/14/2066 / Call Right from 2016 on	XS0259604329
Linde Finance B.V.	Baa2 / BBB	GBP 250	8.125	07/14/2066 / Call Right from 2016 on	XS0259607777

(1) Guaranteed by Linde AG

(2) Not issued under the Debt Issuance Program

### 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

- Development of depreciation and amortisation (in € million)
- Impact in 2010: € 254 million

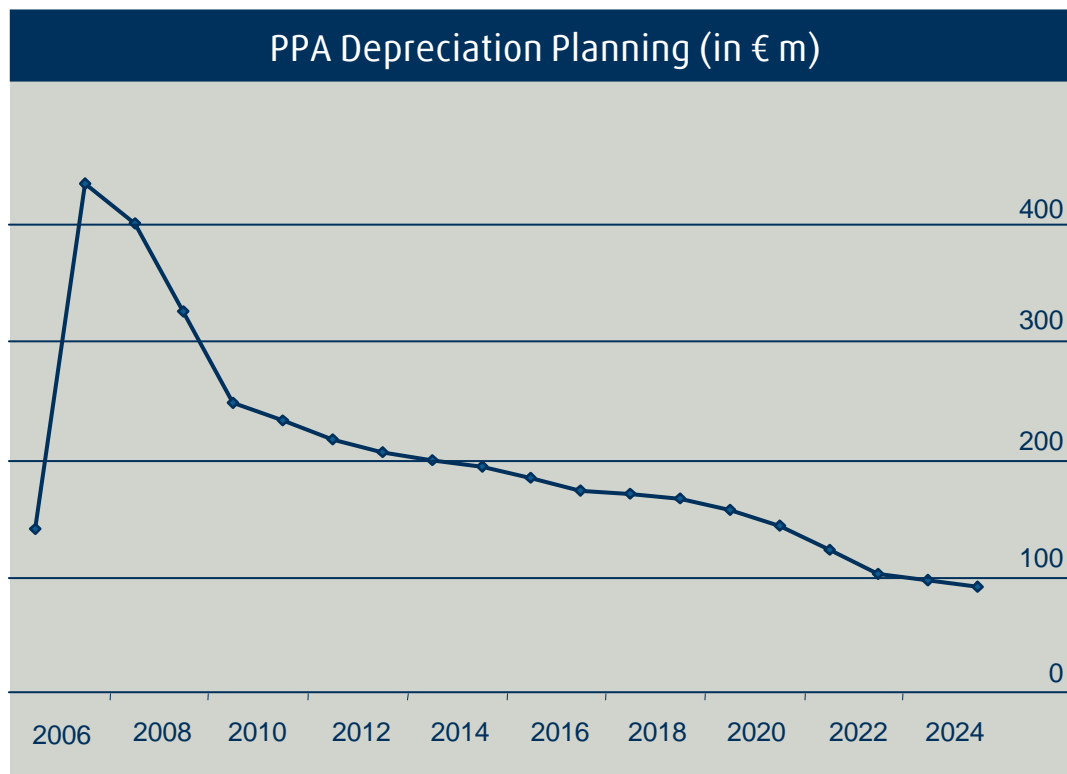
### Expected range

2011	> 200 – 250
------	-------------

2012	> 175 – 225
------	-------------

...

2022	< 125
------	-------



# Group

## Definition of financial key figures



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

## Contact

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Internet: [www.linde.com](http://www.linde.com)

## Financial Calendar

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