

# Continuously Improving.

## Germany in Asia Corporate Day

LeadIng.  THE LINDE GROUP

Sanjiv Lamba, Member of the Executive Board  
22 November 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.

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 in this presentation.

While Linde believes that the assumptions made and the expectations reflected in 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 in this presentation whether as a result of new information, future events or otherwise.

## 1. Operational and Financial Performance

## 2. Strategic Focus:

- Growth Markets
- Energy / Environment
- Healthcare

## 3. Outlook

## 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

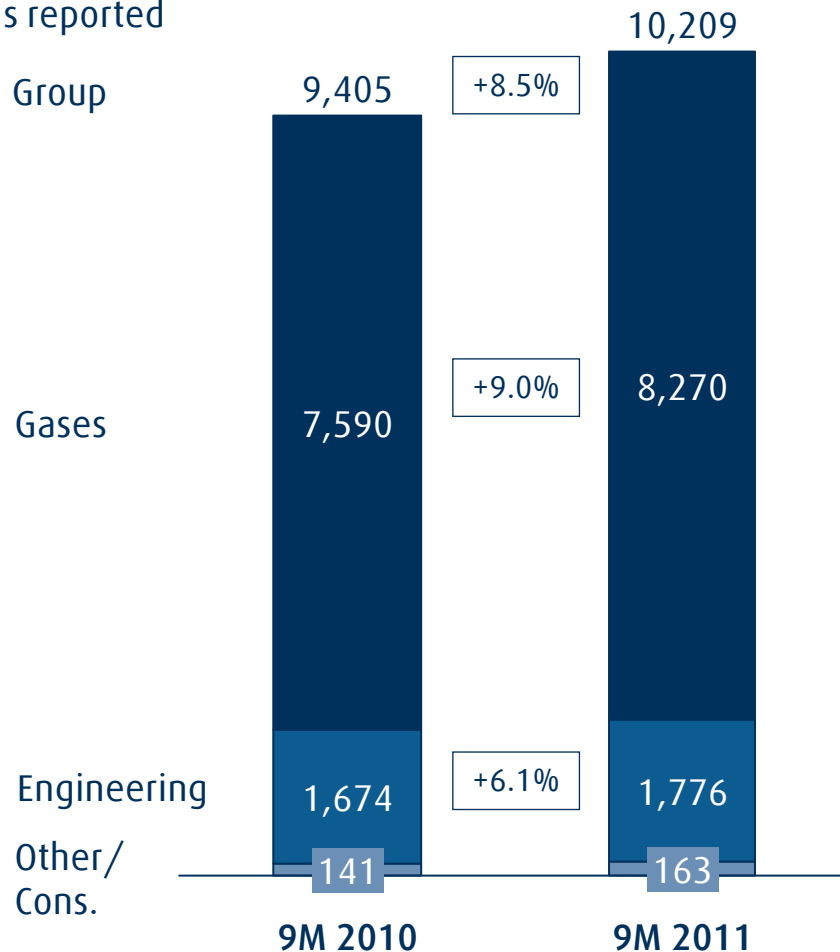
Growth in sales and operating profit vs. record year 2010

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

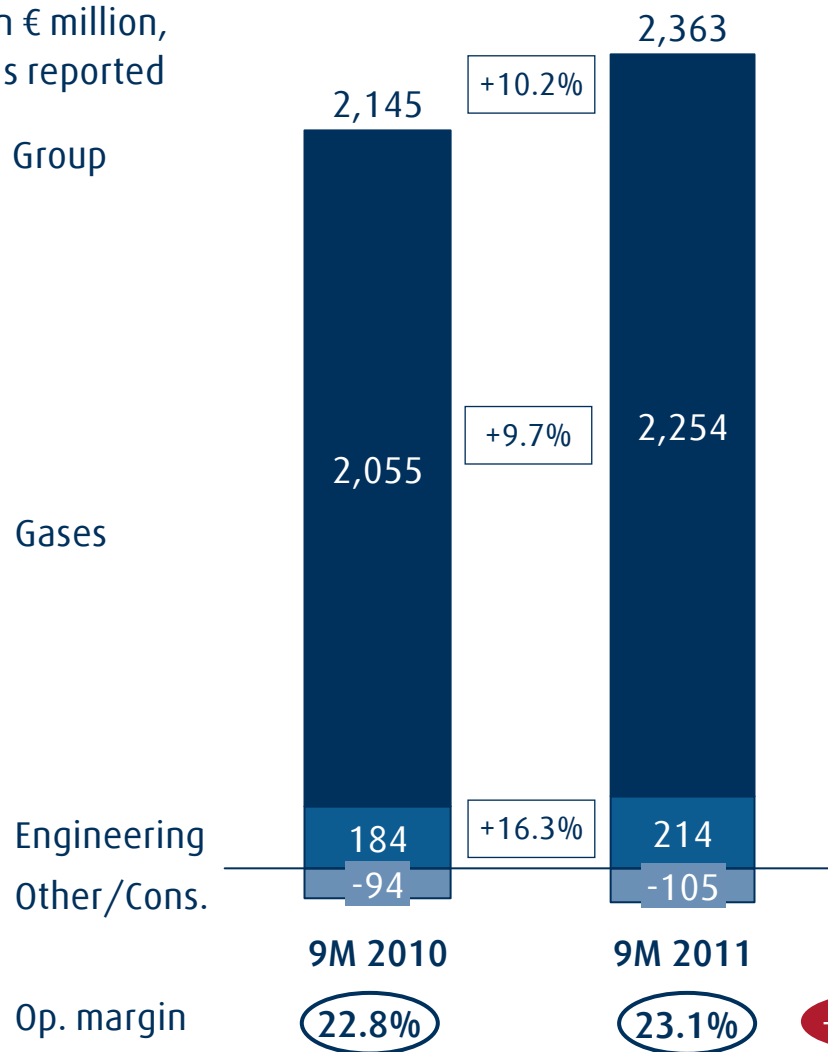
- Order intake well balanced between growth markets and mature markets
- Order backlog remains on high level

\*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

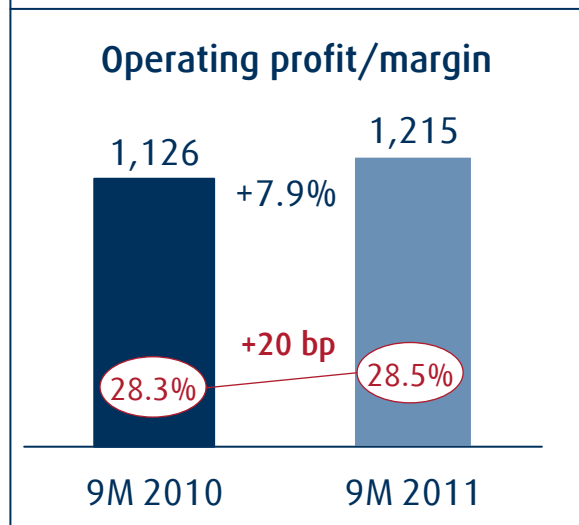
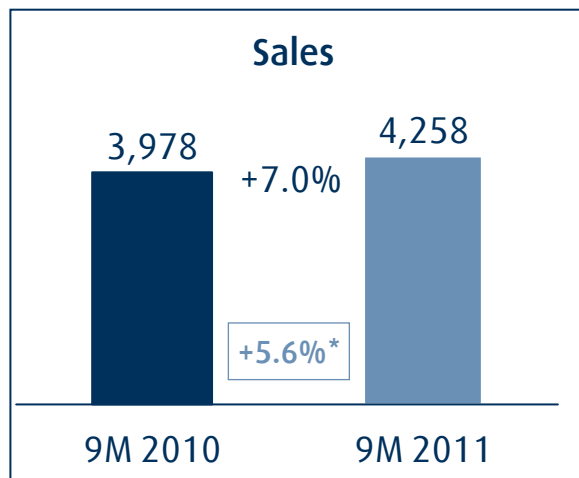
- Operating margin of 12% again well ahead of target margin of at least 10% for the year 2011
- Margin development driven by successful execution of individual projects

# Gases Division, sales and operating profit by operating segment

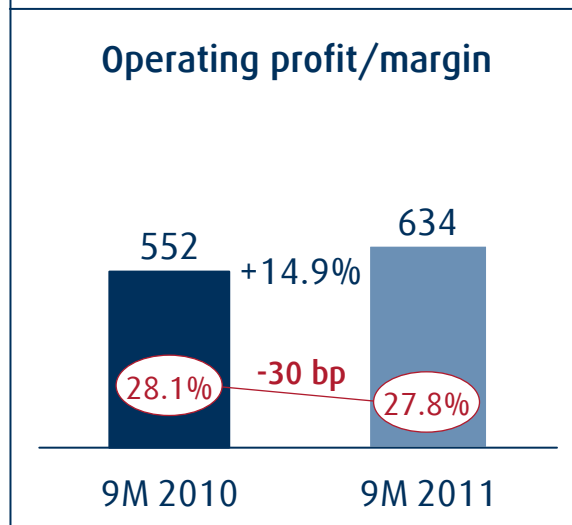
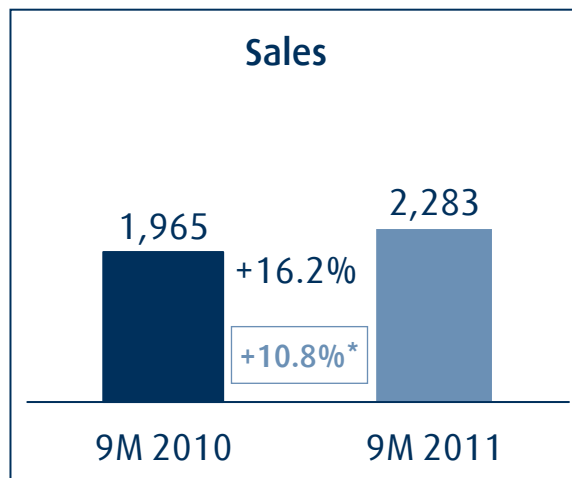
## Growth momentum continues in all regions

in € million

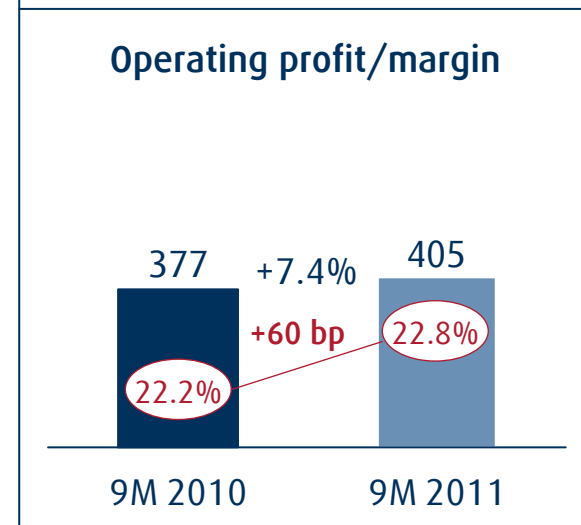
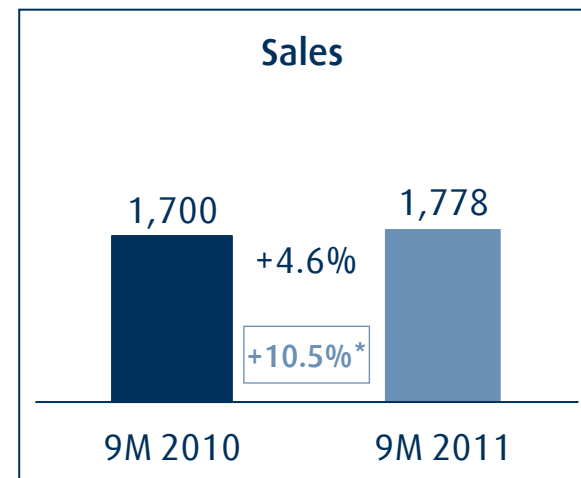
### EMEA



### ASIA/PACIFIC



### AMERICAS

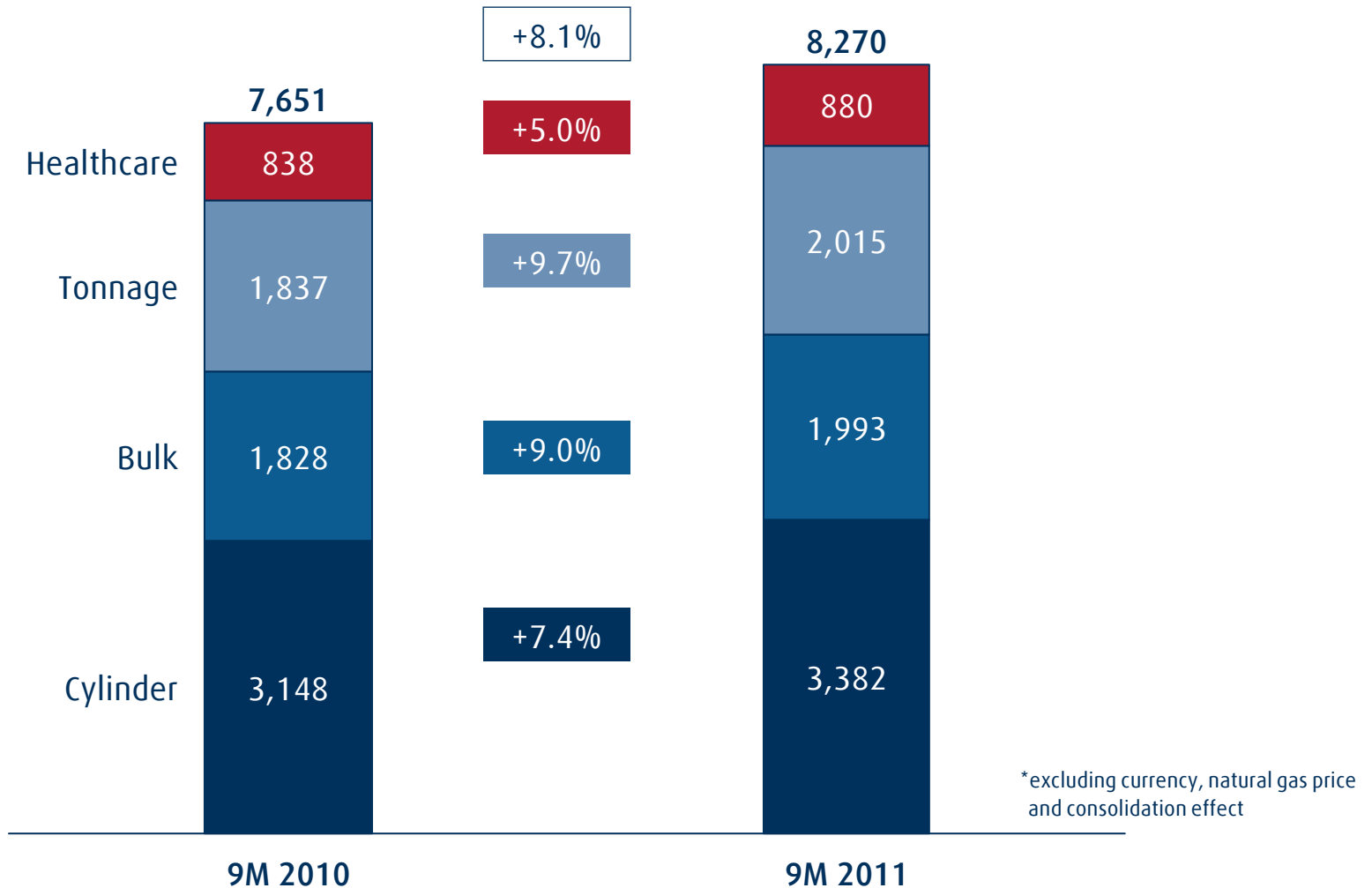


\*excluding currency, natural gas price and consolidation effect

# Gases Division, sales by product areas

## Growth accelerated in Bulk

in € million,  
comparable\*, consolidated

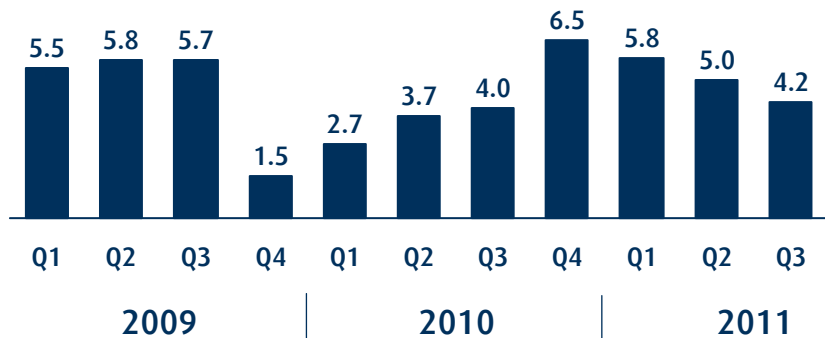




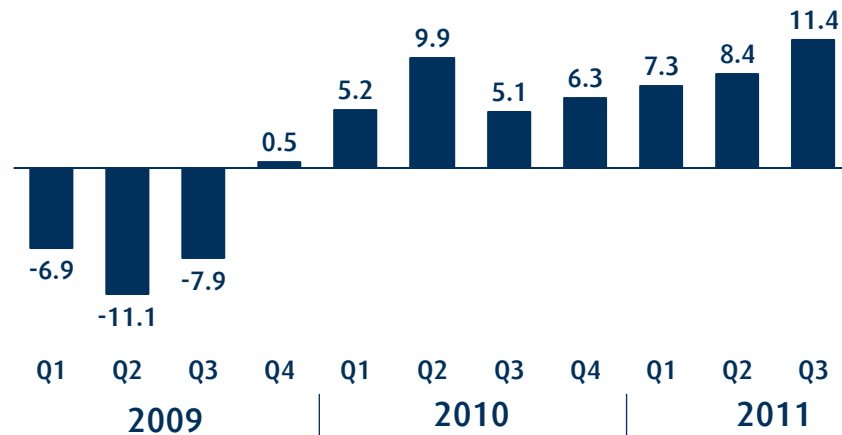
# Gases Division, product areas

## Comparable year-on-year growth in percent

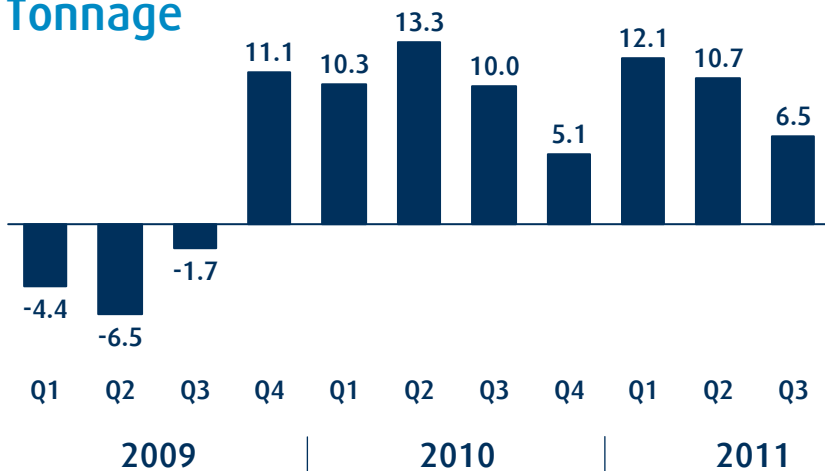
### Healthcare



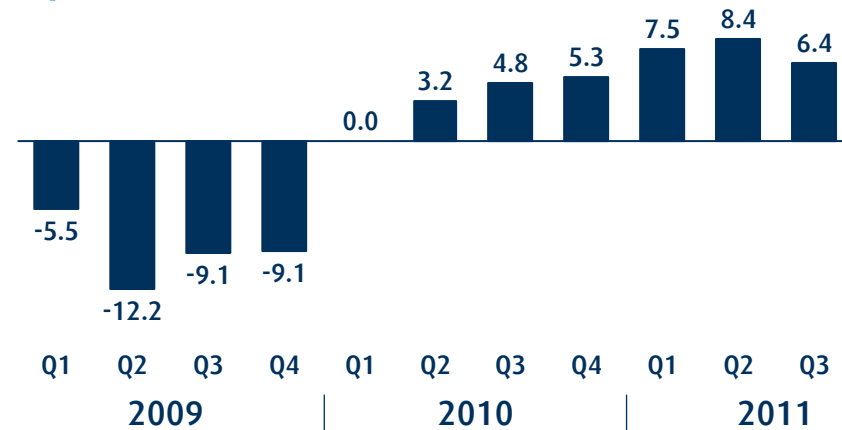
### Bulk



### Tonnage



### Cylinder



## Engineering Division, key figures

### Order intake up by 9 %



THE LINDE GROUP

- 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

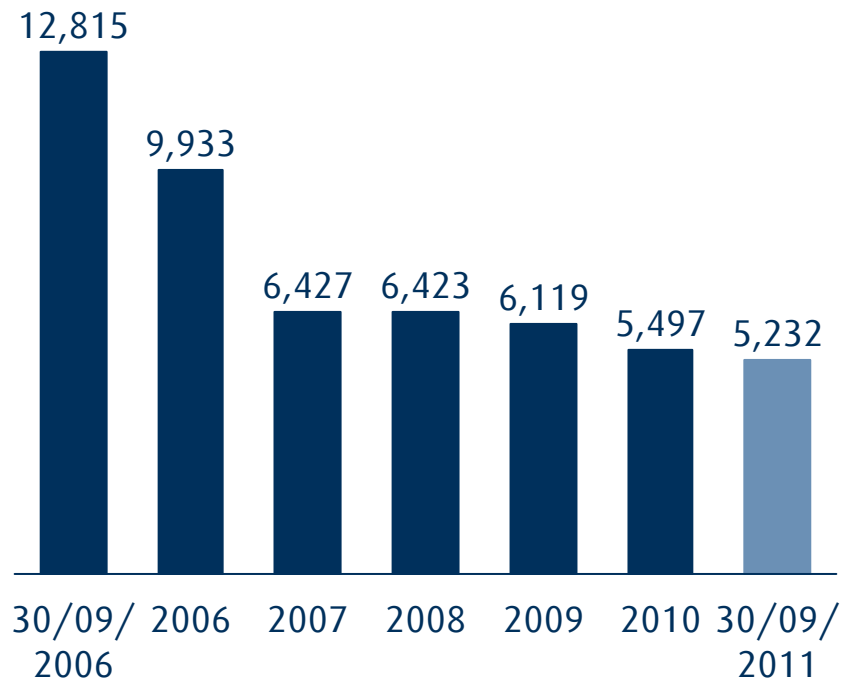
# Group, solid financial position

Net debt/EBITDA ratio of 1.7x

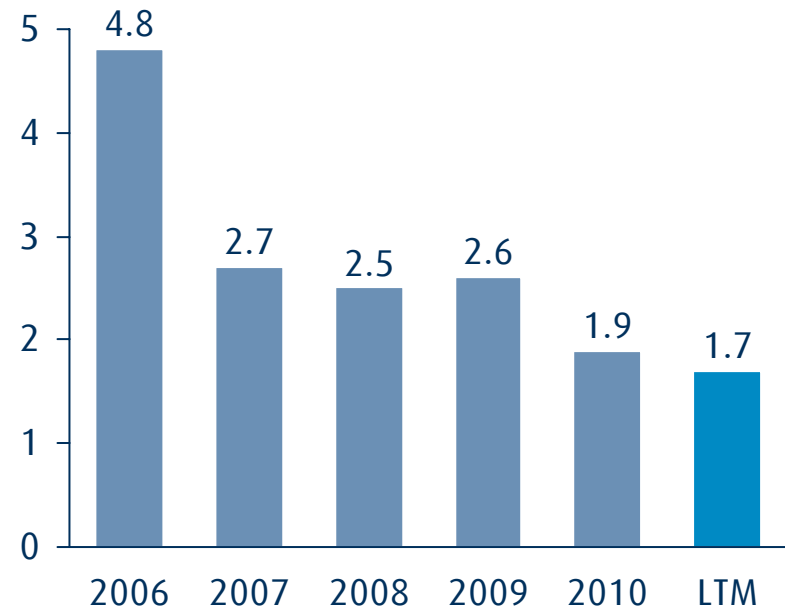
## Credit Ratings

- 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



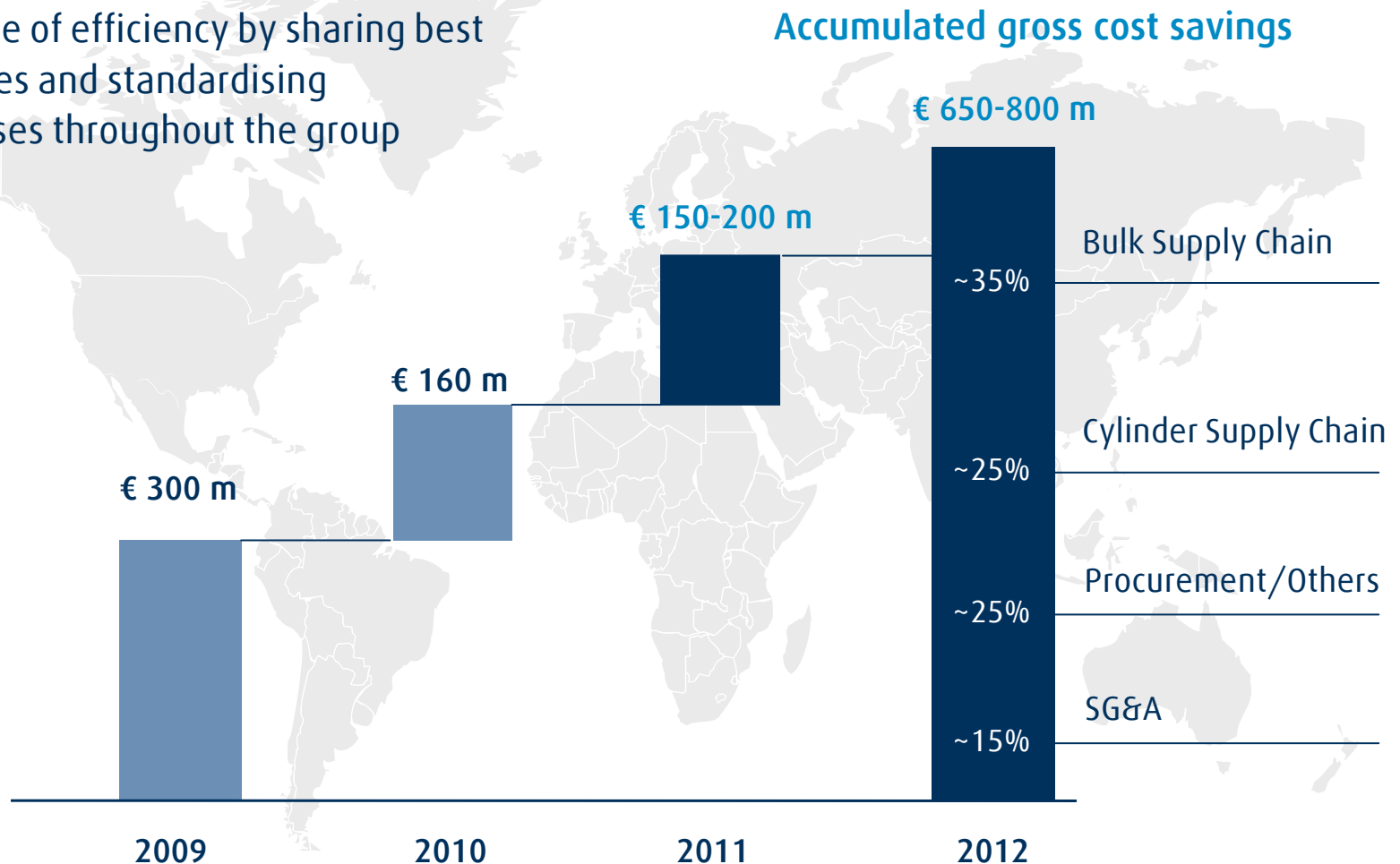
## Net debt/EBITDA



# 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



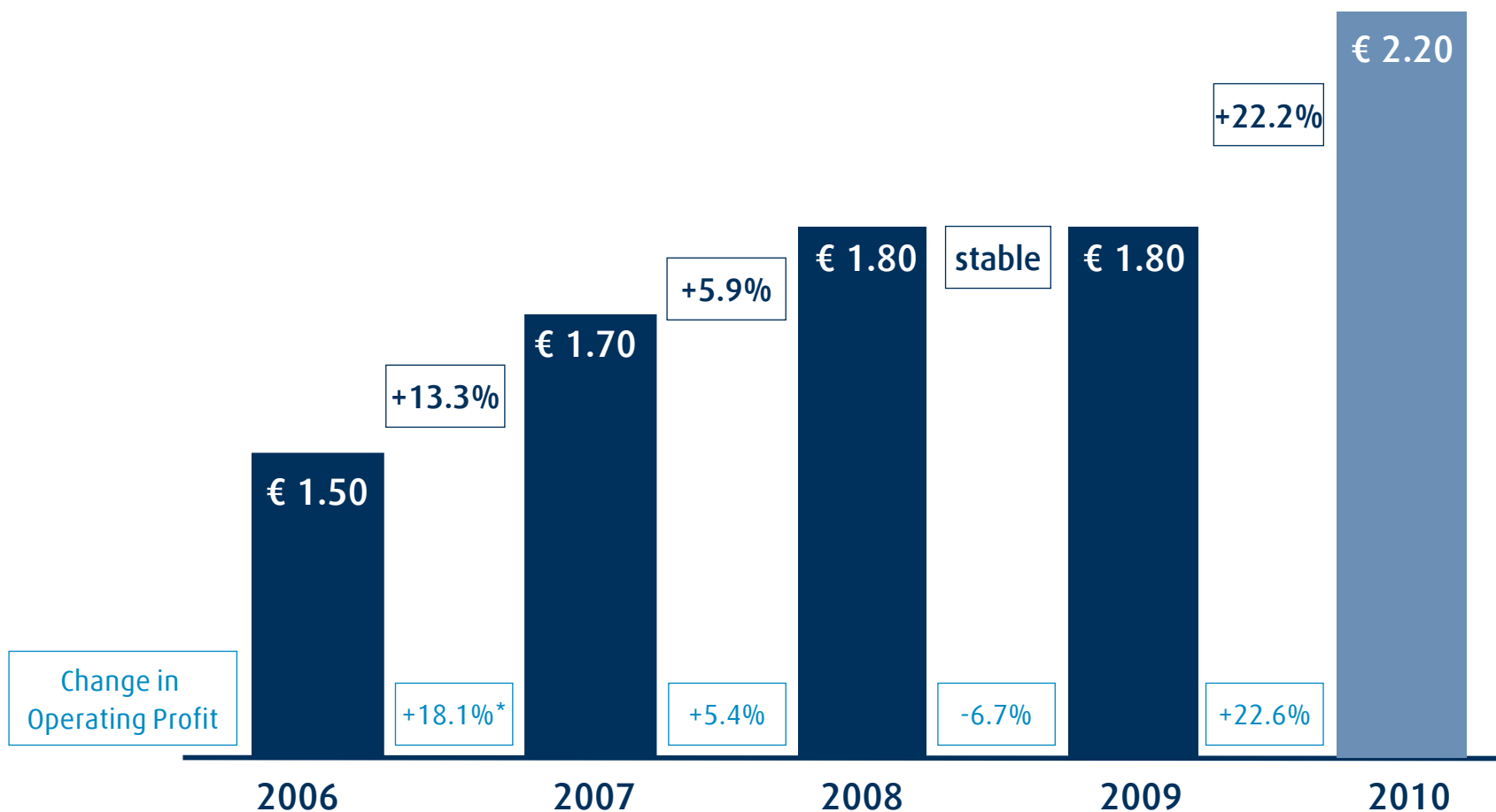
# Group

Dividend increased by 22.2% to € 2.20



THE LINDE GROUP

## Consistent dividend policy



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

## 1. Operational and Financial Performance

## 2. Strategic Focus:

- Growth Markets
- Energy / Environment
- Healthcare

## 3. Outlook

# Mega-trends

Leveraging growth with our Gas & Engineering set-up

## Growth Markets



## Energy/Environment



## Healthcare



Leveraging Gases & Engineering business synergies

# Mega-trend Growth Markets

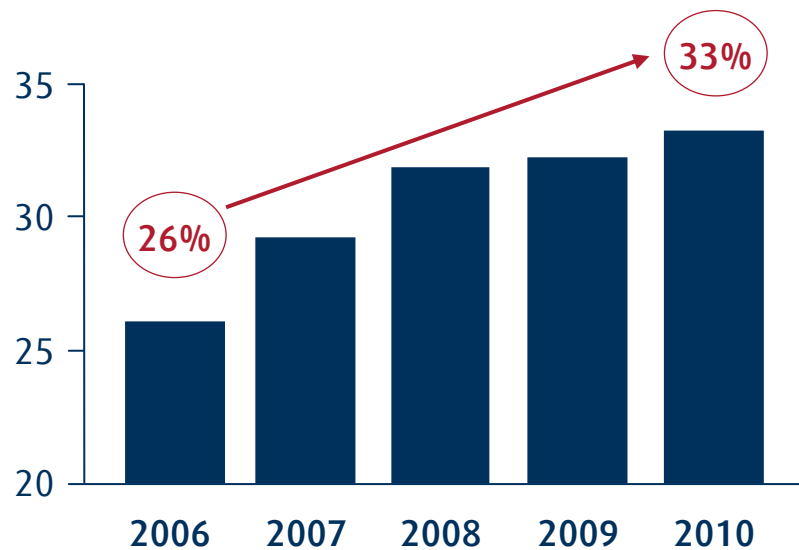
Growth trend leveraged by strong investment decisions



THE LINDE GROUP

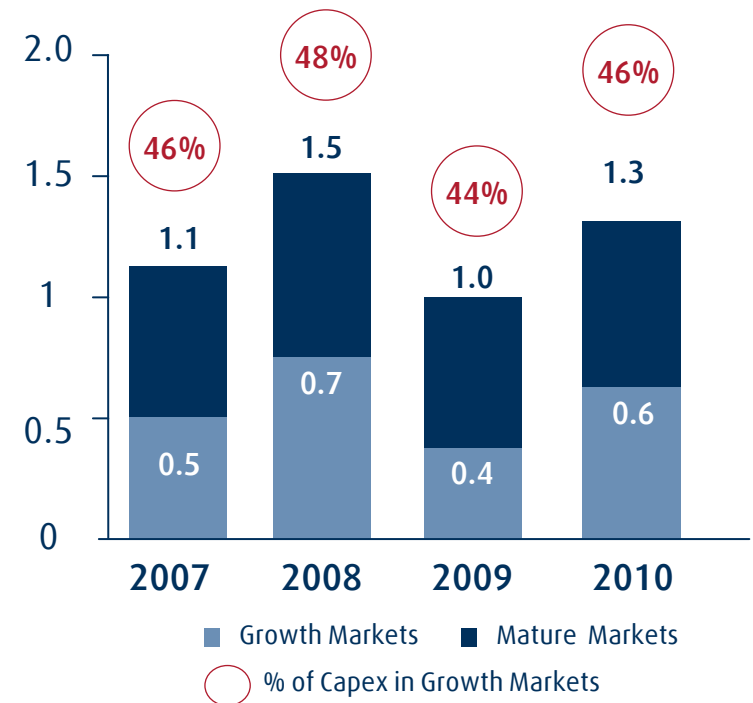
## Growth market sales, excl. JVs

(% of total Gases sales)



Further increasing footprint  
in Growth Markets

## Gases Capex 2007 – 2010 in € bn



Nearly half of Capex allocated  
to Growth Markets

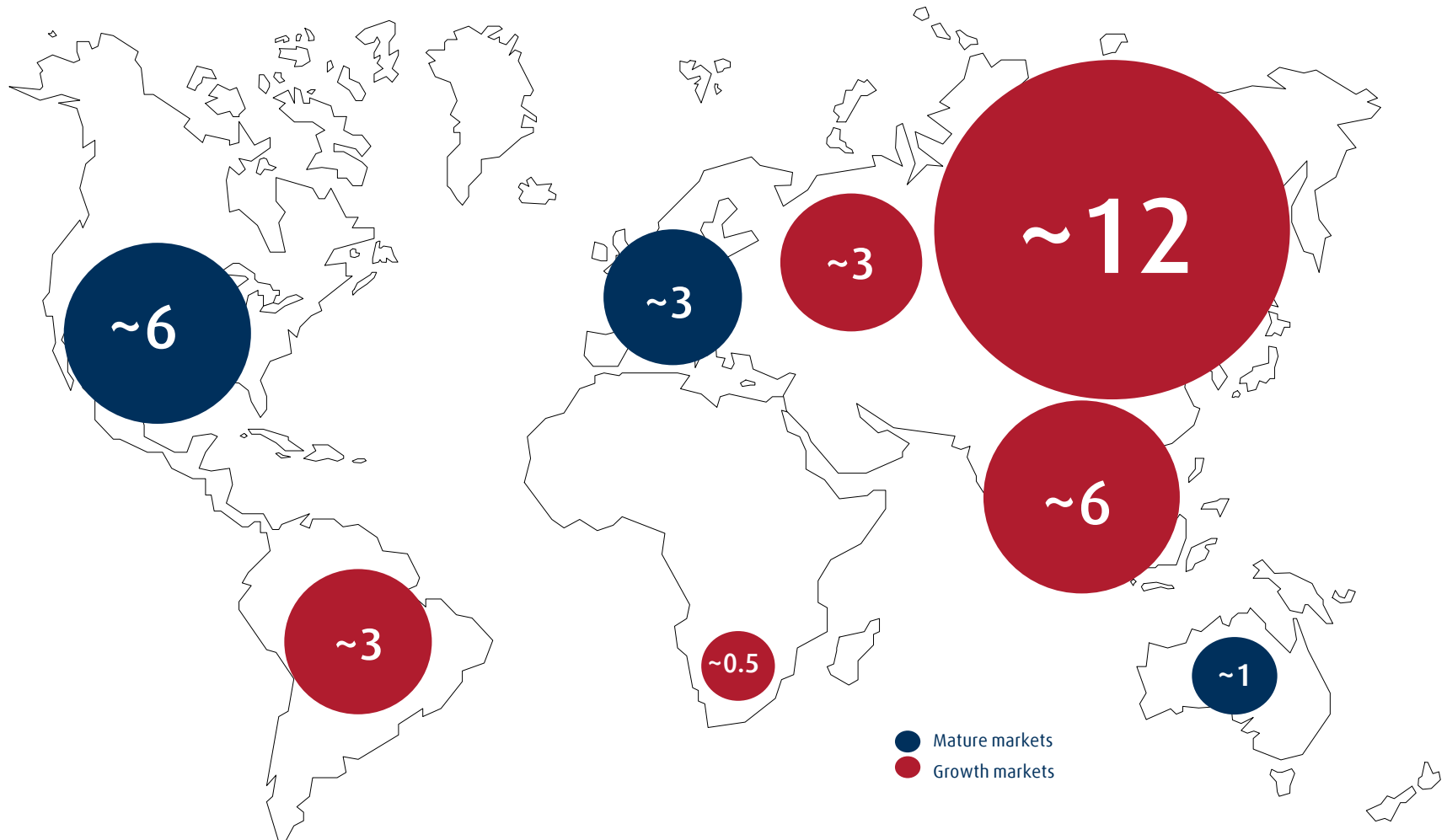


# Mega-trend Growth Markets

Additional industrial gases market 2010 vs. 2020 in € bn



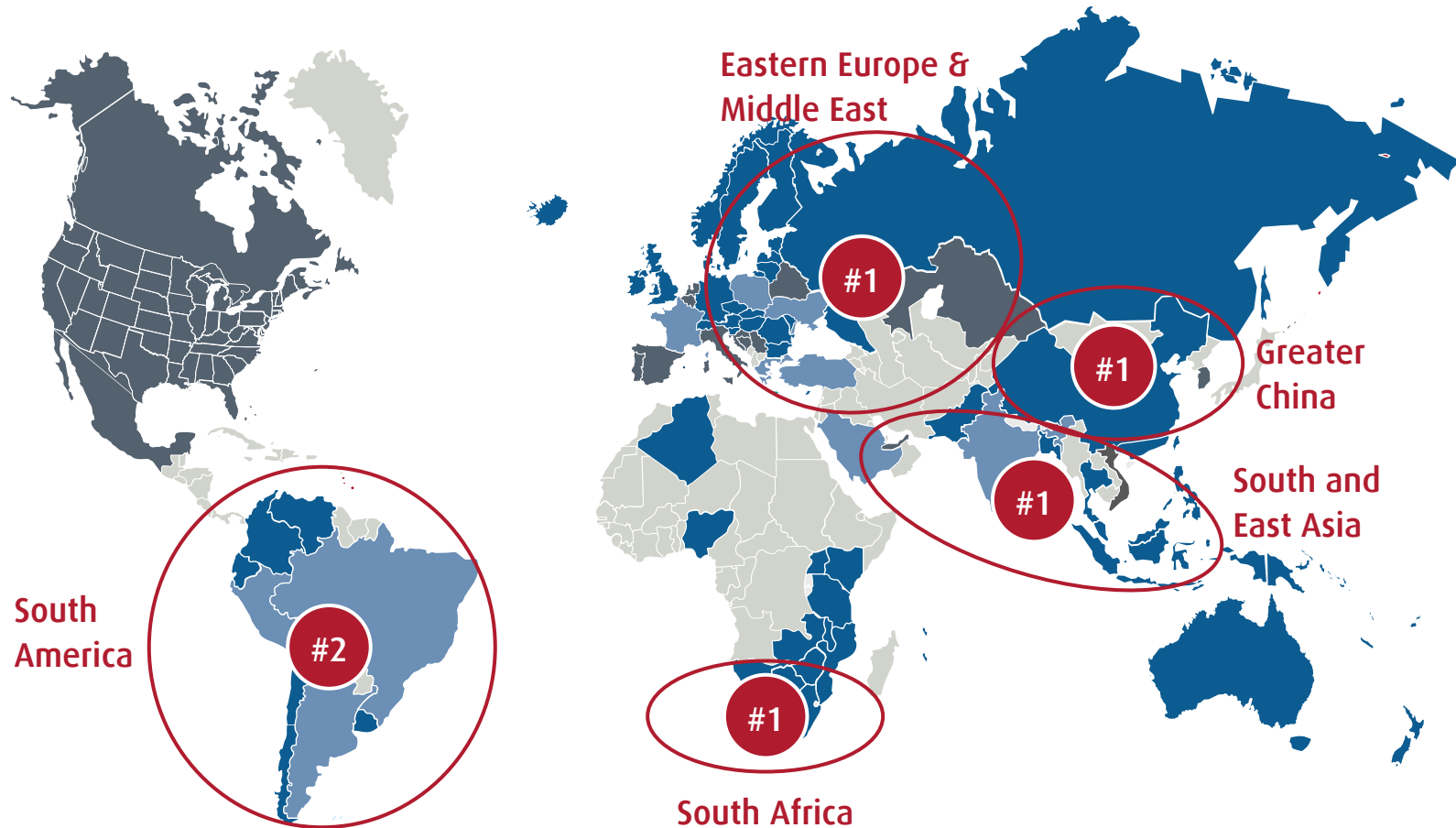
THE LINDE GROUP



# Mega-trend Growth Markets

## Leading Gases set-up in local growth markets

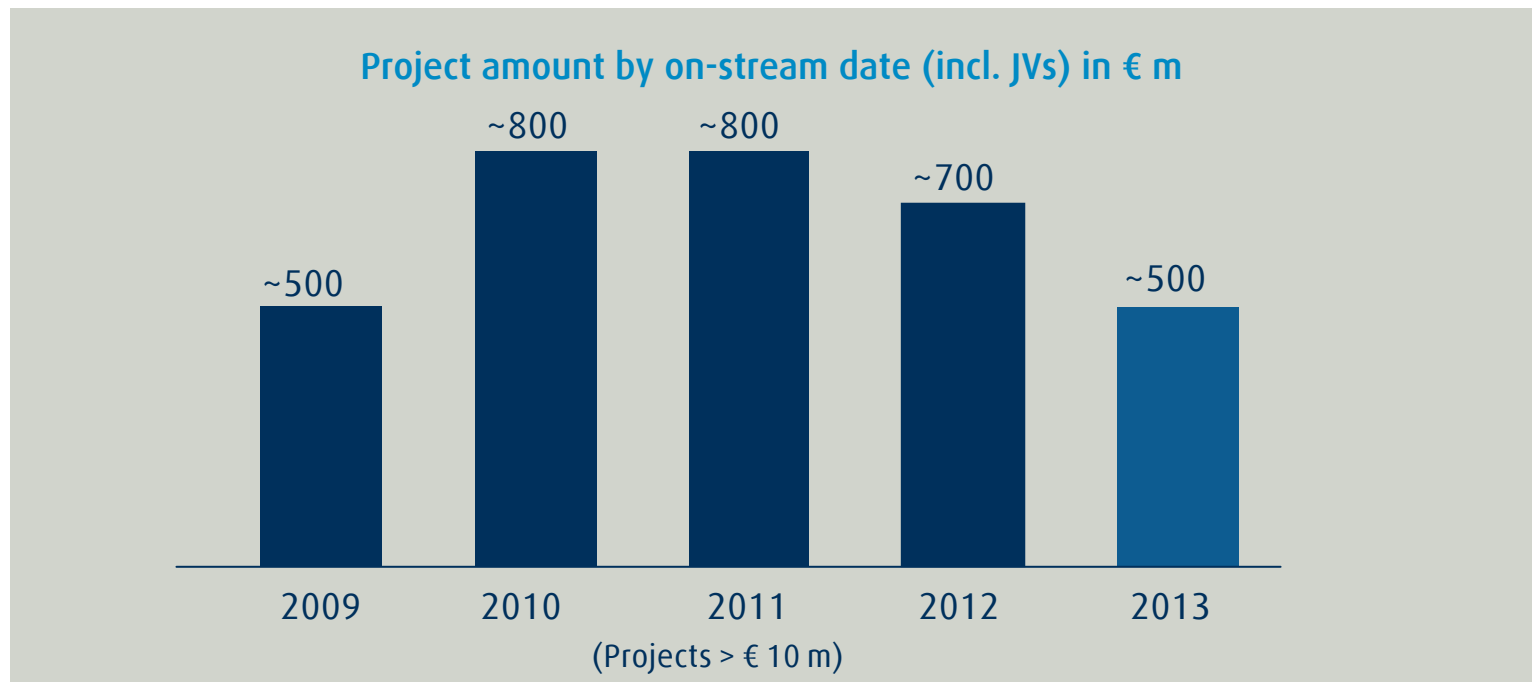
### Market leader in 4 out of 5 Growth Markets



# Gases Division, project pipeline

## Solid foundation for future growth

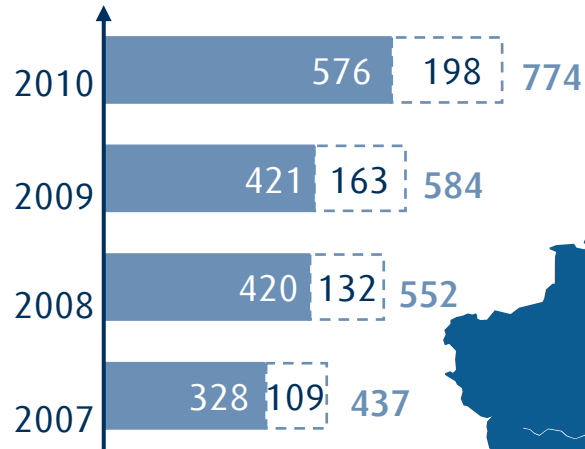
- Project amount for 2013 already at € 500 m
- Around € 3.3 bn investments between 2009-2013 (thereof € 0.6 bn in JVs @ share)
- Close to 70% of total project-capex allocated to Growth Markets
- Project opportunities 12 months forward as published in March 2011 around € 4 bn (primarily in Growth Markets)



# Linde Gases Division in Greater China

## Important project wins in 2011

### Sales in Greater China in € m



Consolidated
  Joint ventures (@ share)

### Chongqing

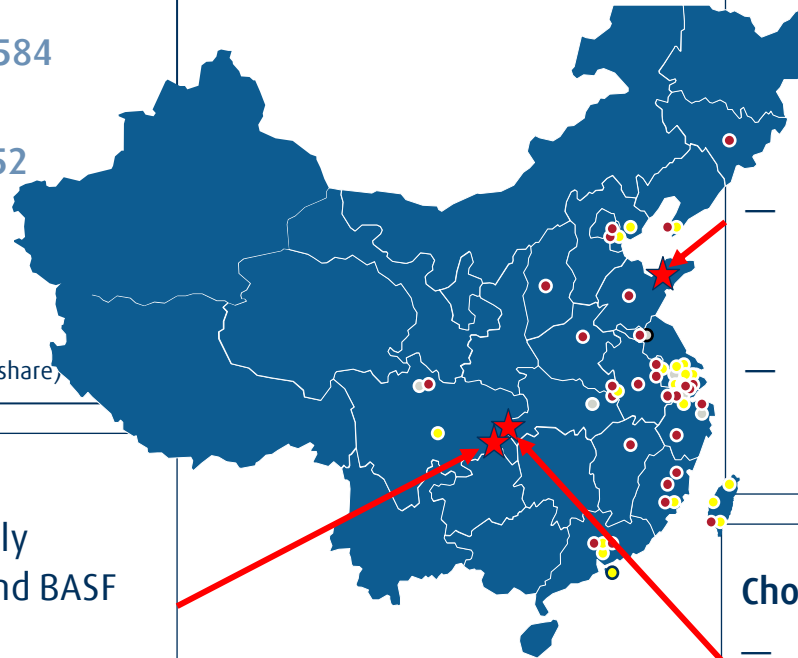
- Long-term on-site supply contracts with CCPHC and BASF signed in April 2011
- Large scale HYCO plant: ~€ 200 m capex, expected on stream date 2014

### Yantai

- Long-term on-site supply contract with Wanhua Polyurethanes Co., Ltd. signed in July 2011
- Wanhua is already a customer of Linde in China and Hungary
- 2 large scale ASUs: ~€ 130 m capex, expected on stream date end of 2013 or early in 2014
- Integrated approach including merchant business

### Chongqing

- Start-up of ASU in Q2/2011
- Long-term on-site supply contract with Sinopec

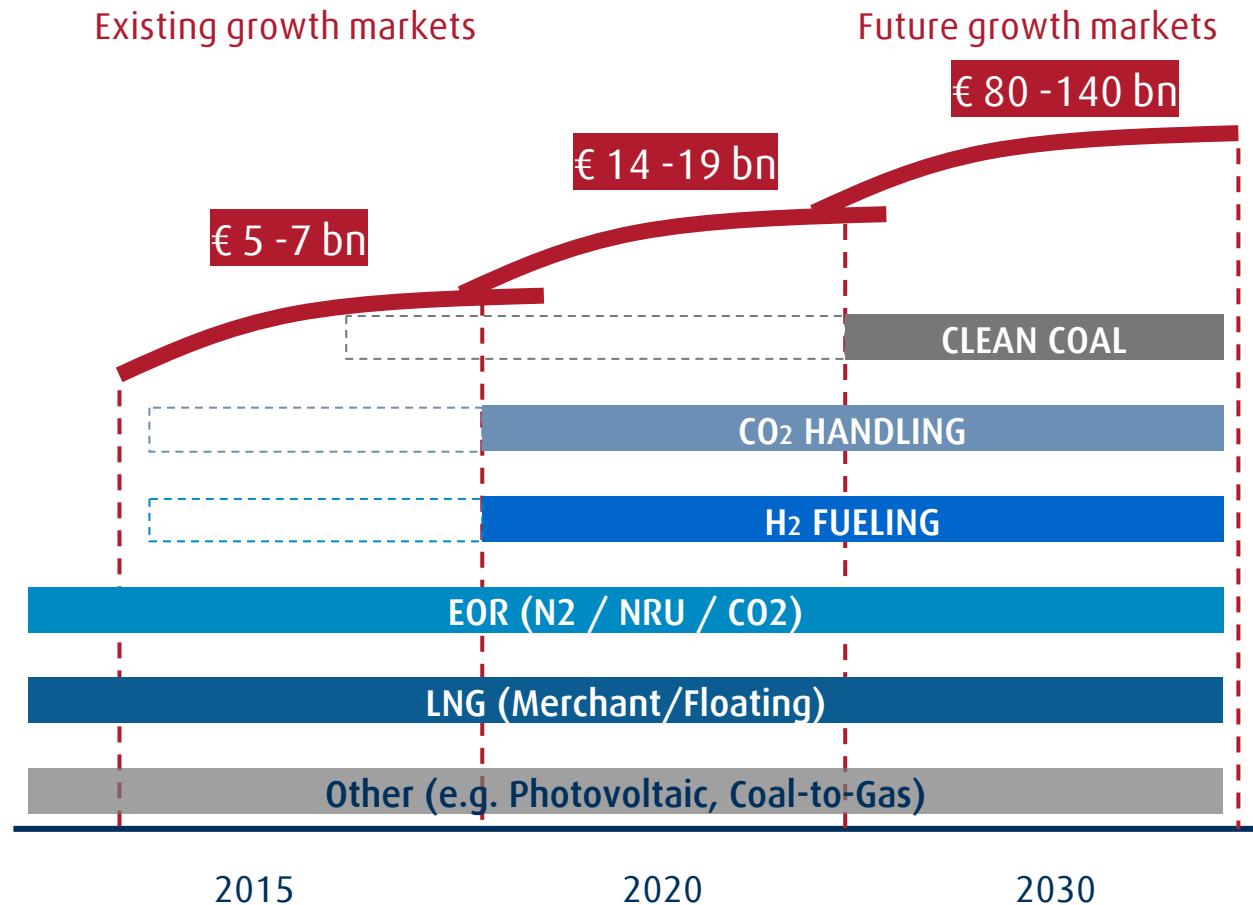


# Mega-trend Energy/Environment

## 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

## Clean Energy development trends

### Example: LNG-terminal Sweden



#### High market potential for merchant LNG:

- No natural gas pipeline grid on the Swedish East coast
- Swedish government focused on renewable energy with LNG as bridge technology
- LNG replaces LPG, light and heavy fuel oil
- LNG attractive as fuel for transportation to reduce sulphur and NOx emissions
- Supply provided by customer of Engineering Division in Norway

Existing growth markets

### Example: Bio-to-Liquids, US



#### World's largest biofuel plant producing LNG from landfill gas:

- Plant has produced > 2 m gallons LNG since start-up in 2009
- Fuel for around 300 refuse trucks
- Carbon emission reduction by 97% compared to diesel and 95% compared to pipeline natural gas
- 2010 California Governor's Environmental and Economic Leadership Award



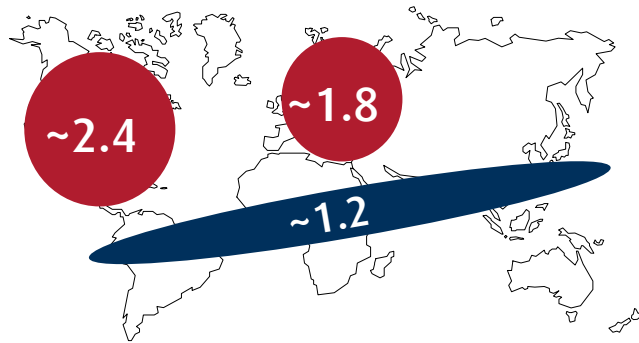
#### Reduction of CO2 Emission by 170k tons per annum:

- Replacement of CO2 generated by gas furnaces with CO2 from a Shell refinery
- 85 km transportation pipeline with 150 km of distribution lines
- Prevents combustion of 95 million cubic metres of natural gas

Future growth markets

# 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

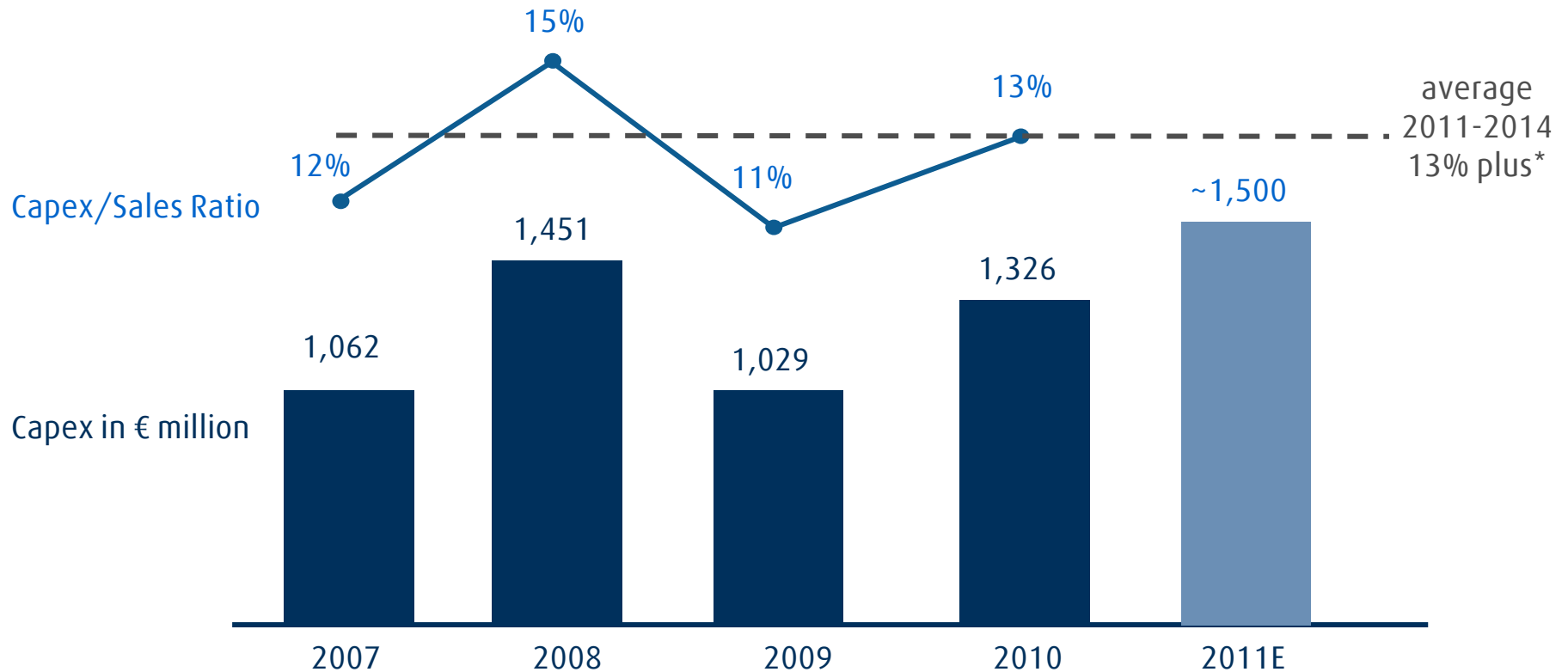


1. Operational and Financial Performance
2. Strategic Focus:
  - Growth Markets
  - Energy / Environment
  - Healthcare
3. Outlook



# 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

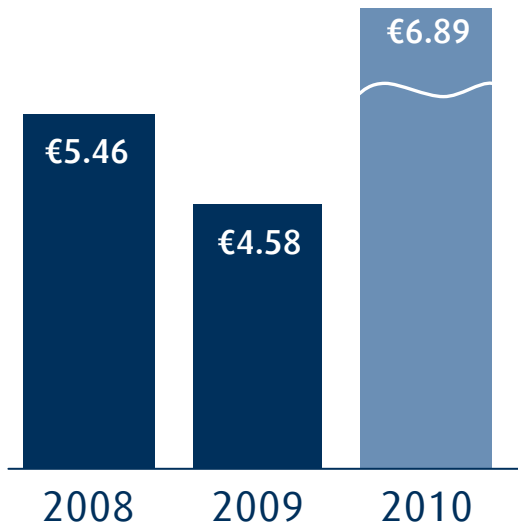
<b>2011</b>	Group	<ul style="list-style-type: none"> <li>— Growth in sales and operating profit vs. 2010</li> <li>— Confirmation of HPO-program: € 650-800 m of gross cost savings in 2009-2012</li> </ul>
	Gases	<ul style="list-style-type: none"> <li>— Sales increase vs. 2010</li> <li>— Operating profit 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>
<b>2014</b>	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

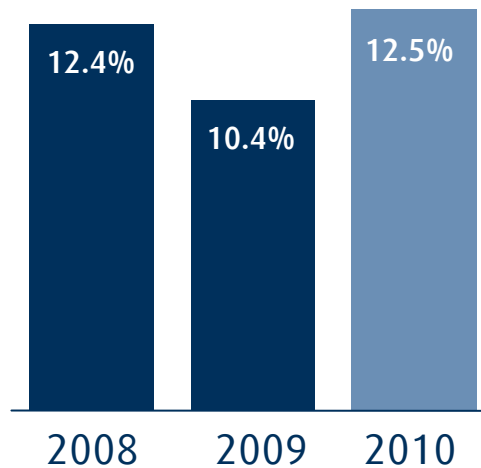
### Further improvement in all our three key financial indicators

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

#### Adjusted EPS

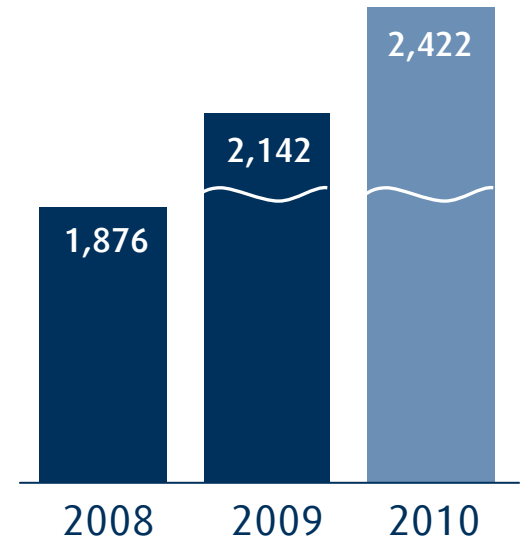


#### Adjusted ROCE



#### Operating Cash Flow

€ m, as reported



# Group Financial Highlights

Q3 2011



THE LINDE GROUP

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



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

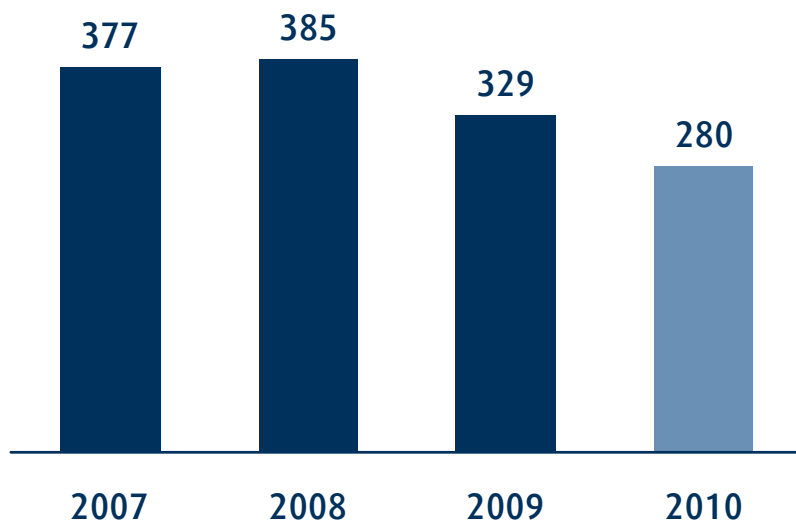
## Financial Highlights – FY 2010



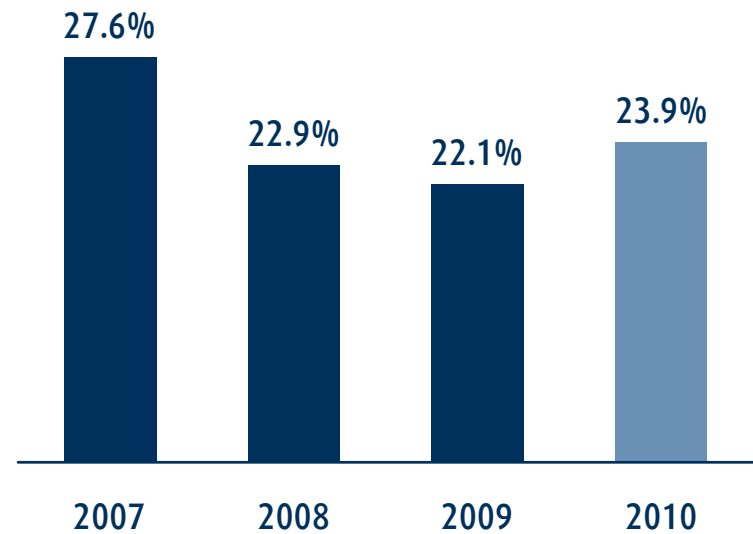
THE LINDE GROUP

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

### Financial Result (in € million)



### Tax Rate





# 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
<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

# Group

## Cash Flow – FY 2010



THE LINDE GROUP

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>

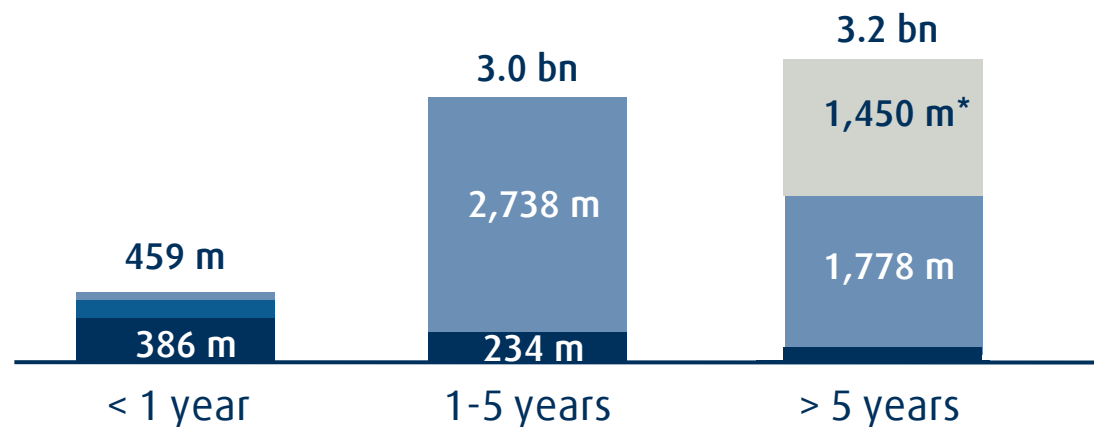
### Well-spread and long-dated maturity profile

- 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

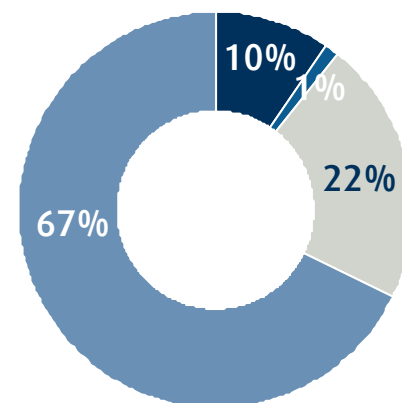
### Balanced mix of various financing instruments

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

### Financial debt, by maturity (in €)



### Financial debt, by instrument

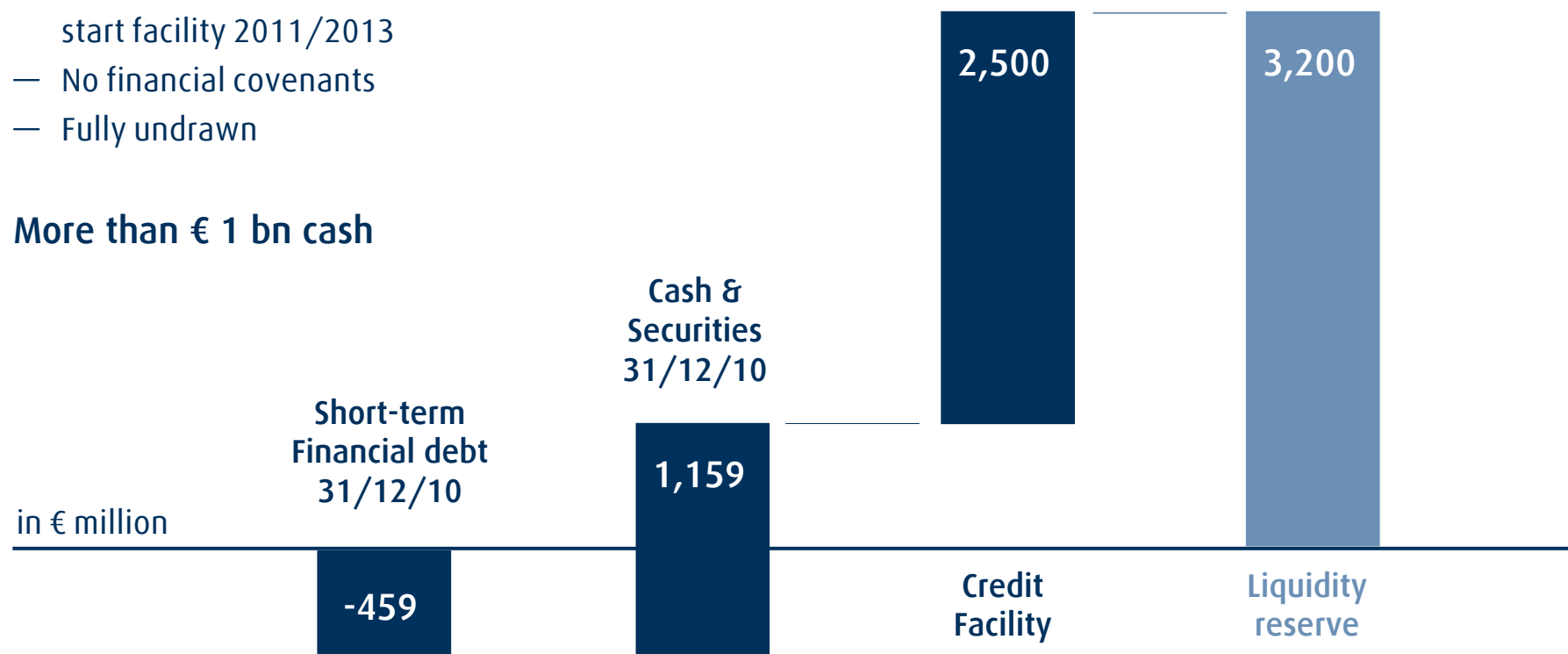


- Senior Bonds
- Subordinated Bonds  
(\* callable in 2013/2016)
- Commercial Paper
- Bank Loans

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

- Arranged in May 2010 with 25 national and international banks
- Replaced € 2 bn syn loan maturing in 2011 and € 1.6 bn forward start facility 2011/2013
- No financial covenants
- Fully undrawn

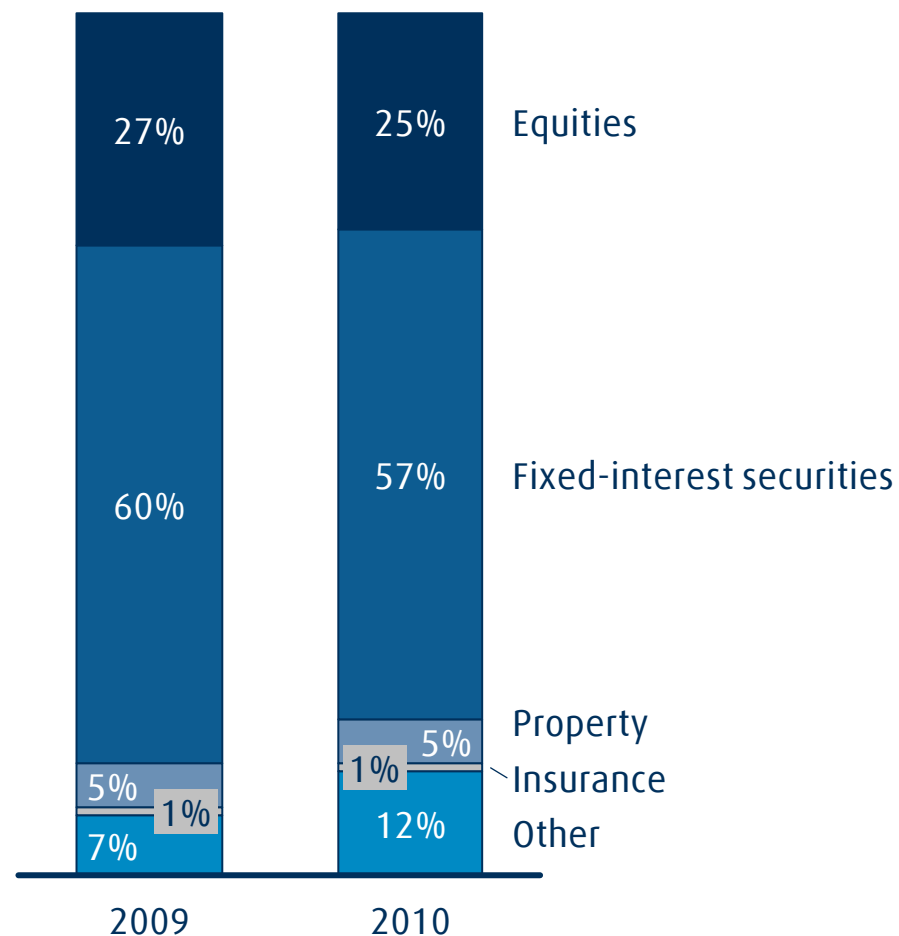
### More than € 1 bn cash



### 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



THE LINDE GROUP

<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

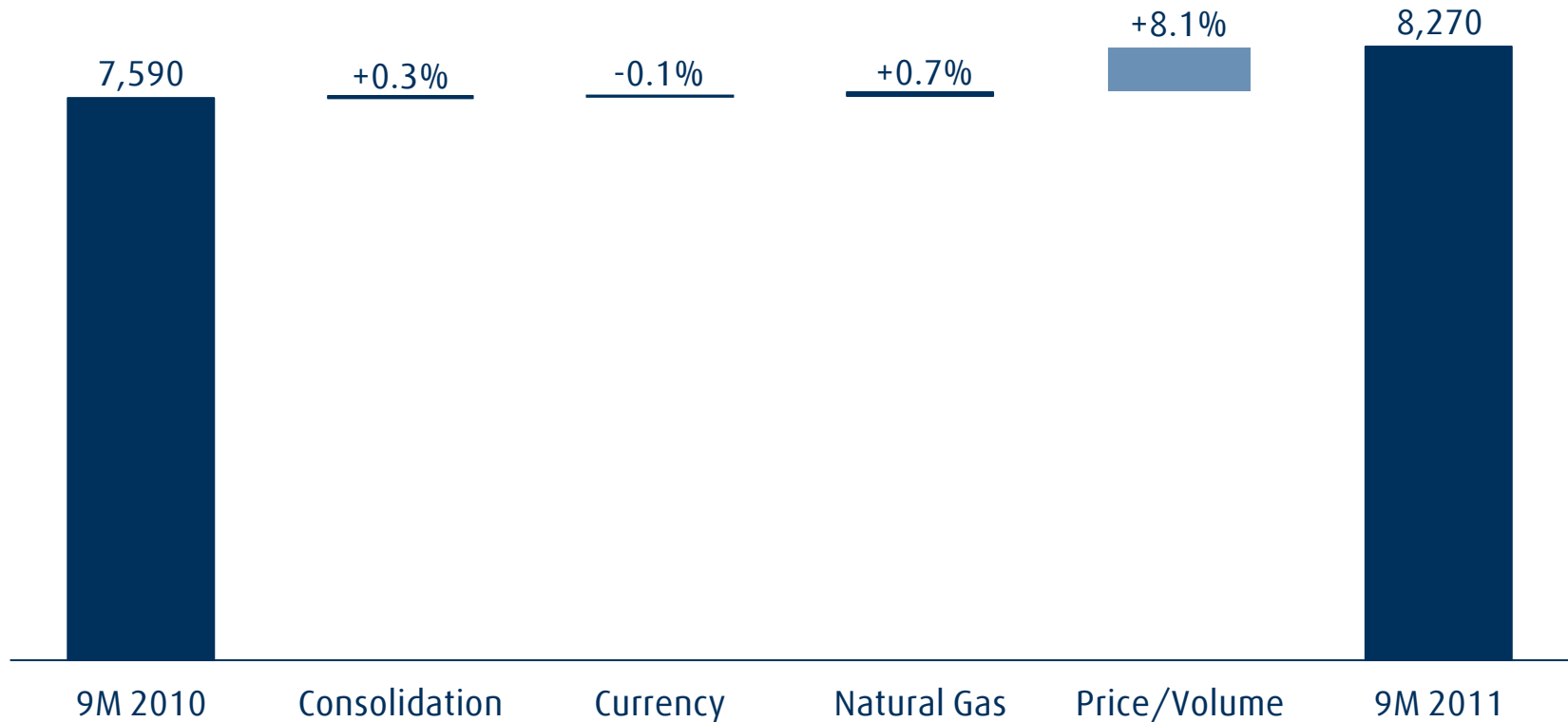
# Division Gases, sales bridge

9M sales increase of 8.1% on comparable basis



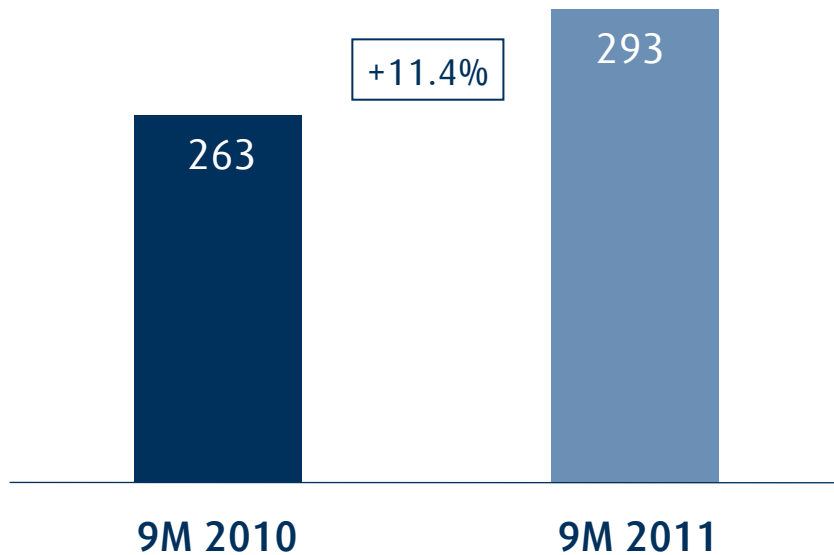
THE LINDE GROUP

in € million

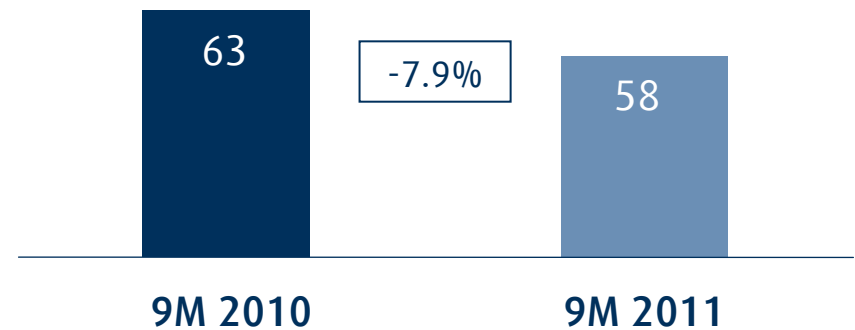


in € million

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



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

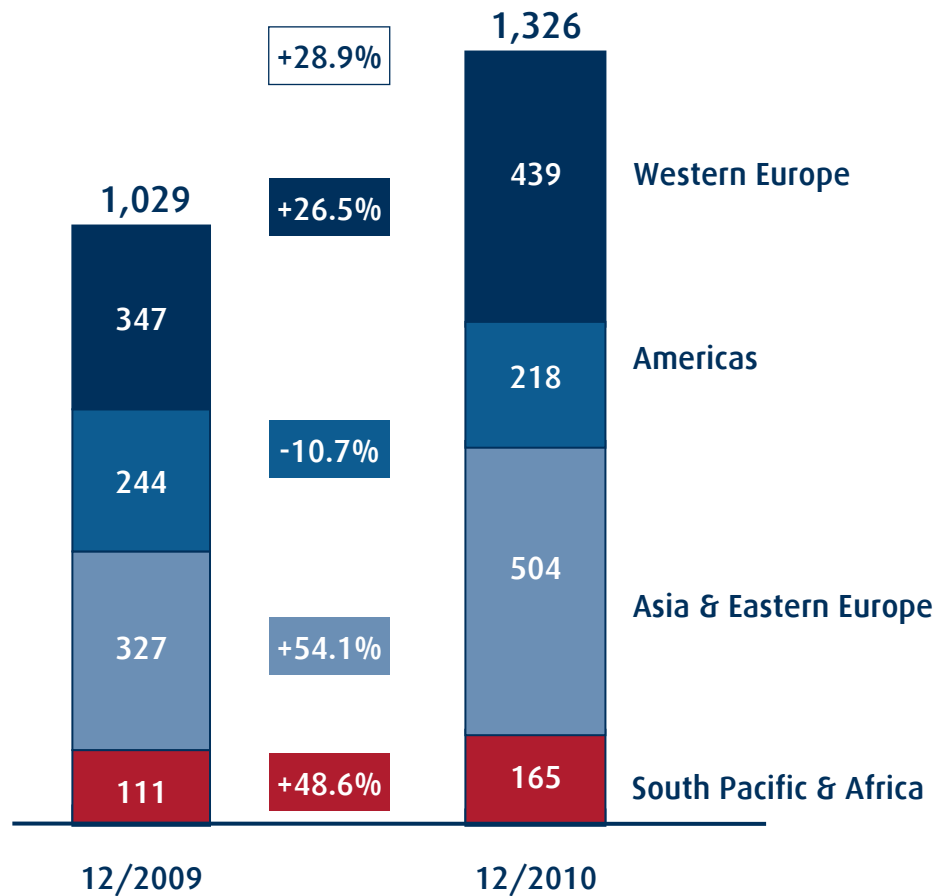




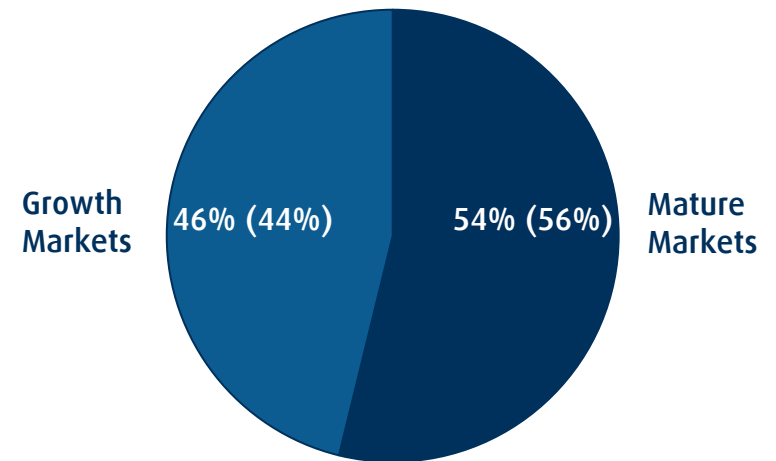
# Gases Division

## Split of Capex by operating segment

in € million

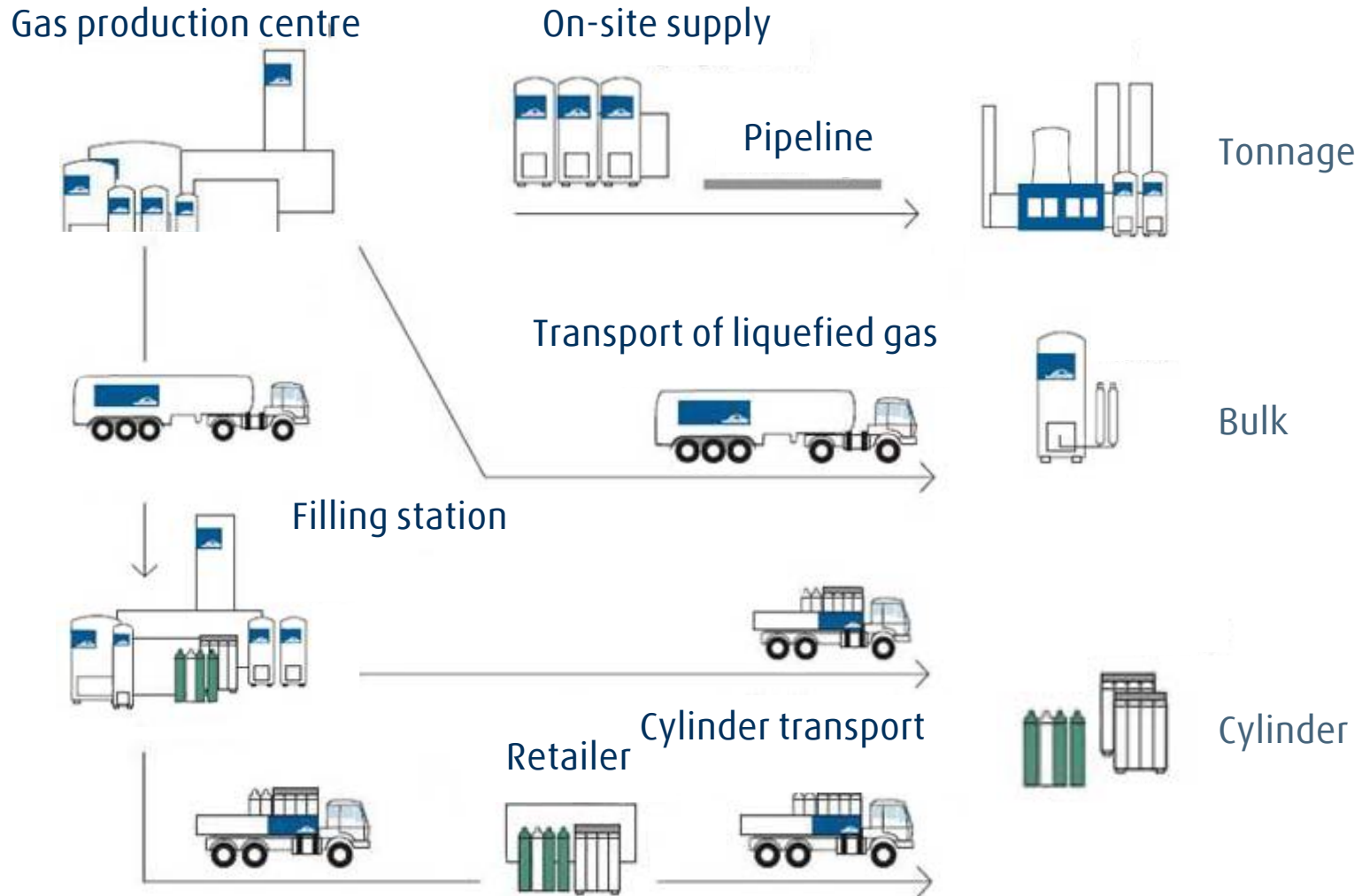


### Split Capex by markets 2010 (2009)



# Gases Division

## From source to customer



# Gases Division

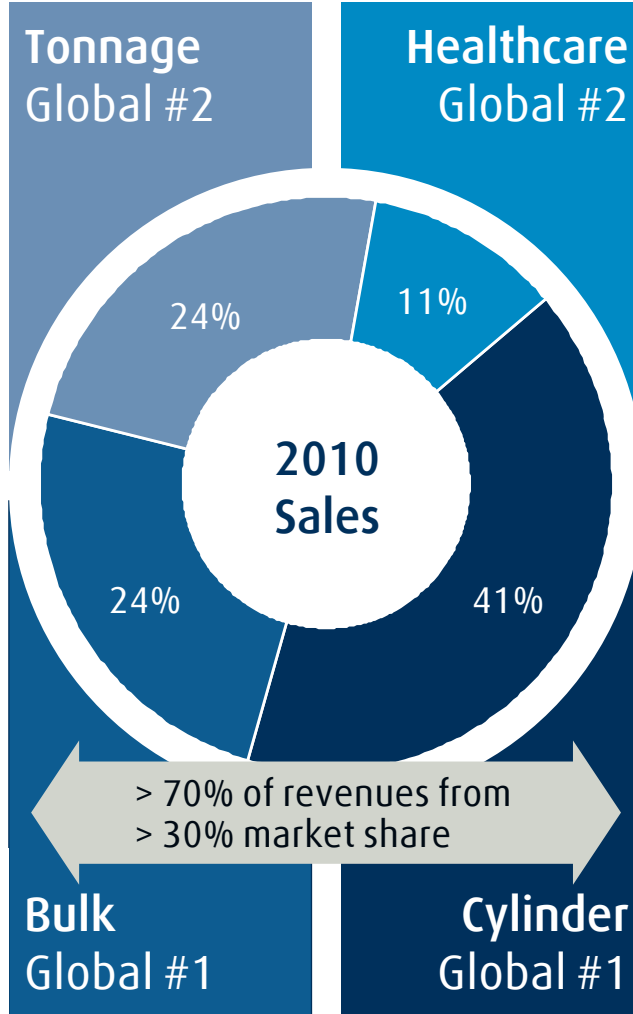
Various distribution mix served from one product source



- 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, local business model

70% of revenues come from a leading market position

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

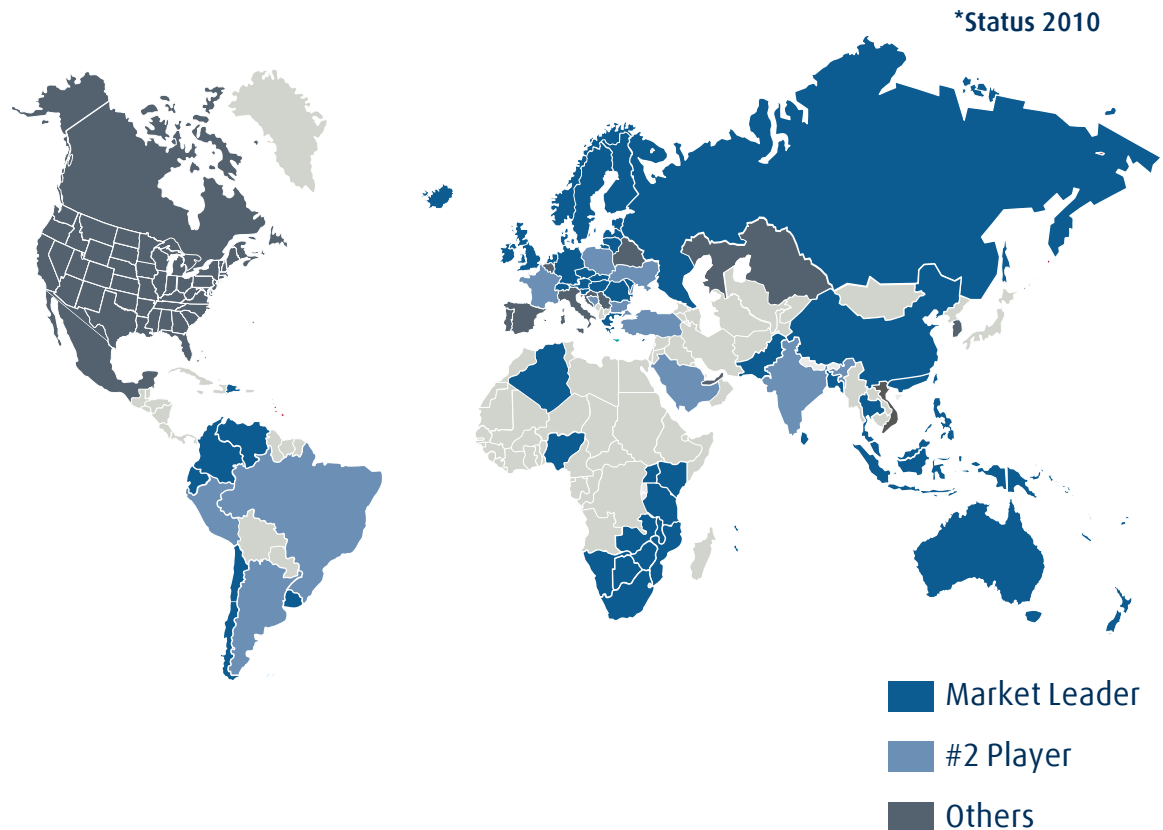
Sales split by market shares

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

€10.2 bn\*



\*FY 2010



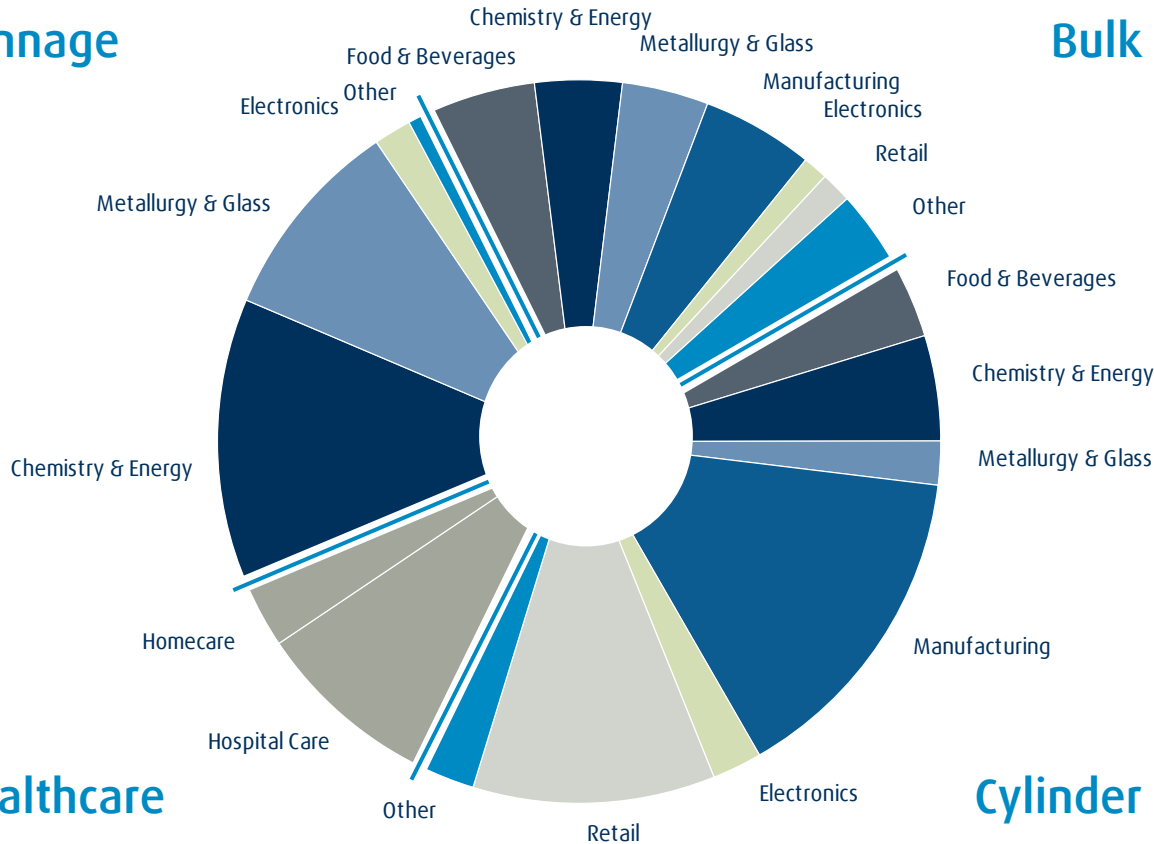
# Gases Division

Stability driven by a broad customer base

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

Tonnage

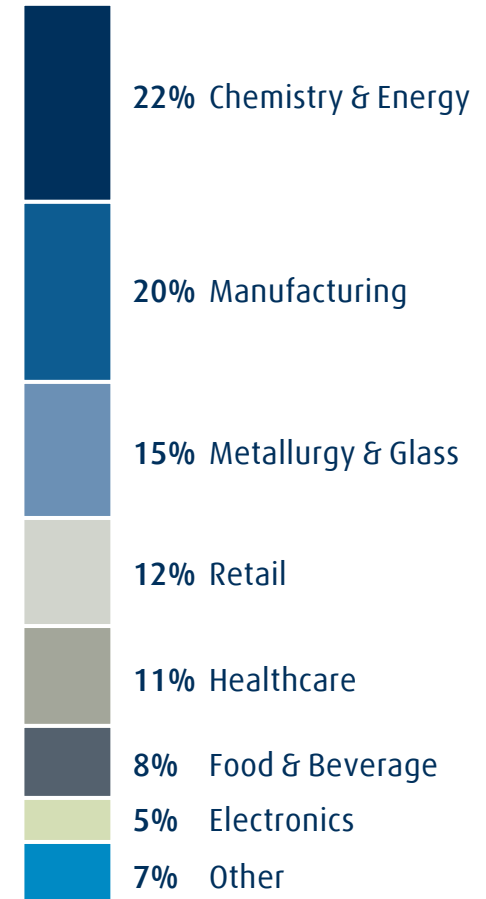
Bulk



Healthcare

Cylinder

2010: Split of sales by major end-customer groups



# Engineering Division

Global set-up with leading market position in all segments



## Air Separation Plants



Top1

## Hydrogen/ Synthesis Gas Plants



Top2

## Olefin Plants



Top2

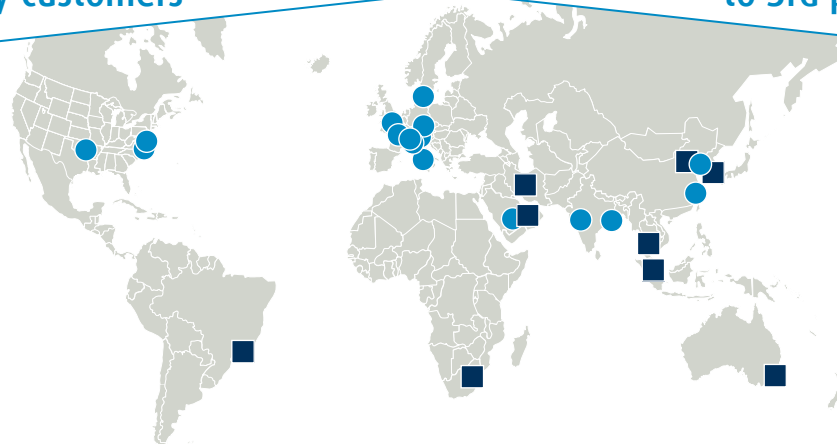
## Natural Gas Plants



Top3

Providing plants for the gases business  
and 3rd party customers

Providing chemistry and energy related solutions  
to 3rd party customers

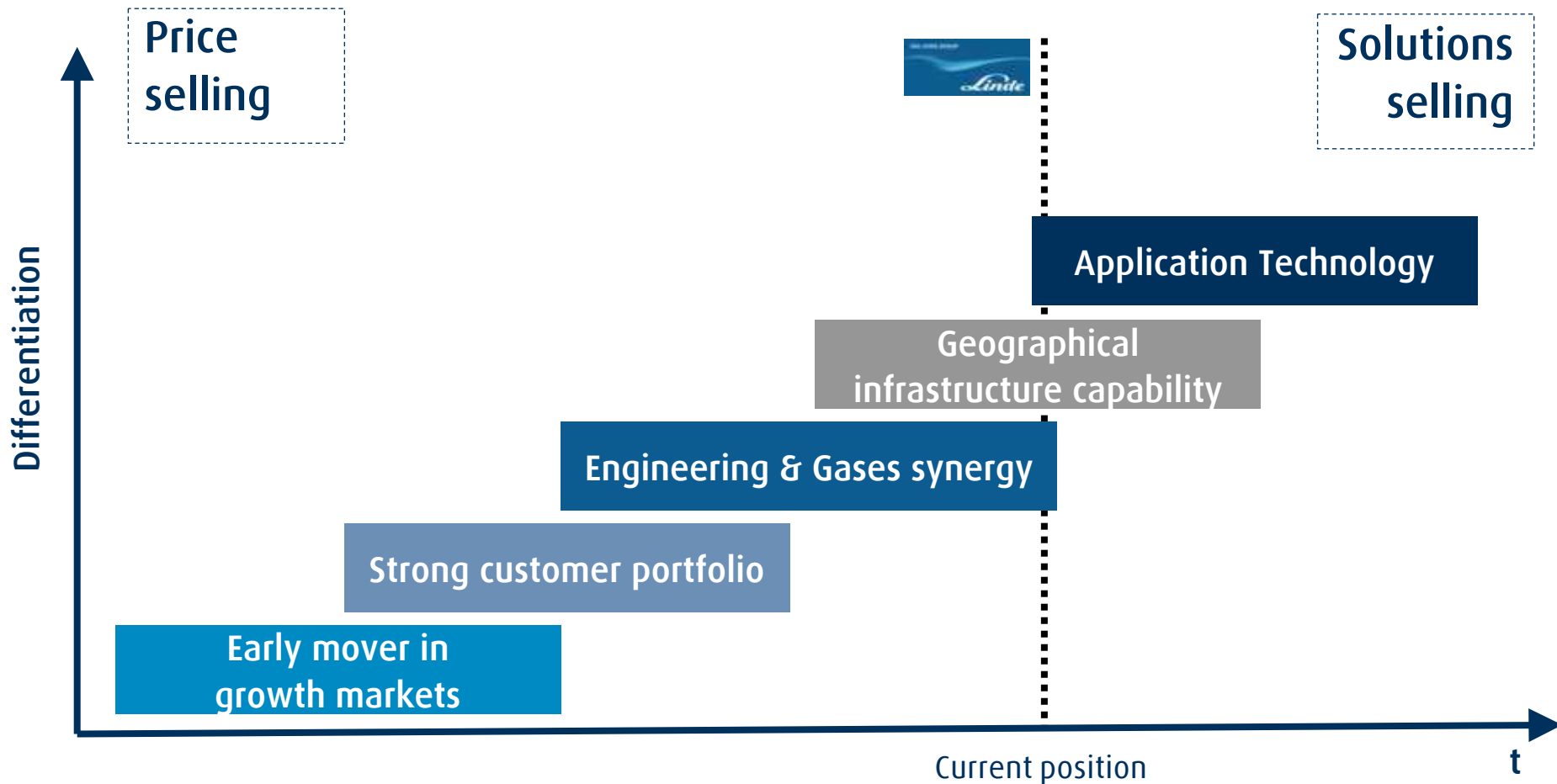


- Engineering base
- Sales office

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

# Mega-trend Growth Markets

## Business approach in Growth Markets

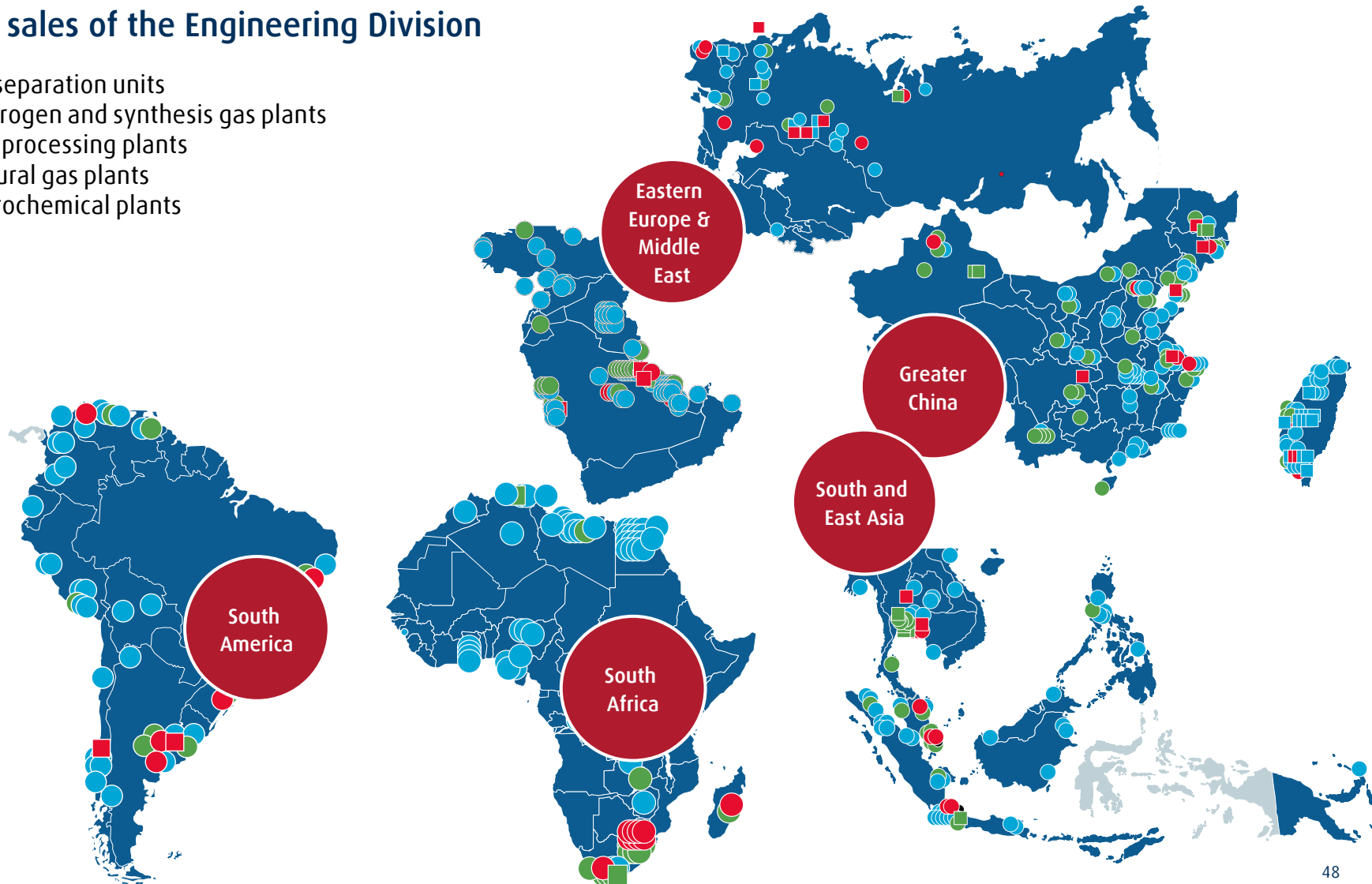


# Mega-trend Growth Markets

## 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





# 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
LNG merchant/floating	<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
Enhanced Oil Recovery Nitrogen Rejection Unit	<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*
Carbon Capture & Clean Coal	<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
CO <sub>2</sub> networks	<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
Hydrogen fuelling	<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
Photovoltaic	<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



THE LINDE GROUP

### 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

### EOR (N<sub>2</sub> / NRU / CO<sub>2</sub>)

- 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 CO<sub>2</sub> capture for power plants
- USD15 m award payment by US Department of Energy for pilot plant testing of CO<sub>2</sub> scrubbing solutions

### CO<sub>2</sub> HANDLING

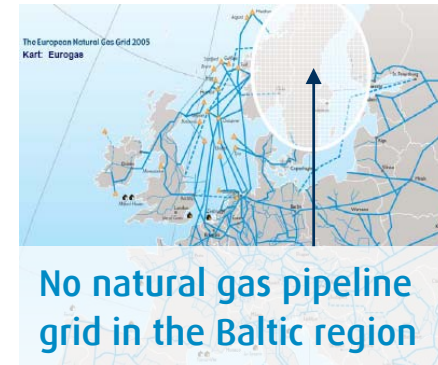
- Agreement with Sapphire Energy to develop CO<sub>2</sub> management system and supply for algae fuel production
- Reduction of greenhouse gas emissions

### H<sub>2</sub> FUELING

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

# Mega-Trend Energy/Environment

## LNG-terminal Nynäshamn/Sweden



### May 2011

- First LNG import terminal in the Baltics completed: ~ € 100 m
- Located 60 km south of Stockholm
- Storage of up to 20,000 cubic metres LNG at minus 162 degree Celsius (~12 m cubic metres natural gas)
- Main source LNG plant of Skangass in Norway
- Direct supply of customers or to customer network feed points via bulk transports
- LNG replaces LPG, light and heavy fuel oil for the transportation and marine market to reduce sulphur and NOx emissions

### One-Stop-Provider in LNG-business

LNG terminal built by Linde Engineering

LNG terminal owned and operated by Linde Gas

LNG-plant designed and built by Linde Engineering

Distribution technology by Linde Engineering  
Sales and distribution by Linde Gas

# Mega-trend Healthcare

High potential for medical gases and related services



THE LINDE GROUP

## Linde Global Business Unit Healthcare :

- Second largest global medical gas business
- Active in more than 50 countries with approx 3,000 employees

### Market Environment

- Increasing & ageing population
- Healthcare budget pressures & increasing regulation
- Healthcare quality issues & shortage of care providers
- Increasing wealth in Growth Markets
- Power patients

### Healthcare Challenges & Opportunities

- Increased use of medical gases & related devices, services
- Increase in chronic diseases
- Therapies offering quality of life & cost reductions
- Privatization of care/outsourcing of services

### Linde's product offer

Hospital Care

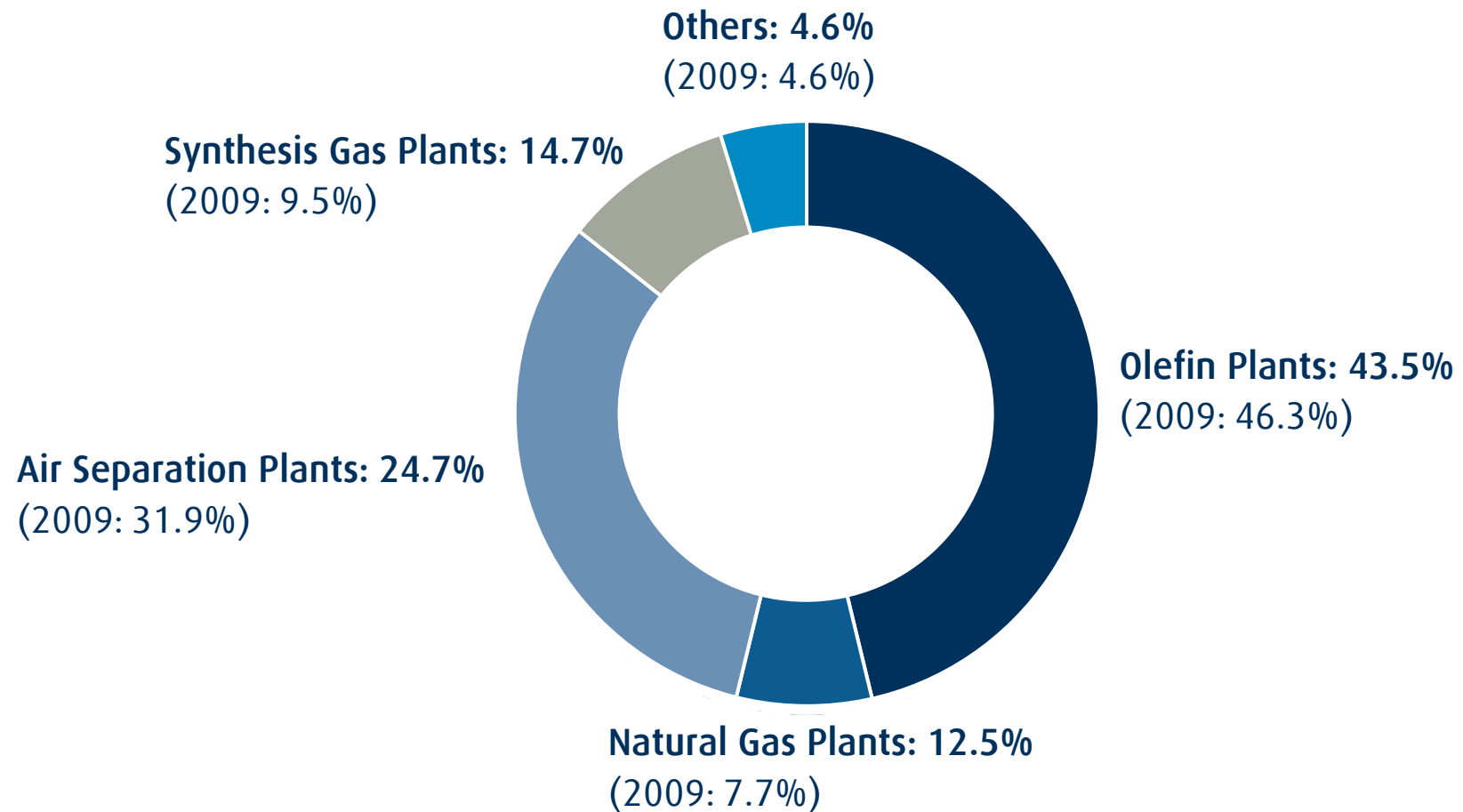
Care Concepts

Homecare

Gas Therapies



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



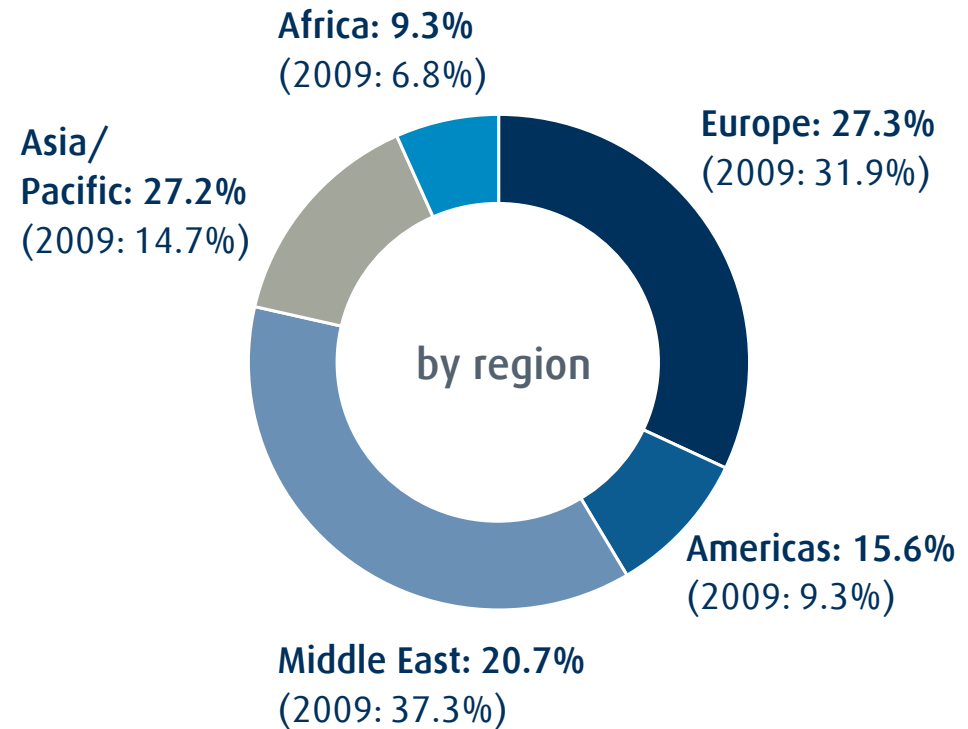
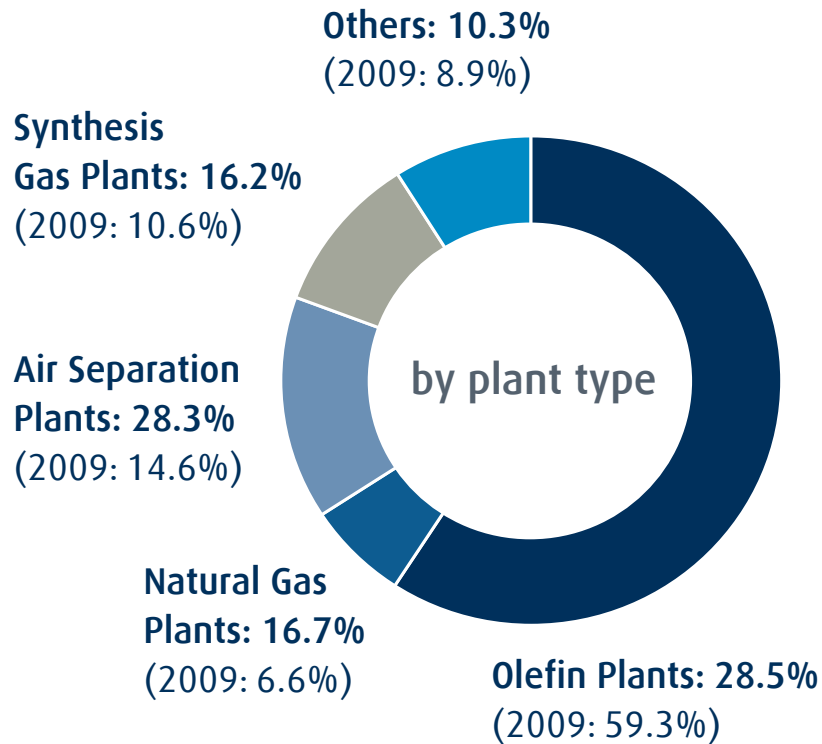


# Engineering Division

## FY 2010 order intake by plant type and region



THE LINDE GROUP



### 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

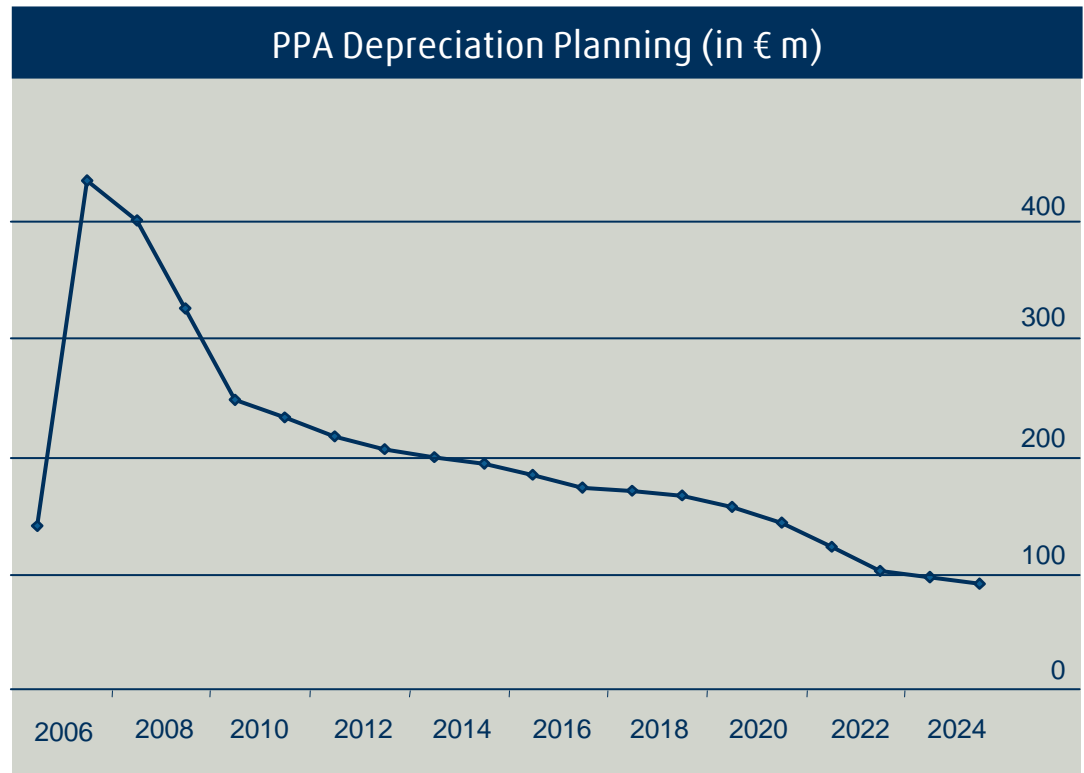
### Expected range

2011	> 200 – 250
------	-------------

2012	> 175 – 225
------	-------------

...

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



# Group

## Definition of financial key figures



THE LINDE GROUP

<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

Phone: +49 89 357 57 1321

eMail: [investorrelations@linde.com](mailto:investorrelations@linde.com)

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