

Commerzbank Sector Conference

Continuously Improving.

LeadIng.



THE LINDE GROUP

30 August 2011
Dr Dominik Heger
Head of Investor Relations

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

Continuously Improving.

Ongoing growth momentum drives Group sales up 11.0% to € 6,774 m

Group operating profit grows over-proportionately by 11.7% to € 1,559 m

Continuous strong increase of reported EPS by 26.2% to € 3.32 and of adjusted EPS by 20.3% to € 3.79

Operating Cash Flow increases by 8.3% to € 977 m

Solid growth in all regions

Growth Markets continue their strong momentum

Accelerated growth in mature regions

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

2011 Outlook reinforced

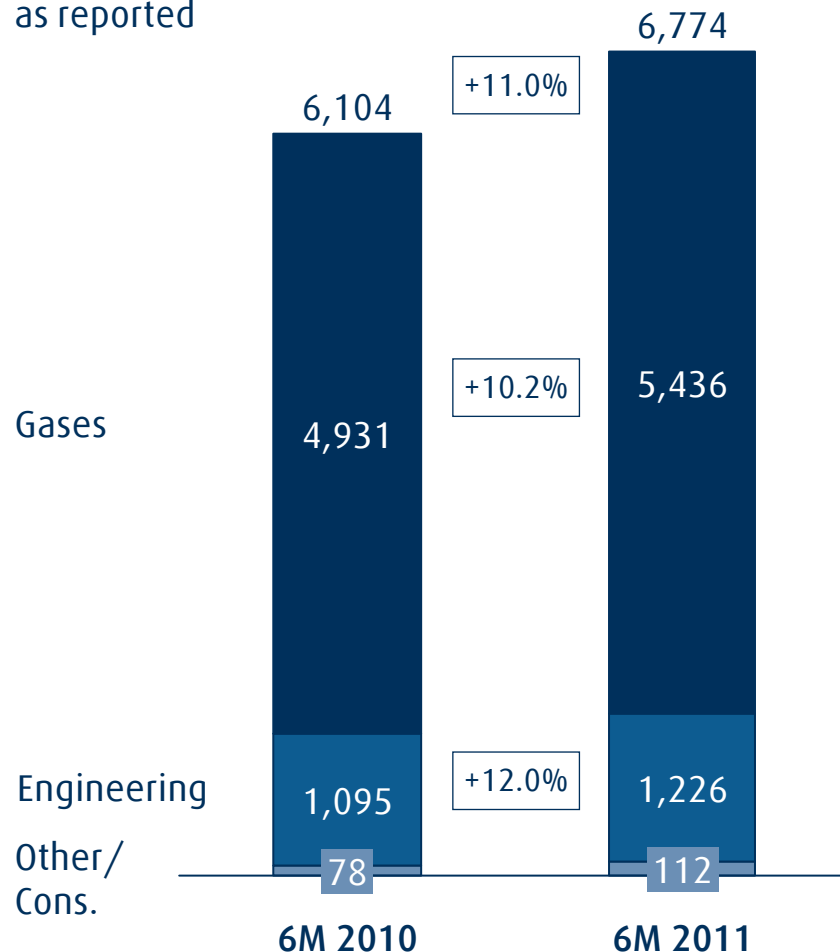
Growth in sales and operating profit vs. record year 2010

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

Group, sales by Divisions

Unchanged growth momentum drives group sales up 11.0%

in € million,
as reported



Gases Division

- Growth momentum continues: comparable* sales further increase to 8.5%
- Growth in all product areas: bulk and cylinder further accelerated

Engineering Division

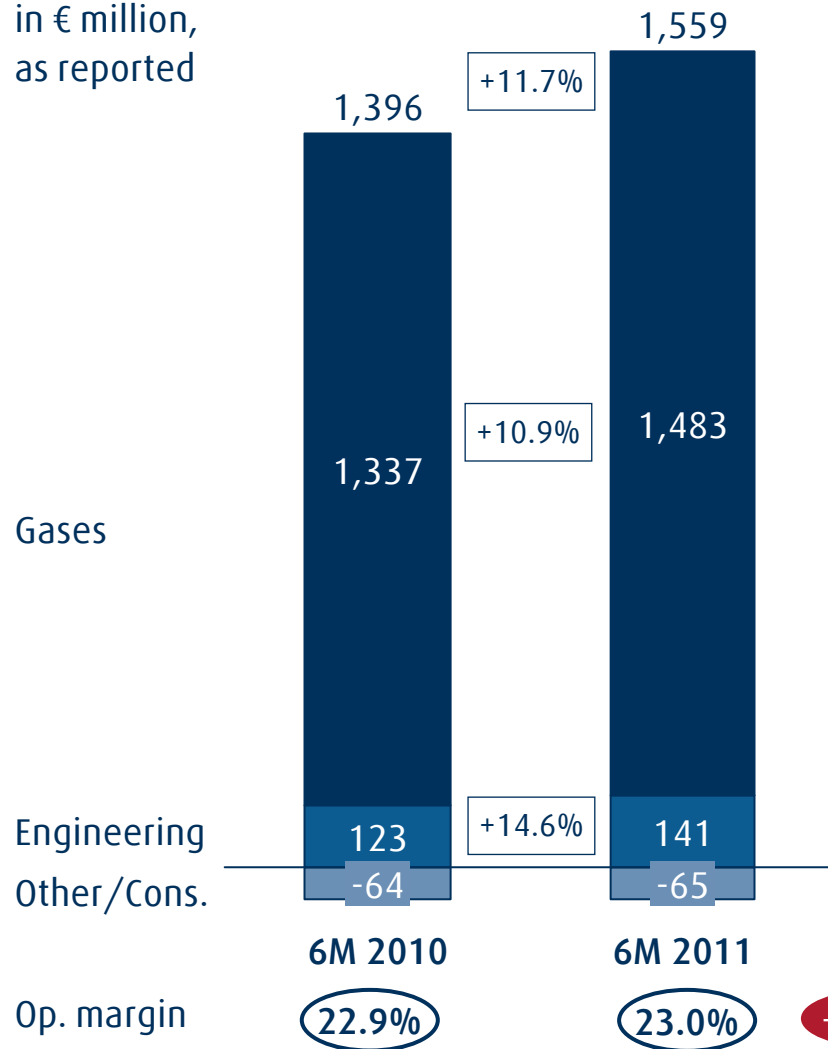
- Sales increased in particular for air separation units, hydrogen/synthesis gas and natural gas plants
- Order backlog remains on high level

*excluding currency, natural gas price and consolidation effect

Group, operating profit by Divisions

Group margin of 23.0%

in € million,
as reported



Gases Division

- Operating profit* on double-digit growth track
- Operating margin up by 20 bp to 27.3% supported by HPO

Engineering Division

- Operating margin of 11.5% again well ahead of target margin
- Margin development driven by successful execution of individual projects

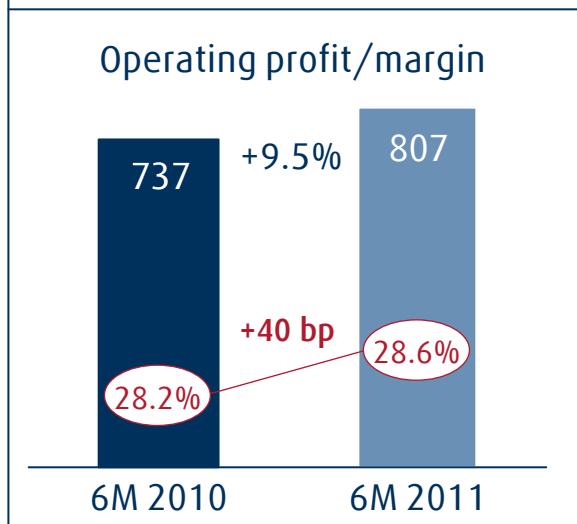
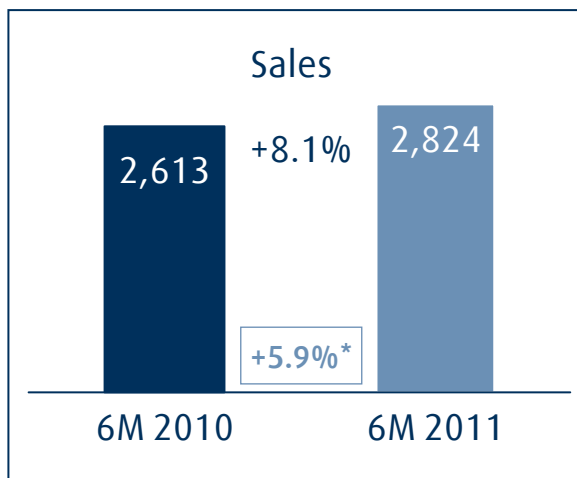
*EBITDA incl. share of net income from associates and joint ventures

Gases Division, sales and operating profit by operating segment

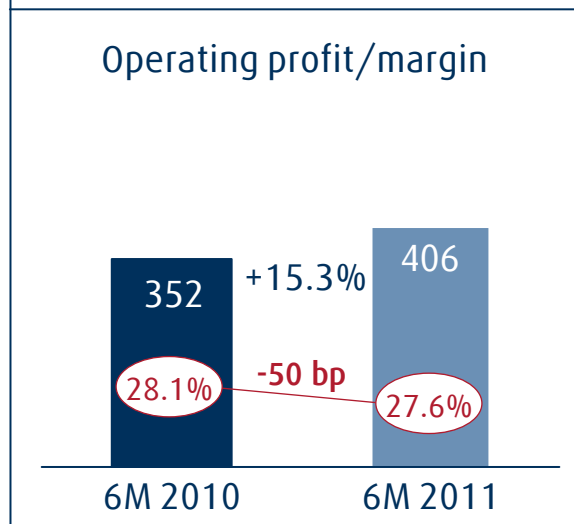
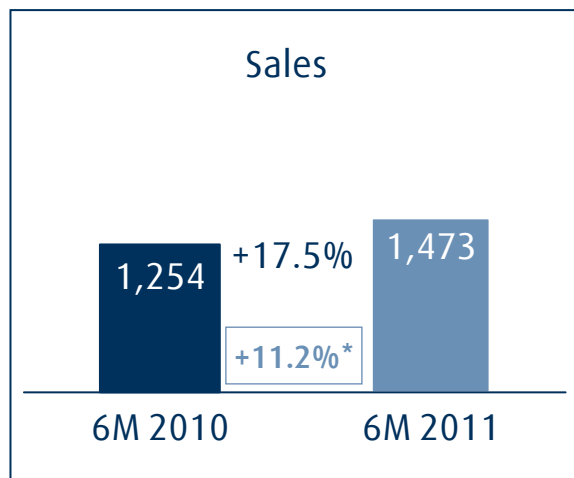
Growth momentum continues in all regions

in € million

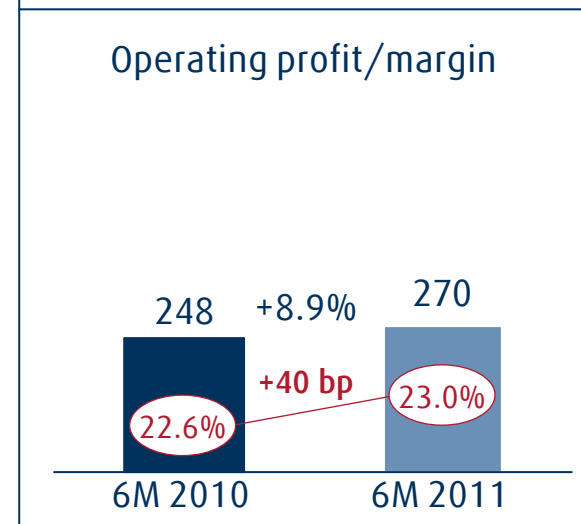
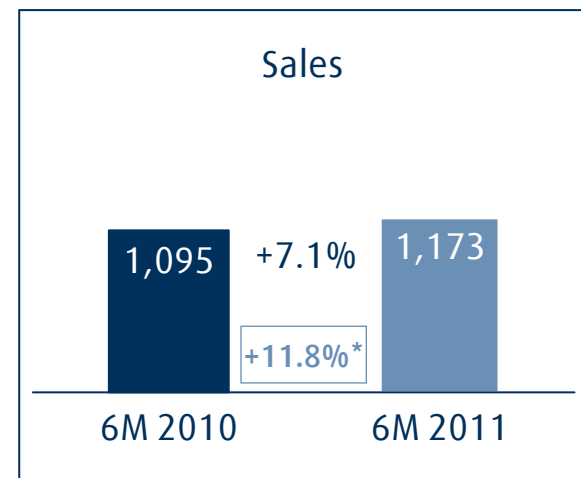
EMEA



ASIA/PACIFIC



AMERICAS

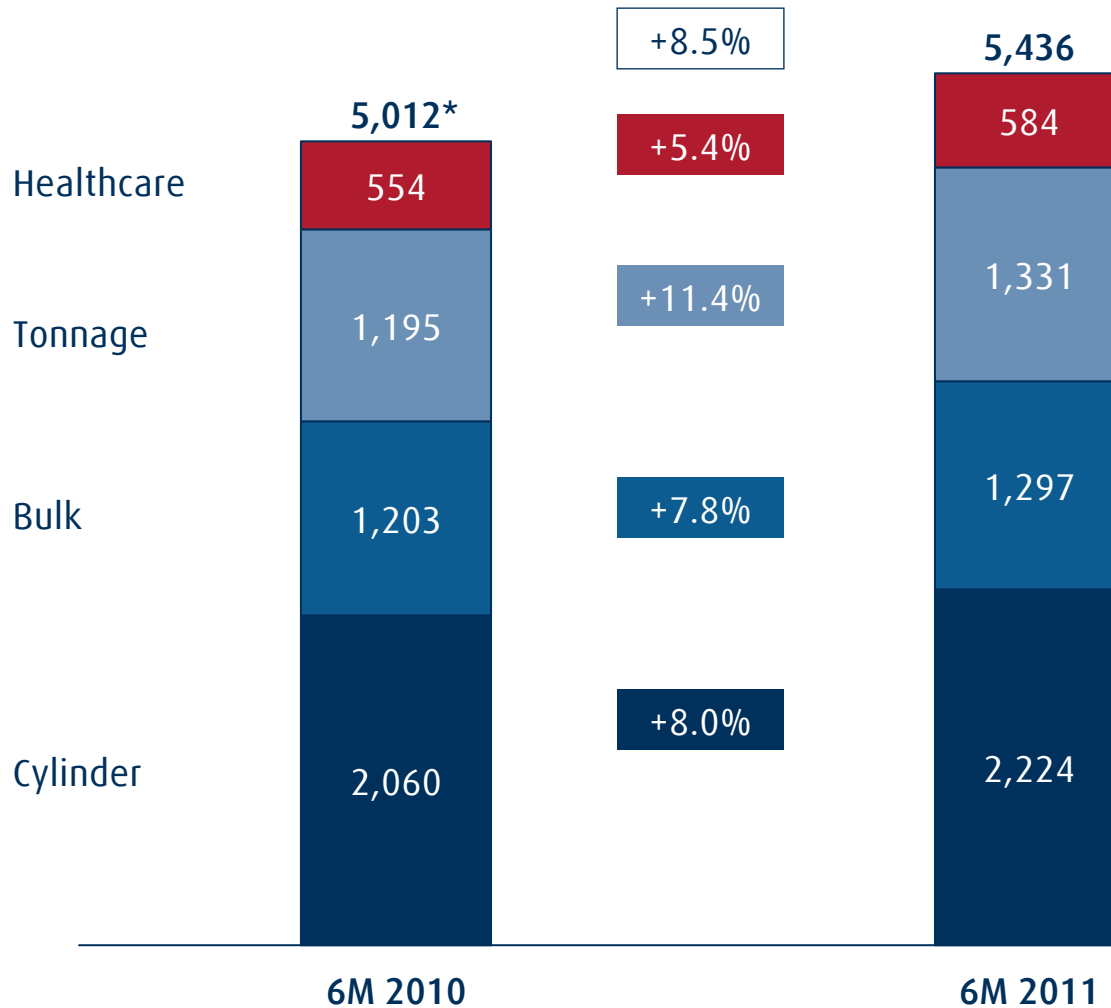


*excluding currency, natural gas price and consolidation effect

Gases Division, sales by product areas

Growth accelerated in Cylinder and Bulk

in € million,
comparable*, consolidated

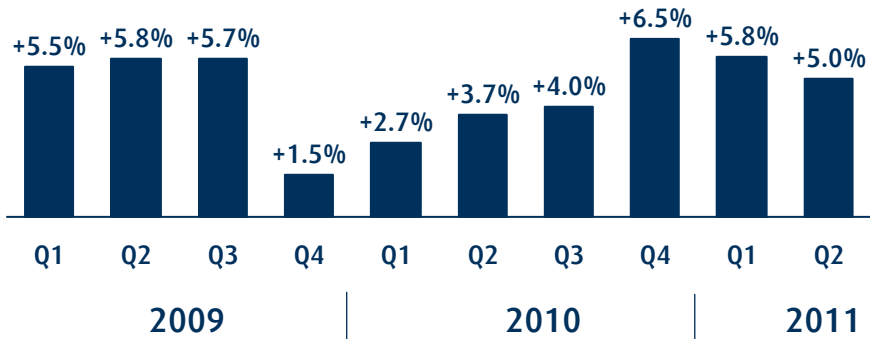


*excluding currency, natural gas price and consolidation effect

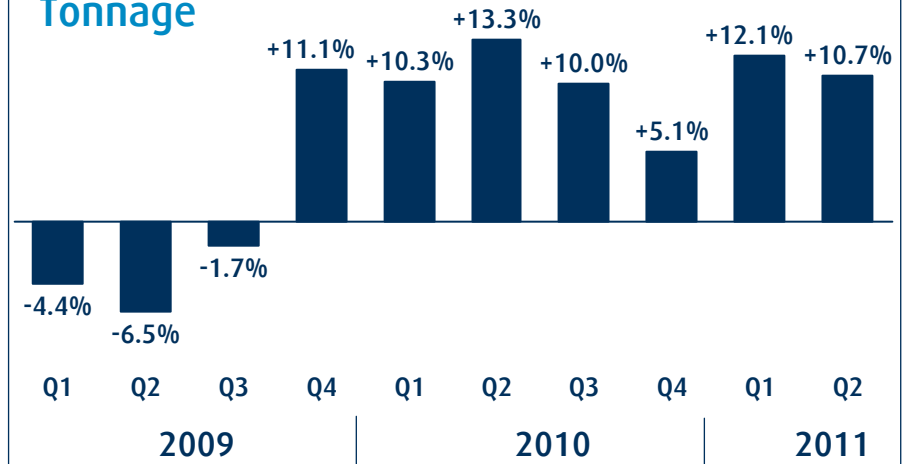
Gases Division, product areas (comparable yoy growth)

Cylinder business continues to grow

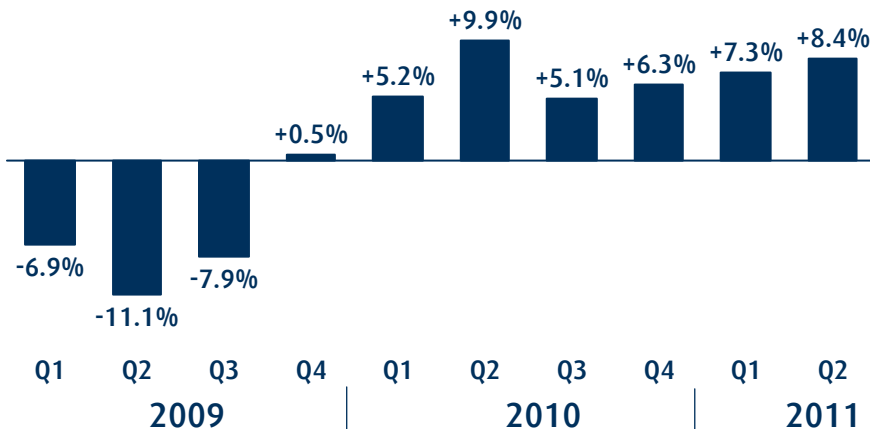
Healthcare



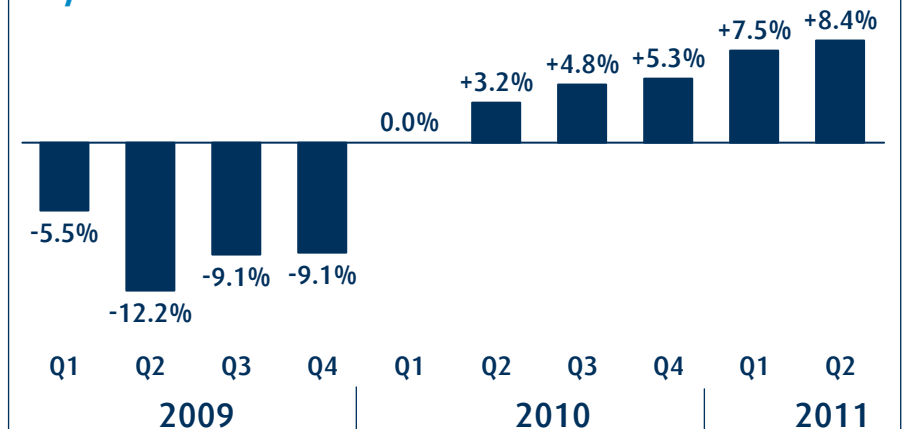
Tonnage



Bulk



Cylinder



Engineering Division, key figures

Order intake up by 19.4%



THE LINDE GROUP

- Order intake mainly driven by Asia/Pacific and air separation units
- Order backlog stays strong at € 3,763 bn (year-end 2010: € 3,965 bn)
- As a result of very successful execution of individual projects the margin expectation for 2011 is at least 10%

in € million	6M 10	6M 11	Δ YoY
Order intake	962	1,149	+19.4%
Sales	1,095	1,226	+12.0%
Operating profit*	123	141	+14.6%
Margin	11.2%	11.5%	+30 bp

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

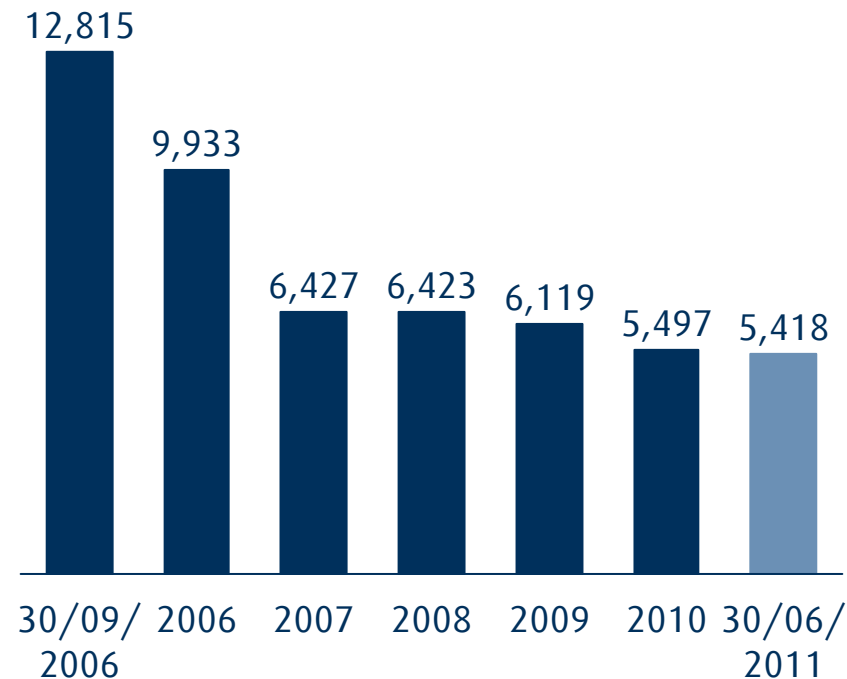
Group, solid financial position

Net debt/EBITDA-ratio of 1.8x

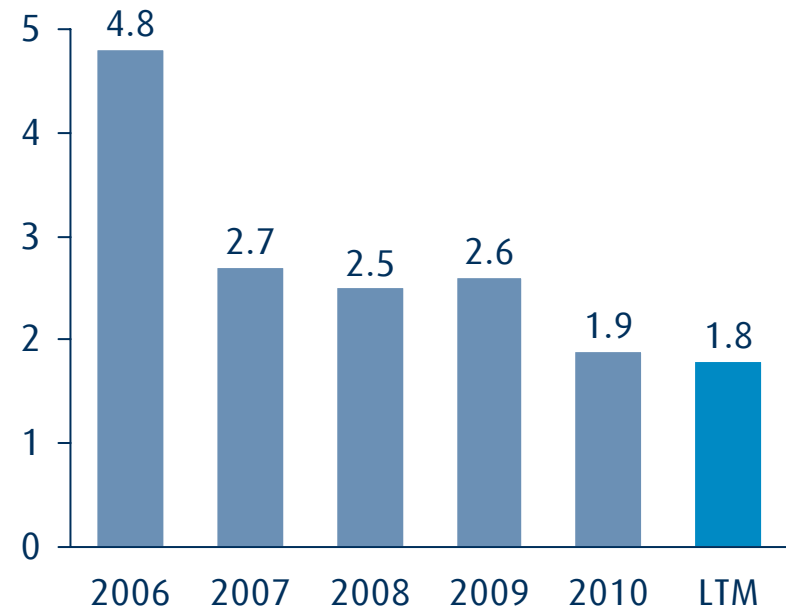
Proactive liability management

- Rationale: Extension of the maturity profile and increase of the liquidity reserve
- ~€ 360 m partial buyback of € 1.3 bn bonds maturing in 2012 and 2013
- Issuance of € 600 m 3.875 % bond maturing in 2021

Net debt in € bn



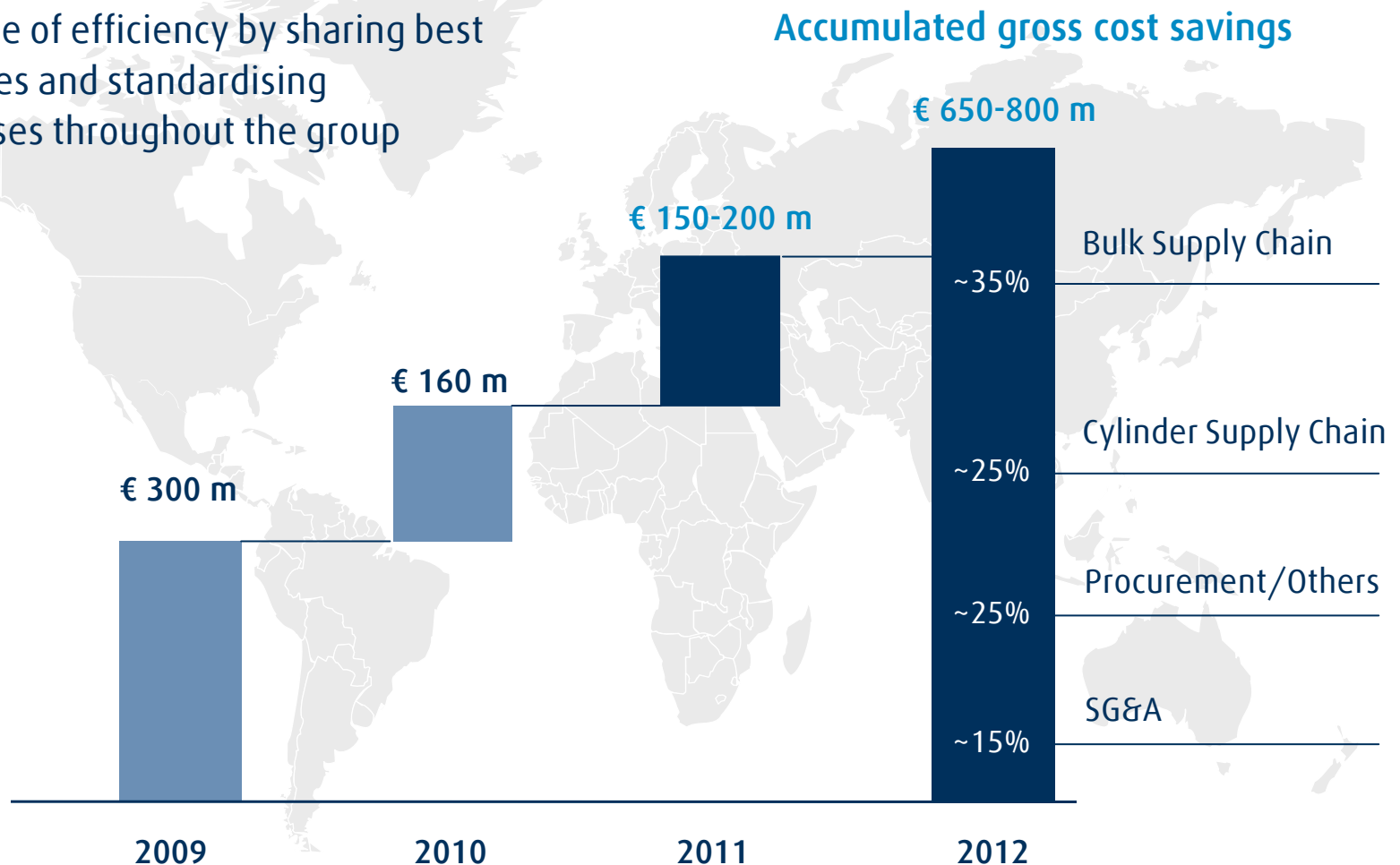
Net debt/EBITDA



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



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



THE LINDE GROUP

Growth Markets



Energy/Environment



Healthcare



Leveraging Gases & Engineering business synergies

Mega-trend Growth Markets

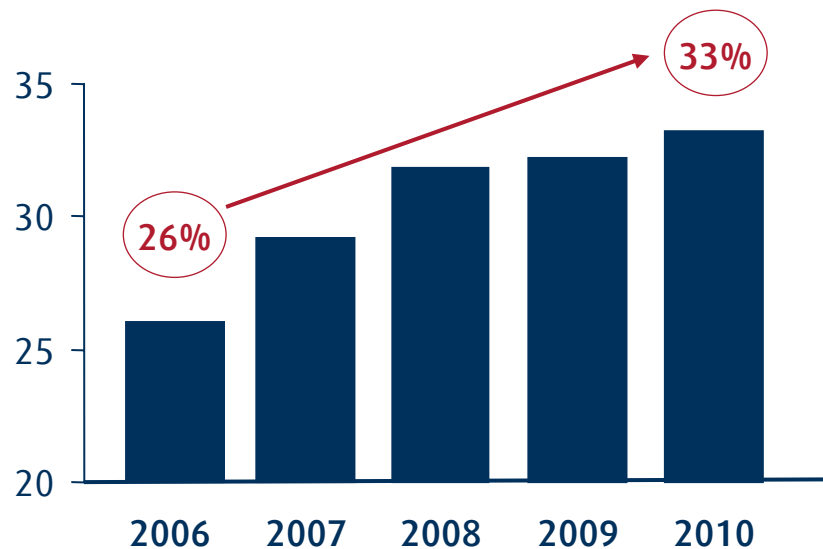
Growth trend leveraged by strong investment decisions



THE LINDE GROUP

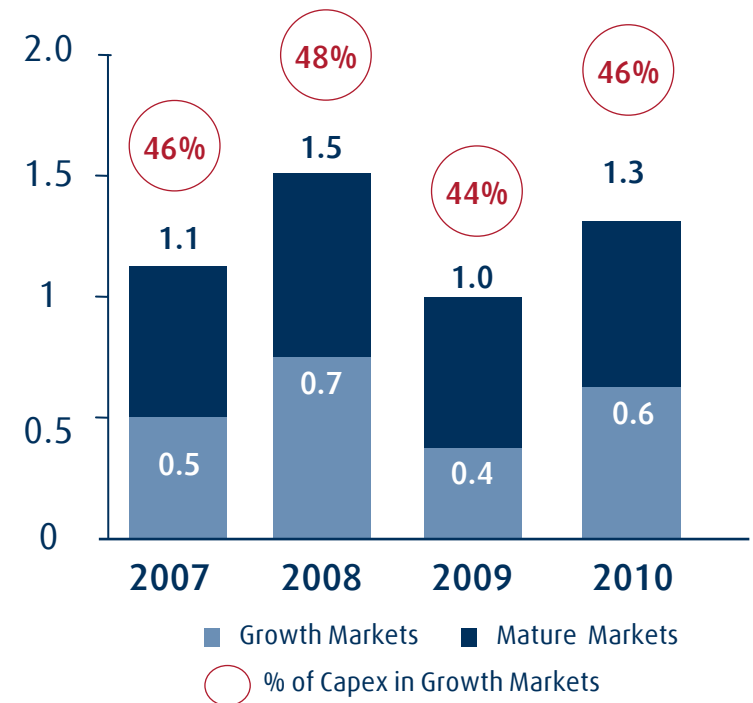
Growth market sales, excl. JVs

(% of total Gases sales)



Further increasing footprint
in Growth Markets

Gases Capex 2007 – 2010 in € bn



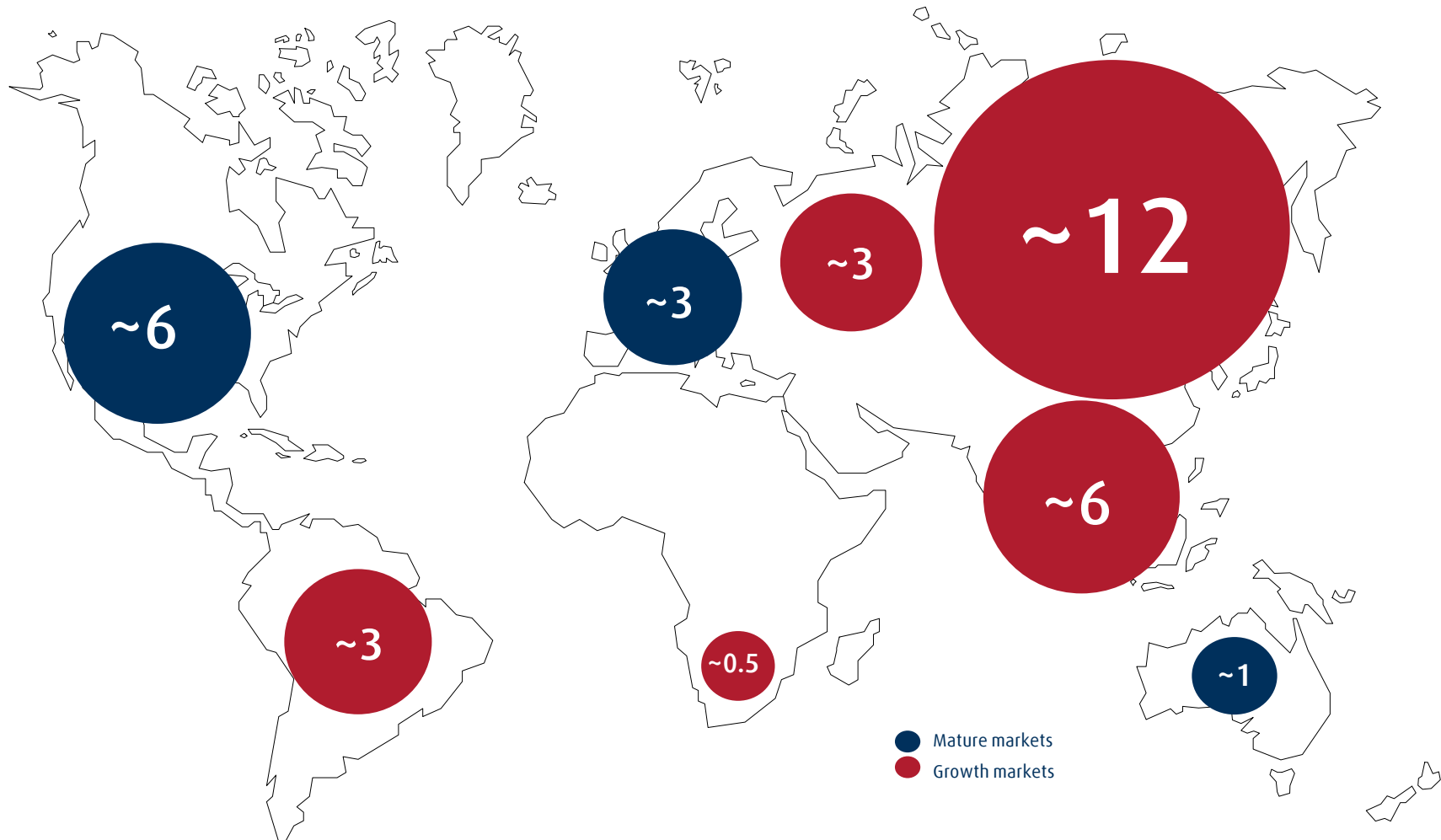
Nearly half of Capex allocated
to Growth Markets

Mega-trend Growth Markets

Additional industrial gases market 2010 vs. 2020 in € bn



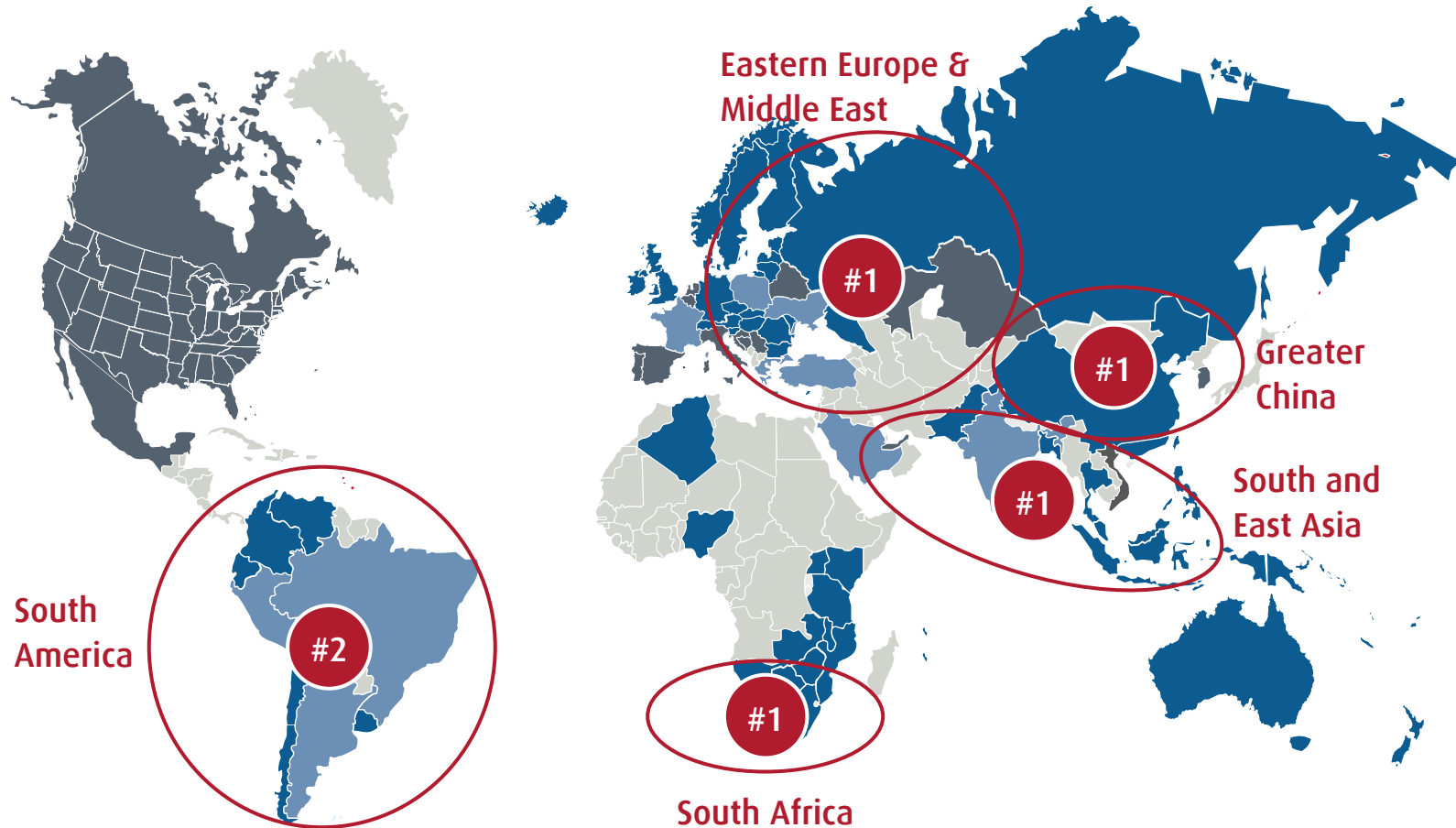
THE LINDE GROUP



Mega-trend Growth Markets

Leading Gases set-up in local growth markets

Market leader in 4 out of 5 Growth Markets

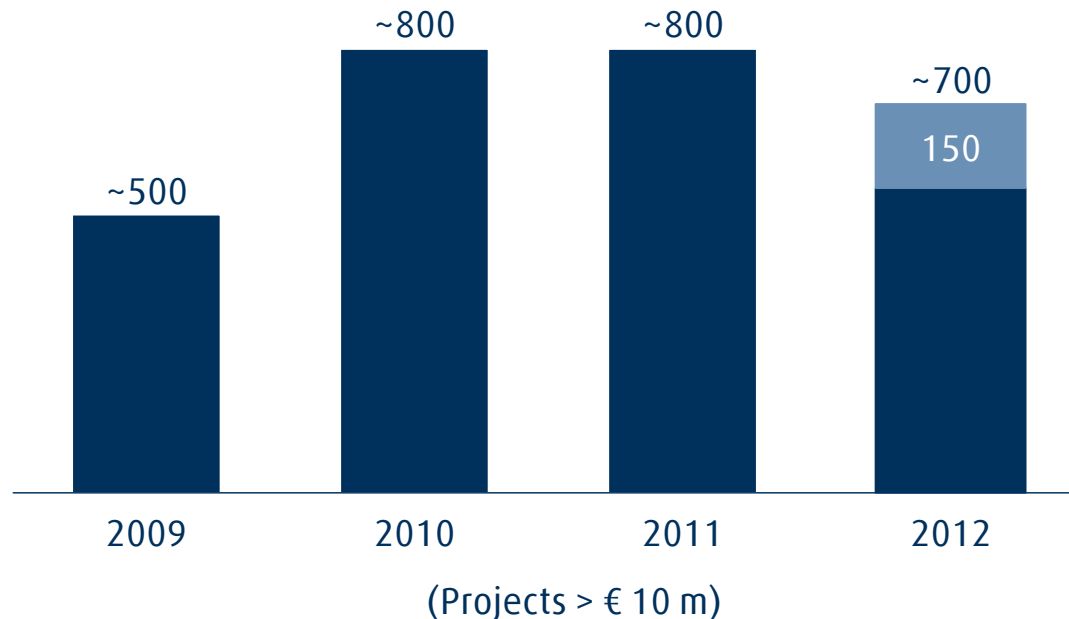


Gases Division, project pipeline

Solid basis for sustainable growth

- Project amount for 2012 further increased in the first six months by € 150 m to € 700 m
- Around € 2.8 bn investments between 2009-2012 (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 with a large portion in Growth Markets

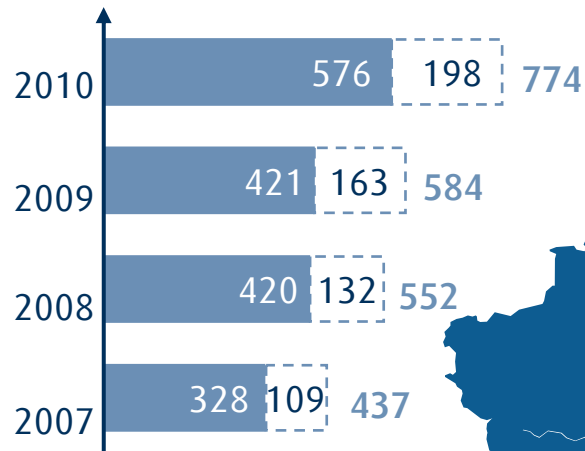
Project amount by on-stream date (incl. JVs) in € m



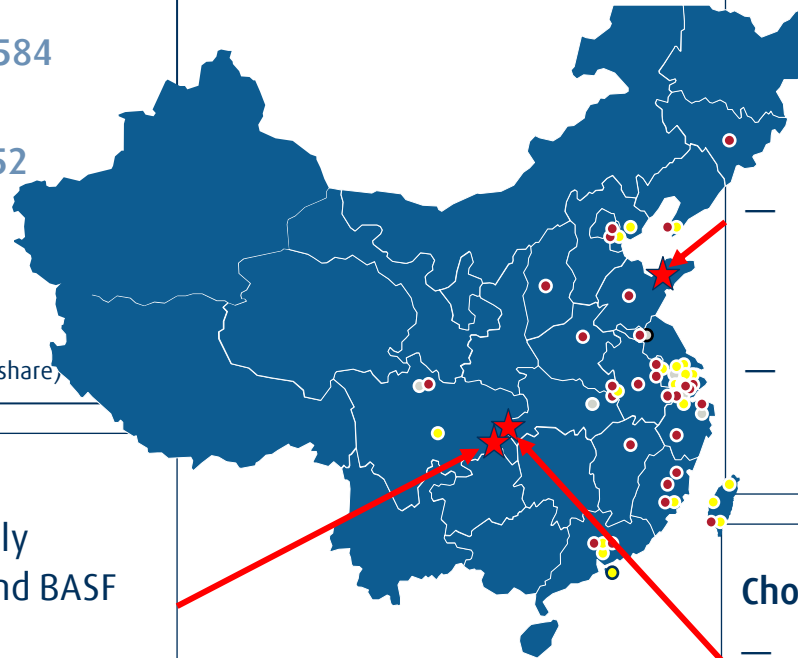
Linde Gases Division in Greater China

Important project wins in 2011

Sales in Greater China in € m



Consolidated
 Joint ventures (@ share)



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

- 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

Chongqing

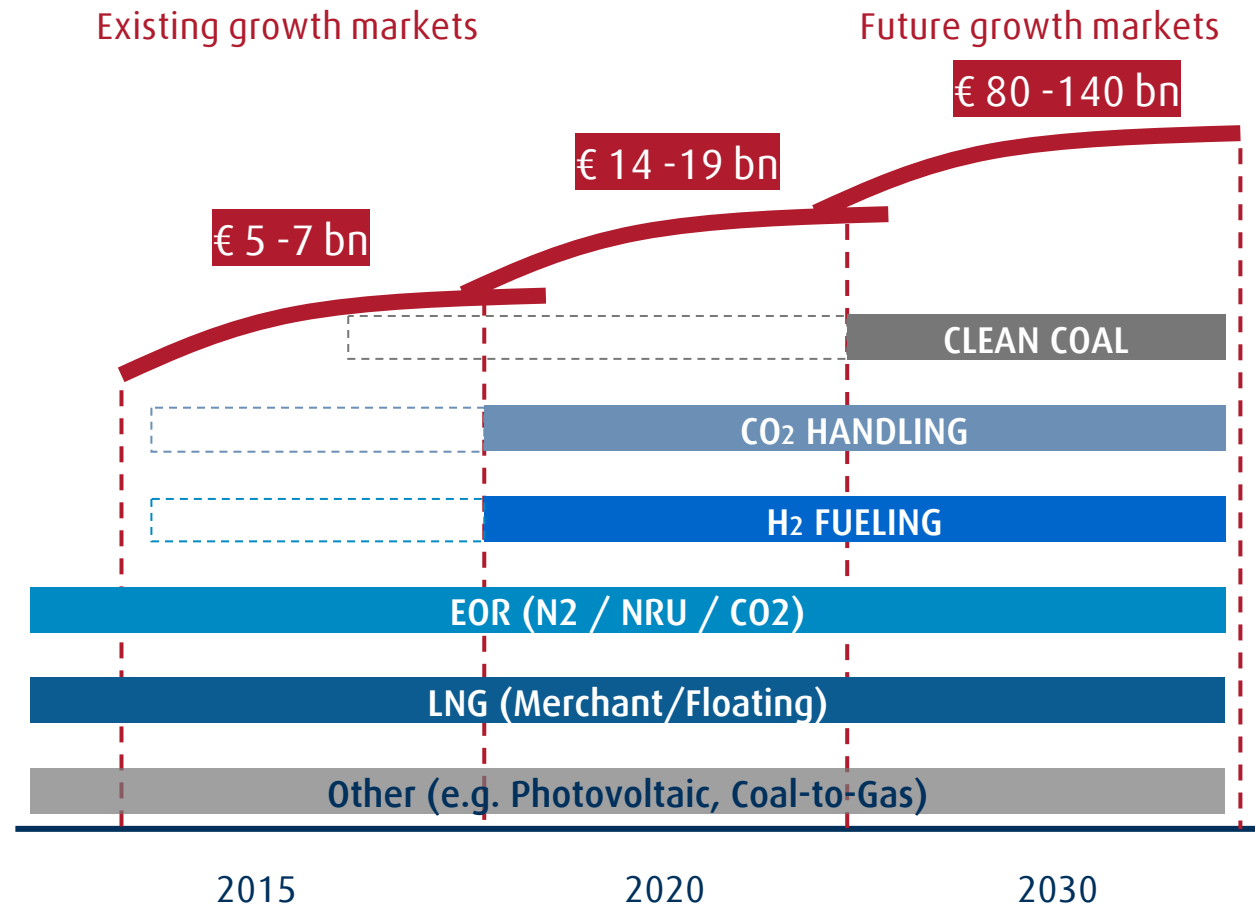
- Start-up of ASU in Q2/2011
- Long-term on-site supply contract with Sinopec

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 50)

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



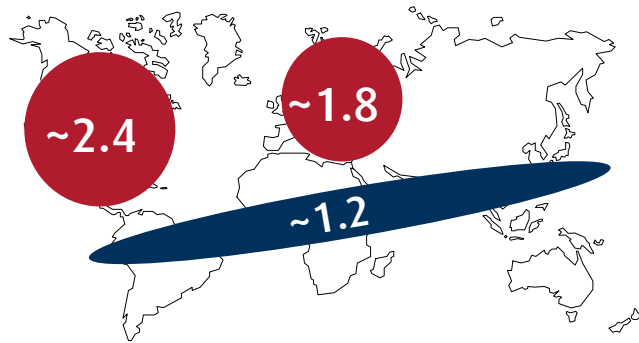
Reduction of CO2 Emission by 170k tons per annum:

- 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

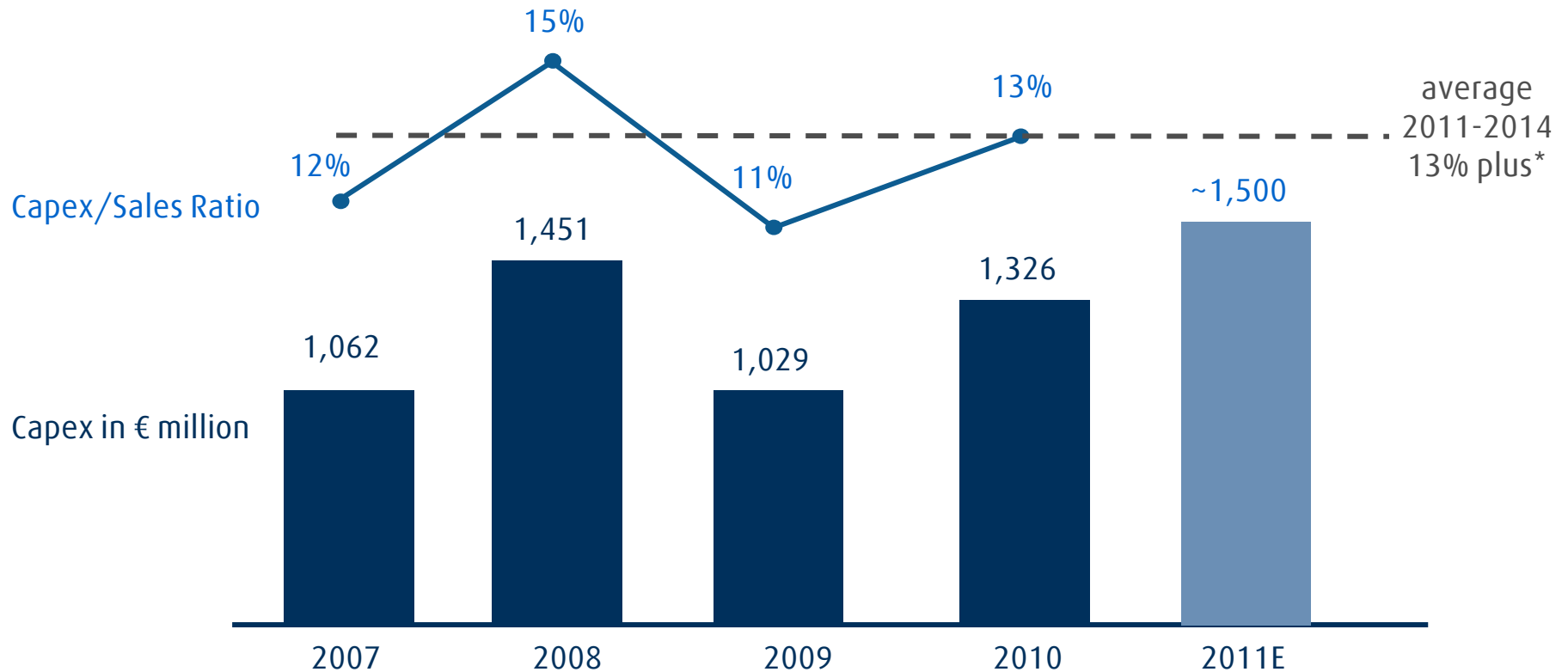
Linde Healthcare development approach



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

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

Summary

Continuously Improving.



THE LINDE GROUP

Positive performance continued over 6M 2011

Double-digit sales and earnings increase, comparable Gases growth accelerated to 8.5%

Sustainable strong Cash Flow generation

Implementation of HPO on track

Further increase of project pipeline in the Gases Division

Strong project execution in the Engineering Division

Outlook for 2011 reinforced

Competitive set-up for sustainable profitable growth

Strong market position in Growth Markets


Focus on mega-trends Energy / Environment and Healthcare

Well positioned with business synergies of Gases and Engineering



Thank you.

LeadIng.


THE LINDE GROUP

Dr Dominik Heger
Head of Investor Relations