



January - September 2012

Conference Call

LeadIng.



THE LINDE GROUP

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CFO and Member of the Executive Board

29 October 2012

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Performance – 9M 2012

Profitable Growth.

Highlights

Group sales increased by 8.4% to € 11,063 m including a contribution of € 231 m of Lincare

Group operating profit* grew by 8.5% to € 2,563 m

Group margin slightly improved by 10 bp to 23.2%

EPS increased by 2.6% to € 5.15

EPS adjusted for the BOC purchase price allocation increased by 2.1% to € 5.80

Acquisition of Lincare successfully closed on 8 August 2012

Operations

Operating profit margin with 27.1% almost on the level of last year (-20 bp)

Highest growth rates in growth markets but overall more challenging environment

HPO exceeded gross cost savings of € 700 m

Outlook confirmed & HPO continuation

2012: Growth in sales and operating profit vs. record year 2011

HPO continuation: € 750 – 900 m of gross cost savings in 2013-2016

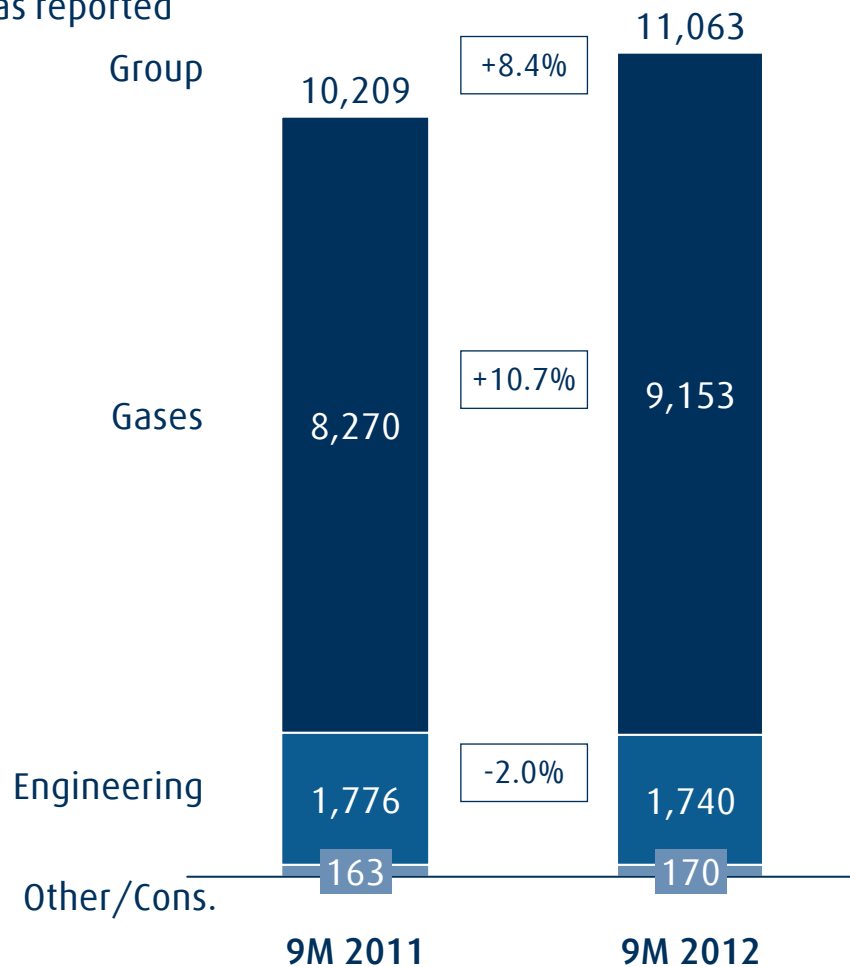
Group, sales by Divisions

Growth supported by Lincare acquisition



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in € million,
as reported



Gases Division

- Growth supported by contribution of newly acquired Healthcare company Lincare
- Comparable growth* of 3.3% also positively impacted by decaptivations and start up of tonnage plants

Engineering Division

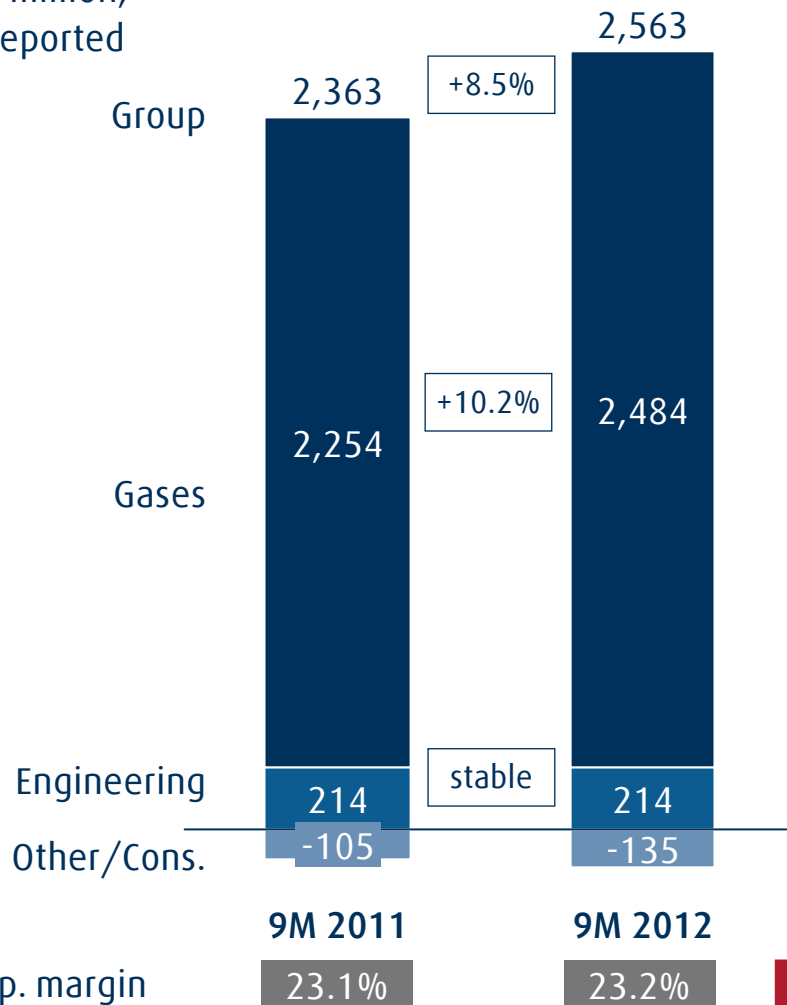
- Strong order intake in particular from Asia/Pacific and North America
- Order backlog further increased to € 3.9 bn and order intake significantly higher

*excluding currency, natural gas price effect and Lincare

Group, operating profit by Divisions

Group margin stabilised

in € million,
as reported



Gases Division

- Operating profit* further increased supported by Lincare

Engineering Division

- Operating margin of 12.3% on high level
- Margin development driven by successful execution of individual projects

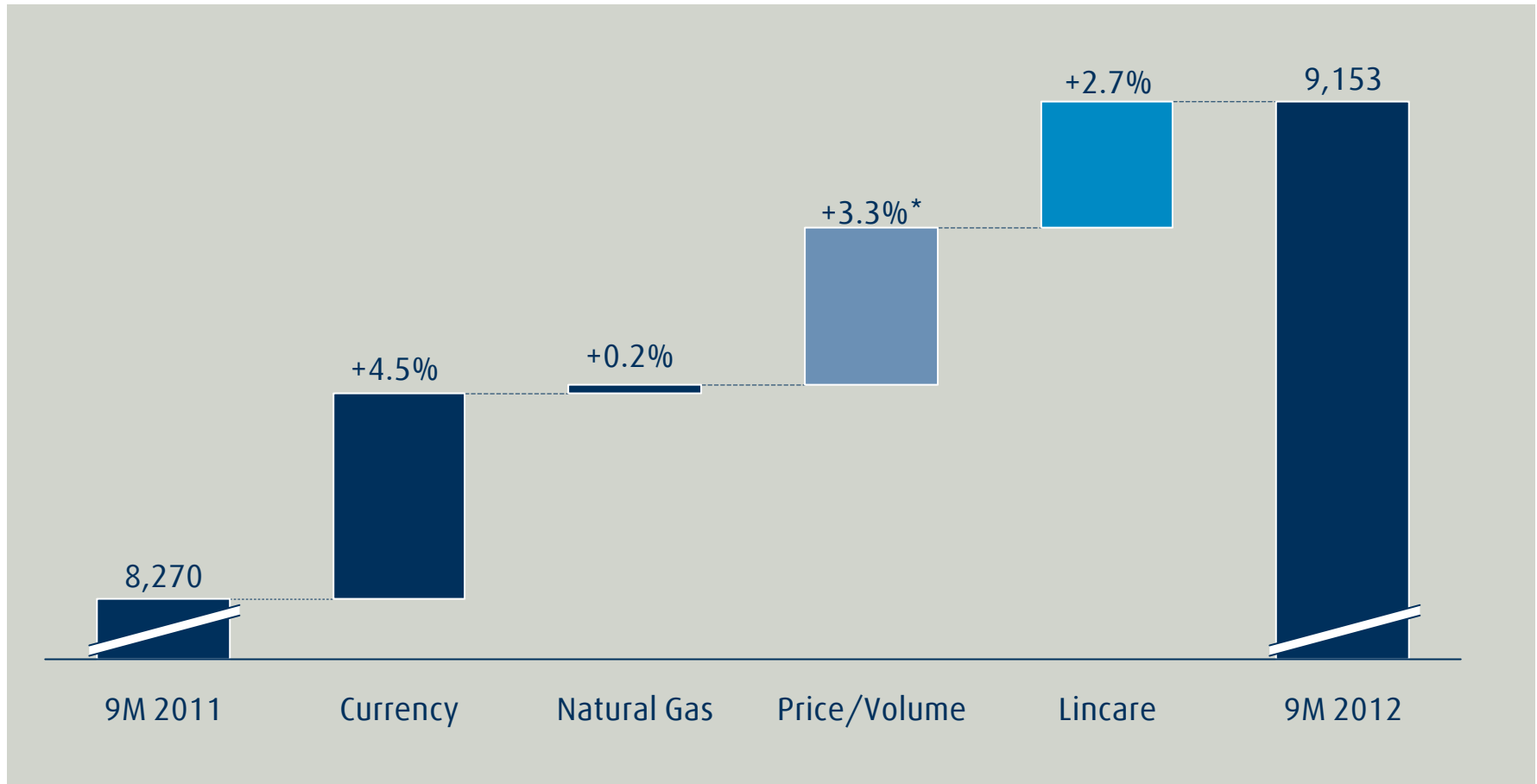
Other/Cons.

- 2011 was influenced by a positive one-time effect due to changes made to the UK pension plan (€ 16 m)

Gases Division, sales bridge

9M 2012 sales: price/volume increase of 3.3%

in € million

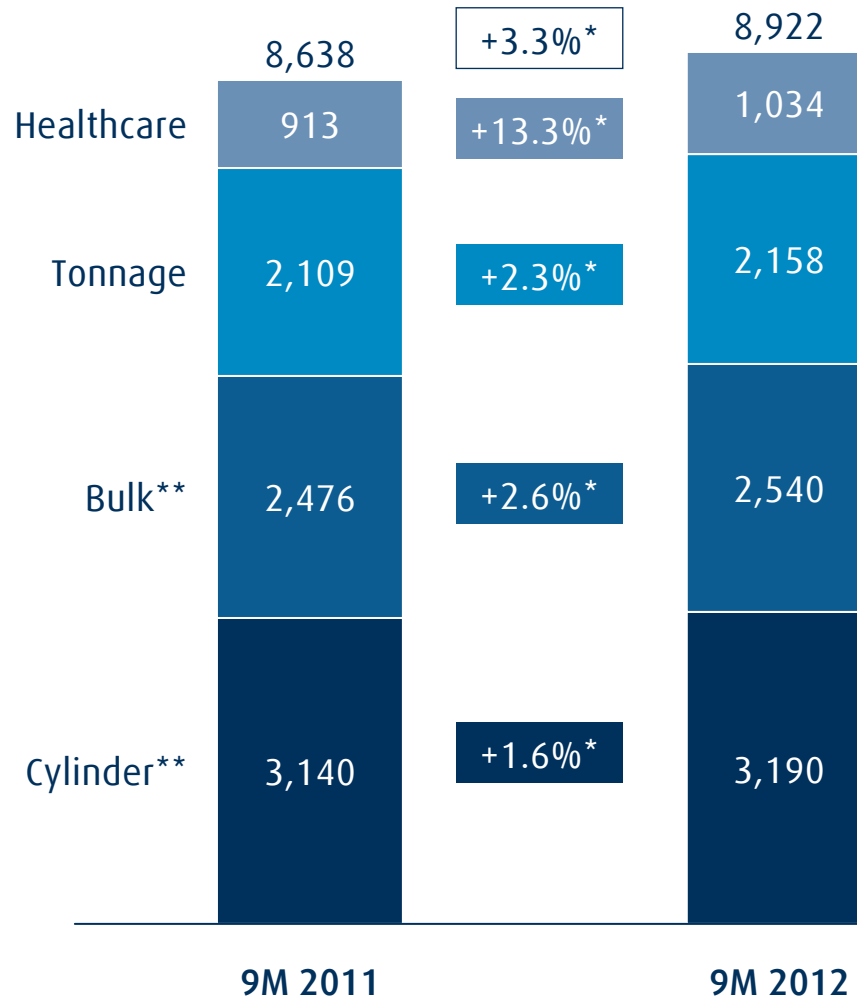


*including € 113 m changes in consolidation

Gases Division, sales by product areas

Solid performance in a more challenging environment

in € million, comparable* (consolidated)



Healthcare

Including € 231 m of Lincare, the growth rate is 38.6% in Healthcare

Tonnage

Adjusted for the negative impacts from plant shut downs comparable growth would be 6.0%, including joint ventures 7.4%

Bulk & Cylinder

Softer volume development visible

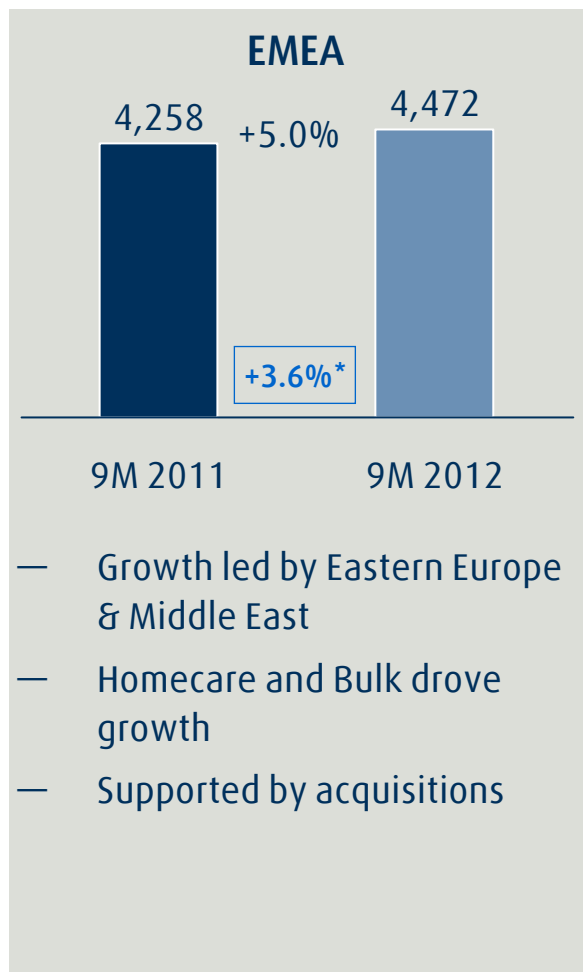
*excluding currency, natural gas price effect and Lincare

** due to changed reporting structure of around € 390 m are shifted from Cylinder to Bulk

Gases Division, sales by operating segment

Growth in all regions

in € million



*excluding currency, natural gas price effect and Lincare

** sales contribution of € 231 m

Gases Division, operating profit by operating segment

Solid performance

in € million



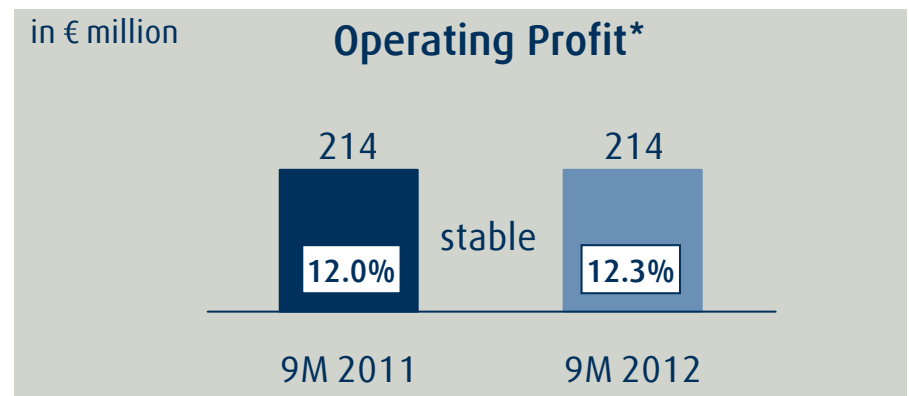
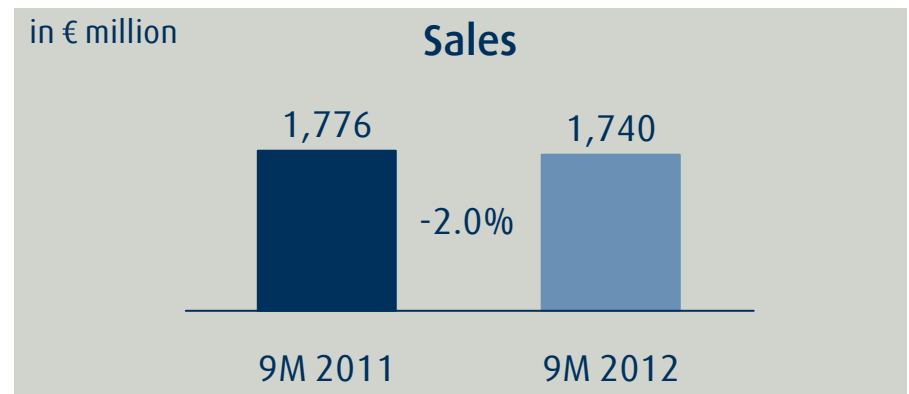
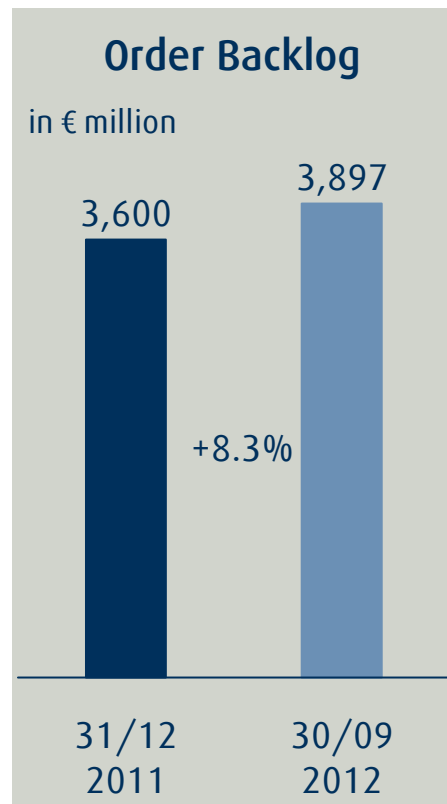
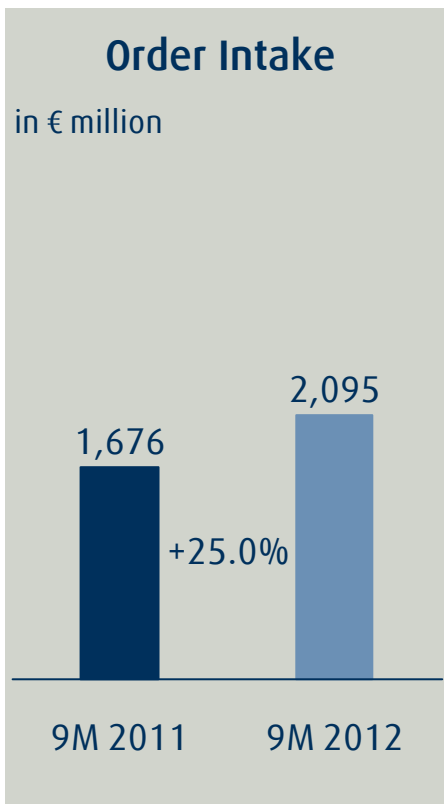
Margin Development

- EMEA and Asia/Pacific negatively affected by higher natural gas prices
- Asia/Pacific additionally impacted by structural up-front investments in future growth and plant stoppages
- Americas positively supported by pricing, volumes, lower natural gas prices and contribution from Lincare

Engineering Division, key figures

Order intake and backlog further increased

- Order intake of around USD 600 m for equipment/gas processing plants for shale gas
- Project wins in Tonnage support order intake and backlog
- Air separation and natural gas plants account for more than half of the order intake



*EBITDA incl. share of profit or loss from associates and joint ventures

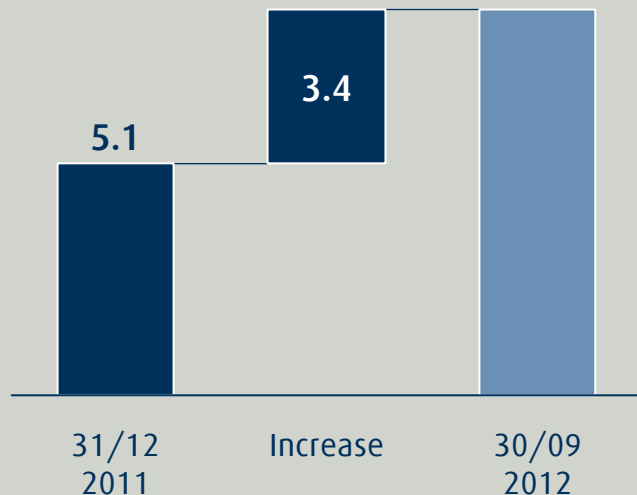
Group, solid financial position

A year of significant investments

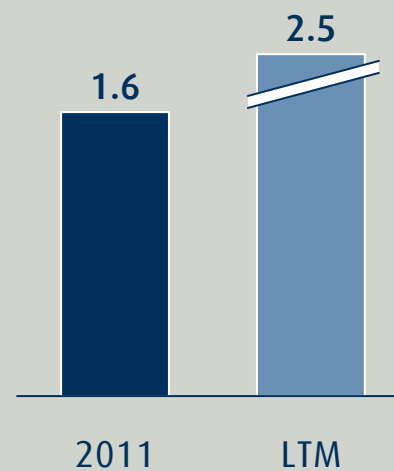
Lincare acquisition: Refinancing activities

- € 3.6 bn acquisition facility already reduced to slightly below € 1 bn
- Take-out measures include € 1.4 bn capital increase and two debt capital markets transactions totaling around € 1.3 bn

Net debt (€ m)



Net debt/EBITDA



Financing Environment

- Financing at very low interest rates on a long-term basis
- Low spreads realised in the refinancing process

Credit Ratings

- Standard&Poor's: A/A-1 with stable outlook (04 July 2012*)
- Moody's: A3/P-2 with stable outlook (02 July 2012*)

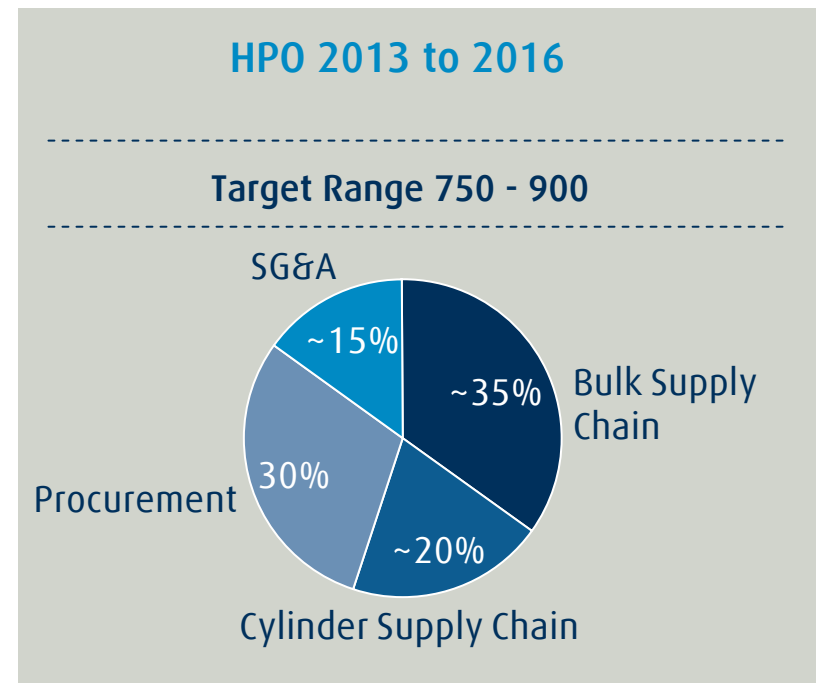
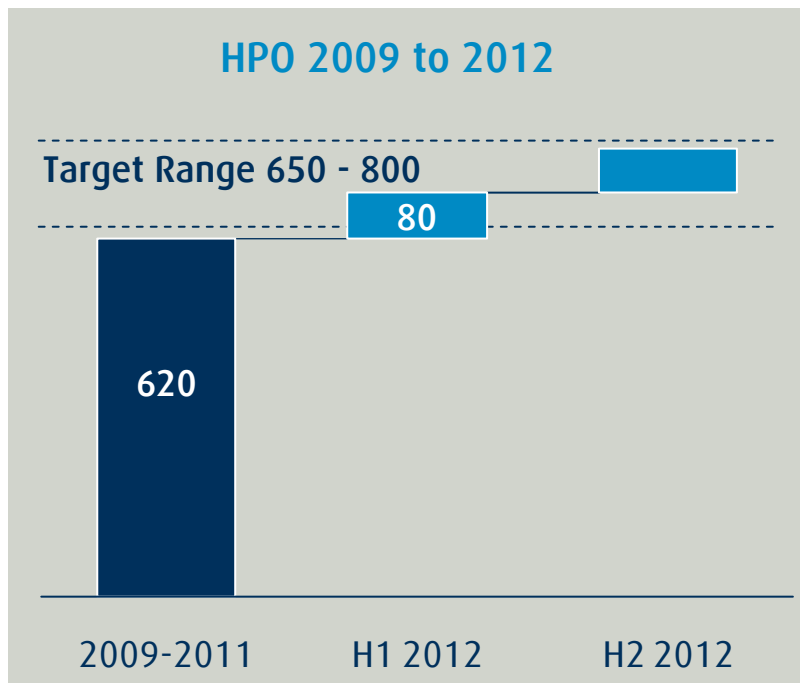
* date of latest rating agency publication

Business Performance

HPO 2013 - 2016: € 750 – 900 m additional gross cost savings

- HPO 2009 to 2012: Fully on track and already within the target range
- HPO 2013 to 2016: Further continuation of the standardisation and optimisation processes within an extended footprint

Accumulated gross cost savings in € million



Outlook*

Profitable Growth.

2012	Group	<ul style="list-style-type: none"> — Growth in sales and operating profit vs. 2011 — Confirmation of HPO-programme 2009-2012: € 650-800 m of gross cost savings
	Gases	<ul style="list-style-type: none"> — Sales increase vs. 2011 — Continuous improvement of productivity
	Engineering	<ul style="list-style-type: none"> — Sales at the same level as in 2011 — Operating margin of at least 10%
Mid-term	Group	<ul style="list-style-type: none"> — 2013: Operating profit of at least € 4 bn — 2015: Adjusted** ROCE of 14% or above — Continuation of HPO-programme 2013-2016: € 750-900 m of gross cost savings
	Gases	<ul style="list-style-type: none"> — Average capex/sales ratio 13% plus — Revenue increase above market growth — Further increase in productivity



Appendix

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Group, Q3 2012

Key P&L items

in € million	Q3 2011	Q3 2012	Δ in %
Revenue	3,435	3,889	13.2
Operating profit	804	908	12.9
Operating margin	23.4%	23.3%	-10 bp
EBIT	481	494	2.7
PPA depreciation	-60	-59	1.7
EBIT before PPA depreciation	541	553	2.2
Financial result	-89	-77	13.5
Taxes	-87	-90	-3.4
Net income	305	327	7.2
Net income – attributable to Linde AG shareholders	290	313	7.9
EPS in €	1.70	1.70	0.0
Adjusted EPS in €	1.89	1.89	0.0

Group, 9M 2012

Key P&L items

in € million	9M 2011	9M 2012	Δ in %
Revenue	10,209	11,063	8.4
Operating profit	2,363*	2,563	8.5
Operating margin	23.1	23.2	10 bp
EBIT	1,399	1,467	4.9
PPA depreciation	-181	-181	-
EBIT before PPA depreciation	1,580	1,648	4.3
Financial result	-215**	-240	-11.6
Taxes	-281	-269	4.3
Net income	903	958	6.1
Net income – attributable to Linde AG shareholders	856	904	5.6
EPS in €	5.02	5.15	2.6
Adjusted EPS in €	5.68	5.80	2.1

*including € 16 m one-time effect from changes to the UK pension plan

**including positive one-time effect of € 30 m (repayment of BOC Edwards vendor loan)

Group, 9M 2012

Cash Flow Statement

in € million	Q1 2012	Q2 2012	Q3 2012	9M 2012	9M 2011
Operating profit	808	847	908	2,563	2,363
Change in Working Capital	-318	-101	-42	-461	-114
Other changes	-105	-262	-229	-596	-550
Operating Cash Flow	385	484	637	1,506	1,699
Investments in tangibles/intangibles	-321	-384	-452	-1,157	-893
Acquisitions/Financial investments	-3	-655	-2,341	-2,999	-55
Other	43	24	42	109	116
Investment Cash Flow	-281	-1,015*	-2,751*	-4,047*	-832*
Free Cash Flow before Financing	104	-531	-2,114	-2,541	867
Interests and swaps, Dividends	-68	-592	-140	-800	-685
Capital increase			1,391	1,391	
Other changes	-33	44	-463	-452	9
Net debt increase (+)/decrease (-)	-3	1,079	1,326	2,402	-191

*excluding proceeds on disposal of securities € 553 m in Q2 2012; € 298 m in Q3 2012; and payments for investments in securities € -600 m in 9M 2011

Gases Division, operating segments

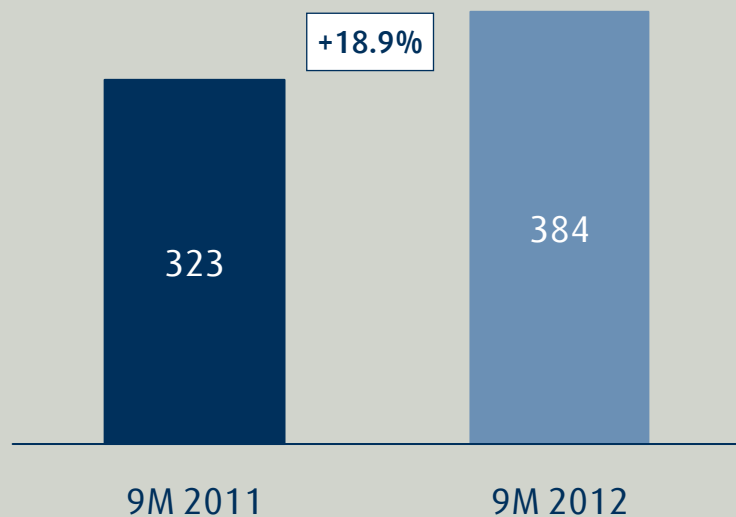
Quarterly data

EMEA (€ m)	Q1 2011	Q1 2012	Q2 2011	Q2 2012	Q3 2011	Q3 2012
Sales	1,393	1,445	1,431	1,499	1,434	1,528
Operating profit*	395	414	412	420	408	431
Operating margin	28.4%	28.7%	28.8%	28.0%	28.5%	28.2%
Asia/Pacific (€ m)	Q1 2011	Q1 2012	Q2 2011	Q2 2012	Q3 2011	Q3 2012
Sales	707	808	766	866	810	937
Operating profit*	196	218	210	235	228	244
Operating margin	27.7%	27.0%	27.4%	27.1%	28.1%	26.0%
Americas (€ m)	Q1 2011	Q1 2012	Q2 2011	Q2 2012	Q3 2011	Q3 2012
Sales	580	625	593	636	605	889
Operating profit*	136	152	134	160	135	210
Operating margin	23.4%	24.3%	22.6%	25.2%	22.3%	23.6%

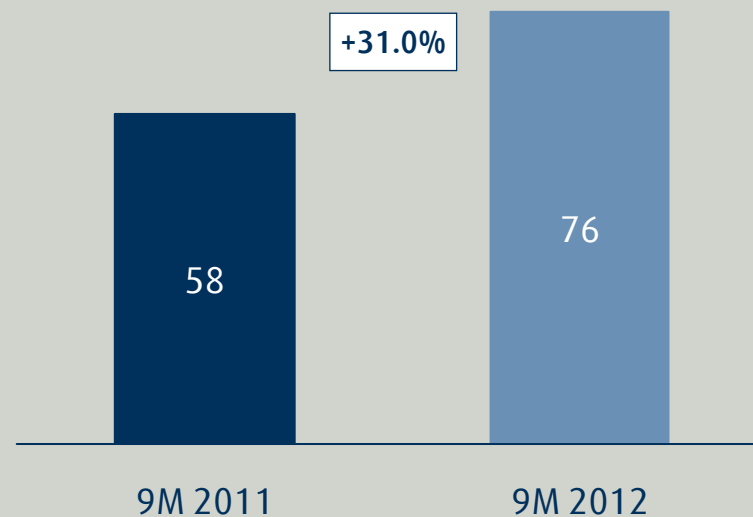
*EBITDA incl. share of profit or loss from associates and joint ventures

in € million

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



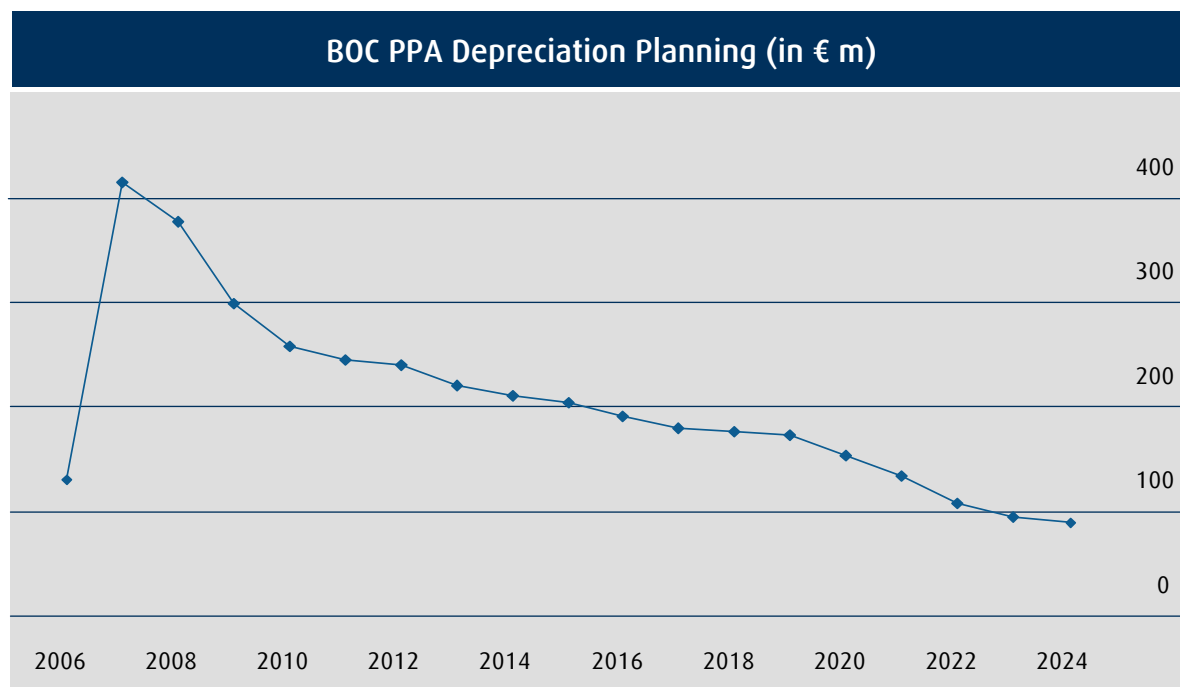
Share of Net Income (contribution to operating profit)



- Development of depreciation and amortisation
- Impact in 9M 2012: € 181 million
- Expected range adjusted due to exchange rate effects

Expected range in € m

2012	230 – 255
2013	200 – 225
...	
2022	< 125



Group, definition of financial key figures

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

*adjustment for the effects of the purchase price allocation on the acquisition of BOC only

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Financial Calendar

- Full year report 2012: 07 March 2013
- Q1 report 2013: 06 May 2013
- Annual General Meeting: 29 May 2013