



UniCredit Roadshow Milano

Continuously Improving.

LeadIng.  THE LINDE GROUP

Milano 8 April 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. 2010 Operational and Financial Performance

2. Strategic Focus:

- Growth Markets
- Energy / Environment
- Healthcare

3. Outlook

Group sales and profit on record level

Group sales up 14.8% to € 12.868 bn

Group operating profit increased by 22.6% to € 2.925 bn

Operating margin up by 140 bp to 22.7%, Gases operating margin further improved to 27%

Strong operating cash flow further improved by 13.1% to € 2.422 bn

Net debt down by € 622 m to € 5.497 bn

Double-digit earnings growth driven by recovery and our HPO initiatives

Growth markets keep their strong momentum, led by Greater China

Mature regions in Western Europe and the US also show improvements

HPO savings support improvement of operating margin

Outlook

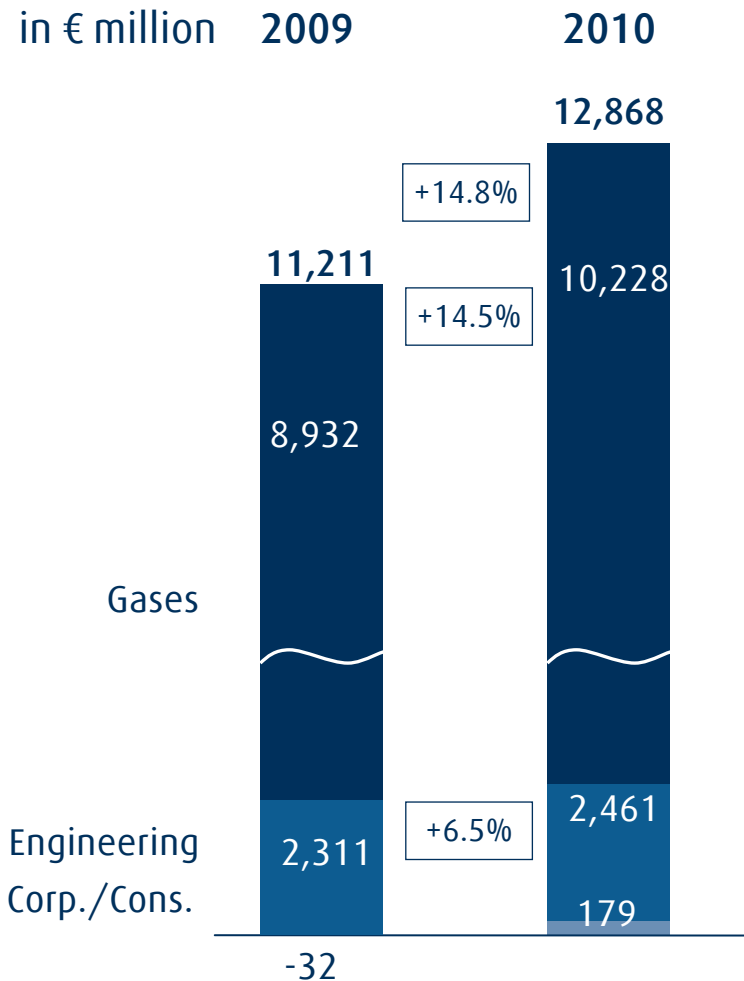
New mid-term targets launched for 2014

Group, sales by Divisions

Recovery above pre-crisis level proves potential of our set-up



THE LINDE GROUP



Gases Division

- Comparable* sales increase of 5.7%
- Demand recovery visible in all product areas
- Ongoing currency support from weaker Euro: major translational effects on AUD and ZAR

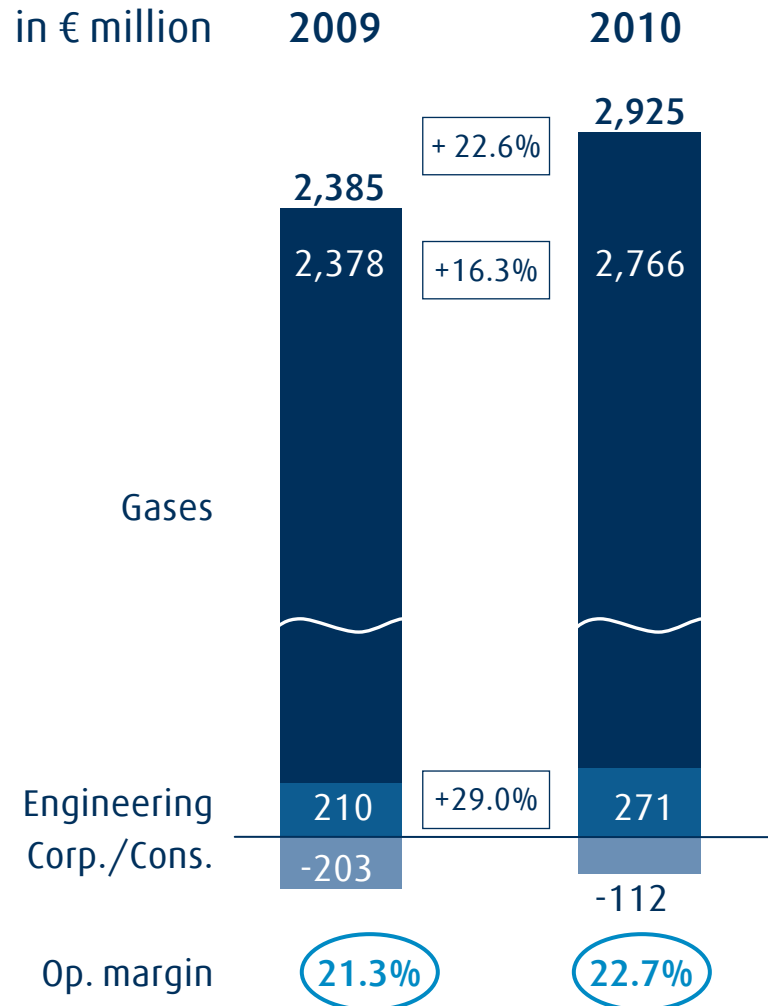
Engineering Division

- Sales above last year's level
- Execution of order backlog fully on track

*excluding currency, natural gas price and consolidation effects

Group, operating profit by Divisions

Continuous strong margin performance in all Divisions



Gases Division

- Operating profit 16.3% above 2009 (14.4% above record year 2008)
- Further profitability improvement with full year margins up by 40 bp to 27.0%
- Successful continuation of HPO

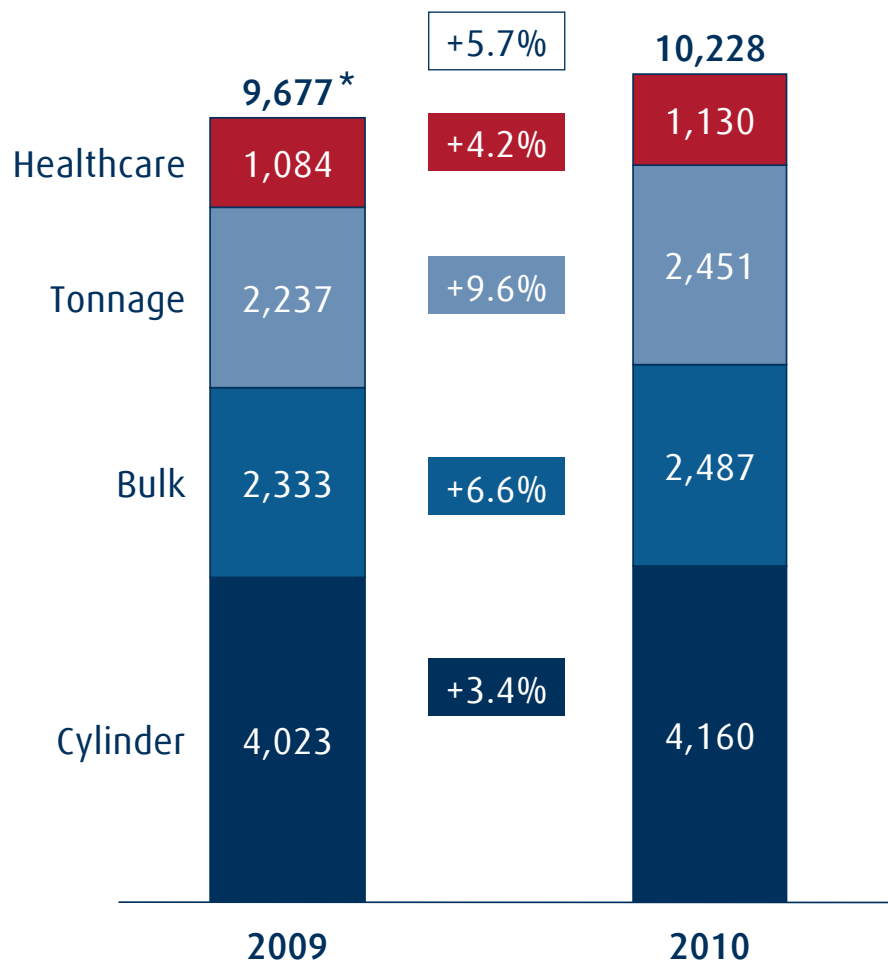
Engineering Division

- Margin of 11.0%, ahead of our 8% target
- Strong margin performance driven by successful project execution

Gases Division, sales by product areas

Balanced mix as basis for growth

in € million, comparable* (consolidated)



Healthcare continuous growth

- The Mega-trend continues with clear growth opportunities

Tonnage sales above year 2008 record level

- Strong growth of take-or-pay contracts
- Continuous contribution from project ramp-ups
- Increased opportunities in particular in Growth Markets

Positive performance of the merchant business

- Solid growth in bulk business
- Late cyclical cylinder business growth gains speed

*excluding currency, natural gas price and consolidation effect

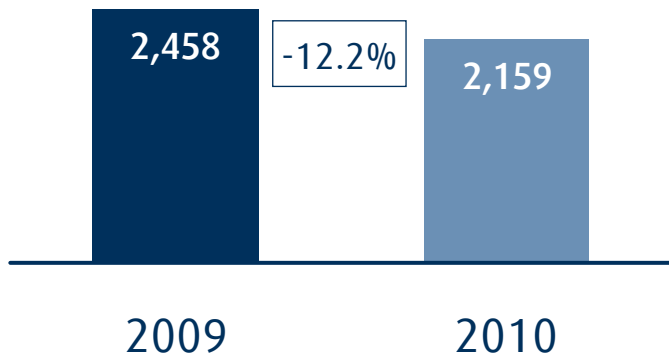
Engineering Division

Order backlog remains high at € 4 bn

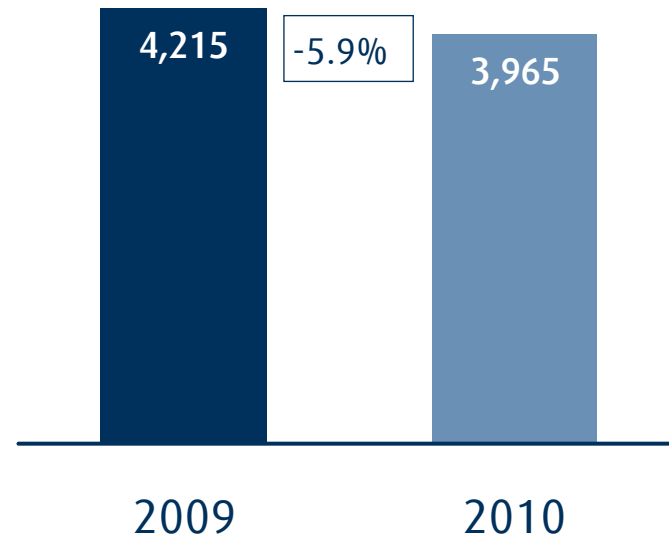


- Q4 order intake of € 621 m shows the engineering business further recovers
- Order backlog remains high with almost € 4 bn and an increased number of midsize and also smaller projects

Order intake
€ 2,159 million



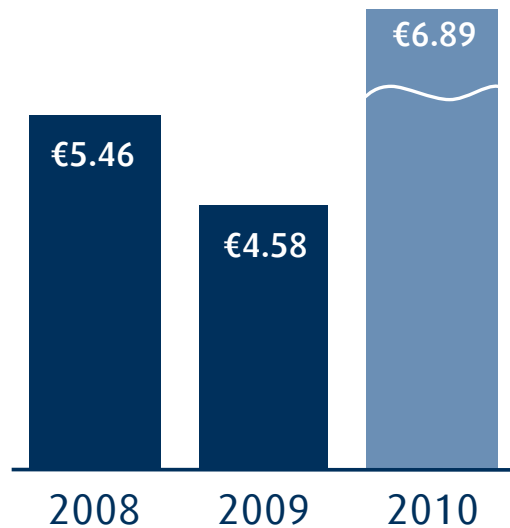
Order backlog
Successful project executions



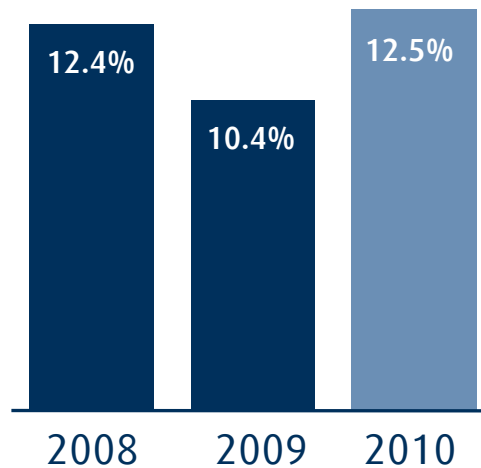
Further improvement in all our three key financial indicators

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

Adjusted EPS

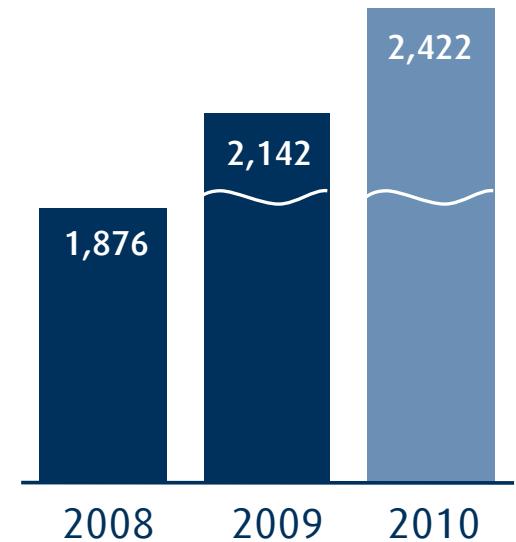


Adjusted ROCE



Operating Cash Flow

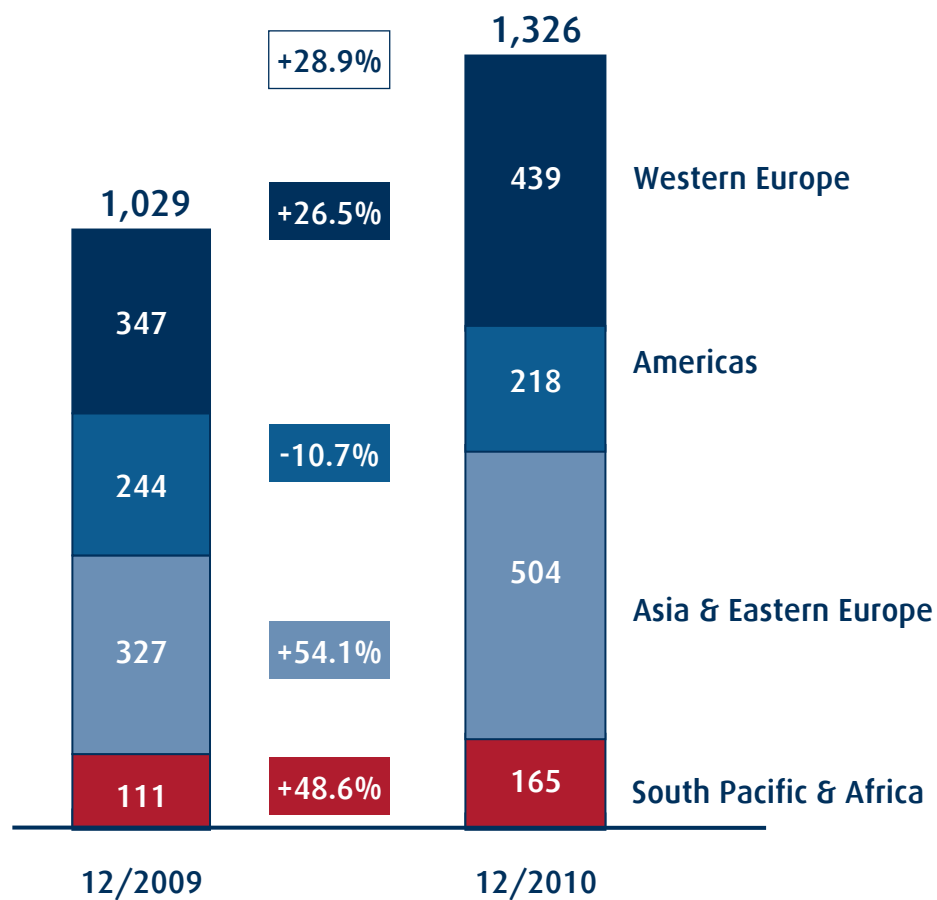
€ m, as reported



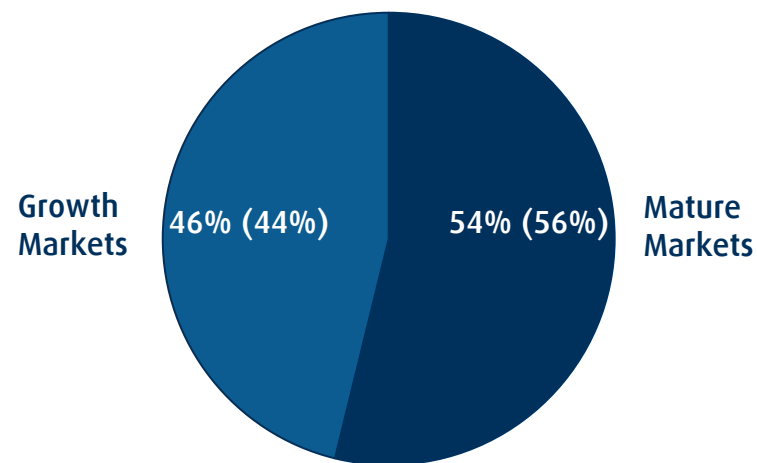
Gases Division

Split of Capex by operating segment

in € million



Split Capex by markets 2010 (2009)



Group, solid financial position

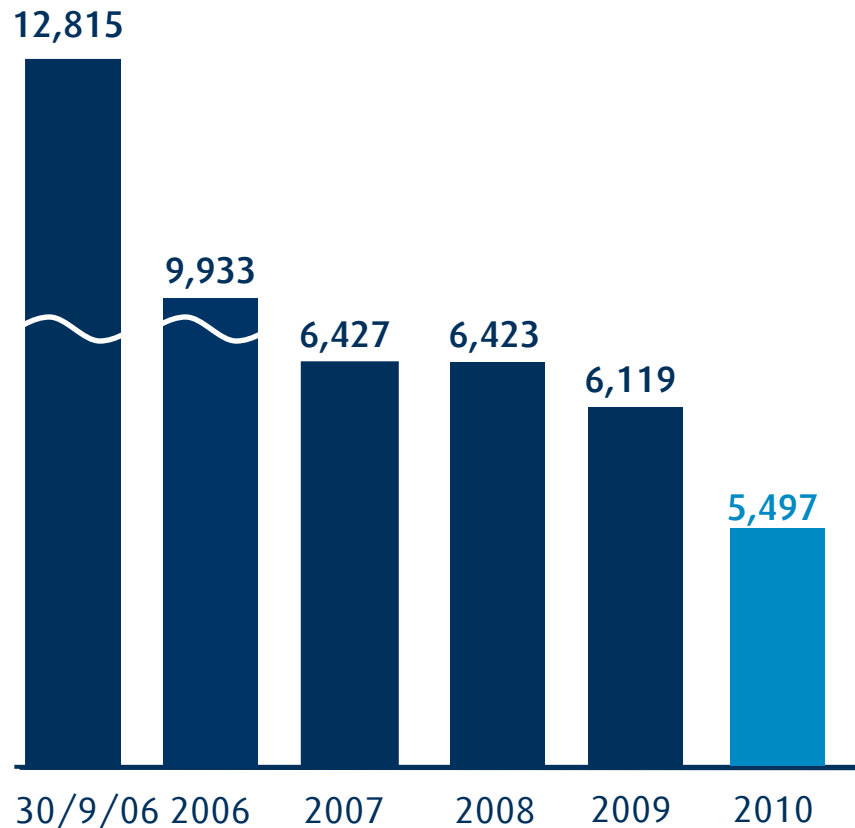
Successful execution of our de-leveraging schedule



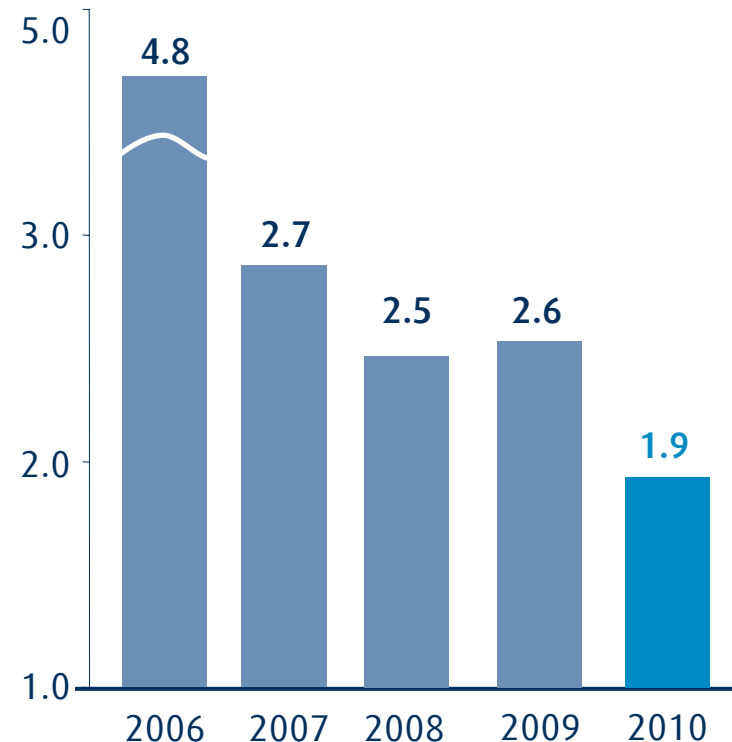
THE LINDE GROUP

- 2010 Net debt/EBITDA ratio of 1.9x
- Rating upgrade by S&P and Moody's towards A- and A3 respectively, both with stable outlook

Net debt in € bn



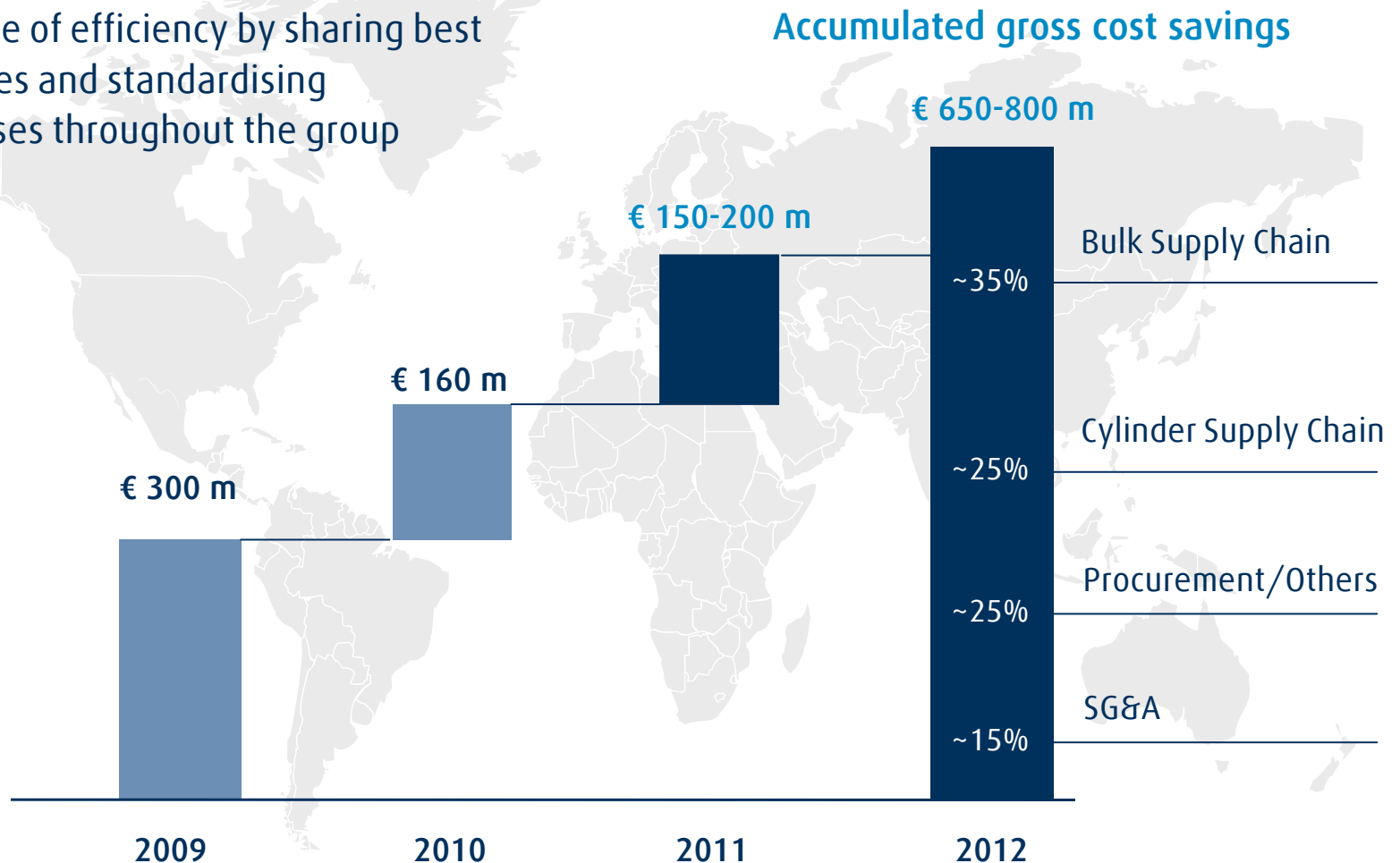
Net debt/EBITDA



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. 2010 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

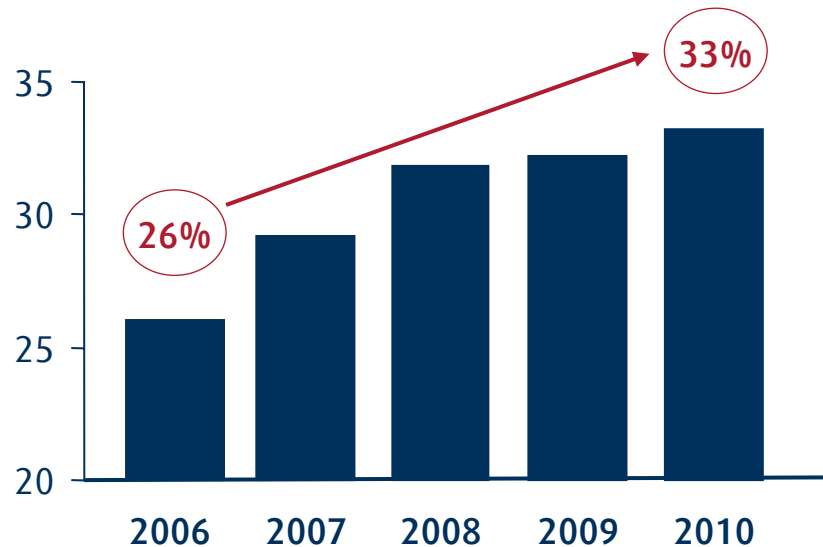
Growth trend leveraged by strong investment decisions



THE LINDE GROUP

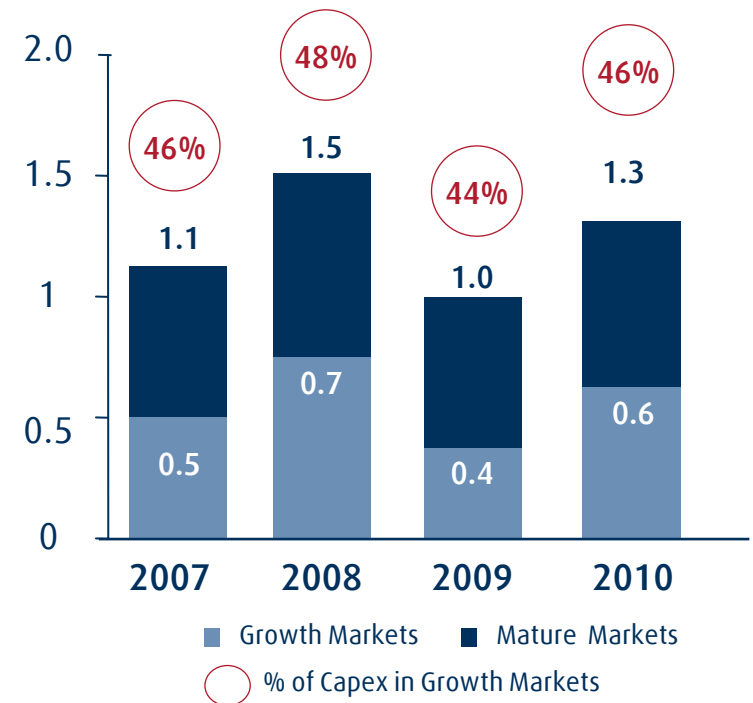
Growth market sales, excl. JVs

(% of total Gases sales)



Further increasing footprint
in Growth Markets

Gases Capex 2007 – 2010 in € bn



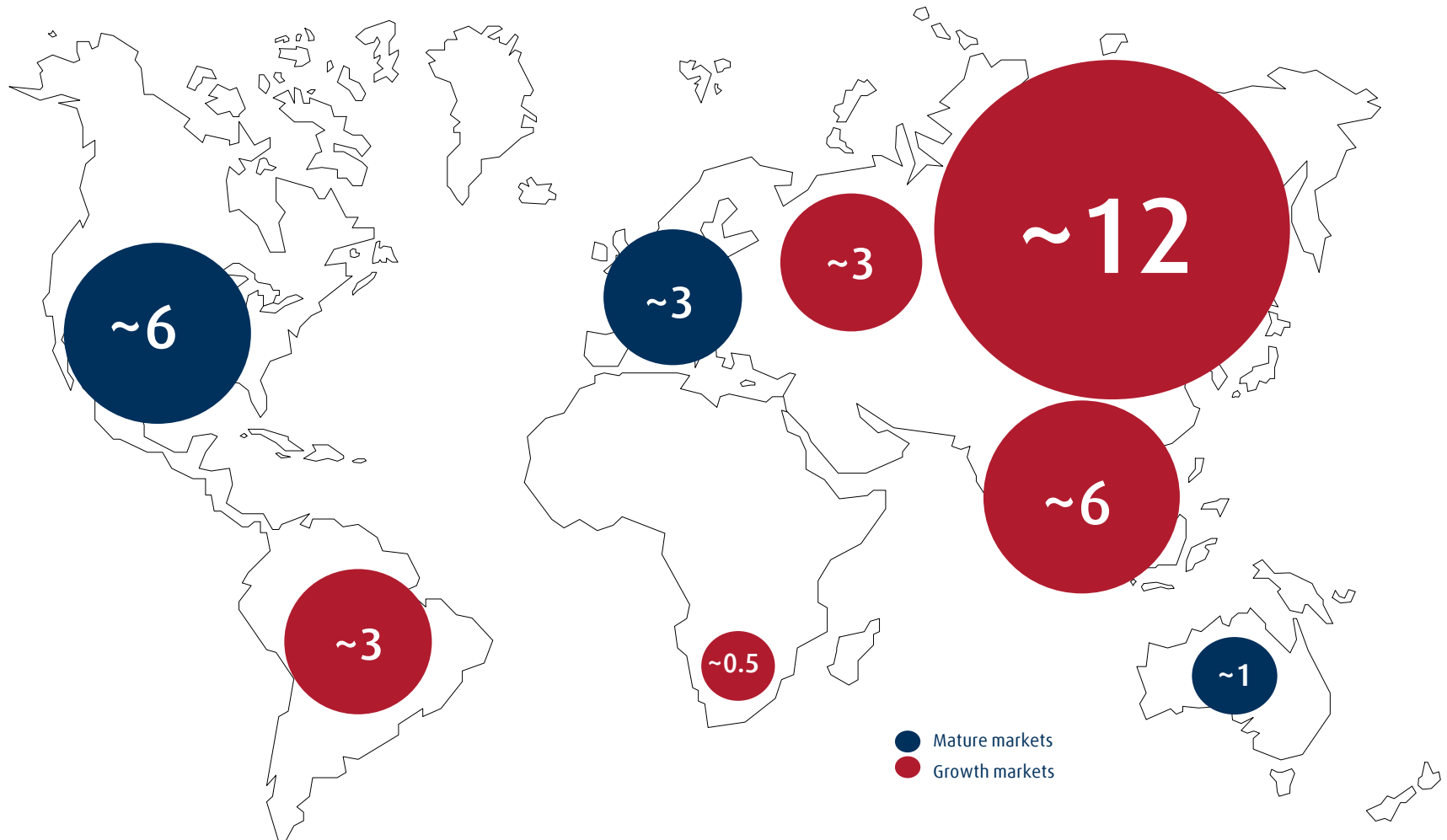
Nearly half of Capex allocated
to Growth Markets

Mega-trend Growth Markets

Additional industrial gases market 2010 vs. 2020 in € bn



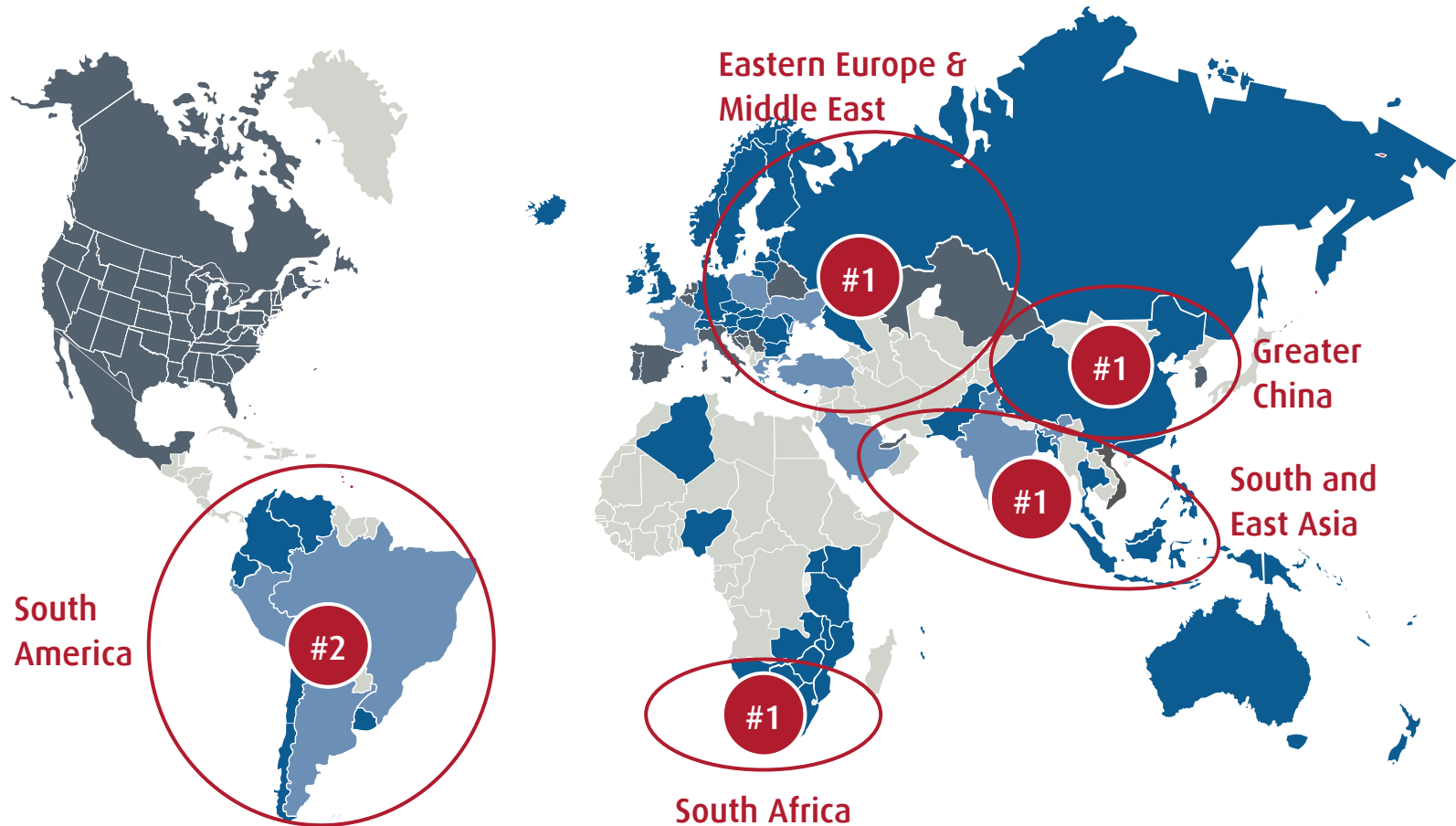
THE LINDE GROUP



Mega-trend Growth Markets

Leading Gases set-up in local growth markets

Market leader in 4 out of 5 Growth Markets

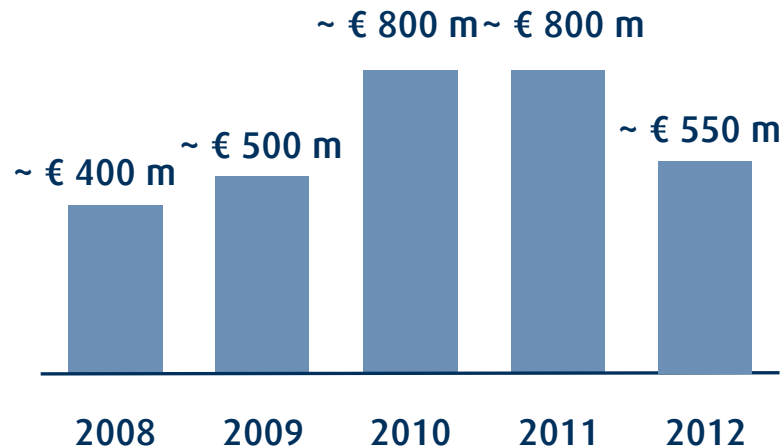


Gases Division, project pipeline

Good basis for sustainable growth

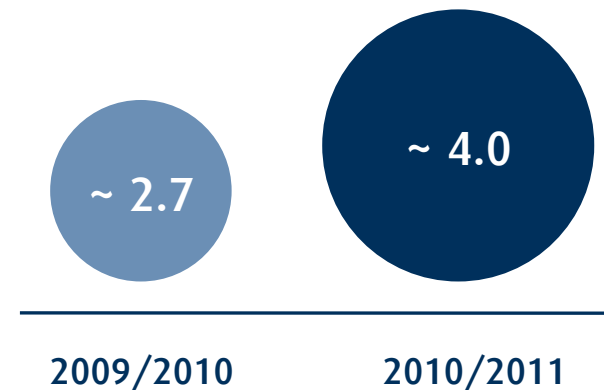
- € 3 bn investments between 2008-2012 (thereof € 0.6 bn in JVs @ share)
- Project amount 2012 further increased to € 550 m
- Close to 70% of total project-Capex allocated to Growth Markets
- Increasing number of project opportunities with a large portion in Growth Markets

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



(Projects > € 10 m)

Project opportunities amount 12 months forward in € bn



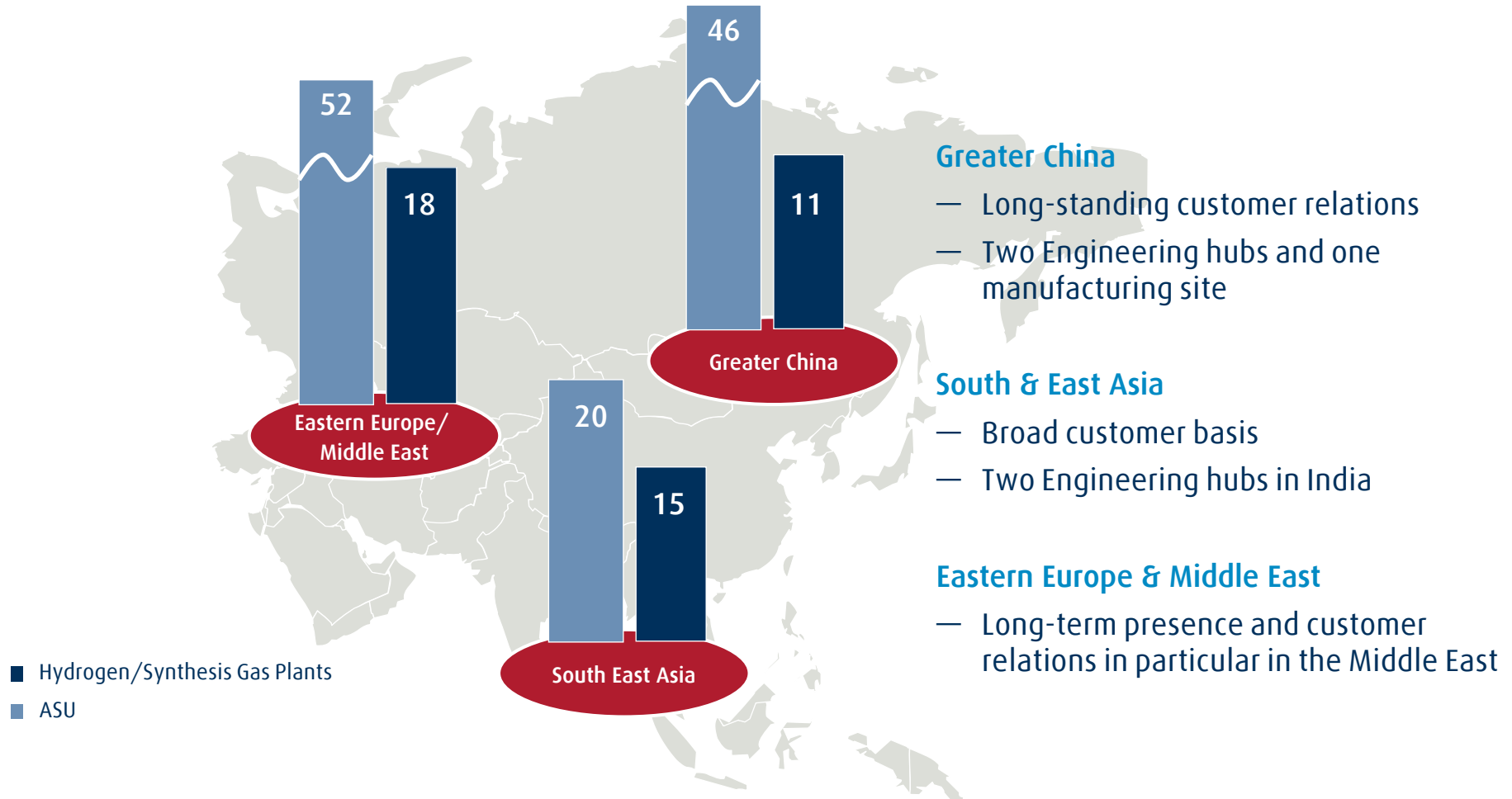
Mega-trend Growth Markets

Long-term Engineering footprint in Asia enables growth



THE LINDE GROUP

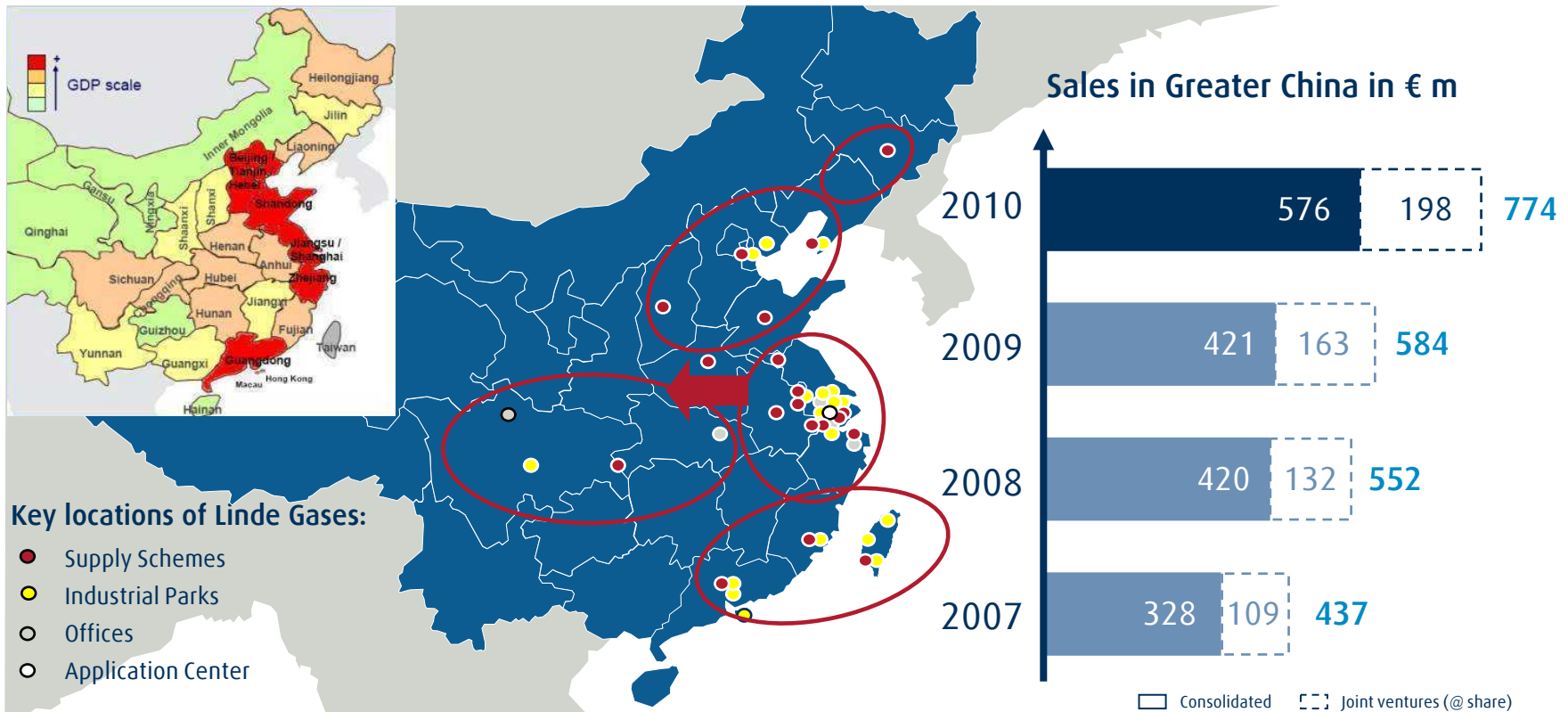
Number of ASU and hydrogen/synthesis gas plants sold by Engineering in Middle East and Asia to external customers since the year 2000*



*including small plants and excluding plants sold to other international industrial gases companies

Mega-trend Growth Markets

Leading player in Greater China



- First international gases company in China in the 1980s
- Over 4,000 employees / around 50 wholly-owned companies and JVs / around 150 operational plants
- Serving pillar industries chemical, oil & petrochemicals, metallurgy, manufacturing, electronics
- Industry-leading remote operations center, nation wide monitoring capabilities based in Shanghai

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

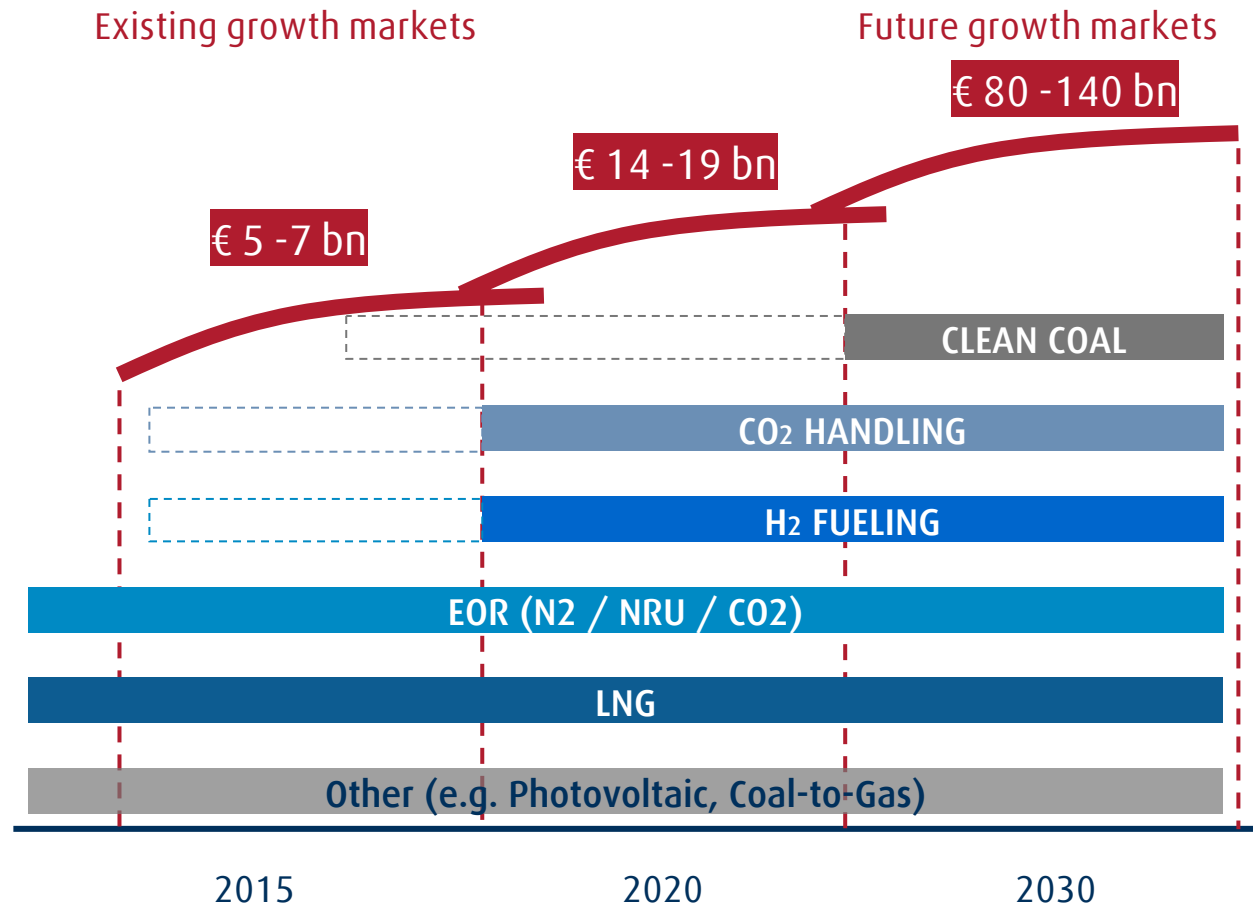


Mega-trend Energy/Environment

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

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

Example: CO₂-Handling, NL



Reduction of CO₂ Emission by 170k tons per annum:

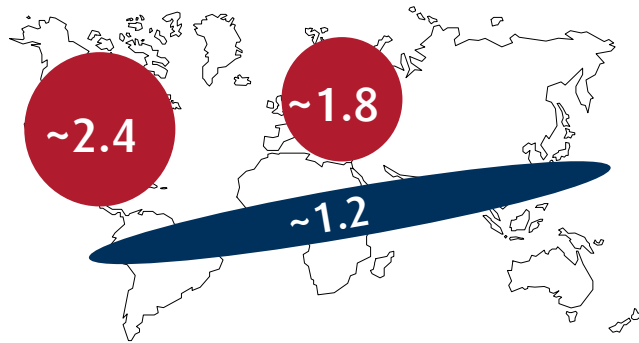
- Replacement of CO₂ generated by gas furnaces with CO₂ from a Shell refinery
- 85 km transportation pipeline with 150 km of distribution lines
- Prevents combustion of 95 million cubic metres of natural gas

Existing growth markets

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

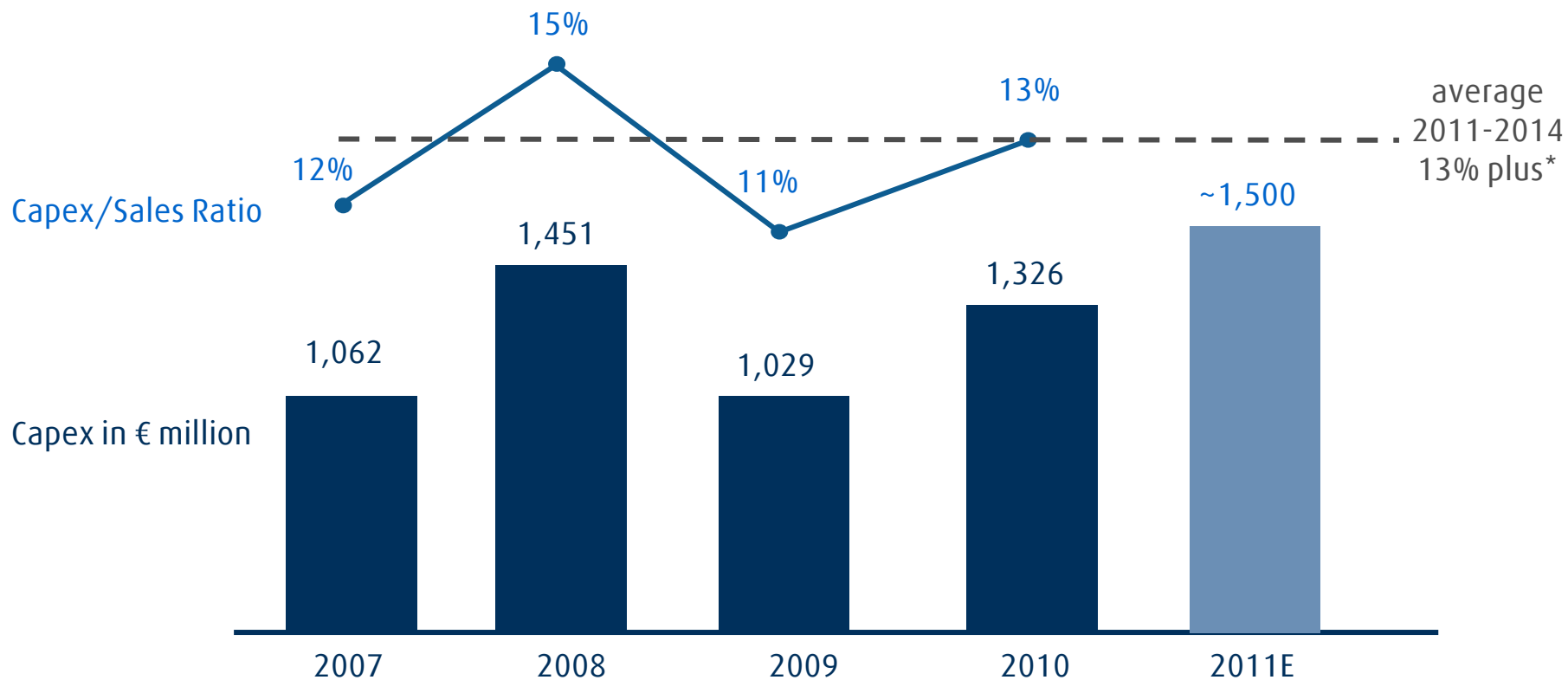
Linde Healthcare development approach



1. 2010 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-programme: € 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 8%
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

*Based on current economic projections and fx-rates

Summary

Continuously Improving.



THE LINDE GROUP

New record levels achieved in 2010

Group sales and profit on record levels

Group operating margin and Gases operating margin further improved

Strong operating cash flow further improved

Net debt reduced to € 5.5 bn (Net debt/EBITDA ratio of 1.9x)

Proposed increase of dividend by 22.2% to € 2.20

Competitive set-up for sustainable profitable growth

Strong market position in Growth Markets

Leveraging business synergies of Gases & Engineering

Focus on Mega-trends Energy/Environment and Healthcare

Based on sustainable cash flow generation and solid long-term financing

Implementation of High Performance Organisation on track

Well prepared for realisation of growth potentials

1. 2010 Operational and Financial Performance
2. Strategic Focus:
 - High Performance Organisation
 - Growth Potential Mega-trends
3. Outlook

Group, FY 2010

Key P&L items

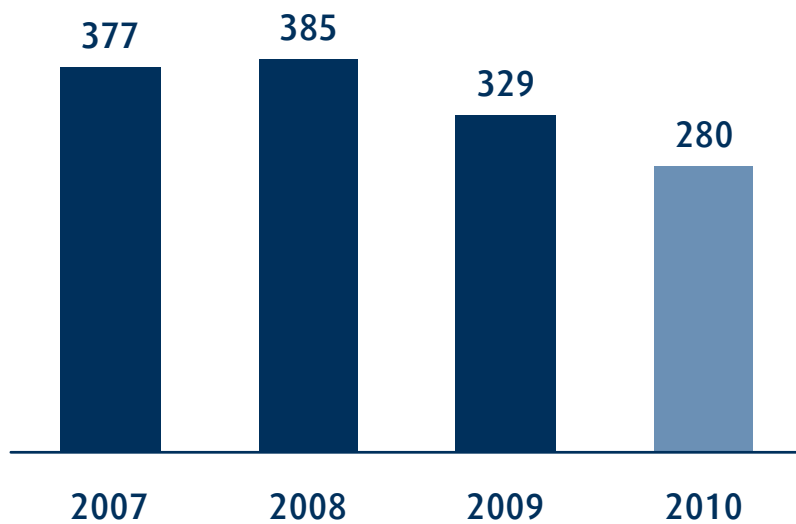
in € million	2009	2010	Δ in %
Sales	11,211	12,868	14.8
Operating Profit	2,385	2,925	22.6
Margin	21.3%	22.7%	+140bps
EBIT before PPA depreciation	1,460	1,933	
PPA depreciation	-293	-254	
EBIT	1,167	1,679	
Financial Results	-329	-280	
Taxes	-185	-335	
Net income – Part of shareholders Linde AG	591	1,005	
Net income adjusted	772	1,167	51.2
EPS in €	3.51	5.94	
EPS in € adjusted	4.58	6.89	50.4

Group, Q4 2010

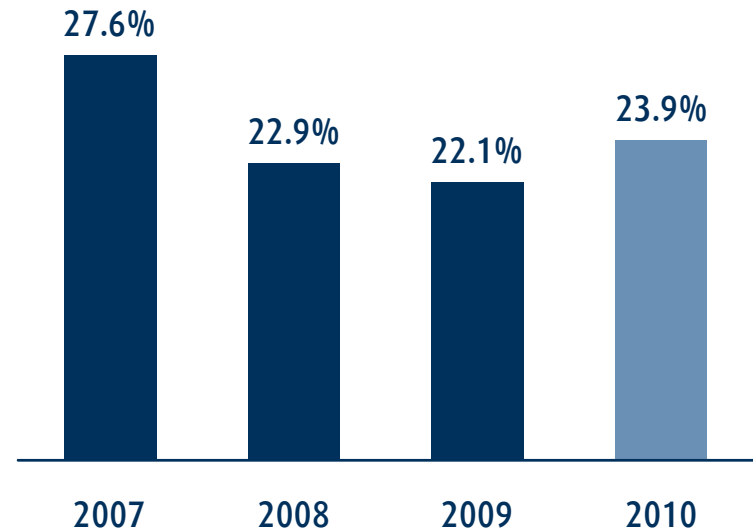
Key P&L items

in € million	Q4/2009	Q4/2010	Δ in %
Sales	2,898	3,463	19.5
Operating Profit	644	780	21.1
Margin	22.2%	22.5%	+30bps
EBIT before PPA depreciation	381	509	
PPA depreciation	-72	-63	
EBIT	309	446	
Financial Results	-82	-50	
Taxes	-30	-80	
Net income – Part of shareholders Linde AG	174	307	
Net income adjusted	203	342	68.5
EPS in €	1.04	1.81	
EPS in € adjusted	1.20	2.01	67.5

Financial Result (in € million)



Tax Rate



Group, FY 2010

Cash flow statement

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
Operating Cash flow	397	505	631	889	2,422	2,142
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
Investment Cash flow	-191	-245	-227	-402	-1.065	-990
Free Cashflow before financing	206	260	404	487	1,357	1,152
Financing activities	-23	-423	-102	-30	-578	-630
Net debt increase (+) / reduction (-)	183	-163	302	457	-779	-522

Group

Free Cash Flow before Financing (2010 vs. 2009)



THE LINDE GROUP

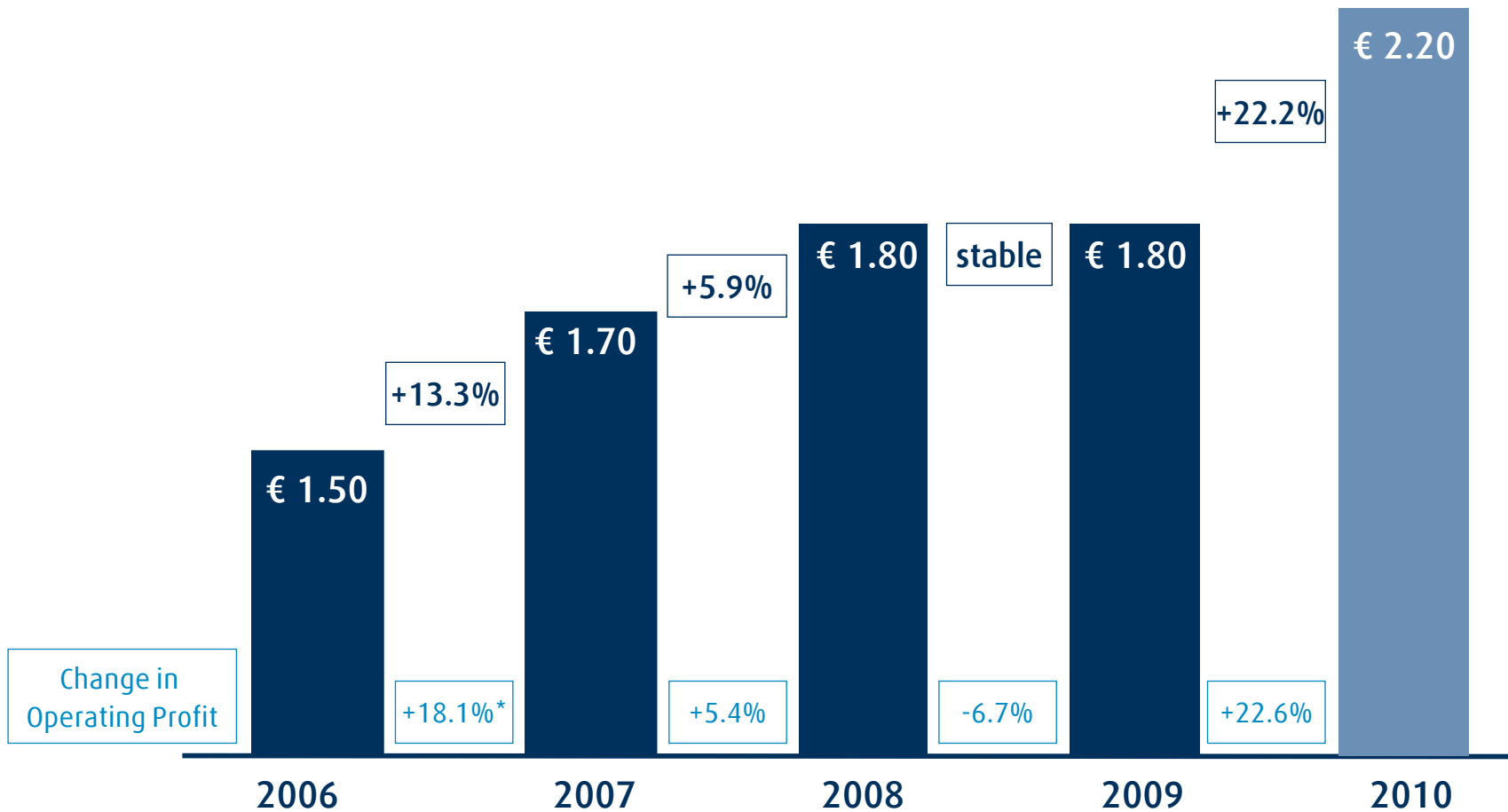
in € million

		Investing CF	Operating CF	Free CF	2010 vs. 2009
Q1	2010	-191	397	206	+58.5%
	2009	-282	412	130	
Q2	2010	-245	505	260	+48.6%
	2009	-254	429	175	
Q3	2010	-227	631	404	+0.0%
	2009	-179	583	404	
Q4	2010	-402	889	487	+9.9%
	2009	-275	718	443	
Total	2010	-1,065	2,422	1,357	+17.8%
Total	2009	-990	2,142	1,152	

Group, dividends

Proposed dividend increased by 22.2% to € 2.20

Consistent dividend policy

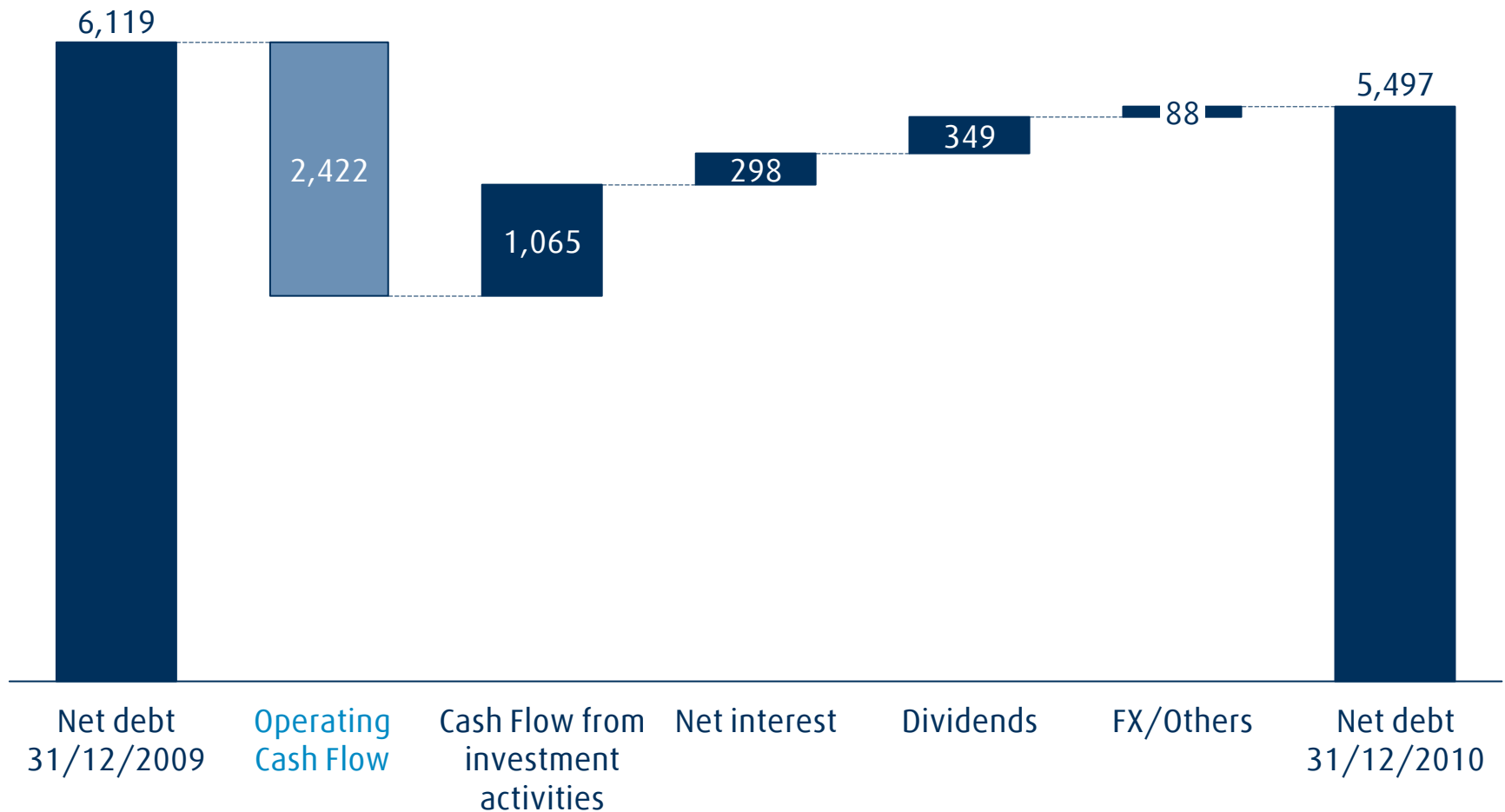


* Comparable change: prior year figures including twelve months of BOC

Group, solid financial position

Net debt reduction of € 622 million

in € million



Group, solid financial position

Stable long-term financing

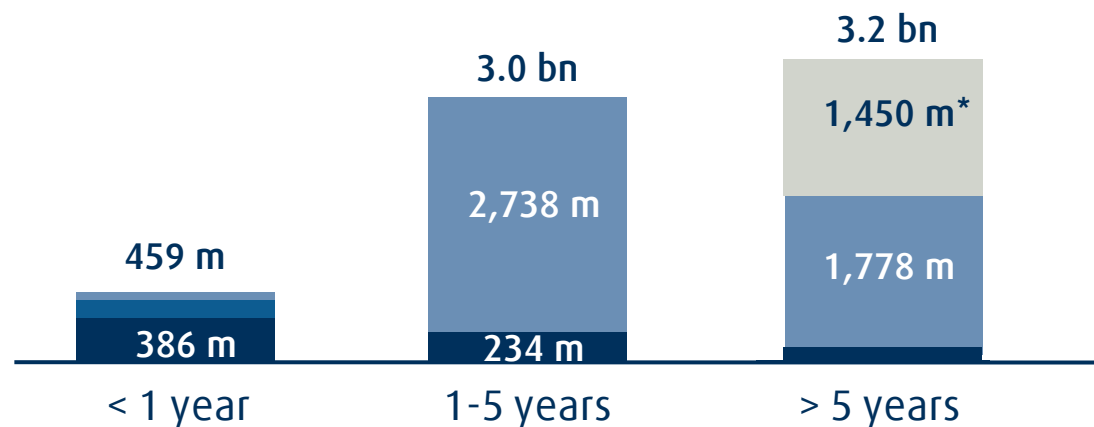
Well-spread and long-dated maturity profile

- 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

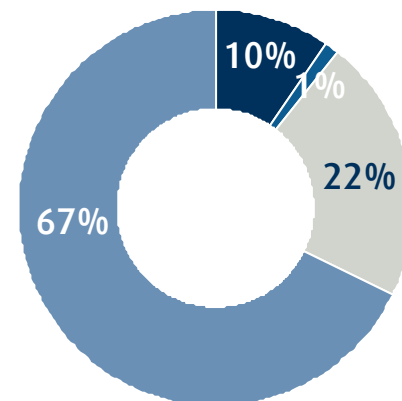
Balanced mix of various financing instruments

- 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

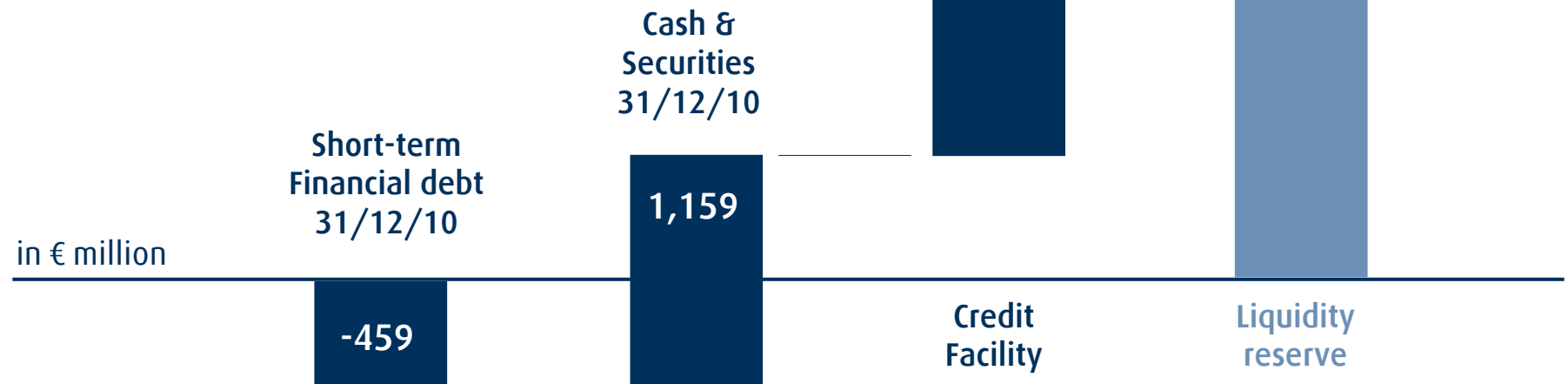
Group, solid financial position

Liquidity reserve further strengthened

€ 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

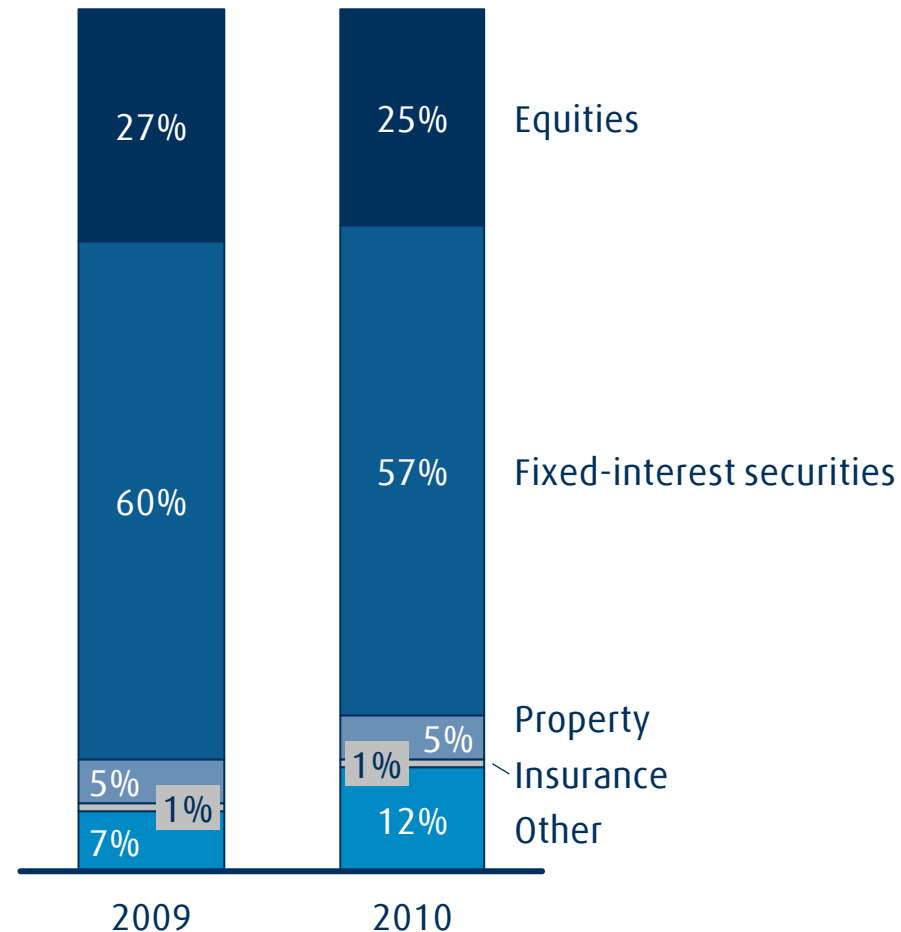
More than € 1 bn cash



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

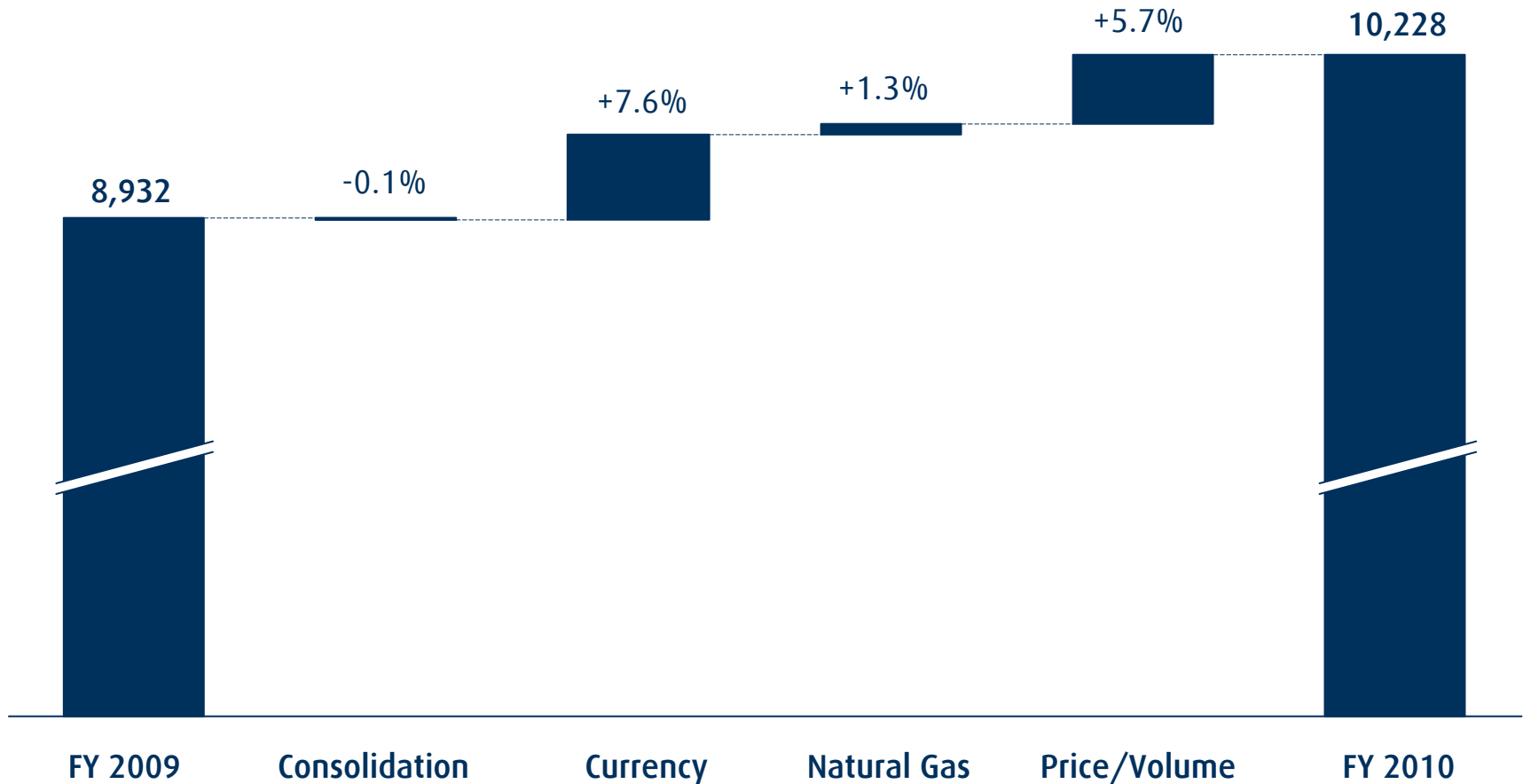
Pension plan assets portfolio structure



Gases Division, 2010 sales bridge

Comparable growth of 5.7%

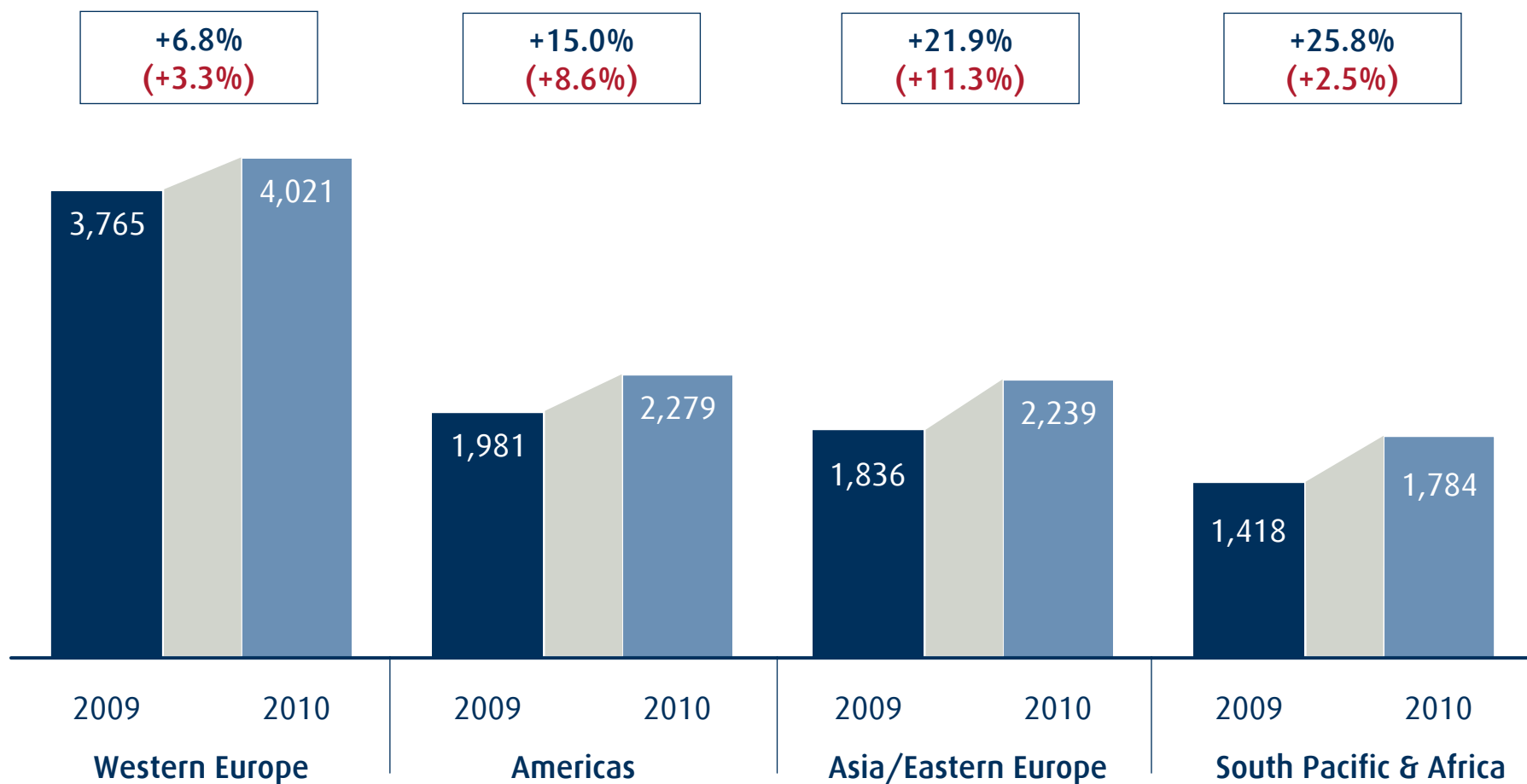
in € million



Gases Division, sales by operating segment

Growth markets show strongest momentum

in € million (comparable*)

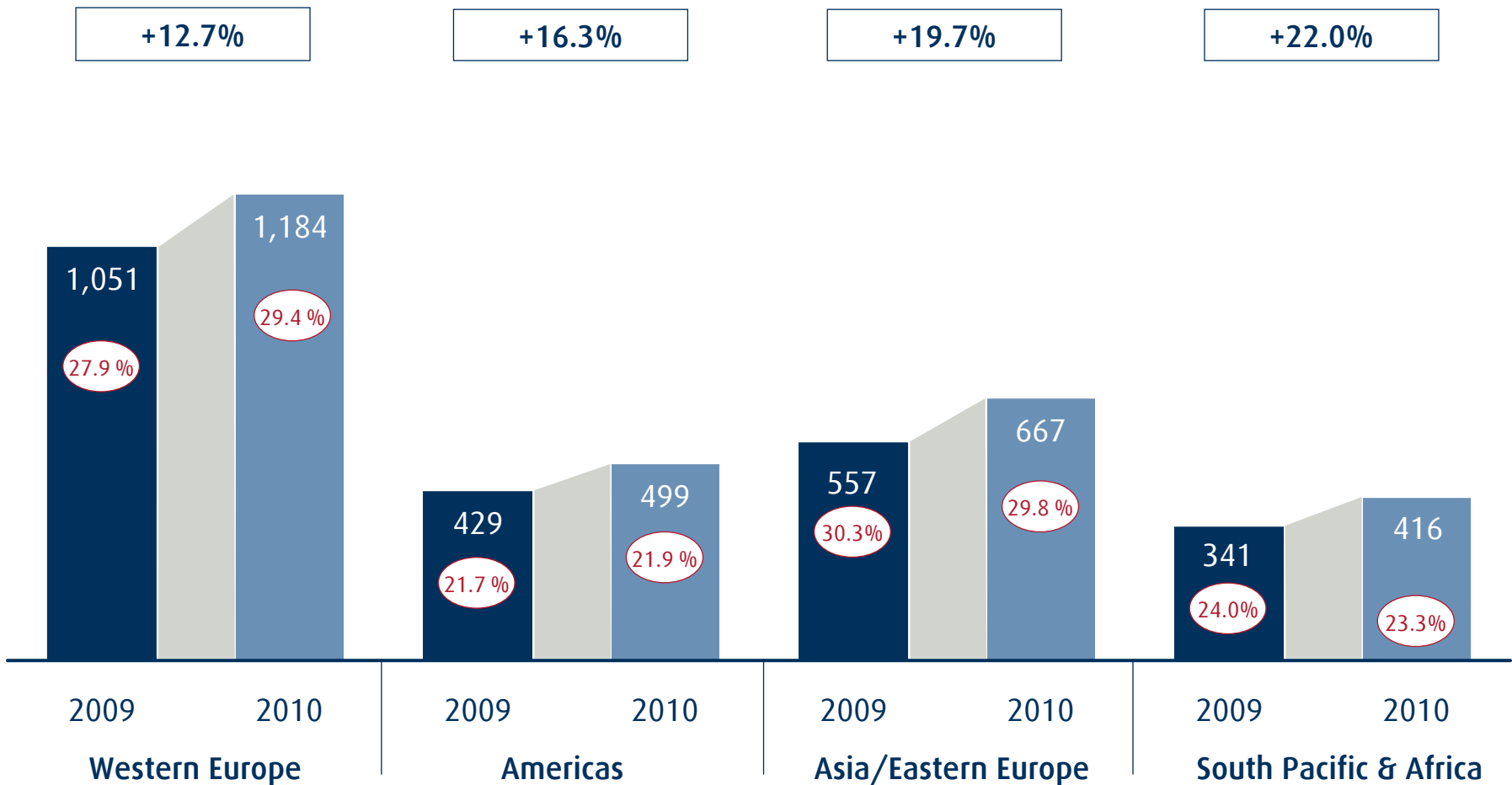


*excluding currency, natural gas price and consolidation effects

Gases Division, operating profit by operating segment

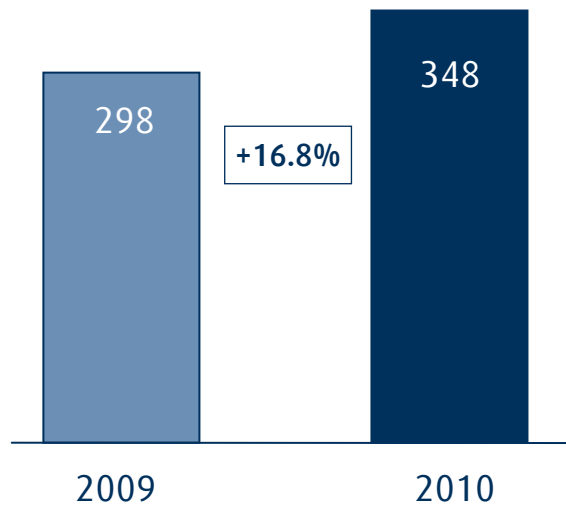
Growth in all regions supported by HPO

in € million ○ Operating margin

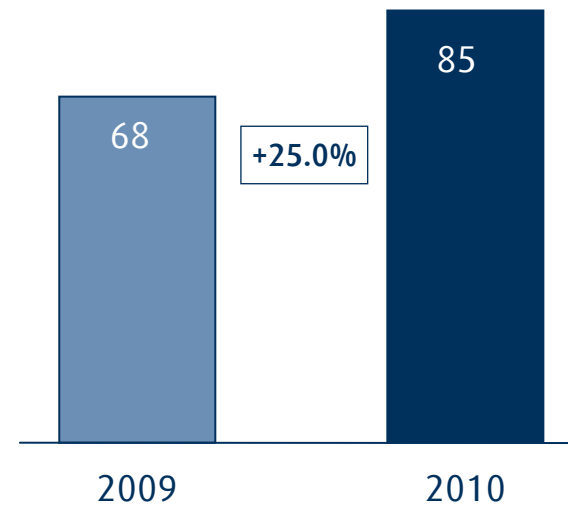


in € million

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



Share of Net Income (contribution to operating profit)



Gases Division, product areas

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

Tonnage
Global #2

Healthcare
Global #2



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



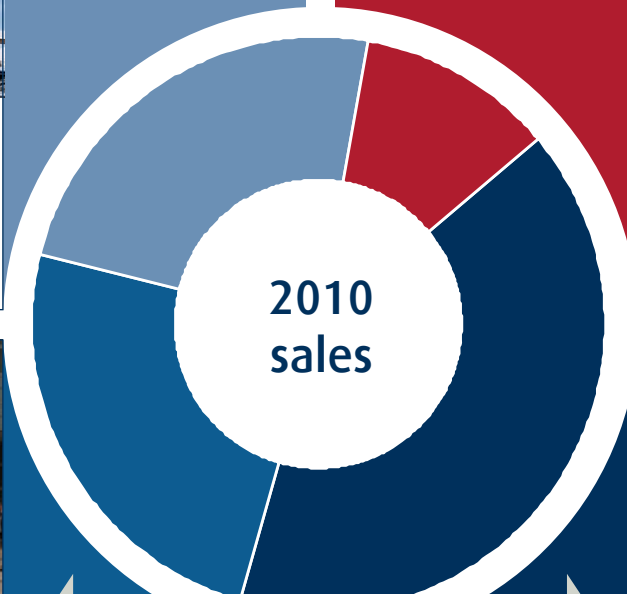
- Multi-year contracts
- Application-driven

Bulk
Global #1

Cylinder
Global #1



- High customer loyalty
- Includes specialty gases
- Cylinder rentals



> 70% of revenues from
> 30% market share

Gases Division, local business model

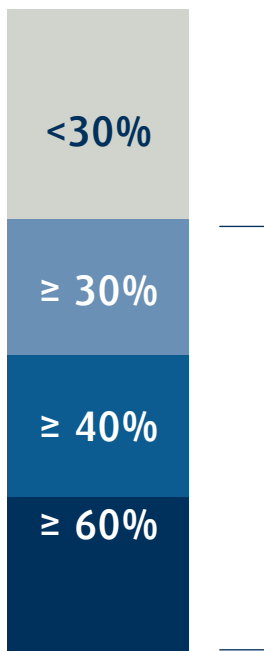
70% of revenues come from a leading market position

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

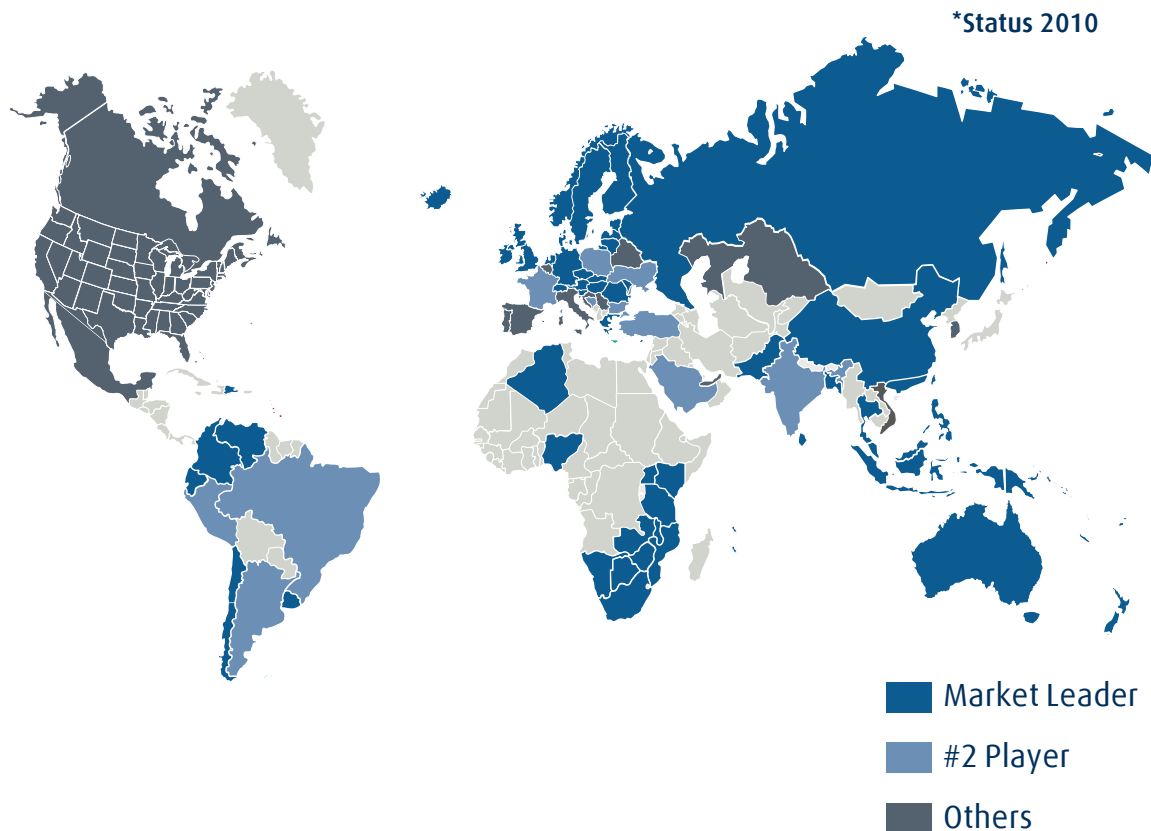
Sales split by market shares

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

€10.2 bn*



*FY 2010



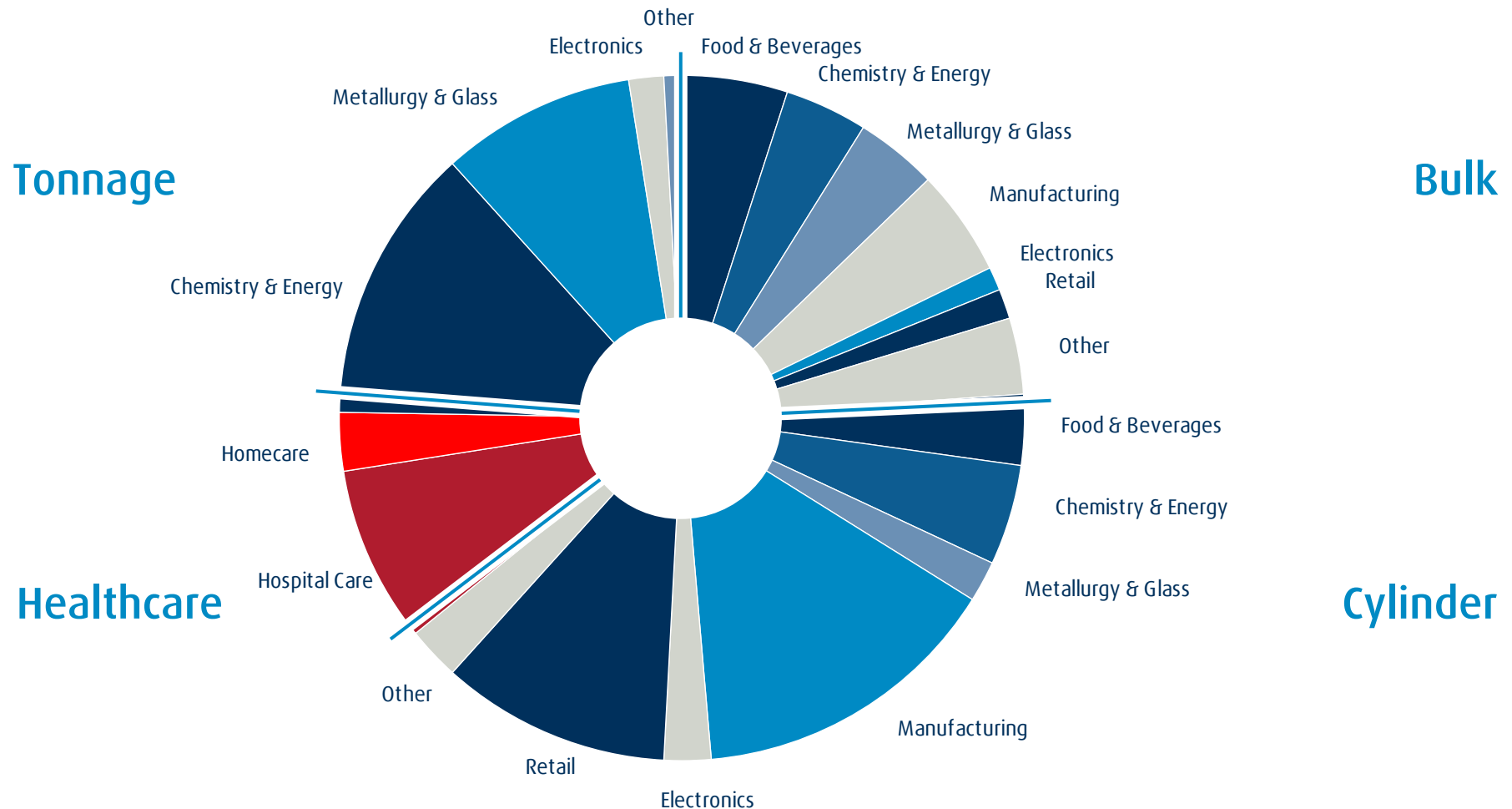
Gases Division

Stability driven by a broad customer base



THE LINDE GROUP

2010: Split of product areas 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

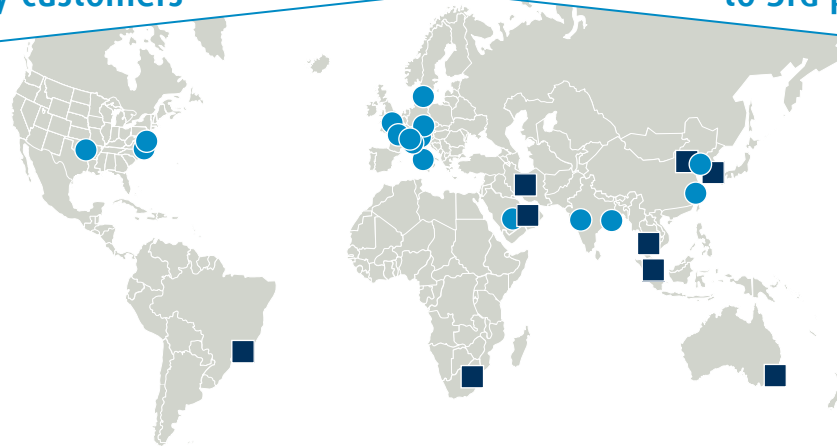
Natural Gas Plants



Top3

Providing plants for the gases business
and 3rd party customers

Providing chemistry and energy related solutions
to 3rd party customers

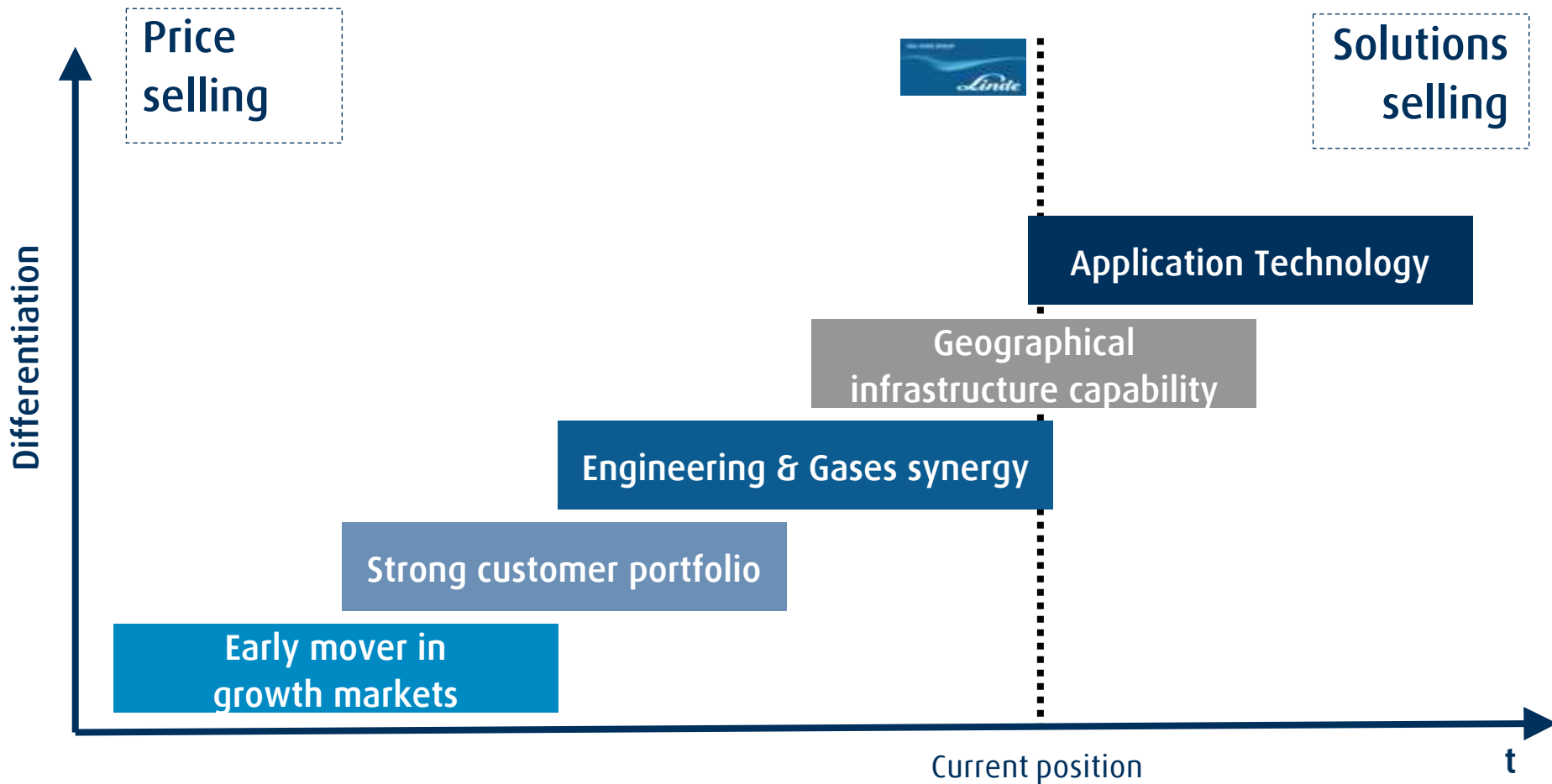


- Engineering base
- Sales office

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

Mega-trend Growth Markets

Business approach in Growth Markets

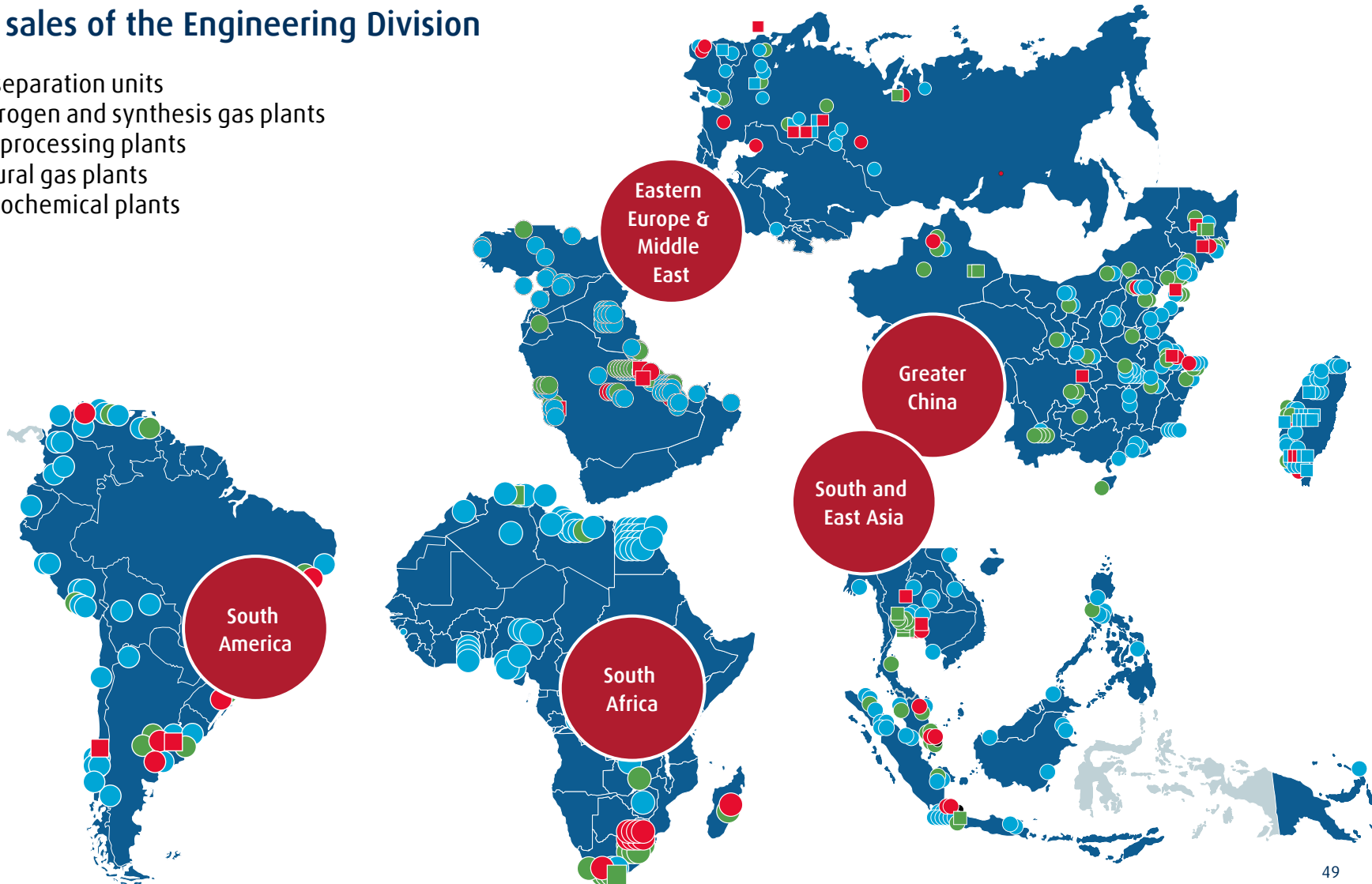


Mega-trend Emerging Markets

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



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

* 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, Norway
Gas-To-Liquid (GTL)	Pearl GTL project, Qatar Shell GTL LTD
CO ₂ scrubbing	RECTISOL® CO ₂ wash, used at Hammerfest LNG plant
Coal-to-Gas	ASUs and Rectisol for coal gasifications in China
Coal liquefaction	Tonnage contract with Bayer/SCCC ¹ 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 ₂ capture	RWE/BASF Pilot Project, Niederaussem, Germany
CO ₂ handling	Recycling CO ₂ (OCAP, Nld) CO ₂ 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, ...

¹ Shanghai Cooking & Chemical Corporation

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

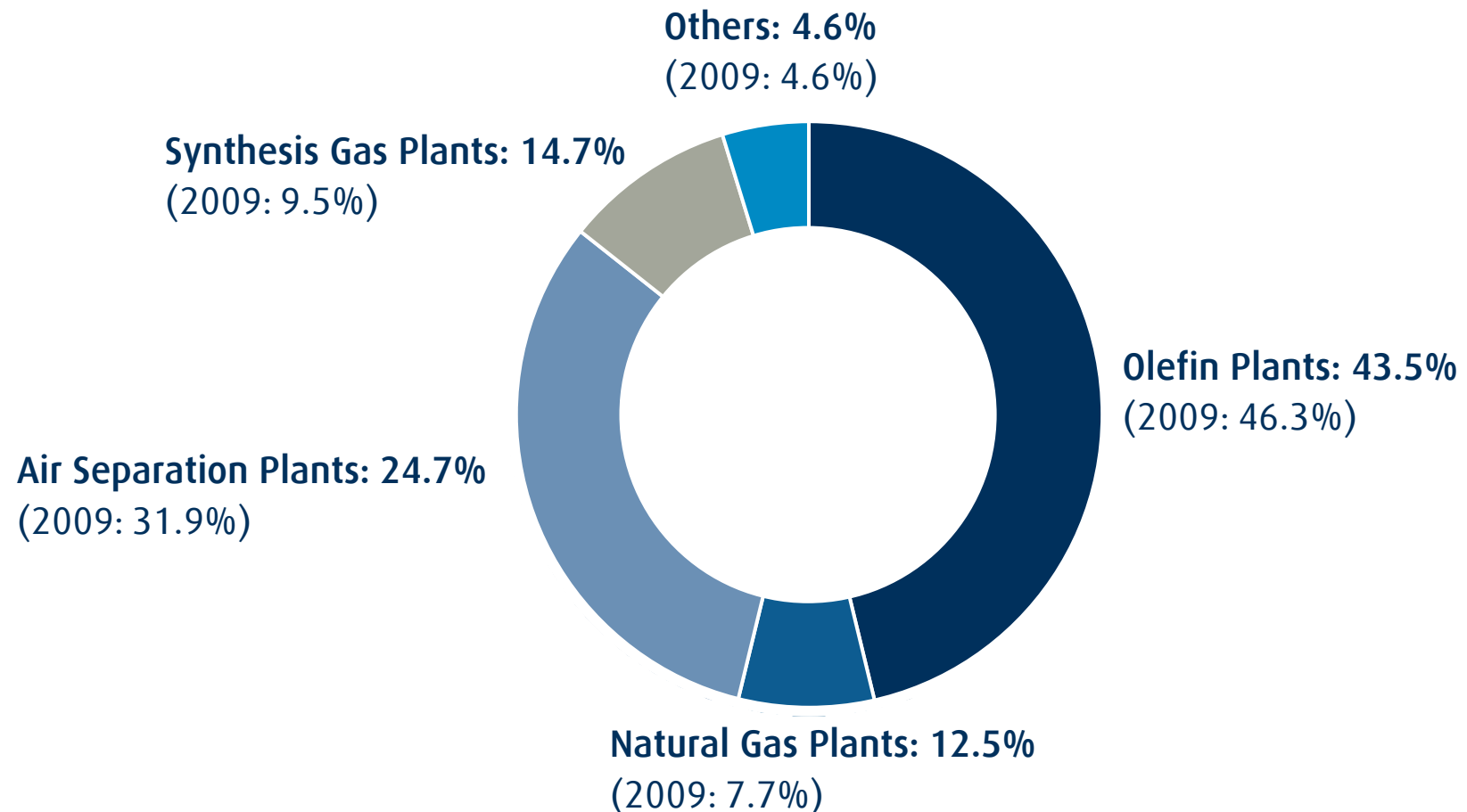
Hospital Care

Care Concepts

Homecare

Gas Therapies

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

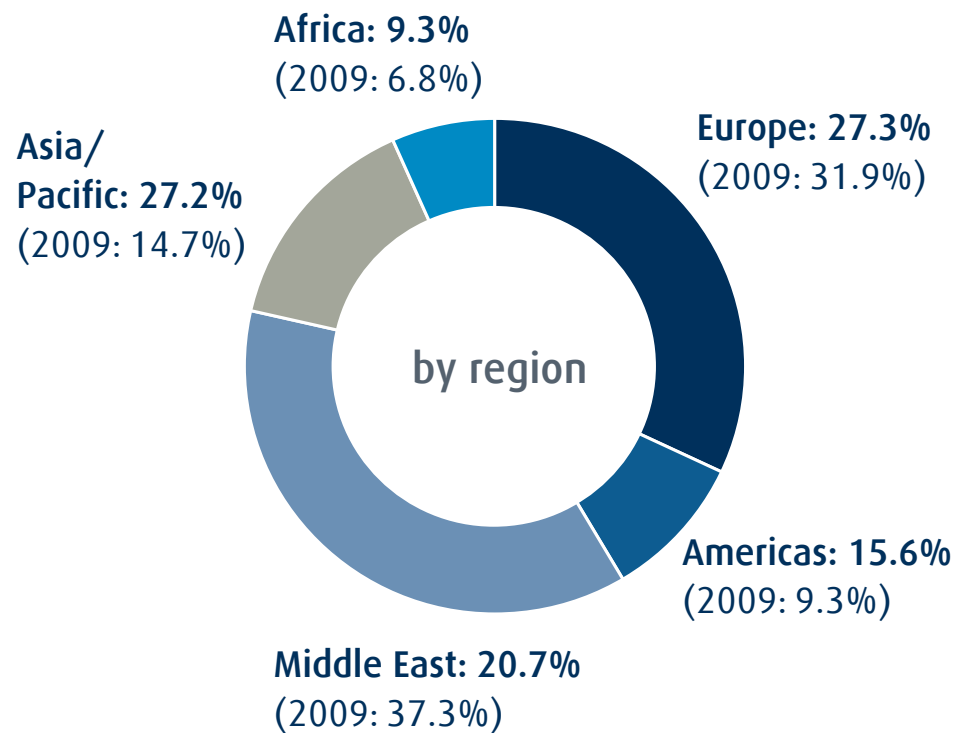
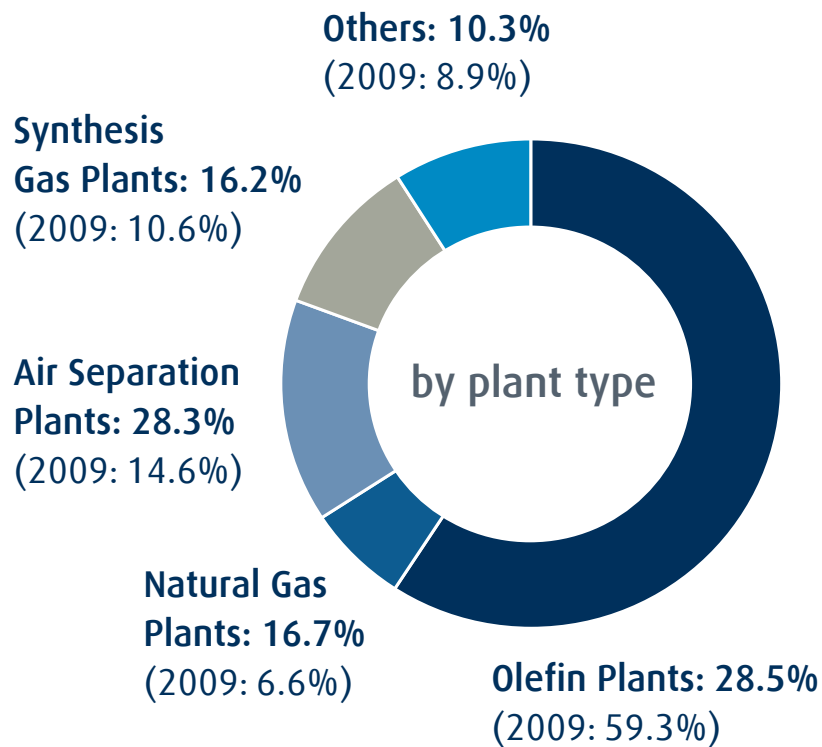


Engineering Division

FY 2010 order intake by plant type and region



THE LINDE GROUP



Group

Reconciliation of Capital Employed



THE LINDE GROUP

in € million	31.12.2009	31.12.2010		Key Financial Figures	Effects
	Key Financial Figures	As reported	Non-GAAP adjustment		
Equity incl. minority interest	8,235	11,362	-790	10,572	PPA and disposal effects
Plus: net debt	6,119	5,497		5,497	
Plus: liabilities from financial services	28	49		49	
Less: receivables from financial services	645	392		392	
Balance of financial debt	5,502	5,154		5,154	
Net pension obligations	887	552		552	
Capital employed	14,624	17,068	-790	16,278	
Average Capital employed	14,066	16,322		15,451	
Return on Capital Employed (ROCE)	10.4 %	10.3 %		12.5 %	

Group

Reconciliation of EPS

in € million	31.12.2009	31.12.2010		Key Financial Figures	Effects
	Key Financial Figures	As reported	Non-GAAP adjustment		
EBIT before special items	1,460	1,679	254	1,933	PPA
Taxes on income	-297	-335	-92	-427	deferred taxes on PPA
Earnings after taxes and minority interest	772	1,005	162	1,167	
EPS (in €)	4.58	5.94		6.89	
Weighted average no. of shares (in million)	168,6	169,3		169,3	

Group, Purchase Price Allocation

Confirmation of expected Depreciation & Amortisation

Development of depreciation and amortisation (in € million)

Impact in 2010: € 254 million

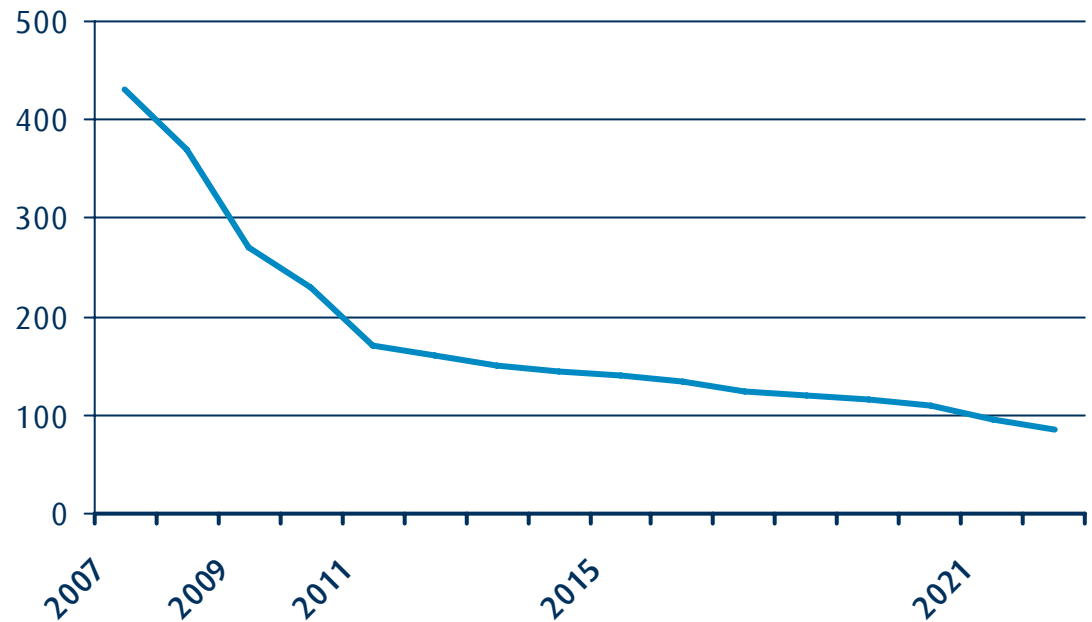
Expected range

2011	> 200 - 250
------	-------------

2012	> 175 - 225
------	-------------

...

2022	< 100
------	-------



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 financial services + net pension obligations - cash and cash equivalents - receivables from financial services
adjusted EPS	Return	earnings after tax and minority interests + depreciation/amortization from purchase price allocation +/- special items
	Shares	average outstanding shares

Contact

Phone: +49 89 357 57 1321

eMail: investorrelations@linde.com

Internet: http://www.the-linde-group.com/en/investor_relations

Financial Calendar

- Interim Report January to March: 4 May 2011
- Annual General Meeting: 12 May 2011
- Interim Report January to June: 29 July 2011
- Interim Report January to September: 28 October 2011