



FY 2023 Results

Strong Performance

Doubling ADVANCE Margin
Improvement Ambition

François Jackow, Chief Executive Officer
Jérôme Pelletan, Chief Financial Officer
Mike Graff, Executive Vice President
Pascal Vinet, Executive Vice President

Paris, February 20, 2024

Rotterdam, SMR
Decision for a Carbon Capture investment
to be connected to the Porthos CCS
infrastructure
Credit @FrankSeifert

01

Strategic and Operational Review

François Jackow - Chief Executive Officer

Strong 2023 Performance

Comparable
Sales Growth

+4%

OIR
margin⁽¹⁾

+80
bps

Recurring
Net Profit⁽²⁾

+13%

Cash Flow
after WCR⁽³⁾

+13%

Recurring
ROCE⁽⁴⁾

10.6%

(1) Improvement of the operating Income Recurring on Sales ratio excluding energy passthrough impact (2) Excluding exceptional and significant transactions that have no impact on the operating income recurring, excluding FX (3) Cash Flow from Operations after changes in WCR excluding FX (4) Recurring ROCE based on Recurring Net Profit

Significant 2023 Margin Improvement



2023 figures

Accelerated Investments to Secure Profitable Growth

2 main drivers⁽¹⁾



>40% Energy Transition



Normand'Hy
Trailblazer



Porthos
Grandpuits



Others
Low-C

Becancour



Biogas

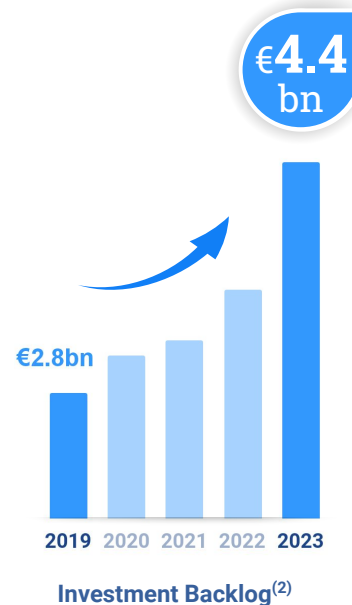


ASUs electrification



>35% Electronics
in Asia, USA

Record high backlog



(1) Projects in investment backlog (2) See definition in appendix

Active Development of Investment Projects

Energy Transition Projects awarded fundings

- Total of **12 LI projects** €**2.7**bn Capex
 - **3 projects signed or started**⁽¹⁾ 
 - **9 projects on the move to decision** >€**2.0**bn Capex

Carbon capture & CO₂ export hubs



Electrolysers



- MoUs⁽²⁾



- Joint venture



- **6 Clean H₂ Hubs** 

Electronics

- Investment opportunities

Reshoring projects in
Europe and US

- Advanced Materials

\$**200m** capex
for **2 new production centers** in Asia



H₂ for mobility and low-C H₂ development

- Joint ventures



Hydrogen Airport



- MoUs⁽²⁾



(1) Normand'Hy and Porthos projects signed and now included in the backlog, Trailblazer electrolyzer started (2) Memorandum of Understanding

Strong Progress on **ADVANCE** CO₂ Emissions Roadmap

Deploying decarbonization plan around 3 levers

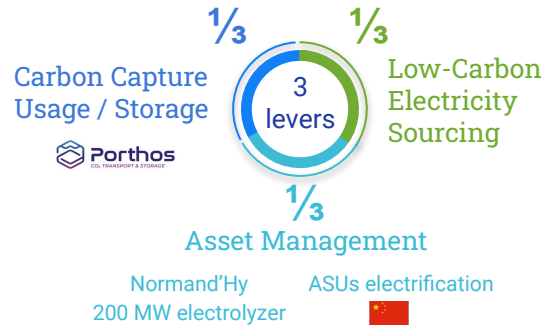
2023 achievement

-1.8 m tonnes of CO₂ emissions



+4% comparable sales

2023 key decisions to contribute in a few years



Additional **Renewable PPAs**⁽²⁾ in 2023



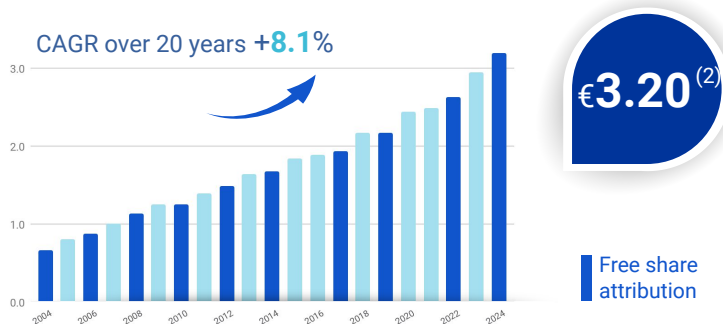
-1.2 m t/y CO₂ emissions



(1) « Market based » scopes 1 & 2 restated emissions to take into account over a full year from 2020 and each subsequent year, the emissions of the assets which correspond to changes in scope and which have a significant impact (upwards and downwards) on CO₂ emissions (2) Announced renewable Power Purchase Agreements

Delivering Value to Shareholders Over the Long Term

Dividend per share⁽¹⁾ in €



✓ **New dividend proposed in 2024⁽²⁾**

- +8.5% increase
- 56% Payout Ratio

✓ **Free shares attribution in June 2024**

- and associated dividend from 2025

Total Shareholder Return⁽³⁾

+12.6%

annual average
over 20 years



+33%
share price performance
in 2023

2 x better than CAC 40

(1) Dividend Per Share paid in the year and related to previous year result. Adjusted for the 2-for-1 share split in 2007, for free shares attributions and for the capital increase completed in October 2016 (2) Subject to approval at the Shareholders' Meeting scheduled for April 30, 2024

(3) Annual average growth rate of an investment in Air Liquide shares, including reinvested dividends and loyalty bonus, 2004-2023

Doubling the ADVANCE Margin Improvement Ambition

Confirmed **ADVANCE** objectives and investments decisions

- ✓ Sales growth **+5-6%** CAGR⁽¹⁾
- ✓ ROCE **>10%** by 2023 and forward⁽²⁾
- ✓ CO₂ emissions **inflection** around 2025
- ✓ **€16bn investment decisions**⁽³⁾

Acceleration of margin improvement

+320
bps

over 4 years⁽⁴⁾

x 2



vs. initial ambition
in March 2022

(1) Group comparable sales growth 2021-2025 CAGR (2) Recurring ROCE based on Recurring Net Profit, see definition in the appendix of the management report

(3) Cumulated industrial and financial investments decisions over 4 years 2022-2025

(4) Calculated as the sum of yearly OIR margin improvements at the energy price of the previous year; over the period 2022-2025

02

Strong Financial Performance Through Disciplined Execution

Jérôme Pelletan - Chief Financial Officer

Very Solid Comparable Sales Growth

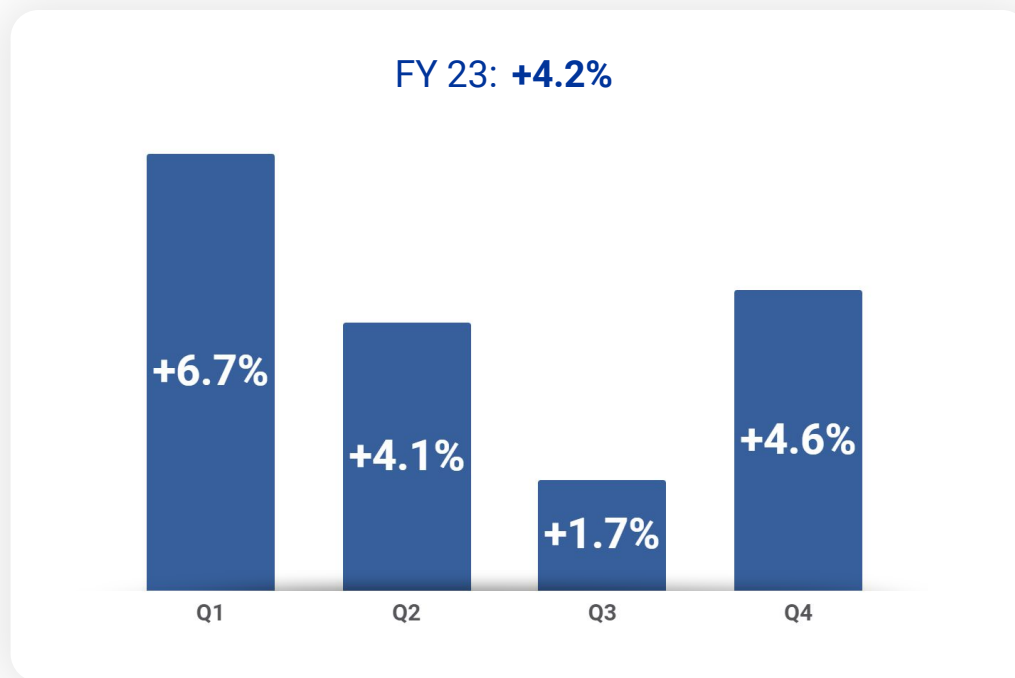
Sales in €m	FY 22	FY 23	FY 23/22 As published	FY 23/22 Comparable	Q4 23/22 Comparable
Gas & Services	28,573	26,360	-7.7%	+4.2%	+4.6%
Engineering & Construction	474	390	-17.7%	-15.6%	-25.4%
Global Markets & Technologies ⁽¹⁾	887	858	-3.3%	-1.0%	-5.7%
Group Total	29,934	27,608	-7.8%	+3.7%	+3.7%

Impacts on FY Group Sales: -4.2% FX -7.6% Energy +0.3% Significant Scope⁽²⁾

(1) Impacted in 2023 by divestitures (2) Impact on sales of all acquisitions or disposals of a significant size for the Group

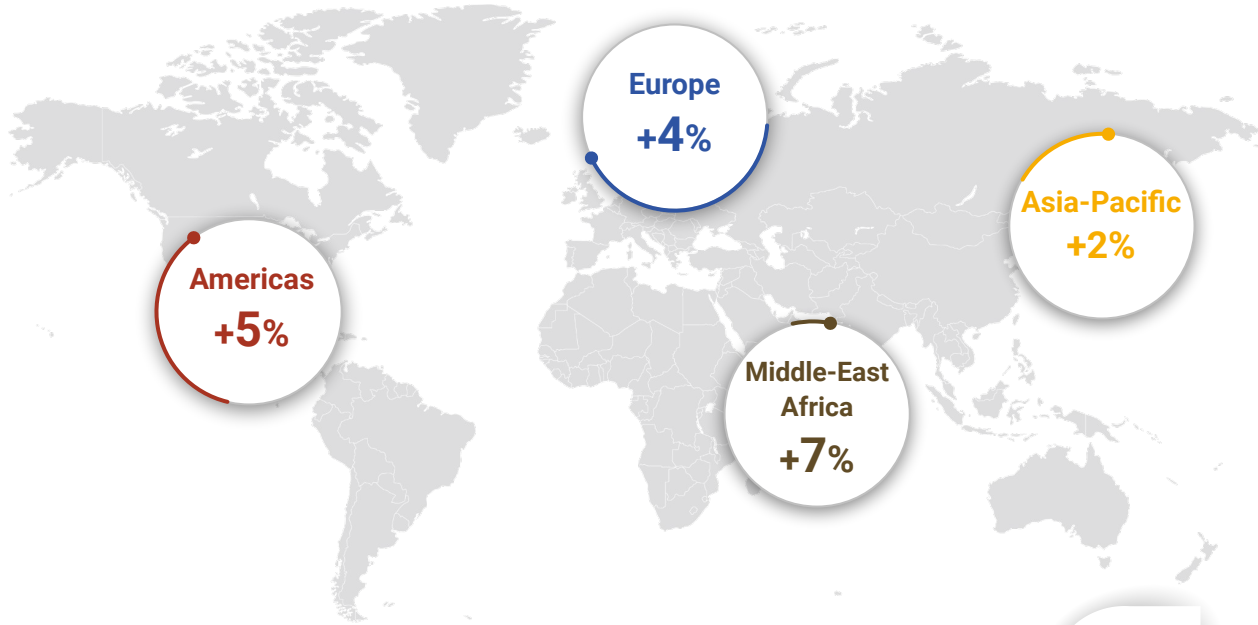
Improved Growth in Q4 2023

2023 Gas & Services comparable sales growth

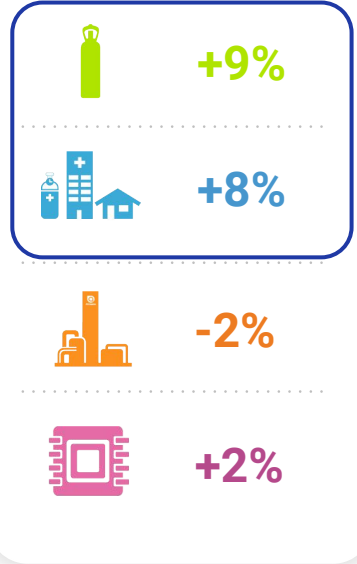


Resilient Growth Leveraging Mix and Business Model

FY 2023 Gas & Services comparable sales growth



by Activities



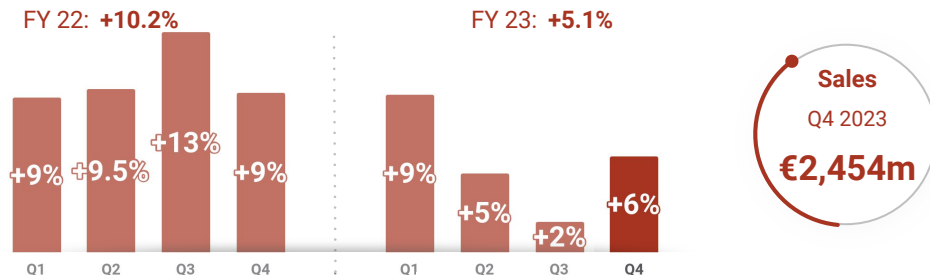
Group Comparable sales growth

+4%

Q4 – Higher Sales Growth in Americas and Europe

Americas

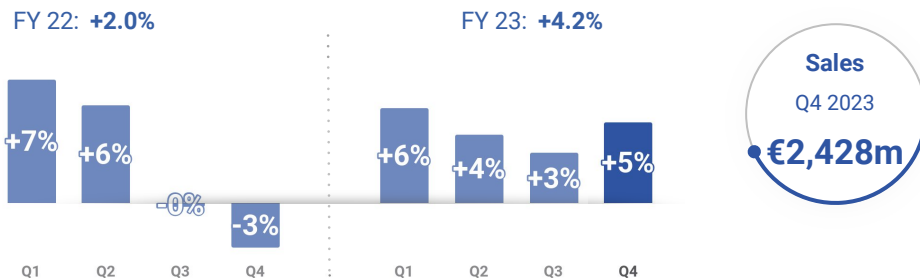
All Business Lines contributing to growth



- LI
 - Soft **Steel** and mixed **Refining**, higher **U.S. Chemicals**
 - Customer **turnarounds**
- IM
 - Sustained **+5% pricing**
 - Resilient gas volumes**
- HC
 - Strong pricing** esp. in **Proximity care** in **U.S.**
 - Growing HHC** in Canada and LATAM
- EL
 - High E&I sales**
 - Low Materials**

Europe

+7% growth in IM and HC



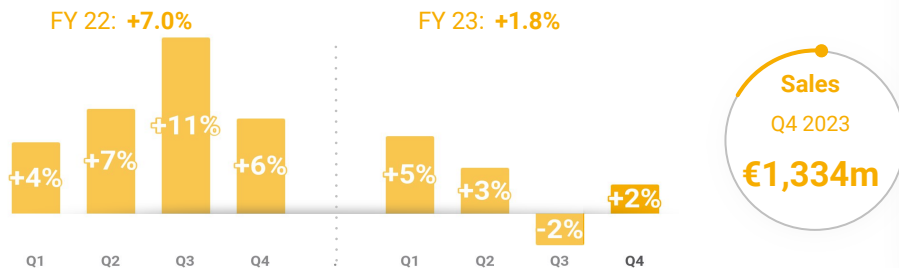
- LI
 - Higher H₂** volumes vs Q4 22 for **Refining**
 - Low level, stable activity** in **Steel** and **Chemicals**
- IM
 - +8% pricing**
 - Improved volumes**
- HC
 - Strong HHC** driven by **sleep apnea** and **diabetes**
 - Pricing** addressing inflation in **Medical gases**

G&S comparable sales growth

Q4 – Contrasted Asia, Continued Momentum in AMEI

Asia

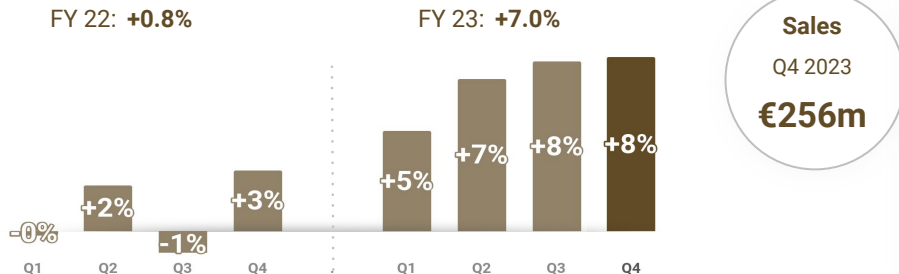
High growth in IM



- **LI**
 - Low activity
 - Extended customer stoppage in China
- **IM**
 - +5% pricing
 - Strong volume growth in China
- **EL**
 - Solid Carrier Gases
 - Low E&I and Specialty Materials

AMEI

All activities contributing



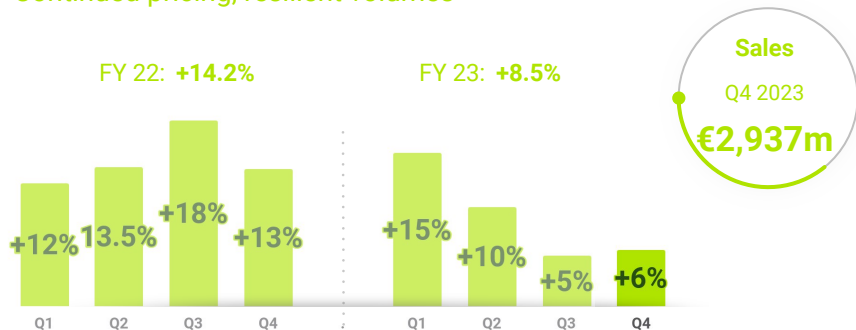
- **LI**
 - Continued growth in air gases and hydrogen
- **IM**
 - +10% pricing
 - Solid volume growth

G&S comparable sales growth

Q4 – Continued Robust Growth in IM, Stabilized Activity in LI

Industrial Merchant

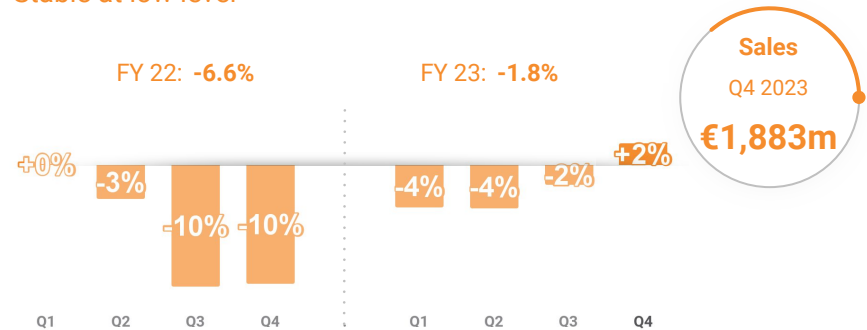
Continued pricing, resilient volumes



- **+6% pricing** on top of +15% in Q4 22
- **Resilient volumes**
- Growing volumes in **Automotive, Research** and **IC⁽¹⁾ packaging**

Large Industries

Stable at low level



- **Stabilized** demand in **Steel** and **Chemicals**
- **Improved** volumes in **Refining**
- Customer **turnarounds**

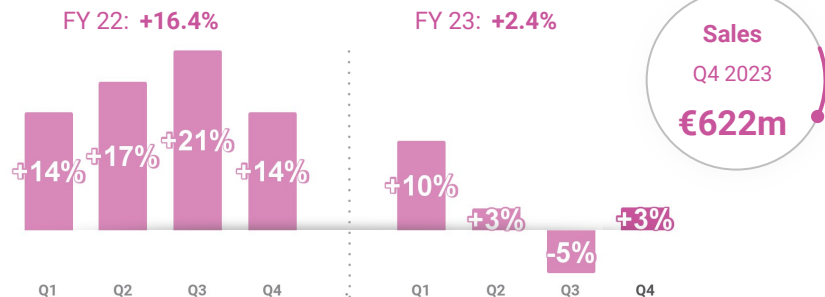
G&S comparable sales growth

(1) Integrated Circuits

Q4 – Electronics Off the Lows, Strong Momentum in Healthcare

Electronics

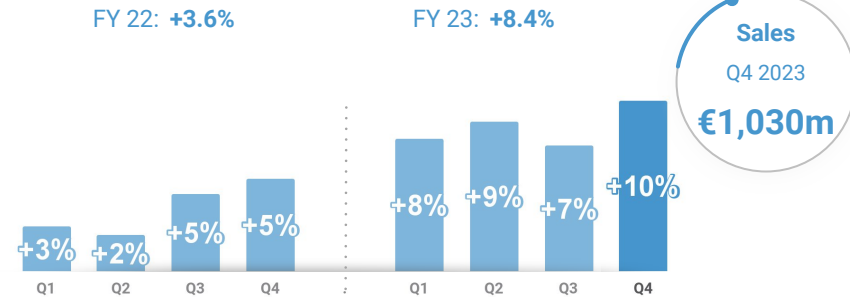
Solid growth in Carrier Gases, high E&I sales



- **Solid** contribution from SU/RU⁽¹⁾ in **Carrier Gases**
- **Low** activity in Memory impacting **Materials**

Healthcare

Well balanced growth between HHC & Medical gases



- **Home Healthcare** growth from **all** therapies
- **Pricing** in **Medical** gases addressing inflation

G&S comparable sales growth
(1) Projects Start Ups and Ramp Ups

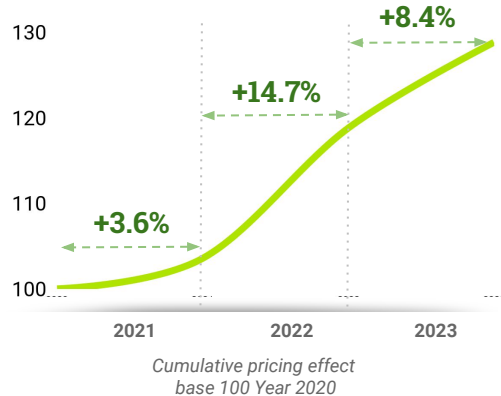
+80bps of OIR Margin Improvement, +150bps over 2 years

In €m	FY22	FY 23	FY 23/22 As published	FY 23/22 Comparable
Revenue	29,934	27,608	-7.8%	+3.7%
Purchases	(13,813)	(11,147)	-19.3%	
Personnel Expenses	(4,963)	(5,100)	+2.7%	
Other net income and expenses	(3,830)	(3,811)	-0.5%	
Operating profit before depreciation	7,328	7,550	+3.0%	
Depreciation and amortization	(2,466)	(2,482)	+0.7%	
Operating income recurring (OIR)	4,862	5,068	+4.2%	+11.4%
Group OIR margin	16.2%	18.4%		
Group OIR margin excluding energy impact				+80bps
G&S OIR margin	17.7%	20.0%		
G&S OIR margin excluding energy impact				+70bps

(1) See reconciliation in appendix

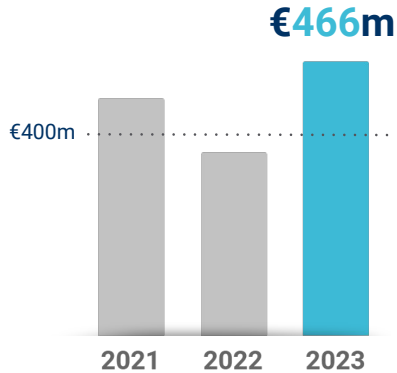
Delivering on Pricing and Efficiencies Fostering Margin Improvement

IM Pricing



- **Strong** FY 23 pricing on top of a **record high** FY 22
- Continued **active price management**

Efficiencies



- **+23%** vs FY 2022, above target
- Strong **industrial** efficiencies
- Continued **procurement** efficiencies in a context of high inflation

Portfolio Management

14 acquisitions



U.S., Canada, Italy, China, India



Sweden, Benelux



Germany

2 divestitures



Trinidad and Tobago



Sale of minority stake in Hydrogenics

High & Resilient IM Pricing On Top of Record Price Increase in 2022

Q4 23

Americas



+5.2%

Europe



+8.4%

Asia-Pacific



+5.4%

Middle-East & Africa



+10.2%

Total

Industrial Merchant



+6.1%

FY 23

+6.3%

+14.0%

+7.3%

+9.9%

+8.4%

Pricing context

- Inflationary environment
- Continued smart pricing management
- Decrease of Energy prices
- Continued tightness in several molecules



Bulk specificities

- Energy indexation: mix of spot and forward pricing
- Time lag effect

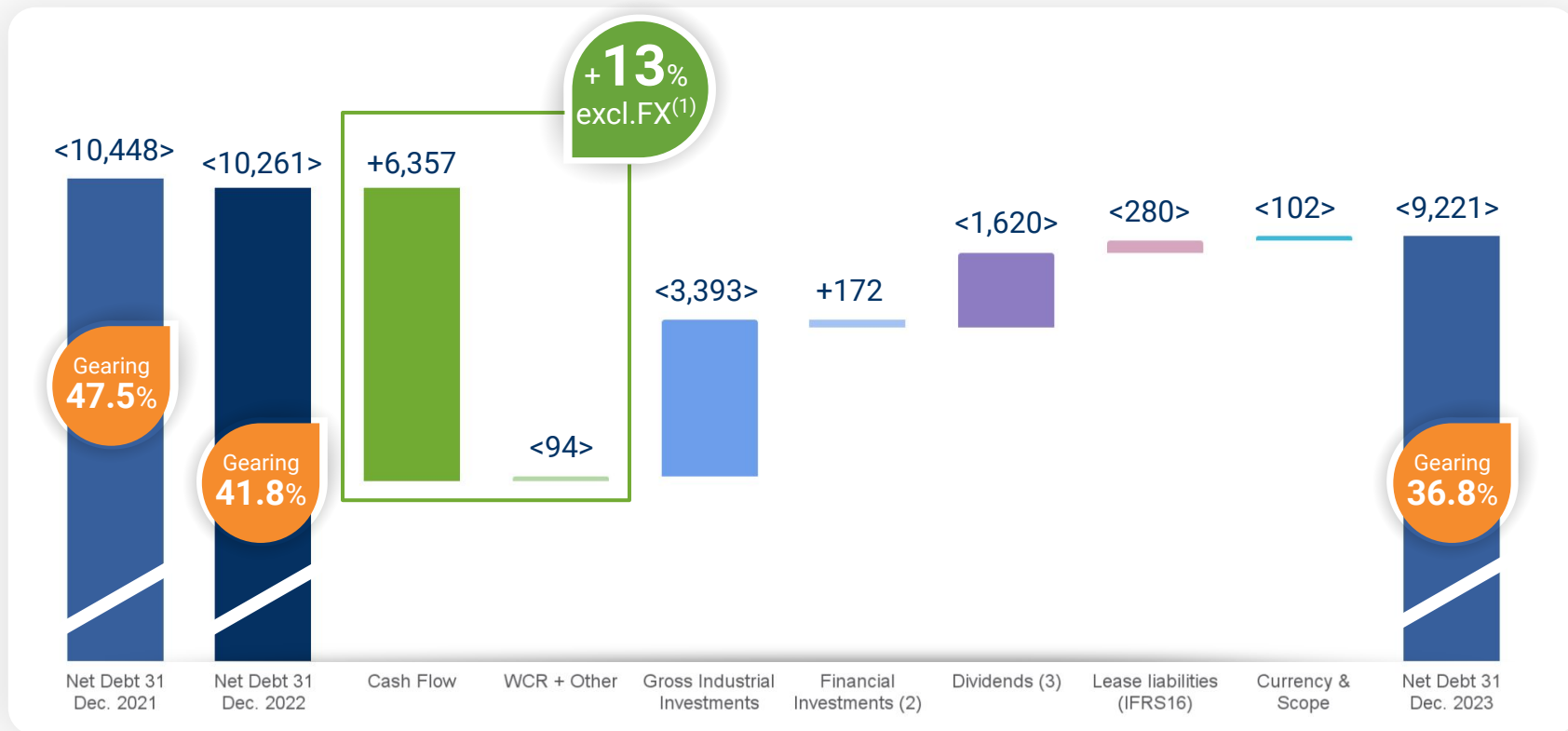
Strong Growth Leverage on Net Profit

In €m	FY22	FY 23	FY 23/22 As published	FY 23/22 Excl. FX
Revenue	29,934	27,608	-7.8%	-3.6%
Operating income recurring	4,862	5,068	+4.2%	
Other non-recurring operating income & expenses	(571)	(496)		
Operating income	4,291	4,572		
Net financial costs and other net financial expenses	(386)	(416)		
Income taxes	(1,002)	(972)		
Tax rate	25.7%	23.4%		
Share of profit of associates	1	5		
Minority interests	145	110		
Net profit (Group share)	2,759	3,078	+11.6%	+21.0%
Earnings per share (in €)	5.28	5.90	+11.7%	
Recurring net profit⁽¹⁾	3,162	3,320	+5.0%	+13.3%

+3.7%
comparable

(1) Excluding exceptional and significant transactions that have no impact on the operating income recurring

Strong Cash Flow Allocated to Capex and Dividends

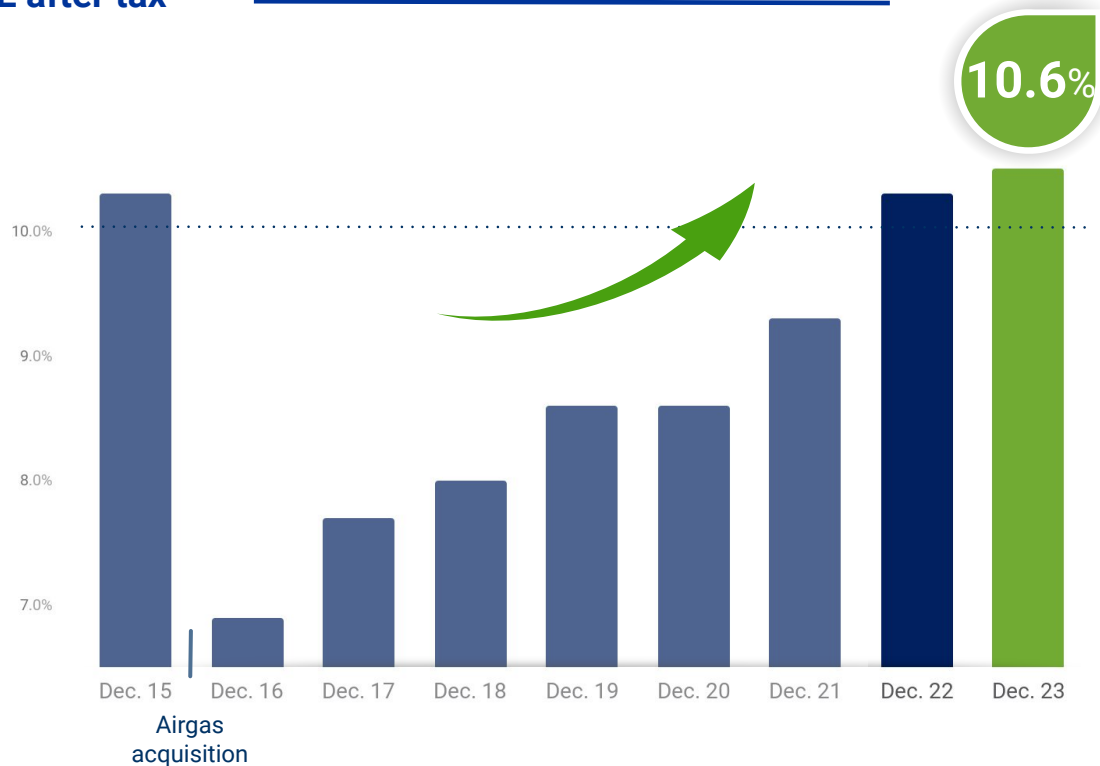


(1) Growth of Cash Flow from Operations after changes in WCR, excluding FX impact

(2) Acquisitions, transactions with minority shareholders, net of divestitures (3) Including treasury shares and capital increase

Improving ROCE While Increasing Capex

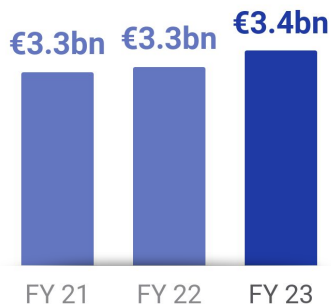
Recurring ROCE after tax⁽¹⁾



(1) Recurring ROCE based on Recurring Net Profit, see definition in the appendix of the management report

Record High Investment Decisions & Backlog

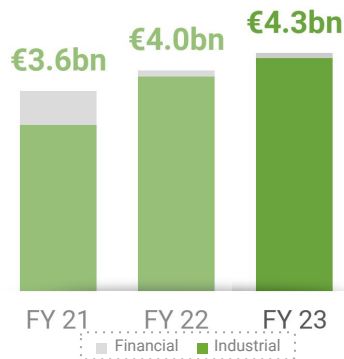
12-months investment Opportunities ⁽¹⁾



High level of opportunities:

- Despite major **signed projects exiting** portfolio
- 🌱 ▪ >40% in **Energy Transition**
- **EL** projects in Asia, USA and Europe

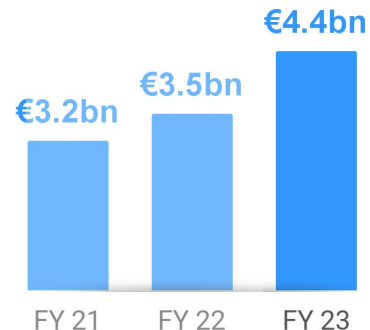
Investment Decisions ⁽¹⁾



Strong activity signing:

- 3 major **Energy Transition LI** projects:
 - 🌱 200 MW electrolyzer, CCS⁽²⁾ project, ASU with renewable energy
- **EL Carrier Gases** projects in Asia, Europe and USA
- 62 **on-site** units

Investment Backlog ⁽¹⁾



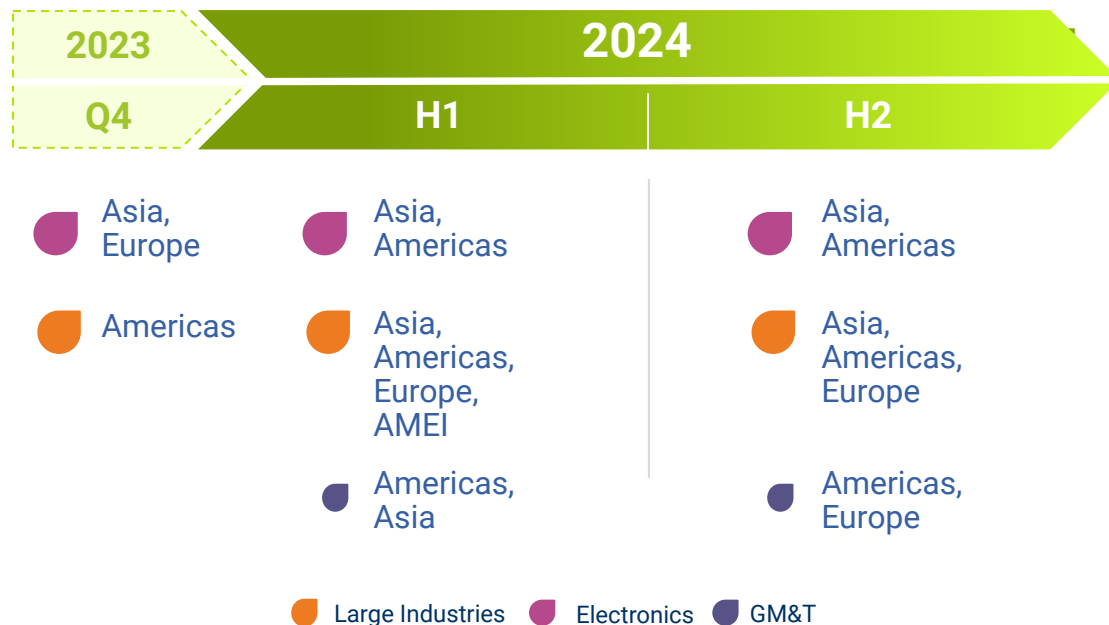
Record high backlog:

- **Well balanced** between **LI** and **EL** and throughout the **regions**
- 🌱 ▪ Increased weight of projects linked to **Energy Transition**

(1) See definitions in appendix (2) Carbon Capture and Storage

Start-up / Ramp-up Contribution to Sales

Start-up date of major projects



Sales Contribution⁽¹⁾

FY 2023

€267_m

FY 2024
Outlook

€270
290_m

(1) At constant exchange rate and excluding energy passthrough impact



“

Air Liquide is confident in its ability to further increase its operating margin and to deliver recurring net profit growth, at constant exchange rates.⁽¹⁾

”

(1) Operating margin excluding energy passthrough impact. Recurring net profit excluding exceptional and significant transactions that have no impact on the operating income recurring

2023 Takeaways

Demonstrating Once Again the Strength of the Business Model

Resilience

Sustained growth drivers



Healthcare



Industrial Merchant



Growth



Growth accelerators



Energy Transition



Electronics

Performance

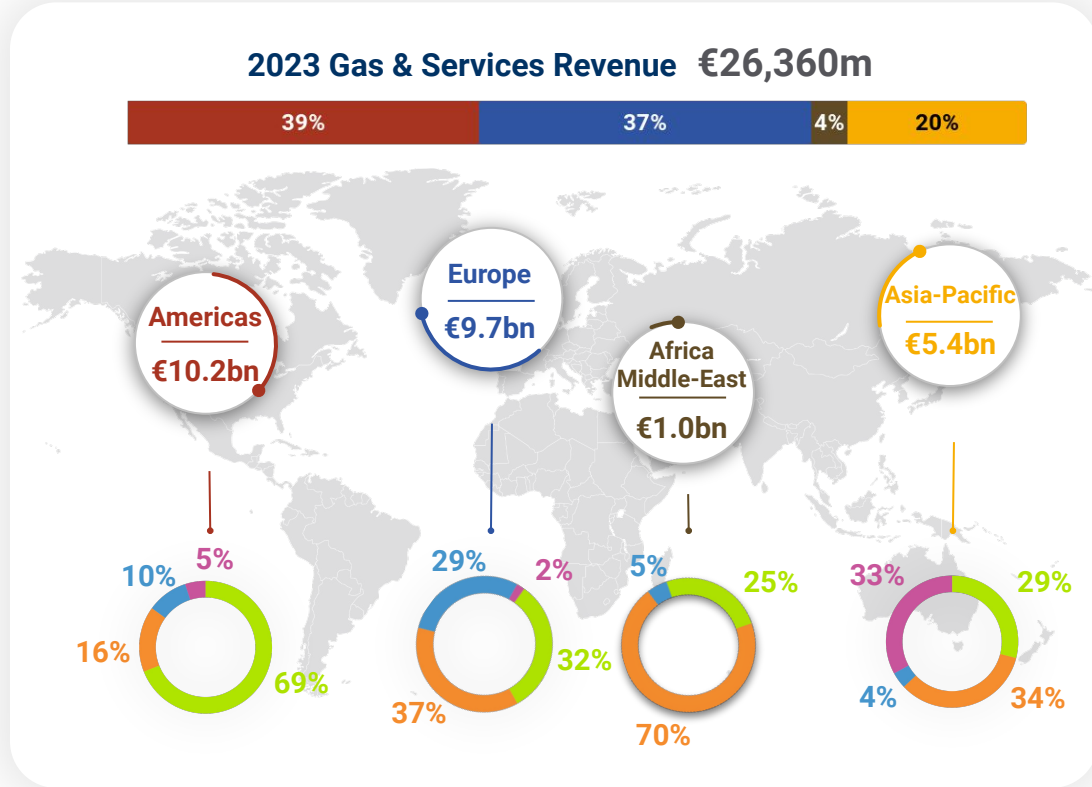
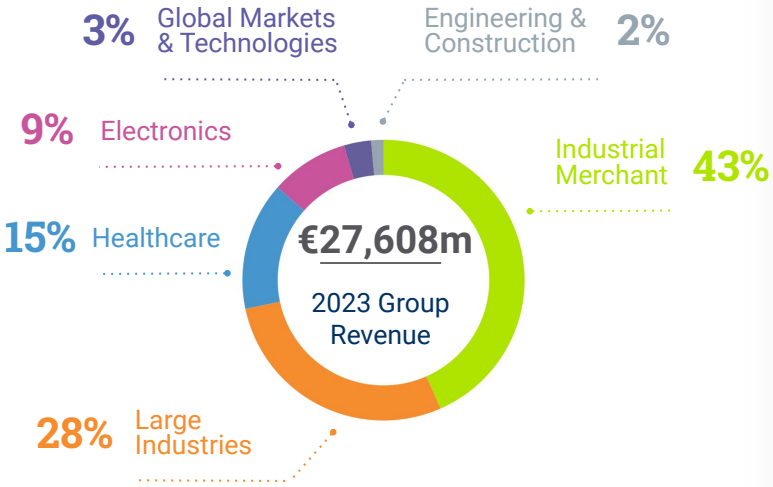
Doubling **ADVANCE** initial margin improvement ambition

Supported by strong Innovation & outstanding Teams

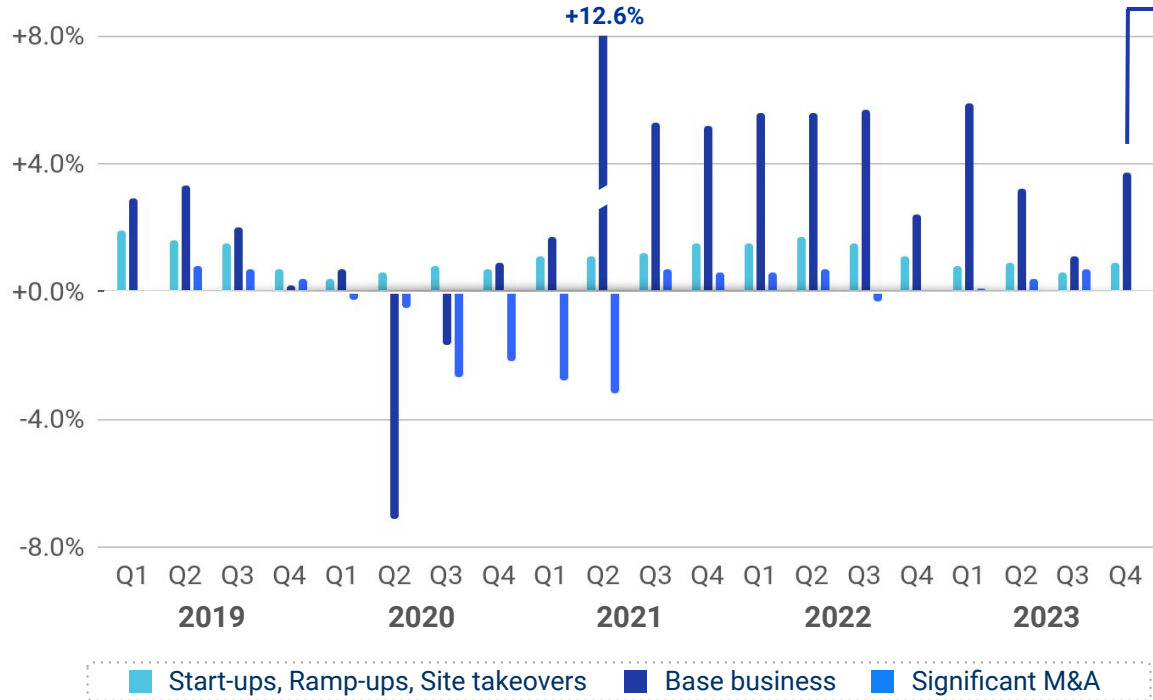
03

Appendix

FY 2023 - Beneficial Mix of Geographies and Activities



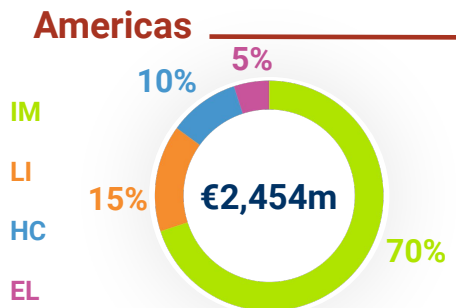
Main Components of Sales Growth



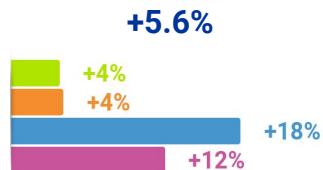
+3.7%
Base business

Q4 Sales and FY 2023 OIR by Geographies

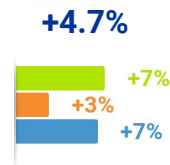
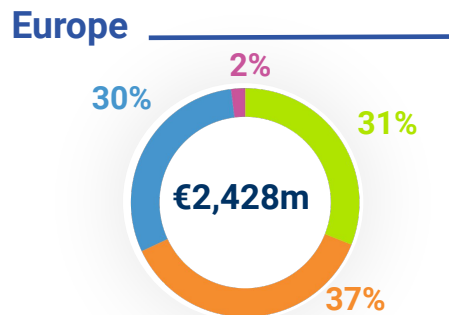
Q4 sales split



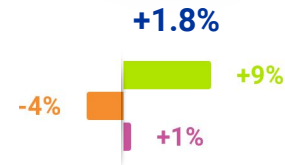
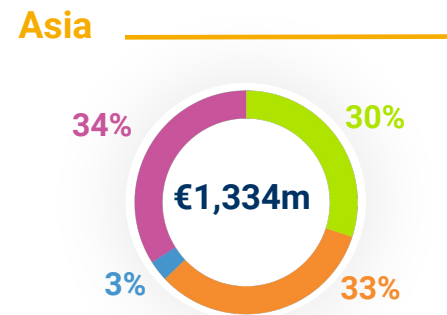
Q4 23/22 Comparable Sales Growth



in €m	FY 2023	Growth as published	Comparable growth
Sales	10,169	-4.8%	+5.1%
OIR	2,125	+1.9%	
OIR/Sales	20.9%	+140bps	+60bps⁽¹⁾



in €m	FY 2023	Growth as published	Comparable growth
Sales	9,734	-14.5%	+4.2%
OIR	1,723	+9.3%	
OIR/Sales	17.7%	+390bps	+90bps⁽¹⁾



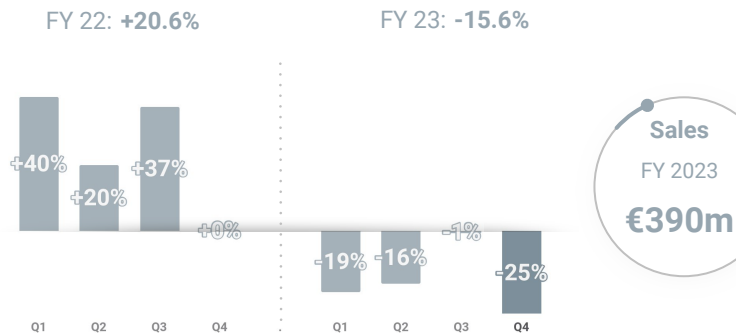
in €m	FY 2023	Growth as published	Comparable growth
Sales	5,410	-3.5%	+1.8%
OIR	1,214	+2.0%	
OIR/Sales	22.4%	+120bps	+150bps⁽¹⁾

(1) Excluding energy impact

FY 2023 - Very High E&C Order Intake, Robust GM&T Underlying Activity

Comparable sales growth

Engineering & Construction



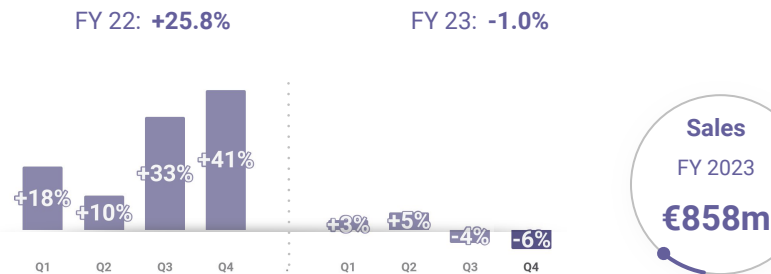
Total FY 23 Sales⁽¹⁾ -5.5%

Order intake
Mostly internal projects

€1,511m

+45%

Global Markets & Technologies



FY 23 organic sales growth⁽²⁾ +9.7%

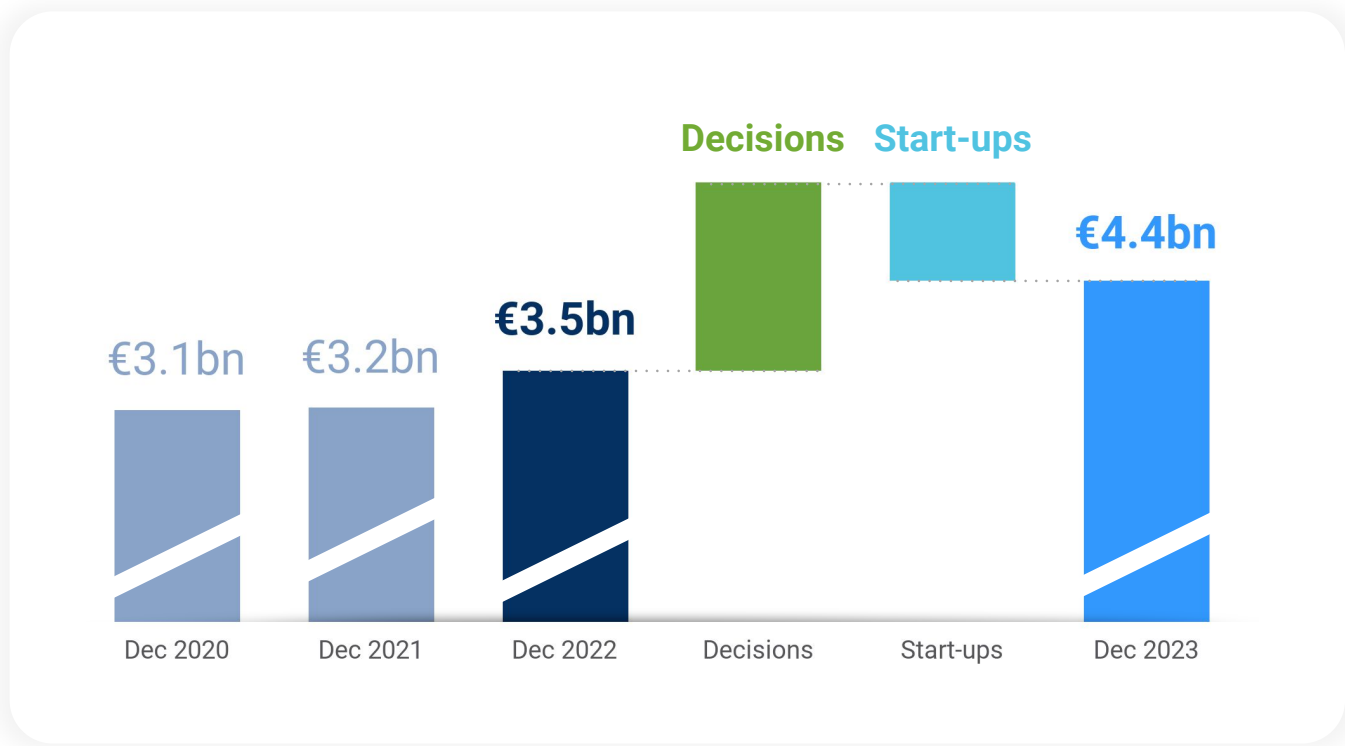
Order intake

€926m

+6%

(1) Including internal sales (2) Excluding small divestitures

Record High Backlog at €4.4bn



See definitions in appendix

Consolidated P&L

In €m	FY22	FY 23
Revenue	29,934	27,608
Operating costs	(22,606)	(20,058)
Operating profit before depreciation	7,328	7,550
Depreciation and amortization	(2,466)	(2,482)
Operating income recurring	4,862	5,068
Other non-recurring operating income & expenses	(571)	(496)
Operating income	4,291	4,572
Net financial costs and other net financial expenses	(386)	(416)
Income taxes	(1,002)	(972)
Share of profit of associates	1	4
Profit for the period	2,904	3,188
- Minority interests	145	110
- Net profit (Group share)	2,759	3,078
Basic earnings per share (in €)	5.28	5.90

Consolidated Balance Sheet Simplified

In €m

ASSETS	31/12/2022	31/12/2023
Goodwill	14,587	14,194
Fixed assets	25,458	25,283
Other non-current assets *	1,235	1,137
Total non-current assets	41,280	40,614
Inventories & work in-progress	1,961	2,028
Trade receivables & other current assets *	4,324	3,970
Cash and cash equivalents	1,911	1,625
Total current assets	8,196	7,623
Assets held for sale	42	95
Total assets	49,518	48,332

	31/12/2022	31/12/2023
Net debt	10,261	9,221
Net debt to equity ratio	41.8%	36.8%

EQUITY AND LIABILITIES	31/12/2022	31/12/2023
Shareholders' equity	23,736	24,321
Minority interests	836	722
Total equity	24,572	25,043
Provisions	1,991	2,005
Non-current borrowings	10,169	8,560
Non-current lease liabilities	1,052	1,046
Other non-current liabilities *	2,838	2,832
Total equity and non current liabilities	40,622	39,486
Provisions	282	364
Trade payables & other current liabilities *	6,367	5,933
Current lease liabilities	228	220
Current borrowings	2,004	2,285
Total current liabilities	8,881	8,802
Liabilities held for sale	15	44
Total equity and liabilities	49,518	48,332

* Including fair value of derivatives

Cash Flow Statement

in €m	FY22	FY 23
Funds provided by operations	6,255	6,357
Changes in Working Capital	(397)	(154)
Other cash items	(48)	60
Net cash from operating activities	5,810	6,263
Purchases of PPE* and intangible assets	(3,273)	(3,393)
Purchases of financial assets	(136)	(103)
Proceeds from sale of PPE*, intangible and financial assets, dividends from associates	167	417
Net cash in investing activities	(3,242)	(3,079)
Distribution	(1,487)	(1,667)
Increase in capital stock	38	129
Purchase of treasury shares	(192)	(82)
Transactions with minority interests	(4)	(142)
Change in borrowings and lease liabilities (incl. net interests)	(1,136)	(1,718)
Impact of Exchange rate changes and net debt of newly consolidated companies & others	(165)	(62)
Change in net cash and cash equivalents	(378)	(357)
Net cash and cash equivalents at the end of the period	1,761	1,404

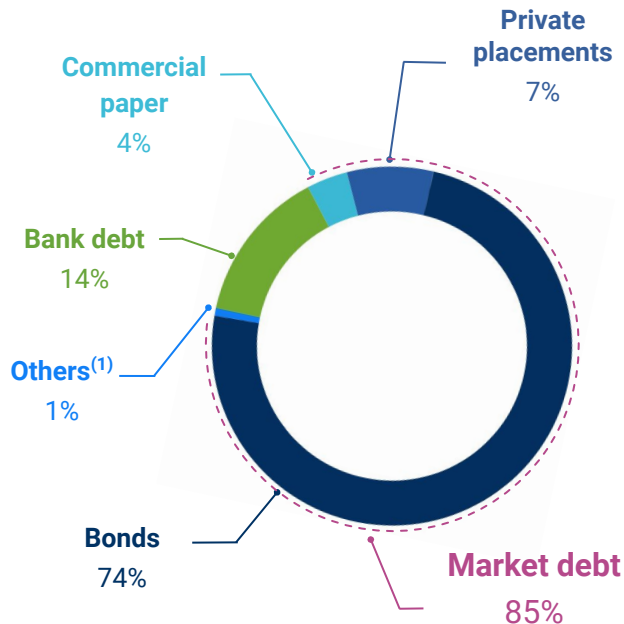
* PPE: Property, plant and equipment

Impact of Currency and Energy on Gas & Services Revenue

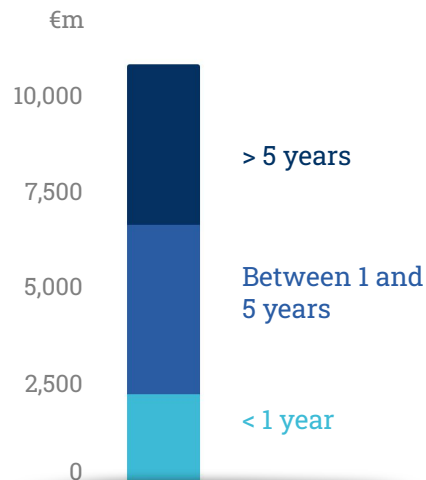
in €m	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23
€/USD	+141	+271	+373	+274	+102	(50)	(177)	(121)
€/ARS	(5)	(4)	(7)	(62)	(40)	(62)	(97)	(182)
€/JP¥	(5)	(10)	(16)	(23)	(20)	(17)	(26)	(21)
€/Rmb	+52	+59	+62	+6	(18)	(51)	(83)	(42)
€/ZAR	+4	+2	+1	(1)	(14)	(31)	(29)	(14)
€/SGD	+10	+18	+24	+18	+11	+1	(9)	(5)
€/TRY	(13)	(13)	(10)	(23)	(5)	(13)	(9)	(7)
Others	+34	+66	+73	+4	(26)	(61)	(75)	(34)
Currency Impact	+218	+389	+500	+193	(10)	(284)	(505)	(426)
in €m	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23
Natural Gas Impact	+607	+690	+1014	+193	(123)	(436)	(829)	(377)
in €m	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23
Electricity Impact	+267	+267	+412	+134	(14)	(97)	(268)	(124)

Financing Structure as of December 31, 2023

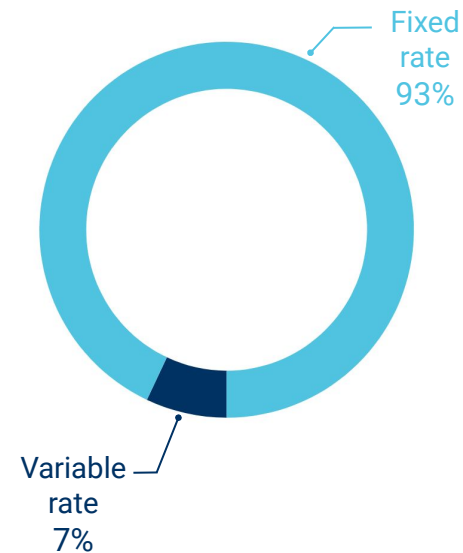
Sources



Maturity



Fixed / Variable rates (gross debt)



(1) Others: put options granted to minority shareholders

ESG External Recognition in 2023



"A-" on both
Climate and **Water**
performance



Dow Jones
Sustainability Indexes

Included in the
"DJSI Europe Index"



FTSE4Good

Constituent of the
"FTSE4Good index series"

ecovadis

Once again in the
top 10% of the best
rated companies



"A" rating



"Prime" status

MOODY'S | ESG Solutions

In the **top 3%** of
assessed companies



"ESG Industry **Top Rated**"
"low risk" rating

Investment Cycle – Definitions

Investment opportunities at end of the period

- Investment opportunities under consideration by the Group for decision within **12** months.
- Industrial projects with investment value > **€5m** for Large Industries and > **€3m** for other business lines.
- Includes asset replacements or efficiency projects. Excludes maintenance and safety.

Investment backlog at end of the period

- Cumulated industrial investment value of projects decided but not yet started.
- Industrial projects with value > **€10m**, including asset replacements or efficiency projects, excluding maintenance and safety.

Sales backlog

- Cumulated expected sales per year generated by the current investment backlog after full ramp-up.

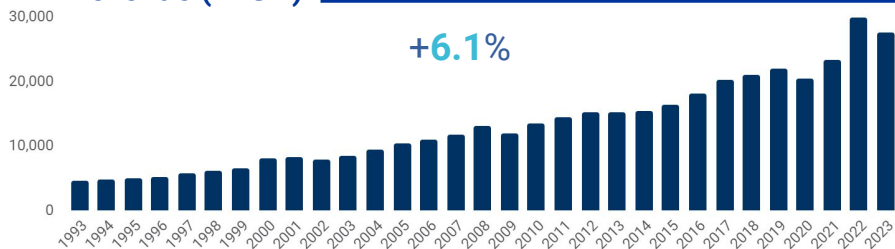
Decisions of the period

- Cumulated value of industrial and financial investment decisions.
- Industrial, growth and non-growth projects including asset replacements, efficiency, maintenance and safety.
- Financial decisions (acquisitions).

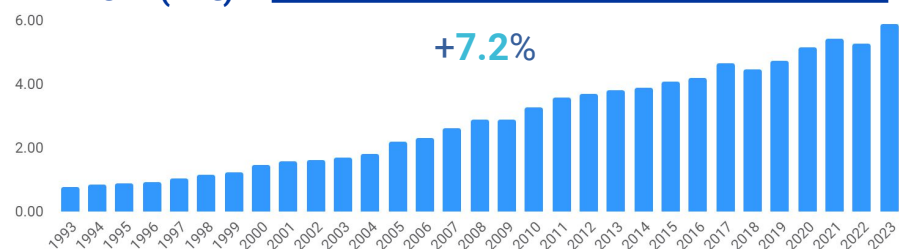
Regular and Sustained performance

CAGR over 30 years⁽¹⁾

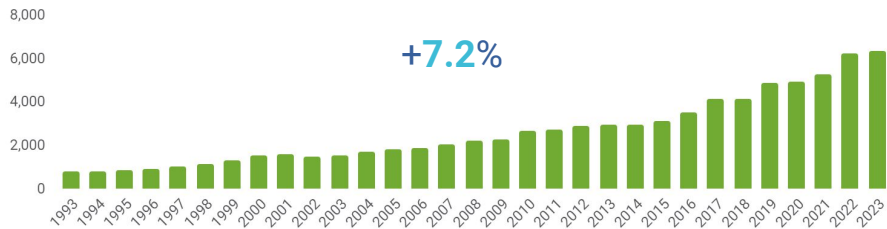
Revenue (in €m)



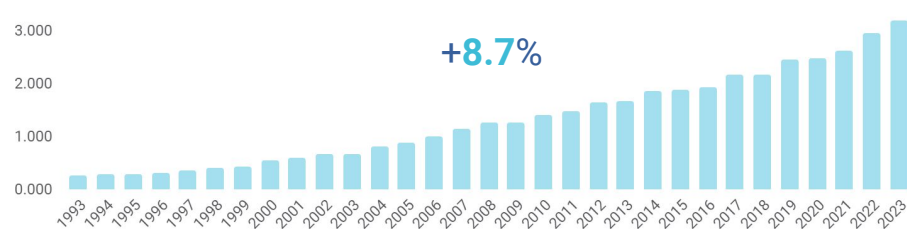
EPS⁽²⁾ (in €)



Cash Flow (in €m)



Dividend Per Share⁽²⁾ (in €)



(1) Calculated according to prevailing accounting rules over 30 years (2) Based on current year results and proposed for payment the following year. Adjusted for the 2-for-1 share split in 2007, for free share attributions and for the capital increase completed in October 2016

For further information, please contact:

Upcoming events

2024 First Quarter Revenue: April 24, 2024



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L'Air Liquide S.A.

Corporation for the study and application of processes developed by
Georges Claude with registered capital of 2,884,424,130.50 euros

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Although Air Liquide believes that the expectation reflected in such forward-looking statements are reasonable, such statements are not guarantees of future performance. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are outside our control.

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