January – March 2009
Conference Call

LeadIng.

THE LINDE GROUP

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Member of the Executive Board & CFO
5 May 2009

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Highlights

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Q1 Group key figures

Group sales of € 2.695 bn, 5.3% decline excl. currency

Group operating profit of € 538 m, down 7.3% excl. currency

Reported EPS of € 0.68 (-29.2%), adjusted EPS of € 0.99 (-23.2%)

Cash Flow generation remains strong despite the tough market environment: Operating Cash Flow up 22.3% to € 412 m (Q1 08: € 337 m)

Acceleration of HPO

€ 20 m restructuring charges in Q1, additional appx. € 50 m expected in the next months

Group operating profit before restructuring charges down by 4% with 20.7% margin (Q1 08: 20.6%)

Adjusted EPS before restructuring charges down 17%

Outlook

As visibility is still limited, we keep our scenario-based approach

Group, sales by Divisions
Group sales down 5.3% excluding currency effects

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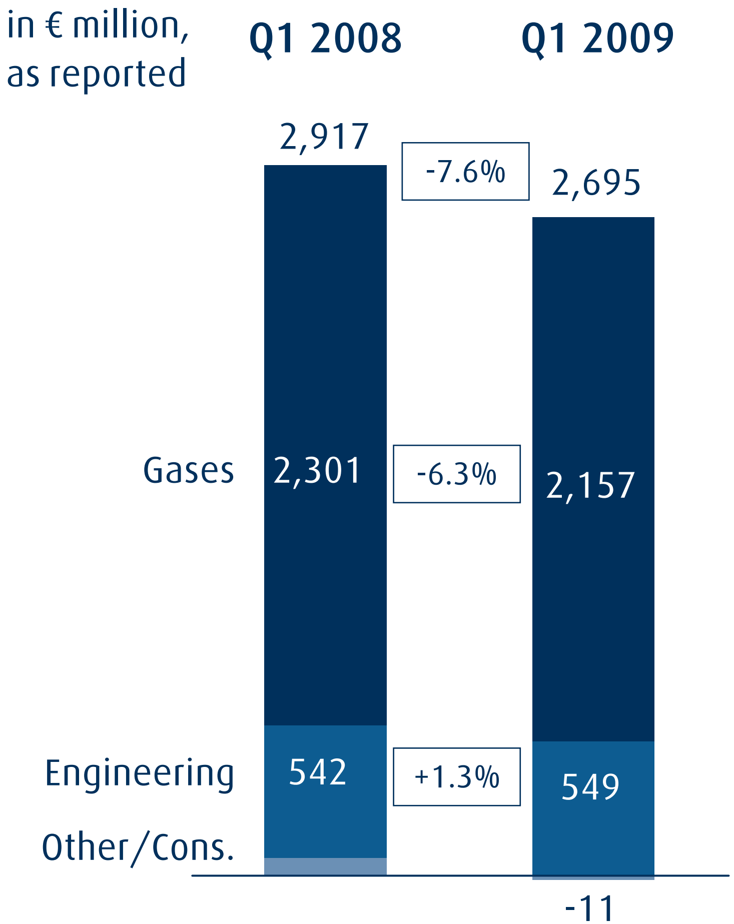


Gases Division

— Comparable* sales development of -4.4%, -1.7% incl. bolt-on acquisitions

— Volume effect from lower customer activity drives year-on-year sales decline, pricing remains positive

— Currency impacts from GBP, ZAR and AUD offset positive effects in USD and consolidation of Elgas

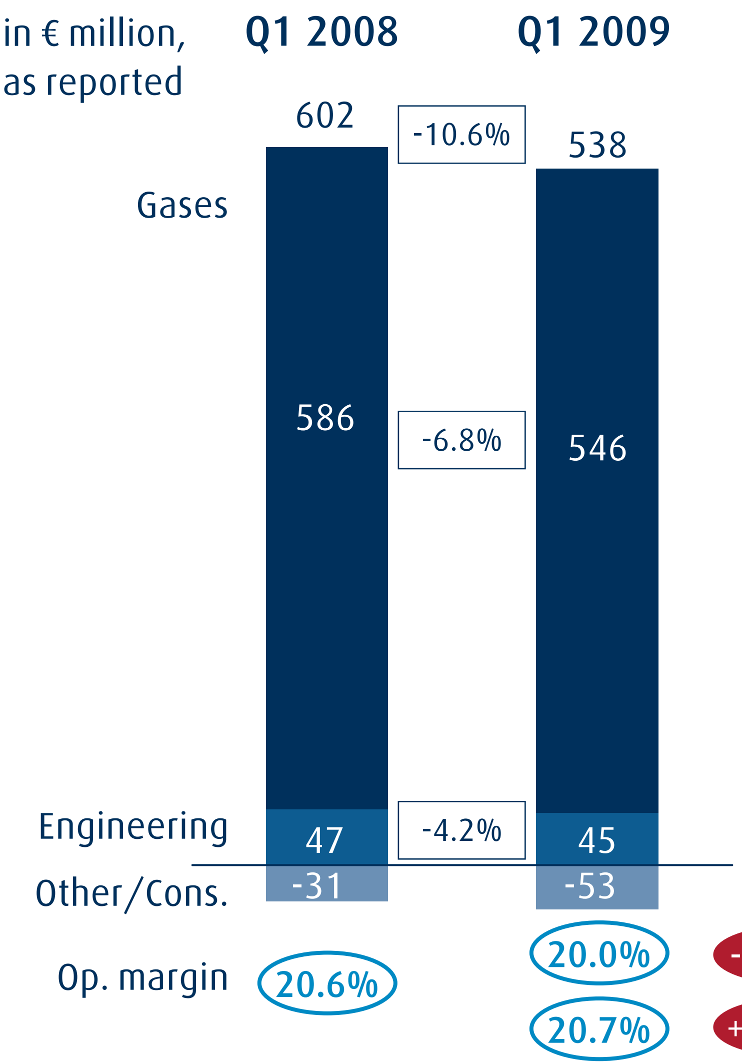
Engineering Division

— Sales increase of 1.3%

— Sales recognition as usual seasonally low in Q1

*excluding currency, natural gas price and consolidation effect

Group, operating profit by Divisions
Underlying margin remains strong with 20.7%



Gases Division

- Operating profit -3.2% excl. currency
- Operating margin of 25.3% only slightly below the previous year level (25.5%)
- HPO acceleration and lower natural gas prices

Engineering Division

- Execution of order backlog on plan
- Margin of 8.2% stays above the 8% target

Other/Consolidation

- Incl. € 20 m restructuring charges

-60 bps on reported basis

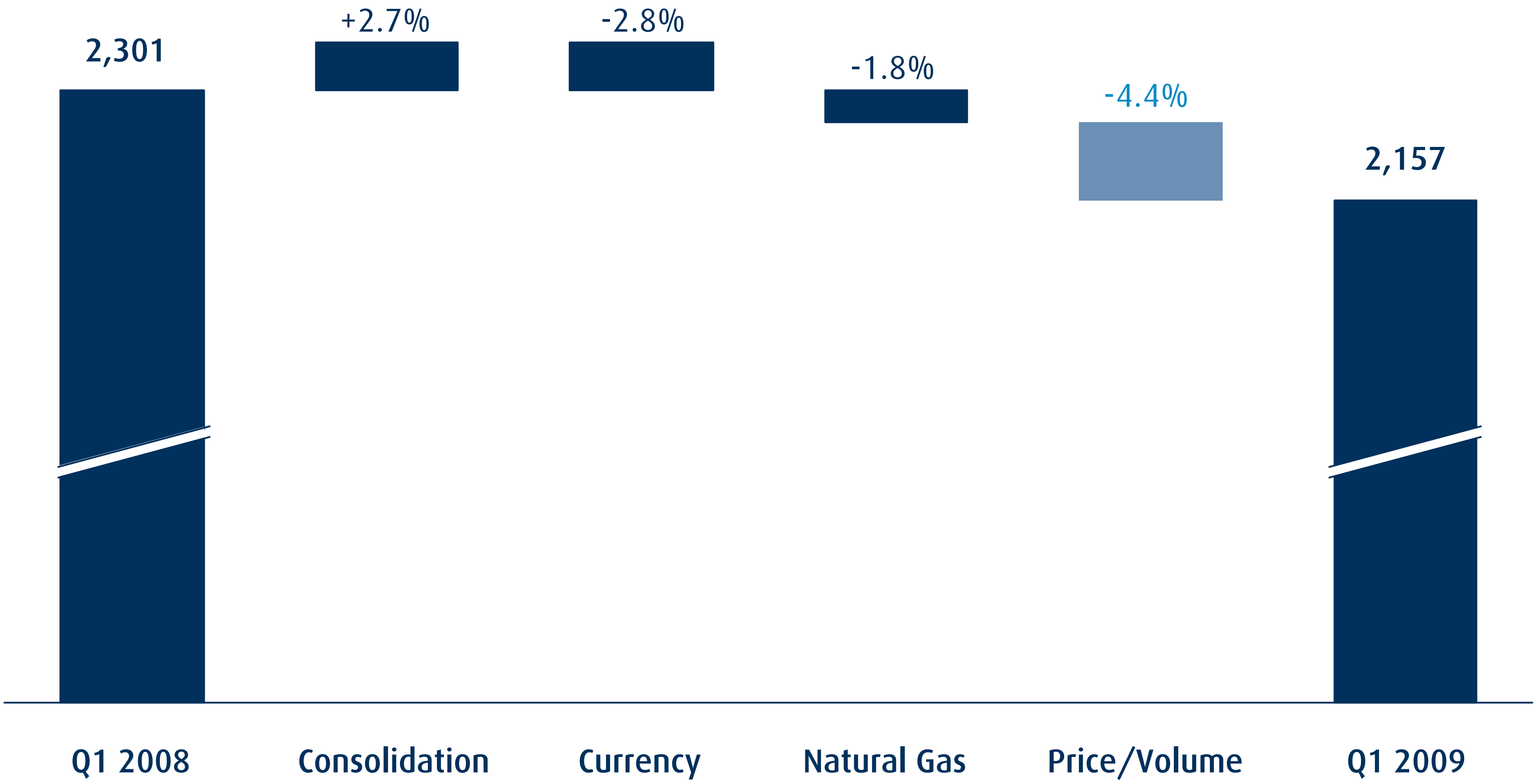
+10 bps adjusted for € 20 m restructuring charges

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

Gases Division, sales bridge

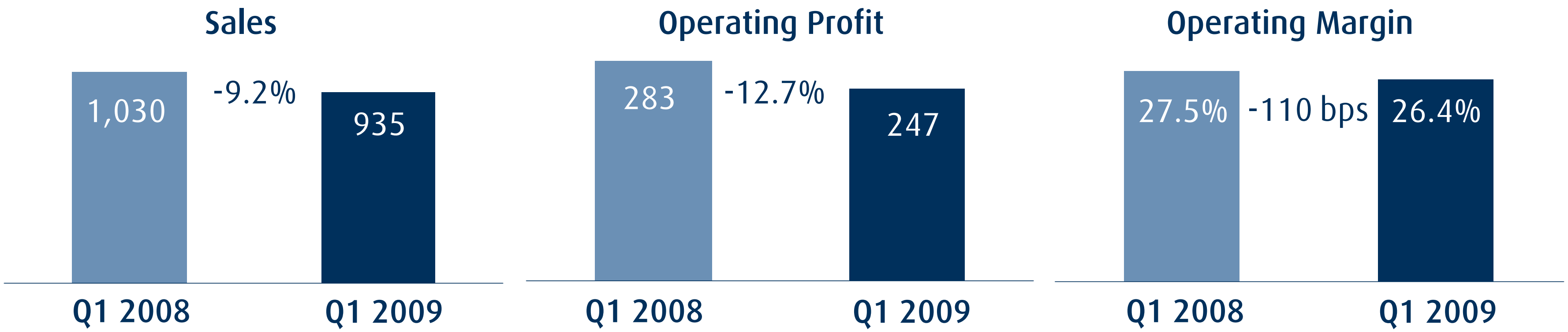
Sales -4.4% on comparable basis

in € million



Gases Division, operating segments
Western Europe

in € million, as reported

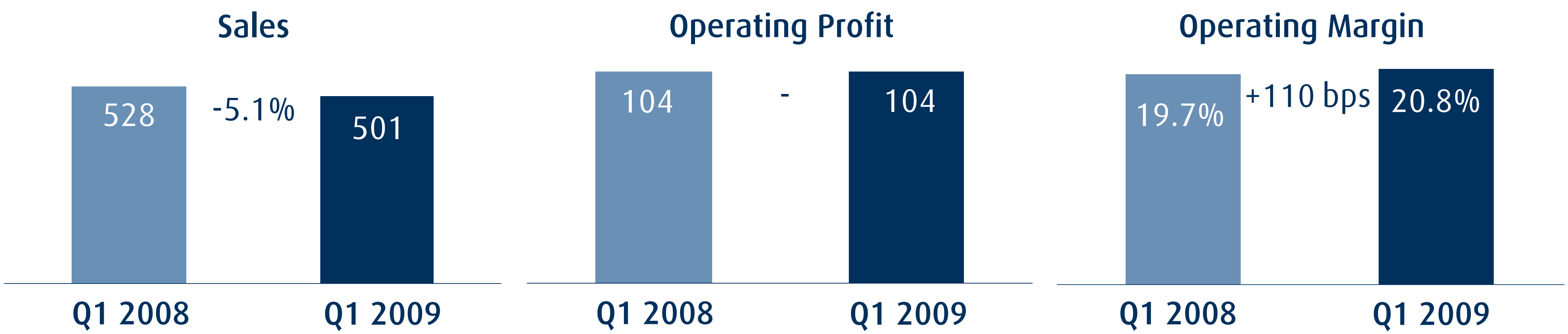


Q1 highlights

— Comparable sales development of -3.5%, impact from GBP weakness on reported figures
— Volumes down year-on-year across all countries, pricing remains positive
— Strongest volume decline in tonnage and bulk product areas
— Continued sales growth in healthcare

Gases Division, operating segments
Americas

in € million, as reported

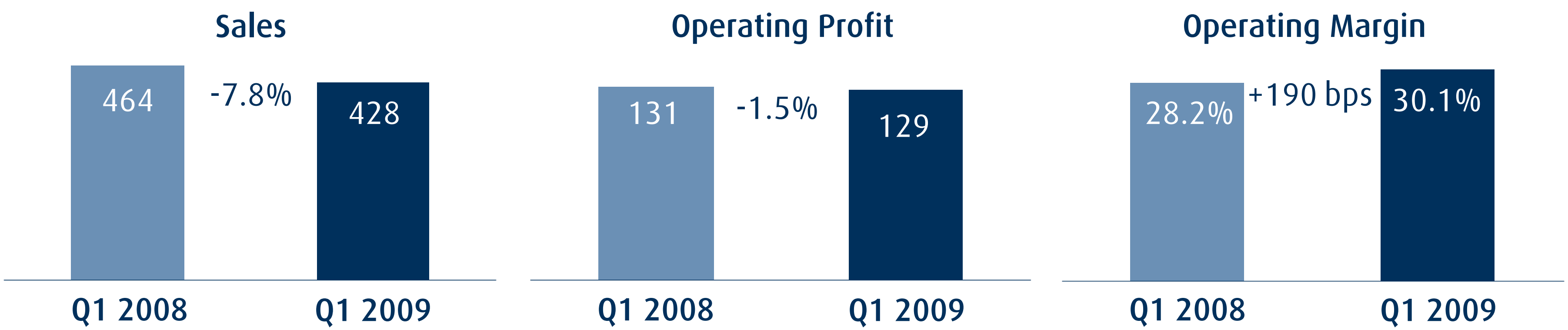


Q1 highlights

- Comparable sales development of -7.1%
- Operating margin supported by lower natural gas price pass-through and positive impact from restructuring
- Volume declines in North America, South America keeping up quite well
- Growth in healthcare, in particular in South America
- Positive pricing helps to mitigate overall volume reductions

Gases Division, operating segments
Asia & Eastern Europe

in € million, as reported



Q1 highlights

— Comparable sales development of -7.9%

— China: volume declines in tonnage partly offset by start-ups, some signs of stabilisation

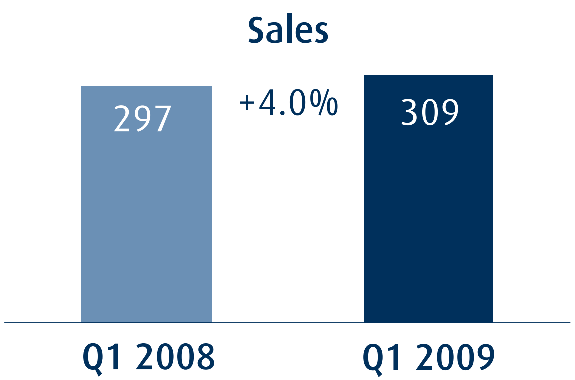
— New JV with Sinopec Sichuan Vinylon Works to extend our presence towards inland China

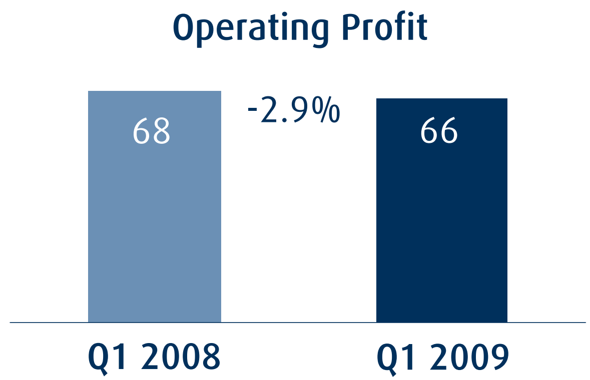
— Lower manufacturing activity in Eastern Europe

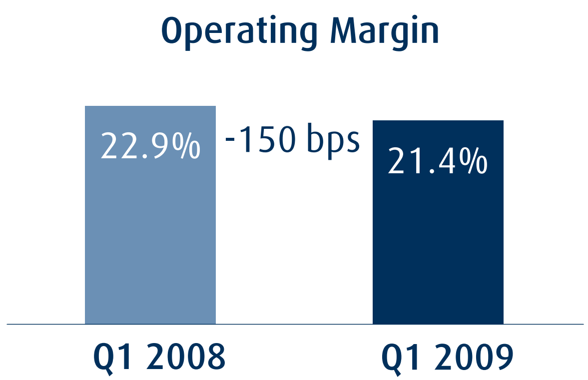
— Strong strategic set-up in these structural growth markets

Gases Division, operating segments
South Pacific & Africa

in € million, as reported







Q1 highlights

— Comparable sales development of +2.0%

— Currency impact from ZAR and AUD offset by the consolidation effect from Elgas

— South Pacific region holding up very well

— Underlying sales decline in Africa, ongoing cost pressures

Gases Division, sales by products areas (consolidated)

Volume decline in industrial applications, healthcare growing

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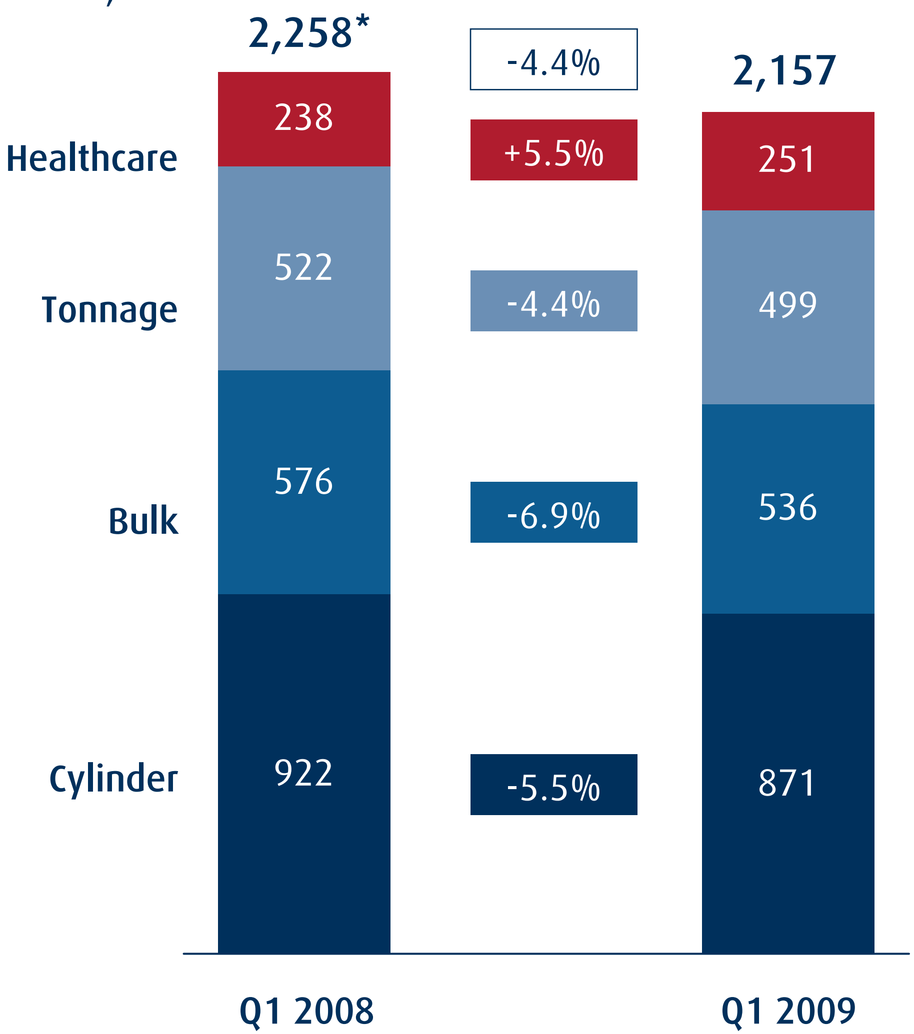
in € million, comparable*, consolidated



*excluding currency, natural gas price and consolidation effect

Gases Division

Project pipeline remains strong, despite some delays

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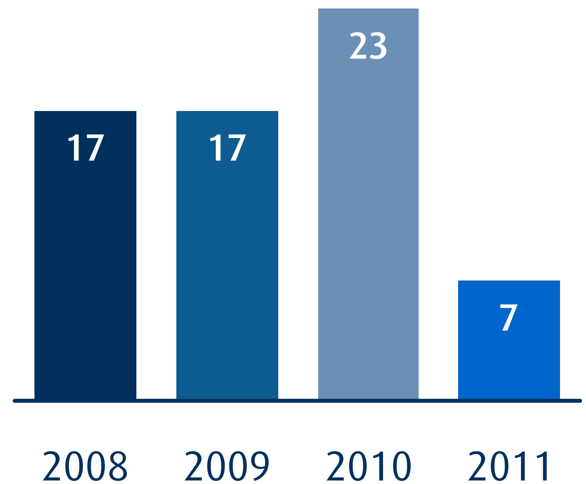
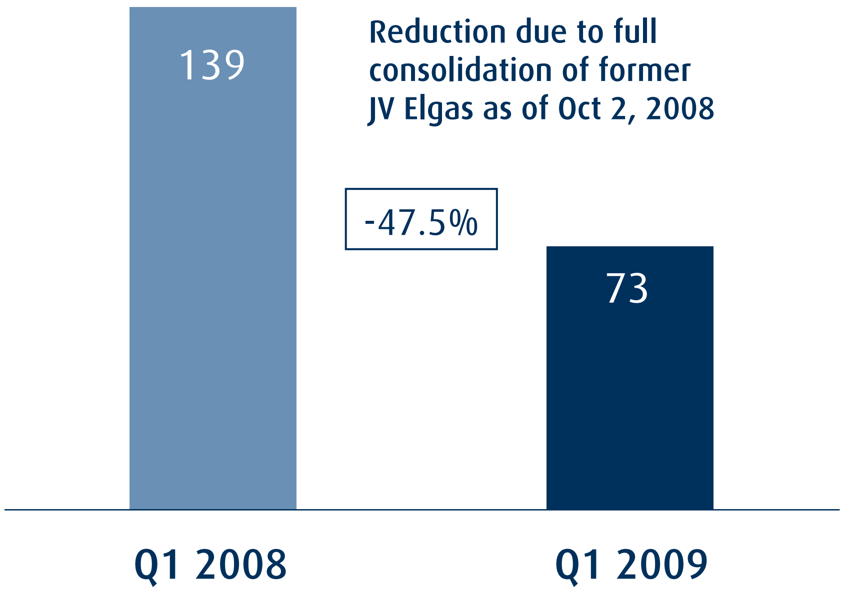
- 64 start-ups will deliver new revenue streams by 2011 (incl. JVs)
- Project list remains strong, supported by Emerging Markets and energy applications



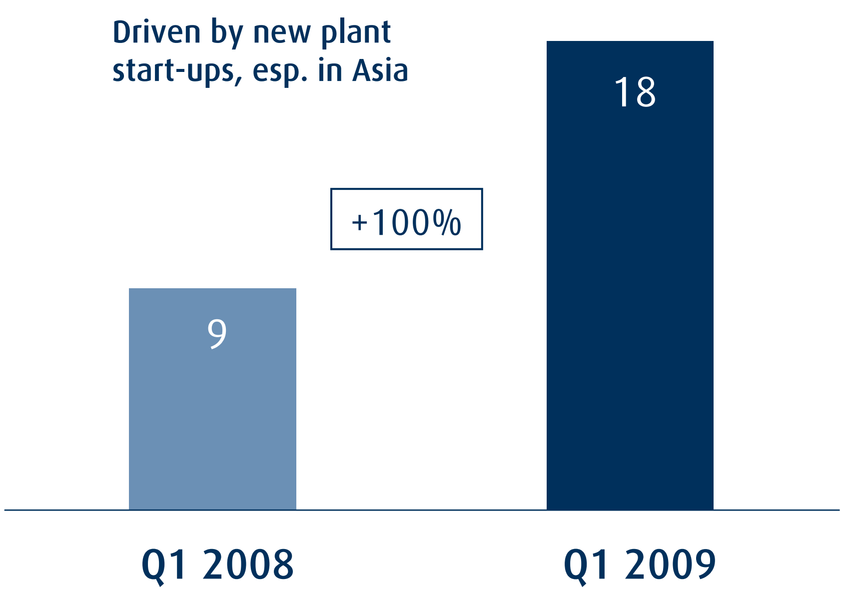
Gases Division, Joint Ventures
Stronger operational performance of our JV activities

in € million

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



Share of Net Income
(contribution to operating profit)



Engineering Division
Execution on plan, strong backlog

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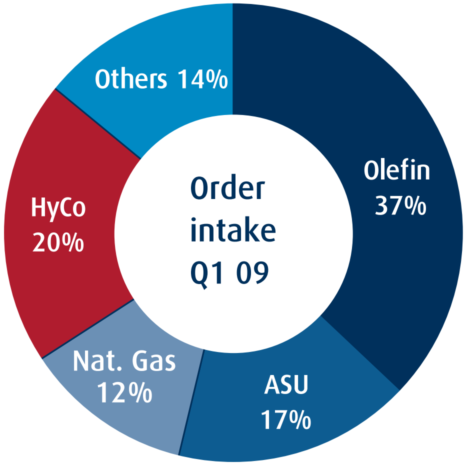
- Engineering Division delivers on planned order execution
- Order backlog of €4.082 bn (year-end 2008: €4.436 bn)
- Unchanged margin target of 8%



in € million	Q1 08	Q1 09	Δ yoy
Order intake	406	285	-29.8%
Sales	542	549	+1.3%
Operating profit*	47	45	-4.3%
Margin	**8.7%**	**8.2%**	**-50bps**

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

Group – Cash Flow Statement
Strong Cash Flow generation

in € million	Q1 08	Q1 09
Operating Profit	602	538
Change in Working Capital	-199	-37
Other changes	-66	-89
Operating Cash Flow	**337**	**412**
Investment in tangibles/ intangibles	-256	-267
Acquisitions	-11	-60
Other	42	45
Investment Cash Flow	**-225**	**-282**
Free Cash Flow before Financing	**112**	**130**

Solid financial position
Well spread maturity profile with strong liquidity reserve

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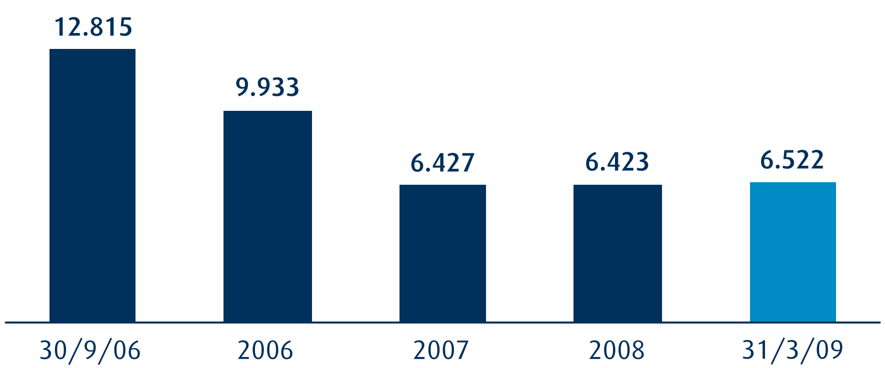
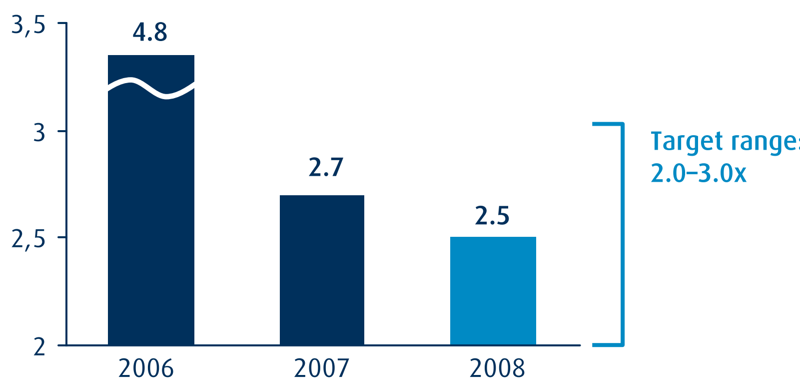
Net debt in € bn

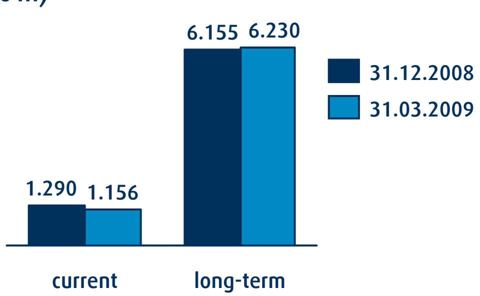


Net debt/EBITDA ratio well within our target range of 2–3x

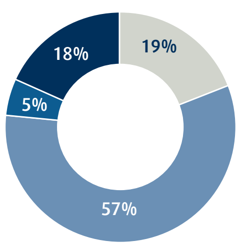


Financial debt: more than 80% due beyond 2010

Solid maturity profile (in € m)



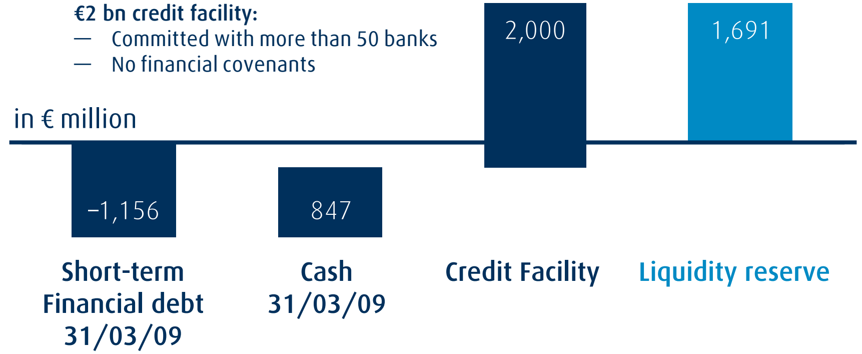
Financial debt, by instrument



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

Cash position & credit facility cover all financial maturities until end of 2010

€2 bn credit facility:
- Committed with more than 50 banks
- No financial covenants



Outlook
Market environment requires a scenario-based approach

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In an environment of severe industrial slowdown and still limited visibility, we continue with our scenario-based approach for the 2009 outlook:

Group

Forecasts for sales and earnings range from the same level as the prior year figures to a reduction versus 2008. Seen from today's standpoint, we need to anticipate for a decline. Only if there were a significant improvement in the global economic environment as the year progressed would it be possible for sales and earnings – adjusted for restructuring costs – to reach the same level as in the prior year.

Gases

Sales and earnings still range between a slight increase and a year-on-year decline. As a result of the most recent forecasts for global economic development, once again revised down, the probability that the weaker scenario will prevail has increased.

Engineering

The strong order backlog is a good basis for a relatively stable business performance in the next 2 years. However in our weaker scenario we assume that new orders will not be sufficient to achieve the same level of sales in 2009 versus 2008. Our target for the operating margin remains at 8%.

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

Appendix

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Group Financial Highlights

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in € million	Q1 08	Q1 09	in %
Sales	2,917	2,695	-7.6
Operating profit	602	538	-10.6
Margin	20.6	20.0	-60bps
EBIT before special items and PPA depreciation	397	323	-18.6
Special items	15	0	-
PPA depreciation	94	74	-
EBIT	318	249	-21.7
Financial Result	-79	-79	-
Taxes	67	42	-
Net income	172	128	-25.6
Net income – Part of shareholders Linde AG	160	115	-28.1
EPS in €	0.96	0.68	-29.2

Group Financial Highlights

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in € million	Q1 08	Q1 09	in %
Net income - Part of shareholders Linde AG	**160**	**115**	*-28.1*
+ depreciation/amortisation from purchase price allocation	+ 94	+ 74	
+ special items	- 15	-	
- net of tax	-24	- 23	
Adjusted Net Income	**215**	**166**	*-22.8*
- Restructuring costs	-	+20	
+ net of tax	-	- 5	
Adjusted Net Income (excl. restructuring costs)	**215**	**181**	*-15.8*
Average outstanding shares	169,314	169,027	
EPS	**0.96**	**0.68**	*-29.2*
Adjusted EPS	**1.29**	**0.99**	*-23.2*
Adjusted EPS excl. restructuring costs	**1.29**	**1.07**	*-17.1*

Accounting considerations
Impact of PPA and EFL

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Purchase Price Allocation (PPA)

Impact in Q1 2009: € 74 m (Q1 08: € 94 m)
Expected impact FY 2009: €275-325 m

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.

IFRIC 4: Embedded Finance Lease (EFL)

Impact* in Q1 2009: € -32 m (Q1 08: € -32 m)
Expected impact* FY 2009: €-118 m *(on Sales and EBITDA)

Background:

— Tonnage contracts dedicated to one single customer (> 95% of sales), who covers all major market risks, have to be treated under IFRS like an embedded finance lease.

— The related cash flow streams are therefore no more booked as sales and operating profit but recognised as amortisation of financial receivables in the balance sheet and financial income in the P&L.

— EBITDA multiple comparison with peers needs to be adjusted for IFRIC 4

— Very minor impact on EPS, no impact on Free Cash Flow

Definition of financial key figures

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Key figure	Component	Definition
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	**Return**	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

Thank you for your attention.

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