



Air Liquide
creative oxygen



AGM | Annual
General Meeting
May 3, 2017

OFFICIAL OPENING

Benoît POTIER
Chairman and CEO

OFFICIAL OPENING

Ordinary shareholders' meeting

- Board of Directors' reports.
- Statutory Auditors' reports.
- Approval of the Company financial statements for the year ended December 31, 2016.
- Approval of the consolidated financial statements for the year ended December 31, 2016.
- Appropriation of 2016 earnings and setting of the dividend.
- Authorization granted to the Board of Directors for a period of 18 months to allow the Company to trade in its own shares.
- Renewal of the term of office of a Director.
- Appointment of a new Director.
- Statutory Auditors' Special Report on agreements covered by articles L. 225-38 et seq. of the French Commercial Code.
- Opinion on elements of remuneration due or allocated to Mr Benoît Potier and Mr Pierre Dufour for the year ended December 31, 2016.
- Approval of the remuneration of Executive Officers Policy.

OFFICIAL OPENING

Extraordinary shareholders' meeting

- Authorization granted to the Board of Directors for a period of 24 months to reduce the share capital by cancellation of treasury shares.
- Delegation of authority granted to the Board of Directors for a period of 26 months in order to increase the share capital via the issuance of ordinary shares or marketable securities conferring entitlement, immediately and/or in the future, to the Company's share capital, with retention of preferential subscription rights for a maximum nominal amount of 530 million euros.
- Authorization granted to the Board of Directors for a period of 26 months to increase the issuance amount of shares or marketable securities in the event of oversubscription.
- Delegation of authority granted to the Board of Directors for a period of 26 months to perform share capital increases, with cancellation of preferential subscription rights, reserved for members of a Company or Group savings plan.
- Delegation of authority granted to the Board of Directors for a period of 18 months to perform share capital increases, with cancellation of preferential subscription rights, reserved for a category of beneficiaries.

OFFICIAL OPENING

Ordinary shareholders' meeting

- Powers for formalities.



AGENDA

- Official opening
- Results & Highlights
- Airgas
- Strategy & Perspectives
- **Auditors' reports**
- Governance & Remunerations
- Questions & Answers
- Vote on resolutions

A photograph of an industrial facility, likely a refinery or chemical plant. In the foreground, a large, light-colored cylindrical tank is visible. A metal staircase with railings leads up from the bottom left towards the top right. Two workers are on the staircase; one is wearing a bright yellow safety vest and a white hard hat, while the other is in silhouette. The background shows more industrial structures and a clear sky. The overall lighting is bright, suggesting daytime.

AGM | Annual
General Meeting
May 3, 2017

RESULTS & HIGHLIGHTS

Solid performance in 2016
after Airgas integration

Fabienne LECORVAISIER
Group Chief Financial Officer

MAJOR STEPS SUCCESSFULLY ACHIEVED

Airgas™

23rd May

2016

Airgas
acquisition



MAJOR STEPS SUCCESSFULLY ACHIEVED

Airgas™

- > Bonds issue € 3 bn
- > Bonds issue USD 4.5 bn
- > Capital increase € 3.3 bn

23rd May

2016

Airgas
acquisition

US divestitures



MAJOR STEPS SUCCESSFULLY ACHIEVED

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MAJOR STEPS SUCCESSFULLY ACHIEVED

Airgas™

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MAJOR STEPS SUCCESSFULLY ACHIEVED

Airgas[™]

DIVESTITURE
OF OTHER ACTIVITIES

Aqua Lung

Air Liquide Welding

MAJOR STEPS SUCCESSFULLY ACHIEVED

Airgas[™]

DIVESTITURE
OF OTHER ACTIVITIES

Aqua Lung

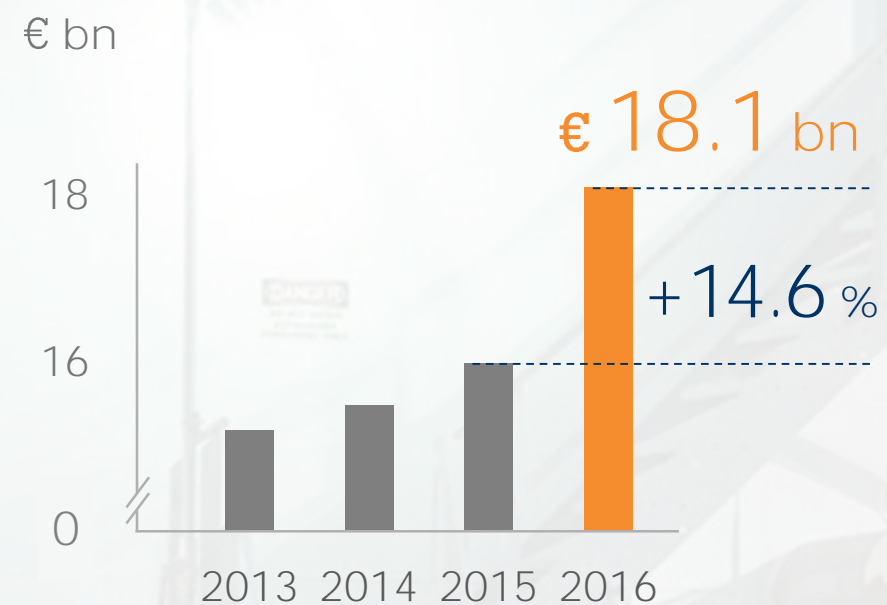
Air Liquide Welding

PROGRAM
neos

2016-2020

2016 SOLID PERFORMANCE IN A TRANSFORMATIONAL YEAR

GROUP REVENUE⁽¹⁾



(1) 2015 figures have been restated to account for IFRS 5, "discontinued operations".

2016 SOLID PERFORMANCE IN A TRANSFORMATIONAL YEAR

GROUP REVENUE⁽¹⁾



CASH FLOW⁽²⁾

€ 3.7 bn

+31%

NET PROFIT (Group share)

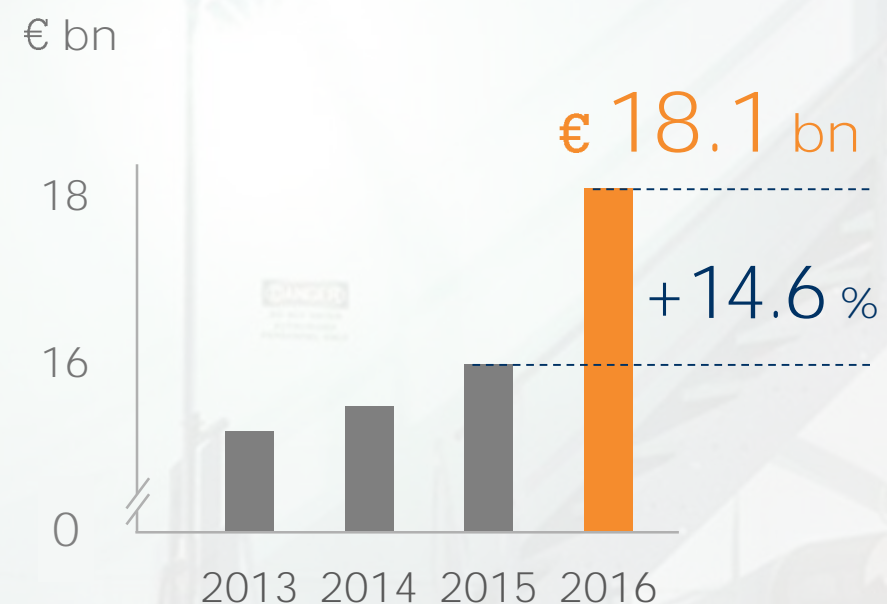
€ 1.8 bn

+5%

(1) 2015 figures have been restated to account for IFRS 5, "discontinued operations". (2) Net cash flow from operating activities.

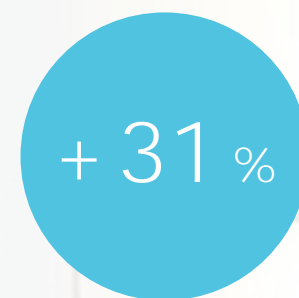
2016 SOLID PERFORMANCE IN A TRANSFORMATIONAL YEAR

GROUP REVENUE⁽¹⁾



CASH FLOW⁽²⁾

€ 3.7 bn

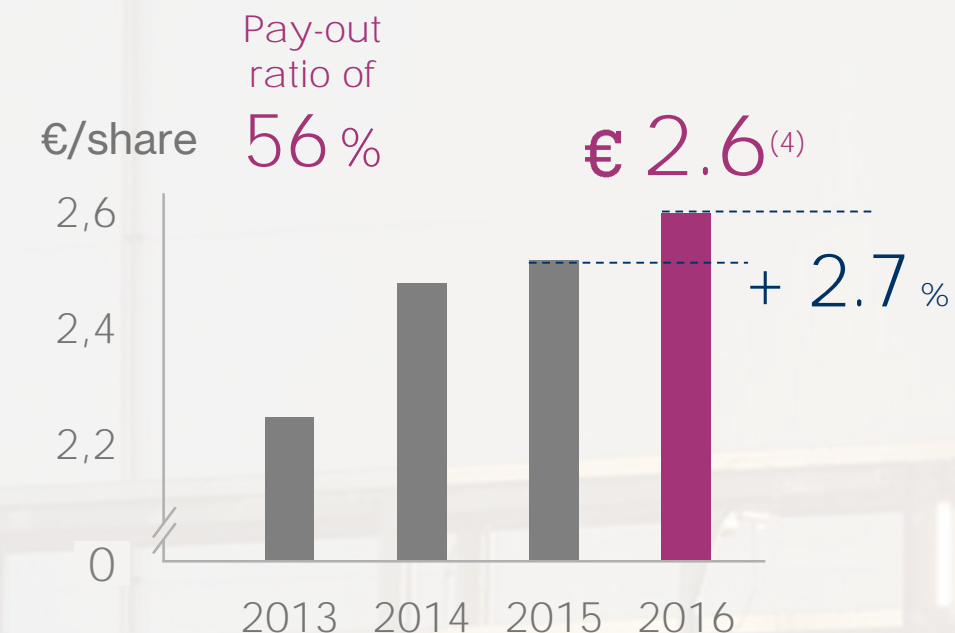


NET PROFIT (Group share)

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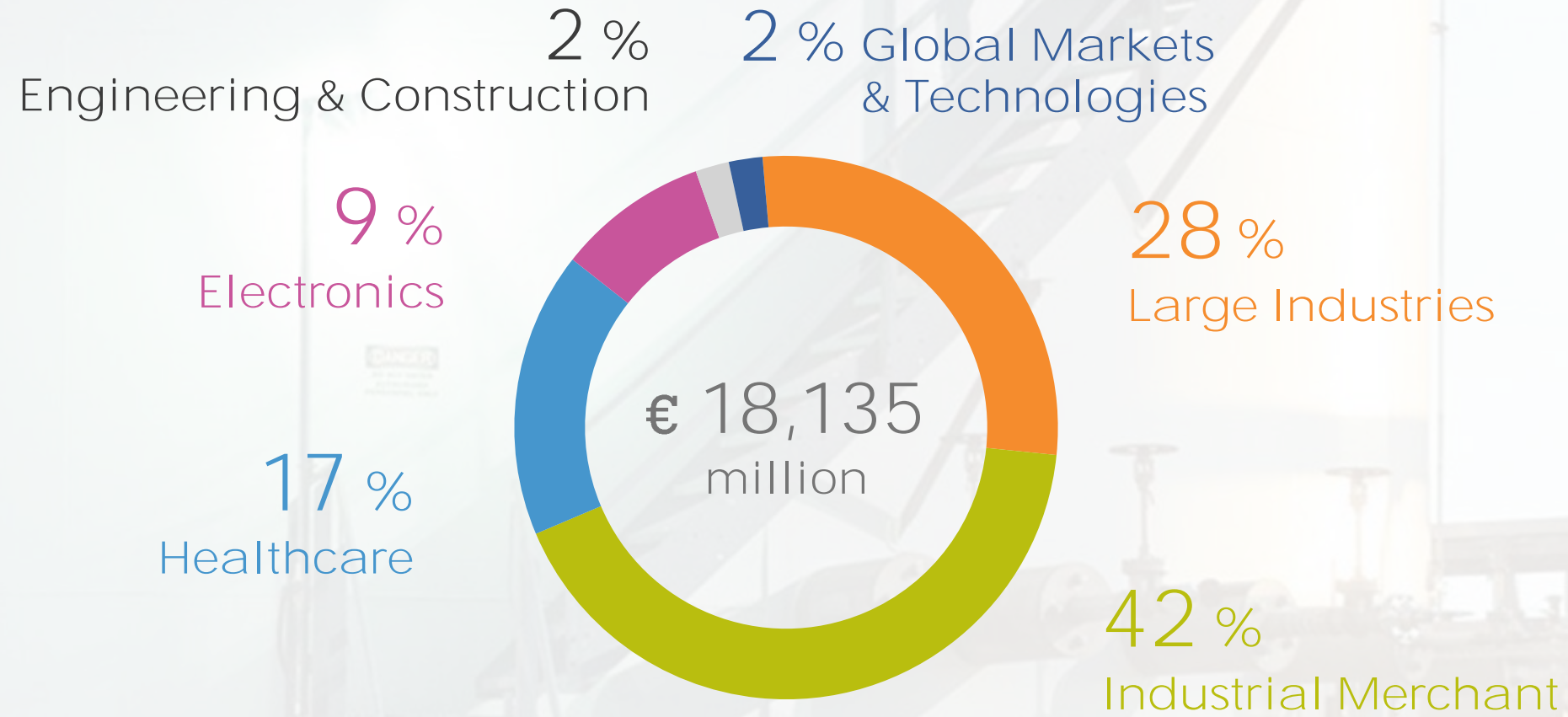
DIVIDEND⁽³⁾



(1) 2015 figures have been restated to account for IFRS 5, "discontinued operations". (2) Net cash flow from operating activities. (3) Historical data adjusted for attribution of free shares and the capital increase completed in October 2016. (4) Submitted to general shareholders' meeting approval on May 3rd, 2017.

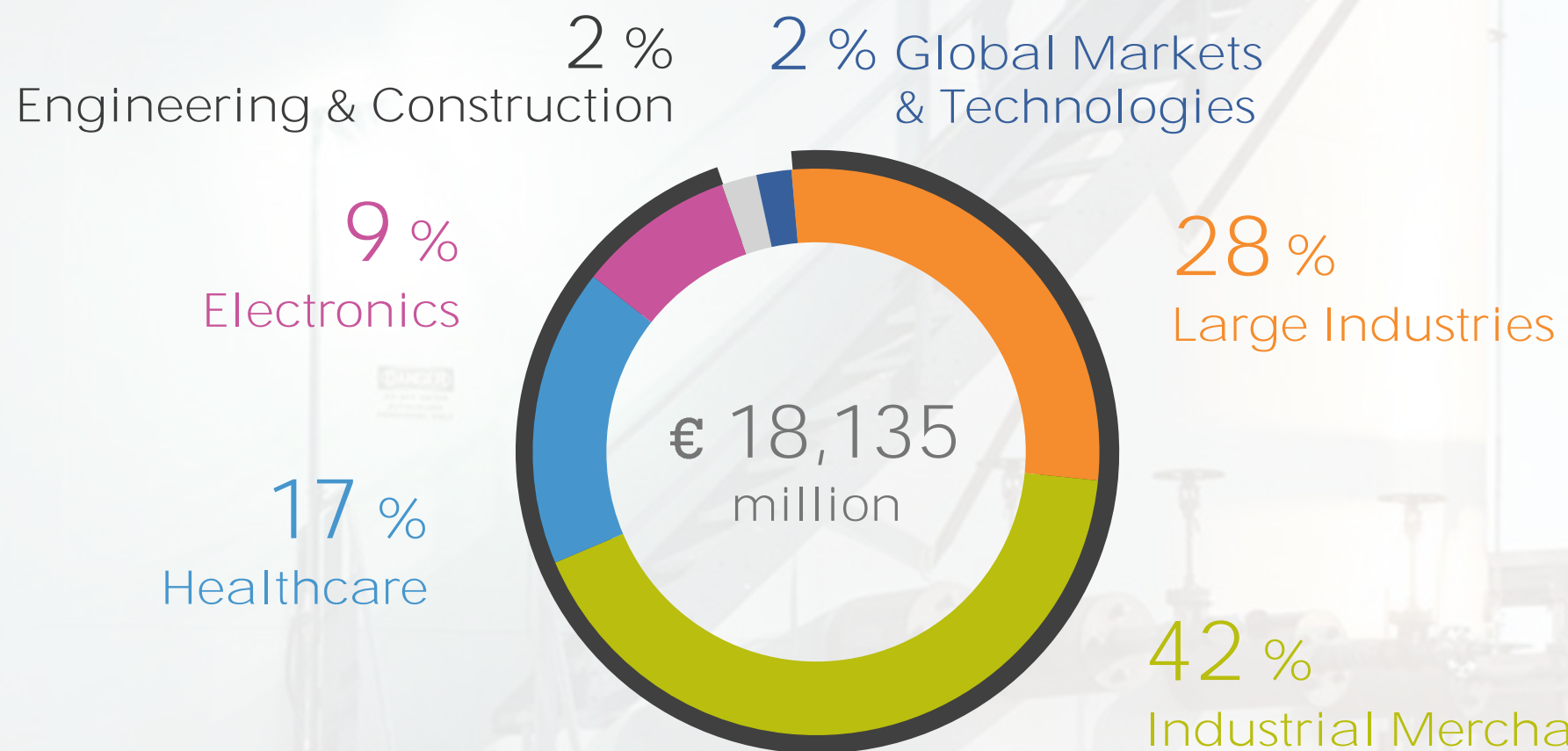
RE-BALANCED BUSINESS FOOTPRINT

GROUP REVENUE



RE-BALANCED BUSINESS FOOTPRINT

GROUP REVENUE



96 %
of sales in
Gas & Services

REVENUE BY BUSINESS LINE

Gas & Services

COMPARABLE GROWTH 2016-2015

Large Industries + 5 %



Comparable sales growth: excluding currency, energy and significant perimeter effect.

2016 HIGHLIGHTS



REVENUE BY BUSINESS LINE

Gas & Services

COMPARABLE GROWTH 2016-2015



+ 45 %
as
published,
incl. Airgas

2016 HIGHLIGHTS

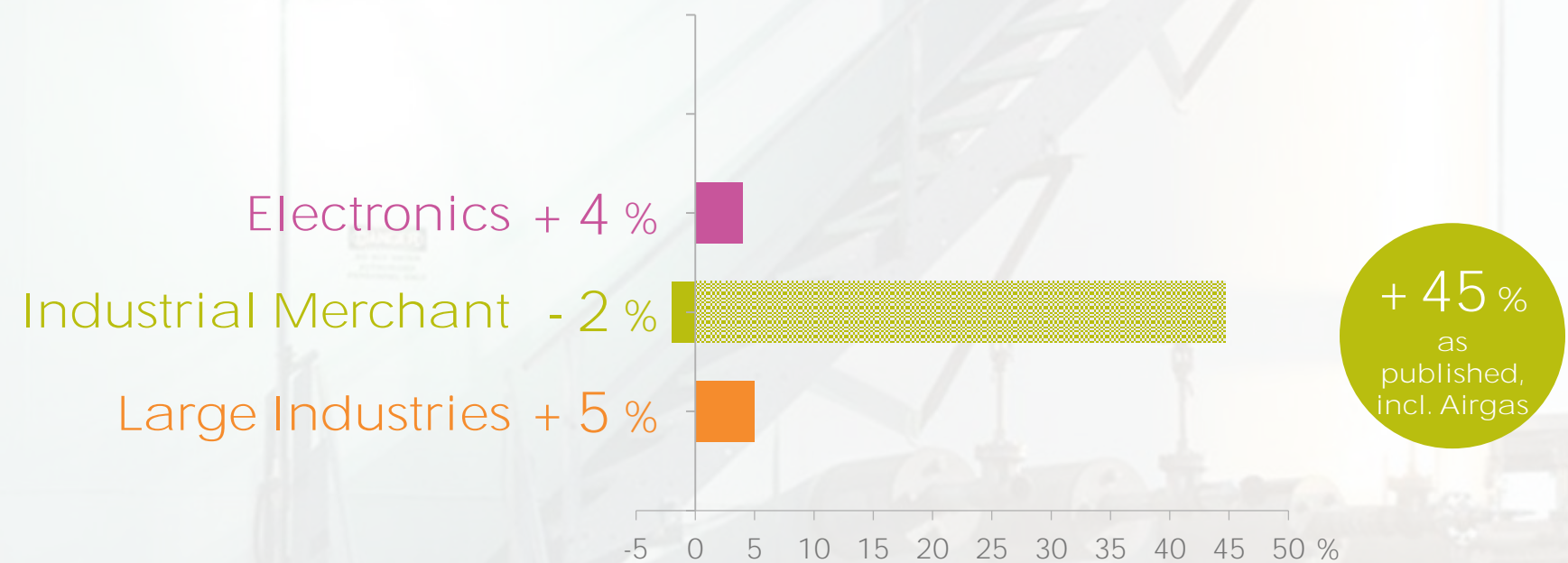


Comparable sales growth: excluding currency, energy and significant perimeter effect.

REVENUE BY BUSINESS LINE

Gas & Services

COMPARABLE GROWTH 2016-2015



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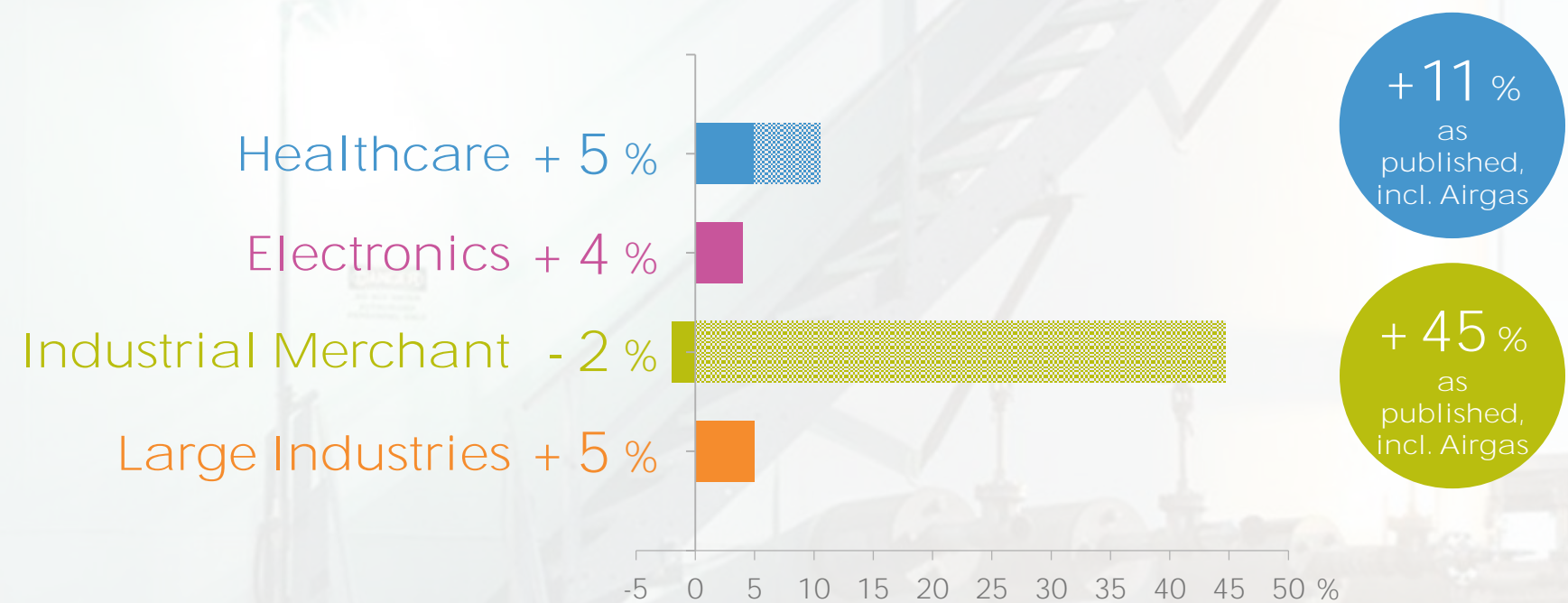
2016 HIGHLIGHTS



REVENUE BY BUSINESS LINE

Gas & Services

COMPARABLE GROWTH 2016-2015



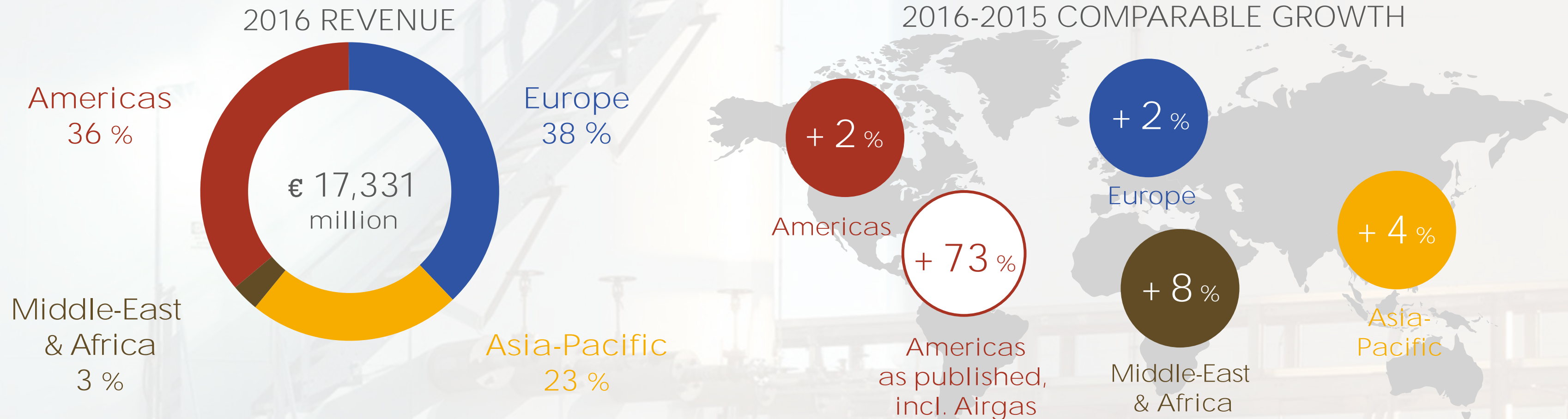
Comparable sales growth: excluding currency, energy and significant perimeter effect.

2016 HIGHLIGHTS



GROWTH OF REVENUES IN ALL GEOGRAPHIES

Gas & Services



Comparable sales growth: excluding currency, energy and significant perimeter effect.

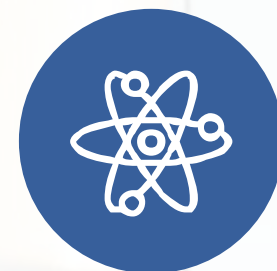
REVENUE BY BUSINESS LINE

ENGINEERING
& CONSTRUCTION



- 38 %

GLOBAL MARKET
& TECHNOLOGIES



+ 14 %

Comparable sales growth: excluding currency, energy and significant perimeter effect.

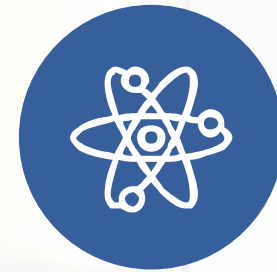
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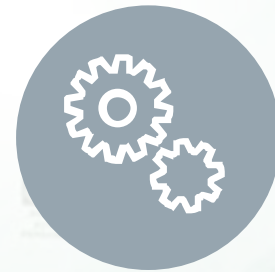
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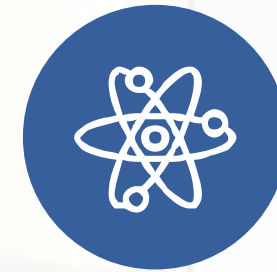
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ENGINEERING
& CONSTRUCTION



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GLOBAL MARKET
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+ 14 %

2016 HIGHLIGHTS



Comparable sales growth: excluding currency, energy and significant perimeter effect.

OPERATING MARGIN REFLECTING NEW MIX WITH AIRGAS CONSOLIDATION

In € M	2015*	2016	2016/2015
Revenue	15,819	18,135	+ 14.6 %
Purchases	(5,890)	(6,693)	+ 13.6 %
Personnel Expenses	(2,929)	(3,659)	+ 19.6 %
Other income and expenses	(2,785)	(3,171)	
Operating Profit before depreciation and amortization	4,215	4,611	+ 9.4 %
Depreciation and amortization	(1,359)	(1,587)	+ 16.8 %
Operating Income Recurring (OIR)	2,856	3,024	+ 5.9 %
OIR Margin	18.1 %	16.7 %	-140 bps
OIR margin excluding energy effect		16.4 %	-170 bps

+ 5,9 %

* 2015 figures have been restated to account for IFRS 5, discontinued operations.

OPERATING MARGIN REFLECTING NEW MIX WITH AIRGAS CONSOLIDATION

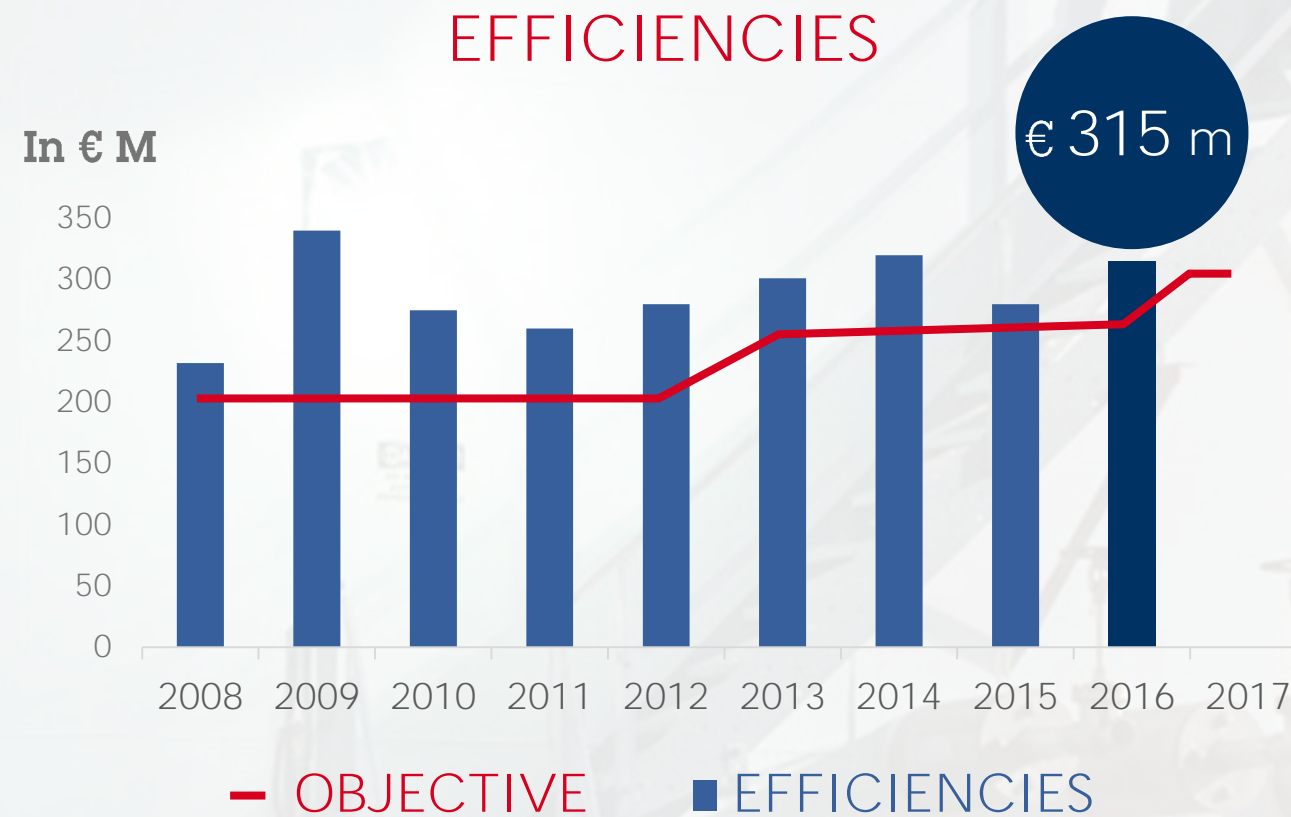
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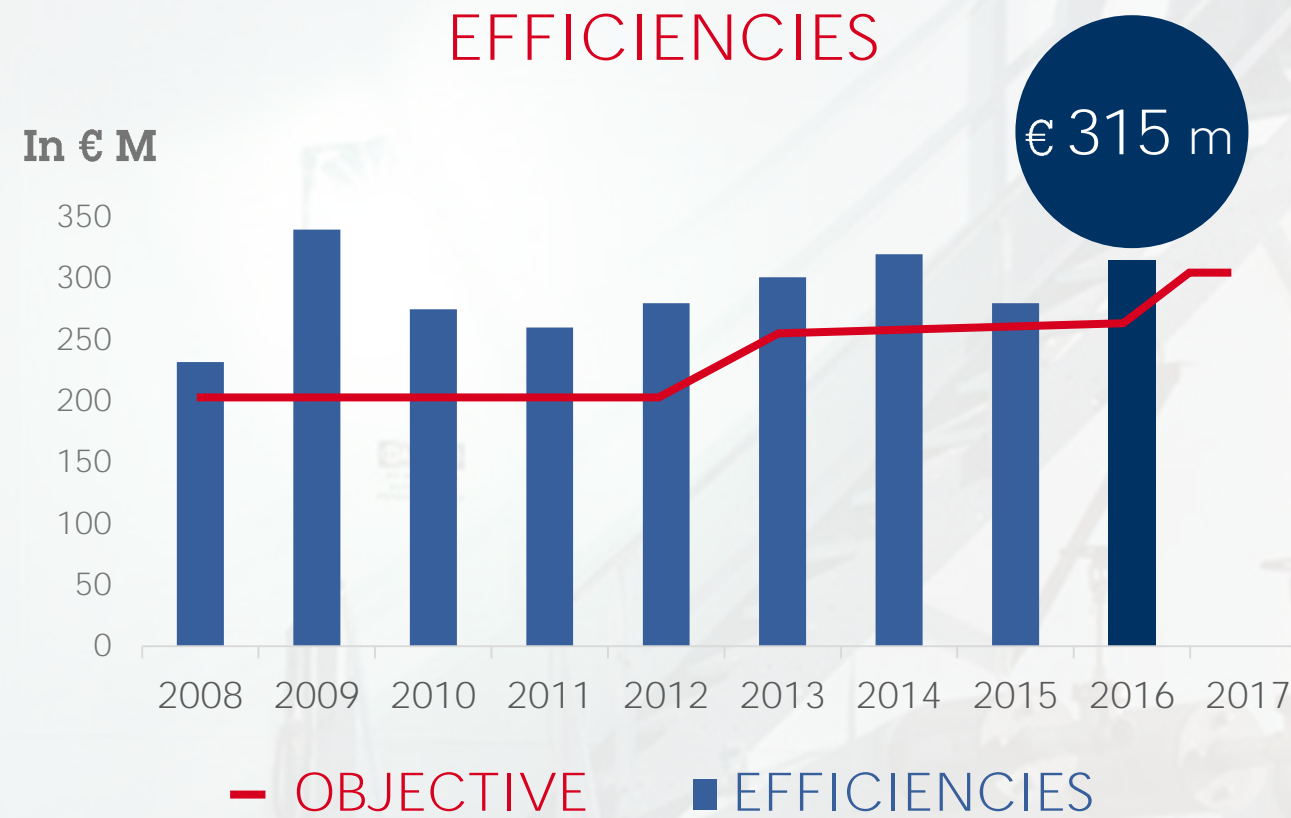
Operating
Income
Recurring

* 2015 figures have been restated to account for IFRS 5, discontinued operations.

HIGH LEVEL OF EFFICIENCIES REINFORCING OUR COMPETITIVENESS



HIGH LEVEL OF EFFICIENCIES REINFORCING OUR COMPETITIVENESS

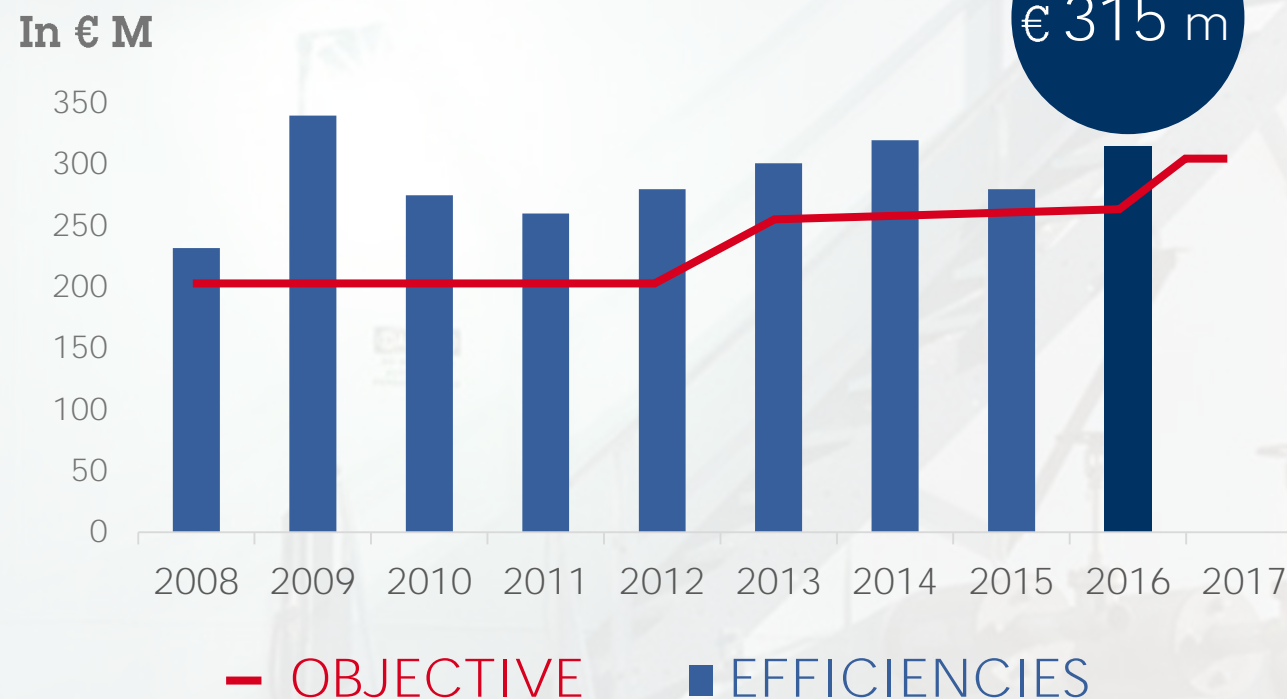


Airgas[™]

+ USD 45 m
of synergies

HIGH LEVEL OF EFFICIENCIES REINFORCING OUR COMPETITIVENESS

EFFICIENCIES

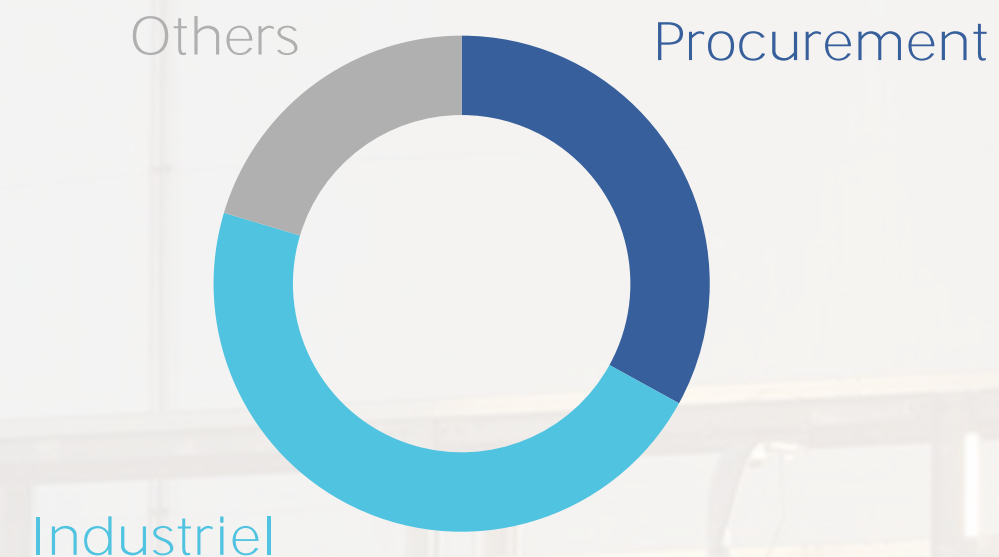


€ 315 m

Airgas[™]

+ USD 45 m
of synergies

2016 BREAKDOWN



NET PROFIT UP + 5 %

In € m	2015*	2016	2016/2015
Revenue	15,819	18,135	+ 14.6 %
Operating Income Recurring	2,856	3,024	+ 5.9 %
Net non-recurring operating income	(123)	36	
Operating income	2,733	3,060	+ 12.0 %
Net finance costs and other financial income and expenses	(262)	(403)	
Income taxes	(661)	(747)	
Tax rate	26.8 %	28.2 %	
Share of profit of associates	14	7	
Minority interests	(82)	(83)	
Net profit from discontinued operations	15	11	
Net profit (Group share)	1,756	1,844	+ 5.0 %
Basic earnings per share (in €)	4.99	5.1	+ 2.4 %

* 2015 figures have been restated to account for IFRS 5, “discontinued operations”.

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2.9%

Average
cost of debt
2016

STRONG INCREASE OF CASH FLOW

€ bn

57 %
GEARING

- 7.2

Net debt
31 Dec 2015

90 %
GEARING

- 15.4

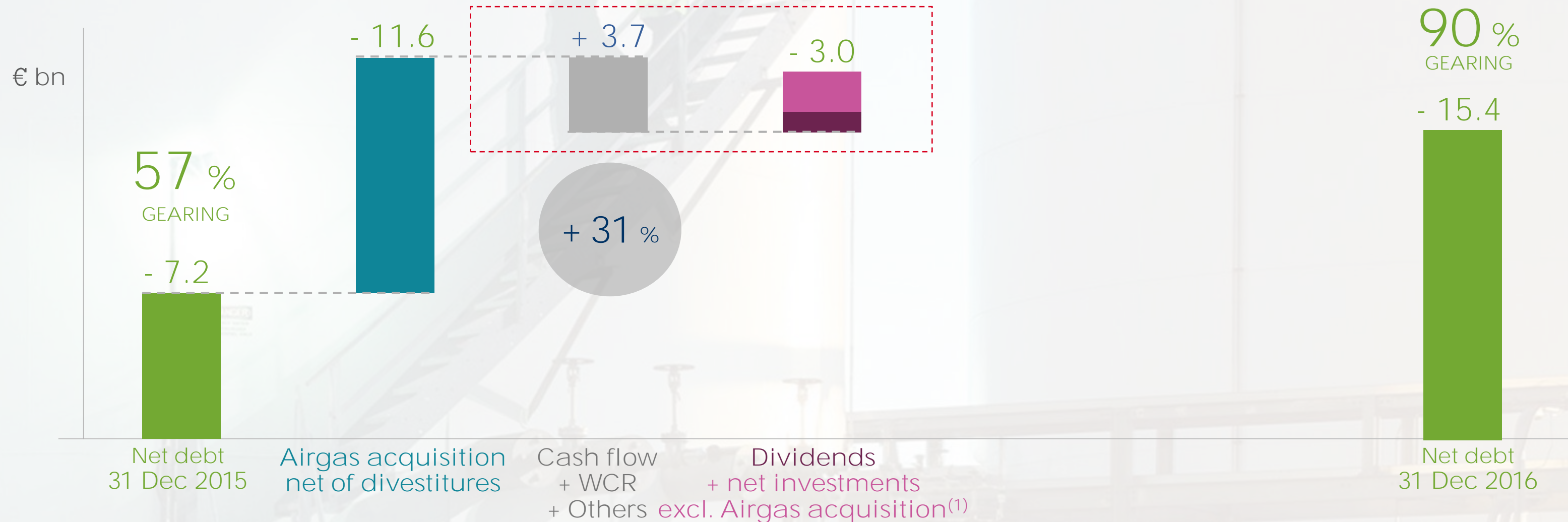
Net debt
31 Dec 2016



STRONG INCREASE OF CASH FLOW

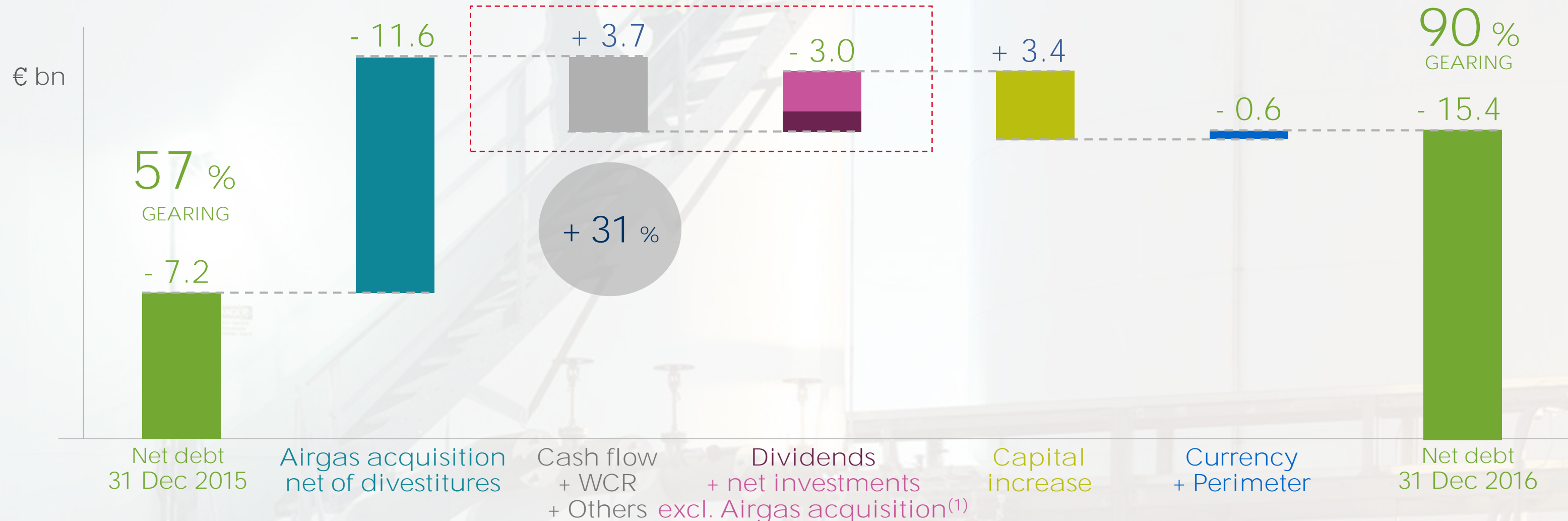


STRONG INCREASE OF CASH FLOW



(1) Including acquisitions, transactions with minority shareholders, net of divestitures, excluding Airgas acquisitions.

STRONG INCREASE OF CASH FLOW



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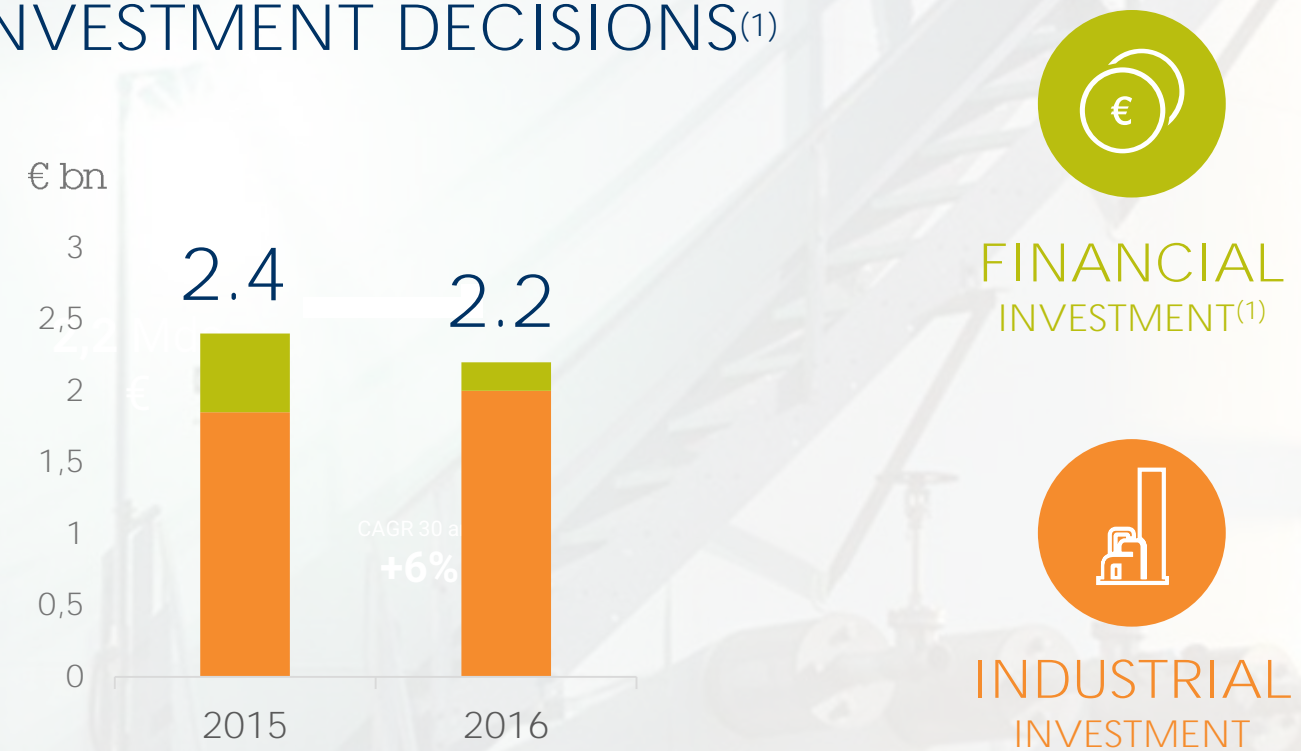
BALANCE SHEET IMPACTED BY AIRGAS CONSOLIDATION

ASSETS in € m	31/12/15	31/12/16	EQUITY AND LIABILITIES in € m	31/12/15	31/12/16
Goodwill	5,730	13,890	Shareholders' equity	12,406	16,742
Fixed assets	16,555	22,003	Minority interests	365	383
Other non-current assets*	936	960	Total equity	12,771	17,125
Total non-current assets	23,222	36,853	Provisions & deferred tax liabilities	3,435	4,971
Inventories & work in-progress	981	1,323	Non-current borrowings	6,291	14,890
Trade receivables & other current assets	3,711	4,090	Other non-current liabilities*	475	504
Cash and cash equivalents*	1,028	1,576	Total equity and non-current liabilities	22,972	37,490
Total current assets	5,720	6,989	Provisions	271	280
Assets held for sale	-	276	Trade payables & other current liabilities	3,728	4,103
Total assets	28,941	44,118	Current borrowings*	1,970	2,064
			Total current liabilities	5,970	6,447
			Liabilities held for sale	-	181
			Total equity and liabilities	28,941	44,118

* Including fair value of derivatives.

SELECTIVE INVESTMENT STRATEGY

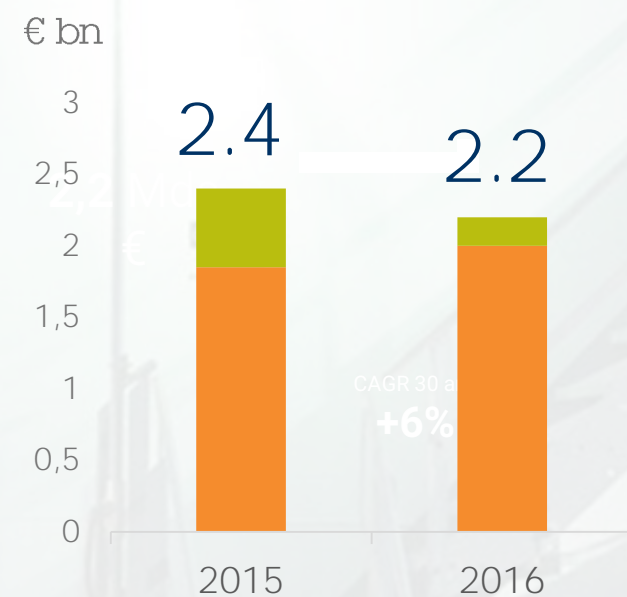
INVESTMENT DECISIONS⁽¹⁾



(1) Excluding financial decision to acquire Airgas for € 12 bn.

SELECTIVE INVESTMENT STRATEGY

INVESTMENT DECISIONS⁽¹⁾



FINANCIAL
INVESTMENT⁽¹⁾



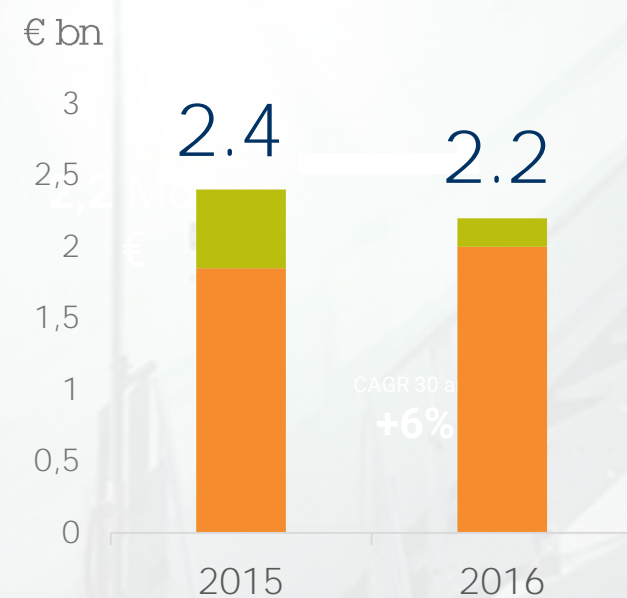
INDUSTRIAL
INVESTMENT



(1) Excluding financial decision to acquire Airgas for € 12 bn.

SELECTIVE INVESTMENT STRATEGY

INVESTMENT DECISIONS⁽¹⁾



FINANCIAL
INVESTMENT⁽¹⁾



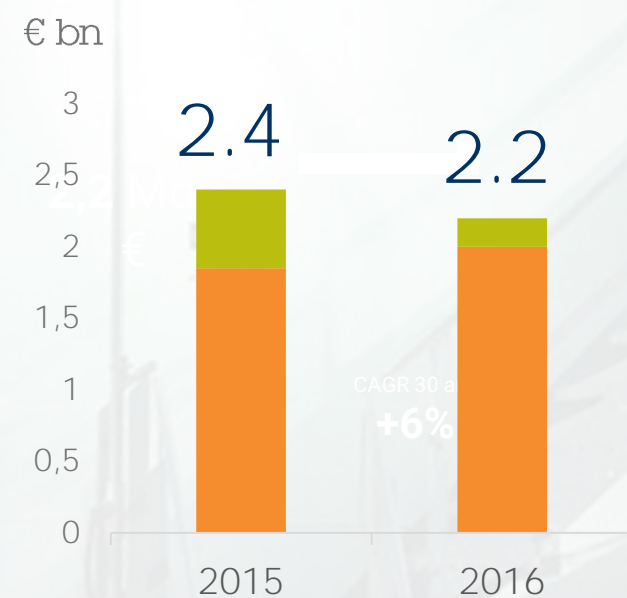
INDUSTRIAL
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SELECTIVE INVESTMENT STRATEGY

INVESTMENT DECISIONS⁽¹⁾



FINANCIAL
INVESTMENT⁽¹⁾



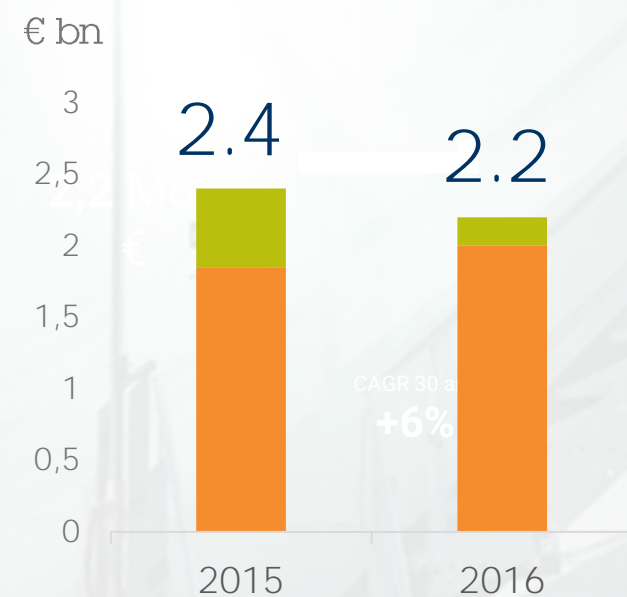
INDUSTRIAL
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SELECTIVE INVESTMENT STRATEGY

INVESTMENT DECISIONS⁽¹⁾



FINANCIAL
INVESTMENT⁽¹⁾



INDUSTRIAL
INVESTMENT



(1) Excluding financial decision to acquire Airgas for € 12 bn.

2016: A SUCCESSFUL TRANSFORMATIONAL YEAR



HIGHLIGHTS

- > Acquisition of Airgas fully completed
- > Launch of NEOS program



SOLID PERFORMANCE

- > Increase in revenue, net profit, and dividend per share
- > Continued investments
- > Strong balance sheet and growth of cash flow

1ST QUARTER 2017 ACTIVITY: STRONG REVENUE GROWTH

GROUP REVENUE

+ 38.5%

€ 5.2 bn

GAS & SERVICES COMPARABLE GROWTH

+ 2.8%

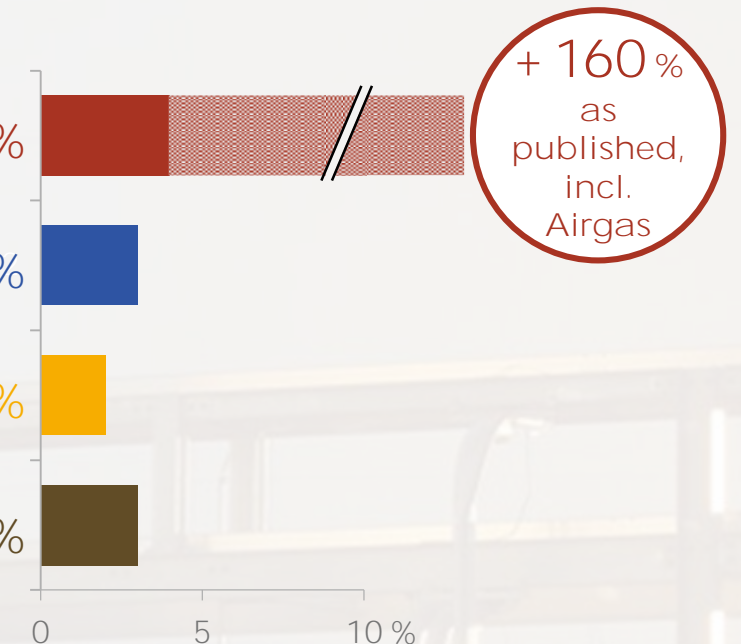
- > Airgas acquisition
- > Positive currency and energy impacts
- > Healthcare + 5.5 %*
- > Industrial Merchant + 3 %*
- > Global Markets & Technologies + 19 %*

Americas: € 2.1 bn + 4 %

Europe: € 1.7 bn + 3 %

Asia-Pacific: € 1.0 bn + 2 %

Middle-East & Africa: € 0.2 bn + 3 %



* Comparable sales growth: excluding currency and energy effects; compared to 2016 1st quarter adjusted sales as if Airgas had been consolidated with divestment fully completed, and Aqua Lung and Air Liquide Welding had been deconsolidated as of January 1st, 2016.



DANGER

AGM | Annual
General Meeting
May 3, 2017

AIRGAS

Pierre DUFOUR
Senior Executive Vice-President





Airgas

an Air Liquide company

Preserving
the Environment

Find out more. Visit airgas.com

4927 INTRON, REFRIGERATED LIQUID

2501A



June 25, 2015

Hermione

ACQUISITION STEPS

October

Air Liquide
Board
approval



ACQUISITION STEPS



Bridge loan



ACQUISITION STEPS



November
Due
dilligence



ACQUISITION STEPS



November 17
Merger
agreement

2015

2016

ACQUISITION STEPS



November 22
FTC Filing

2015

2016

ACQUISITION STEPS



2015

2016

ACQUISITION FINALIZATION



May 23, 2016

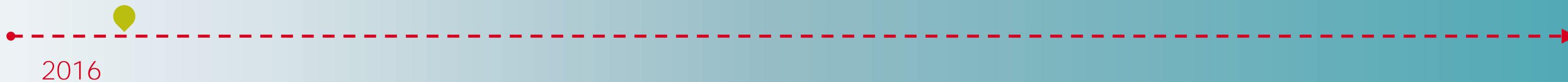
2016



INTEGRATION & REFINANCING STEPS



January 4
Preparation
for integration



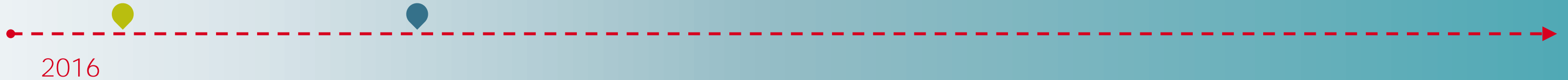
INTEGRATION & REFINANCING STEPS



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May 23
Airgas
Acquisition



INTEGRATION & REFINANCING STEPS



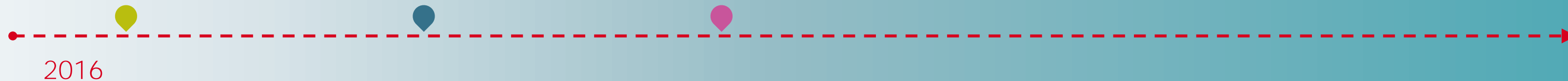
January 4
Preparation
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May 23
Airgas
Acquisition



July 1
Organization
in place



INTEGRATION & REFINANCING STEPS



January 4
Preparation
for integration



May 23
Airgas
Acquisition



July 1
Organization
in place



September 8
Disposals
achieved

2016

INTEGRATION & REFINANCING STEPS



January 4
Preparation
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May 23
Airgas
Acquisition



July 1
Organization
in place



September 8
Disposals
achieved



October 1
IT systems
merged

2016

INTEGRATION & REFINANCING STEPS



January 4
Preparation
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May 23
Airgas
Acquisition



July 1
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September 8
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October 1
IT systems
merged

2016

REFINANCING

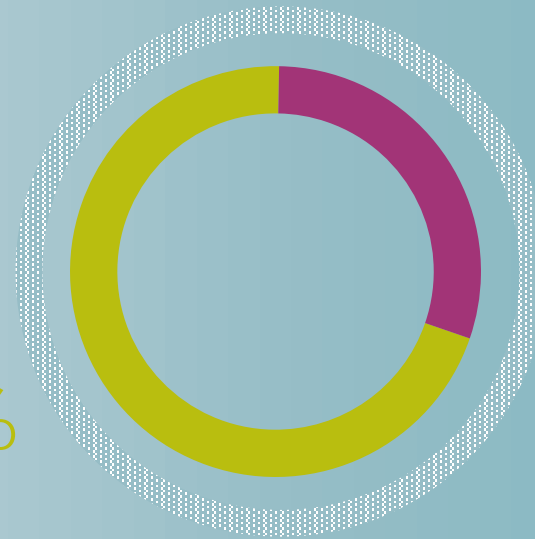
EXPECTED SYNERGIES

> USD 300 M by end 2019

COST SYNERGIES

- > Cylinder Operations
- > Bulk Operations
- > Process and Procurement
- > Back office

70 %



30 %

GROWTH SYNERGIES

- > Cross-selling
- > Product availability
- > Gas applications
- > **“On-site” offer**



Airgas®

an Air Liquide company



OXYGEN
REFRIGERATED
LIQUID



OXYGEN
REFRIGERATED
LIQUID

Airgas®

an Air Liquide company



OXYGEN
REFRIGERATED
LIQUID

Ai



Airgas®

an Air Liquide company



OXYGEN
REFRIGERATED
LIQUID



OXYGEN
REFRIGERATED
LIQUID

Airgas®

an Air Liquide company



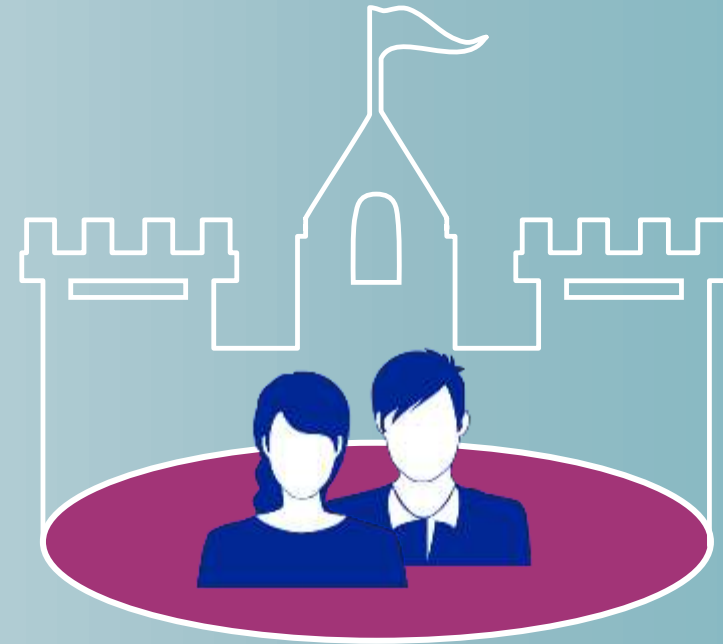
OXYGEN
REFRIGERATED
LIQUID

Ai

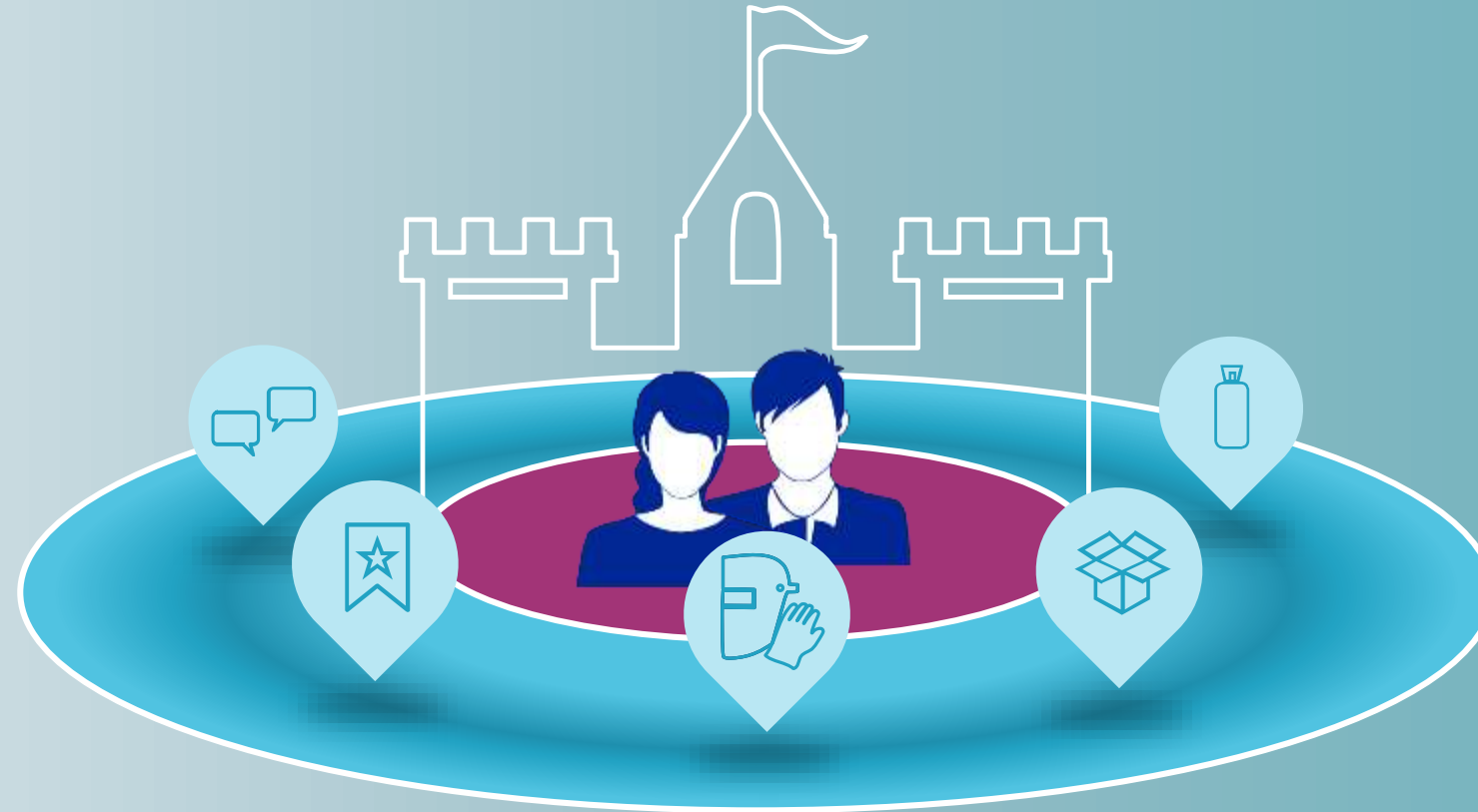
A CUSTOMER-CENTRIC ORGANIZATION



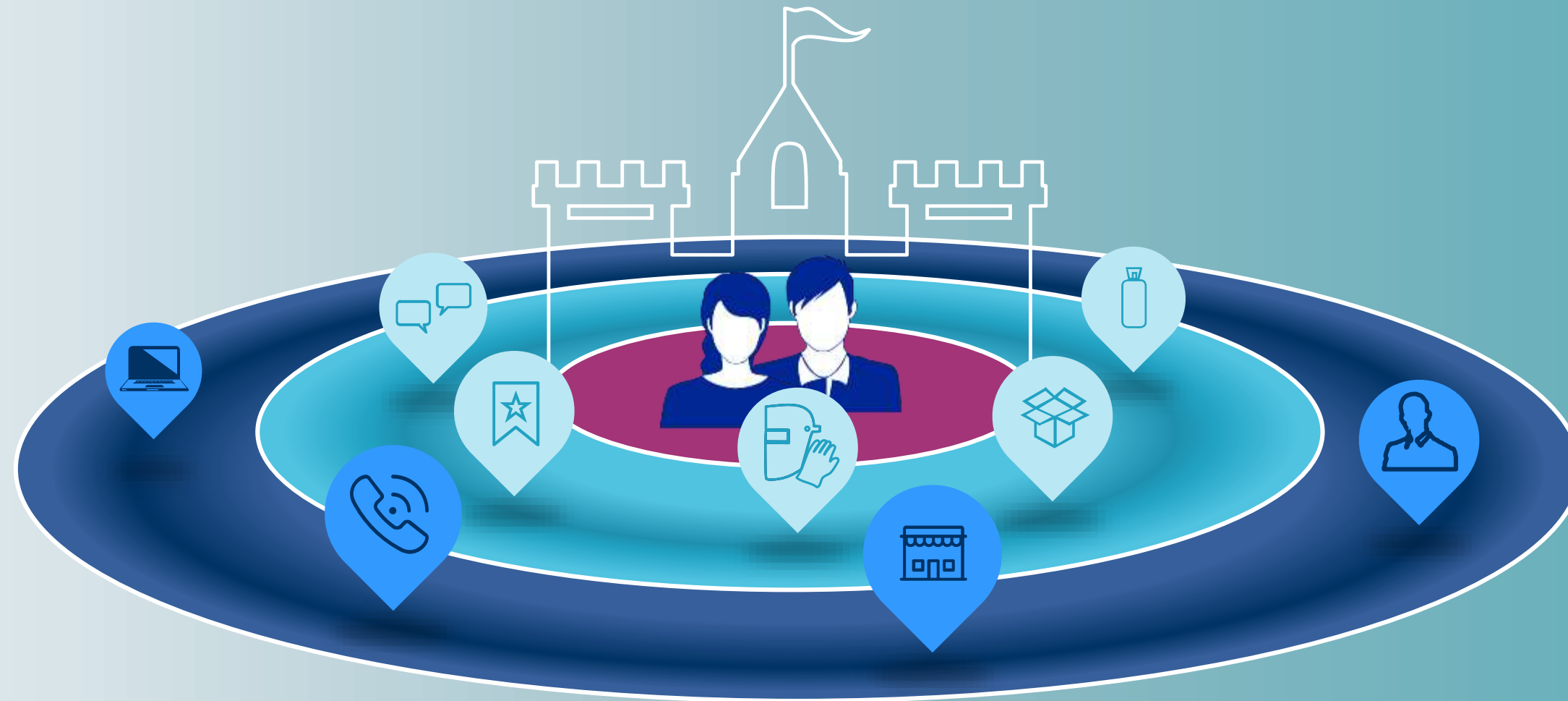
A CUSTOMER-CENTRIC ORGANIZATION



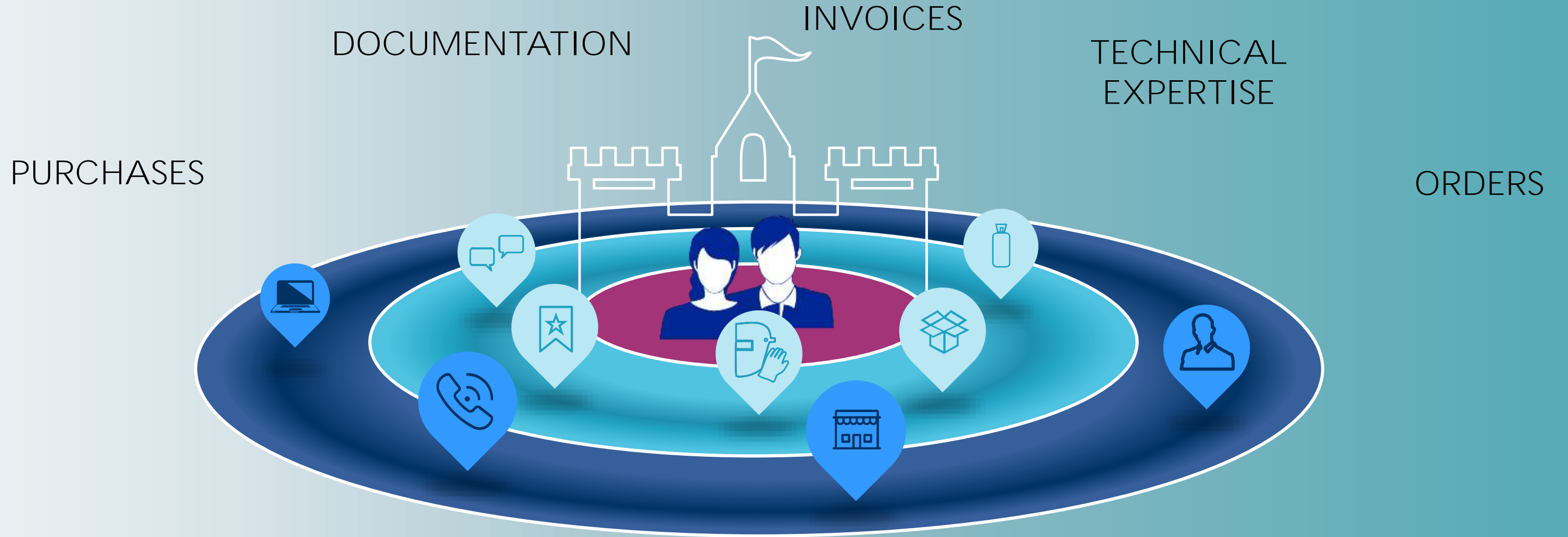
A CUSTOMER-CENTRIC ORGANIZATION



A CUSTOMER-CENTRIC ORGANIZATION



A CUSTOMER-CENTRIC ORGANIZATION



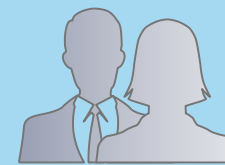
STRONG COMPLEMENTARITY

PRODUCTION

DISTRIBUTION

MARKETING

CUSTOMERS



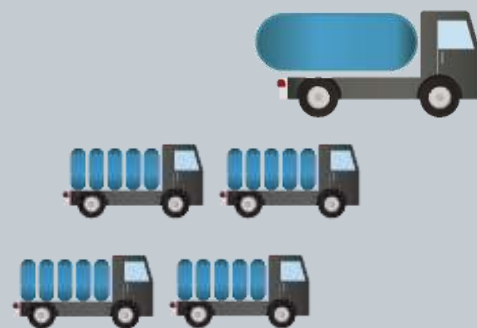
STRONG COMPLEMENTARITY

PRODUCTION

DISTRIBUTION

MARKETING

CUSTOMERS



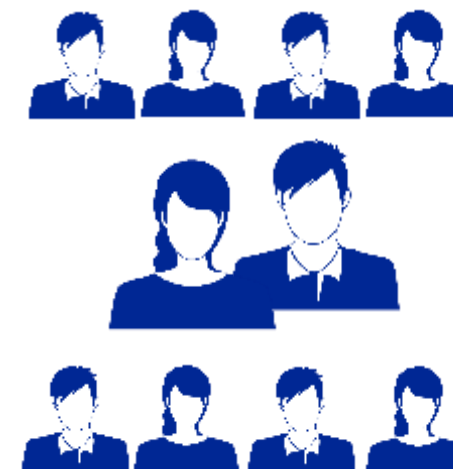
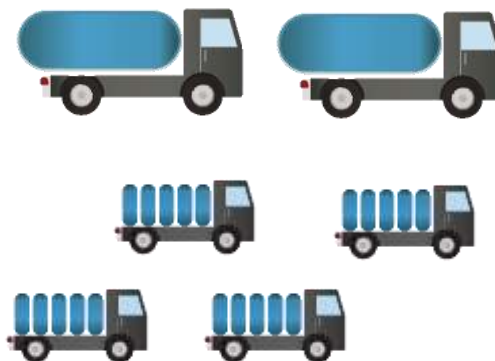
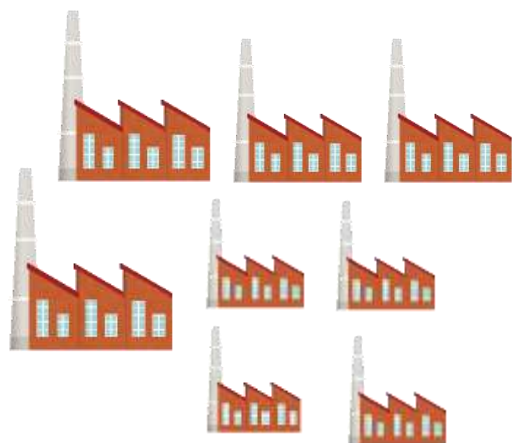
STRONG COMPLEMENTARITY

PRODUCTION

DISTRIBUTION

MARKETING

CUSTOMERS





Airgas®

an Air Liquide company



**OXYGEN
REFRIGERATED
LIQUID**



**OXYGEN
REFRIGERATED
LIQUID**

Airgas®

an Air Liquide company



**OXYGEN
REFRIGERATED
LIQUID**

Ai



AGM | Annual
General Meeting
May 3, 2017

AIR LIQUIDE IS TRANSFORMING

Benoît POTIER
Chairman and CEO



AIR LIQUIDE IS TRANSFORMING

Benoît POTIER
Chairman and CEO





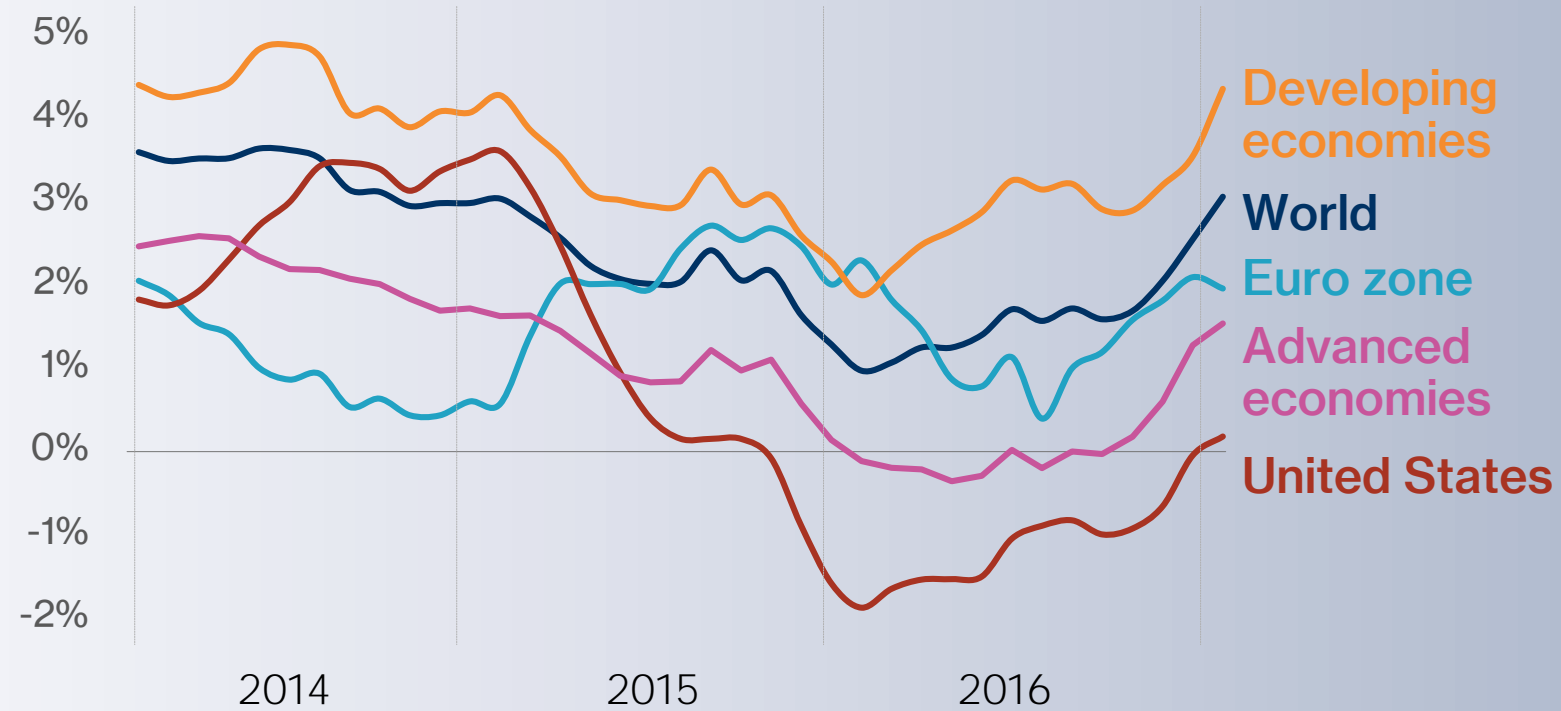
What strategy for Air Liquide?



Decoding
the global
environment

ECONOMIC ENVIRONMENT

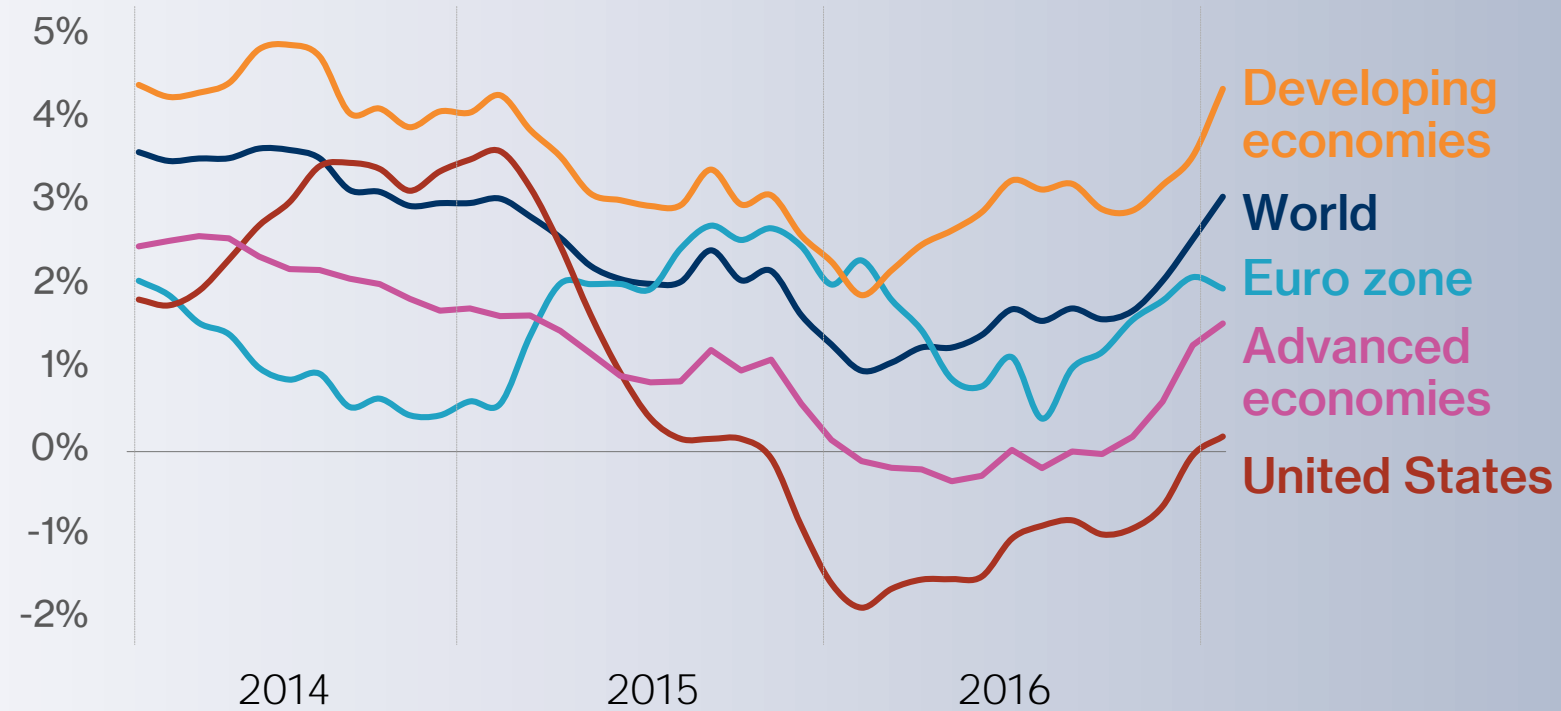
CHANGE IN INDUSTRIAL PRODUCTION (%)



Source: Coe Rexecode

ECONOMIC ENVIRONMENT

CHANGE IN INDUSTRIAL PRODUCTION (%)



Source: Coe Rexecode

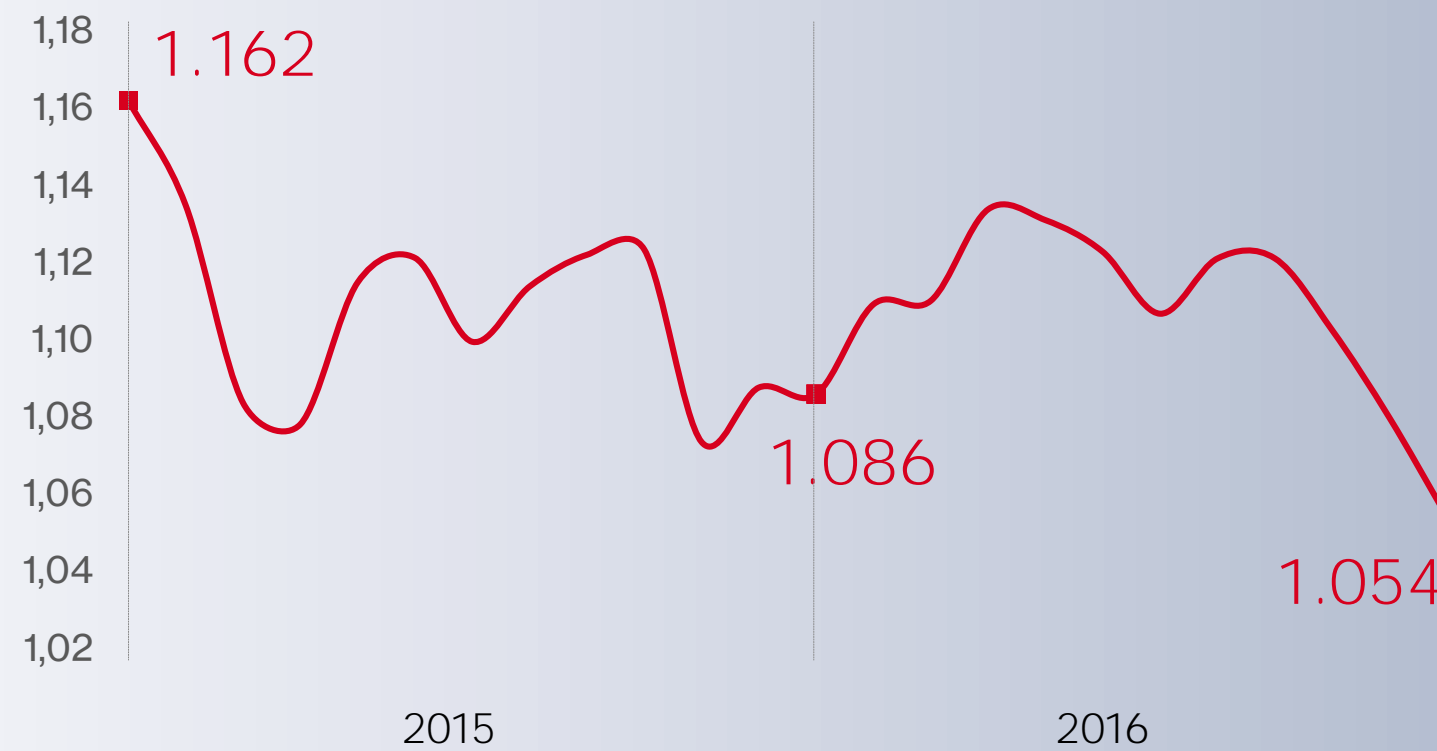
CHANGE IN OIL PRICE (USD/Barrel)



Source: EIA/Thomson Reuters

ECONOMIC ENVIRONMENT

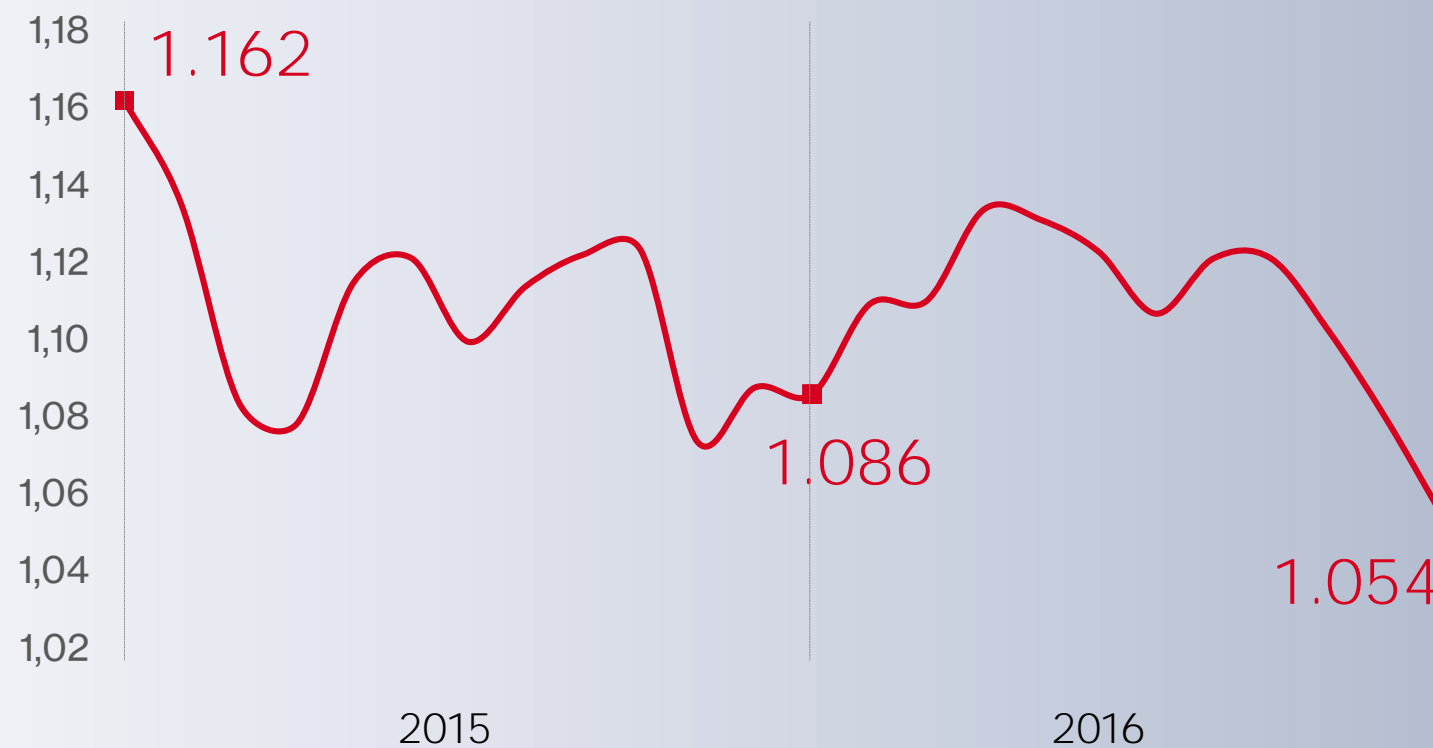
EXCHANGE RATE (USD/EUR)



Source: Bloomberg

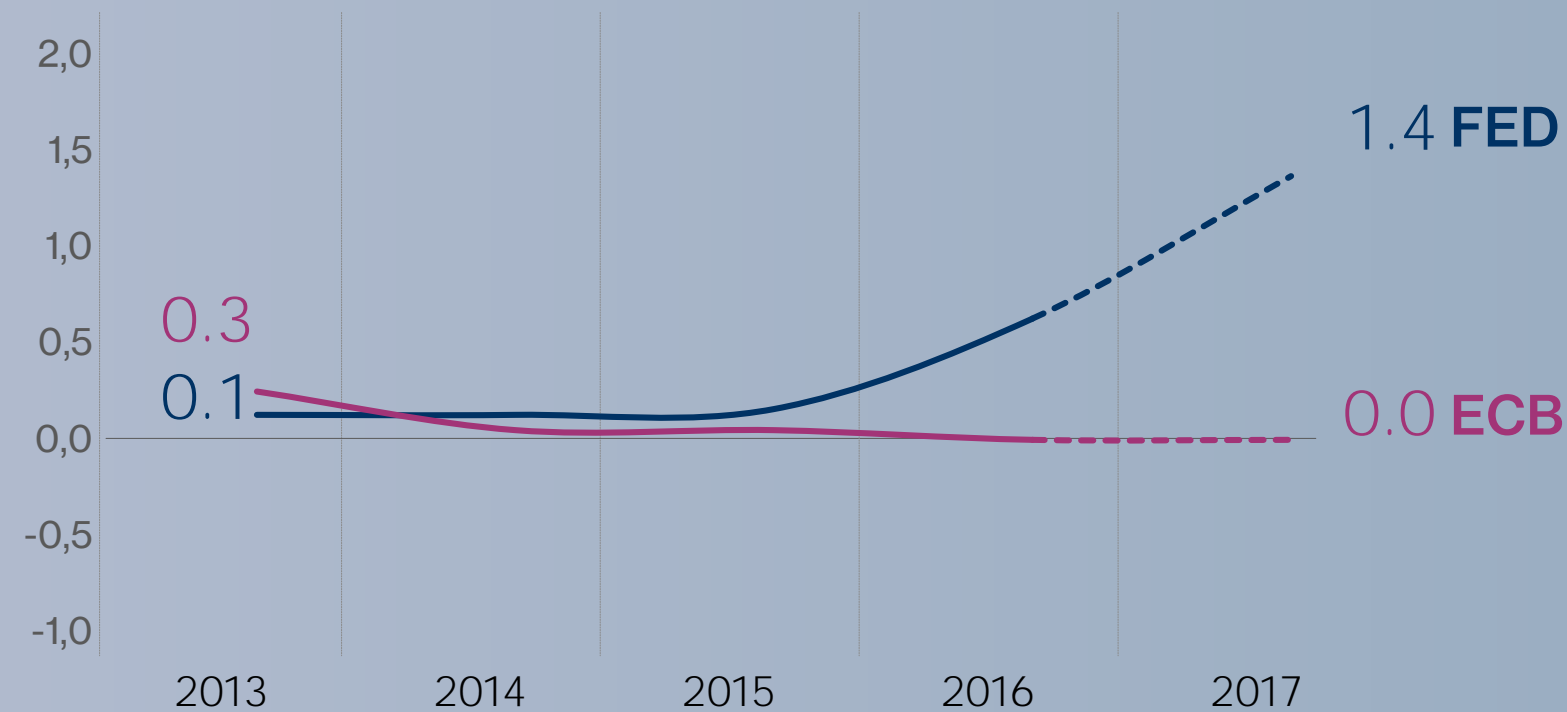
ECONOMIC ENVIRONMENT

EXCHANGE RATE (USD/EUR)



Source: Bloomberg

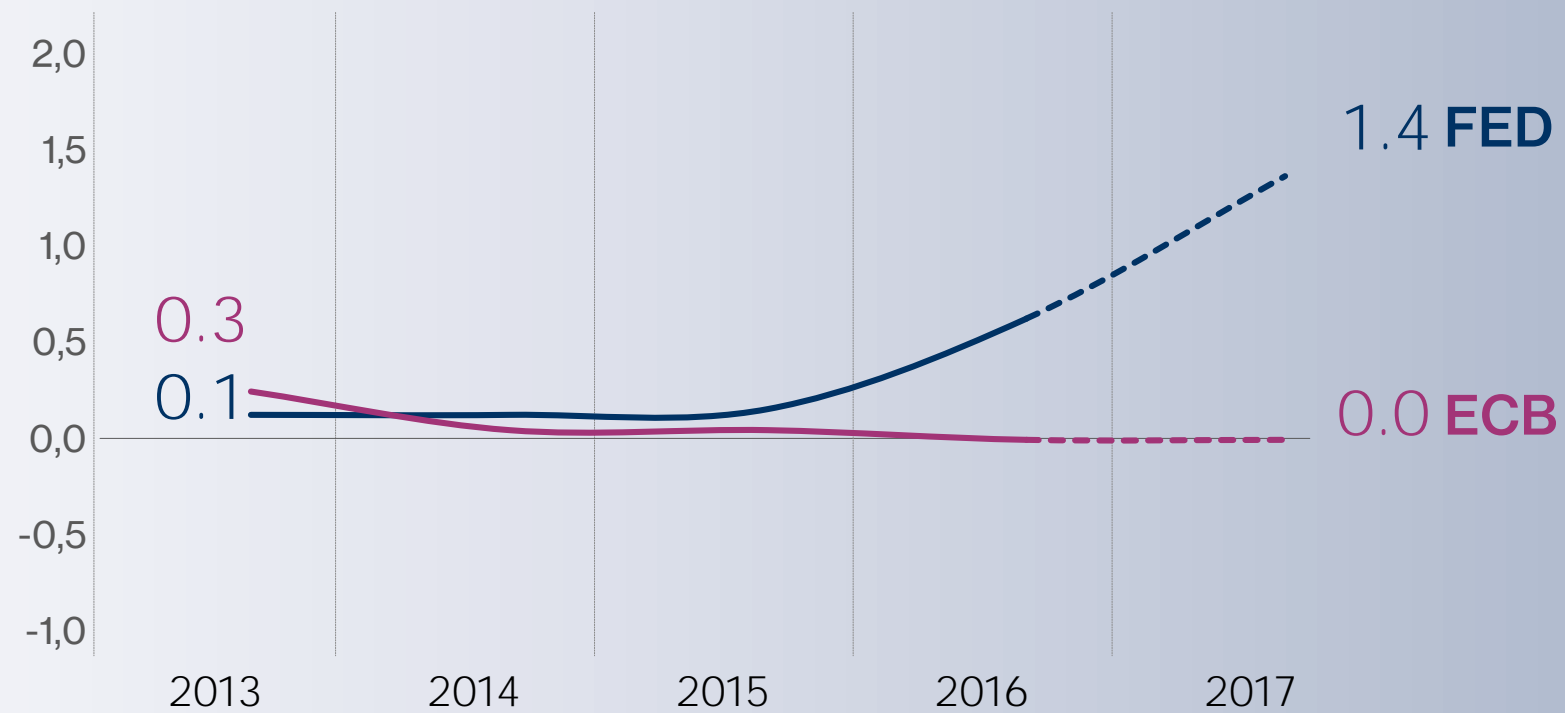
LEADING INTEREST RATES (%)



Source: Coe Rexecode March 2017, *Perspectives de l'Economie Mondiale*

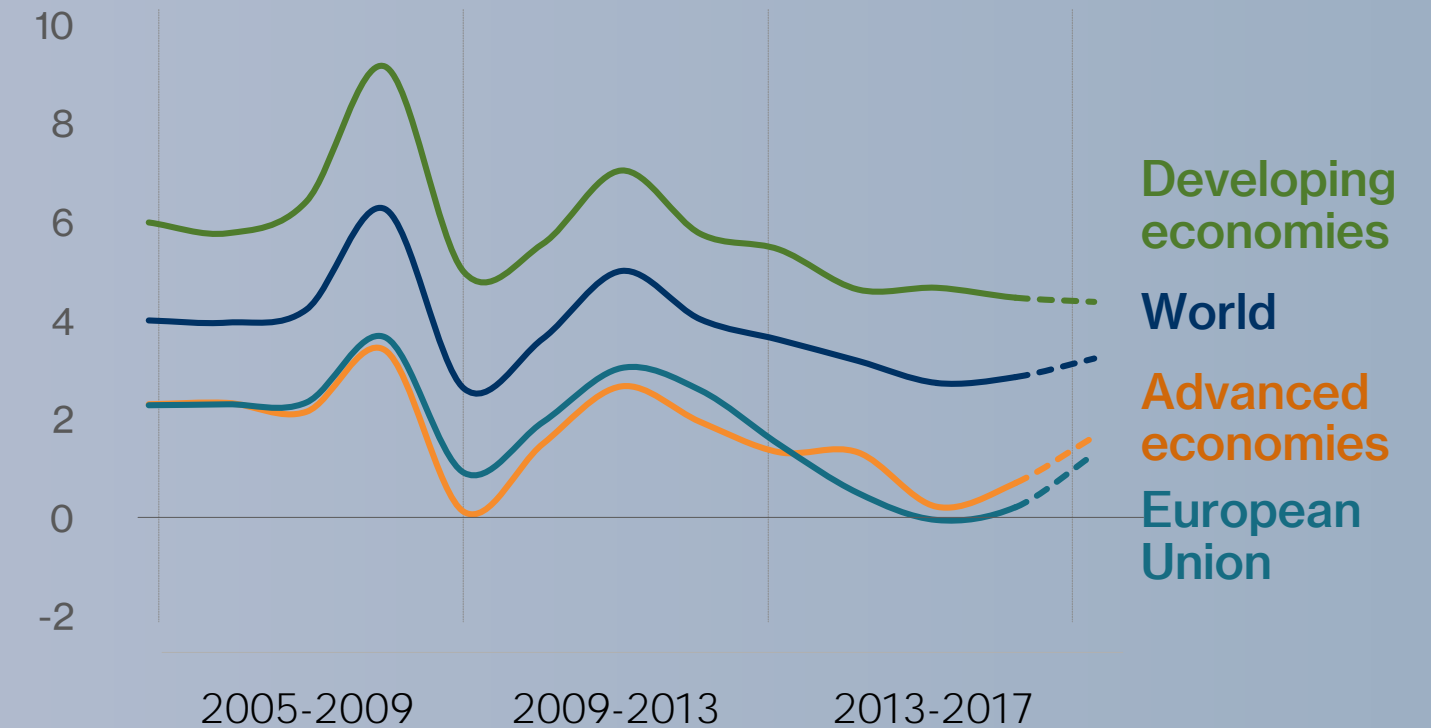
ECONOMIC ENVIRONMENT

LEADING INTEREST RATES (%)



Source: Coe Rexecode March 2017, *Perspectives de l'Economie Mondiale*

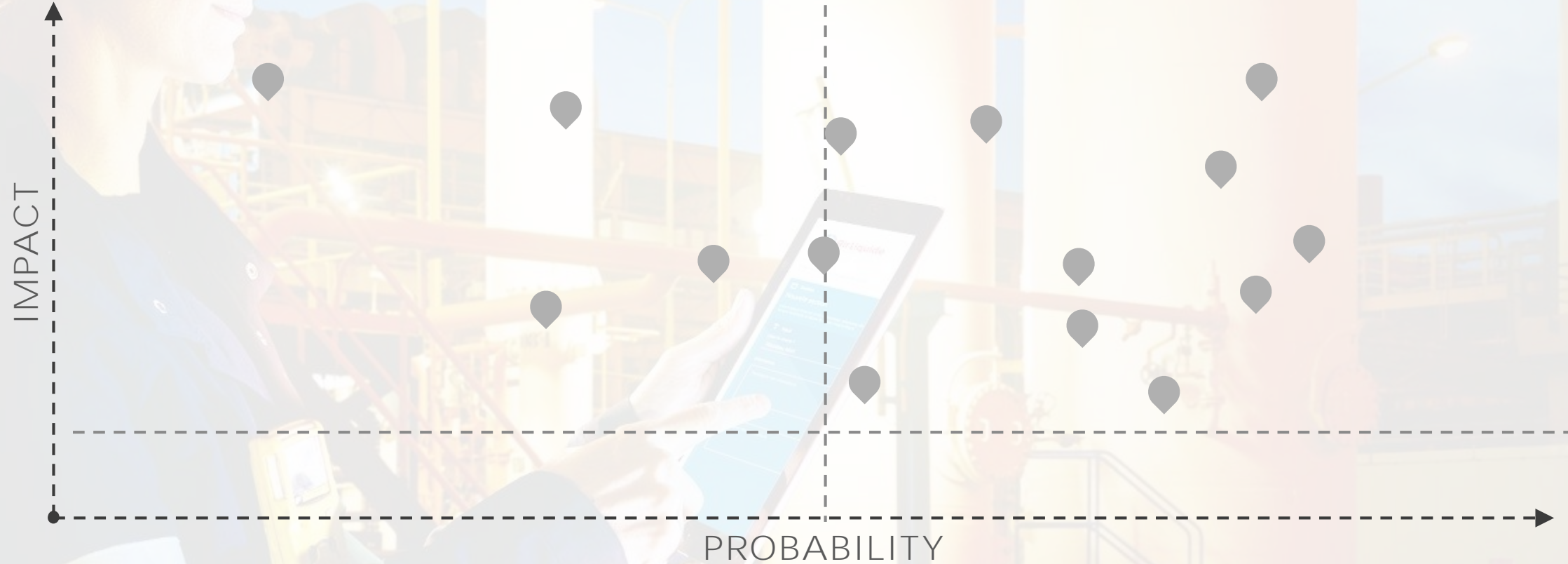
GLOBAL INFLATION (%)



Source: IMF

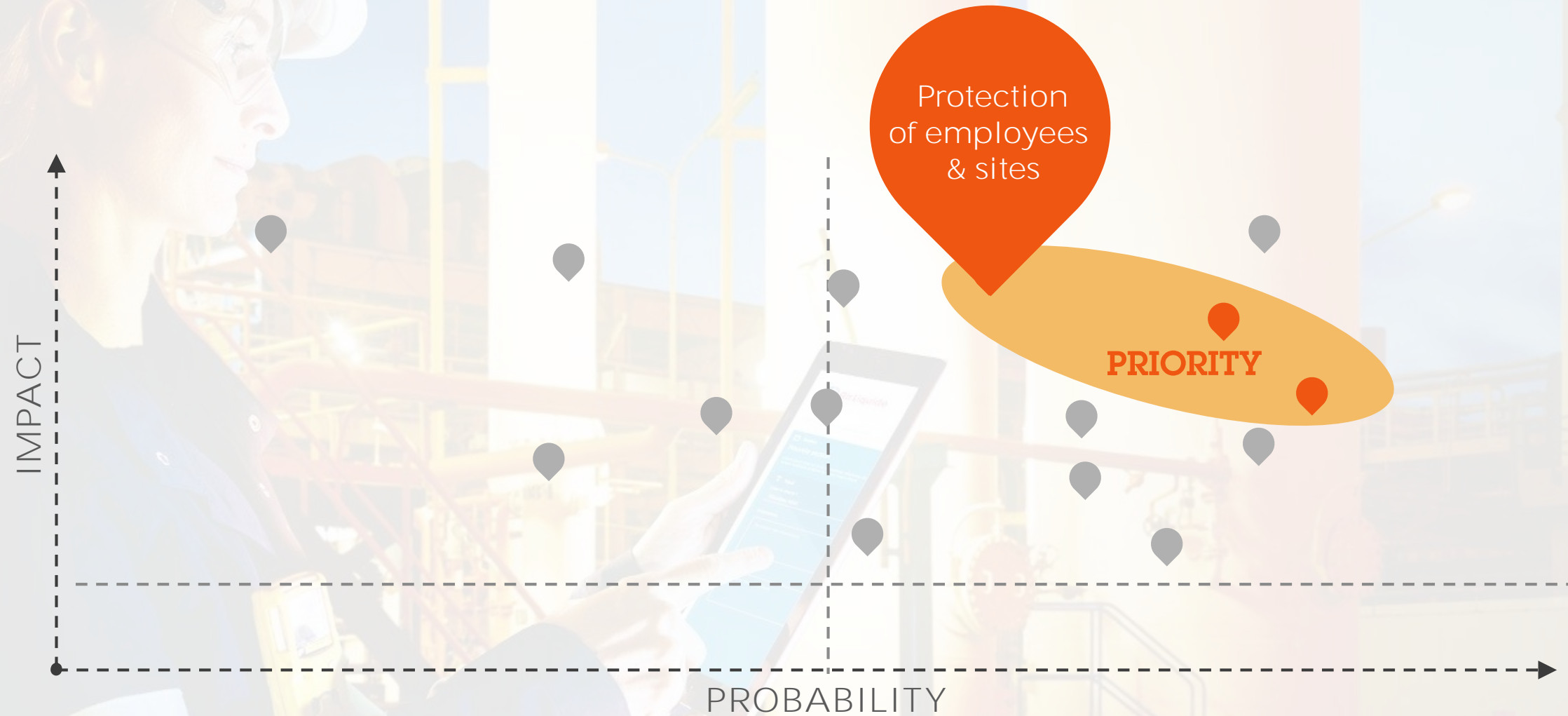
RISK MANAGEMENT

2016 RISK MAP



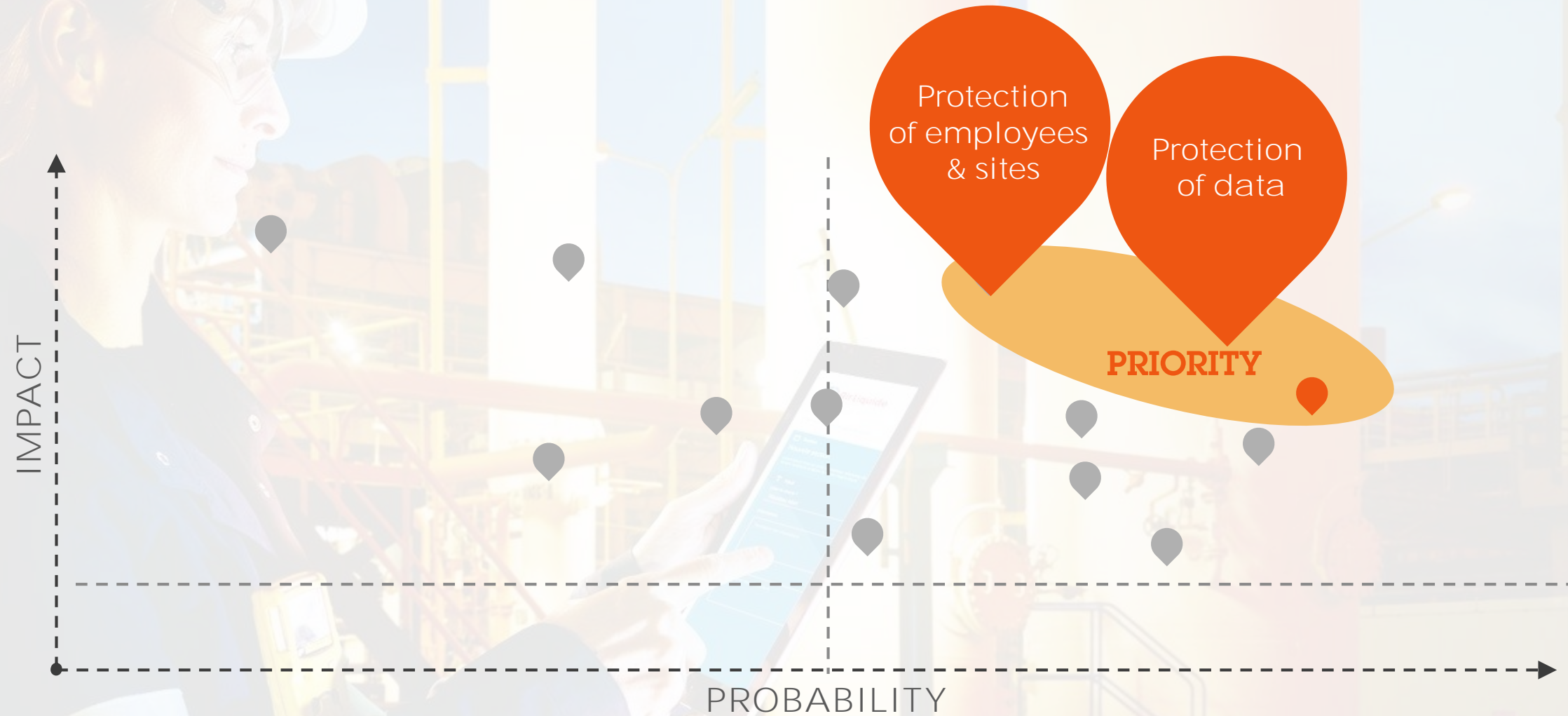
RISK MANAGEMENT

2016 RISK MAP



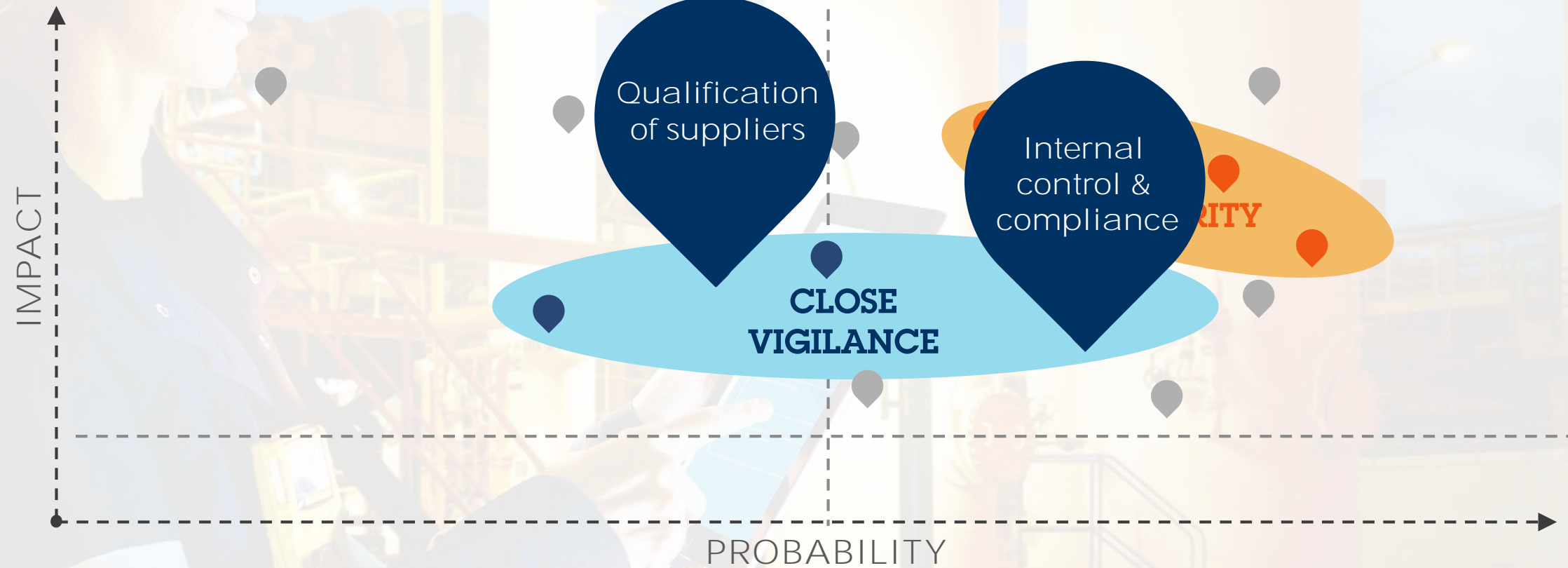
RISK MANAGEMENT

2016 RISK MAP



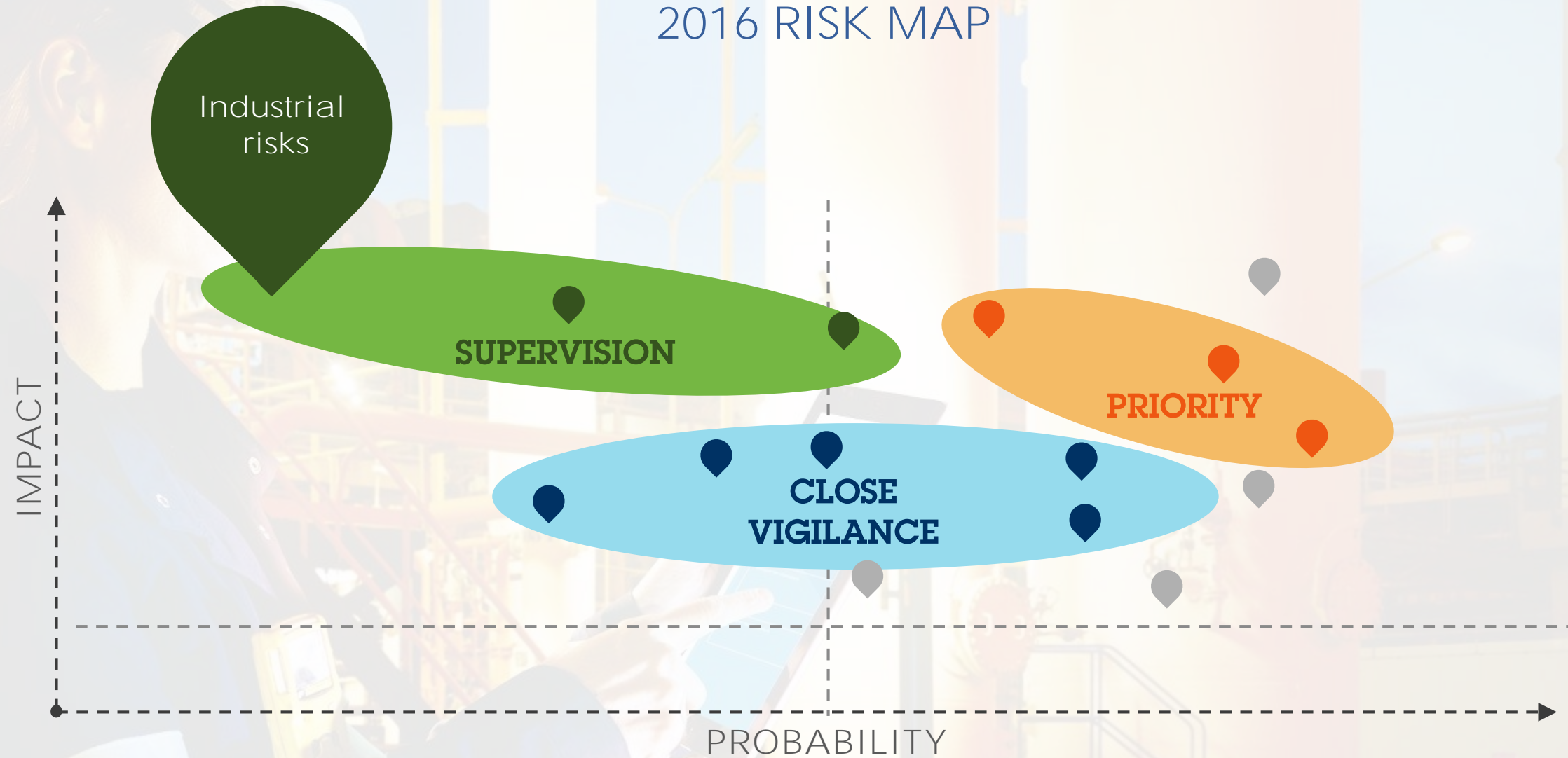
RISK MANAGEMENT

2016 RISK MAP



RISK MANAGEMENT

2016 RISK MAP





2016
Overview

THE RIGHT BALANCE

INVESTMENT



GROWTH

PROFITABILITY

THE GROUP'S NEW PROFILE



67,000
employees



80
countries



3 million
customers
and patients



€ 18 bn
of sales
in 2016

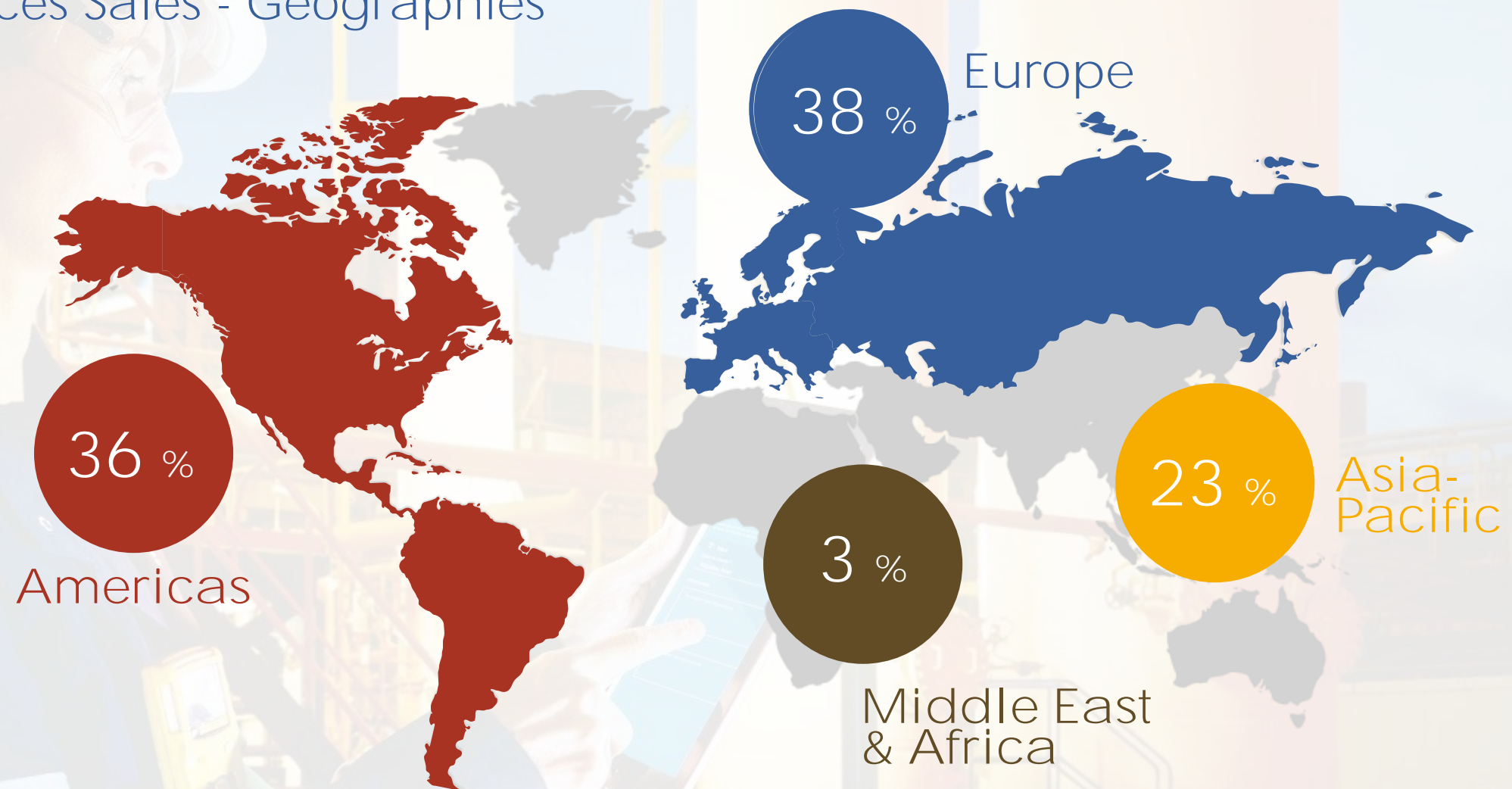


8th
largest market
capitalization⁽¹⁾

(1) As of December 31, 2016

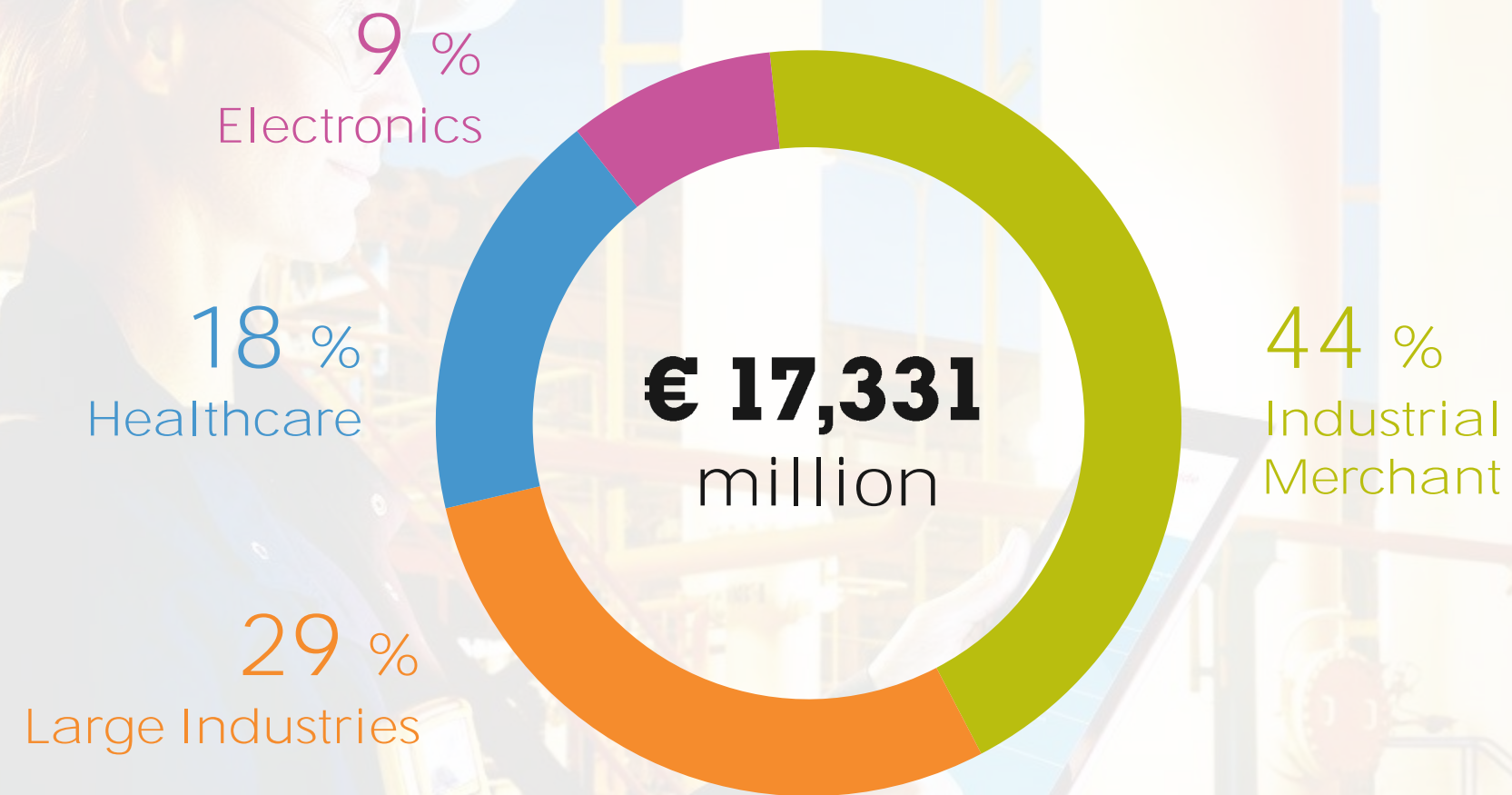
THE GROUP'S NEW PROFILE

2016 Gas & Services Sales - Geographies



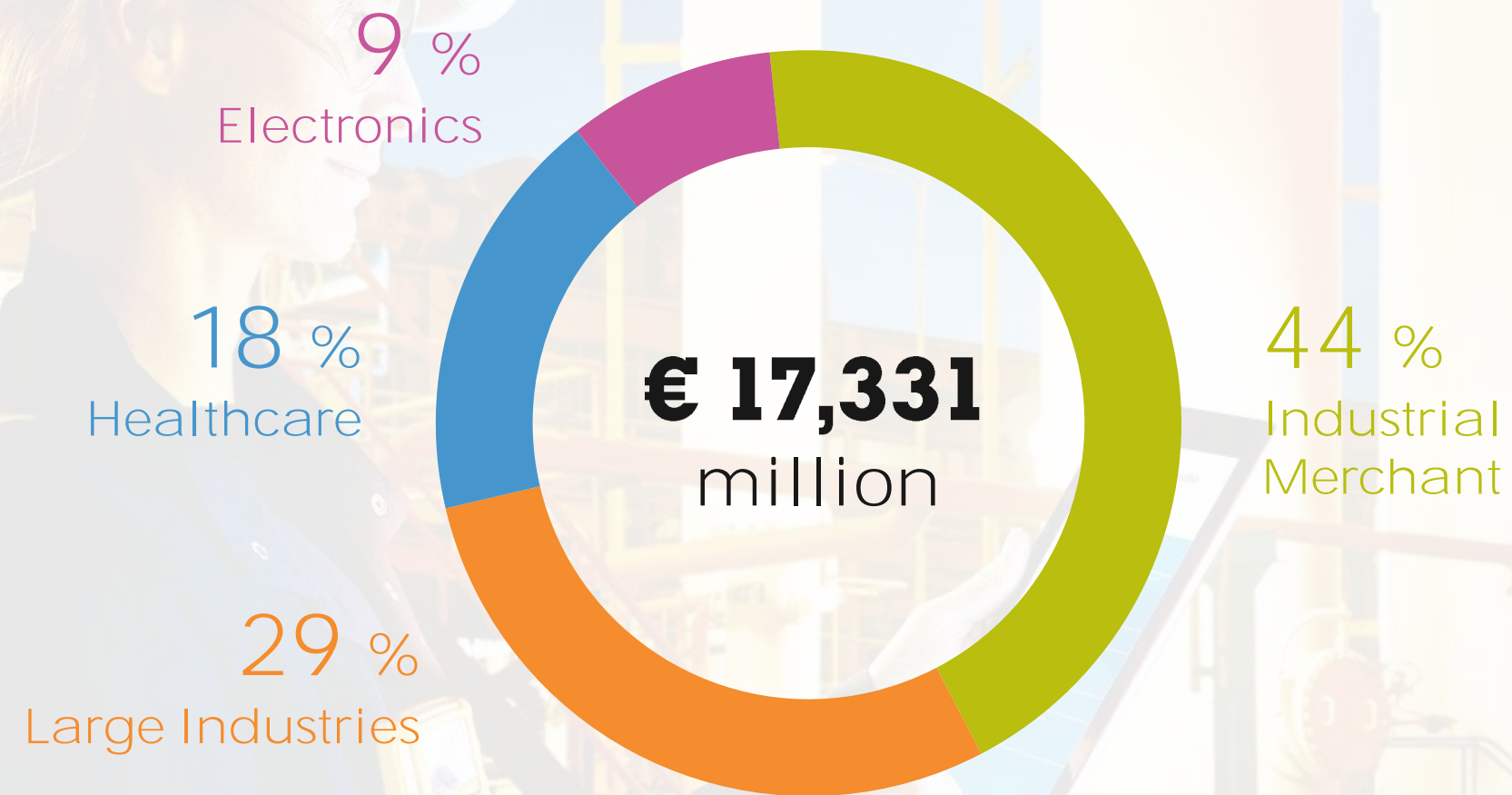
THE GROUP'S NEW PROFILE

2016 Gas & Services Sales - Businesses



THE GROUP'S NEW PROFILE

2016 Gas & Services Sales - Businesses



GLOBAL MARKETS
& TECHNOLOGIES



+ 14 %

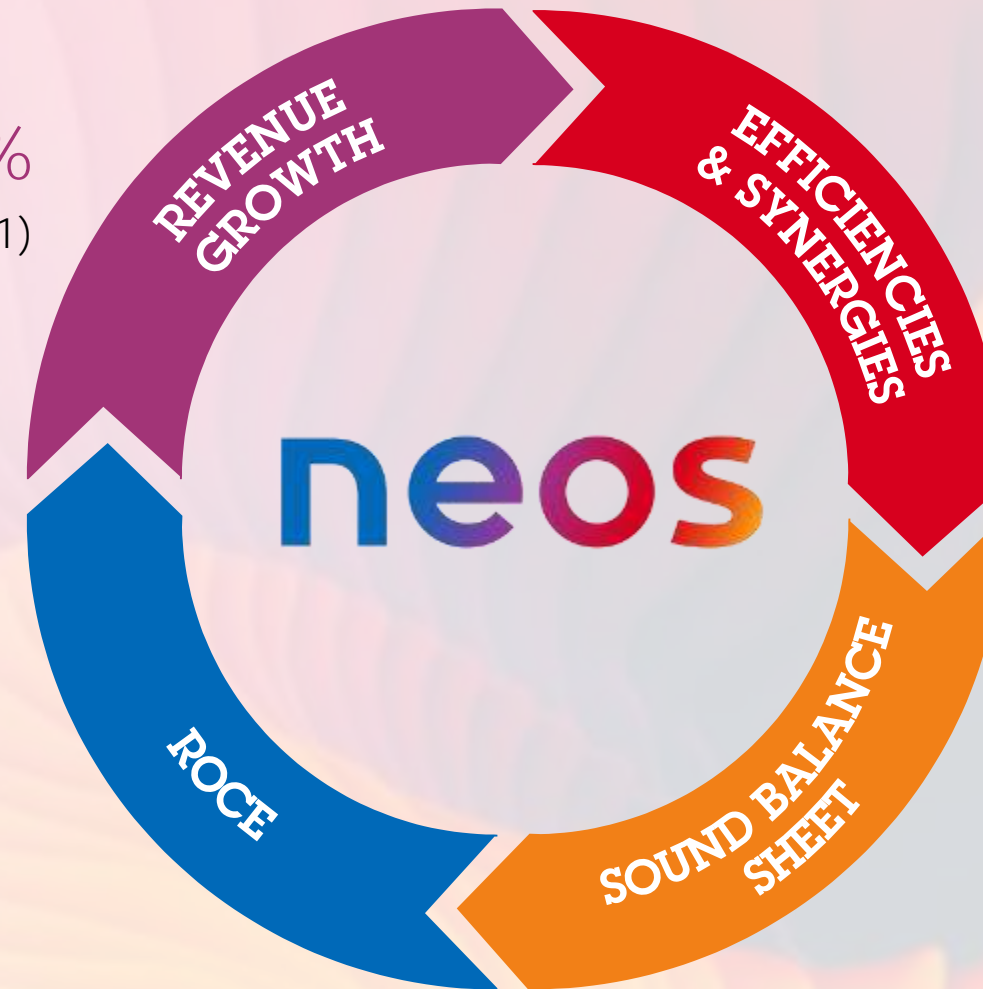


On the right
track

NEOS FINANCIAL OBJECTIVES

+ 6 % to + 8 %
2016-2020 CAGR⁽¹⁾

> 10 %
After 5-6 years



Efficiencies >€ 300 M
on average/year⁽²⁾

+
Airgas synergies >USD 300 M

Maintain
“A” range rating

(1) Including Airgas scope effect in 2017, corresponding to a + 2 % CAGR.

(2) Over the 2017-2020 period.

NEOS NON-FINANCIAL OBJECTIVES

2 IMPERATIVES

SAFETY



ETHICS



IMPROVE
air quality for a better
environment and health

neos

BE ENGAGED
in an active dialogue
with all stakeholders

CORPORATE
SUSTAINABILITY
PROGRAM



Strategy



Strategy

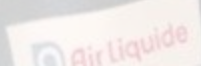
Strategy development

Innovation

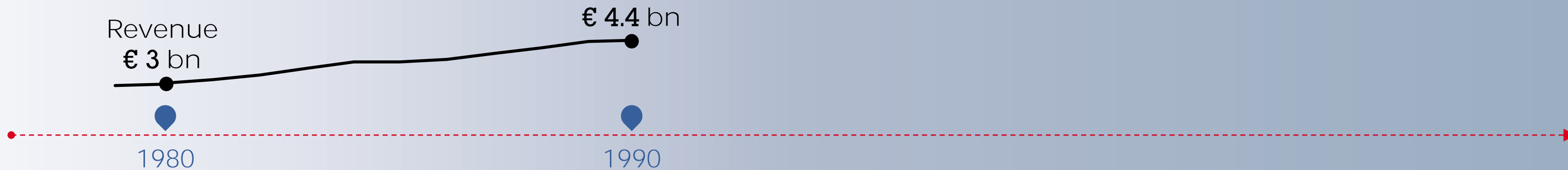
Digital

Organization

CSR



STRATEGY DEVELOPMENT



STRATEGY DEVELOPMENT



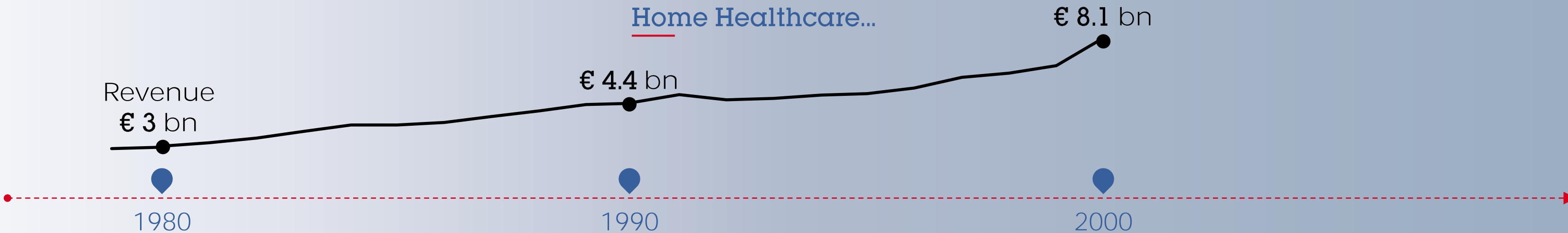
NEW MARKETS

Hydrogen

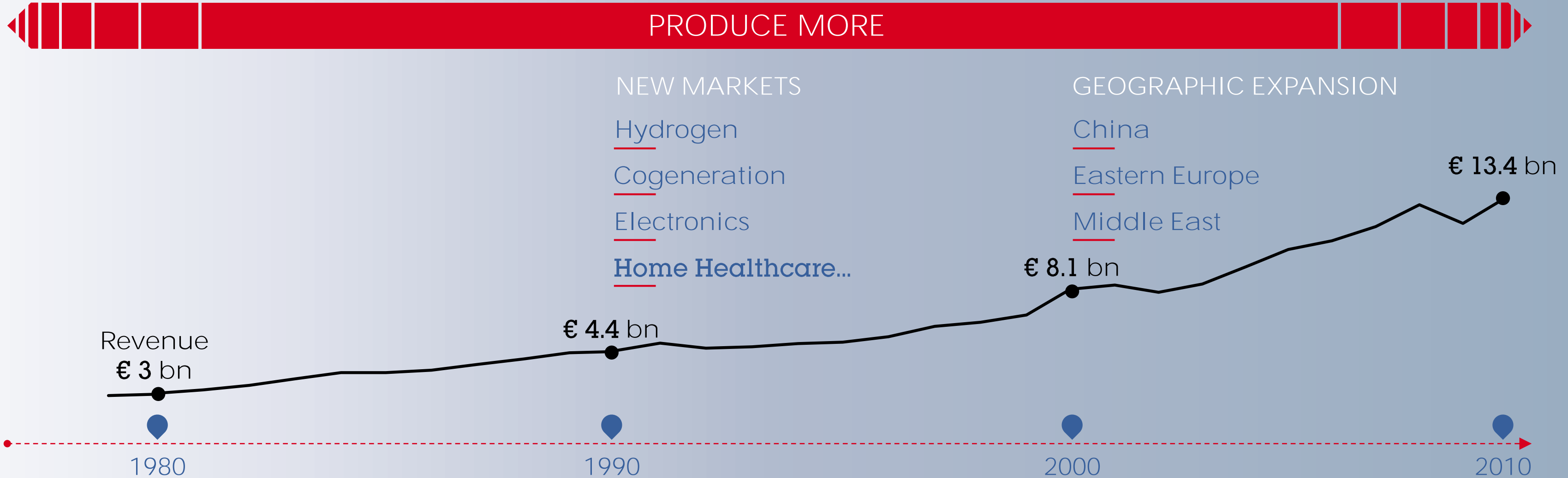
Cogeneration

Electronics

Home Healthcare...



STRATEGY DEVELOPMENT



STRATEGY DEVELOPMENT

PRODUCE MORE

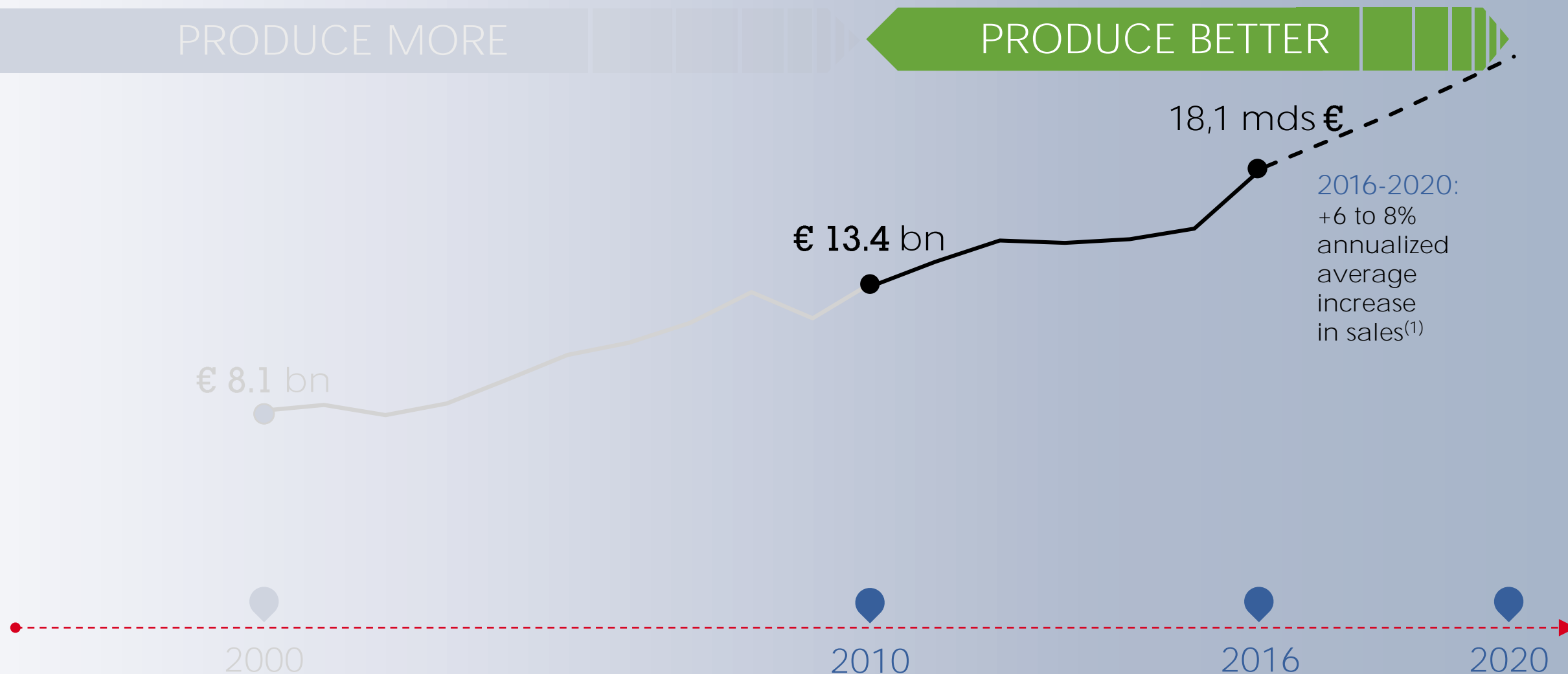


(1) Including Airgas scope effect in 2017, corresponding to a + 2 % CAGR.

STRATEGY DEVELOPMENT

PRODUCE MORE

PRODUCE BETTER



Increase local density

Upscaling

Energy efficiency

Recycling

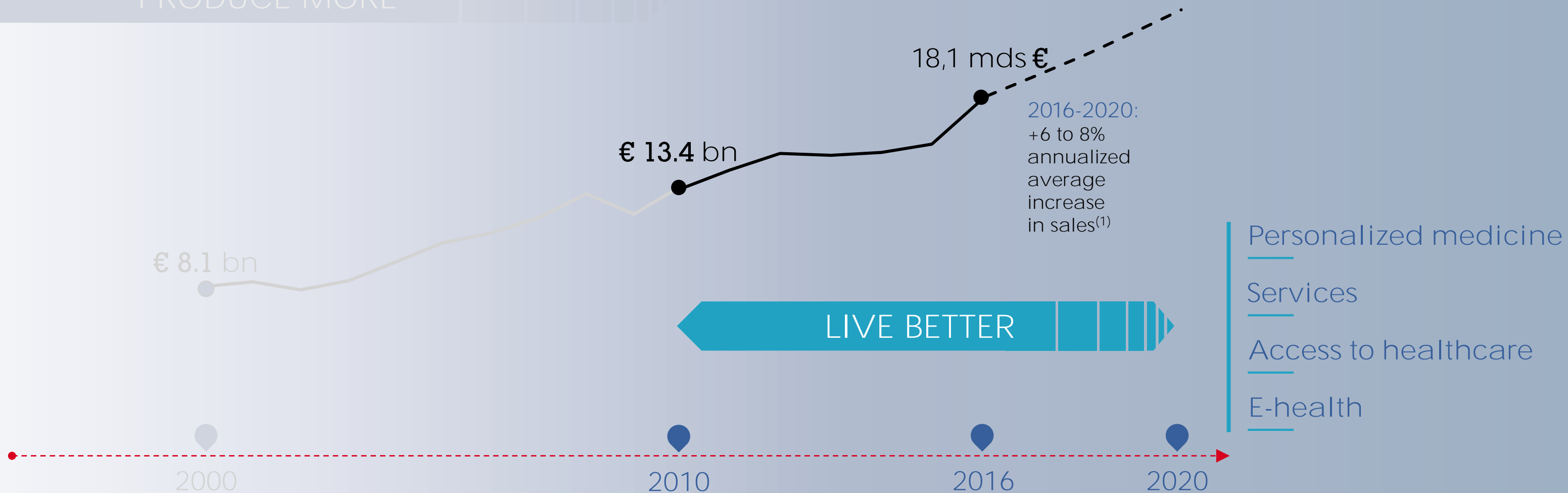
Reducing pollution

Digital

(1) Including Airgas scope effect in 2017, corresponding to a + 2 % CAGR.

STRATEGY DEVELOPMENT

PRODUCE MORE



(1) Including Airgas scope effect in 2017, corresponding to a + 2 % CAGR.

TRANSFORMATION STRATEGY

DIGITAL

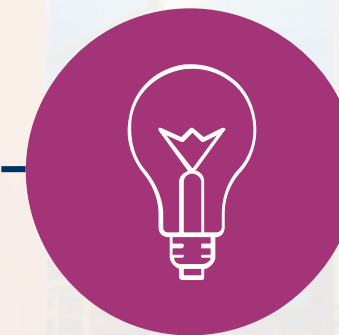


TRANSFORMATION STRATEGY

DIGITAL



INNOVATION

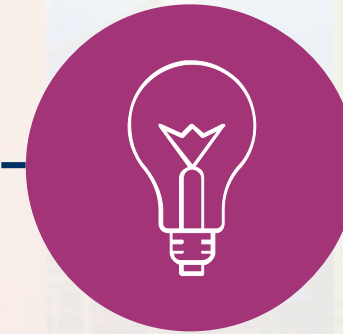


TRANSFORMATION STRATEGY

DIGITAL



INNOVATION



A CUSTOMER-centric
transformation
strategy

Strategy

Strategy development

Innovation

Digital

Organization

CSR

INNOVATION

2016 illustrations



Industrial
Merchant

HEATOX



INNOVATION

2016 illustrations



Industrial
Merchant



Large
Industries

SIO program



INNOVATION

2016 illustrations



Industrial
Merchant



Large
Industries



Electronics

Advanced materials



INNOVATION

2016 illustrations



Industrial
Merchant



Large
Industries



Electronics



Healthcare

Cardio-pulmonary ventilation



INNOVATION

2016 illustrations



Industrial
Merchant



Large
Industries



Electronics



Healthcare



GM&T

Global Hydrogen Council



INNOVATION

2016 illustrations



Industrial
Merchant



Large
Industries



Electronics



Healthcare



GM&T

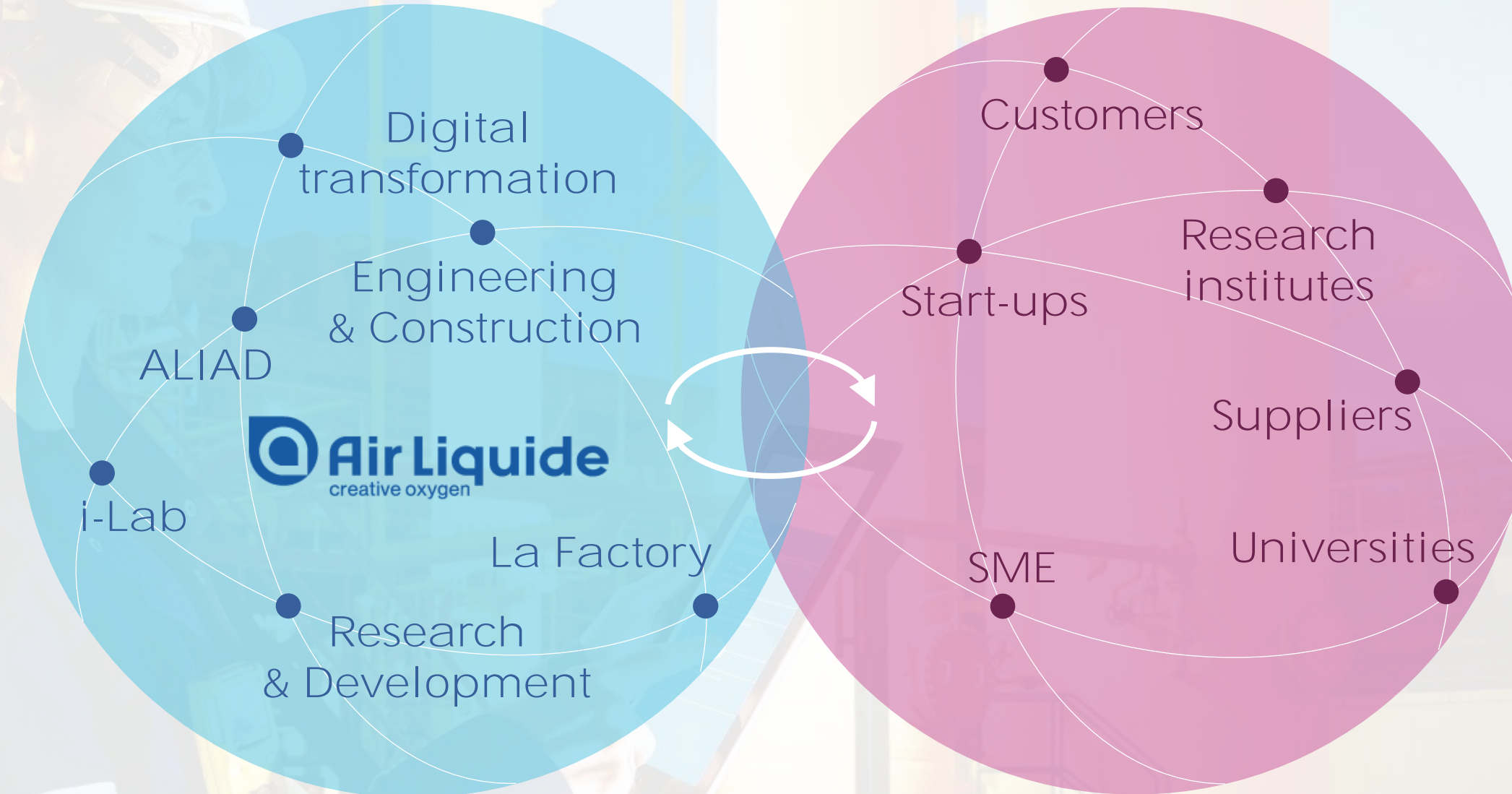


R&D

Paris-Saclay center



OPEN INNOVATION



Strategy

Strategy development

Innovation

Digital

Organization

CSR

Air Liquide

DIGITAL TRANSFORMATION STRATEGY



Assets



Customers



Ecosystems

DIGITAL TRANSFORMATION STRATEGY



Assets



Customers



Ecosystems



ASSETS

CONNECT





INDUSTRIAL MERCHANT



ASSETS



TELEMONITORING DEVICE



CUSTOMERS

INTERACTION WITH CUSTOMERS



ECOSYSTEMS



Credits: Techstars

Strategy

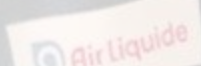
Strategy development

Innovation

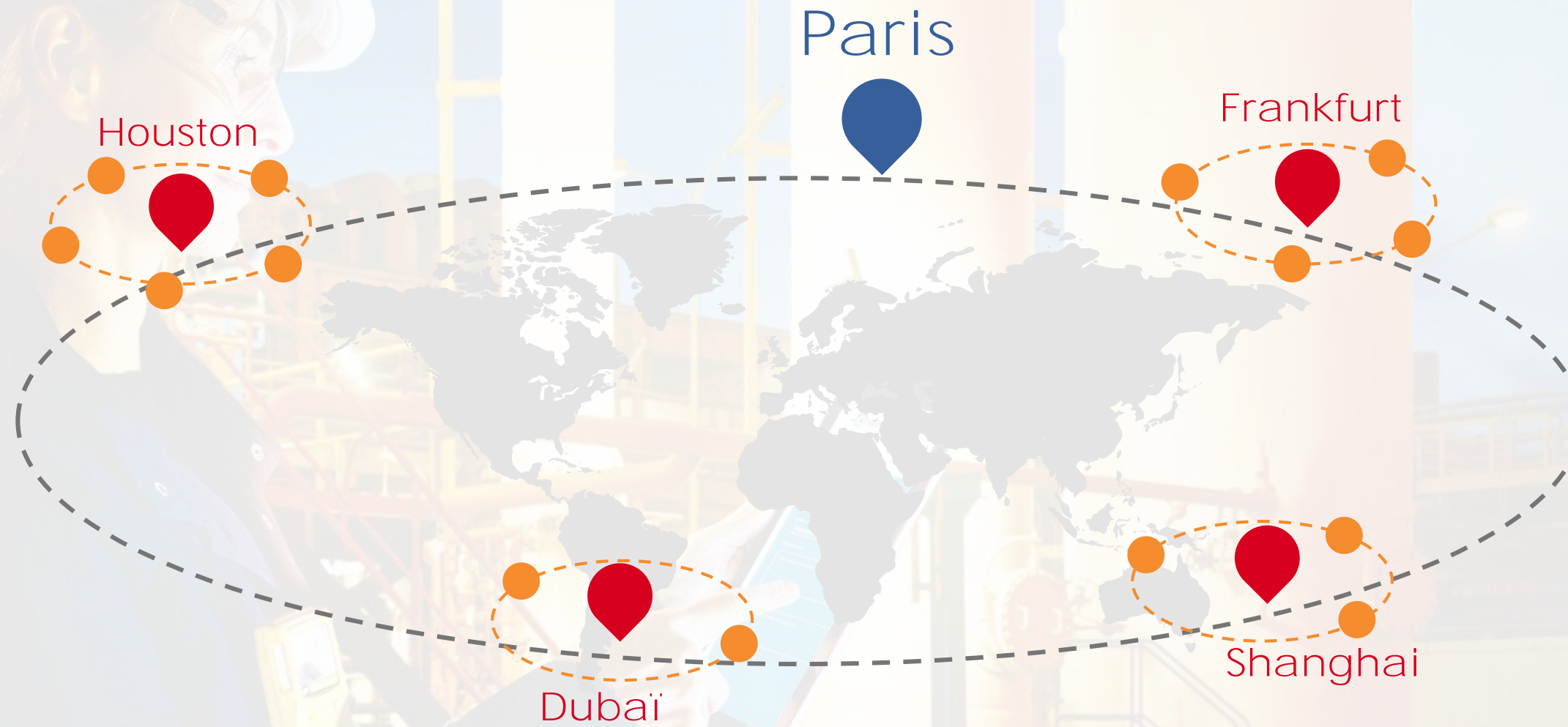
Digital

Organization

CSR



A NETWORK ORGANIZATION



17

Clusters

Strategy

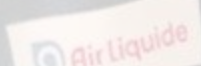
Strategy development

Innovation

Digital

Organization

CSR



IMPROVING AIR QUALITY



Air Liquide



IMPROVING AIR QUALITY

Our customers' **production**



IMPROVING AIR QUALITY

Our customers' **production**

Cleaner transportation



IMPROVING AIR QUALITY

Our customers' **production**

Cleaner transportation

Environmental footprint



IMPROVING AIR QUALITY

Our customers' **production**

Cleaner transportation

Environmental footprint

Responsible procurement



DIALOGUE WITH OUR STAKEHOLDERS

EMPLOYEES



CUSTOMERS
& PATIENTS



SHAREHOLDERS



SUPPLIERS



LOCAL
AUTHORITIES



COMMUNITIES



EMPLOYEE PARTICIPATION





Conclusion

CHANGE IN CAPITAL

CAPITAL INCREASE



€ 3.3 bn

191 %
Subscription rate



CHANGE IN CAPITAL

CAPITAL INCREASE



€ 3.3 bn

191 %
Subscription rate

CAPITAL STRUCTURE

47 %
Non-French
institutional
investors

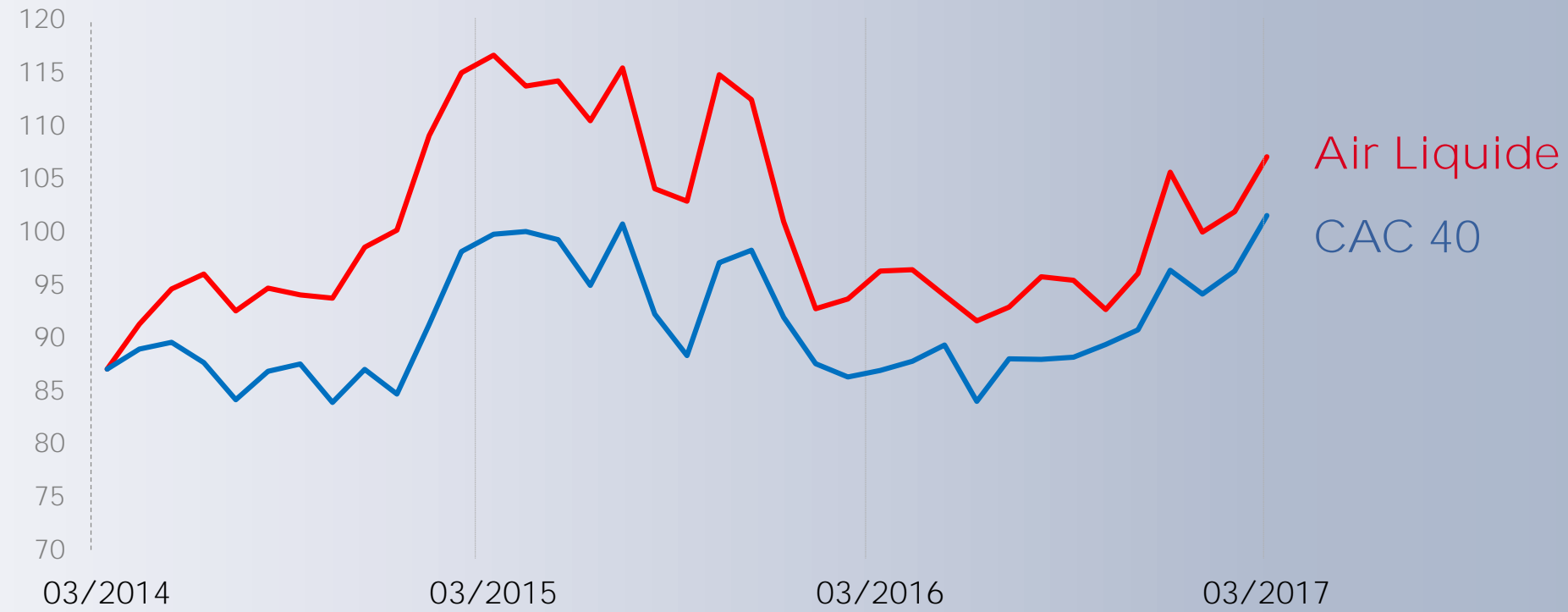


33 %
Individual
shareholders

20 %
French
institutional
investors

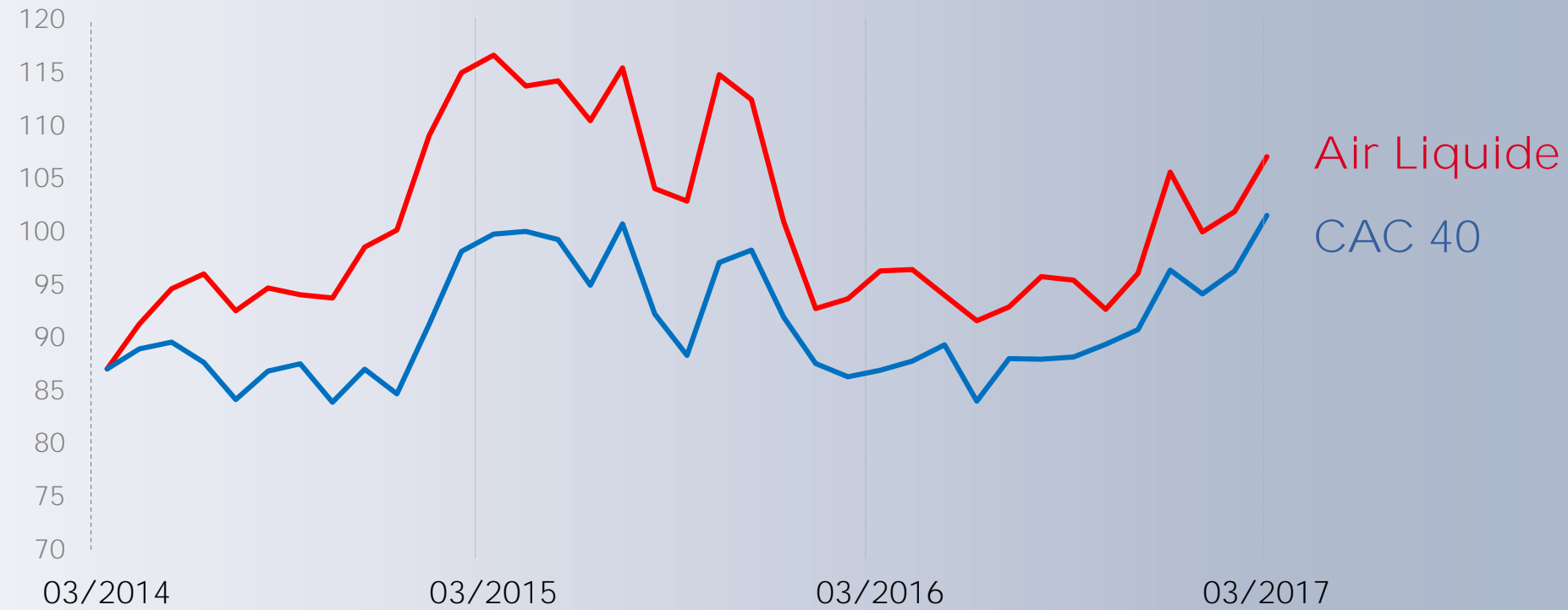
SHARE PERFORMANCE

COMPARISON AIR LIQUIDE VS CAC 40



SHARE PERFORMANCE

COMPARISON AIR LIQUIDE VS CAC 40



SHARES



1 free
for
10 existing



“THE WINDS AND WAVES
ARE ALWAYS ON THE SIDE
OF THE ABLEST NAVIGATORS.”

EDWARD GIBBON

AGM | Annual
General Meeting
May 3, 2017

STATUTORY AUDITORS' REPORTS

Jeanne BOILLET
Ernst & Young et Autres



Air Liquide

STATUTORY AUDITORS' REPORTS

ORDINARY SHAREHOLDERS' MEETING

- Report on the annual financial statements
- Report on the consolidated financial statements
- Report on the report from the Chairman of the Board of Directors
- Special report on related party agreements & commitments

STATUTORY AUDITORS' REPORTS

ORDINARY SHAREHOLDERS' MEETING

- > Report on the annual financial statements
- > Report on the consolidated financial statements
- > Report on the report from the Chairman of the Board of Directors
- > Special report on related party agreements & commitments

EXTRAORDINARY SHAREHOLDERS' MEETING

- > 4 reports on the share capital movement

REPORTS ON THE ANNUAL & CONSOLIDATED FINANCIAL STATEMENTS

RESOLUTION 1 : Annual Financial Statements of Air Liquide S.A.

Pages 330-331 of the Reference Document

In our opinion, the annual financial statements present fairly, in all material respects, the financial position, of the Company as of December 31, 2016, and the result of its operations for the year then ended, in accordance with the accounting rules and principles applicable in France.

REPORTS ON THE ANNUAL & CONSOLIDATED FINANCIAL STATEMENTS

RESOLUTION 1 : Annual Financial Statements of Air Liquide S.A.

Pages 330-331 of the Reference Document

In our opinion, the annual financial statements present fairly, in all material respects, the financial position, of the Company as of December 31, 2016, and the result of its operations for the year then ended, in accordance with the accounting rules and principles applicable in France.

RESOLUTION 2 : Consolidated Financial Statements of the Air Liquide Group

Pages 311-312 of the Reference Document

In our opinion, the consolidated financial statements present a true and fair view of the assets and liabilities, the financial position of the Group as of December 31, 2016 and of the results of its operations for the year then ended, in accordance with IFRS, as adopted by the European Union.

REPORTS ON THE ANNUAL & CONSOLIDATED FINANCIAL STATEMENTS

RESOLUTION 8 : Agreements & commitments

From page 354 of the Reference Document

We have not been advised of any agreements or commitments authorized in the course of the year to be submitted to the General Meeting of Shareholders for approval.

The other agreements and commitments, already approved during prior fiscal years, which continued during the fiscal year 2016, are also described in our special report.

OTHER REPORTS

Delegation of authority granted to the Board of Directors

RESOLUTION 12 : Reduction of the share capital by cancellation of treasury shares

Page 358 of the Reference Document

OTHER REPORTS

Delegation of authority granted to the Board of Directors

RESOLUTION 12 : Reduction of the share capital by cancellation of treasury shares

Page 358 of the Reference Document

RESOLUTIONS 13 & 14 : Issue of shares or marketable securities conferring entitlement to the share capital with retention of preferential subscription rights

Page 359 of the Reference Document

OTHER REPORTS

Delegation of authority granted to the Board of Directors

RESOLUTION 12 : Reduction of the share capital by cancellation of treasury shares

Page 358 of the Reference Document

RESOLUTIONS 13 & 14 : Issue of shares or marketable securities conferring entitlement to the share capital with retention of preferential subscription rights

Page 359 of the Reference Document

RESOLUTION 15 : Issue of ordinary shares conferring entitlement to the share capital, reserved for employee members of the company or group savings plan

Page 360 of the Reference Document

RESOLUTION 16 : Issue of ordinary shares conferring entitlement to the share capital reserved for a category of beneficiaries

Page 361 of the Reference Document

We have no matters to report on these transactions which comply with the conditions set out in the French Commercial Code. We will issue, when applicable, supplementary reports whenever your Board of Directors exercises these authorizations.



AGM | Annual
General Meeting
May 3, 2017

GOVERNANCE & REMUNERATION

Benoît Potier
Chairman and CEO

CHANGES TO THE BOARD OF DIRECTORS

END OF TERM



Thierry Desmarest

- > Member of the Board since 1999
- > Member of the Appointments and Remuneration Committee in 2002
- > Chairman of the Appointments and Governance Committee in 2009
- > Lead Director since 2014



CHANGES TO THE BOARD OF DIRECTORS

END OF TERM



Thierry Desmarest

RENEWAL



Thierry Peugeot



5th resolution

CHANGES TO THE BOARD OF DIRECTORS

END OF TERM



Thierry Desmarest

RENEWAL



Thierry Peugeot



5th resolution

APPOINTMENT



Xavier Huillard



6th resolution

BOARD OF DIRECTORS FOLLOWING THIS SHAREHOLDERS' MEETING



6 members of non-French nationality

> Varied profiles & sectors

6 members serving their 1st term of office

> Considerable experience

THE BOARD OF DIRECTORS' WORK IN 2016

6 meetings



ATTENDANCE RATE



- > Finalization of the Airgas acquisition
- > Medium-term strategy
- > Innovation and technological development
- > Corporate Social Responsibility
- > Environment and Society Committee [New]

THE WORK OF THE BOARD OF DIRECTORS' COMMITTEES

AUDIT & ACCOUNTS COMMITTEE

4 meetings



ATTENDANCE RATE



Siân
Herbert-Jones



Sin-Leng
Low



Thierry
Peugeot

THE WORK OF THE BOARD OF DIRECTORS' COMMITTEES

AUDIT
& ACCOUNTS COMMITTEE

APPOINTMENTS
& GOVERNANCE
COMMITTEE

4 meetings



ATTENDANCE RATE



Thierry
Desmarest



Karen
Katen



Jean-Paul
Agon

DEPARTURE OF PIERRE DUFOUR



THE WORK OF THE BOARD OF DIRECTORS' COMMITTEES

AUDIT
& ACCOUNTS COMMITTEE

APPOINTMENTS
& GOVERNANCE COMMITTEE

REMUNERATION COMMITTEE

4 meetings



ATTENDANCE RATE



Jean-Paul
Agon



Thierry
Desmarest



Annette
Winkler



AGM | Annual
General Meeting
May 3, 2017

EXECUTIVE OFFICERS' REMUNERATION POLICY

Jean-Paul Agon
Chairman of the Remuneration Committee

REMUNERATION OF EXECUTIVE OFFICERS

2016



REMUNERATION ALLOCATED

AFEP/MEDEF Code



8th & 9th resolutions

2017



REMUNERATION POLICY

Sapin 2 Law

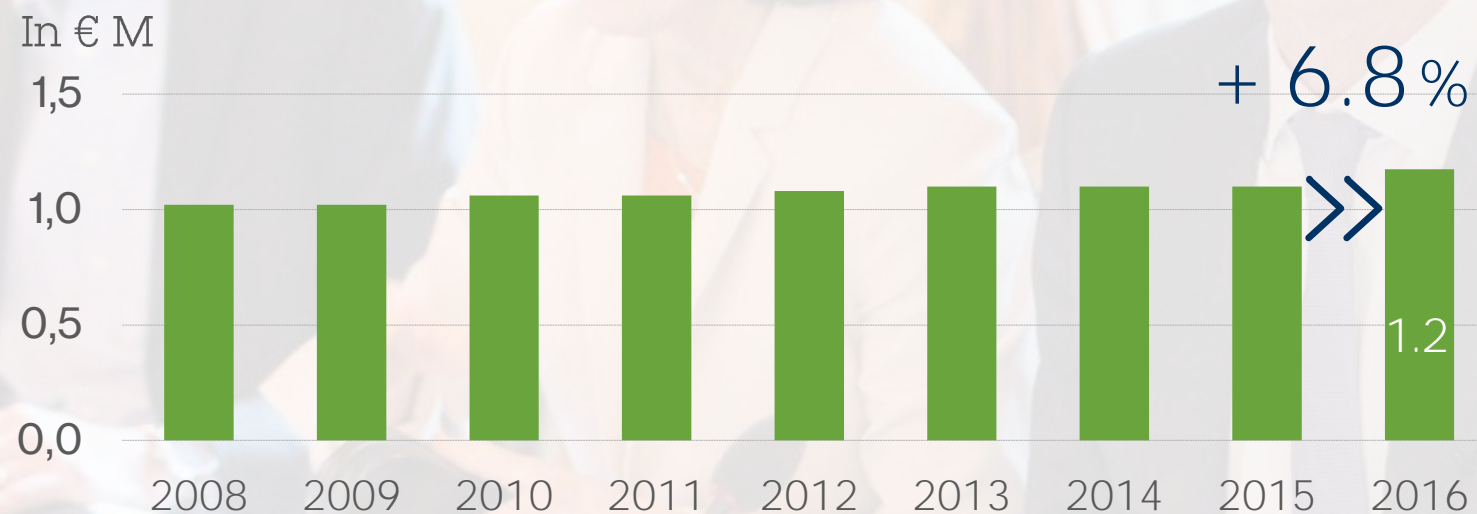


10th & 11th resolutions

REMUNERATION ALLOCATED FOR 2016 – FIXED PORTION

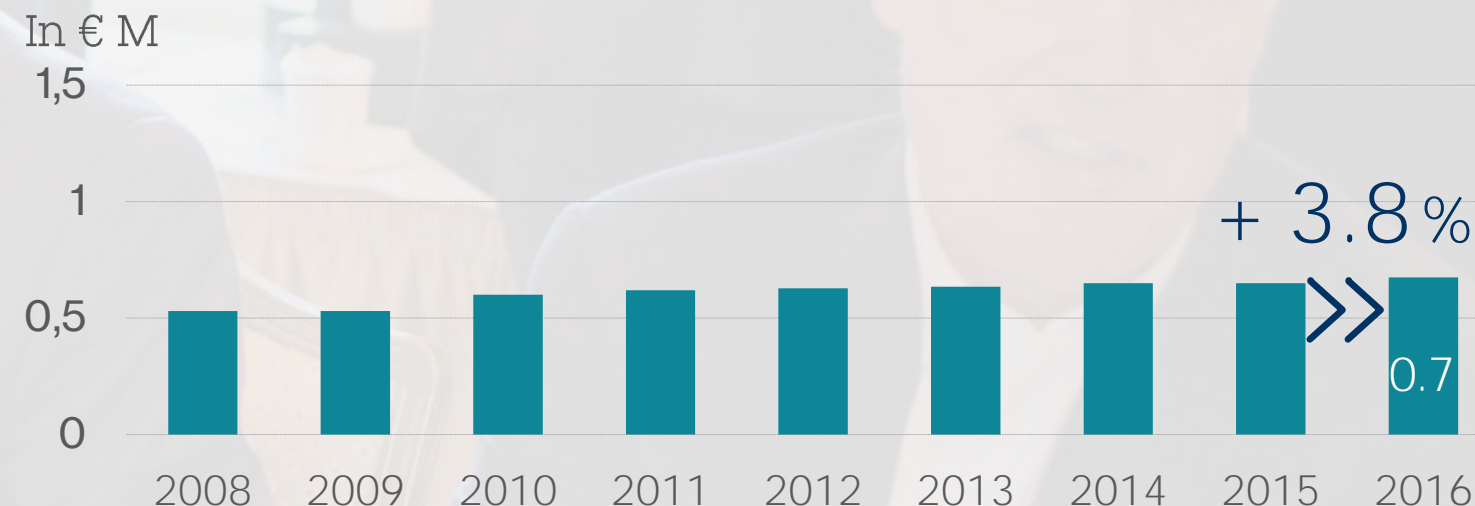
>> INCREASE IN FIXED REMUNERATION

Benoît Potier
 Chairman and CEO



- > Unchanged since 2012
- > CAGR: +1.7% since 2012

Pierre Dufour
 Senior Executive Vice-President



- > Unchanged since 2014
- > CAGR: +1.9% since 2014

REMUNERATION ALLOCATED FOR 2016 – VARIABLE PORTION

» DECREASE IN VARIABLE REMUNERATION

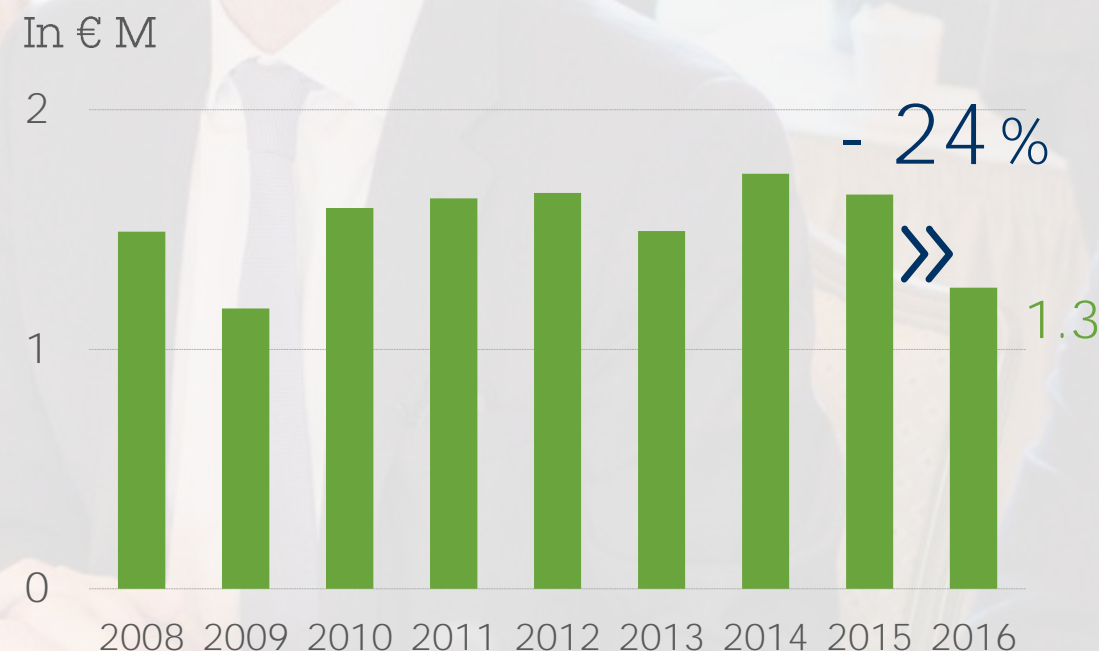
QUANTITATIVE CRITERIA

- Recurring net earnings per share growth (EPS)
- Return on capital employed after tax (ROCE) excluding Airgas impact

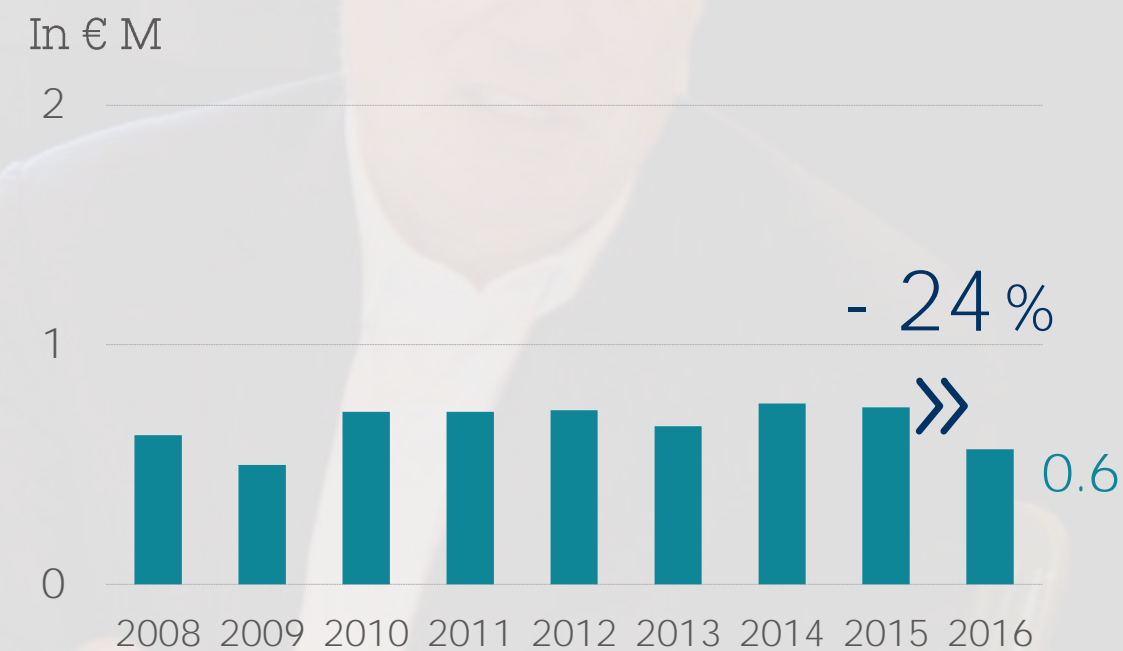
QUALITATIVE CRITERIA

- Finalization and financing of Airgas
- Implementation of NEOS 2016-2020 Program
- Progress of young managers

Benoît Potier
 Chairman and CEO



Pierre Dufour
 Senior Executive Vice-President

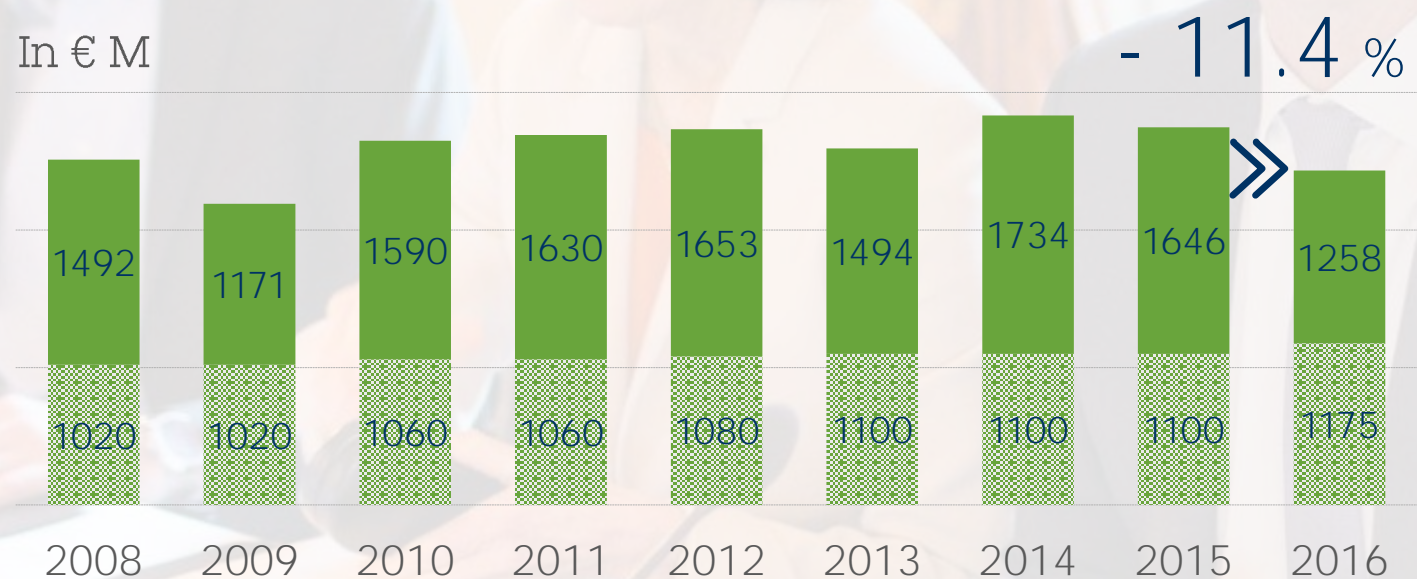


REMUNERATION ALLOCATED – FIXED + VARIABLE

» DECREASE IN 2016 ANNUAL REMUNERATION

Benoît POTIER

In € M



> CAGR: - 0.4 % per year since 2008

Pierre DUFOUR

In € M



> CAGR: + 0.9 % per year since 2008

LONG-TERM REMUNERATION ALLOCATED IN 2016

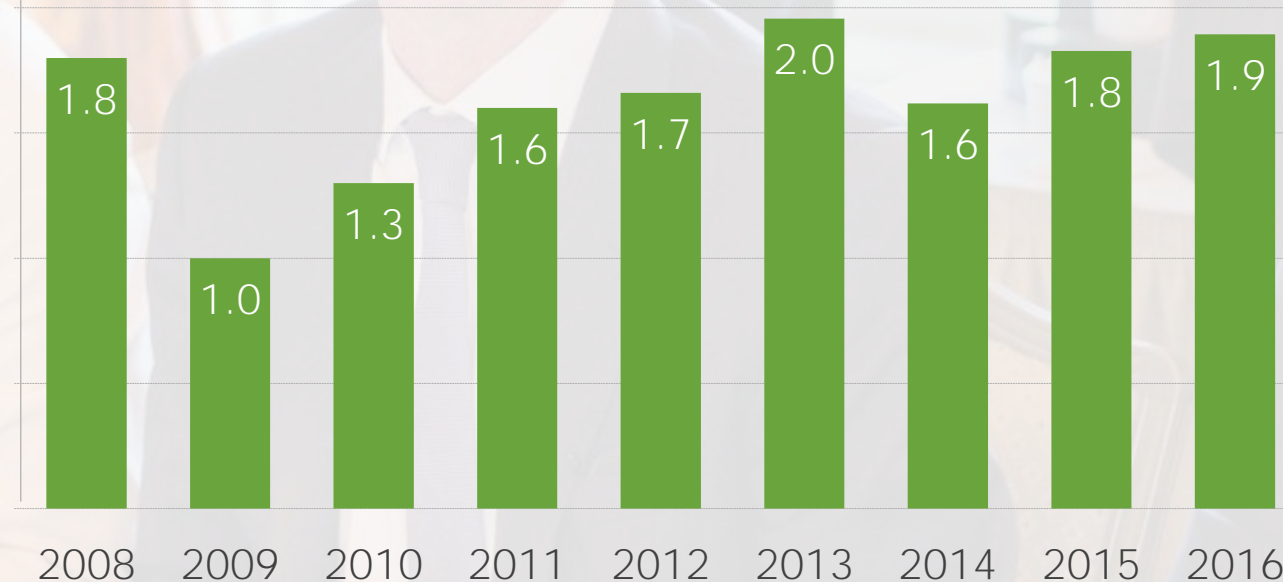
Stock options and performance shares (annual plans)

Benoît POTIER

€ 1.9 M

> Stable over the long term

In € bn



> Annual increase of + 0.6 % per year since 2008

Pierre DUFOUR

€ 0

> Retiring

LONG-TERM REMUNERATION ALLOCATED IN 2016

Stock options and performance shares

ANNUAL ALLOCATION

> Benoît POTIER
€ 1.9 M

> Pierre DUFOUR
€ 0
Retiring

EXCEPTIONAL ALLOCATION

> Benoît POTIER
€ 1.5 M

> Pierre DUFOUR
€ 747,000

Airgas

>> 2016 REMUNERATION ALLOCATED



8th & 9th resolutions

2017 REMUNERATION POLICY

With **Airgas**

INCREASED LEVEL OF RESPONSIBILITY



+ 17,000
employees



+ 1 m
customers



+ 30 %
in Gas & Services
revenue



+ 8 %
per year

TARGETED 2018-2019 GLOBAL
REMUNERATION

- > Change by tier
- > Subject to good performance and Airgas integration

2017 REMUNERATION POLICY

» OVERALL BALANCE

BREAKDOWN OF REMUNERATION



25 % Fixed portion

35 % Target variable portion

40 % Stock options and
performance shares

75 %
under performance
conditions

100 %

2017 REMUNERATION POLICY

Maximum variable portion

ANNUAL MAX
VARIABLE PORTION

167 %
of
fixed
REMUNERATION

2017 REMUNERATION POLICY

Maximum variable portion

ANNUAL MAX
VARIABLE PORTION

167 %
of
fixed
REMUNERATION

QUANTITATIVE
CRITERIA

- > Net earnings per share
- > ROCE
- > *New* Revenue

2017 REMUNERATION POLICY

Maximum variable portion

ANNUAL MAX
VARIABLE PORTION

167 %
of
fixed
REMUNERATION

QUANTITATIVE
CRITERIA

- > Net earnings per share
- > ROCE
- > ^{New} Revenue

SIMPLIFIED QUALITATIVE
CRITERIA

- > Integration of Airgas
- > CSR
- > Organization of Human Resources

QUANTITATIVE

> 2/3

QUALITATIVE

< 1/3

2017 REMUNERATION POLICY

Stock options & performance shares

- 1 In value (€) and not in volume
- 2 Simplification of criteria

Air Liquide net earnings per share

65 %

TSR over 3 years

35 %

Air Liquide TSR CAC 40 TSR⁽¹⁾

50 %

50 %



10th resolution

⁽¹⁾ Reinvested dividends.



AGM | Annual
General Meeting
May 3, 2017

REMUNERATION OF OTHER STAKEHOLDERS

Benoît Potier
Chairman and CEO

EMPLOYEE REMUNERATION



STOCK OPTIONS AND
PERFORMANCE SHARES

1,981 beneficiaries of
the annual plan

➤ Growing population

89 beneficiaries of
the Airgas plan

EMPLOYEE REMUNERATION



STOCK OPTIONS AND
PERFORMANCE SHARES

1,981 beneficiaries of
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89 beneficiaries of
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PROFIT-SHARING
AND INCENTIVE SCHEMES

(France)

€ 5,500

EMPLOYEE REMUNERATION



STOCK OPTIONS AND PERFORMANCE SHARES

1,981 beneficiaries of
the annual plan

➤ Growing population

89 beneficiaries of
the Airgas plan



PROFIT-SHARING AND INCENTIVE SCHEMES

(France)

€ 5,500



SHARE CAPITAL INCREASE RESERVED FOR EMPLOYEES

March 2016

Approx. 17,000 employees

74 countries

1 M shares subscribed

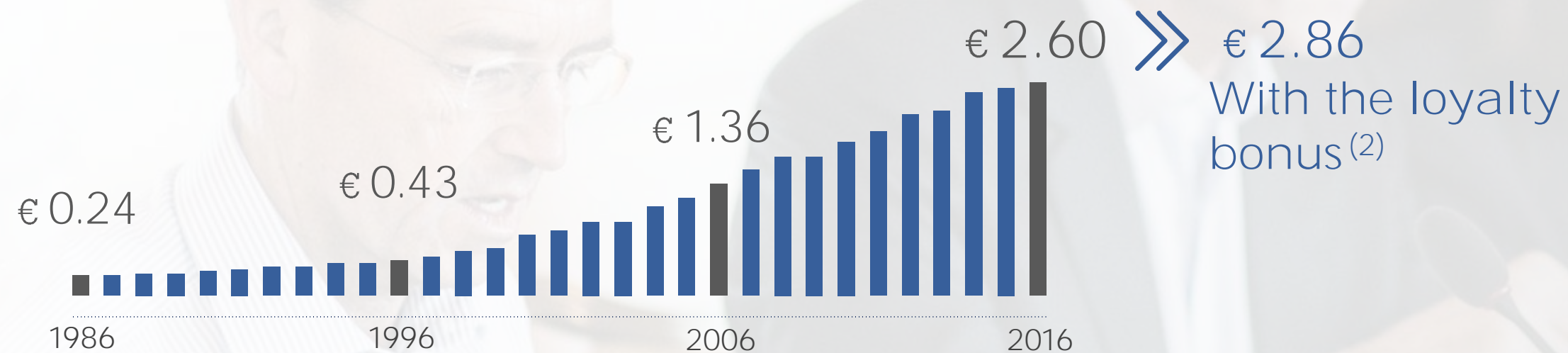


15th & 16th
resolutions

SHAREHOLDER REMUNERATION

» INCREASED VALUE IN THE LONG TERM

ADJUSTED DIVIDEND⁽¹⁾ PER SHARE



3rd resolution

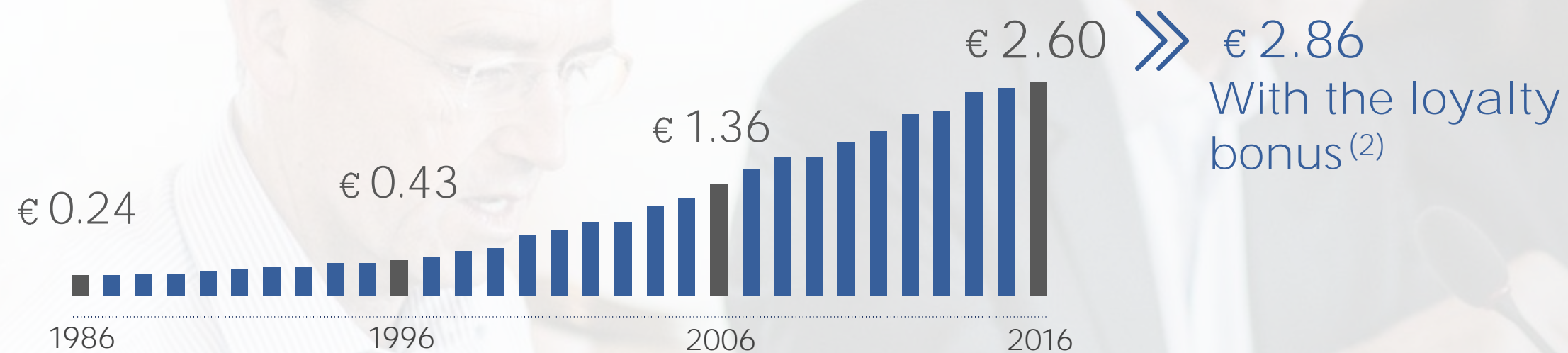
(1) Adjusted to take into account the 2007 stocksplitted, the attribution of free shares and the 2016 capital increase.

(2) For registered shareholders, for shares held for more than two full calendar years.

SHAREHOLDER REMUNERATION

» INCREASED VALUE IN THE LONG TERM

ADJUSTED DIVIDEND⁽¹⁾ PER SHARE



3rd resolution

REGULAR FREE SHARE ATTRIBUTION



1 for 10

+ 10 %
With the loyalty bonus⁽²⁾

(1) Adjusted to take into account the 2007 stocksplitt, the attribution of free shares and the 2016 capital increase.

(2) For registered shareholders, for shares held for more than two full calendar years.

SHAREHOLDER REMUNERATION

Total shareholder return (TSR)

For 100 euros invested **in 2006...**

CAC 40 dividends
reinvested

375 €
+ 7.8 % per year
over 20 years



before taxation

Air Liquide shares
held in registered form

793 €
+ 10.9 % per year
over 20 years



CALCULATION

- Increase in share price
- + Reinvested dividends ⁽¹⁾
- + Free share attribution
- + Loyalty bonus

(1) + 2016 capital increase PSR reinvested.

INITIATIVES IN FAVOR OF INDIVIDUAL SHARE OWNERSHIP





AGM | Annual
General Meeting
May 3, 2017

QUESTIONS & ANSWERS

Benoît POTIER
Chairman and CEO





AGM | Annual
General Meeting
May 3, 2017

VOTE ON RESOLUTIONS

Benoît POTIER
Chairman and CEO





FIRST RESOLUTION

- Approval of the Company financial statements for the year ended December 31, 2016

01

SECOND RESOLUTION

- Approval of the consolidated financial statements for the year ended December 31, 2016

02

THIRD RESOLUTION

- Appropriation of 2016 earnings and setting of the dividend

03

FOURTH RESOLUTION

- Authorization granted to the Board of Directors for a period of 18 months to allow the Company to trade in its own shares

044

FIFTH RESOLUTION

- Renewal of the term of office of Mr Thierry Peugeot as Director

05

SIXTH RESOLUTION

- Appointment of Mr Xavier Huillard as Director

06

SEVENTH RESOLUTION

- Statutory Auditors' Special Report on agreements covered by articles L. 225-38 et seq. of the French Commercial Code

07

EIGHTH RESOLUTION

- Opinion on elements of remuneration due or allocated to Mr Benoît Potier for the year ended December 31, 2016



NINTH RESOLUTION

- Opinion on elements of remuneration due or allocated to Mr Pierre Dufour for the year ended December 31, 2016



TENTH RESOLUTION

- Approval of the remuneration policy for the Chairman and Chief Executive Officer

10

ELEVENTH RESOLUTION

- Approval of the remuneration policy for the Senior Executive Vice-President



TWELFTH RESOLUTION

- Authorization granted to the Board of Directors for a period of 24 months to reduce the share capital by cancellation of treasury shares

12

THIRTEENTH RESOLUTION

- Delegation of authority granted to the Board of Directors for a period of 26 months in order to increase the share capital via the issuance of ordinary shares or marketable securities conferring entitlement, immediately and/or in the future, to the Company's share capital, with retention of preferential subscription rights for a maximum nominal amount of 530 million euros

13

FOURTEENTH RESOLUTION

- Authorization granted to the Board of Directors for a period of 26 months to increase the issuance amount of shares or marketable securities in the event of oversubscription



FIFTEENTH RESOLUTION

- Delegation of authority granted to the Board of Directors for a period of 26 months to perform share capital increases, with cancellation of preferential subscription rights, reserved for members of a Company or Group savings plan

15

SIXTEENTH RESOLUTION

- Delegation of authority granted to the Board of Directors for a period of 18 months to perform share capital increases, with cancellation of preferential subscription rights, reserved for a category of beneficiaries

16

SEVENTEENTH RESOLUTION

- Powers for formalities





Air Liquide
creative oxygen