Air Liquide

PRESS RELEASE
AND ACTIVITY REPORT

Paris, April 24, 2025

Building on its resilience, Air Liquide is staying the course in the first quarter of 2025:

- **Sales growth**
- **Continuing actions to increase margin**
- **Record investment backlog to build the future**

Key Figures *(in millions of euros)*	**Q1 2025**	**2025/2024 as published**	**2025/2024 comparable**[b]
Group Revenue	**7,028**	+5.7%	**+1.7%**[d]
of which Gas & Services	*6,831*	*+7.4%*[c]	*+1.8%*[d][e]
of which Engineering & Technologies[a]	198	Not applicable	-2.9%

(a) Merger in the 1st quarter of 2025 of GM&T and E&C activities within Engineering & Technologies, except mainly the Maritime and Biogas activities transferred to the Industrial Merchant activity. See Appendix.
(b) Change excluding the currency, energy (natural gas and electricity) and significant scope impacts. The comparable growth excludes the impact of internal transfer of transferred activities but includes the contribution related to the growth in the 1st quarter of 2025 of the transferred activities. See Appendix.
(c) Growth calculated on the 2024 sales as published, not restated for the transfer of certain activities from GM&T in the 1st quarter of 2025. See Appendix.
(d) Includes Argentina's contribution of +0.4%, declining sharply in the 1st quarter of 2025 compared to 2024.
(e) Includes a contribution of +0.4% related to the growth in the 1st quarter of 2025 of transferred activities.

Commenting on the 1st quarter of 2025, **François Jackow, Chief Executive Officer of the Air Liquide Group**, stated:

"Demonstrating the resilience of our business model and the agility of our teams in an uncertain environment, sales are progressing and we are successfully pursuing actions to increase our margin. Our Group is also continuing to prepare for the future with a record investment backlog, a source of future growth.

In detail, sales amounted to 7.0 billion euros in the first quarter of 2025, up +1.7% on a comparable basis (+5.7% as published, reflecting a positive currency impact and the rise in energy prices, changes in which are passed through to our customers). Sales in our Gas & Services businesses, which represent 97% of Group sales, were up +1.8% on a comparable basis. In particular, sales increased by +3.6% and +5.3%, respectively, in the areas of Electronics and Healthcare. Electronics is driven by the rapid development of artificial intelligence, while the activity in Healthcare follows a dynamic that is distinct from economic developments in the industrial sector.

At the same time, we are continuing to carry out actions aimed at strengthening our performance. Group efficiencies increased by +17% and amounted, for the first time, to 131 million euros in the first quarter; we also pursued the active management of our business portfolio and the adjustment of Industrial Merchant prices, based on our ability to create added value for our customers. These actions sustain our confirmed ambition to increase our margin by +460 basis points, excluding the energy impact, over five years (2022-2026).

A source of future growth, the investment backlog reached a record level of 4.5 billion euros, thanks to a balanced and diversified project mix. This includes projects in all geographies in Large Industries and Electronics - the latter of which represents one-third of this backlog.

As a result, in 2025, Air Liquide stays the course and 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.*

Highlights

- **Industry and Decarbonization**
  - Strengthening of the Group's presence in Japan with a significant investment in a new Air Separation Unit in order to meet the needs of Mitsubishi Materials and, more broadly, the demand driven by the energy transition and semiconductors.
  - Announcement of two large-scale projects in the Netherlands to produce renewable and low-carbon hydrogen in Europe: the ELYgator project, a 200MW Air Liquide electrolyzer, and the creation of a 50/50 joint venture between Air Liquide and TotalEnergies to build a 250MW electrolyzer.
- **Sustainable Development**
  - Successful completion of a 500 million euros green bond issue to finance or refinance flagship energy transition projects.

Group revenue stood at **7,028 million euros** in the 1st quarter of 2025, representing **comparable growth**(2) of **+1.7%**(3) compared to the 1st quarter of 2024. The **Group's published sales** increased by **+5.7%** in the 1st quarter of 2025. They benefited from a favorable energy impact of +3.3% and a slightly positive currency impact of +0.7%. There was no significant scope impact.

As part of the Group's **transformation** initiatives, the **Engineering & Construction and Global Markets & Technologies activities were merged** on January 1, 2025 **into a new Engineering & Technologies activity**. Under a unified management, with a shared vision and common objectives, this new organization aims to enhance the Group's competitiveness and contribute to its growth by providing a more integrated innovation cycle, leveraging scale and complementarity strengths. Certain businesses, mainly Biogas and Maritime, were transferred from the Global Markets & Technologies activity to the Industrial Merchant activity.

In the 1st quarter of 2025, **Gas & Services** revenue reached **6,831 million euros**, up **+1.8%**(3)(4) **on a comparable basis**. The Gas & Services **published revenue** increased by **+7.4%**(5) in the 1st quarter of 2025, with favorable energy (+3.4%) and currency (+0.7%) impacts. There was no significant scope impact in the 1st quarter.

Industrial Merchant sales grew by **+1.4%**(6) in the 1st quarter: the **price** effect (**+2.5%**) remained the growth driver, while gas volumes excluding helium were flat, and hardgoods sales were down in the United States. **Large Industries** revenue was stable (**-0.3%**), with the ramp-up of new production units offsetting low demand. The **Healthcare** business, whose growth is decoupled from industry trends, showed a sustained increase in revenue (**+5.3%**), with a growth well balanced between Home Healthcare and Medical Gases. Finally, in **Electronics** (**+3.6%**), the growth in Carrier Gas sales reached +10%, offsetting other less dynamic business segments.

- Gas & Services revenue in the **Americas** amounted to **2,716 million euros** in the 1st quarter of 2025, with all businesses contributing to growth of **+3.2%**(7). Large Industries (+5.9%) benefited from the start-up of a large Air Separation Unit in the United States in February 2024 and from a favorable basis of comparison. In Industrial Merchant, revenue increased by +1.1%, supported by a solid price effect of +3.1% and resilient gas volumes, while hardgoods sales were down. The strong growth in Healthcare (+12.3%) was notably driven by price increases in Medical Gases in the United States and the development of Home Healthcare in Latin America. In Electronics, high sales of advanced materials and the ramp-up of carrier gas production units contributed to business growth of +5.5%.
- Revenue in the **Europe, Middle East & Africa** region amounted to **2,788 million euros**, stable (**0.0%**) compared to the 1st quarter of 2024. The increase in sales from transferred businesses while creating the Engineering & Technologies activity contributed +0.9% to comparable growth. In Large Industries (-3.6%), revenue was impacted by a decline in sales of cogeneration units in Benelux and air gases in Italy. Following several quarters of decline, sales in the Industrial Merchant business posted an increase of +2.4% on a

2 Unless otherwise stated, all variations in revenue outlined below are on a comparable basis, excluding currency, energy (natural gas and electricity) and significant scope impacts. The comparable growth excludes the impact of internal transfer of transferred activities but includes the contribution related to the growth in the 1st quarter of 2025 of the transferred activities.
3 Includes Argentina's contribution of +0.4%, declining sharply in the 1st quarter of 2025 compared to 2024. See Appendix.
4 Includes a contribution of +0.4% related to the growth in the 1st quarter of 2025 of transferred activities. See Appendix.
5 Growth calculated on 2024 published sales, not restated for the transfer of certain activities from GM&T in the 1st quarter of 2025. See Appendix.
6 Includes a contribution of +0.6% related to the growth in the 1st quarter of 2025 of transferred activities. See Appendix.
7 Includes Argentina's contribution of +1.0%, declining sharply in the 1st quarter of 2025 compared to 2024. See Appendix.

comparable basis. They were stable (-0.2%) excluding the growth in the 1st quarter 2025 of transferred businesses: the +3.0% price effect offset the impact of the divestiture of businesses in 12 African countries in July 2024 and demand that remained soft. In the Healthcare business, sales growth remained solid (+2.5%), boosted by Home Healthcare and Medical Gases.

- Revenue for the **Asia Pacific** region totaled **1,326 million euros** in the 1st quarter of 2025, an increase of **+2.7%**. In Large Industries, the start-up of a large hydrogen production unit in China in March 2024 contributed to a +1.6% increase in sales. Industrial Merchant sales (+0.8%) returned to growth and benefited from a very solid increase in revenue in China despite a decline in helium sales. Revenue from the Electronics business was up sharply (+5.0%), with carrier gas sales up in particular.

The consolidated revenue of the **Engineering & Technologies** business reached **198 million euros** in the 1st quarter, down **-2.9%** on a comparable basis. Sales of technological equipment were impacted by the divestiture of the Aeronautics & Defense business in March 2024. Consolidated Engineering sales were stable, with priority given to internal projects. **Order intake** for Group projects and third-party clients amounted to **665 million euros**, a sharp increase of +34% compared to the 1st quarter of 2024.

The Group reiterated its ambition to improve the operating margin[(8)] despite the uncertain environment. This ambition was revised upwards in February 2025 to +460 basis points over 5 years until the end of 2026, supported by the three levers which are price management, efficiencies, and the optimization of the portfolio of activities. The **price** effect in the **Industrial Merchant** business stood at **+2.5%**. **Efficiencies**[(9)] amounted to **131 million euros**, a record level for a 1st quarter, up sharply by +17.4%, adding to a +22.2% increase in the 1st quarter of 2024. The **portfolio management** of activities continued in the 1st quarter of 2025 with **3 acquisitions** in Industrial Merchant in the United States, Brazil, and Spain, and the **divestiture** of the Home Healthcare business in Japan.

Cash flows from operating activities before changes in working capital amounted to **1,620 million euros**, up by +0.7% compared to the 1st quarter of 2024, and by **+4.9%** excluding an exceptional indemnity from a customer recorded in the 1st quarter of 2024 and an exceptional tax surcharge in France in the 1st quarter of 2025.

In the 1st quarter of 2025, **industrial and financial investment decisions** amounted to **1.0 billion euros**, an increase of +16.3% compared to the 1st quarter of 2024. The **investment backlog** hit a record high of **4.5 billion euros**, up from 4.2 billion euros at the end of 2024.

The **additional contribution to sales** of unit start-ups and ramp-ups totaled **78 million euros** in the 1st quarter of 2025. Over the year, it is expected to be **between 310 and 340 million euros**.

The **portfolio of 12-month investment opportunities** remained at a high level of **4.1 billion euros** at the end of March. Projects that support the **energy transition** represent around 40% of the portfolio, mainly in Europe and the United States, and those in the Electronics business, a little more than a third.

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[8] Operating margin excluding the energy impact.
[9] See definition in the appendix of the activity report.

Analysis of 1st quarter 2025 revenue

Unless otherwise stated, all variations in revenue outlined below are on a **comparable basis**, excluding currency, energy (natural gas and electricity) and significant scope impacts.

REVENUE

Revenue *(in millions of euros)*	**Q1 2024**	**Q1 2025**	**2025/2024 published change**	**2025/2024 comparable change**[b]
Gas & Services	6,358[c]	6,831	+7.4%[c]	+1.8%[d][e]
Engineering & Technologies[a]	292[a]	198	Not applicable	-2.9%
TOTAL REVENUE	6,650	**7,028**	+5.7%	**+1.7%**[d]

(a) Merger in the 1st quarter of 2025 of GM&T and E&C activities within Engineering & Technologies, except mainly the Maritime and Biogas activities transferred in the Industrial Merchant activity. The 2024 revenue corresponds to the sum of GM&T and E&C activities revenue. See Appendix.
(b) Change excluding the currency, energy (natural gas and electricity) and significant scope impacts. The comparable growth excludes the impact of internal transfer of transferred activities but includes the contribution related to the growth in the 1st quarter of 2025 of the transferred activities. See Appendix.
(c) Growth calculated on the 2024 sales as published, not restated for the transfer of certain activities from GM&T in the 1st quarter of 2025. See Appendix.
(d) Includes Argentina's contribution of +0.4%, declining sharply in the 1st quarter of 2025 compared to 2024.
(e) Includes a contribution of +0.4% related to the growth in the 1st quarter of 2025 of transferred activities.

Group

Group revenue stood at **7,028 million euros** in the 1st quarter of 2025, representing comparable growth of **+1.7%** compared to the 1st quarter of 2024.

As part of the Group's **transformation** initiatives, the **Engineering & Construction and Global Markets & Technologies activities were merged** on January 1, 2025 **into a new Engineering & Technologies activity**. Under a unified management, with a shared vision and common objectives, this new organization aims to enhance the Group's competitiveness and contribute to its growth by providing a more integrated innovation cycle, leveraging scale and complementarity strengths. Certain businesses, mainly Biogas and Maritime, were transferred from the Global Markets & Technologies activity to the Industrial Merchant activity.

Gas & Services sales posted comparable growth of **+1.8%**[10]. The consolidated revenue (external sales) of the **Engineering & Technologies** activity decreased by **-2.9%**, while internal sales for the Group's investment projects increased significantly.

The **Group's published sales** increased by **+5.7%** in the 1st quarter of 2025. They benefited from a favorable energy impact of +3.3% and a slightly positive currency impact of +0.7%. There was no significant scope impact.

With inflation in Argentina having significantly decreased in the 1st quarter of 2025, Argentina's contribution (+0.4%) to the Group's comparable sales growth was significantly lower in the 1st quarter of 2025 compared to 2024. Excluding Argentina's contribution, the Group's comparable sales growth (+1.3%) was higher in the 1st quarter of 2025 than in the 4th quarter of 2024 (+0.6%).

Gas & Services

In the 1st quarter of 2025, **Gas & Services** revenue reached **6,831 million euros**, up **+1.8%**[10] **on a comparable basis**. **Published revenue** in the Gas & Services businesses increased by **+7.4%**[11] in the 1st quarter of 2025, with favorable energy (+3.4%) and currency (+0.7%) impacts. There was no significant scope impact in the 1st quarter.

Industrial Merchant sales grew by **+1.4%**[12] in the 1st quarter: the **price** effect (**+2.5%**) remained the growth driver, while gas volumes excluding helium were flat, and hardgoods sales were down in the United States. **Large Industries** revenue was stable (**-0.3%**), with the ramp-up of new production units offsetting low demand. The **Healthcare** business, whose growth is decoupled from industry trends, showed a sustained increase in revenue (**+5.3%**), with a growth well balanced between Home Healthcare and Medical Gases. Finally, in **Electronics** (**+3.6%**), the growth in Carrier Gas sales reached +10%, offsetting other less dynamic business segments.

[10] Includes Argentina's contribution of +0.4%, declining sharply in the 1st quarter of 2025 compared to 2024, and a contribution of +0.4% related to the growth in the 1st quarter of 2025 of the transferred activities. See Appendix.
[11] Growth calculated on 2024 published sales, not restated for the transfer of certain activities from GM&T in the 1st quarter of 2025. See Appendix.
[12] Includes a contribution of +0.6% related to the growth in the 1st quarter of transferred activities of 2025. See Appendix.

Revenue by geography and business line *(in millions of euros)*	**Q1 2024**	**Q1 2025**	**2025/2024 published change**	**2025/2024 comparable change[(a)]**
Americas	2,550	2,716	+6.5%	+3.2%
Europe, Middle East & Africa (EMEA)	2,517	2,788	+10.8%	0.0%[(c)]
Asia Pacific	1,291	1,326	+2.7%	+2.7%
GAS & SERVICES REVENUE	6,358[(b)]	**6,831**	+7.4%[(b)]	**+1.8%[(d)]**
Large Industries	1,736	1,960	+12.9%	-0.3%
Industrial Merchant	2,975	3,143	+5.7%[(b)]	+1.4%[(e)]
Healthcare	1,051	1,103	+5.0%	+5.3%
Electronics	596	624	+4.7%	+3.6%

(a) Change excluding the currency, energy (natural gas and electricity) and significant scope impacts. The comparable growth excludes the impact of internal transfer of transferred activities but includes the contribution related to the growth in the 1st quarter of 2025 of the transferred activities. See Appendix.
(b) Growth calculated on the 2024 sales as published, not restated for the transfer of certain activities from GM&T in the 1st quarter of 2025. See Appendix.
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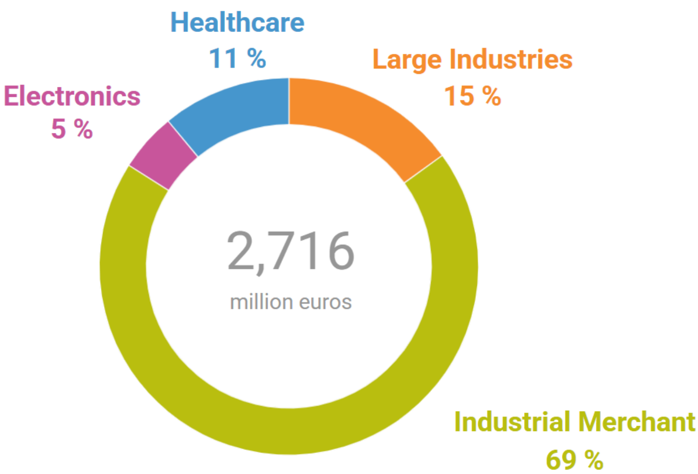
(e) Includes a contribution of +0.6% related to the growth in the 1st quarter of 2025 of transferred activities.

Americas

Gas & Services revenue in the Americas amounted to **2,716 million euros** in the 1st quarter of 2025, with all businesses contributing to growth of **+3.2%** (including Argentina's contribution of +1.0%, declining sharply in the 1st quarter of 2025 compared to 2024). Large Industries (+5.9%) benefited from the start-up of a large Air Separation Unit in the United States in February 2024 and from a favorable basis of comparison. In Industrial Merchant, revenue increased by +1.1%, supported by a solid price effect of +3.1% and resilient gas volumes, while hardgoods sales were down. The strong growth in Healthcare (+12.3%) was notably driven by price increases in Medical Gases in the United States and the development of Home Healthcare in Latin America. In Electronics, high sales of advanced materials and the ramp-up of carrier gas production units contributed to business growth of +5.5%.

Americas Gas & Services Q1 2025 Revenue



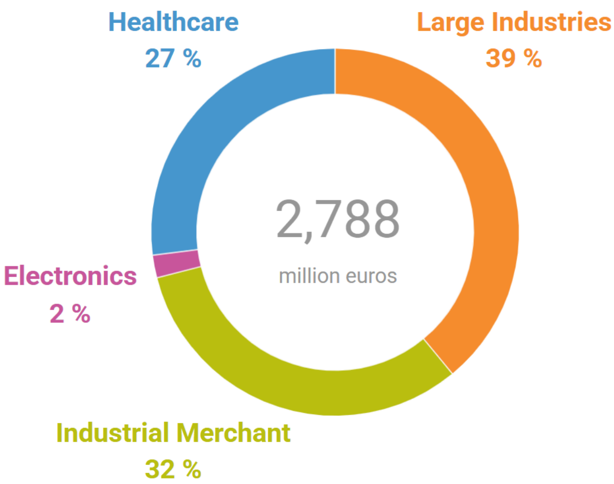
- Revenue from **Large Industries** increased by **+5.9%**. This growth was driven by the start-up of a large Air Separation Unit in the United States in February 2024 and by solid demand in Chemicals. It also benefited from a favorable basis of comparison due to major customer turnarounds in the 1st quarter of 2024.
- In the **Industrial Merchant** business, sales increased by **+1.1%**. The price effect remained strong, at +3.1%. The increase in prices in the United States represented nearly 70% of the +3.1% increase and the contribution of Argentina (in a context of hyperinflation) less than 20%, down compared to 2024. Hardgoods volumes were down while gas volumes remained resilient. In the United States, volumes saw solid growth in the Pharmaceuticals sector and, to a lesser extent, in the Metallurgy, Construction Materials, Utilities and Technology markets.
- Sales in the **Healthcare** business posted dynamic growth of **+12.3%**. In the United States, medical gas prices rose sharply, particularly in proximity care. In Latin America, the number of patients treated at home is continuing to grow. The impact of price increases in Argentina, in a context of hyperinflation, was down sharply compared to 2024.

- Revenue from the **Electronics** business was up **+5.5%**, supported by the strong increase in sales of advanced materials and the ramp-up of carrier gas production units. Sales of equipment and installations were down from a high basis of comparison and specialty materials sales remained down.

Europe Middle East & Africa (EMEA)[13]

Revenue in the Europe, Middle East & Africa region amounted to **2,788 million euros**, stable (**0.0%**) compared to the 1st quarter of 2024. The increase in sales from transferred businesses[14] contributed +0.9% to comparable growth. In Large Industries (-3.6%), revenue was impacted by a decline in sales of cogeneration units in Benelux and air gases in Italy. Following several quarters of decline, sales in the Industrial Merchant business posted an increase of +2.4% on a comparable basis. They were stable (-0.2%) excluding the growth in the 1st quarter 2025 of transferred businesses[14]: the +3.0% price effect offset the impact of the divestiture of businesses in 12 African countries in July 2024 and demand that remained soft. In the Healthcare business, sales growth remained solid (+2.5%), boosted by Home Healthcare and Medical Gases.

EMEA Gas & Services Q1 2025 Revenue



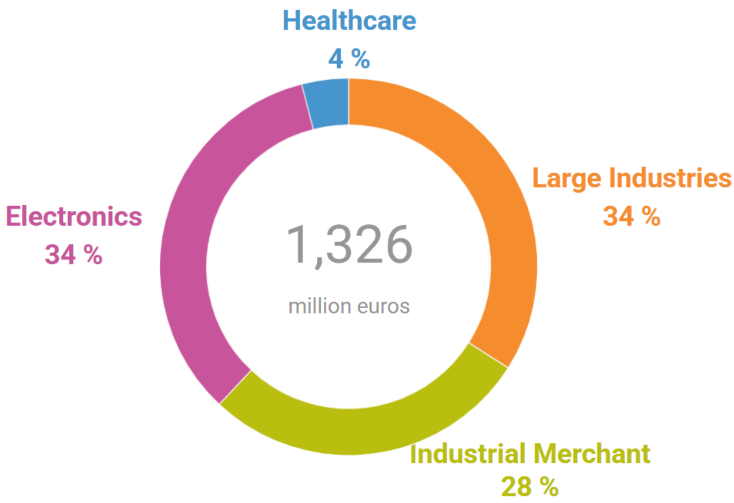
- In the 1st quarter of 2025, revenue in **Large Industries** was down by **-3.6%**. It was impacted by the significant decline in sales of cogeneration units in Benelux and air separation units in Italy. Demand from the Chemicals and Steel sectors remained soft, while hydrogen volumes for refining were up slightly.
- The **Industrial Merchant** business posted comparable growth of **+2.4%**. Following several quarters of decline, sales were stable (**-0.2%**) excluding the growth in the 1st quarter 2025 of transferred businesses[14]. The price effect increased significantly (+3.0%), supported by the rise in bulk gas prices indexed to changes in energy costs (which started to increase again in the 1st quarter), and by the continued increase in the price of packaged gas. Volumes were down in most markets, impacted by the divestiture of businesses in 12 African countries and demand that remained soft. Nevertheless, volumes grew in the Aeronautics and Utilities markets. The +2.4% increase in sales on a comparable basis includes the growth of transferred businesses[14]. This concerned in particular exceptional sales of rare gases for +1.3%, as well as the increase in biogas sales for +1.2%, linked to the rise in energy prices and the sale of Guarantees of Origin certificates.
- Growth in the **Healthcare** business (**+2.5%**) remained solid. Home Healthcare continued its growth, driven by the increase in the number of patients cared for, particularly for diabetes and sleep apnea. Growth in sales of medical gases benefited from a balanced contribution from volumes and prices aligned with inflation.

[13] *Performance monitoring for Europe, the Middle East & Africa (including India) is now provided within the same operational sector.*
[14] *Global Markets & Technologies and Engineering & Construction merged within Engineering & Technologies in the 1st quarter of 2025. Certain activities, mainly the Maritime and Biogas activities, were transferred to the Industrial Merchant activity. See Appendix.*

Asia-Pacific

Revenue for the Asia Pacific region totaled **1,326 million euros** in the 1st quarter of 2025, an increase of **+2.7%**. In Large Industries, the start-up of a large hydrogen production unit in China in March 2024 contributed to a +1.6% increase in sales. Industrial Merchant sales (+0.8%) returned to growth and benefited from a very solid increase in revenue in China despite a decline in helium sales. Revenue from the Electronics business was up sharply (+5.0%), with carrier gas sales up in particular.

Asia-Pacific Gas & Services Q1 2025 Revenue



- Revenue in **Large Industries** rose by **+1.6%**. The contribution of the start-up of a large hydrogen production unit in China in March 2024 was partially offset by an overall soft demand in the region and by customer turnarounds, including one extended turnaround.
- In **Industrial Merchant**, sales returned to growth (**+0.8%**). Revenue growth in China was very solid (+5%) despite the decline in helium sales: the increase in volumes was supported by recent acquisitions and the start-ups of small on-sites. Activity was contrasted in the rest of the region, with high sales in Equipment & Installations in Japan but a strongly negative price effect in Australia (end of CO_2 price surcharges) and low activity in Singapore. Volumes were up in the Manufacturing, Metallurgy, Utilities and Electronic Packaging. In a context of limited inflation, the price effect (-1.8%) was notably impacted by the sharp drop in helium prices in China.
- Revenue from the **Electronics** business increased by **+5.0%**. Carrier gas sales posted double-digit growth, boosted by the start-up of two new production units in China in the 1st quarter of 2025. Specialty Materials revenue was up slightly after several quarters of decline, while Equipment & Installations sales were down, particularly in Singapore.

Engineering & Technologies[15]

The consolidated revenue of the Engineering & Technologies business reached **198 million euros** in the 1st quarter, down **-2.9%**[16] on a comparable basis. Sales of technological equipment were impacted by the divestiture of the Aeronautics & Defense business in March 2024. Consolidated Engineering sales were stable, with priority given to internal projects. Hence, Engineering sales for the Group, excluded from consolidated sales, increased.

Order intake for Group projects and third-party clients amounted to **665 million euros**, a sharp increase of +34% compared to the 1st quarter of 2024. They include air gas, hydrogen and helium production units and equipment, as well as a record quarterly number of Turbo-Brayton units.

[15] Global Markets & Technologies and Engineering & Construction merged within Engineering & Technologies in the 1st quarter of 2025. Certain activities, mainly the Maritime and Biogas activities, were transferred to the Industrial Merchant activity. See Appendix.
[16] This comparable growth does not take into account the impact of the internal transfer of some businesses. See Appendix.

Investment cycle

INVESTMENT DECISIONS AND INVESTMENT BACKLOG

In the 1st quarter of 2025, **industrial and financial investment decisions** amounted to **1.0 billion euros**, an increase of +16.3% compared to the 1st quarter of 2024.

Industrial investment decisions totaled **1,019 million euros** compared with 864 million euros in the 1st quarter of 2024. In **Large Industries** in the 1st quarter, an additional investment was decided to bridge the period leading up to ExxonMobil's final investment decision (FID) for the major project in Baytown, Texas (United States). Contractually covered engineering and procurement activities are currently ramping up, contributing to an increase in the Group's backlog for this ExxonMobil Baytown project to 275 million US dollars, out of a total expected investment of 850 million US dollars. In addition, 1st quarter decisions include investments in the development of the pipeline network on the US Gulf Coast as part of the renewal of a long-term contract. To support local growth in **Industrial Merchant**, the Group decided to invest in several small production units in various Asian countries, a cylinder filling center in China, and argon transport equipment in the United States. In the **Electronics** business, investment decisions notably included two carrier gas units for customers in Asia and one unit in the United States to support the extension of a customer site.

Financial investment decisions totaled **14 million euros** in the 1st quarter of 2025. They included three small acquisitions in **Industrial Merchant** in the United States, Brazil and Spain.

The **investment backlog** hit a record high of **4.5 billion euros**, up from 4.2 billion euros at the end of 2024. The investment backlog is diversified, and spread over around 80 projects in all regions. One third of these investments correspond to projects in the Electronics business.

START-UPS

The **main start-ups** in the 1st quarter of 2025 included carrier gas units in China for customers of the Electronics business, a small hydrogen production unit equipped with a CO_2 capture system in Europe, and small on-site gas generators in the United States for a battery manufacturer.

The **additional contribution to sales** of unit start-ups and ramp-ups totaled **78 million euros** in the 1st quarter of 2025. Over the year, it is expected to be **between 310 and 340 million euros**.

INVESTMENT OPPORTUNITIES

The **portfolio of 12-month investment opportunities** remained at a high level of **4.1 billion euros** at the end of March. Projects that support the **energy transition** represent around 40% of the portfolio, mainly in Europe and the United States, and those in the **Electronics** business, a little more than a third.

The **portfolio of opportunities at more than 12 months** continues to grow and includes significant projects in the energy transition and the semiconductor sector.

Operating Performance

The Group reiterated its ambition to improve the operating margin[17] despite the uncertain environment. This ambition was revised upwards in February 2025 to +460 basis points over 5 years until the end of 2026, supported by the three levers which are price management, efficiencies, and the optimization of its portfolio of activities.

- The **price** effect in the **Industrial Merchant** business stood at **+2.5%**. Excluding the contribution of Argentina, whose impact linked to hyperinflation is decreasing, the price effect (+2.2%) remained at the same level as in the 4th quarter of 2024.
- **Efficiencies**[18] amounted to **131 million euros**, a record level for a 1st quarter, up sharply by +17.4%, adding to a +22.2% increase in the 1st quarter of 2024. The Group's **transformation** programs actively contributed to these efficiencies, notably the streamlining of the organization, the restructuring of Home Healthcare activities in France, and the deployment of integrated digital tools for optimizing production and supply chain. Efficiencies related to **procurement** are high due to strengthened globalized actions to leverage scale. The cross-functional continuous improvement program, comprising several hundred industrial efficiency projects, contributed to more than a quarter of the total efficiencies.
- The **portfolio management** of activities continued in the 1st quarter of 2025 with **3 acquisitions** in Industrial Merchant in the United States, Brazil, and Spain, and the **divestiture** of the Home Healthcare business in Japan.

Cash flows from operating activities before changes in working capital amounted to **1,620 million euros**, up by +0.7% compared to the 1st quarter of 2024, and by **+4.9%** excluding an exceptional indemnity from a customer recorded in the 1st quarter of 2024 and an exceptional tax surcharge in France in the 1st quarter of 2025.

[17] *Operating margin excluding the energy impact.*
[18] *See definition in the appendix.*

Outlook

In an uncertain environment, the Group's performance benefits from the **resilience of its business model**. This is based in particular on the diversity of markets, customers and geographies served by the Group, on the minimum consumption clauses (take-or-pay) in the long-term contracts of the Large Industries and Electronics activities, and also on the fixed revenues by providing gas cylinders and bulk storage in Industrial Merchant. In addition, the growth of the Healthcare business, which represents around 16% of the Group's revenue, is decoupled from industrial demand. Finally, the record level of investments in progress, which amounts to 4.5 billion euros, is based on a portfolio of around 80 projects secured by long-term contracts. Once started up, these investments under construction will support **future growth** with strong predictability, which reinforces the resilience of the business model.

Due to its business model, the Group anticipates **a limited direct impact from the increase in tariffs**, as the vast majority of Air Liquide's activity is local: fundamentally, local production to serve local customers.

In 2025, Air Liquide stays the course and is confident in its ability to further increase its operating margin and to deliver recurring net profit growth, at constant exchange rates[19].

[19] *Operating margin excluding energy passthrough impact. Recurring net profit excluding exceptional and significant transactions that have no impact on the operating income recurring.*

Appendices - Performance indicators

Performance indicators used by the Group that are not directly defined in the financial statements have been prepared in accordance with the AMF position 2015-12 about alternative performance measures.

The performance indicators are the following:
- Comparable sales change
- Currency, energy and significant scope impacts
- Efficiencies

Definition of Currency, energy and significant scope impacts

Since industrial and medical gases are rarely exported, the impact of currency fluctuations on activity levels and results is limited to euro translation impacts with respect to the financial statements of subsidiaries located outside the eurozone. **The currency impact** is calculated based on the aggregates for the period converted at the exchange rate for the previous period.

In addition, the Group passes on variations in the cost of energy (electricity and natural gas) to its customers via indexed invoicing integrated into their medium and long-term contracts. This indexing can lead to significant variations in sales (mainly in the Large Industries Business Line) from one period to another depending on fluctuations in prices on the energy market.

An energy impact is calculated based on the sales of each of the main subsidiaries in Large Industries. Their consolidation allows the determination of the energy impact for the Group as a whole. The foreign exchange rate used is the average annual exchange rate for the year N-1. Thus, at the subsidiary level, the following formula provides the energy impact, calculated for natural gas and electricity respectively:

Energy impact =
Share of sales indexed to energy year (N-1) x (Average energy price in year (N) - Average energy price in year (N-1))

This indexation effect of electricity and natural gas does not impact the operating income recurring.

The significant scope impact corresponds to the impact on sales of all acquisitions or disposals of a significant size for the Group. These changes in scope of consolidation are determined:
- for acquisitions during the period, by deducting from the aggregates for the period the contribution of the acquisition,
- for acquisitions during the previous period, by deducting from the aggregates for the period the contribution of the acquisition between January 1 of the current period and the anniversary date of the acquisition,
- for disposals during the period, by deducting from the aggregates for the previous period the contribution of the disposed entity as of the anniversary date of the disposal,
- for disposals during the previous period, by deducting from the aggregates for the previous period the contribution of the disposed entity.

Comparable sales change

Comparable changes for sales **exclude the currency, energy and significant scope impacts described above**. The calculations are the following:

Revenue *(in millions of euros)*	**Q1 2025**	**Q1 2025/2024 Published Growth**	**Currency impact**	**Natural gas impact**	**Electricity impact**	**Significant scope impact**	**Internal transfer impact**	**Q1 2025/2024 Comparable Growth**
Gas & Services	6,831	+7.4%[(a)]	46	162	58	0	91	**+1.8%**
Impacts in %			*+0.7%*	*+2.5%*	*+0.9%*	*-*	*+1.5%*	
Engineering & Technologies	198	-32.3%[(b)]	2	0	0	0	(91)	**-2.9%**
Impacts in %			*+0.8%*	*-*	*-*	*-*	*-30.2%*	
Group	7,028	+5.7%	48	162	58	0	0	**+1.7%**
Impacts in %			*+0.7%*	*+2.5%*	*+0.8%*	*-*	*-*	

(a) Growth calculated on the 2024 sales as published, not restated for the transfer of certain activities from GM&T in the 1st quarter of 2025.
(b) Calculated by the difference between the E&T published sales of the 1st quarter 2025 and the sum of the published sales of GM&T and E&C in the 1st quarter 2024.

Within the frame of Group's transformation initiatives, the Engineering & Construction and Global Markets & Technologies activities were merged in the 1st quarter of 2025 within a new Engineering & Technologies activity. **Certain businesses**, primarily Biogas and Maritime, were **transferred** from the Global Markets & Technologies activity **to the Industrial Merchant activity**.

Comparable growth excludes the internal transfer impact of sales from the transferred activities but **includes the growth contribution of these activities in the 1st quarter of 2025**.

Efficiencies

Efficiencies represent a sustainable cost reduction resulting from an action plan on a specific project. Efficiencies are identified and managed on a per project basis. Each project is followed by a team composed in alignment with the nature of the project (purchasing, operations, human resources...).

Complementary geographic and segment information

Contribution of the Argentina to the comparable growth

Contribution of the Argentina to the comparable growth of revenue in Q1 2025 *(in %)*	**Total**	Large Industries	Industrial Merchant	Healthcare	Electronics
Americas	**+1.0%**	+0.5%	+0.7%	+3.9%	-
Gas & Services	**+0.4%**	+0.2%	+0.4%	+1.1%	-
Group	**+0.4%**				

Argentina's contribution is calculated as the difference between the amounts consolidated at Group level and the same amounts consolidated excluding Argentina's data. The same method applies to the Gas & Services activity.

Definitions

Investment decisions: Cumulative value of industrial and financial investment decisions. Growth and non-growth industrial projects, including the renewal of assets, efficiency projects, maintenance and safety, as well as financial decisions (acquisitions).

Investments backlog: Cumulative value of investments for projects that have been decided but not yet started up. Industrial projects of more than 10 million euros, excluding asset renewals and safety, maintenance and efficiency projects.

Portfolio of 12-month investment opportunities: Cumulative value of investment opportunities taken into account by the Group for a decision within the next 12 months. Industrial projects with a value of more than 5 million euros for Large Industries and more than 3 million euros for other business lines, excluding asset renewals and safety, maintenance and efficiency projects.

Sales and investments key figures synthesis

The following tables **gather data already available** in this report. They **complement the key figures** indicated in the table on the **first page**.

Sales

Q1 2025 split of revenue and comparable growth[a] in %	Total	Large Industries	Industrial Merchant	Electronics	Healthcare
	100%	15%	69%	5%	11%
Americas	+3.2%	+5.9%	+1.1%	+5.5%	+12.3%
	100%	39%	32%	2%	27%
Europe, Middle East & Africa (EMEA)	0.0%[c]	-3.6%	+2.4%[d]	N.C.	+2.5%
	100%	34%	28%	34%	4%
Asia Pacific	+2.7%	+1.6%	+0.8%	+5.0%	N.C.
	100%	29%	46%	9%	16%
Gas & Services	**+1.8%[e]**	**-0.3%**	**+1.4%[f]**	**+3.6%**	**+5.3%**
Engineering & Technologies[b]	-2.9%				
GROUP TOTAL	**+1.7%**				

N.C.: Not communicated.
(a) Change excluding the currency, energy (natural gas and electricity) and significant scope impacts. The comparable growth excludes the impact of internal transfer of transferred activities but includes the contribution related to the growth in the 1st quarter of 2025 of the transferred activities.
(b) Merger in the 1st quarter of 2025 of GM&T and E&C activities within Engineering & Technologies, except mainly the Maritime and Biogas activities transferred to the Industrial Merchant activity.
(c) Includes a contribution of +0.9% related to the growth in the 1st quarter of 2025 of transferred activities.
(d) Includes a contribution of +2.6% related to the growth in the 1st quarter of 2025 of transferred activities.
(e) Includes Argentina's contribution of +0.4%, declining sharply in the 1st quarter of 2025 compared to 2024, and a contribution of +0.4% related to the growth in the 1st quarter of 2025 of transferred activities.
(f) Includes a contribution of +0.6% related to the growth in the 1st quarter of 2025 of transferred activities.

Investments

(in billion euros)	Q1 2025
12-month portfolio of investment opportunities[a]	4.1
Investment decisions[b]	1.0
Investment backlog[a]	4.5
Additional contribution to revenue of unit start-ups and ramp-ups[b] *(in million euros)*	78

(a) At the end of the reporting period.
(b) Cumulated value from the beginning of the calendar year until the end of the reporting period.

Documents for the 1st quarter 2025 publication are available at www.airliquide.com.
Throughout the year, follow Air Liquide on LinkedIn.

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UPCOMING EVENTS

Annual General Meeting of Shareholders:
May 6, 2025

Dividend Ex-coupon Date:
May 19, 2025

Dividend Payout Date:
May 21, 2025

2025 First Half Revenue and Results:
July 29, 2025