



Linde Reports First-Quarter 2020 Results

(pursuant to section 53 of the Exchange Rules for the Frankfurt Stock Exchange)

Financial Highlights

- Strong operating cash flow of \$1.3 billion, up 26% versus prior year
- Robust balance sheet with ample liquidity for growth opportunities
- Operating profit of \$0.7 billion, up 20% versus prior year; adjusted operating profit of \$1.4 billion up 11%
- Operating profit margin up 210 bps, adjusted operating profit margin up 240 bps versus prior year
- EPS of \$1.07 up 35% versus prior year, adjusted EPS of \$1.89 up 12%

Guildford, UK, May 7, 2020 – Linde plc (NYSE: LIN; FWB: LIN) today reported first-quarter 2020 income from continuing operations of \$571 million and diluted earnings per share of \$1.07. Excluding Linde AG purchase accounting impacts and other charges, adjusted income from continuing operations was \$1,009 million, up 9% versus prior year. Adjusted earnings per share were \$1.89, 12% above prior year, or 15% higher when excluding negative currency translation effects.

Linde's sales for the first quarter were \$6,739 million, 1% above prior year, excluding negative currency translation and cost pass-through. Price improved 2% and was attained across all geographic segments, but was partially offset by volume decrease of approximately 1% due mainly to the impact of the COVID-19 pandemic.

First-quarter operating profit was \$733 million. Adjusted operating profit of \$1,352 million was 11% above prior year or 14% higher when excluding unfavorable currency translation effects.

First-quarter operating cash flow of \$1,347 million increased \$279 million or 26% over prior year. During the quarter, the company invested \$803 million in capital expenditures and returned \$2,326 million to shareholders through dividends of \$511 million and stock repurchases, net of issuance, of \$1,815 million.

Commenting on the financial results, Chief Executive Officer Steve Angel said, "Linde delivered another strong quarter with EPS increasing 15%, excluding currency translation. Furthermore, operating cash flow grew 26% and operating profit margin expanded 240 basis points from prior year."

"Linde entered 2020 with a very robust balance sheet, \$10 billion of contractually secured backlog and significant opportunities to enhance the portfolio and overall business quality – all of which will serve us well during these uncertain times. And, we continue to successfully navigate this crisis through the dedication and hard work of all Linde employees maintaining safe and reliable supply to our customers, including critical medical gases, services and equipment for those afflicted by COVID-19."



Angel continued, “While it is very difficult to predict the future impact, I have full confidence in our ability to continue to create shareholder value given our resilient business model and inherent opportunities to mitigate macroeconomic headwinds.”

First-Quarter 2020 Results by Segment

Americas sales of \$2,677 million were 1% below prior-year quarter and down 2% sequentially. Excluding negative currency translation and cost pass-through, sales versus prior year were up 4%. Price increased 2% and volume also grew 2% led mainly by the resilient healthcare and food & beverage end markets. Operating profit of \$661 million was 24.7% of sales, up 310 basis points versus prior-year quarter.

APAC (Asia Pacific) sales of \$1,336 million were 6% below prior year and decreased 5% sequentially. Excluding negative currency translation, sales versus prior year were down 3%. Price increased 2% but was more than offset by negative volumes driven by customer shutdowns due to the COVID-19 impact, primarily in China, and higher sale of equipment in the prior-year quarter. Operating profit of \$281 million was 21.0% of sales, up \$8 million and 190 basis points versus prior year.

EMEA (Europe, Middle East & Africa) sales of \$1,633 million were down 3% versus prior year and negative 1% sequentially. Excluding unfavorable currency and cost pass-through, sales increased 1% versus prior year. Pricing was up 2% but was partially offset by negative volumes primarily due to weaker manufacturing activity. Operating profit of \$355 million was 21.7% of sales, up 110 basis points versus prior-year quarter.

Linde Engineering sales were \$608 million and operating profit was \$91 million or 15% of sales. Operating profit grew 17% versus prior year due primarily to strong project execution and productivity initiatives.

About Linde

Linde is a leading global industrial gases and engineering company with 2019 sales of \$28 billion (€25 billion). We live our mission of *making our world more productive* every day by providing high-quality solutions, technologies and services which are making our customers more successful and helping to sustain and protect our planet.

The company serves a variety of end markets including chemicals & refining, food & beverage, electronics, healthcare, manufacturing and primary metals. Linde’s industrial gases are used in countless applications, from life-saving oxygen for hospitals to high-purity & specialty gases for electronics manufacturing, hydrogen for clean fuels and much more. Linde also delivers state-of-the-art gas processing solutions to support customer expansion, efficiency improvements and emissions reductions.

The figures and results contained in this Quarterly Statement are prepared in accordance with U.S. GAAP. For purposes of this Quarterly Statement pursuant to section 53 of the Exchange Rules for the Frankfurt Stock Exchange,



these figures and results are not materially different from IFRS as adopted by the EU. However, in case individual figures should significantly deviate, they are shown separately in this Quarterly Statement. This applies in particular to the Linde plc group revenues as a result of different accounting standards for the consolidation of joint venture participations. Based on IFRS, the Q1 2020 group revenues amount to USD 6.8 billion.

For more information about the company, please visit www.linde.com

Forward-looking Statements

This document contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are identified by terms and phrases such as: anticipate, believe, intend, estimate, expect, continue, should, could, may, plan, project, predict, will, potential, forecast, and similar expressions. They are based on management’s reasonable expectations and assumptions as of the date the statements are made but involve risks and uncertainties. These risks and uncertainties include, without limitation: that Linde plc may be unable to achieve expected synergies from the business combination of Praxair and Linde AG or that it may take longer or be more costly than expected to achieve those synergies; the performance of stock markets generally; developments in worldwide and national economies and other international events and circumstances, including trade conflicts and tariffs; changes in foreign currencies and in interest rates; the cost and availability of electric power, natural gas and other raw materials; the ability to achieve price increases to offset cost increases; catastrophic events including natural disasters, epidemics and acts of war and terrorism; the ability to attract, hire, and retain qualified personnel; the impact of changes in financial accounting standards; the impact of changes in pension plan liabilities; the impact of tax, environmental, healthcare and other legislation and government regulation in jurisdictions in which the company operates; the cost and outcomes of investigations, litigation and regulatory proceedings; the impact of potential unusual or non-recurring items; continued timely development and market acceptance of new products and applications; the impact of competitive products and pricing; future financial and operating performance of major customers and industries served; the impact of information technology system failures, network disruptions and breaches in data security; and the effectiveness and speed of integrating new acquisitions into the business. These risks and uncertainties may cause actual future results or circumstances to differ materially from accounting principles generally accepted in the United States of America, International Financial Reporting Standards or adjusted projections, estimates or other forward-looking statements.

Linde plc assumes no obligation to update or provide revisions to any forward-looking statement in response to changing circumstances. The above listed risks and uncertainties are further described in Item 1A Risk Factors in Linde plc’s Form 10-K for the fiscal year ended December 31, 2019 filed with the SEC on March 2, 2020 and in subsequent filings with the SEC which should be reviewed carefully. Please consider Linde plc’s forward-looking statements in light of those risks.