



LINDE REPORTS FIRST-QUARTER 2019 RESULTS

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

Financial Highlights

- Sales of \$6.9 billion, EPS of \$0.79, adjusted EPS of \$1.69
- Operating profit of \$0.6 billion, adjusted operating profit of \$1.2 billion
- Backlog \$3.5 billion
 - Started up Samsung Tangjeong project
- Returned \$1.2 billion to shareholders through dividends and share repurchases

Guildford, UK., May 10, 2019 – Linde plc (NYSE:LIN; FWB:LIN) today reported first-quarter income from continuing operations of \$435 million and diluted earnings per share of \$0.79. Adjusted pro forma earnings per share increased 12% to \$1.69, compared with adjusted pro forma earnings per share in the prior-year quarter of \$1.51. Adjusted earnings per share exclude merger related costs, other charges and the Linde AG purchase accounting impacts, primarily amortization and depreciation. Excluding these costs, adjusted pro forma income from continuing operations was \$927 million, up 11% versus the prior year adjusted pro forma amounts.

Pro forma sales in the first quarter were \$6,914 million, in line with the prior-year quarter. Excluding unfavorable currency translation effects, sales were up 5% driven by 2% higher pricing and 3% volume growth.

First quarter reported operating profit was \$609 million, 7% below the prior-year quarter, primarily due to the purchase accounting impacts. On an adjusted pro forma basis, operating profit was \$1,222 million, 7% above last year excluding currency impact. The adjusted pro forma operating profit margin was 17.7%, up 30 basis points versus the prior-year quarter. For the first quarter, EBITDA margin was 26.9% and adjusted pro forma EBITDA margin was 28.5%.

During the first quarter, the company paid \$477 million of dividends and repurchased \$697 million in stock, net of issuance.

Commenting on the financial results, Chief Executive Officer Steve Angel said, “On March 1 our Hold Separate Order was lifted and we began operating as one company. Although our overall results for the first quarter were good, the underlying performance was mixed. I am confident we will improve the quality of all our businesses going forward irrespective of the economic environment.”

Given the merger, the company has adopted new segments which are in line with the management structure of the company. Prior periods have been recast to conform to the new segments. Following is additional detail on first-quarter 2019 results by each segment.

Proforma sales and adjusted operating profit and earnings per share are non-gaap measures prepared on a basis consistent with Article 11 and includes certain non-gaap adjustments.



In the Americas, first-quarter pro forma sales were \$2,702 million, 8% above the prior-year quarter excluding 3% negative currency. Volumes and price increased 3% and 2%, respectively. Higher cost pass-through increased sales by 1% and acquisitions in North America increased sales by 2%. Operating profit was \$584 million.

Pro forma sales in APAC were \$1,427 million in the quarter, up 5% from the prior year excluding 6% negative currency. Pricing was 2% higher and volumes increased 5% from project start-ups and base business. Operating profit was \$273 million.

EMEA sales for the first quarter were \$1,682 million, 1% above the prior-year quarter excluding 8% unfavorable currency. Pricing was up 1%. First-quarter operating profit was \$347 million.

Linde Engineering sales were \$636 million and operating profit was \$78 million or a 12.3% margin.

Linde is a leading industrial gases and engineering company with 2018 pro forma sales of USD 28 billion (EUR 24 billion). The company employs approximately 80,000 people globally and serves customers in more than 100 countries worldwide. Linde delivers innovative and sustainable solutions to its customers and creates long-term value for all stakeholders. The company is making our world more productive by providing products, technologies and services that help customers improve their economic and environmental performance in a connected world.

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 2019 group revenues amount to USD 7.1 billion.

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

Adjusted amounts, EBITDA, free cash flow and net debt are non-GAAP measures.

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: the ability to successfully integrate the Praxair and Linde AG businesses; regulatory or other limitations and requirements imposed as a result of the business combination of Praxair and Linde AG that could reduce anticipated benefits of the



transaction; the risk that Linde plc may be unable to achieve expected synergies 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, including the impact of the U.S. Tax Cuts and Jobs Act of 2017; 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 GAAP, IFRS 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, 2018 filed with the SEC on March 18, 2019 which should be reviewed carefully. Please consider Linde plc's forward-looking statements in light of those risks.