

Linde Finance B.V.

2012 Interim Financial Statements



Amsterdam, 17 August, 2012

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Interim director's report

The Board of Directors of Linde Finance B.V. ("the Company") hereby presents the semi-annual financial statements for the first six months of the 2012 book year, ending June 30, 2012. These statements are prepared according to generally accepted accounting principles in the Netherlands and in conformity with the provisions of Part 9, Book 2 of the Netherlands Civil Code.

General

Linde Finance B.V. is registered in Amsterdam, Strawinskylaan 3111, the Netherlands, and has been incorporated on May 12, 1999 under Dutch law. The Company acts as a finance company for the benefit of The Linde Group companies. The Company's ultimate parent is Linde AG, which is listed on the German Stock Exchange.

Objectives

The Company's objectives, in accordance with article 2 of the Articles of Association, are to incorporate, to participate, to manage and finance other group companies. Furthermore to borrow and lend moneys, to place public and private debt and in general to engage in financial and commercial activities which may be conducive to the foregoing.

Risk management

The Board of Directors is responsible for the internal control, the management of risks and the assessment of the effectiveness of the control systems within the Company.

These controls were set up in corporation with Linde AG to identify and manage, foreign exchange-, interest-, liquidity-, counterpart- and credit risks. As to foreign exchange risks, the Company has a conservative approach. Currency risks are avoided in line with the hedging policies. Interest rate exposures beyond the duration of one year are being hedged if no back to back funding is in place. The liquidity risk is actively managed and currently covered by a syndicated credit facility. Inter-company credit exposure has been insured with Linde AG through a Credit Assurance Agreement. For further information we refer to note 19 on page 20.

The interim result is in line with our expectation and for the entire year 2012 the anticipated result of the Company will remain positive as in previous years. We expect small changes in the number of personnel but no significant changes in the structure of the Company.

Responsibility statement

The Board of Managing Directors of the Company wish to state:

1. that the interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
2. that the interim report gives a true and fair view of the position as per balance sheet date, the development during the financial period of the Company in the interim financial statement, together with a description of principal risks it faces.

The Board of Managing Directors

M. Glaser

Financial highlights

The Company has a 2,0 billion multi currency Commercial Paper ("CP") Programme which is unconditionally guaranteed by Linde AG. As per 30 June, 2012, the Company had nominal EUR 710 million CP outstanding (2011: EUR 60,0 million). This CP programme is supplementary to the EUR 10,0 billion Debt Issuance Programme, also guaranteed by Linde AG. At the end of June, 2012 the Company had nominal EUR 4.966,3 million (2011: EUR 5.145,7 million) debt outstanding under this programme.

As per 30 June 2012, the Company has nominal EUR 1,1 billion and GBP 250,0 million subordinated bonds outstanding. The Company also has debt outstanding for nominal GBP 300,0 million which originally has been issued by the former BOC Group plc and for which Linde Finance has been substituted as issuer in December 2007.

During the first six months of 2012 the interest income amounted to EUR 382.2 million (2011: EUR 332,7 million). The interest expense amounted to EUR 355.4 million (2011: EUR 328,3 million).

The profit after taxation was EUR 12,2 million (2011: EUR 3,0 million). The Company operates under an advance pricing agreement (APA) with the Dutch fiscal authorities. This APA ruling defines the minimum returns for inter-company loans.

During the first six months of 2012 the Company issued a 5 year USD 20,0 million medium term note and a 7 year EUR 500 million bond, as well repaid a maturing bond EUR 723.5 million.

Amsterdam, 17 August, 2012

The Board of Managing Directors

M. Glaser

Balance Sheet Assets

ASSETS		30.06.2012 (x 1.000 EUR)	31.12.2011 (x 1.000 EUR)
Financial fixed assets			
Loans to group companies	1	7,904,520	9,104,817
Prepaid expenses		<u>6,276</u>	<u>6,964</u>
		7,910,796	9,111,781
Current assets			
Loans to group companies	2	4,510,259	3,613,590
Interest receivable from group companies		204,081	221,439
Tax receivable		0	125
Other receivables from third parties	3	53,196	56,404
Prepaid expenses		74,089	63,000
Forward exchange contracts	12	89,329	56,582
Collateral deposits	4	600	3,800
Cash at banks	5	<u>7,706</u>	<u>2,469</u>
		4,939,260	4,017,409
Total Assets		<u>12,850,056</u>	<u>13,129,190</u>

The accompanying notes form an integral part of these financial statements.

Balance Sheet Liabilities

Liabilities		30.06.2012 (x 1.000 EUR)	31.12.2011 (x 1.000 EUR)
Capital and reserves	6		
Share capital		5,000	5,000
Share premium		150,000	150,000
Retained earnings		85,764	71,247
Unappropriated profits		12,237	14,517
		<u>253,001</u>	<u>240,764</u>
Long term liabilities			
Bonds notes payable	7	5,178,301	4,748,517
Subordinated bonds	8	1,444,332	1,431,367
Loans from group companies	9	641,824	646,824
		<u>7,264,458</u>	<u>6,826,708</u>
Current liabilities			
Bonds notes payable	7	176,712	774,971
Collateral borrowing	10	122,300	95,200
Commercial Paper	11	709,679	59,904
Bank overdraft		10,846	-
Loans from group companies	9	3,972,438	4,822,336
Interest payable to third parties	13	175,881	186,610
Interest payable to group companies		75,223	75,594
Forward exchange contracts	12	69,929	40,110
Other payables	13	16,477	3,991
Tax payable		888	-
Accounts payable		2,224	3,002
		<u>5,332,597</u>	<u>6,061,718</u>
Total Liabilities		<u><u>12,850,056</u></u>	<u><u>13,129,190</u></u>

The accompanying notes form an integral part of these financial statements.

Profit and loss account for the six months ended June 30

		30.06.2012 (x 1.000 EUR)	30.06.2011 (x 1.000 EUR)
Interest income			
Group company loans	14	296,061	270,914
Other interest income	14	86,128	61,775
		<u>382,189</u>	<u>332,689</u>
Interest expense			
Group company loans	15	-115,993	- 118,425
Other interest expense		-249,364	- 209,845
		<u>-365,358</u>	<u>- 328,270</u>
Net interest result		16,831	4,419
General and administrative expenses	16	-657	- 459
Profit before taxation		16,174	3,960
Taxation	17	-3,936	- 980
Net profit after taxation		<u>12,237</u>	<u>2,980</u>

The accompanying notes form an integral part of these financial statements.

Statement of changes in equity

	Share Capital	Share Premium	Retained Earnings	Unappropriated profits	Total
	(x 1.000 EUR)	(x 1.000 EUR)	(x 1.000 EUR)	(x 1.000 EUR)	(x 1.000 EUR)
Balance December 31, 2010	5,000	150,000	71,247		226,247
Paid in capital/result 2011		-	14,517	-	14,517
Balance December 31, 2011	5,000	150,000	85,764	-	240,764
Unappropriated profits 2012				12,237	12,237
Balance June 30, 2012	<u>5,000</u>	<u>150,000</u>	<u>85,764</u>	<u>12,237</u>	<u>253,001</u>

The accompanying notes form an integral part of these financial statements.

Cash flow statement

	01.01.2012 30.06.2012 (x 1.000 EUR)	01.01.2011 30.06.2011 (x 1.000 EUR)
Net profit after taxation	12,237	2,980
Net cashflow provided by operating activities:		
In-/decrease financial fixed assets	1,200,986	1,280,670
In-/decrease current assets	-916,615	- 2,030,216
In-/decrease long term liabilities	437,750	- 699,799
In-/decrease current liabilities	-729,121	1,450,603
Net cashflow provided by finance activities:		
Paid in capital (Share premium)	-	-
In-/decrease cash at banks	5,237	4,238
Cash at banks 01 January	<u>2,469</u>	<u>557</u>
Bank balances 30 June	<u><u>7,706</u></u>	<u><u>4,795</u></u>

Note

The cash flow statement is based on the indirect method which implies that all figures are derived from the delta in the balance sheet positions

The accompanying notes form an integral part of these financial statements.

General accounting principles

Basis of presentation

The accompanying accounts have been prepared under the historical cost convention in accordance with generally accepted accounting principles in the Netherlands and in conformity with the provisions in accordance with the Dutch Guideline for Annual Reporting 394 on Interim financial information. All financial information is presented in Euro and has been rounded to the nearest thousand, unless otherwise stated.

Accounting policies

All assets and liabilities are measured at amortised cost unless a different valuation principle is indicated in the accompanying notes. Assets are shown net of provisions where necessary. Income and expenses are attributed to the financial year to which they relate.

The Company applies the cost price hedging model as all derivative financial instruments are used to mitigate financial risks. Cost price hedging means that derivative financial instruments are valued at the same valuation principle as the hedged item (i.e. cost price).

These policies represent no change from the previous period

Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into Euro at rates of exchange at the balance sheet date.

Financial fixed assets

Financial fixed assets include the nominal amounts of loans, of a long-term nature, issued to group companies, as well as prepaid expenses.

Net result

The net result has been calculated on the basis of the accrual and matching principles.

Taxation

Taxation is calculated on the basis of commercial income adjusted for available fiscal facilities.

Notes to the semi-annual account June 30, 2012

Assets

1. Loans to group companies

Loans to group companies represent loans, of a long-term nature, issued to group companies. The movements in long-term loans to group companies during the year were as follows:

	30.06.2012 (x 1.000 EUR)		31.12.2011 (x 1.000 EUR)
Balance January 01	9,104,817		7,718,185
New loans	549,759		3,478,913
To short term loans	- 1,857,957	-	1,852,171
Translation adjustment	140,753		46,538
Loans redeemed	- 32,852	-	286,648
Total	<u>7,904,520</u>		<u>9,104,817</u>

An amount of EUR 2.738,6 million (2011: EUR 3.897,7 million) of the principal portions outstanding have a final maturity over more than 5 years.

Long-term loans to group companies for a total amount of EUR 2.030,6 million (2011: EUR 1.927,7 million) are denominated in a currency other than Euro. If no natural hedge is in place the Company has entered into various foreign exchange contracts to hedge foreign currency risks. The valuation of the loans and foreign exchange contracts is based on the prevailing rate of exchange of the respective reporting dates. The average interest rate on these loans as on June 30, 2012 was 5,17 % (2011: 4,45%).

2. Loans to group companies

The Company holds loans to group companies for EUR 4.510,3 million (2011: EUR 3.613,6 million) of which the principal portions are due and payable within one year. Interest rates are determined based on the at arm's length principle. The average interest rate on these loans as at June 30, 2012 was 2,07% (2011: 2,62%).

Short-term loans to group companies for a total amount of EUR 596,0 million (2011: EUR 518,7 million) are denominated in a currency other than Euro. If no natural hedge is in place the Company has entered into foreign exchange contracts to hedge foreign currency risks. The valuation of the loans and foreign exchange contracts is based on the prevailing rate of exchange on the respective reporting dates.

3. Other current assets

Other current assets are shown as below

	30.06.2012 (x 1.000 EUR)	31.12.2011 (x 1.000 EUR)
Interest receivable from group companies	204,081	221,439
Other receivables from third parties	53,196	56,404
Prepaid expenses	74,089	63,000
Total	<u>331,366</u>	<u>340,843</u>

Interest receivables from group companies include accrued interest on loans of EUR 180,2 million (2011: EUR 200,5 million) and EUR 23,8 million (2011: EUR 20,9 million) accrued interest on derivatives with group companies.

Other receivables from third parties include accrued interest of EUR 52.7 million (2011: EUR 55,4 million) from interest rate-/cross currency swaps.

Prepaid expenses include to be amortized proceeds of unwound derivatives with group companies of EUR 61,2 million (2011: EUR 48,7 million).

Upfront premiums on derivatives with group companies of EUR 10,4 million (2011: EUR 12,0 million). The unwinding of derivatives has been executed on a risk neutral basis.

4. Collateral (deposits)

Since 2010 the Company has CSA agreements in place with major financial market participants to mitigate the counterparty risk. The outstanding value of the cash collateral deposited by Linde Finance B.V. at banks, as per 30 June, 2012 is EUR 0,6 million (2011: EUR 3,8 million).

5. Cash at banks

Cash at banks for an amount of EUR 7,7 million (2011: EUR 2,5 million) are at the disposal of the Company.

Liabilities

6. Capital and reserves

Authorized share capital consists of 15.000 shares of EUR 1.000 each. At June 30, 2012, 5.000 shares were issued and fully paid in (December 31, 2011: 5.000). All shares of the Company are held by Linde Holdings Netherlands B.V., Schiedam, the Netherlands. The Company's ultimate parent is Linde AG, which is listed on the German Stock Exchange.

7. Bonds notes payable

The bonds notes payable comprise loans from credit institutions as well as from institutional investors.

The contractual maturity of the bonds and notes payable can be shown as follows:

	30.06.2012 (x 1.000 EUR)	31.12.2011 (x 1.000 EUR)
< 1 year	176,712	774,971
Sub-total current liabilities	<u>176,712</u>	<u>774,971</u>
1-5 years	2,772,804	1,867,746
> 5 years	2,405,497	2,880,771
Sub-total long term liabilities	<u>5,178,301</u>	<u>4,748,517</u>
	<u>5,355,013</u>	<u>5,523,488</u>

The bonds notes payable bear an average interest of 4,3% (2011: 4,80%). An amount of nominal EUR 4.966,3 million (2011: nominal EUR 5.145,7 million) of bonds notes payable has been issued under the terms of the Debt Issuance Programme. With respect to this programme Linde AG has issued an unconditional and irrevocable guarantee in favour of the Company.

Bonds notes payable under the terms of the Debt Issuance Programme for an amount of EUR 923,2 million (2011: EUR 1.238,7 million) are denominated in a currency other than Euro. If no natural hedge is in place the Company has entered into foreign exchange contracts/cross currency swaps to hedge foreign currency risks.

8. Subordinated bonds

In the period 2003 till 2006 the Company issued subordinated bonds as listed in the table below.

Currency	Principal (x1.000.000)	Coupon	Effective yield	Call date	Final maturity date	Coupon when call is not exercised
EUR	700	7.375%	7.557%	14.07.2016	14.07.2066	3 month Euribor+4,125%
GBP	250	8.125%	8.125%	14.07.2016	14.07.2066	3 month GBP Libor+4,125%
EUR	400	6.000%	6.162%	03.07.2013	perpetual	3 month Euribor+3,375%

The Company has the right to call the bonds from the dates mentioned under "Call date". If the right to call the loan is not exercised on this date the coupon will attract interest at a variable rate. The right to call the loan will then be available every quarter on the due date for interest payment.

For the bonds with the final maturity date in 2066 the coupon payment may be suspended on any due date for interest payment. Coupon payments not made will be made up if the Linde Group makes payments for securities pari passu, subordinated securities or Linde AG makes dividend payments on shares.

The coupon payment of the EUR 400,0 million bonds may be suspended as soon as Linde AG fails to pay dividend. Coupon payments may be suspended for a maximum period of five years. If Linde AG resumes the dividend payment or Linde AG or the Company makes other payments for securities pari passu or subordinated securities, before a period of five years has elapsed, all of the cancelled coupon payments will be made up. Since the issue of these bonds, the Company did not have the intention and has not made use of its right.

The bonds are unconditionally, irrevocably guaranteed by Linde AG.

9. Loans from group companies

The Company holds loans from group companies for a total amount of EUR 4.614,3 million (2011: EUR 5.469,2 million). An amount of EUR 641,8 million (2011: EUR 646,8 million) of the principal portion has a maturity longer than one year. The remaining principal portions are due and payable within one year. Interest rates are determined based on the at arm's length principle. As at June 30, 2012 the average interest rate on these loans was 2,87% (2011: 1,73%).

Short-term loans from group companies for an amount of EUR 2.202,4 million (2011: EUR 2.074,3 million) are denominated in a currency other than Euro for which the Company has entered into foreign exchange contracts to hedge foreign currency risks. The valuation of the loans and foreign exchange contracts is based on the prevailing rate of exchange on the respective reporting dates.

10. Collateral (borrowing)

Since 2010 the Company has CSA agreements with major financial market participants to mitigate the counterparty risk. The outstanding value of the cash collateral deposited at Linde Finance B.V. by various banks, as per 30 June, 2012 is EUR 122,3 million (2011: EUR 95,2 million).

11. Commercial Paper

As per June 30, 2011 the Company has EUR 709,7 million (2011: EUR 59,9 million) CP outstanding. Commercial paper has been issued under the terms of the EUR 2,0 billion Commercial Paper Programme. With respect to this programme Linde AG has issued an unconditional and irrevocable guarantee in favour of the Company. The average interest rate on the outstanding CP as at June 30, 2012 was 0,58% (2011: 1,4 %).

12. Forward exchange contracts

The forward exchange contracts are all in a hedging relationship for which the company applies cost price hedge accounting. Cost price hedging means that derivative financial instruments are valued at the same valuation principle as the hedged item. Therefore the Forward exchange contracts are revalued at the spot rate of the reporting date. The difference between the spot rate as on the date of contract and the forward rate on which it gets settled is amortized over the maturity of the forward exchange contract.

13. Other current liabilities

Other current liabilities are shown as below:

	30.06.2012 (x 1.000 EUR)	31.12.2011 (x 1.000 EUR)
Accrued interest bonds notes payable	86,018	115,814
Accrued interest subordinated bonds	85,019	47,200
Accrued interest collateral	0	44
Accrued interest derivatives	4,844	23,552
Accrued Interest payable to group companies	75,223	75,594
Other payables to group companies	2,815	-
Other payables to third parties	13,662	3,991
Accounts payable	2,224	3,002
	<u>269,805</u>	<u>269,197</u>

Accrued interest payable to group companies include accrued interest on loans from group companies of EUR 33,2 million (2011: EUR 29,0 million) and accrued interest on derivatives with group companies of EUR 42,2 million (2011: EUR 46,6 million).

Other payables to third parties include upfront premiums received from derivatives from external parties for an amount of EUR 6,3 million (2011: EUR 3,0 million), which will be amortized over the remaining tenor.

Accounts payable include debt push down fees of EUR 2,2 million (2011: EUR 4,2 million) which will be amortized over the remaining tenor.

Profit and loss

14. Interest income

The interest income includes EUR 296,0 million (2011 EUR 270.9 million) of interest income on loans given to group companies. The other interest income EUR 86,1 million (2011: EUR 61,7 million) is income generate from external interest rate swaps.

15. Interest Expense

The interest expense includes EUR 2,5 million (2011: EUR 4,4 million) internal fee related to the guarantee issued by Linde AG.

16. General and administrative expenses

The general and administrative expenses for the period can be analyzed as follows:

	30.06.2012 (x 1.000 EUR)	31.12.2011 (x 1.000 EUR)
Wages and salaries	404	254
Other G&A expenses	253	205
	<u>657</u>	<u>459</u>

17. Taxation

Taxes on income for the period can be analyzed as follows:

	30.06.2012 (x 1.000 EUR)	31.12.2011 (x 1.000 EUR)
Profit before taxation	16,174	3,960
Deductible costs	<u>16,174</u>	<u>3,960</u>
Income tax rate	25.00%	25.00%
Income tax expense	3,936	980
Effective tax rate	24.34%	24.75%

The Company operates under the advance pricing agreement (APA) with the Dutch fiscal authorities. This APA ruling defines the minimum returns for inter-company loans.

18. Off balance sheet commitments

The Company has entered into a number of interest rate swap agreements, with a principal amount of EUR 7,6 billion (2011: EUR 6,9 billion) and a number of cross currency swap agreements, with a principal amount of EUR 264,4 million (2011: EUR 247,5 million). Due to the application of cost price hedging these derivative financial instruments are following the valuation principle of the hedged items (i.e. cost price).

The Company has limited rental, back office and IT commitments with third parties. Total expenses are approximately EUR 0,1 million per annum.

Since May 2010 the Company has a long term obligation namely, a syndicated credit facility for EUR 2,5 billion which expires in May 2015, with projected annual expenses of EUR 6,0 million. The facility is currently unused and also serves as back-up for the EUR 2,0 billion Commercial Paper Programme.

The fair value of financial instruments is determined using measurement methods customary in the market, based on market parameters specific to the instrument.

The fair value of derivative financial instruments is measured by discounting expected future cash flows using the net present value method. The entry parameters used in these models are relevant observable market prices and interest rates on the balance sheet date, obtained from recognised external sources.

The positive fair value of all derivatives is EUR 220,9 million (2011: EUR 184,9 million), the negative fair value of all derivatives is EUR 180,6 million (2011: EUR 143,8 million).

19. Related parties

All transactions are conducted on an arm's length basis. Further information on related party transactions is also disclosed in relevant notes to the annual accounts.

Major outstanding loan exposures to related companies in EUR equivalent:

Linde AG	Munich	DEU	5,347.0 million	43.1%
Linde UK Holdings Limited	Guilford	GBR	3,058.1 million	24.6%
Linde Gas Holding Sweden AB	Lidingo	SWE	700.0 million	5.6%
Linde Holdings Netherlands B.V.	Schiedam	NLD	652.2 million	5.3%
BOC Holdings	Guilford	GBR	454.4 million	3.7%
The BOC Group Limited	Guilford	GBR	435.0 million	3.5%
Linde Gas GmbH	Stadl- Paura	AUT	408.8 million	3.3%
Abello Linde SA	Barcelona	ESP	337.8 million	2.7%
Linde Canada Limited	Mississauga	CAN	224.8 million	1.8%
Linde Österreich Holding GmbH	Stadl- Paura	AUT	200.0 million	1.6%

Major outstanding deposits exposures from related companies in EUR equivalent:

The BOC Group Limited	Guilford	GBR	817.9 million	17.7%
Airco Coating Technology Limited	Guilford	GBR	779.1 million	16.9%
Commercium Immobilien und Beteiligung GmbH	Munich	GER	408.8 million	8.9%
BOC Holdings Limited	Guilford	GBR	368.8 million	8.0%
Linde Canada Holdings Limited	Guilford	GBR	287.9 million	6.2%
BOC Helex	Guilford	GBR	244.5 million	5.3%
Linde Österreich Holding GmbH	Stadl- Paura	AUT	182.1 million	3.9%
Linde Holdings, LLC	Tulsa	USA	121.0 million	2.6%
Linde Gas Holdings Sweden AB	Lindigo	SWE	93.1 million	2.0%

20. Risk management

Foreign currency risk

It is the objective of the Company to eliminate foreign currency risks. With the exception of margins generated by foreign currency denominated back to back loans, the Company enters into currency contracts and cross currency swaps in order to hedge the Company's currency exposure. The related assets and liabilities are translated into Euro at the balance sheet date. The related derivatives used to hedge the currency risk exposure are included in the balance sheet in accordance with the cost price hedging model. The positions are regular checked as part of the risk management procedures.

The below table gives the net fx cash flow positions per 30th of June per 2012. The totals are all unhedged margins on loans and corresponding deposits. As stipulated in the foreign currency risk management approach.

Currency	Larges positions of Net FX cash flow positions per currency	per 30.06.2012 EUR Value	Lastest Maturity
GBP	8,364,384	10,649,519	24 April 2023
USD	2,203,757	1,806,986	20 April 2017
Other currencies		-812,377	
Total position		11,644,128	

Interest risk

It is the Company's policy that interest exposures with duration longer than one year are being hedged, by entering into interest rate- and/or cross currency swaps. However small exposures exist per half year end 2012, which are acceptable / can be tolerated. We refer to note 17, first paragraph, for additional information.

The table below shows the "un-matched" open nominal positions according to their maturity, for durations of one year and above for all currencies in EUR equivalents. A positive sign is a net long position.

Time bucket	Bucket end date			Cummulated mismatch Eur (X1000)
		Eur (X1000)	Eur (X1000)	
less then 5 years	30/06/2017	528		528
less then 4 years	30/06/2016	-		528
less then 3 years	30/06/2015			528
less then 2 years	30/06/2014	700		1,228
less then 1 year	30/06/2013	973,224		974,452

Credit risk / Counterpart risk

The Company solely provides loans within The Linde Group. In co-operation with Linde AG Corporate Centre assessments of credit risks of material borrowers are made and periodically reviewed. Inter-company credit exposure has been insured with Linde AG through a Credit Assurance Agreement. The associated expenses are charged on to the companies through an additional risk premium on top of the base rate.

Linde AG, which has issued an unconditional and irrevocable guarantee in relation to the debt issuance and Commercial Paper Programme, presently has a A / A-1 rating by Standard & Poor's and A3 / P-2 rating by Moody's.

Cash at banks and financial derivatives are only deposited and/or entered into with banks.

The Company has CSA agreements in place with all of its major financial counterparts in order to mitigate the counterpart risk associated with derivative transactions.

Liquidity risk

The Company's access to liquidity is secured by the five-year EUR 2,5 billion syndicated credit facility which is currently unused and expires in May 2015.

21. Subsequent events

On 1 July 2012, Linde Finance B.V. signed as original borrower together with Linde AG an underwritten acquisition loan of USD 4.5 bn.

On 10 July 2012, Linde AG successfully concluded its intended capital increase with exclusion of the subscription rights of the shareholders by issuing 12,844,037 new bearer shares via an accelerated book building process. This capital measure generated proceeds of around EUR 1.4 bn. The increase in share capital has led to a reduction in the underwritten acquisition loan from its original amount of USD 4.5 bn to USD 2.8 bn.

No other significant events have occurred for The Linde Finance B.V. between the end of the reporting period on 30 June 2012 and the publication deadline for these condensed Group interim financial statements.

Amsterdam, 17 August, 2012

The Board of Managing Directors

M. Glaser

The Supervisory Board

G. J.G. Denoke, Chairman
S. Schneider
B. Schneider

Review Report

To the general meeting of shareholders of Linde Finance B.V.

Introduction

We have reviewed the accompanying condensed interim financial information of Linde Finance B.V., Amsterdam, which comprises the balance sheet as at 30 June 2012, the profit and loss account for the period of six months ended at 30 June 2012, and the notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with the Dutch Guideline for Annual Reporting 394 on Interim Reports. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope

We conducted our review in accordance with Dutch law including Standard 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as at 30 June 2012 is not prepared, in all material respects, in accordance with the Dutch Guideline for Annual Reporting 394 on Interim Reports.

Amstelveen, 21 August 2012

KPMG ACCOUNTANTS N.V.

F.M. van den Wildenberg RA