LINCARE HOLDINGS INC
Filed by
LINDE AG

FORM SC TO-C
(Written communication relating to an issuer or third party)

Filed 07/02/12

Address 19387 US 19 NORTH
          CLEARWATER, FL, 33764
Telephone 8135307700
CIK 0000882235
SIC Code 8090 - Services-Miscellaneous Health and Allied Services, Not Elsewhere Classified
Industry Healthcare Facilities & Services
Sector Healthcare
Fiscal Year 12/31
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE TO
Tender Offer Statement under Section 14(d)(1) or 13(e)(1)
of the Securities Exchange Act of 1934

LINCARE HOLDINGS INC.
(Name of Subject Company (Issuer))

LINDE US INC.
(Offeror)
An Indirect Wholly-Owned Subsidiary of
LINDE AG
(Offeror)
(Names of Filing Persons (identifying status as offeror, issuer or other person))

COMMON STOCK, $0.01 PAR VALUE
(Title of Class of Securities)

532791100
(CUSIP Number of Class of Securities)

Solms Wittig
Linde AG
Klosterhofstrasse 1
80331 Munich
Germany
+49-89-35757-1001

(Name, Address, and Telephone Numbers of Person Authorized to Receive Notices and Communications on Behalf of Filing Persons)

Copies to:
Richard Hall, Esq.
Mark I. Greene, Esq.
Cravath, Swaine & Moore LLP
Worldwide Plaza
825 Eighth Avenue
New York, NY 10019-7475
(212) 474-1000

CALCULATION OF FILING FEE

Transaction Valuation  Amount of Filing Fee
N/A               N/A
☐ Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: None
Form of Registration No.: N/A
Filing Party: N/A
Date Filed: N/A

☐ Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

☐ Third-party tender offer subject to Rule 14d-1.
☐ Issuer tender offer subject to Rule 13e-4.
☐ Going-private transaction subject to Rule 13e-3.
☐ Amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer. ☐

If applicable, check the appropriate box(es) below to designate the appropriate rule provision(s) relied upon:

☐ Rule 13e-4(i) (Cross-Border Issuer Tender Offer)
☐ Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)
### Item 12. Exhibits

<table>
<thead>
<tr>
<th>Exhibit No.</th>
<th>Description</th>
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<tbody>
<tr>
<td>(a)(5)(A)</td>
<td>Ad Hoc Announcement, dated July 1, 2012</td>
</tr>
<tr>
<td>(a)(5)(C)</td>
<td>Announcement Conference Call Presentation, dated July 2, 2012</td>
</tr>
<tr>
<td>Exhibit No.</td>
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</tr>
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</tbody>
</table>
Linde intends to acquire Lincare Holdings Inc., Clearwater, Florida, for app. USD 4.6 billion

Ad-hoc-announcement according to section 15 WpHG

**Munich, 1 July 2012** - Linde has signed a merger agreement with Lincare Holdings Inc., a US-based homecare health company. Linde intends to acquire all outstanding shares of Lincare Holdings Inc. by submitting a cash offer to the Lincare Holdings Inc. shareholders of USD 41.50 per common share, followed by a merger. The planned acquisition has a total transaction volume of approximately USD 4.6 billion. Closing is expected for the third quarter of fiscal year 2012. Completion of the offer and merger is subject to receipt of regulatory approvals and other customary closing conditions.

The funding of the transaction will be done by an acquisition loan in the total amount of USD 4.5 bn and through available cash. The acquisition loan will be refinanced by debt and equity issuances.

The tender offer described herein has not yet commenced, and this material is neither an offer to purchase nor a solicitation of an offer to sell shares of Lincare Holdings Inc. common stock. At the time the tender offer is commenced, Linde will file a tender offer statement with the United States Securities and Exchange Commission (the “SEC”). Lincare Holdings Inc. shareholders are strongly advised to read the tender offer documents that will be filed with the SEC because they will contain important information that Lincare Holdings Inc. shareholders should consider before tendering their shares. These documents will be available for free at the SEC’s website (http://www.sec.gov) and by directing a request to Linde AG, Klosterhofstraße 1, 80331 Munich, Germany.

Linde Aktiengesellschaft
Klosterhofstr. 1
80331 Munich
info@linde.com

ISIN: DE0006483001

For further information:

<table>
<thead>
<tr>
<th>Media</th>
<th>Investor Relations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uwe Wolfinger</td>
<td>Dr. Dominik Heger</td>
</tr>
<tr>
<td>Tel: +49.89.35757-1320</td>
<td>Tel: +49.89.35757-1334</td>
</tr>
</tbody>
</table>

<table>
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<tr>
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<th>Lisa Tilmann</th>
</tr>
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<tbody>
<tr>
<td>Tel: +49.89.35757-1333</td>
<td>Tel: +49.89.35757-1328</td>
</tr>
</tbody>
</table>
Joint Press Release

Linde to acquire Lincare Holdings Inc. in a friendly transaction by way of a tender offer and merger

- Linde offers USD 41.50 in cash per Lincare share
- Total consideration: USD 4.6 bn
- Lincare’s Board of Directors recommends that shareholders accept the offer
- Lincare sales 2011: USD 1,848 bn; EBITDA: USD 454 m
- Formation of global leading healthcare provider within the gases industry
- The global megatrend healthcare provides stable business growth
- Business in North America further strengthened

Munich, 2 July 2012 – The Linde Group has entered into a definitive agreement for the acquisition of Lincare Holdings Inc., a US-based homecare health company. Under the terms of the agreement, Linde will make a tender offer for all outstanding shares of common stock of Lincare at USD 41.50 per share in cash. Following the purchase of shares in the tender offer, Linde intends to complete the acquisition of Lincare through a merger, following which Lincare will become a wholly owned subsidiary of Linde.

The Lincare Board of Directors has unanimously approved the transaction. The price of USD 41.50 represents a premium of 64% over Lincare’s share price of USD 25.26 on June 26, 2012 (the last day prior to press reports speculating as to Lincare’s auction process), and also represents a premium of 49% over the three month volume weighted average price per Lincare share. The total consideration of the transaction will be USD 4.6 bn.
“This strategic acquisition enables us to take the next big step in this stable, sustainable and profitable business field,” Prof. Dr.-Ing. Wolfgang Reitzle, CEO of Linde AG, explained. “Against the background of demographic changes, the healthcare industry is a megatrend in which we will be able to participate more strongly in a new setup. Together with Lincare, we will become the global leading healthcare provider within the gases industry and further internationalize our business. Lincare, as the industry leader in the US, provides us an ideal platform to roll out our innovative products – which are already successful, particularly in Europe – into the U.S., the largest region for healthcare revenues globally. Our U.S. subsidiary, LifeGas, already enjoys a close business relationship with Lincare for several years. We are looking forward to welcoming the Lincare management and all employees to The Linde Group.”

“We are very pleased to make this announcement,” John P. Byrnes, CEO of Lincare, said, “the Lincare Board believes that being part of a world-class organization will afford the company benefits it would not be able to realize on its own. This transaction will benefit all of the stakeholders involved and we look forward to being part of the Linde Group.”

The Linde Group and Lincare have common roots: Lincare was originally known as Linde Homecare Medical Systems and had grown out of the Americas business of Linde at the beginning of the 20th century. Linde Homecare Medical Systems became a subsidiary of Union Carbide when it acquired Linde’s U.S. business in 1917. Today’s Lincare was carved out from Union Carbide in 1987.

By acquiring Lincare, Linde will double sales in its North American Gases Division and respectively regaining market strength.

Following the acquisition, Linde will generate annual sales of EUR 2.8 bn (pro-forma) from healthcare. With 11,000 employees, Lincare generated sales of EUR 1.5 bn and EBITDA of EUR 363 m in 2011. The company is the global leader in the respiratory homecare industry and serves approximately 800,000 patients. Respiratory homecare describes the treatment of patients with respiratory diseases outside of clinical facilities. It includes respiratory therapies, for example, oxygen therapies, sleep therapies and inhalation therapies. Linde’s homecare business sales were EUR 300 m in 2011.
The entire Linde healthcare segment, which also includes hospital care (supply of medical gases and services to hospitals), accounted for EUR 1.2 bn in sales in 2011. With the acquisition of Air Products’ continental European business in early 2012, Linde secured additional sales of EUR 210 m (2011) for its healthcare business.

The global healthcare industry has a size of about EUR 12 bn. Two-thirds of the healthcare industry is homecare, which is the fastest growing segment with a growth rate of approximately 6 percent per annum. With a size of more than EUR 4 bn, the U.S. is the largest healthcare region globally. As the industry leader, Lincare operates in virtually all U.S. states as well as Canada. At present, Linde Homecare covers the U.S. region only as a supplier to other home healthcare providers. As a result of the acquisition, Linde will be the only global gases company with a leading position in homecare globally as well as in the important U.S. and European regions.

The funding of the transaction will be done by an acquisition loan in the total amount of USD 4.5 bn and through available cash. The acquisition loan will be refinanced by equity issuances up to EUR 1.5 bn and debt capital market transactions. The Linde Group is committed to maintaining its current credit ratings (A/A3).

Completion of the offer is subject to customary conditions, including the expiration of the waiting period provided by U.S. antitrust laws and the tender of at least a majority of Lincare’s outstanding shares of common stock. Closing is expected for the third quarter of 2012.
The Linde Group is a world-leading gases and engineering company with around 50,500 employees in more than 100 countries worldwide. In the 2011 financial year, it generated revenue of EUR 13.787 bn. The strategy of The Linde Group is geared towards long-term profitable growth and focuses on the expansion of its international business with forward-looking products and services. Linde acts responsibly towards its shareholders, business partners, employees, society and the environment – in every one of its business areas, regions and locations across the globe. The Group is committed to technologies and products that unite the goals of customer value and sustainable development.


**Conference Calls:**
On the occasion of the announcement of the offer for Lincare, Linde will host conference calls in English for journalists and capital markets representatives on 2 July 2012. The participating Executive Board members are Prof. Dr.-Ing. Wolfgang Reitzle, CEO of Linde AG and Georg Denoke, CFO of Linde AG. Further details and dial-in numbers will be published promptly on our website www.linde.com.

**For further Information:**

<table>
<thead>
<tr>
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<td>Phone: +49.89.35757-1320</td>
<td>Phone: +1 (727) 530-7700</td>
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This release contains forward-looking statements about Linde AG ("Linde") and Lincare Holdings Inc. ("Lincare") and their respective subsidiaries and businesses. These include, without limitation, those concerning the strategy of an integrated group, future growth potential of markets and products, profitability in specific areas, the future product portfolio, development of and competition in economies and markets of the group.

These forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are outside of Linde’s and Lincare’s control, are difficult to predict and may cause actual results to differ significantly from any future results expressed or implied in the forward-looking statements in this release.

While Linde and Lincare respectively believe that the assumptions made and the expectations reflected in this release are reasonable, no assurance can be given that such assumptions or expectations will prove to have been correct and no guarantee of whatsoever nature is assumed in this respect. The uncertainties include, inter alia, the risk of a change in general economic conditions and government and regulatory actions. These known, unknown and uncertain factors are not exhaustive, and other factors, whether known, unknown or unpredictable, could cause the group’s actual results or ratings to differ materially from those assumed hereinafter. Linde and Lincare undertake no obligation to update or revise the forward-looking statements in this release whether as a result of new information, future events or otherwise.
Proposed acquisition of Lincare Holdings Inc.

Creating a global leading healthcare provider.

02 July, 2012
Announcement Conference Call
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Proposed acquisition of Lincare Holdings Inc.
Creating a global leading healthcare service provider

Benefiting from the mega-trend Healthcare
- Growth Drivers: ageing and growing population as well as continuously improving diagnostics and treatments
- Increasing share of revenues from resilient healthcare business
- Strong growth segment in mature regions

Increased share of revenues from gases business and higher exposure to North America
- Group share of revenues from Gases Division increases to 82 percent
- Revenues in North America up from €1.7 bn to €3.1 bn
- Increasing net asset base in North America
Proposed acquisition of Lincare Holdings Inc.
Creating a global leading healthcare service provider

Forming the global leading healthcare service provider in the gases industry
- Lincare: the uncontested performance leader in US respiratory homecare
- Strong enhancement of existing healthcare position in the United States
- Lincare originates from Linde Homecare Medical Systems and became part of Union Carbide in 1917

Value creation and financial impact
- Transaction expected to be immediately accretive to earnings
- Enhancing profitability in the reporting segment AMERICAS
- Acquisition financed initially via fully underwritten term loan to be syndicated to a wider banking group shortly afterwards and cash
- Take-out measures include debt and new equity
- Rating expected to remain unchanged at A* and respectively A3**
- Guidance for dynamic indebtedness factor of up to 2.5x remains unchanged

* longterm S&P   ** longterm Moody’s
# Agenda

1. **Group Strategy & Mega-trend Healthcare**

2. **Overview Lincare & Acquisition Rationale**

3. **Value Creation & Financial Impact**

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**Appendix**
### Mega-trends
Drivers for future growth

<table>
<thead>
<tr>
<th>Growth Markets</th>
<th>Energy/Environment</th>
<th>Healthcare</th>
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<tbody>
<tr>
<td><img src="image1.png" alt="Growth Markets Image" /></td>
<td><img src="image2.png" alt="Energy/Environment Image" /></td>
<td><img src="image3.png" alt="Healthcare Image" /></td>
</tr>
</tbody>
</table>
Mega-trend Growth Markets
Industrial gases revenues 2011 vs. 2020 in € bn

Source: Linde, figures excl. Japan, equipment, healthcare and major impact out of future growth markets of the energy/environment sector
Mega-trend Healthcare
Fostering growth in Mature Regions

Resilient business profile
- Ageing population in mature countries and increasing wealth in emerging countries
- Budget pressure in healthcare systems and move to homecare
- Value creation by cost efficient, reliable and safe products and services

Relevant Healthcare growth areas 2011 vs. 2020 in € bn

Linde Healthcare yoy comparable sales growth

Source: Linde, figures incl. gas therapies and intermediate care
Mega-trend Healthcare
Ageing population & increasing service duration in the US

The average oxygen patient is 75 years of age

2030: 19% of the population older than 65 years of age
U.S. Population Trends and Projections for age 65+, 1980-2030 * in millions

First Baby-Boomers turn 65 years old
First Baby-Boomers turn 75 years old

1980 2010 2020 2030
25 40 55 72

Increasing service duration supports structural growth
Service Duration Oxygen in months

2000 2005 2011
21.9 28.4 34.0

* Years 2010 through 2030 are projections
Source: U.S. Department of Commerce, Bureau of the Census

Source: Lincare conference presentation
Mega-trend Healthcare
Homecare is the patients´, payors´ and hospitals´ choice

Patients
Increased quality of life at home and enabling patients to lead a more active lifestyle beneficial to overall health status.

Payors
Given the rapid growth of healthcare expenditures, adequate care at home can prevent re-hospitalizations of chronically ill patients and lead to significant savings in the healthcare budgets.

Hospitals
Helping the hospitals to focus on acute patients and shifting the care for chronically ill patients to homecare.
Chronic respiratory diseases, patients need oxygen (COPD, Asthma)

Products: LOX, GOX and Concentrators

Services: Home delivery, assessment and rehab centers

Obstructive Sleep Apnea, patients need positive air pressure during sleep

Products: Positive Airway Pressure Devices, Masks

Services: Screening, Diagnostics, Home delivery, Therapy, Adherence monitoring

Advanced respiratory diseases, patients need mechanical ventilation support

Products: Mechanical Ventilators, Equipment

Services: Home delivery, Care Centers (REMEO), Tele-monitoring

Synergies: sales & marketing, logistics, integrated patient management, care center, adherence programme, technology development
Agenda

1. Group Strategy & Mega-trend Healthcare

2. Overview Lincare & Acquisition Rationale

3. Value Creation & Financial Impact

Appendix
Lincare Holdings Inc.
Overview - the performance leader in the industry

Leading player in the US
- 2011: USD 1.8 bn sales and USD 454 m EBITDA
- Leading provider in the highly fragmented US industry
- Pure play in respiratory: ~90% of sales
- 28% of 2011 share of industry revenues
- National platform offers full US coverage
- Scale and efficiency advantages

Established brand with strong reputation
- High-quality products and services for patients and providers
- Top-class billing processes and IT-systems
- Strong sales force with superior relationships to referral sources

Best-in-class sales growth track record
- CAGR in 2002-2011 of 7.5%
- Managing price cuts through customer gains
- Disciplined industry consolidator utilizing strong cash flow

- 1,091 locations
- More than 800,000 patients
- 35 Billing/Collections Offices
- 31 Pharmacies
- 11,000 Employees
- 1,320 in Billing/Collections
- 1,166 in Sales

Lincare Holdings Inc.
Overview - the performance leader in the industry

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- 31 Pharmacies
- 11,000 Employees
- 1,320 in Billing/Collections
- 1,166 in Sales
Lincare Holdings Inc.
Industry leader with balanced business & payor mix

### Leading Industry Position

<table>
<thead>
<tr>
<th></th>
<th>1998</th>
<th>2011</th>
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<tbody>
<tr>
<td>Lincare</td>
<td>61%</td>
<td>11%</td>
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<tr>
<td>Apria</td>
<td>13%</td>
<td>28%</td>
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<tr>
<td>Rotech</td>
<td>9%</td>
<td>18%</td>
</tr>
<tr>
<td>AHOM</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>local players</td>
<td>61%</td>
<td>43%</td>
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### Business Mix

<table>
<thead>
<tr>
<th>Service</th>
<th>2011</th>
</tr>
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<tbody>
<tr>
<td>Oxygen</td>
<td>50%</td>
</tr>
<tr>
<td>Specialty Services</td>
<td>22%</td>
</tr>
<tr>
<td>Sleep Apnea</td>
<td>17%</td>
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<tr>
<td>Infusion/Enteral</td>
<td>6%</td>
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<tr>
<td>Other</td>
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### Payor Mix

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<th>Payor</th>
<th>2011</th>
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<tbody>
<tr>
<td>Medicare</td>
<td>49%</td>
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<tr>
<td>Medicaid</td>
<td>12%</td>
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<tr>
<td>Private Insurance</td>
<td>32%</td>
</tr>
<tr>
<td>Direct</td>
<td>7%</td>
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Source: Lincare investor presentation
Lincare Holdings Inc.  
The performance leader

- Lincare has a strong, experienced and high performing team
- Executing a highly efficient business model
- Driving superior operational and financial performance
- Capex/Sales ratio of around 7%

### Operating margin*  
(EBITDA)

<table>
<thead>
<tr>
<th>Company</th>
<th>Operating Margin</th>
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<tbody>
<tr>
<td>Lincare</td>
<td>24.6%</td>
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<tr>
<td>Apria</td>
<td>11.9%</td>
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<tr>
<td>Rotech</td>
<td>22.2%</td>
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### Cash flow generation*  
(FCF/Sales)

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<tr>
<th>Company</th>
<th>Cash Flow Generation</th>
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<tbody>
<tr>
<td>Lincare</td>
<td>9.9%</td>
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<tr>
<td>Apria</td>
<td>-2.7%</td>
</tr>
<tr>
<td>Rotech</td>
<td>-2.8%</td>
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*2011 figures; Free Cash Flow (FCF) is calculated as cash flow from operations less maintenance capex.
Lincare Holdings Inc.
In the driver’s seat of a consolidating industry

**Home oxygen a small fraction of US Medicare spend**

<table>
<thead>
<tr>
<th>Medicare spending ($ bn, 2010)</th>
<th>Projected spending, 10-yrs-scale*</th>
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</thead>
<tbody>
<tr>
<td>514</td>
<td>10</td>
</tr>
<tr>
<td>Durable Medical Equipment</td>
<td></td>
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<tr>
<td>21.0%</td>
<td></td>
</tr>
<tr>
<td>Home Oxygen</td>
<td></td>
</tr>
<tr>
<td>1.8%</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
<tr>
<td>79.0%</td>
<td></td>
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</table>

Source: 2010 figures from June 2011 MedPac Data Book, United States General Accountability Office

**Fast growth in homecare**

<table>
<thead>
<tr>
<th>US Healthcare</th>
<th>US Homecare</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.9%</td>
<td>7.4%</td>
</tr>
</tbody>
</table>

**Lincare in a pole position**

*US homecare oxygen supply is highly fragmented*
- Large number of players
- Intention to reduce cost while safeguarding patient services
- Competitive bidding in 3 waves (2009/2013/2016)

*Lincare ideally positioned to shape the future of the industry*
- Industry leader and proven track record in reach, efficiency and competence
- Leveraging scale
- Expanding into new businesses

*Centers for Medicare and Medicaid Services (CMS)*
Acquisition Rationale
Relative gain in North America & more balanced mix in Gases

Sales FY2011

Sales split Group

Linde standalone

Engineering

20%

20%

80%

Gases

€14.0 bn

Pro forma Linde & Lincare

Engineering

18%

18%

82%

Gases

€15.5 bn

Product area split

Gases Division

Bulk Healthcare

Engineering

21%

21%

23%

23%

Tonnage Cylinder

40%

40%

Healthcare

24%

24%

Bul

Small

Regional split

Gases Division

North America South America

€11.3 bn

APAC EMEA

€11.3 bn

€12.8 bn

82%

82%

82%

82%

12%

12%

12%

12%

6%

6%

6%

6%

15%

15%

15%

15%

27%

27%

27%

27%

52%

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52%

EMEA EMEA

EMEA EMEA

EMEA EMEA

EMEA EMEA

Engineering

82%

82%

82%

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Engineering

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Engineering

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Engineering

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82%

82%
Acquisition Rationale
Geographic expansion into US homecare industry

North America is the largest homecare segment

Global homecare industry sales split 2011 by region

(1) Respiratory

Medicare Home Oxygen Patient Growth (US) p.a.

COPD (1) is a rising incidence -16 million Americans are diagnosed and it is estimated that an equal amount remains undiagnosed (2)

Source: Linde

(1) Chronic Obstructive Pulmonary Disease  (2) Assumes 53% of people with COPD are undiagnosed, per Frost & Sullivan
Acquisition Rationale

… does not mean reduced firepower in the other growth trends

Strong opportunity pipeline
- High percentage of opportunities in Growth Markets
- Increasing number of Energy/Environment projects

Very strong project pipeline
Project amount by on-stream date (incl. JVs) in € m

Continued full commitment to the mega-trends
Growth Markets and Energy/Environment

Availability of resources to enable envisaged growth in all mega-trends
Agenda

1. Group Strategy & Mega-trend Healthcare
2. Overview Lincare & Acquisition Rationale
3. Value Creation & Financial Impact

Appendix
Value Creation
Pro forma sales and EBITDA effects

**Pro forma Group sales 2011***
in € billion

<table>
<thead>
<tr>
<th></th>
<th>Linde</th>
<th>Lincare</th>
<th>Pro-forma</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ billion</td>
<td>14.0</td>
<td>1.5</td>
<td>15.5</td>
</tr>
</tbody>
</table>

**Pro forma Group EBITDA 2011/margin***
in € billion

<table>
<thead>
<tr>
<th></th>
<th>Linde</th>
<th>Lincare</th>
<th>Pro-forma</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ billion</td>
<td>3.3</td>
<td>0.4</td>
<td>3.7</td>
</tr>
</tbody>
</table>

* Lincare included with 1.25 €/$, Acquisition of Air Products Continental European Homecare business included in Linde with the corresponding 2011 Air Products business year revenues

**Pro forma Healthcare sales 2011***
in € billion

<table>
<thead>
<tr>
<th></th>
<th>Linde</th>
<th>Lincare</th>
<th>Pro-forma</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ billion</td>
<td>1.4</td>
<td>1.5</td>
<td>2.9</td>
</tr>
</tbody>
</table>

**Pro forma AMERICAS sales 2011/margin***
in € billion

<table>
<thead>
<tr>
<th></th>
<th>Linde</th>
<th>Lincare</th>
<th>Pro-forma</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ billion</td>
<td>2.4</td>
<td>1.5</td>
<td>3.9</td>
</tr>
</tbody>
</table>

margin +10 bp compared with Linde FY2011
margin +80 bp compared with Linde FY2011
Value Creation
Complementary set-up in homecare

Linde
- € 0.5 bn sales*
- 500,000 patients
- #1 in South America
- #2 in Europe
- Limited footprint in North America
- Active in more than 20 countries

Core
- Oxygen therapy
- Sleep Apnea
- Ventilation services
- Extended
- Nutrition, infusion

Competencies
- Performance focus
- Strong background in hospital care & gas therapies
- Innovation pipeline

Revenue & Cost synergies

Lincare
- € 1.5 bn sales**
- 800,000 patients
- Industry leader in US

Core
- Oxygen therapy
- Sleep Apnea
- Nutrition, Infusion, other homecare services
- Extended
- Pulmonary rehab, specialty services

Competencies
- Performance focus
- Operational excellence
- Acquisition integration
- Competitive bidding

* 2011 with the acquisition of Air Products Continental European Homecare business included (2011 Air Products business year revenues).
** 2011 with 1.25 €/$.
Value Creation
Expected revenue and cost synergies

Cost synergies and cash savings of ~ 15 million Euro

Expected revenue synergies of ~ 25 million Euro

Resulting from
- Lincare platform and Linde global homecare footprint
- Faster roll-out of new care concepts from and to Lincare

Categories of synergies
- Productivity
- SG&A
- Procurement

Ramp up time
- Year 1
- Year 2
- ~15 M€

Ramp up time of 3 – 5 years, 60% within 3 years
## Financial Impact
### Transaction highlights

| Transaction | Acquisition of all shares of Lincare Holdings Inc. by way of a tender offer followed by a merger  
|             | Transaction recommended by Lincare board of directors |
| Conditions  | Regulatory approvals  
|             | Minimum majority acceptance |
| Offer price | USD 41.50 per share in cash |
| Size of transaction | Equity value: USD 3.8 bn  
|                   | Enterprise value: USD 4.6 bn |
| Transaction multiples | 10.0 x Q1 2012 LTM Enterprise Value/ EBITDA pre synergies |
| Financing     | Transaction initially financed through fully underwritten debt and cash followed by new equity and capital markets debt take-out measures  
|             | Linde’s financial policy with net debt/EBITDA target range of up to 2.5x maintained pro forma for the transaction  
|             | Linde is committed to maintaining its existing A / A3 credit ratings |
| Timing       | Expected launch of tender offer within the next two weeks  
|             | Expected closing of subsequent merger in the Q3 2012 |
Financial Impact
Secured transaction financing of USD 4.6 bn

- It is expected that long-term ratings remain unchanged (S&P: A / Moody’s: A3)
- Timing of take-out measures (debt capital markets, equity increase) will depend on the timeline of the envisaged transaction and on prevailing market conditions
- Equity component expected to be up to € 1.5 bn

Funds will initially be provided in the form of a syndicated term loan and cash

<table>
<thead>
<tr>
<th>Uses</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Price</td>
<td>3.8</td>
</tr>
<tr>
<td>Debt Refinancing</td>
<td>0.8</td>
</tr>
<tr>
<td></td>
<td>0.1</td>
</tr>
<tr>
<td></td>
<td>1.0</td>
</tr>
<tr>
<td></td>
<td>1.0</td>
</tr>
<tr>
<td></td>
<td>2.5</td>
</tr>
<tr>
<td></td>
<td>1yr + 6 mth + 6 mth bridge financing</td>
</tr>
<tr>
<td></td>
<td>3yr term loan</td>
</tr>
<tr>
<td></td>
<td>3 +1 + 1 yr term loan</td>
</tr>
<tr>
<td></td>
<td>Cash</td>
</tr>
</tbody>
</table>

USD 4.6 bn Sources

- USD & EUR bond market
- Equity offering to the market
## Financial Impact

**Profitable Growth.**

*please see definitions on page 38

### Financial Impact

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EPS</strong></td>
<td>Proposed acquisition would be accretive to earnings based on equity raise of up to € 1.5 bn</td>
</tr>
<tr>
<td><strong>Pro forma EBITDA-margin</strong></td>
<td>Pro forma Group margin up by 10bp compared to Linde 2011</td>
</tr>
<tr>
<td></td>
<td>Pro forma AMERICAS margin up by 80bp compared to Linde 2011</td>
</tr>
</tbody>
</table>

### 2014 Mid-term Targets

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><em><em>Adjusted</em> ROCE of 14% or above expected in 2015</em>*</td>
<td></td>
</tr>
<tr>
<td><strong>Operating profit of at least € 4 bn expected one year earlier in 2013</strong></td>
<td></td>
</tr>
</tbody>
</table>

*please see definitions on page 38
Agenda

1. Group Strategy & Mega-trend Healthcare
2. Overview Lincare & Acquisition Rationale
3. Value Creation & Financial Impact

Appendix
Linde Healthcare business

- Established as strategic product area Healthcare within the Gases Division in 2000
- Accounted for 11% of Gases sales in 2011 and a strong contribution to operating profits
- Linde is the global leader in Hospital Care
- Linde Homecare has a 12% CAGR (2003-2011) with a strong footprint in South America and Europe
- In 2012 Linde acquired the Continental European Homecare business of Air Products

Linde Healthcare, global sales split in € m

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homecare</td>
<td>849</td>
<td>889</td>
</tr>
<tr>
<td>Hospital Care</td>
<td>283</td>
<td>300</td>
</tr>
</tbody>
</table>

* excluding the acquisition of the Continental European homecare business of Air Products
Mega-trend Healthcare
From medical gas provider to solutions & service provider

Development of new therapies and applications

Homecare
- Home oxygen therapies
- Ventilation services
- Sleep therapies
- Other service

Intermediate Care
- Patient centered care
- REMEO: treatment and care of chronic patients with mechanical ventilation needs

Gas Therapies
- Pulmonary hypertension & cardio-thoracic surgery
- Oxygen & Heliox therapies
- Pain relief

Hospital Care
- Bulk supply and technical assistance
- Logistics and installation
- Customer Service
- Hospital & medical gas services

Integrated service provider
**INR Monitoring**
- Home testing for patients on anti-coagulant therapy
- Measures patient’s INR at home on a weekly basis

**Pulmonary Rehabilitation**
- Multi-dimensional outpatient program
- Directed to clinical management and health maintenance of patients with chronic respiratory diseases

**Specialty Pharmacy**
- Specialty pharmaceuticals dispensed and delivered by mail directly to patients and physicians
- Service US-wide
- Growing number of specialty areas
- Asthma, rheumatoid arthritis, multiple sclerosis, oncology, among others

Source: Lincare
Lincare Holdings Inc.
A charming appeal to our common history

Linde in the US

– The Linde Group and Lincare have common roots.
– In 1906, Carl von Linde decided to found his own company in the US.
– Hugo Reisinger, a member of the Busch family, was one of the founding partners.
– Lincare was originally known as Linde Homecare Medical Systems and had grown out of the American business of Linde.
– Linde Homecare Medical Systems became a subsidiary of Union Carbide when it acquired Linde’s U.S. business in 1917.
– Today’s Lincare was carved out from Union Carbide in 1987.

Prof. Dr Carl von Linde
- CB1 has been executed
- CB2 is scheduled to begin July 1, 2013
- Lincare revenue exposure to CB2 has been assessed and taken into account
- Medicare has improved the competitive bidding process by enhancing supplier eligibility standards
- Experience from CB1 indicates price reductions, but volume increase for successful bidders and further industry consolidation

### Timeline of Key Events

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 '99</td>
<td>CB1 60-day, bid submission period</td>
</tr>
<tr>
<td>Q3 '10</td>
<td>CB1 pricing announced</td>
</tr>
<tr>
<td>Q2 '10</td>
<td>CB1 contract winners announced</td>
</tr>
<tr>
<td>Q1 '11</td>
<td>CB1 begins on January 1, 2011</td>
</tr>
<tr>
<td>Q2 '12</td>
<td>CB2 pricing to be announced</td>
</tr>
<tr>
<td>Q3 '12</td>
<td>CB2 contract winners to be announced</td>
</tr>
<tr>
<td>Q4 '12</td>
<td>CB2 begins on July 1, 2013</td>
</tr>
<tr>
<td>2013</td>
<td>CB3 begins January 1, 2013</td>
</tr>
</tbody>
</table>

### Lincare Competitive Bidding Revenue Exposure

#### 2011 Revenue Basis

- CB1 - 2011
  - 2011 Revenue $1,848
- CB2 - 2H 2013
  - 2011 Revenue $1,848
- CB3 - 2016

NB: DMEPOS = Durable Medical Equipment, Prosthetics, Orthotics and Supplies. CBA = Competitive Bidding Area
Lincare Holdings Inc.
Historical development of reimbursement changes

- Over the past 13 years, Lincare has been able to offset Medicare reimbursement reductions

- Even after the significant reimbursement reductions in 2005 and cuts in 2009 resulting in lower revenues, Lincare has recovered relatively quickly

- Lincare remains EBITDA margin leader with a widening performance gap relative to national and local competitors

### Operating Performance

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (m)</th>
<th>EBITDA (m)</th>
<th>EBITDA Margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>443</td>
<td>189</td>
<td>42.0</td>
</tr>
<tr>
<td>1998</td>
<td>467</td>
<td>186</td>
<td>39.4</td>
</tr>
<tr>
<td>1999</td>
<td>582</td>
<td>226</td>
<td>39.1</td>
</tr>
<tr>
<td>2000</td>
<td>702</td>
<td>273</td>
<td>38.9</td>
</tr>
<tr>
<td>2001</td>
<td>812</td>
<td>326</td>
<td>40.3</td>
</tr>
<tr>
<td>2002</td>
<td>961</td>
<td>385</td>
<td>40.2</td>
</tr>
<tr>
<td>2003</td>
<td>1,147</td>
<td>465</td>
<td>40.0</td>
</tr>
<tr>
<td>2004</td>
<td>1,269</td>
<td>544</td>
<td>42.9</td>
</tr>
<tr>
<td>2005</td>
<td>1,267</td>
<td>447</td>
<td>35.3</td>
</tr>
<tr>
<td>2006</td>
<td>1,410</td>
<td>449</td>
<td>32.4</td>
</tr>
<tr>
<td>2007</td>
<td>1,596</td>
<td>499</td>
<td>31.5</td>
</tr>
<tr>
<td>2008</td>
<td>1,665</td>
<td>516</td>
<td>30.7</td>
</tr>
<tr>
<td>2009</td>
<td>1,550</td>
<td>454</td>
<td>29.1</td>
</tr>
<tr>
<td>2010</td>
<td>1,669</td>
<td>451</td>
<td>27.2</td>
</tr>
<tr>
<td>2011</td>
<td>1,848</td>
<td>454</td>
<td>24.4</td>
</tr>
</tbody>
</table>

### Source
Lincare, Capital IQ as of 15 June 2012

1. Balanced Budget Act
2. Medicare Modernization Act
3. Deficit Reduction Act
- Despite significant reimbursement cuts, Lincare has generated strong historical sales growth, in particular via strong and steady organic growth
- Lincare generates strong and resilient cash flow from operations
- Lincare capex/sales ratio of approx. 7% is substantially below Linde’s gas business ratio of 13%

Reimbursement effects through price cuts were successfully mitigated, resulting in strong cash flow

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash Flow From Operations</th>
<th>Capex/ Sales Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>$288</td>
<td>7.1</td>
</tr>
<tr>
<td>2003</td>
<td>$371</td>
<td>6.6</td>
</tr>
<tr>
<td>2004</td>
<td>$419</td>
<td>7.1</td>
</tr>
<tr>
<td>2005</td>
<td>$370</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>$359</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>$406</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>$430</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>$351</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>$351</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>$315</td>
<td></td>
</tr>
</tbody>
</table>

* Cash flow from operations after interest, i.e. interest expense included in cash flow from operations rather than cash flow from financing
COPD is the only major disease with rising incidence - only 16 million Americans are diagnosed with COPD and it is estimated that 18 million remain undiagnosed.

COPD is the only major disease with rising incidence - only 16 million Americans are diagnosed with COPD and it is estimated that 18 million remain undiagnosed.

Approximately 13% of the 65+ population has COPD with younger age groups also being affected.

(1) Frost & Sullivan, U.S. Census Bureau, Centers for Disease Control and Prevention (CDC)
(2) Approximately 16MM patients diagnosed with COPD. Assumes 53% of people with COPD are undiagnosed, per Frost & Sullivan
OSA is prevalent in patients with a number of other co-morbidities and as a result, treating OSA may decrease the prevalence of these major illnesses.

(1) Wall Street research estimates
(2) Assumes 3.0% per year for total OSA patients
## Financial Impact

**Expected impact on key figures, Linde Group**

<table>
<thead>
<tr>
<th></th>
<th>€ bn*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goodwill Lincare</td>
<td>3.0 – 3.2</td>
</tr>
<tr>
<td>Equity increase</td>
<td>up to 1.5</td>
</tr>
<tr>
<td>Net debt (depends on equity increase)</td>
<td>approx. 2.2</td>
</tr>
<tr>
<td>Capital employed increase</td>
<td>3.7</td>
</tr>
<tr>
<td>Mid term gross debt interest rate (on total debt)</td>
<td>4.5%-4.75%</td>
</tr>
<tr>
<td>Mid term tax rate (starting 2013)</td>
<td>25% - 26%</td>
</tr>
</tbody>
</table>

* based on 1.25 €/USD
## Group, Definition of financial key figures

<table>
<thead>
<tr>
<th>Operating Profit</th>
<th>Return</th>
<th>EBITDA (incl. IFRIC 4 adjustment) excl. finance costs for pensions excl. special items incl. share of net income from associates and joint ventures</th>
</tr>
</thead>
<tbody>
<tr>
<td>adjusted ROCE</td>
<td>Return</td>
<td>Operating profit - depreciation / amortisation excl. depreciation/amortization from purchase price allocation</td>
</tr>
<tr>
<td>Average Capital Employed</td>
<td>equity (incl. minorities) + financial debt + liabilities from financial leases + net pension obligations - cash, cash equivalents and securities - receivables from financial leases</td>
<td></td>
</tr>
<tr>
<td>adjusted EPS</td>
<td>Return</td>
<td>earnings after tax and minority interests + depreciation/amortization from purchase price allocation +/- special items</td>
</tr>
<tr>
<td>Shares</td>
<td></td>
<td>average outstanding shares</td>
</tr>
</tbody>
</table>
Contact
Phone: +49 89 357 57 1321
eMail: investorrelations@linde.com

Financial Calendar
– Interim Report January to June: 27 July 2012
– Interim Report January to September: 29 October 2012