Strategy for Success
Innovation, Integration and Improvement

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Forward Looking Statement

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Air Products At a Glance

- $9B in revenues across diverse markets and geographies
- Positioned for continued long-term value creation
Air Products Supply Modes

Stability and Profitable Growth

15-20 year Contracts
Limited Volume Risk
Energy Pass through

Onsite/Pipeline

Short-Term Contracts
Differentiated Positions

Equipment & Services

Sale of Equipment
PO Based

40% 27% 12% 21%

Onsite/Pipeline
Packaged Gases & Specialty Material
Equipment & Services
Liquid/Bulk
A Strategy for Success

Winning in energy, environmental and emerging Markets

Executing on innovation, integration and improvement Actions

Delivering on revenue, margin and return Goals

Generating Shareholder Value
Global Trends Drive Growth

Increasing Energy Demand
- Refining
- Gasification

Environmental Focus
- Refining
- Glass
- Coatings & Construction

Emerging Markets
- Metals
- Chemicals
- Food
- Electronics

Digital Revolution
- Semiconductor
- Display
Air Products Market Exposure 2010

IG Market $63 Billion

- Manufacturing: 39%
- Chemicals: 13%
- Electronics: 10%
- Energy: 9%
- Metals: 12%
- Healthcare: 8%
- Food: 9%

~9% Growth

APD $9 Billion

- Manufacturing: 23%
- Chemicals: 19%
- Energy: 23%
- Electronics: 15%
- Metals: 9%
- Healthcare: 7%
- Food: 4%

~10-11% Growth
### Air Products Advantage:
Profitable Joint Ventures with Leadership Positions

<table>
<thead>
<tr>
<th></th>
<th>Mexico</th>
<th>Italy</th>
<th>South Africa</th>
<th>India</th>
<th>Thailand</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image" alt="INFRA" /></td>
<td><img src="image" alt="SAPIO" /></td>
<td><img src="image" alt="AIR PRODUCTS" /></td>
<td><img src="image" alt="INOX AIR PRODUCTS LTD" /></td>
<td><img src="image" alt="BIG" /></td>
<td></td>
</tr>
<tr>
<td>Sales (100%)</td>
<td>$0.6B</td>
<td>$0.5B</td>
<td>$0.2B</td>
<td>$0.1B</td>
<td>$0.1B</td>
</tr>
<tr>
<td>AP Ownership</td>
<td>40%</td>
<td>49%</td>
<td>50%</td>
<td>50%</td>
<td>49%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY 2010</th>
<th>Air Products (as reported)</th>
<th>Equity Affiliates (100% basis)</th>
<th>Combined (AP +100% EA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales ($MM)</td>
<td>$9,026</td>
<td>$2,293</td>
<td>$11,319</td>
<td></td>
</tr>
<tr>
<td>Op Inc ($MM)</td>
<td>$1,485</td>
<td>$454</td>
<td>$1,940</td>
<td></td>
</tr>
<tr>
<td>Op Margin</td>
<td>16.5%</td>
<td>19.8%</td>
<td>17.1%</td>
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</tbody>
</table>

Partially owned JV’s create exposure to 25% more sales and 30% more op income

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**Notes:**
1) Please refer to financial statements for equity affiliate accounting. 2) Non-GAAP. If Air Products was to gain controlling financial interest and then consolidate, the results would be different than shown here.
# Accelerating Air Products Growth

<table>
<thead>
<tr>
<th>Growth Component</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Growth</td>
<td>9%</td>
</tr>
<tr>
<td>Air Products Market Position</td>
<td>1%-2%</td>
</tr>
<tr>
<td>Consolidation / M&amp;A</td>
<td>1%-2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>11-13%</strong></td>
</tr>
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</table>
Air Products Advantage: Hydrogen Leadership

Major Hydrogen Pipelines

- US Gulf Coast
- Southern California
- Edmonton, Alberta, Canada
- Sarnia, Ontario, Canada
- Rotterdam, Netherlands

#1 market share for over two decades
Hydrogen Geographies Are Expanding over the Next Decade...

Hydrogen Capacity (SOG plus Captive)

- **NAFTA**: 10 BSCFD (2010 = 23 BSCFD, 2020 = 32 BSCFD)
- **LASA**: 0 BSCFD
- **Europe**: 6 BSCFD
- **Middle East**: 4 BSCFD
- **Asia**: 2 BSCFD

Oppty = 10 BSCFD (new/replace/acquire)
Oxygen Growth driven by Asia over the Next Decade...

Oxygen Capacity (SOG plus captive)

- **2010 =** 1.2 M TPD
- **2020 =** 1.8 M TPD

Oppty = 0.9 M TPD (new/replace/acquire)

- **NAFTA**
- **LASA**
- **Europe**
- **Middle East**
- **Asia**
Strong global bid and project activity:

- **O₂**: LaPorte, TX
- **O₂**: Middletown, OH
- **O₂**: Granite City, IL
- **O₂**: PetroChina
  - Shaanxi, China
- **O₂**: ExxonMobil
  - Rotterdam, The Netherlands
- **O₂**: Xinghai Steel
  - Hebei, China
- **O₂**: PCEC
  - Shaanxi, China
- **O₂**: Arcelor Mittal
  - Gent, Belgium
- **N₂**: Samsung
  - Austin, TX
- **N₂**: Korea
  - Taiwan
- **N₂**: Korea
  - Taiwan

**H₂**:

- ExxonMobil
  - Rotterdam, The Netherlands
- PetroChina
  - Sichuan, China
- Detroit, MI
- USGC Pipeline Connection
  - Valero, TX & LA
  - Monsanto, Luling, LA
  - Shell TX & Motiva, LA

**Additional Active Bidding**: LASA, Middle East, India, C/E Europe
Electronics reported Revenue > $1Billion plus $0.3B in Merchant Services

- Specialty Gases & Chemicals
- Enabling Equipment
- Onsite Gas Supply
- Specialty Gases & Chemicals
- Liquid/Bulk

FY10 Overall Revenue

- Onsite Gas Supply: 47%
- Specialty Gases & Chemicals: 23%
- Enabling Equipment: 8%
- Liquid / Bulk: 22%
<table>
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<tr>
<th>Revenue Growth</th>
<th>Operating Margin</th>
<th>Return on Capital</th>
</tr>
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<tr>
<td>11%-13% per year</td>
<td>20%</td>
<td>15%</td>
</tr>
<tr>
<td>From $9B in 2010 to $15B+ in 2015</td>
<td>From 16.5% in 2010 to 20% in 2015</td>
<td>From 12.5% in 2010 to 15% in 2015</td>
</tr>
</tbody>
</table>
Roadmap to 20% Margin

![Diagram showing operating margin growth from 2011 to 2015 with contributions from productivity and growth.]

- **2011**: Operating Margin 17%
- **2015**: Operating Margin 20%
  - **Productivity**: 1%
  - **Growth**: 2%
Driving Returns Higher

15% Margin Improvement
0.5% Capital Turnover

2011: 13.5%
2015: 13.5%
Strong Growth Opportunities Drive Disciplined Investment

$13-14B Capital Spending - 2011 to 2015
Cash Priorities Remain Consistent

- Invest in the best return projects
- Maintain A bond rating
- Dividend increase each year
- Share repurchase with excess cash

29 years of dividend increase
by 2015

- $15+ Billion in Sales
- 20% Operating Margin
- 15% Return on Capital Employed