

Strategy for Success

Innovation, Integration, and Improvement

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Bank of America Merrill Lynch

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Forward looking statement

Note: This presentation contains "forward-looking statements" within the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including statements about earnings guidance and business outlook. These forward-looking statements are based on management's reasonable expectations and assumptions as of the date of this release. Actual performance and financial results may differ materially from projections and estimates expressed in the forward-looking statements because of many factors not anticipated by management, including, without limitation, weakening or reversal of global or regional economic recovery; future financial and operating performance of major customers; unanticipated contract terminations or customer cancellations or postponement of projects and sales; the impact of competitive products and pricing; interruption in ordinary sources of supply of raw materials; unanticipated asset impairments or losses; the impact of price fluctuations in natural gas; the ability to recover unanticipated increased energy and raw material costs from customers; costs and outcomes of litigation or regulatory investigations; the impact of management and organizational changes, including the chief executive officer search; the success of productivity programs; the timing, impact, and other uncertainties of future acquisitions or divestitures; significant fluctuations in interest rates and foreign currencies from that currently anticipated; political risks, including the risks of unanticipated government actions that may result in project delays, cancellations or expropriations; the impact of changes in environmental, tax or other legislation and regulations in jurisdictions in which the Company and its affiliates operate; the impact on the effective tax rate of changes in the mix of earnings among our U.S. and international operations; and other risk factors described in the Company's Form 10K for its fiscal year ended September 30, 2012. The Company disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in this document to reflect any change in the Company's assumptions, beliefs or expectations or any change in events, conditions, or circumstances upon which any such forward-looking statements are based.

All financial figures are FY13 unless noted otherwise

Who we are

We have built a global portfolio with market leading positions in diverse end markets \$10+ billion in sales

- Established leading positions across varied high growth and critical end markets
- Great growth opportunities in Energy, Environmental and Emerging markets
- Helping customers succeed by improving their productivity, efficiency, quality and environmental impact
- Targeting diverse offerings, geographies (50+ countries) and customers
- Plus leading Joint Venture positions in key growth markets around the world

“Built on innovation” – Early identification of new markets and trends

- Pioneered onsite business model
- Developed H₂ outsource model
- Recognized leader in the LNG market
- First entrant and established leader in electronics industry
- Leveraged onsite project development expertise to develop sustainable waste-to-energy solutions

Consistent and predictable cash flows

- Long-term contracts and diversified customer base
- Pricing to recover raw material cost increases
- Relentless focus on productivity minimizes impact of cost inflation
- Prudent capital structure with strong balance sheet



Committed to delivering shareholder value

Air Products has built an industry leading, global platform for future growth

- \$3.5 billion project backlog is 85% onsite with long-term, secure take-or-pay contracts
- Established leadership positions in key high growth end markets, including joint ventures
- Active portfolio management targeting most attractive regions and businesses

Management continues to be focused on executing key initiatives that deliver shareholder value

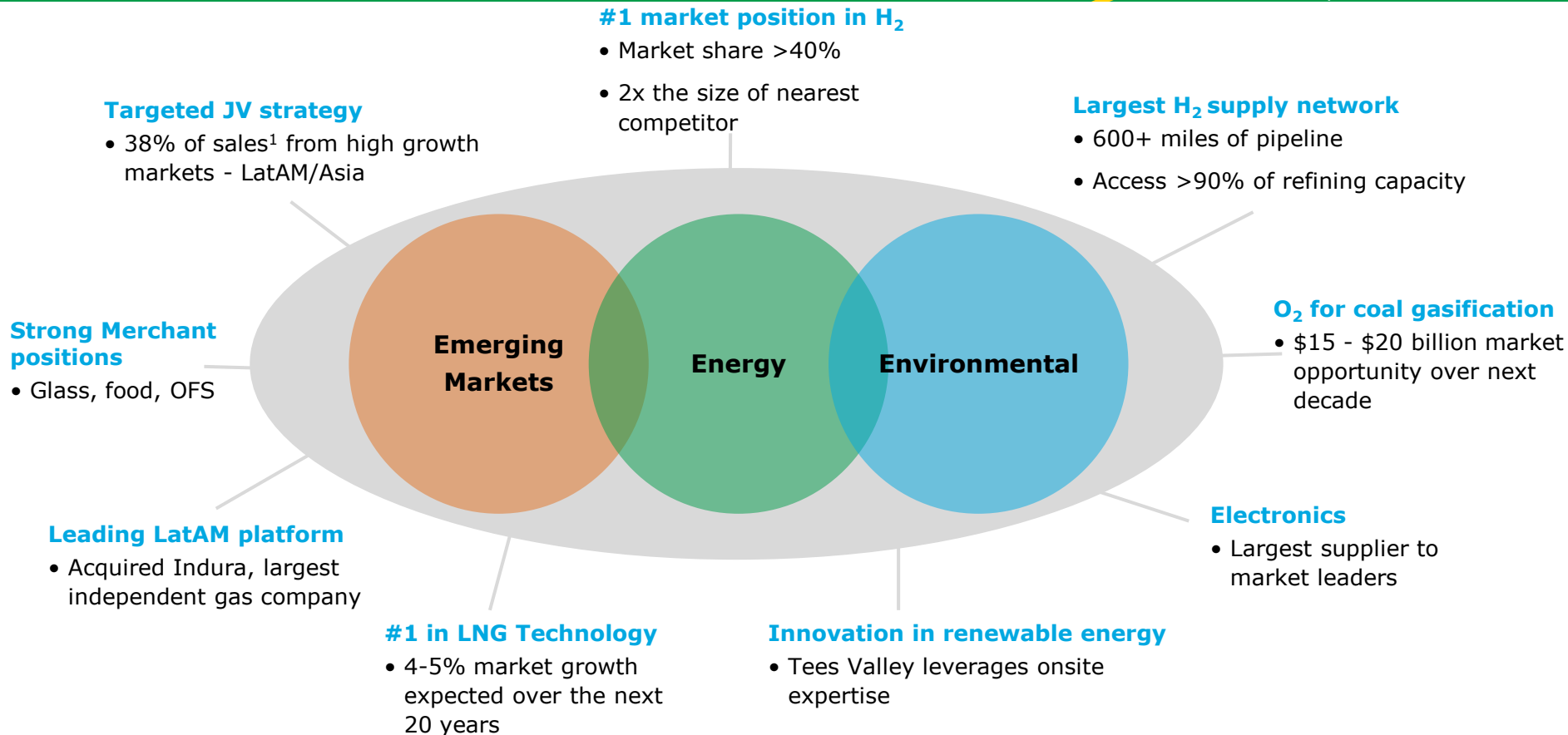
- Delivering on industry leading backlog
- Driving profitable growth by loading existing assets
- Continued strong alignment of management incentives to key financial metrics (EPS growth and ROCE)

We are highly confident in our approach, and expect to continue to reward shareholders with increased profitability and return of capital, while maintaining a prudent financial structure

- Our ongoing business plan provides tangible opportunities to deliver significant growth
- Significant cash flow driven by disciplined, return-focused investment

Strong history of returning capital to shareholders: ~\$4.5 billion over last six years

Our target markets have high growth potential



Helping customers succeed by improving their productivity, efficiency, quality and environmental impact

Notes: 1) With 100% JVs

Air Products supply modes

Stability and profitable growth



41%

21%

30%

8%

Onsite/Pipeline

15-20 year contracts
Limited volume risk
Energy pass through

Liquid Bulk

3-5 year contracts
Cost recovery

Package Gases & Specialty Materials







Short-term contracts
Differentiated positions

Equipment & Services

Sale of equipment
PO based

Industry leading onsite exposure

Profitable joint ventures with leadership positions

	Mexico	Italy	South Africa	Saudi Arabia	India	Thailand
						
Sales (\$B, 100%)	\$0.9	\$0.6	\$0.2	\$0.15	\$0.15	\$0.15
AP Ownership	40%	49%	50%	25%	50%	49%

FY 2013	Air Products (as reported)	Equity Affiliates ¹ (100% basis)	Combined ² (AP +100% EA)
Sales (\$B)	\$10.2	\$2.8	\$13.0
Op Inc (\$B)	\$1.6	\$0.5	\$2.1
Op Margin	15.4%	19.2%	16.2%

Partially owned JV's create exposure to 28% more sales and 35% more op income

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

Our onsite business delivers secure and predictable cash flow

- Represented 41% of revenue in 2013
 - Highly stable, core utility within customer plants
- 15-20 year take-or-pay contracts
 - Attractive returns on capital
 - Limited energy or volume risk
 - 2-3 year project execution
- #1 in global onsite H₂ used for refining heavy crude and reducing sulfur content
 - Strong growth profile (~7% market CAGR)
- The world's largest H₂ pipeline (~675 miles)
 - We supply 90% of refineries on the U.S. Gulf Coast
- Developing a leading position in China O₂ market
 - When complete, will be the largest supplier of O₂ (~7% market CAGR) for use in coal gasification
- Investment location driven by market opportunities and risk-adjusted return

Leading Global Footprint in Onsite Business

- 13 major on-site projects currently under construction
- 85% of total backlog



World Class H₂ Pipeline

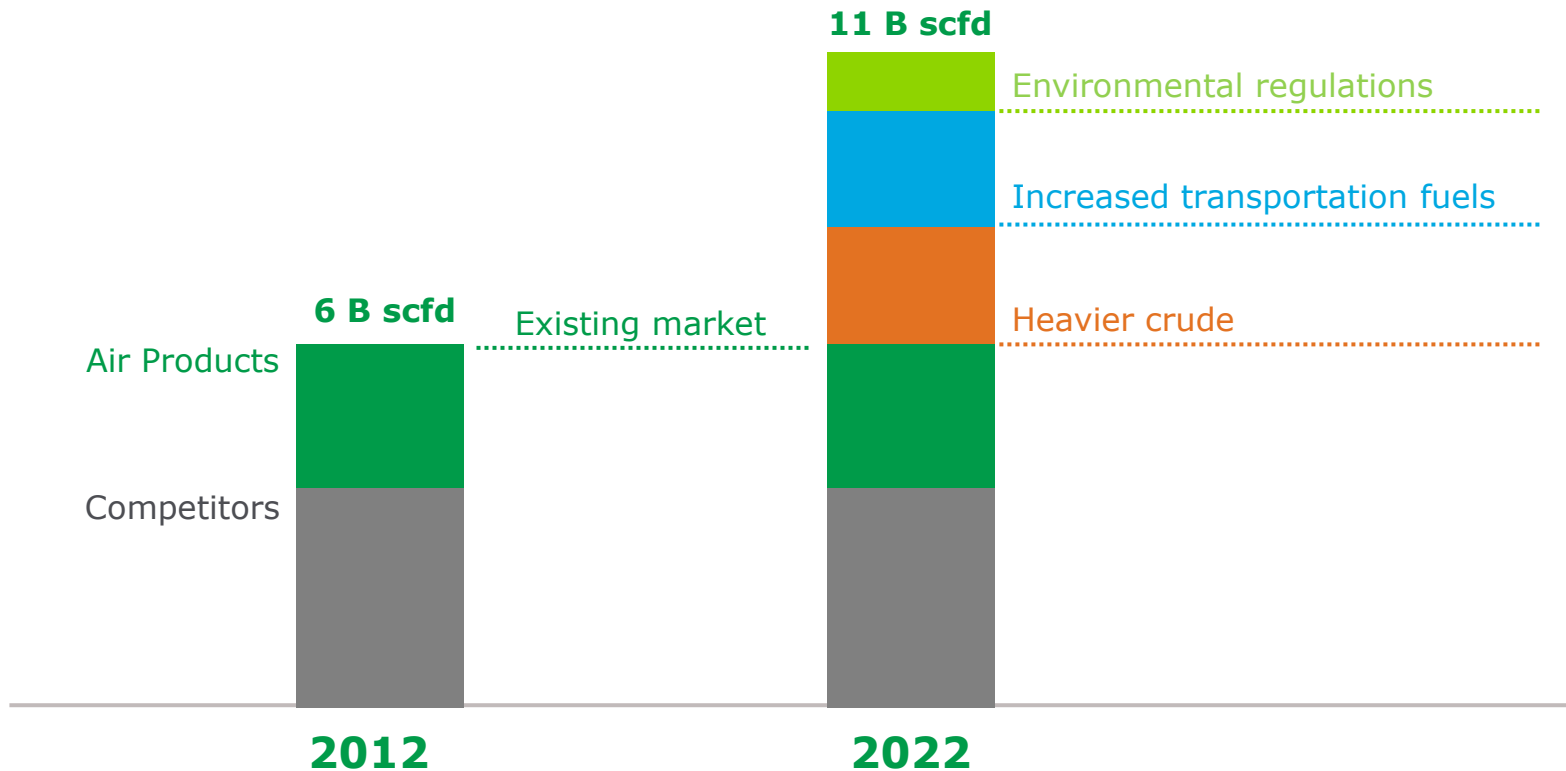


Attractive, secure earnings regardless of economic environment

#1 leadership in global on-site H₂

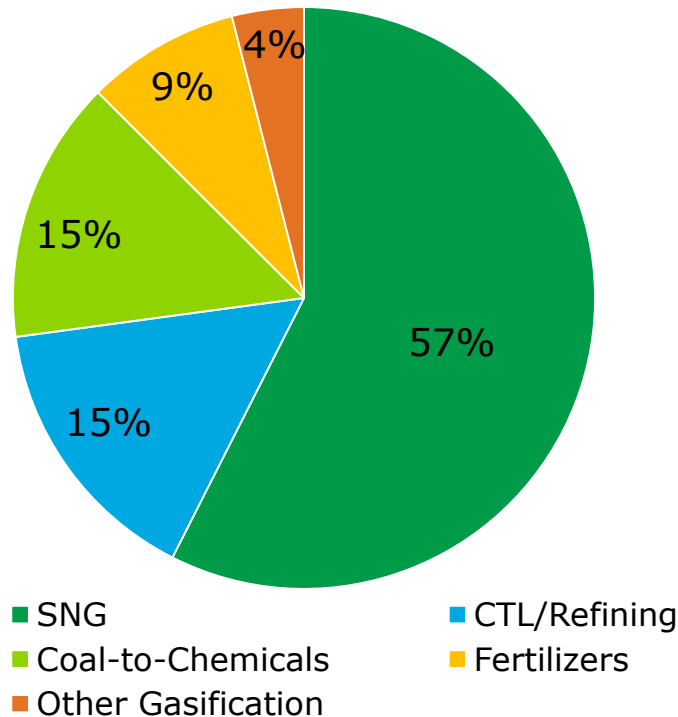
Maintained 40% share over 20 years

Significant future growth



Oxygen for coal gasification in China

High growth market over the next ten years



- China goals
 - Energy independence
 - Utilize domestic resources
 - Environmental improvement
- Low coal price vs. Oil and NG
- Outsource model
- Diverse end markets

China represents almost 70% of the global oxygen market of 1 million TPD or \$25 billion investment

Energy from waste—Tees Valley UK

- Strategic drivers for EfW business
 - Innovative growth opportunity
 - Onsite business model
 - Proven competencies
- TV1
 - On budget and on schedule for early FY15 startup
- TV2
 - Duplicate of TV1 at adjacent site
 - Project execution and operational synergies
 - Significant capital and operating savings drives improved profitability
 - Early CY 2016 startup enables maximum synergies and optimized ROC's
 - Key Partners – UK Cabinet Office purchase power, others same as TV1
- Combined Projects
 - Gasify 700,000 TPY of waste to generate 100MW of power
 - ~\$950MM capital, \$0.25 - \$0.30 EPS when fully on-stream



Innovation in LNG

Reshape markets and serve emerging needs

- Full range of process options: from peak-shavers to mega-trains
- Technology of choice for emerging floating LNG market
- Recent wins in China, Malaysia and US, solid backlog, strong bidding activity



World's leading provider of patented LNG technology and equipment

Merchant Business Driving improvement

- Load existing assets
 - Commercial technology applications
 - Targeted sales resources
- Leverage new price opportunities
- Benefits from restructuring
- Improve helium supply
 - Wyoming
 - Colorado
 - New Projects
- Strategic Positions
 - Indura
 - EPCO



Electronics

Reported revenue \$1.2 billion plus \$0.3B in merchant



29%

**Onsite Gas
Supply**

18%

**Liquid
Bulk**

11%

**Delivery
Systems**

22%




**Process
Materials**

20%

**Advanced
Materials**

- Focus on key customers and segments
- Stability and profitable growth

Our Industry Leading Electronics Portfolio

	Integrated Onsite, Bulk Gases and Service Solutions	Process Materials and Delivery Systems	Advanced Materials and Delivery Systems
Markets	 <p>Semiconductor, Integrated Chip Fabrication Advanced Displays</p>	 <p>Semiconductor, Integrated Chip Fabrication Advanced Displays</p>	 <p>Semiconductor, Integrated Chip Fabrication</p>
Solutions	<p>High Purity Onsite / Bulk Gases Semi Fab Services</p>	<p>Deposition Materials Clean & Etch Gases Dopants and Laser Gases Gas Delivery Systems</p>	<p>Planarization Solutions Surface Prep & Clean Solutions Advanced Deposition Solutions Chemical Delivery Systems</p>
Leadership	<p>#1 market leader in Onsite and Bulk gases</p>	<p>#1 market leader in metallization gases #2 market leader in chamber cleaning gases</p>	<p>#1 market leader in CMP consumables, cleans, dielectric materials and organometallics precursors</p>
Products	<p>Nitrogen, Oxygen, Hydrogen, Argon, Helium</p>	<p>NF_3, WF_6, N_2O, $UHPNH_3$, Arsine, Phosphine</p>	<p>CMP slurries, post CMP cleans, organosilanes, organometallics, clean and etch</p>

Performance materials

Growth through differentiation

- \$1 Billion sales
- 4 major product lines



Polyurethane additives



Epoxy curing agents



Specialty surfactants



Functional additives

- Focused on bringing differentiated performance to our customers' products, helping drive productivity, quality and environmental benefit
- Low competitive intensity, niche markets, growing at multiples of GDP; substantial emerging market opportunities
- #1 or #2 positions in targeted markets

Rigorous and disciplined approach to capital management...

Risk Analysis

- Investments are made following a detailed quantitative, analytical and return-oriented evaluation
 - Industry, market, customer and facility quality evaluation
 - Region / sovereign risk
 - Contract terms

Focused on Returns

- Project IRRs must significantly exceed risk-adjusted cost of capital and project specific return thresholds
- Not “growth for growth’s sake”

Project Execution

- Stellar execution record with actual capital below budget in each of the last five years

Focused Spending

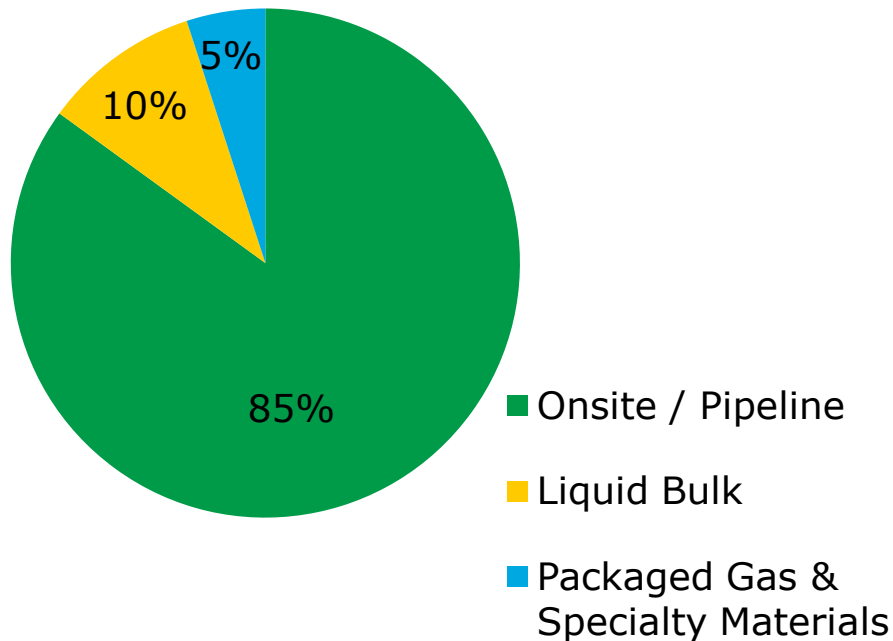
- Our investments are focused on our core gas business
 - Of our record \$3.5 billion backlog, ~85% is onsite

Checks and Balances

- All investments must be reviewed and approved by management
- All major investments must be reviewed and approved by Board
- Board-level review process performed after each major project to evaluate and improve our approach

Our disciplined capital allocation approach provides a rigorous investment filter which returns excess capital to shareholders

Robust investment opportunities

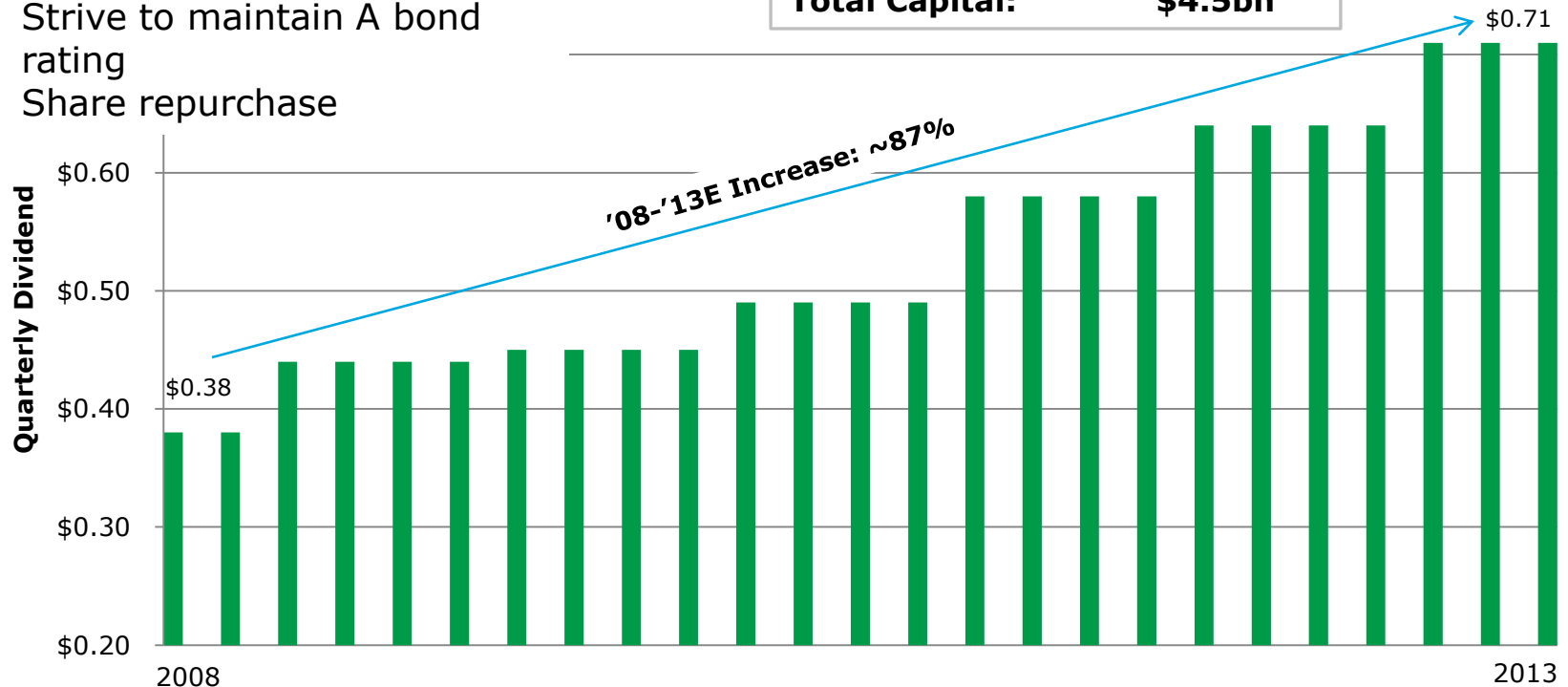


- Record \$3.5B backlog
- Solid bidding activity
- Focused investment leveraging core market positions

Strong capital return to shareholders

- Invest in core projects at good returns
- Dividend increases each year
- Strive to maintain A bond rating
- Share repurchase

Since 2008:	
Repurchase:	\$2.0bn
Dividend:	\$2.5bn
Total Capital:	\$4.5bn



31 Consecutive Years of Dividend Increases
Strong and long-standing track record

Air Products Board and management team will continue to create value for shareholders



We are focused on shareholder value creation, with an industry-leading payout ratio, 31 consecutive years of dividend increase and \$4.5bn of capital returned since 2008



We have proactively managed our portfolio, continue to execute productivity initiatives, and made strategic acquisitions and divestitures positioning us in the right markets



We are positioned for long term success, taking advantage of economic recovery, with leadership positions in key markets and geographies and an industry-leading backlog supported by secure long-term contracts



We have a clear path to driving profitable growth through execution on our backlog, operational improvements and taking advantage of capacity loading



We are continually taking steps to enhance the Board and team to drive enhanced shareholder returns while, at the same time, maintaining the stability our customers demand

Key Focus...

- Delivering profitable growth from existing assets
- Disciplined project execution
- Focused productivity and cost reductions
- Winning in the marketplace

...to deliver shareholder value

Thank you

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