

Moving forward



Create Shareholder Value

Investor Meetings

June 2015



Forward-looking statements

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 presentation. 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, global or regional economic conditions and supply and demand dynamics in market segments into which the Company sells; significant fluctuations in interest rates and foreign currencies from that currently anticipated; 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; ability to protect and enforce the Company's intellectual property rights; unexpected changes in raw material supply and markets; the impact of price fluctuations in natural gas and disruptions in markets and the economy due to oil price volatility; the ability to recover increased energy and raw material costs from customers; costs and outcomes of litigation or regulatory investigations; the impact of management and organizational changes; the success of productivity and cost reduction programs; the timing, impact, and other uncertainties of future acquisitions or divestitures; political risks, including the risks of unanticipated government actions; acts of war or terrorism; the impact of changes in environmental, tax or other legislation and regulatory activities in jurisdictions in which the Company and its affiliates operate; and other risk factors described in the Company's Form 10-K for its fiscal year ended September 30, 2014. The Company disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in this presentation 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.

Air Products today

\$10.4
billion in sales

21,600
employees

50+
countries

276
On Fortune 500 list

7+
decades in business

170,000+
customers

1800
miles of industrial
gas pipeline

750+
production
facilities

30+
industries
served

Air Products is...

...a leader in the global industrial gas industry with:

- Established leading positions in diverse end markets, including energy, chemicals, electronics and manufacturing
- Growth opportunities driven by Energy, Environmental and Emerging markets
- Complementary materials and equipment businesses
- A multi-billion project backlog with long-term contracts that generate consistent and predictable cash flows
- Leading positions in key growth regions including profitable joint ventures
- A prudent capital structure with a solid balance sheet supporting long-term profitable growth

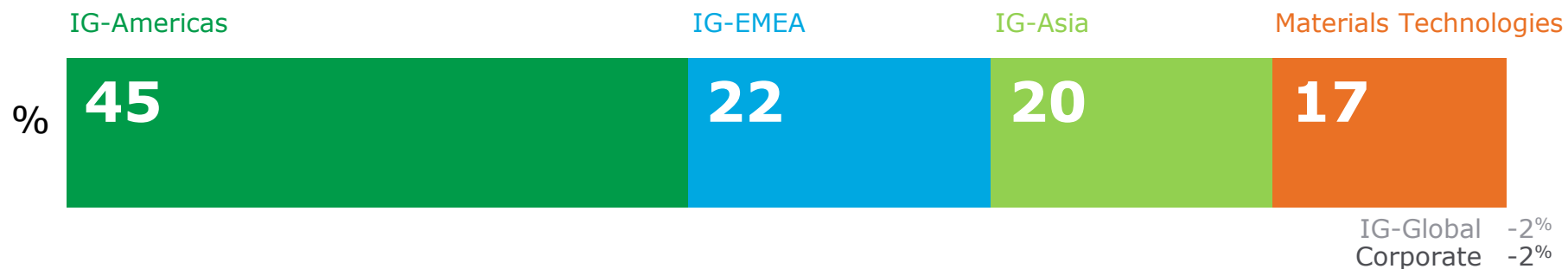


APD segments

2014 Sales: \$10.4 B

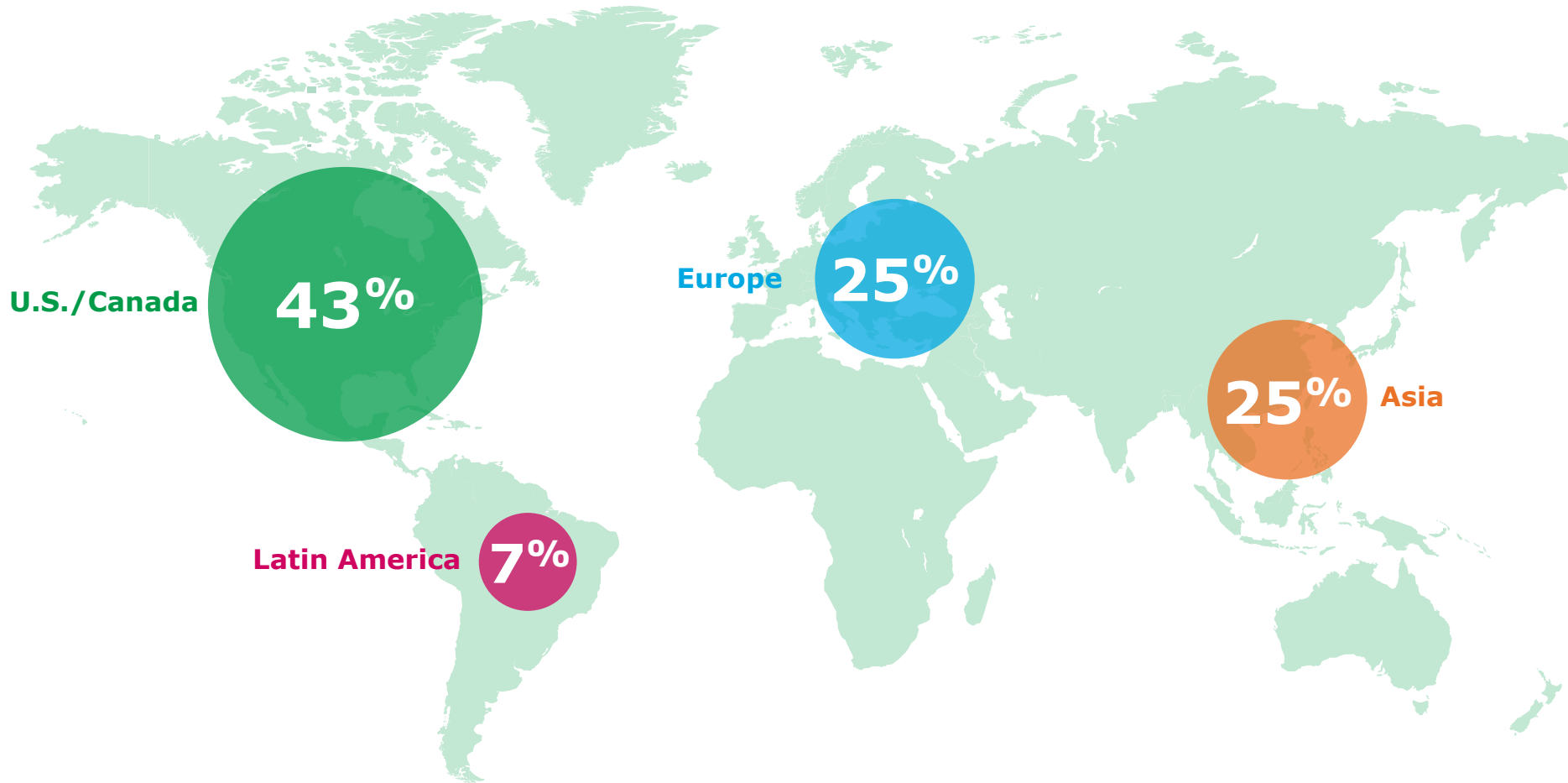


2014 EBITDA: \$2.8 B

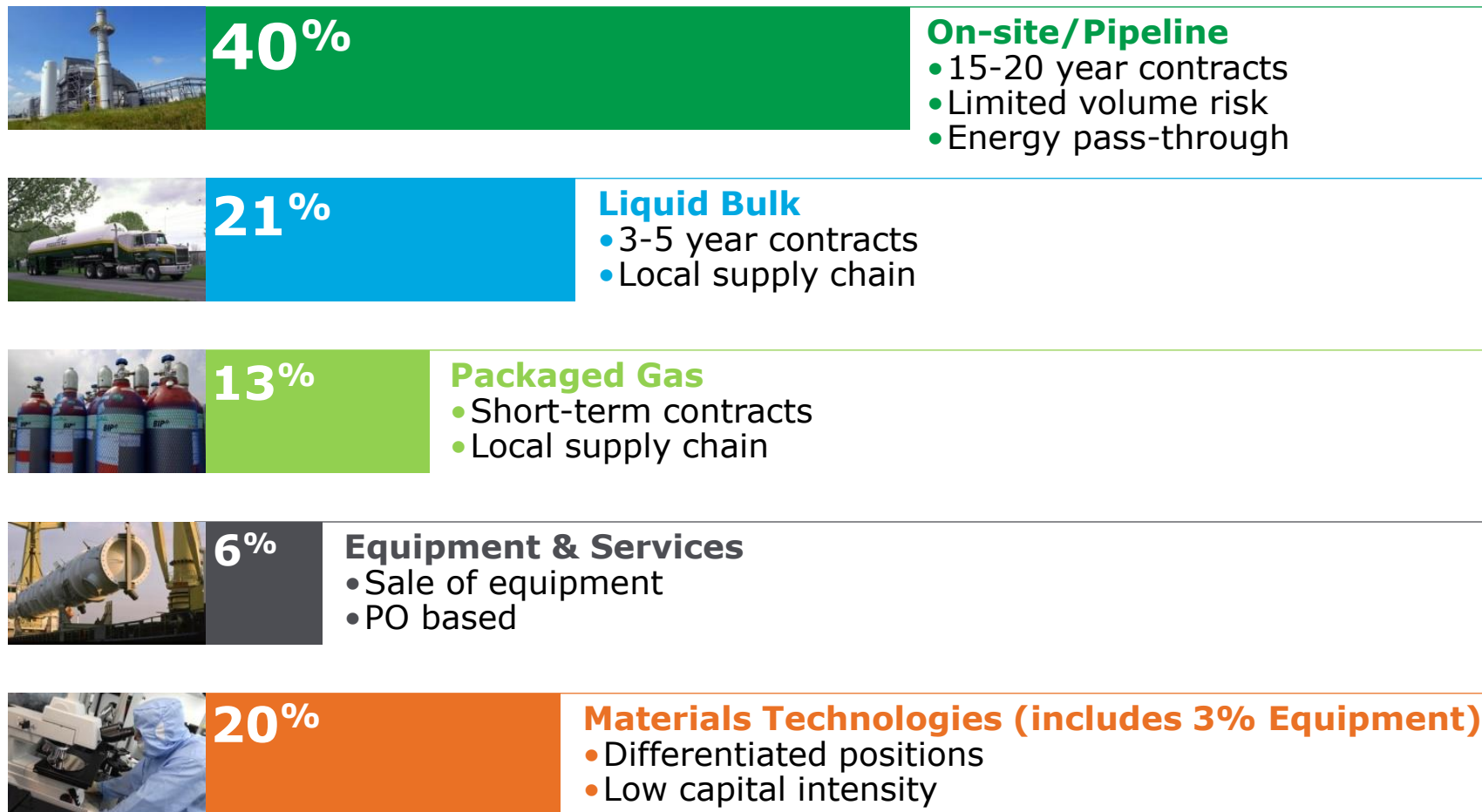


non-GAAP measures—see appendix for reconciliation

APD global presence



APD supply modes



Improving customer sustainability

>50% of revenues from helping customers improve productivity, energy efficiency, environmental impact and address social needs



Fueling the future:

As the world's leading supplier of hydrogen, refineries around the world rely on our gas to produce cleaner burning fuels. We are helping pave a new road with hydrogen fueling stations to power cars, trucks, vans, buses, scooters, and forklifts.



Boosting world energy:

Most of the world's remote liquefied natural gas (LNG) is processed with our proprietary heat exchangers, while oxygen from our large scale ASUs enables energy production via gasification in growing economies.



Lowering CO₂ emissions:

Oxyfuel burner technology enables alternative fuel substitution, helping metals, glass, pulp and paper, and cement makers use less energy and fuel, significantly lowering emissions.

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM



Our goal

Air Products will be the **safest** and the **most profitable** industrial gas company in the world, providing excellent service to our customers

Creating shareholder value

Management philosophy

Shareholder Value

Cash is king; cash flow drives long-term value.
What counts in the long term is the increase in **per share value** of our stock, not size or growth.

CEO Focus






Capital allocation is the most important job of the CEO.

Operating Model

Decentralized organization releases entrepreneurial energy and keeps both costs and politics (“bureaucracy”) down.

Our plan

5 point plan summary

Focus on the core 	Restructure organization 	Change culture 	Control capital/costs 	Align rewards 
Industrial gases	Decentralize	Safety	Capex	Reward performance
Key geographies	Geographic alignment	Simplicity	Hurdle rates	EBITDA/value creation target
		Speed	Corporate cost	
		Self-confidence	Ops./Dist. efficiency	

Our plan

– Focus on the core

- We are an **Industrial Gas company** and will continue to be going forward
- Strengthen our **integrated supply** networks and build density
- Selective **geographic participation** where we are advantaged
- **Sale of gas** and **sale of equipment** at attractive returns

Our Core Businesses

Products

- Atmospheric Gases: O₂, N₂, Ar
- Process & Specialty Gases: H₂, He, CO₂
- Equipment: LNG, He Containers
- **Integrated Supply Modes**
- Onsite / Pipeline, Liquid / Bulk, Packaged

Participate based on Profitability

- Materials Technologies
- Energy-from-Waste

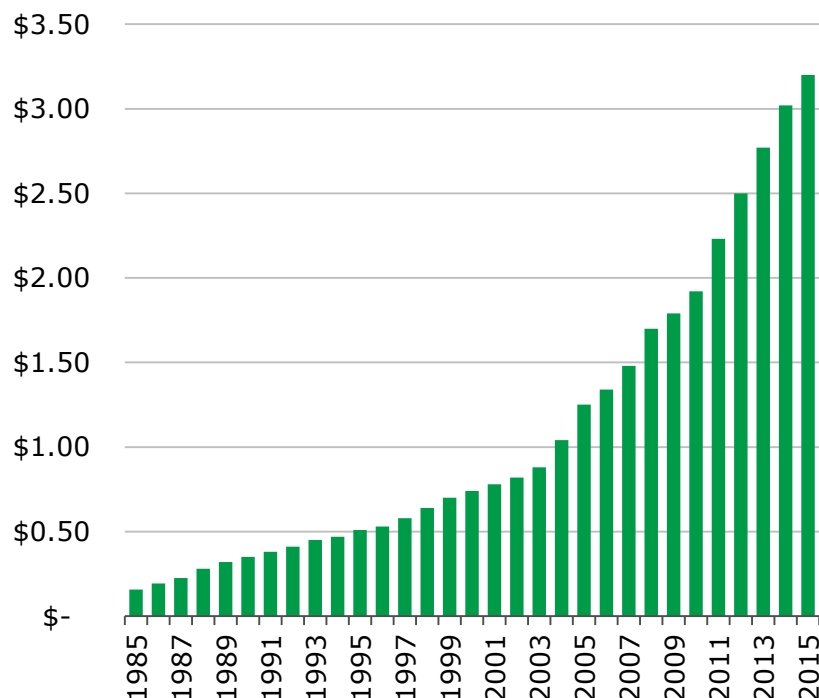
Cash flow focus

(\$ billion)	FY14	
EBITDA	\$2.8	<ul style="list-style-type: none">• Maximize cash from existing assets• Maintenance capital• Maintain A bond rating
Interest	\$(0.1)	
Cash Tax	\$(0.2)	
Maintenance Capex	\$(0.3)	
Distributable Cash Flow	\$2.2	<ul style="list-style-type: none">• Spend within means• Invest in core projects at good returns• Return cash to shareholders<ul style="list-style-type: none">- Dividends- Share repurchase
\$10.13/share		
Growth Capex	\$(1.6)	
Dividends	\$(0.6)	
Free Cash Flow	\$0.0	

non-GAAP measures—see appendix for reconciliation

Cash returned to shareholders

Dividend (Per Share)



Dividends and share repurchases

- 30+ years of increasing dividends
- Long history of share repurchases
 - \$3.5 B since 2005
- Capital returned to shareholders
 - Almost \$8 B since 2005

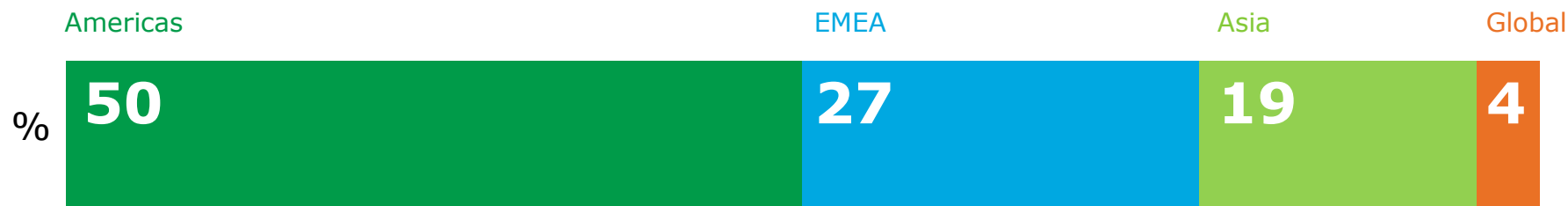
Our competitive advantage

The only sustainable element
of long-term competitive
advantage is the degree of
commitment and **motivation**
of the people in the enterprise

Industrial Gases worldwide

FY 14 Revenue = \$8.1 billion

Geography



Supply Mode






Focus on the core:

Integrated local positions

Leadership by building density

Integration benefits:

On-site		<ul style="list-style-type: none">• Co-product economics• Power optimization• Liquid back-up
Bulk		
Packaged		<ul style="list-style-type: none">• Distribution efficiency• Market segment access• Sales coverage

Resulting in:

Density







Low-cost position

High market share

Sustainable, profitable position

APD Joint Ventures

Profitable joint ventures with leadership positions in emerging markets

	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 2014	Air Products (as reported)	Equity Affiliates¹ (100% basis)	Combined² (AP +100% EA)
Sales (\$B)	\$10.4	\$2.8	\$13.2
Op Inc (\$B)	\$1.7	\$0.5	\$2.2
Op Margin	15.9%	19.3%	16.6%

Partially owned JV's create exposure to 27% more sales and 33% 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

Industrial Gases

Focus on the core

- Building density and integrated local positions

Restructure organization

- Local decision making and accountability at sub-region level

Change culture

- Unleashing the power of the people

Control capital/costs

- Managing the “10,000 little things”

Align rewards

- Rewarding behaviors that drive shareholder value

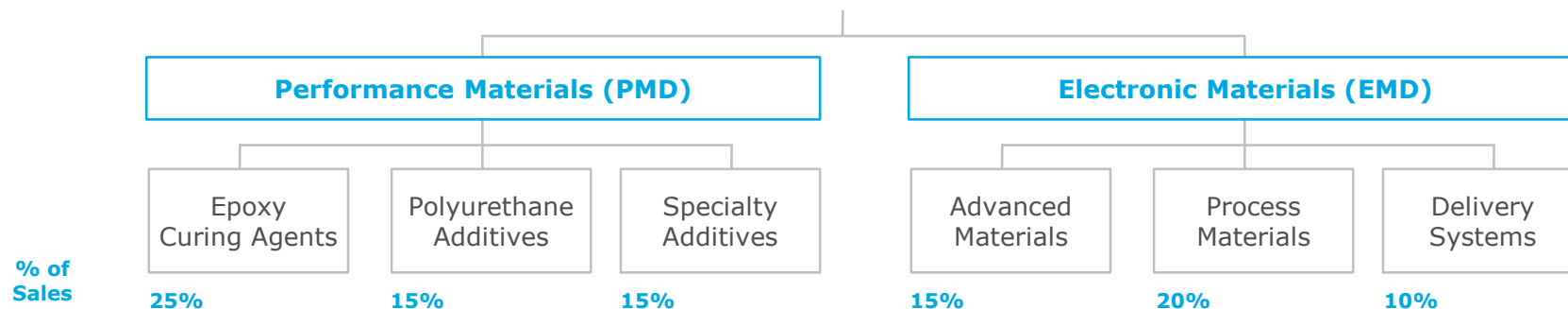
Materials Technologies

A portfolio of world-class businesses

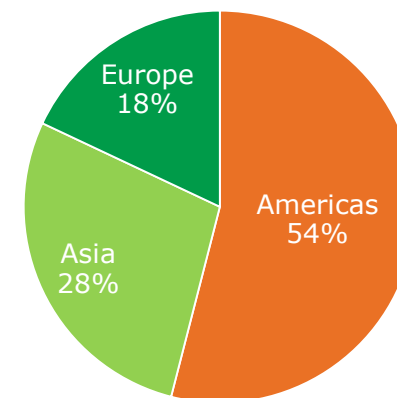
Sales*: \$2,109

EBITDA*: \$521

Margin*: 24.7%



- Organized around six SBUs – focused, accountable with strong business leaders
- Niche businesses – #1 or #2 in majority of target markets
- Value creation through market expertise and customer intimacy / technical service
- Innovation-driven businesses providing tailored product solutions
- Performance critical products that are a small portion of customers' product costs
- Global scale manufacturing and supply chain network



* LTM 12/31/14, non-GAAP measures—see appendix for reconciliation

Performance Materials

Technology & innovation expanding product performance boundaries

SBU

Key Products

Key End-Markets

Key Characteristics



Epoxy Curing Agents

- Curing Agents
- Accelerators and Catalysts
- Adhesive Promoters

- Marine and Protective High Performance Coatings
- Construction
- Composites
- Structural Adhesives

- Focus on \$3.1 billion market for curing agent and specialty additives
- Largest player in curing agents
- Leverage amine position to expand technology toolbox and extend innovation boundaries
- Global manufacturing footprint



Polyurethane Additives

- Catalysts: Amine, Metal, Low/Non-Emissive
- Surfactants
- Curatives

- Construction
- Consumer Foams
- Automotive
- Adhesives

- Focus on \$1.4 billion specialty market for PU additives
- Leader in catalysts
- Strong IP in growing non-emissive catalysts
- Growing position in Silicone surfactants
- Strategic manufacturing footprint in U.S. and China



Specialty Additives

- Surfactants
- Wetting Agents
- Dispersants
- Defoamers

- Coatings
- Inks
- Industrial Cleaning
- Chemical Processes

- Focus on a fragmented \$5.5 billion specialty additive market
- Focus on environmentally friendly products
- Leader in North American I&I surfactants
- Surface science and formulation expertise

Electronic Materials

Shifting focus to high growth, high margin advanced materials platform

SBU



Advanced Materials

Key Products

- CMP Slurries and Post CMP Cleans
- Formulated Products for Surface Prep & Clean
- Advanced Deposition Materials for Thin Films

Key Characteristics

- Collaboration with customers and OEMs to create enabling products at an accelerated pace
- Product portfolio composed of highly differentiated products requiring significant technical support
- Expertise in molecule design, applications/material integration and ultrahigh-purity manufacturing
- Gaining market share in all segments



Process Materials

- Process Gases for:
 - Deposition
 - Clean & Etch
 - Doping
 - Lasers

- Critical, high-purity process gases
- Sales primarily from 10 industry-critical products
- Global presence across a complex supply chain
- Competitive dynamics favor existing participants



Delivery Systems

- Equipment for:
 - Specialty Gases
 - Chemicals
 - CMP Slurries

- High-precision and -reliability systems
- Complementary to AM and PM businesses

Materials Technologies

Our Priorities

- Safety
- Top Line Growth
- Margin Enhancement
- Strengthen SBU Level Management Capabilities
- Advance our Strategic Initiatives

Energy from Waste Segment

Tees Valley UK

- Strategic drivers for EfW business
 - Innovative growth opportunity
 - Onsite business model
 - Proven competencies
- TV1
 - Late 2015 commercial operation
- TV2
 - Duplicate of TV1 at adjacent site – leveraging project execution and operational synergies to obtain significant capital and operating savings resulting in improved profitability
 - 2016 startup
- Combined Projects
 - Gasify 700,000 TPY of waste to generate 100MW of power



Corporate Segment

Innovation in LNG

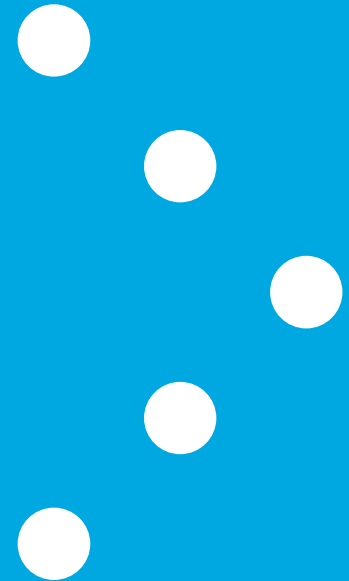
Reshape markets and serve emerging needs

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



World's leading provider of patented LNG technology and equipment

Q2FY15 Quarterly Earnings Slides



Safety results – YTD

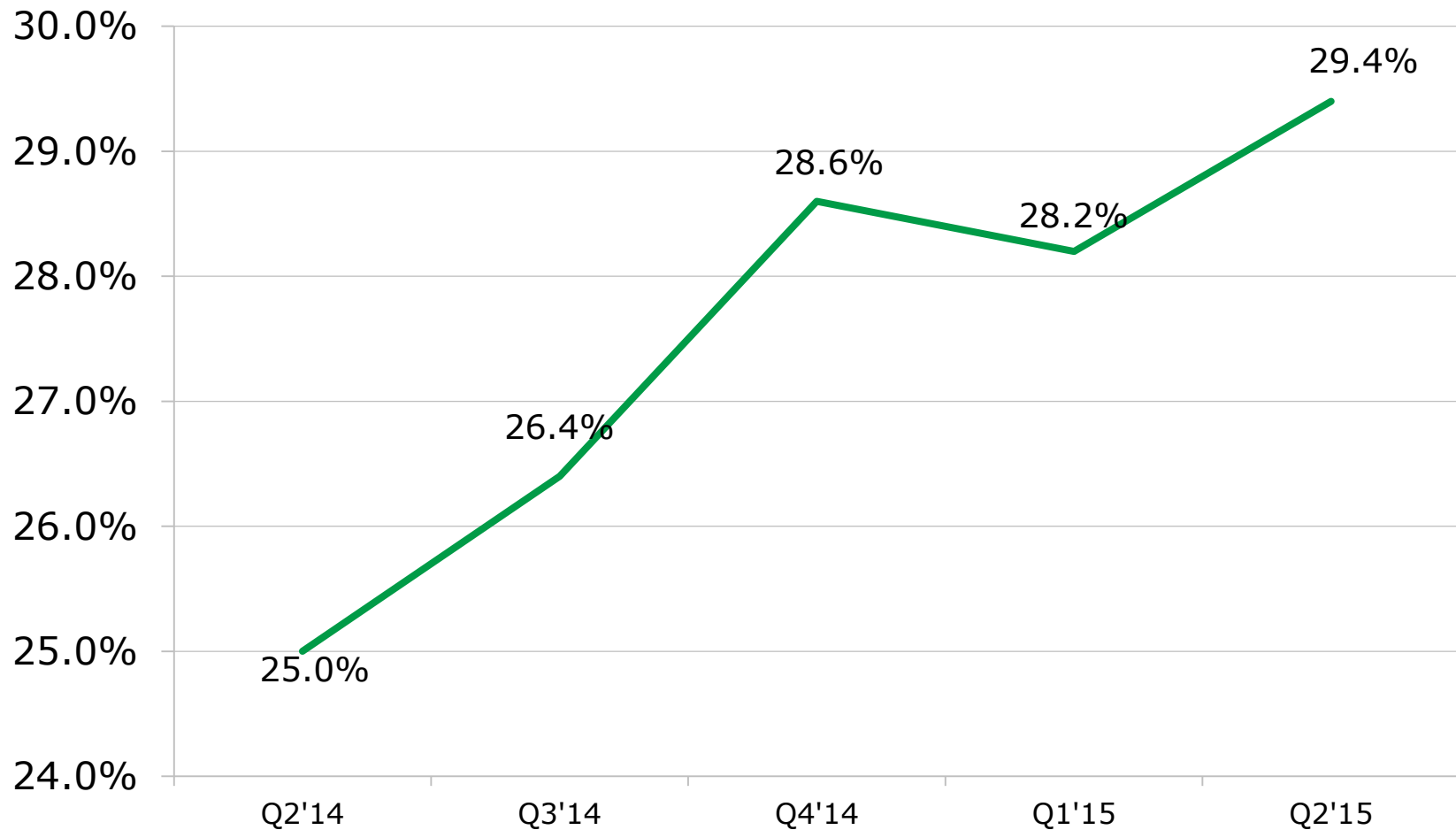
	FY14 YTD	FY15 YTD	Change
Employee Lost Time Injury Rate	0.25	0.18	28% Better
Employee Recordable Injury Rate	0.64	0.45	30% Better

Jazan Project

World's Largest Industrial Gas Complex

- Saudi Aramco
 - Largest company in the world
 - Jazan, Saudi Arabia Refinery – new 400,000 bpd refinery and power plant
- Air Products / ACWA Holding Joint Venture to own & operate
 - 25% Air Products / 75% ACWA Holding
 - Total cost about \$2.1 billion = ~20% Equity / 80% Project Finance
 - Air Products equity ~\$100 million
- Contract #1 = Air Products Sale of Equipment (SOE) Air Separation Units (ASU) to AP/ACWA JV
 - Six large ASU's
 - Significant portion of the \$2.1 billion total project cost
 - AP revenue booked on “% complete” basis, so all revenue expected in 3+ years
- Contract #2 = AP/ACWA Sale of Gas (SOG) to Saudi Aramco
 - 75,000 mtpd = 20,000 mtpd oxygen + 55,000 mtpd nitrogen
 - 20 year contract
 - Significant interest costs
 - Air Products booked as Equity Affiliate = no revenue, EA income

EBITDA Margin Trend



Q2 Summary

(\$ million)	Q2 FY15	Fav/(Unfav) vs.	
		Q2 FY14	Q1 FY15
Sales	\$2,415	(6%)	(6%)
- Volume		4%	-%
- Price		1%	-%
- Energy/Raw Mat'l pass-thru		(6%)	(3%)
- Currency		(5%)	(3%)
EBITDA	\$709	10%	(2%)
- EBITDA Margin	29.4%	440bp	120bp
Operating Income	\$442	15%	-%
- Operating Margin	18.3%	340bp	90bp
Net Income	\$336	19%	-%
Diluted EPS (\$/share)	\$1.55	17%	-%
ROCE	10.5%	80bp	40bp

Cash Flow Focus

(\$ million)	Q2 FY14	Q2 FY15	Change
EBITDA	\$644	\$709	\$65
Interest	\$(32)	\$(23)	\$9
Cash Tax	\$(33)	\$(93)	\$(60)
Maintenance Capex	<u>\$(102)</u>	<u>\$(49)</u>	<u>\$53</u>
Distributable Cash Flow	\$477	\$544	\$67
Growth Capex	\$(360)	\$(349)	\$11
Dividends	\$(150)	\$(165)	\$(15)
Free Cash Flow	\$(33)	\$30	\$63

- Improved EBITDA and reduced capex
- DCF up 14%

Q2 EPS Analysis

	Q2 FY14	Q2 FY15	Change
As reported EPS	\$1.32	\$1.33	
less non-GAAP items	-	(0.22)	
Continuing Ops. EPS	<u>\$1.32</u>	<u>\$1.55</u>	<u>\$0.23</u>
Volume			\$0.22
Price / raw materials			\$0.10
Cost			(\$0.02)
			\$0.30
Currency			(\$0.09)
Higher equity affiliate income			\$0.01
Lower interest expense			\$0.03
Higher shares outstanding			(\$0.02)
Change			<u>\$0.23</u>

Gases Americas

	Q2 FY15	Fav/(Unfav) vs.	
		Q2 FY14	Q1 FY15
Sales	\$890	(14%)	(11%)
- Volume		1%	(3%)
- Price		1%	-%
- Energy/Raw Mat'l pass-thru		(13%)	(7%)
- Currency		(3%)	(1%)
EBITDA	\$300	7%	(10%)
- EBITDA Margin	33.7%	640bp	60bp
Operating Income	\$182	7%	(14%)
- Operating Margin	20.4%	400bp	(70bp)

- Underlying sales up 2%
- Cost performance overcame energy and currency headwinds
- Chile improving, Brazil weak

Gases EMEA

	Q2 FY15	Fav/(Unfav) vs.	
		Q2 FY14	Q1 FY15
Sales	\$449	(17%)	(10%)
- Volume		(1%)	(2%)
- Price		1%	-%
- Energy/Raw Mat'l pass-thru		(2%)	-%
- Currency		(15%)	(8%)
EBITDA	\$127	(17%)	(11%)
- EBITDA Margin	28.2%	20bp	(30bp)
Operating Income	\$71	(19%)	(13%)
- Operating Margin	15.8%	(30bp)	(40bp)

- Positive pricing in a weak economic environment
- Taking cost actions, looking to accelerate P&L benefit

Gases Asia

	Q2 FY15	Fav/(Unfav) vs.	
		Q2 FY14	Q1 FY15
Sales	\$393	7%	(1%)
- Volume		15%	1%
- Price		(3%)	(1%)
- Energy/Raw Mat'l pass-thru		(2%)	-%
- Currency		(3%)	(1%)
EBITDA	\$144	14%	(7%)
- EBITDA Margin	36.7%	200bp	(210bp)
Operating Income	\$85	19%	(6%)
- Operating Margin	21.6%	210bp	(110bp)

- Strong volume growth from new plants
- Soft merchant pricing in China
- Solid operating leverage

Materials Technologies

	Q2 FY15	Fav/(Unfav) vs.	
		Q2 FY14	Q1 FY15
Sales	\$533	7%	2%
- Volume		9%	2%
- Price		2%	2%
- Currency		(4%)	(2%)
EBITDA	\$148	27%	15%
- EBITDA Margin	27.8%	440bp	310bp
Operating Income	\$124	32%	19%
- Operating Margin	23.3%	450bp	330bp
Electronic Materials sales		16%	1%
Performance Materials sales		(1%)	2%

- Electronics sales growth on volumes and price across all businesses
- Performance Materials sales impacted by currency, underlying up 4%
- Strong operating leverage from higher volumes, productivity and cost reduction actions

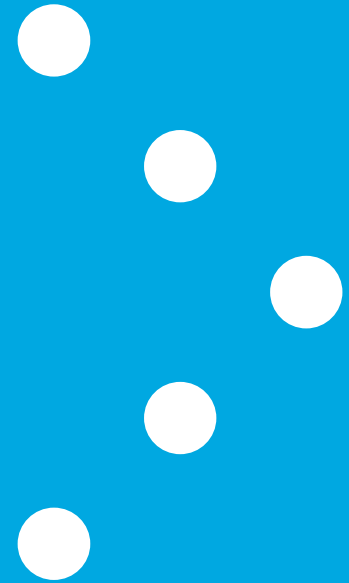
Outlook

FQ3 EPS	\$1.55 - \$1.60
FY2015 EPS	\$6.35 - \$6.55
Capital Spending	approx. \$1.7 billion

Major Projects

Plant	Location	Capacity	Timing	Market
ONSTREAM (last five quarters)				
ASU	Tainan, Taiwan	Multiple Plants	Onstream	Electronics
H2	St. Charles, LA	World Scale	Onstream	Refinery (Pipeline)
Helium	Wyoming	200 MMSCFY	Onstream	Merchant Helium
ASU/Liquid	PCEC, Weinan, China	8,200 TPD O2	Onstream	Gasif to Chemicals
ASU	Samsung, Tangjeong, Korea	World Scale	Onstream	Electronics
BACKLOG - \$3.2 billion, Over 85% secure onsite/pipeline business model				
ASU/Liquid	Zhengyuan, Hebei, China	2,000 TPD O2	Q3FY15	Gasif to Fertilizer
ASU	Yankuang, Yulin, China	12,000 TPD O2	Q4FY15*	Gasif to CTL
Helium	Colorado	230 MMSCFY	Q4FY15	Merchant Helium
EfW	Tees Valley 1, UK	50MW	Q4FY15	Energy from Waste
ASU	Lu'An, Changzhi City, China	10,000 TPD O2	FY16*	Gasif to CTL
H2/ASU	BPCL, India	165 MMSCFD H2	FY16	Refinery / Chems
H2	Scotford, Canada	150 MMSCFD H2	FY16	Refinery (Pipeline)
EfW	Tees Valley 2, UK	50MW	FY16	Energy from Waste
ASU/Liquid	Big River Steel, Arkansas	World Scale	FY16	Steel
SALE OF EQUIPMENT (not in backlog)				
ASU	Saudi Aramco, Jazan	75,000 TPD O2/N2	2018	Refinery

Appendix Slides



Capital Expenditure: non-GAAP basis

FY	\$MM
2015 Forecast	Approx. \$1.7 billion
2014	\$1,885
2013	\$1,997
2012	\$2,088
2011	\$1,539
2010	\$1,298
2009	\$1,475
2008	\$1,355
2007	\$1,635

Includes Capital Expenditures - GAAP basis, plus Capital Lease expenditures and Purchase of non-controlling interests.
2012 excludes \$0.7B for Indura equity
2007 - 2010 includes European Homecare Services

Air Products EPS

	FY11	FY12	FY13	FY14	FY15
Q1	\$1.25	\$1.26	\$1.30	\$1.34	\$1.55
Q2	\$1.33	\$1.31	\$1.37	\$1.32	\$1.55
Q3	\$1.37	\$1.41	\$1.36	\$1.46	\$1.55-\$1.60
Q4	\$1.41	\$1.42	\$1.47	\$1.66	-
FY	\$5.36	\$5.40	\$5.50	\$5.78	\$6.35-\$6.55

Appendix: Q215 Results

Moving forward

(\$ Millions, except per share data)

	GAAP Measure				Non GAAP Adjustments (2)		Non GAAP Measure			
			\$	%				\$	%	
<u>Q215 vs. Q214 - Total Company</u>	<u>Q215</u>	<u>Q214</u>	<u>Change</u>	<u>Change</u>	<u>Q215</u>		<u>Q215</u>	<u>Q214</u>	<u>Change</u>	<u>Change</u>
Sales	2,414.5	2,581.9	(167.4)	(6%)	68.0		2,414.5	2,581.9	(167.4)	(6%)
Operating Income	374.4	384.7	(10.3)	(3%)			442.4	384.7	57.7	15%
Operating Margin	15.5%	14.9%		60bp			18.3%	14.9%		340bp
Income from Cont. Ops. (1)	290.0	283.5	6.5	2%	46.1		336.1	283.5	52.6	19%
Diluted EPS - Cont. Ops. (1)	\$1.33	\$1.32	\$0.01	1%	0.22		\$1.55	\$1.32	\$0.23	17%
<u>Q215 vs. Q115 - Total Company</u>	<u>Q215</u>	<u>Q115</u>	<u>Change</u>	<u>Change</u>	<u>Q215</u>	<u>Q115</u>	<u>Q215</u>	<u>Q115</u>	<u>Change</u>	<u>Change</u>
Sales	2,414.5	2,560.8	(146.3)	(6%)	68.0	14.5	2,414.5	2,560.8	(146.3)	(6%)
Operating Income	374.4	430.0	(55.6)	(13%)			442.4	444.5	(2.1)	(0%)
Operating Margin	15.5%	16.8%		(130)bp			18.3%	17.4%		90bp
Income from Cont. Ops. (1)	290.0	324.6	(34.6)	(11%)	46.1	10.5	336.1	335.1	1.0	0%
Diluted EPS - Cont. Ops. (1)	\$1.33	\$1.50	(\$0.17)	(11%)	0.22	0.05	\$1.55	\$1.55	\$0.00	0%

(1) Attributable to Air Products

(2) FY15 Non GAAP Adjustments

	Q115		
	Operating Income	Inc. From Cont. Ops	EPS
Business restructuring/cost reduction actions	32.4	21.7	0.10
Gain on previously held equity interest	(17.9)	(11.2)	(0.05)
Total Q115 Adjustments	14.5	10.5	0.05

	Q215		
	Operating Income	Inc. From Cont. Ops	EPS
Business restructuring/cost reduction actions	55.4	38.2	0.18
Pension settlement loss	12.6	7.9	0.04
Total Q215 Adjustments	68.0	46.1	0.22

Appendix: Adjusted EBITDA Trend

\$ Millions	Q114	Q214	Q314	Q414	FY14	Q115	Q215	Q215 vs PY		Q215 vs PQ	
								\$	%	\$	%
Income From Continuing Operations	296.0	291.5	323.5	77.5	988.5	337.5	296.9				
Add: Interest expense	33.3	31.5	31.3	29.0	125.1	29.1	23.4				
Add: Income tax provision	94.5	92.1	102.1	77.3	366.0	106.5	87.1				
Add: Depreciation and amortization	234.2	229.1	239.0	254.6	956.9	235.5	233.3				
Add Non GAAP pre-tax adjustments	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>328.3</u> (1)	328.3	<u>14.5</u> (2)	<u>68.0</u> (2)				
Adjusted EBITDA	658.0	644.2	695.9	766.7	2,764.8	723.1	708.7	64.5	10%	(14.4)	(2%)
Sales	2,545.5	2,581.9	2,634.6	2,677.0	10,439.0	2,560.8	2,414.5				
Adjusted EBITDA Margin	25.8%	25.0%	26.4%	28.6%	26.5%	28.2%	29.4%		440bp		120bp

(1) Q414 Non GAAP Pre-Tax Adjustments

	Q414
Business restructuring/cost reduction actions	12.7
Goodwill and intangible impairment	310.1
Pension settlement loss	<u>5.5</u>
Total Q414 adjustments	<u>328.3</u>

(2) FY15 Non GAAP Pre-Tax Adjustments

	Q115	Q215
Business restructuring/cost reduction actions	32.4	55.4
Gain on previously held equity investment	(17.9)	-
Pension Settlement Loss	-	<u>12.6</u>
Total FY15 adjustments	<u>14.5</u>	<u>68.0</u>

Appendix: Adjusted EBITDA by Segment

Moving forward

\$ Millions	Q114	Q214	Q314	Q414	FY14	Q115	Q215	Q215 vs PY		Q215 vs PQ	
								\$	%	\$	%
<u>Gases - Americas</u>											
Operating Income	184.5	169.6	188.9	219.6	762.6	211.2	182.0				
Add: Depreciation and amortization	104.0	99.4	105.6	105.4	414.4	103.6	103.3				
Add Equity Affiliates' Income	17.6	12.6	14.7	16.0	60.9	17.2	15.1				
Adjusted EBITDA	306.1	281.6	309.2	341.0	1,237.9	332.0	300.4	18.8	7%	(31.6)	(10%)
Adjusted EBITDA Margin	32.4%	27.3%	29.1%	32.9%	30.4%	33.1%	33.7%		640bp		60bp
<u>Gases - EMEA</u>											
Operating Income	85.2	87.5	85.7	92.8	351.2	81.3	71.0				
Add: Depreciation and amortization	54.9	55.0	54.9	55.4	220.2	51.1	47.6				
Add Equity Affiliates' Income	9.7	9.3	13.5	11.6	44.1	10.3	8.0				
Adjusted EBITDA	149.8	151.8	154.1	159.8	615.5	142.7	126.6	(25.2)	(17%)	(16.1)	(11%)
Adjusted EBITDA Margin	27.2%	28.0%	28.7%	30.7%	28.6%	28.5%	28.2%		20bp		(30bp)
<u>Gases - Asia</u>											
Operating Income	82.7	71.2	83.8	72.7	310.4	90.5	84.7				
Add: Depreciation and amortization	46.4	48.1	50.0	60.8	205.3	49.6	50.3				
Add Equity Affiliates' Income	9.6	7.6	13.4	7.4	38.0	14.6	9.4				
Adjusted EBITDA	138.7	126.9	147.2	140.9	553.7	154.7	144.4	17.5	14%	(10.3)	(7%)
Adjusted EBITDA Margin	35.1%	34.7%	40.2%	35.2%	36.3%	38.8%	36.7%		200bp		(210)bp
<u>Gases - Global</u>											
Operating Income	(10.3)	(14.6)	(14.4)	(18.0)	(57.3)	(17.9)	(7.9)				
Add: Depreciation and amortization	1.7	1.6	1.7	2.1	7.1	4.3	5.5				
Add Equity Affiliates' Income	0.7	0.3	0.7	4.1	5.8	0.4	(0.2)				
Adjusted EBITDA	(7.9)	(12.7)	(12.0)	(11.8)	(44.4)	(13.2)	(2.6)	10.1		10.6	
<u>Materials Technologies</u>											
Operating Income	64.3	93.8	96.6	124.3	379.0	104.6	124.2				
Add: Depreciation and amortization	24.5	22.7	24.5	27.4	99.1	24.0	23.3				
Add Equity Affiliates' Income	0.6	0.6	0.8	0.6	2.6	0.6	0.7				
Adjusted EBITDA	89.4	117.1	121.9	152.3	480.7	129.2	148.2	31.1	27%	19.0	15%
Adjusted EBITDA Margin	18.6%	23.4%	23.2%	27.2%	23.3%	24.7%	27.8%		440bp		310bp
<u>Corporate/Other</u>											
Operating Income	(17.9)	(19.3)	(23.6)	(16.2)	(77.0)	(22.7)	(8.8)				
Add: Depreciation and amortization	2.7	2.3	2.3	3.5	10.8	2.9	3.3				
Add Equity Affiliates' Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0				
Adjusted EBITDA	(15.2)	(17.0)	(21.3)	(12.7)	(66.2)	(19.8)	(5.5)	11.5		14.3	

Appendix: ROCE

Moving forward

\$ Millions										
Quarter Ended	<u>Q113</u>	<u>Q213</u>	<u>Q313</u>	<u>Q413</u>	<u>Q114</u>	<u>Q214</u>	<u>Q314</u>	<u>Q414</u>	<u>Q115</u>	<u>Q215</u>
Numerator										
Operating Income Reported	389.7	383.1	179.2	385.6	384.7	413.8	144.1	430.0	374.4	
Equity Affiliate Income	<u>39.8</u>	<u>44.2</u>	<u>42.4</u>	<u>38.2</u>	<u>30.4</u>	<u>43.1</u>	<u>39.7</u>	<u>43.1</u>	<u>33.0</u>	
Earnings before tax as reported	429.5	427.3	221.6	423.8	415.1	456.9	183.8	473.1	407.4	
Cost Reduction / Restructuring Charge	0.0	0.0	231.6	0.0	0.0	0.0	12.7	32.4	55.4	
Gain on previously held equity interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(17.9)	0.0	
Advisory Costs	0.0	0.0	10.1	0.0	0.0	0.0	0.0	0.0	0.0	
Pension Settlement Loss	0.0	0.0	0.0	0.0	0.0	0.0	5.5	0.0	12.6	
Goodwill and intangible impairment	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>310.1</u>	<u>0.0</u>	<u>0.0</u>	
Earnings before tax ex items	429.5	427.3	463.3	423.8	415.1	456.9	512.1	487.6	475.4	
Effective tax rate as reported	24.3%	24.0%	13.9%	24.2%	24.0%	24.0%	49.9%	24.0%	22.7%	
Earnings after tax as reported	325.1	324.7	190.8	321.2	315.5	347.2	92.1	359.6	314.9	
Effective tax rate ex items	24.3%	24.0%	24.1%	24.2%	24.0%	24.0%	24.0%	24.1%	24.1%	
Earnings after tax ex items	325.1	324.7	351.6	321.2	315.5	347.2	389.2	370.1	360.8	
4 Qtr trailing AT earnings (numerator) - as reported					1,161.8	1,152.2	1,174.7	1,076.0	1,114.4	1,113.8
4 Qtr trailing AT Earnings (numerator) - ex items					1,322.6	1,313.0	1,335.5	1,373.1	1,422.0	1,467.3
Denominator										
Total Debt	6,035.7	5,981.2	6,130.3	6,273.6	6,168.3	6,167.1	6,136.0	6,118.5	6,089.0	5,930.2
Air Products Shareholders' Equity	6,299.3	6,365.5	6,540.8	7,042.1	7,264.0	7,370.9	7,696.7	7,365.8	7,351.5	7,332.5
Redeemable Noncontrolling Interest	390.7	398.7	371.8	375.8	358.7	343.6	341.4	287.2	288.7	280.0
Noncontrolling Interest	151.9	151.9	150.6	156.8	158.7	156.9	159.5	155.6	151.8	143.8
Total Capital	12,877.6	12,897.3	13,193.5	13,848.3	13,949.7	14,038.5	14,333.6	13,927.1	13,881.0	13,686.5
2 Qtr Average Capital (denominator)					13,899.0	13,994.1	14,186.1	14,130.4	13,904.1	13,783.8
5 Qtr Average Capital (denominator)					13,353.3	13,585.5	13,872.7	14,019.4	14,026.0	13,973.3
ROCE as rptd (4 Qtr trail AT earnings / 5 pt avg capital)					8.7%	8.5%	8.5%	7.7%	7.9%	8.0%
ROCE ex items (4 Qtr trail AT earnings/ 5 pt avg capital)					9.9%	9.7%	9.6%	9.8%	10.1%	10.5%
Instantaneous ROCE ex items (Qtr earnings AT x 4) / 2 pt avg capital)					9.2%	9.0%	9.8%	11.0%	10.6%	10.5%

Appendix: ROCE Tax Rate

(\$ Millions)	<u>Q213</u>	<u>Q313</u>	<u>Q413</u>	<u>Q114</u>	<u>Q214</u>	<u>Q314</u>	<u>Q414</u>	<u>Q115</u>	<u>Q215</u>
<u>Reported</u>									
Income Before Taxes	394.3	391.9	186.2	390.5	383.6	425.6	154.8	444.0	384.0
Tax Expense	95.8	94.1	25.8	94.5	92.1	102.1	77.3	106.5	87.1
Tax Rate Reported	24.3%	24.0%	13.9%	24.2%	24.0%	24.0%	49.9%	24.0%	22.7%

ITEMS

Operating Income

Cost Reduction / Restructuring Charges			231.6				12.7	32.4	55.4
Pension Settlement Loss							5.5		12.6
Gain on previously held equity interest								(17.9)	
Advisory Costs			10.1						
Goodwill and intangible impairment							310.1		

Tax Exp

Cost Reduction / Restructuring Charges			73.7				4.5	10.7	17.2
Pension Settlement Loss							1.9		4.7
Gain on previously held equity interest								(6.7)	
Advisory Costs			3.7						
Goodwill and intangible impairment							1.3		
Income tax items							31.0		

Ex Items

Income Before Taxes	394.3	391.9	427.9	390.5	383.6	425.6	483.1	458.5	452.0
Tax Expense	95.8	94.1	103.2	94.5	92.1	102.1	116.0	110.5	109.0
Tax Rate ex Items	24.3%	24.0%	24.1%	24.2%	24.0%	24.0%	24.0%	24.1%	24.1%

Appendix

Guidance

EPS Guidance

Q315 Guidance vs PQ	Diluted EPS ⁽¹⁾
Q215 GAAP	\$1.33
Business restructuring charge	\$0.18
Pension settlement loss	\$0.04
Q215 Non GAAP	\$1.55
Q315 Guidance ⁽²⁾	\$1.55-\$1.60
% Change	0%-3%

Full Fiscal Year 2015 Guidance

FY14	\$4.59
Business restructuring charge	\$0.04
Goodwill and intangible impairment	\$1.27
Pension settlement loss	\$0.02
Income tax items	(\$0.14)
FY14 Non GAAP	\$5.78
FY15 Guidance (2)	\$6.35-\$6.55
% Change	10%-13%

(1) Continuing operations, attributable to Air Products

(2) Guidance excludes the impact of certain items, if applicable, that are non-operational in nature

Capital Expenditure Guidance

	\$Millions
FY14 GAAP	1,682.2
Capital lease expenditures	202.4
Purchase of non-controlling interests	0.5
FY14 Non GAAP	1,885.1
FY15 GAAP - guidance	1,650-1,700
Capital lease expenditures	50-100
FY15 Non GAAP - guidance	1,700-1,800

Moving forward



Thank you
tell me more

