

# Strategy for Success

Innovation, Integration and Improvement

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Goldman Sachs Basic Materials Conference

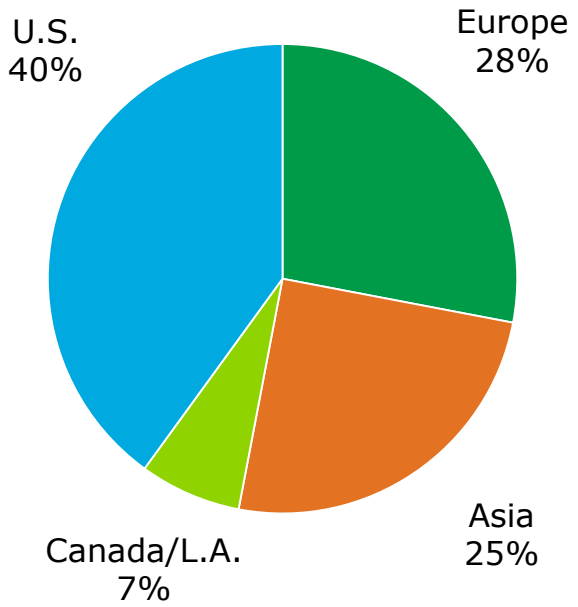
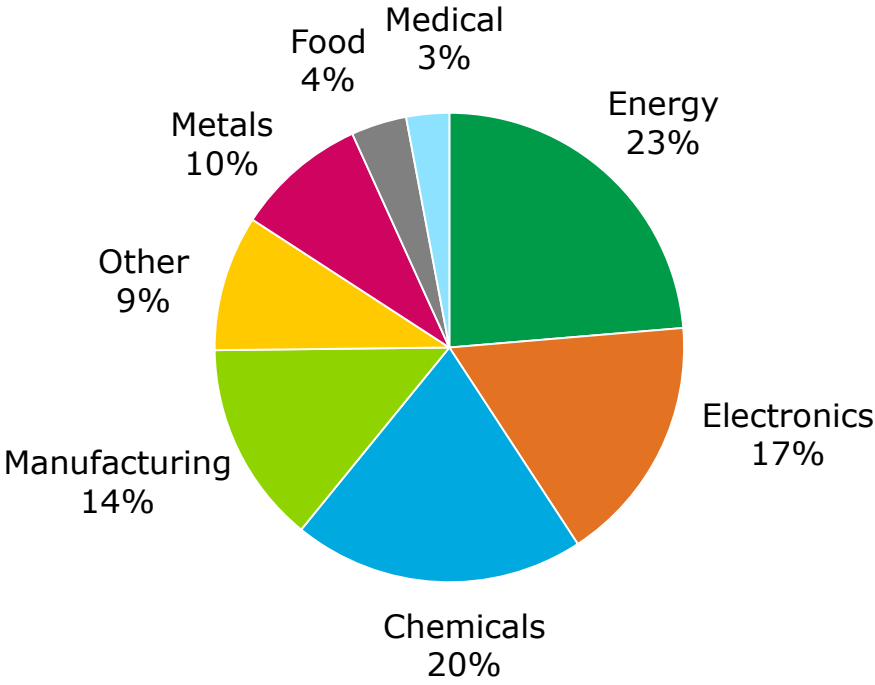
New York, May 2012

# Forward Looking Statement

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, projections, targets and business outlook. These forward-looking statements are based on management's reasonable expectations and assumptions as of the date 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, slowing of global economic recovery; renewed deterioration in global or regional economic and business conditions; weakening demand for the Company's products; future financial and operating performance of major customers and industries served by the Company; unanticipated contract terminations or customer cancellations or postponement of projects and sales; the success of commercial negotiations; asset impairments due to economic conditions or specific product or customer events; the impact of competitive products and pricing; interruption in ordinary sources of supply of raw materials; the ability to recover unanticipated increased energy and raw material costs from customers; costs and outcomes of litigation or regulatory activities; successful development and market acceptance of new products and applications, the ability to attract, hire and retain qualified personnel in all regions of the world where the Company operates; the success of productivity programs; the success and impact of restructuring and cost reduction initiatives; achieving anticipated acquisition synergies; the timing, impact, and other uncertainties of future acquisitions or divestitures; significant fluctuations in interest rates and foreign currencies from that currently anticipated; the continued availability of capital funding sources in all of the Company's foreign operations; the impact of environmental, healthcare, tax or other legislation and regulations in jurisdictions in which the Company and its affiliates operate; the impact of new or changed financial accounting guidance; 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, 2011. 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.

# Air Products At a Glance

- \$10B in revenues across diverse markets and geographies
- Positioned for continued long-term value creation



FY 2011 revised to exclude European homecare services

# Air Products Supply Modes

## *Stability and Profitable Growth*

### Onsite/Pipeline



15-20 year Contracts  
Limited Volume Risk  
Energy Pass through

### Package Gases & Specialty Materials



Short-Term Contracts  
Differentiated Positions

### Liquid/Bulk



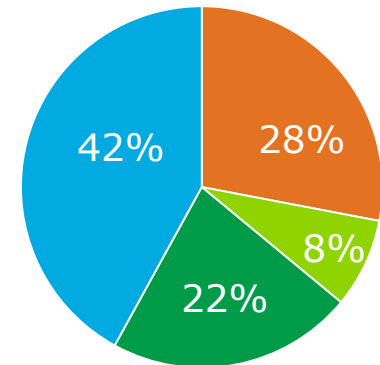
3-5 year Contracts  
Cost Recovery

### Equipment & Services



Sale of Equipment  
PO Based

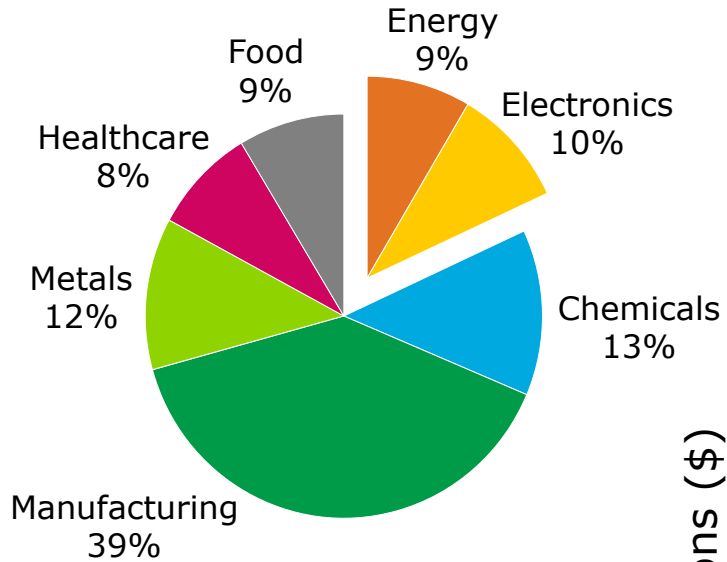
FY11



- Onsite/Pipeline
- Packaged Gases & Specialty Material
- Equipment & Services
- Liquid/Bulk

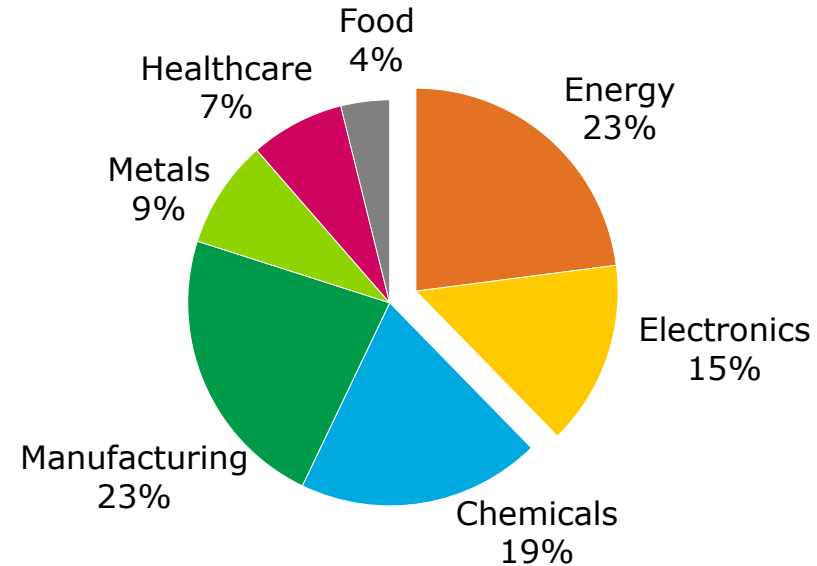
# Air Products Market Exposure

2010 IG Market \$63B

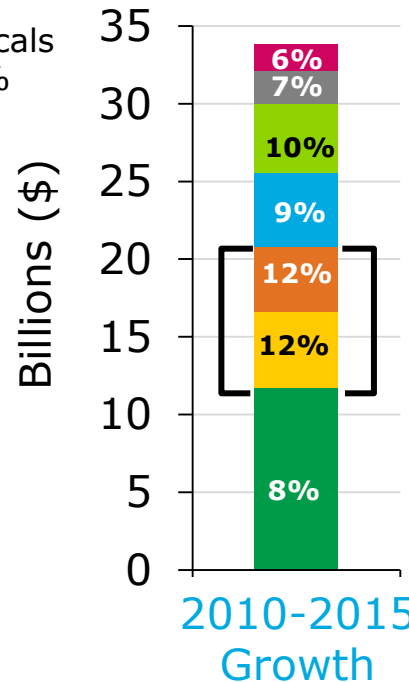


2010-2015 Market Growth = 9%

2010 APD \$9B



2010-2015 AP Growth = 10-11%



# A Strategy for Success

**Winning** in energy, environmental  
and emerging **Markets**



**Executing** on innovation, integration  
and improvement **Actions**

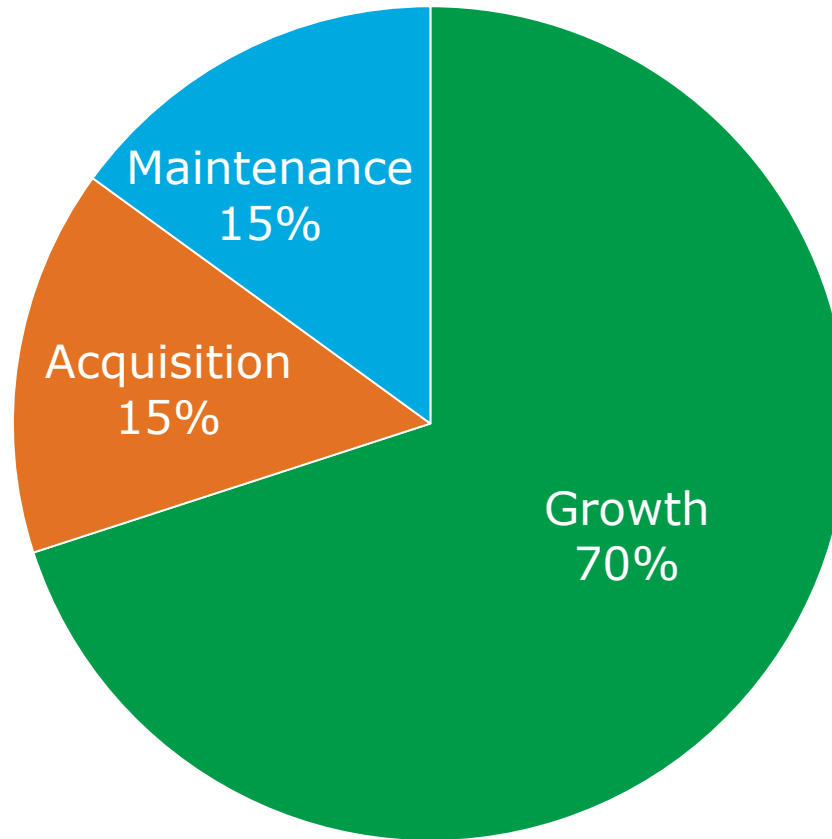


**Delivering** on revenue, margin  
and return **Goals**



**Generating Shareholder Value**

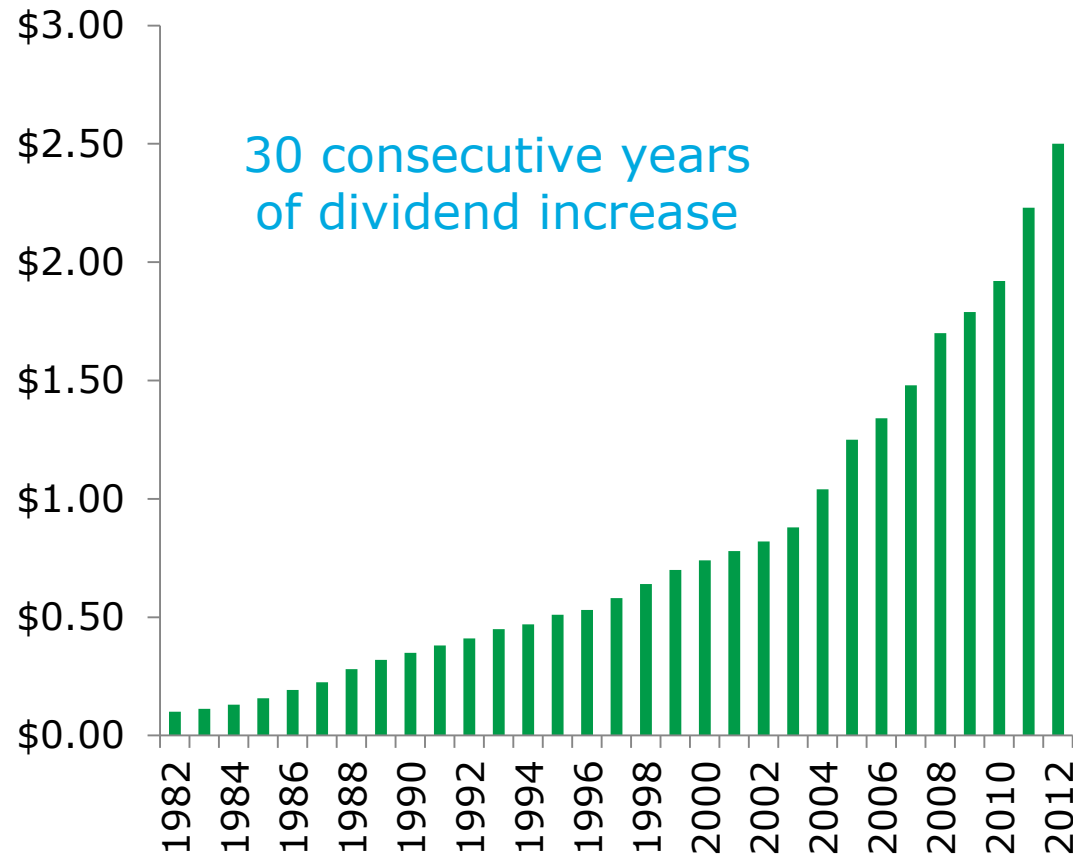
# Strong Growth Opportunities Drive Disciplined Investment



\$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





Revenue  
Growth

**11%-13%  
per year**

From \$9B  
in 2010  
to  
\$15B+ in 2015

Operating  
Margin

**20%**

From 16.5%  
in 2010  
to  
20% in 2015

Return on  
Capital

**15%**

From 12.5%  
in 2010  
to  
15% in 2015

## Near Term Focus

- Drive volume growth in North America and Asia
- Improve pricing and reduce costs in Europe
- Deliver Tonnage growth to the bottom line
- Continue improving Electronics & Performance Materials
- Sign more LNG orders
- Drive down operating costs

# Air Products Opportunity

- Asset leverage
- Record capital spending and project backlog
- #1 position in energy
- #1 position in electronics
- 2015 goals



# 2015 by 2015

**\$15+** Billion in Sales

**20%** Operating Margin

**15%** Return on Capital Employed

Thank you...  
tell me more

