

Moving forward



Create Shareholder Value

Q3 FY19
Earnings Conference Call

July 25 2019



Forward-looking statements

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, business outlook and investment opportunities. These forward-looking statements are based on management’s expectations and assumptions as of the date of this presentation and are not guarantees of future performance. While forward-looking statements are made in good faith and based on assumptions, expectations and projections that management believes are reasonable based on currently available information, actual performance and financial results may differ materially from projections and estimates expressed in the forward-looking statements because of many factors, including, without limitation: changes in global or regional economic conditions, supply and demand dynamics in market segments we serve, or in the financial markets; risks associated with having extensive international operations, including political risks, risks associated with unanticipated government actions and risks of investing in developing markets; project delays, contract terminations or customer cancellations or postponement of projects and sales; future financial and operating performance of major customers and joint venture partners; our ability to develop, implement, and operate new technologies, or to execute the projects in our backlog; tariffs, economic sanctions and regulatory activities in jurisdictions in which we and our affiliates and joint ventures operate; the impact of environmental, tax or other legislation, as well as regulations affecting our business and related compliance requirements, including regulations related to global climate change; changes in tax rates and other changes in tax law; the timing, impact and other uncertainties relating to acquisitions and divestitures, including our ability to integrate acquisitions and separate divested businesses, respectively; risks relating to cybersecurity incidents, including risks from the interruption, failure or compromise of our information systems; catastrophic events, such as natural disasters, acts of war, or terrorism; the impact of price fluctuations in natural gas and disruptions in markets and the economy due to oil price volatility; costs and outcomes of legal or regulatory proceedings and investigations; asset impairments due to economic conditions or specific events; significant fluctuations in interest rates and foreign currency exchange rates from those currently anticipated; damage to facilities, pipelines or delivery systems, including those we own or operate for third parties; availability and cost of raw materials; the success of productivity and operational improvement programs; and other risk factors described in the Company’s Form 10-K for its fiscal year ended September 30, 2018. Except as required by law, the Company disclaims any obligation or undertaking to update or revise any forward-looking statements contained herein to reflect any change in the assumptions, beliefs, or expectations or any change in events, conditions, or circumstances upon which any such forward-looking statements are based.

Safety results

	FY14	Q319 YTD	FY19 vs FY14
Employee Lost Time Injury Rate	0.24	0.07	72% better
Employee Recordable Injury Rate	0.58	0.40	31% better

Our Goal

Air Products will be the **safest**,
most diverse and **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.

Five Point Plan: Moving Forward

Sustain the lead 	Deploy capital 	Evolve portfolio 	Change culture 	Belong and Matter 
Safest, most diverse, and most profitable	Strategically invest significant available capacity	Grow onsite portion	4S	Inclusion
Best-in-class performance	Win profitable growth projects globally	Energy, environment and emerging markets	Committed and motivated	Enjoyable work environment
Productivity			Positive attitudes and open minds	Proud to innovate and solve challenges



Executing our gasification strategy

Energy, environmental, emerging markets



Large ASUs
for China coal
gasification



Lu'An
JV
\$1.5B
2018



Jazan ASUs
JV
\$2B
2019



Jazan Gasifier/
Power JV
\$8B
2019



Yankuang
JV
\$3.5B
2022

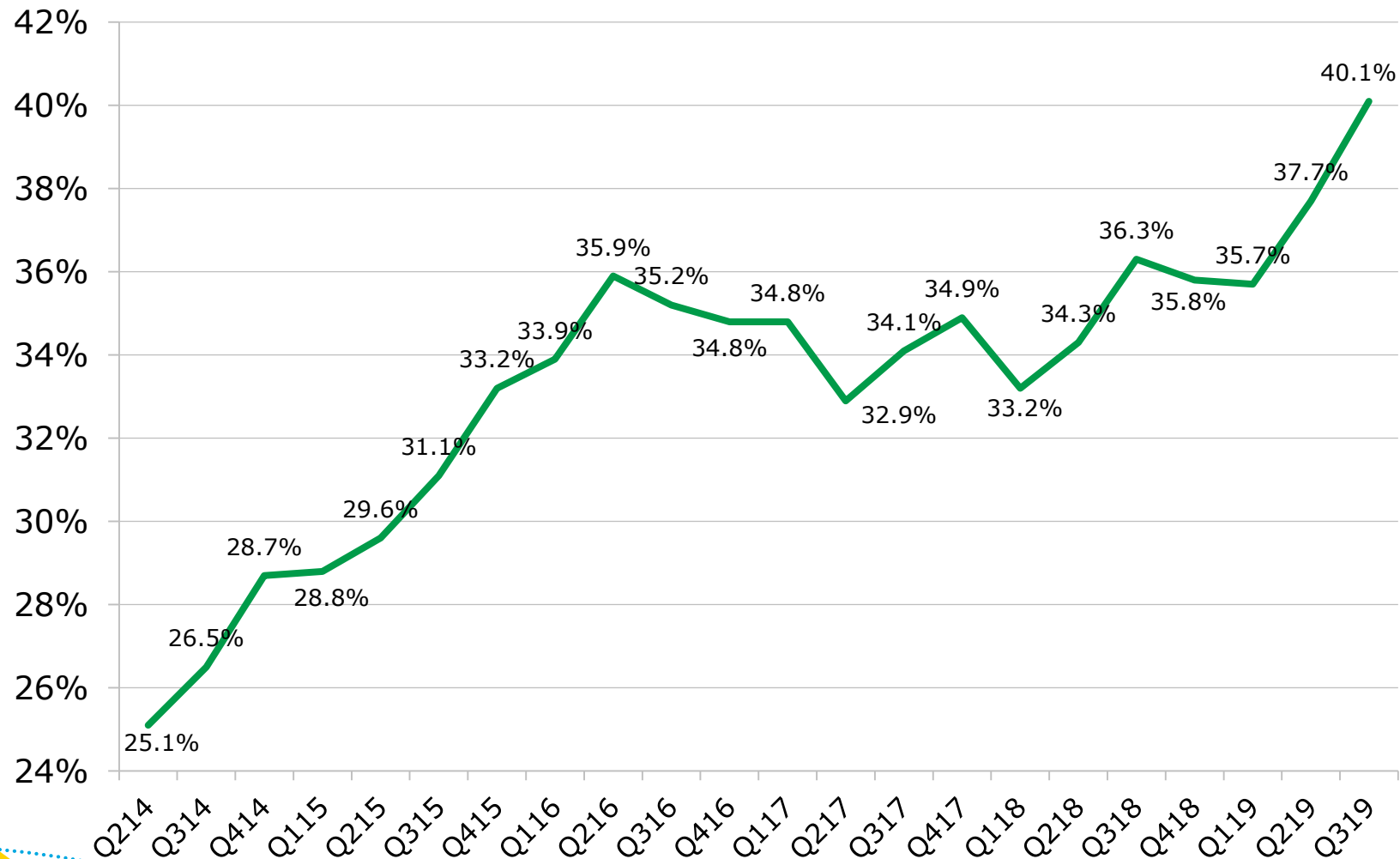


Juitai
100% APD
\$0.65B
2022

Our key profitability metrics

	Q3 FY19
EBITDA % margin	40.1%
Operating % margin	25.5%
ROCE	12.7%

EBITDA margin trend



Non-GAAP measures, see appendix for reconciliation and pro forma adjustments

Q3 Results

(\$ million)	Q3FY19	Fav/(Unfav) vs.	
		Q3FY18	Q2FY19
Sales	\$2,224	(2%)	2%
- Volume		2%	5%
- Price		4%	1%
- Energy cost pass-through		(1%)	(3%)
- Currency		(4%)	(1%)
- Other (<i>India contract modification</i>)		(3%)	-%
EBITDA	\$892	9%	8%
- <i>EBITDA Margin</i>	<i>40.1%</i>	<i>380bp</i>	<i>240bp</i>
Operating Income	\$566	10%	10%
- <i>Operating Margin</i>	<i>25.5%</i>	<i>270bp</i>	<i>190bp</i>
Net Income	\$481	12%	13%
GAAP EPS (\$/share)	\$2.20	13%	16%
Adjusted EPS (\$/share)	\$2.17	11%	13%
ROCE	12.7%	50bp	10bp

- Volume up 4% excluding Jazan sale of equipment
- India hydrogen plant converted to tolling – lowers sales 3% but no profit impact
- Record EBITDA margin

Based on continuing ops, non-GAAP measures, diluted shares, see appendix for reconciliation



Q3 EPS analysis

EPS Up \$0.22 or 11%

	Q3FY18	Q3FY19	Change
As reported cont ops EPS	\$1.95	\$2.20	
less non-GAAP items	0.00	0.03	
NonGAAP cont ops EPS	\$1.95	\$2.17	\$0.22
Volume		(0.04)	
Price (net of variable costs)		0.30	
Other Cost		(0.02)	
			\$0.24
Currency/FX			(\$0.05)
Tax rate		0.02	
Non-operating Income		0.02	
Other (EAI, NCI, Shares, etc)		(0.01)	
			\$0.03

- Strong operating performance driven by price
- EPS up 14% on constant currency basis

Cash Flow Focus

(\$ million)

Q3FY19 LTM

EBITDA	\$3,333
Interest, net	(72)
Cash Tax	(304)
Maintenance Capex	<u>(404)</u>
Distributable Cash Flow	\$2,553
	<i>\$11.51/Share</i>
Dividends	<u>(980)</u>
Investable Cash Flow	\$1,573

- ~\$11.5/share of Distributable Cash Flow
- Paid about 40% of Distributable Cash Flow as dividends
- ~\$1.6B of Investable Cash Flow

Capital Deployment Scorecard

FY18 – FY22, as of 6/30/19

Available Now (6/30/19)		
Total Debt Capacity	\$ 10.0	Assuming 3 x LTM EBITDA
Less: Net Debt	<u>\$ 1.1</u>	Debt minus cash
Additional Available Now	\$ 8.9	
Available In Future – Investable Cash Flow	\$ 5.1	LTM ICF x 3.25 years
Already Spent – FY18 through Q3 FY19	\$ 2.8	Growth CAPEX plus M&A
FY18 - FY22 Capacity	\$ 16.8	

Commitments	\$ 6.7	Remaining to be spent
Spent + Commitments	\$ 9.5	

% Spent 17%

% Spent + Commitments 56%

- Committed to manage debt balance to maintain current targeted A/A2 rating
- Total Commitment Value ~ \$7.7B; Remaining to be spent ~ \$6.7B

Gases Asia

	Q3FY19	Fav/(Unfav) vs.	
		Q3FY18	Q2FY19
Sales	\$679	9%	9%
- Volume		10%	8%
- Price		5%	2%
- Energy cost pass-through		-0%	-0%
- Currency		(6%)	(1%)
EBITDA	\$334	24%	12%
- EBITDA Margin	49.2%	590bp	150bp
Operating Income	\$231	25%	16%
- Operating Margin	34.1%	440bp	220bp

- New plants, primarily Lu'An, contributed majority of volume growth
- Volume, price and productivity drove record EBITDA margin
- Recovery from Lunar New Year and new plants drove sequential volume improvement

Gases Americas

	Q3FY19	Fav/(Unfav) vs.	
		Q3FY18	Q2FY19
Sales	\$955	1%	(4%)
- Volume		-%	1%
- Price		4%	-%
- Energy cost pass-through		(1%)	(5%)
- Currency		(2%)	-%
EBITDA	\$410	7%	3%
- <i>EBITDA Margin</i>	42.9%	270bp	270bp
Operating Income	\$262	11%	3%
- <i>Operating Margin</i>	27.4%	240bp	160bp

- Underlying volume positive excluding prior year contract termination
- Strongest price performance in over four years
- Significant EBITDA margin increase primarily driven by higher pricing

Gases EMEA

	Q3FY19	Fav/(Unfav) vs.	
		Q3FY18	Q2FY19
Sales	\$495	(12%)	-%
- Volume		2%	4%
- Price		4%	-%
- Energy cost pass-through		(2%)	(3%)
- Currency		(5%)	(1%)
- Other (<i>India contract modification</i>)		(11%)	-%
EBITDA	\$190	2%	4%
- <i>EBITDA Margin</i>	<i>38.4%</i>	<i>520bp</i>	<i>160bp</i>
Operating Income	\$123	4%	1%
- <i>Operating Margin</i>	<i>24.9%</i>	<i>370bp</i>	<i>10bp</i>

- India hydrogen plant converted to tolling - lowers sales 11% but no profit impact
- EBITDA up 7% on constant currency basis
- Excluding India contract modification, EBITDA margin up ~100bp

Global Gases

	Q3FY19	Fav/(Unfav) vs. Q3FY18
Sales	\$58	(\$43)
EBITDA	(\$6)	(\$30)
Operating Income	(\$10)	(\$29)

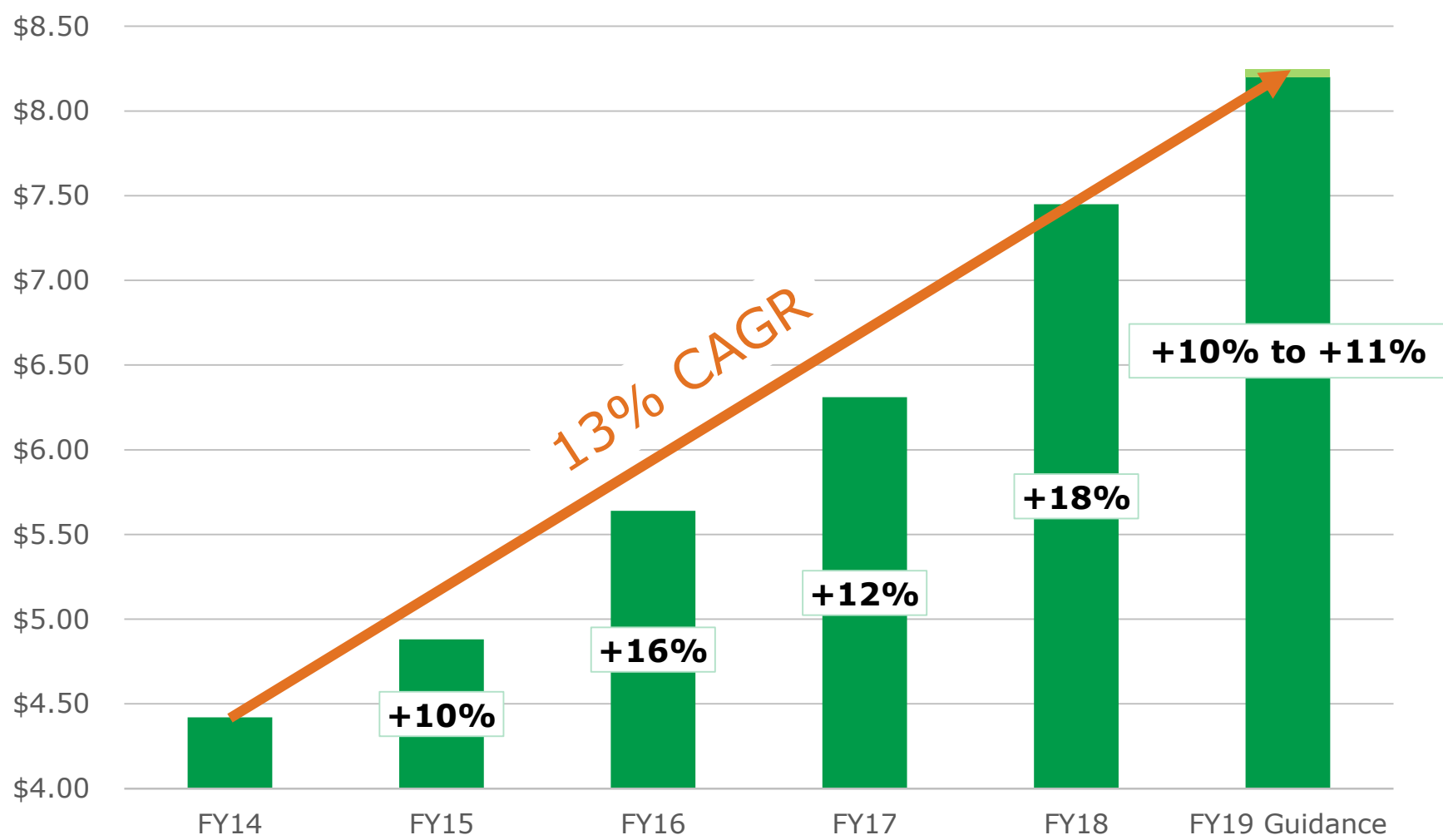
- Sales and profits decreased on lower Jazan Sale of Equipment activity

Corporate

	Q3FY19	Fav/(Unfav) vs. Q3FY18
Sales	\$37	\$13
EBITDA	(\$36)	\$6
Operating Income	(\$41)	\$4

- Golden Pass LNG project contributed
- LNG prospects improving

Air Products EPS



Based on continuing ops, non-GAAP measures, see appendix for reconciliation



Outlook

Q4 EPS	vs PY	FY EPS	vs PY
\$2.26 - \$2.31	+13% to +16%	\$8.20 to \$8.25	+10% to +11%

FY19 Capital Expenditure = \$2.4 - \$2.5 billion

(Does not include Jazan Gasification/Power JV)

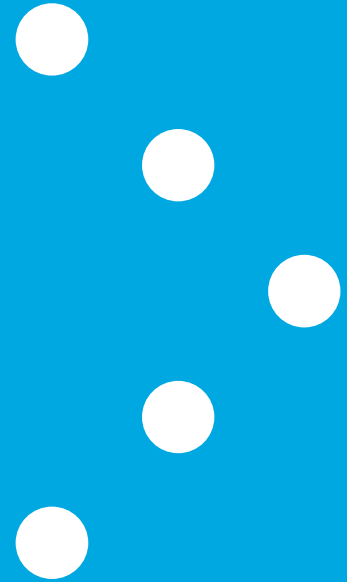
Our competitive advantage

The only sustainable element
of long-term competitive
advantage is the degree of

commitment and **motivation**

of the people in the enterprise

Appendix slides



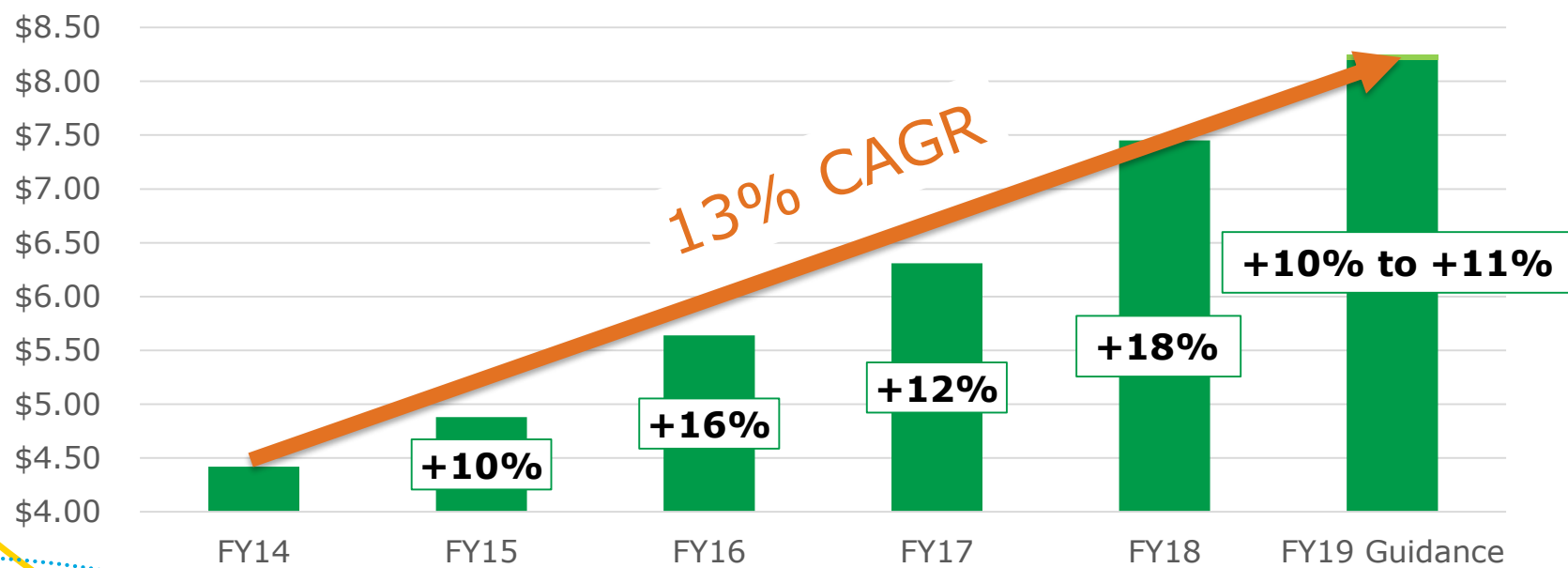
Major projects

* Multiple Phases

Plant	Customer/Location	Capacity	Timing	Market
ONSTREAM (last five quarters)				
H2/CO	Baytown, Texas	125 MM H2+CO	OS Q318	Pipeline
ASU/Gasifier	AP(60%)/Lu'An JV - Shanxi, China	10,000 TPD O2, ~\$1.5B total JV	OS Q418*	Gasif to Chemicals
ASU/Liquid	Ulsan, Korea	1750 TPD	Q1 FY19	Pipeline
ASU – Ph 3/4	Samsung Pyeongtaek, Korea	World Scale	Q1 FY19*	Electronics
Liquid ASU	Middletown, Ohio	400 TPD	Q1 FY19	Merchant
ASU/LAR	Chemours, Tennessee	Not disclosed	Q1 FY19	Chemicals
Liquid ASU	Glenmont, NY	1100 TPD LXNLAR	Q3 FY19	Merchant
ASU/H2/Air	Samsung Xi'an, China	World Scale	Q3 FY19*	Electronics
PROJECT COMMITMENTS				
ASU/H2	Samsung Giheung, Korea	World Scale	FY 20	Electronics
Syngas	BPCL Ph 2, India	Not disclosed	FY 20	Chemicals
H2/CO	Geismar, Louisiana	50MMH2+6.5MMCO	FY 20	Chem/Pipeline
Liquid ASU	Minnesota	Not disclosed	2020	Merchant
Liquid H2	LaPorte, TX	~30 tons per day	2021	Merchant
ASU/Liquid	Eastman, Kingsport, Tennessee	Not disclosed	2021	Gasifier/Merchant
Liquid H2	California	Not disclosed	2021	Merchant
ASU/Liquid	Big River Steel, Arkansas	>250 TPD + liquid	2021	Steel/Merchant
ASU: AP SOE + JV SOG	AP(25%)/ACWA JV – Jazan, Saudi Arabia	75,000 TPD O2/N2, \$2B total JV	2019*	Gasifier/Refinery
Gasifier/Power	AP(~60%)/SA/ACWA JV – Jazan, Saudi Arabia	\$8B total JV	2019*	Gasif to Refinery
ASU/Gasifier	AP(~55-60%)/YK-SFEC - Shaanxi, China	40,000 TPD O2, \$3.5B total JV	2022*	Gasif to Chemicals
ASU/Gasifier	AP 100% - Jiutai-Hohhot, China	\$0.65B investment	2022*	Gasif to Chemicals

Air Products EPS

FY14	FY15	FY16	FY17	FY18	FY19
		Q1	\$1.47	\$1.79	\$1.86
		Q2	\$1.43	\$1.71	\$1.92
		Q3	\$1.65	\$1.95	\$2.17
		Q4	\$1.76	\$2.00	\$2.26 - \$2.31
\$4.42	\$4.88	\$5.64	\$6.31	\$7.45	\$8.20 - \$8.25



Capital Expenditure

FY	\$MM
2019 Forecast	\$2.4 - \$2.5 billion
2018	\$1,914
2017	\$1,056
2016	\$908
2015	\$1,201

Non-GAAP - Capital Expenditures includes Additions to plant and equipment; Acquisitions; and Investment in and advances to unconsolidated affiliates.

Excludes \$0.3B in 2015 for Indura equity.

Q3FY19 Non-GAAP Items

(\$ Millions)	Op. Income	Tax	Net Income	EPS
A. Cost reduction actions	\$ 25.5	\$ 6.7	\$ 18.8	\$ 0.08
B. Gain on exchange of equity affiliate investments	\$ (29.1)	\$ -	\$ (29.1)	\$ (0.13)
C. Tax reform repatriation	\$ -	\$ (3.2)	\$ 3.2	\$ 0.02
Total	\$ (3.6)	\$ 3.5	\$ (7.1)	\$ (0.03)

- A. Expense for severance and other benefits associated with position eliminations, primarily in the Industrial Gases – EMEA and Americas segments.
- B. Gain on exchange of two 50%-owned industrial gas joint ventures in China calculated based on the fair value of the investments on the date of exchange.
- C. Expense resulting from the filing of our 2018 federal income tax return in June 2019, which adjusted our calculation of the deemed repatriation tax associated with the U.S. Tax Cuts and Jobs Act.

Non-GAAP Historical Impacts



\$Millions, except per share data

	Q118			Q218			Q318			Q418			FY18		
	GAAP	Items	Non-GAAP	GAAP	Items	Non-GAAP	GAAP	Items	Non-GAAP	GAAP	Items	Non-GAAP	GAAP	Items	Non-GAAP
Operating Income	460.7	0.0	460.7	455.4	0.0	455.4	515.8	0.0	515.8	533.7	(24.1)	509.6	1,965.6	(24.1)	1,941.5
Equity Affil. Income	13.8	32.5	46.3	43.7	0.0	43.7	58.1	0.0	58.1	59.2	(4.0)	55.2	174.8	28.5	203.3
Interest Expense	29.8	0.0	29.8	30.4	0.0	30.4	34.9	0.0	34.9	35.4	0.0	35.4	130.5	0.0	130.5
Non-Op Inc/(Exp)	<u>9.8</u>	<u>0.0</u>	<u>9.8</u>	<u>11.1</u>	<u>0.0</u>	<u>11.1</u>	<u>12.8</u>	<u>0.0</u>	<u>12.8</u>	<u>(28.6)</u>	<u>43.7</u>	<u>15.1</u>	<u>5.1</u>	<u>43.7</u>	<u>48.8</u>
Income from cont. ops before taxes	454.5	32.5	487.0	479.8	0.0	479.8	551.8	0.0	551.8	528.9	15.6	544.5	2,015.0	48.1	2,063.1
Taxes	291.8	(206.5)	85.3	56.2	38.8	95.0	107.1	0.0	107.1	69.2	26.7	95.9	524.3	(141.0)	383.3
NCI	<u>7.1</u>	<u>0.0</u>	<u>7.1</u>	<u>7.2</u>	<u>0.0</u>	<u>7.2</u>	<u>14.0</u>	<u>0.0</u>	<u>14.0</u>	<u>6.8</u>	<u>0.0</u>	<u>6.8</u>	<u>35.1</u>	<u>0.0</u>	<u>35.1</u>
Net Inc. Cont. Ops	155.6	239.0	394.6	416.4	(38.8)	377.6	430.7	0.0	430.7	452.9	(11.1)	441.8	1,455.6	189.1	1,644.7
EPS	0.70	1.09	1.79	1.89	(0.18)	1.71	1.95	0.00	1.95	2.05	(0.05)	2.00	6.59	0.86	7.45
	Q119			Q219			Q319								
	GAAP	Items	Non-GAAP	GAAP	Items	Non-GAAP	GAAP	Items	Non-GAAP						
Operating Income	455.0	29.0	484.0	516.5	0.0	516.5	569.7	(3.6)	566.1						
Equity Affil. Income	52.9	0.0	52.9	46.2	0.0	46.2	56.4	0.0	56.4						
Interest Expense	37.3	0.0	37.3	35.4	0.0	35.4	34.2	0.0	34.2						
Non-Op Inc/(Exp)	<u>18.5</u>	<u>0.0</u>	<u>18.5</u>	<u>13.7</u>	<u>5.0</u>	<u>18.7</u>	<u>17.6</u>	<u>0.0</u>	<u>17.6</u>						
Income from cont. ops before taxes	489.1	29.0	518.1	541.0	5.0	546.0	609.5	(3.6)	605.9						
Taxes	132.1	(33.7)	98.4	107.5	1.2	108.7	109.3	3.5	112.8						
NCI	<u>9.5</u>	<u>0.0</u>	<u>9.5</u>	<u>12.2</u>	<u>0.0</u>	<u>12.2</u>	<u>12.2</u>	<u>0.0</u>	<u>12.2</u>						
Net Inc. Cont. Ops	347.5	62.7	410.2	421.3	3.8	425.1	488.0	(7.1)	480.9						
EPS	1.57	0.29	1.86	1.90	0.02	1.92	2.20	(0.03)	2.17						

Appendix: GAAP to Non-GAAP Measures



(\$ Millions, except per share data)

	GAAP Measure				Non-GAAP Adjusts.		Non-GAAP Measure			
	Q319	Q318	\$ Change	% Change	Q319	Q219	Q319	Q318	\$ Change	% Change
<u>Q319 vs. Q318 - Total Company</u>										
Sales	2,224.0	2,259.0	(35.0)	(2%)	(3.6)		2,224.0	2,259.0	(35.0)	(2%)
Operating Income	569.7	515.8	53.9	10%	(3.6)		566.1	515.8	50.3	10%
Operating Margin	25.6%	22.8%		280bp			25.5%	22.8%		270bp
Income from Cont. Ops. (1)	488.0	430.7	57.3	13%	(7.1)		480.9	430.7	50.2	12%
Diluted EPS - Cont. Ops. (1)	\$2.20	\$1.95	\$0.25	13%	(0.03)		\$2.17	\$1.95	\$0.22	11%
<u>Q319 vs. Q219 - Total Company</u>										
Sales	2,224.0	2,187.7	36.3	2%	(3.6)		2,224.0	2,187.7	36.3	2%
Operating Income	569.7	516.5	53.2	10%	(3.6)		566.1	516.5	49.6	10%
Operating Margin	25.6%	23.6%		200bp			25.5%	23.6%		190bp
Income from Cont. Ops. (1)	488.0	421.3	66.7	16%	(7.1)	3.8	480.9	425.1	55.8	13%
Diluted EPS - Cont. Ops. (1)	\$2.20	\$1.90	\$0.30	16%	(0.03)	0.02	\$2.17	\$1.92	\$0.25	13%

(1) Attributable to Air Products

Appendix: Adjusted EBITDA Trend

\$ Millions	Q118	Q218	Q318	Q418	FY18	Q119	Q219	Q319	Q319 vs PY		Q319 vs PQ	
									\$	%	\$	%
Income From Continuing Operations	162.7	423.6	444.7	459.7	1,490.7	357.0	433.5	500.2				
Add: Interest expense	29.8	30.4	34.9	35.4	130.5	37.3	35.4	34.2				
Less: Other non-operating income (expense), net	9.8	11.1	12.8	(28.6)	5.1	18.5	13.7	17.6				
Add: Income tax provision (benefit)	291.8	56.2	107.1	69.2	524.3	132.1	107.5	109.3				
Add: Depreciation and amortization	227.9	240.0	245.6	257.2	970.7	258.0	262.1	269.1				
Add: Non-GAAP pre-tax adjustments (1)	<u>32.5</u>	<u>0.0</u>	<u>0.0</u>	<u>(28.1)</u>	<u>4.4</u>	<u>29.0</u>	<u>0.0</u>	<u>(3.6)</u>				
Adjusted EBITDA	734.9	739.1	819.5	822.0	3,115.5	794.9	824.8	891.6	72.1	9%	66.8	8%
Sales	2,216.6	2,155.7	2,259.0	2,298.9	8,930.2	2,224.0	2,187.7	2,224.0				
Adjusted EBITDA Margin	33.2%	34.3%	36.3%	35.8%	34.9%	35.7%	37.7%	40.1%			380bp	240bp

(1) Non-GAAP Pre-Tax Adjustments

	Q118	Q218	Q318	Q418	FY18	Q119	Q219	Q319
Change in inventory valuation method	0.0	0.0	0.0	(24.1)	(24.1)	0.0	0.0	0.0
Facility closure	0.0	0.0	0.0	0.0	0.0	29.0	0.0	0.0
Cost reduction actions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.5
Gain on exchange of equity affiliate investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(29.1)
Tax reform repatriation – equity method investment	<u>32.5</u>	<u>0.0</u>	<u>0.0</u>	<u>(4.0)</u>	<u>28.5</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Non-GAAP pre-tax adjustments	<u>32.5</u>	<u>0.0</u>	<u>0.0</u>	<u>(28.1)</u>	<u>4.4</u>	<u>29.0</u>	<u>0.0</u>	<u>(3.6)</u>

Appendix: Adjusted EBITDA by Segment



\$ Millions	Q118	Q218	Q318	Q418	FY18	Q119	Q219	Q319	Q319 vs PY		Q319 vs PQ	
									\$	%	\$	%
Gases - Americas												
Operating Income	217.2	222.3	237.1	251.3	927.9	219.2	255.6	262.2				
Add: Depreciation and amortization	117.8	122.3	120.5	124.7	485.3	125.6	124.9	126.3				
Add: Equity affiliates' income	18.6	16.9	24.1	22.4	82.0	22.6	17.8	21.7				
Adjusted EBITDA	353.6	361.5	381.7	398.4	1,495.2	367.4	398.3	410.2	28.5	7%	11.9	3%
Adjusted EBITDA Margin	38.9%	39.6%	40.2%	40.4%	39.8%	37.1%	40.2%	42.9%		270bp		270bp
Gases - EMEA												
Operating Income	104.5	116.7	118.8	105.8	445.8	105.6	122.5	123.4				
Add: Depreciation and amortization	49.1	50.7	49.8	49.0	198.6	46.3	46.3	47.8				
Add: Equity affiliates' income	13.1	11.1	17.5	19.4	61.1	13.7	13.3	18.8				
Adjusted EBITDA	166.7	178.5	186.1	174.2	705.5	165.6	182.1	190.0	3.9	2%	7.9	4%
Adjusted EBITDA Margin	32.3%	31.8%	33.2%	31.4%	32.2%	31.6%	36.8%	38.4%		520bp		160bp
Gases - Asia												
Operating Income	175.5	148.7	185.5	180.2	689.9	201.8	199.7	231.4				
Add: Depreciation and amortization	56.8	62.6	69.5	76.9	265.8	79.9	84.9	87.9				
Add: Equity affiliates' income	14.2	15.4	15.1	13.6	58.3	16.2	13.8	14.9				
Adjusted EBITDA	246.5	226.7	270.1	270.7	1,014.0	297.9	298.4	334.2	64.1	24%	35.8	12%
Adjusted EBITDA Margin	38.3%	40.7%	43.3%	42.8%	41.3%	47.5%	47.7%	49.2%		590bp		150bp
Gases - Global												
Operating Income	9.5	12.1	19.8	12.5	53.9	3.9	(12.2)	(9.6)				
Add: Depreciation and amortization	1.6	1.9	2.3	2.3	8.1	2.1	2.0	2.2				
Add: Equity affiliates' income	0.4	0.3	1.4	(0.2)	1.9	0.4	1.3	1.0				
Adjusted EBITDA	11.5	14.3	23.5	14.6	63.9	6.4	(8.9)	(6.4)	(29.9)		2.5	
Corporate/Other												
Operating Income	(46.0)	(44.4)	(45.4)	(40.2)	(176.0)	(46.5)	(49.1)	(41.3)				
Add: Depreciation and amortization	2.6	2.5	3.5	4.3	12.9	4.1	4.0	4.9				
Add: Equity affiliates' income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0				
Adjusted EBITDA	(43.4)	(41.9)	(41.9)	(35.9)	(163.1)	(42.4)	(45.1)	(36.4)	5.5		8.7	

Appendix: ROCE

Moving forward

	Q117	Q217	Q317	Q417	Q118	Q218	Q318	Q418	Q119	Q219	Q319
Numerator											
GAAP Net Income from continuing operations attributable to Air Products		304.4	104.2	474.2	155.6	416.4	430.7	452.9	347.5	421.3	488.0
Add Interest Expense Impact											
Before tax interest expense		30.5	29.8	30.8	29.8	30.4	34.9	35.4	37.3	35.4	34.2
Interest expense tax impact		(7.1)	(13.6)	0.1	(19.1)	(3.6)	(6.8)	(4.6)	(10.1)	(7.0)	(6.1)
Net interest expense impact		23.4	16.2	30.9	10.7	26.8	28.1	30.8	27.2	28.4	28.1
Add Net income attributable to noncontrolling interests (cont. ops.)		5.7	2.2	6.3	7.1	7.2	14.0	6.8	9.5	12.2	12.2
GAAP Earnings After Tax		333.5	122.6	511.4	173.4	450.4	472.8	490.5	384.2	461.9	528.3
Disclosed Items, after-tax											
Change in inventory valuation method		-	-	-	-	-	-	(17.5)	-	-	-
Facility Closure		-	-	-	-	-	-	-	22.1	-	-
Tax (benefit) costs associated with business separation		-	(8.2)	-	-	-	-	-	-	-	-
Cost reduction and asset actions		7.2	30.0	30.9	-	-	-	-	-	-	18.8
Gain on exchange of equity affiliate investments		-	-	-	-	-	-	-	-	-	(29.1)
Goodwill and intangible asset impairment charge		-	154.1	-	-	-	-	-	-	-	-
Gain on land sale		-	-	(7.6)	-	-	-	-	-	-	-
Equity method investment impairment charge		-	79.5	-	-	-	-	-	-	-	-
Pension settlement loss		2.6	3.4	0.6	-	-	-	33.2	-	3.8	-
Tax reform repatriation		-	-	-	453.0	-	-	24.1	(15.6)	-	3.2
Tax reform adjustment related to deemed foreign dividends		-	-	-	-	-	-	(56.2)	56.2	-	-
Tax reform rate change and other		-	-	-	(214.0)	-	-	2.2	-	-	-
Tax restructuring		-	-	-	-	(38.8)	-	3.1	-	-	-
Tax election benefit		-	-	(111.4)	-	-	-	-	-	-	-
Subtotal Items		9.8	258.8	(87.5)	239.0	(38.8)	0.0	(11.1)	62.7	3.8	(7.1)
Non-GAAP Earnings After-Tax		343.3	381.4	423.9	412.4	411.6	472.8	479.4	446.9	465.7	521.2
Denominator											
Total Debt	4,318.4	3,843.2	3,926.0	3,962.8	3,513.3	3,566.5	3,871.2	3,812.6	3,767.9	3,790.8	3,819.7
Air Products Shareholders' Equity	7,261.1	9,420.2	9,509.9	10,185.5	10,321.2	10,693.2	10,810.0	11,176.3	11,203.4	11,503.4	11,726.6
Less: Assets of discontinued operations	(860.2)	(9.8)	(9.8)	(10.2)	(10.2)	0.0	0.0	0.0	0.0	0.0	0.0
Total Capital	10,719.3	13,253.6	13,426.1	14,138.1	13,824.3	14,259.7	14,681.2	14,988.9	14,971.3	15,294.2	15,546.3
Calculation											
GAAP earnings after-tax - 4 qtr trailing					1,140.9	1,257.8	1,608.0	1,587.1	1,797.9	1,809.4	1,864.9
Five-quarter average total capital					13,072.3	13,780.4	14,065.9	14,378.4	14,545.1	14,839.1	15,096.4
ROCE - GAAP items					8.7%	9.1%	11.4%	11.0%	12.4%	12.2%	12.4%
Non-GAAP earnings after-tax - 4 qtr trailing					1,561.0	1,629.3	1,720.7	1,776.2	1,810.7	1,864.8	1,913.2
Five-quarter average total capital					13,072.3	13,780.4	14,065.9	14,378.4	14,545.1	14,839.1	15,096.4
ROCE - Non-GAAP items					11.9%	11.8%	12.2%	12.4%	12.4%	12.6%	12.7%

FY19 EPS Outlook

	<u>Diluted EPS (1)</u>
Q418 GAAP	\$2.05
Change in inventory valuation method	(\$0.08)
Pension settlement loss	\$0.15
Tax reform repatriation	\$0.11
Tax reform rate change and other	\$0.01
Tax restructuring	\$0.01
Tax reform adjustment related to deemed foreign dividends	<u>(\$0.25)</u>
Q418 Non GAAP	<u>\$2.00</u>
Q419 Guidance (2)	\$2.26-\$2.31
% Change FY19 guidance vs FY18 Non GAAP	13%-16%

FY19 Guidance vs Prior Year

FY18 GAAP	\$6.59
Change in inventory valuation method	(\$0.08)
Pension settlement loss	\$0.15
Tax reform repatriation	\$2.16
Tax reform adjustment related to deemed foreign dividends	(\$0.25)
Tax reform rate change and other	(\$0.96)
Tax restructuring	<u>(\$0.16)</u>
FY18 Non GAAP	<u>\$7.45</u>
FY19 Guidance (2)	<u>\$8.20-\$8.25</u>
% Change	10%-11%

(1) Continuing operations, attributable to Air Products

(2) Guidance excludes the impact of certain items, if applicable, that we believe are not representative of our underlying business

Moving forward



Thank you
tell me more

