

Strategy for Success

Innovation, Integration and Improvement

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Jefferies 2012 Global Industrial and A&D Conference

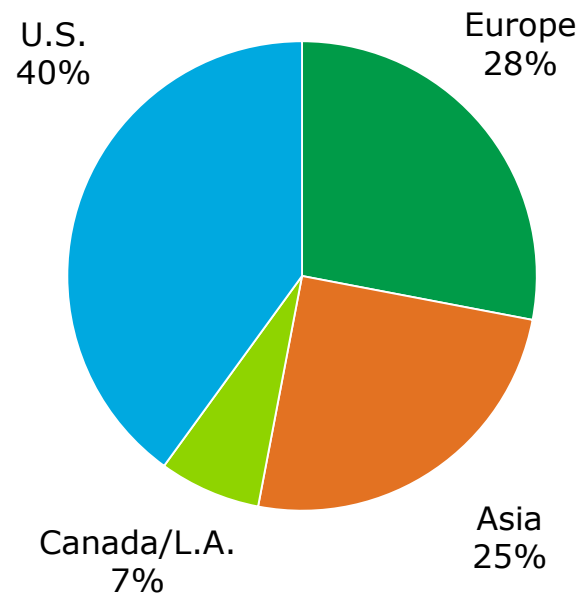
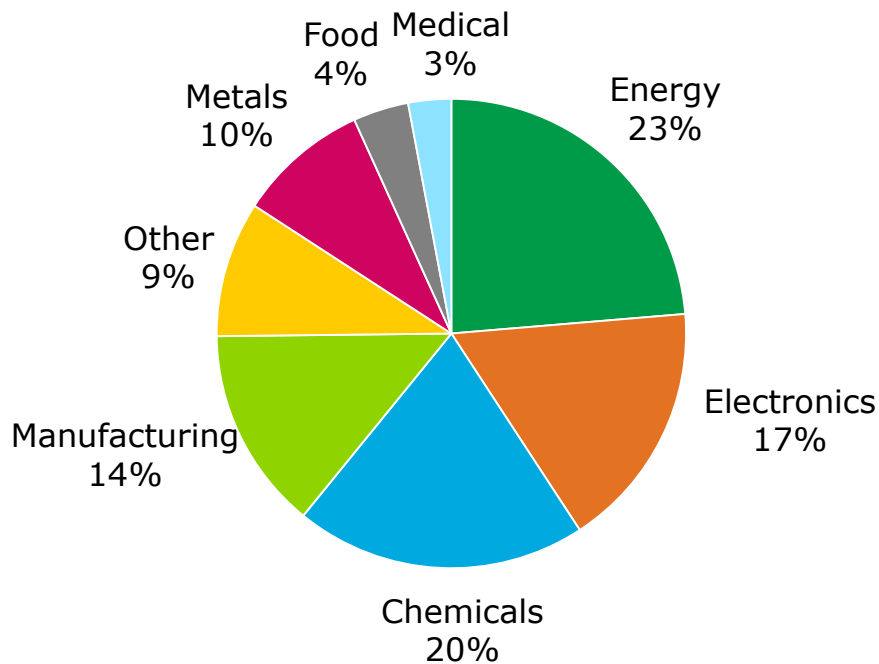
August 2012

Forward Looking Statement

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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

FY 2012 Progress

- Macro headwinds
 - Weaker manufacturing growth
 - Stronger U.S. dollar
- Restructuring / productivity
- Strong capital project signings / backlog
- Growing LNG equipment backlog
- Portfolio management actions
 - Europe homecare services
 - Indura
 - DA Nano
 - AHG

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

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

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

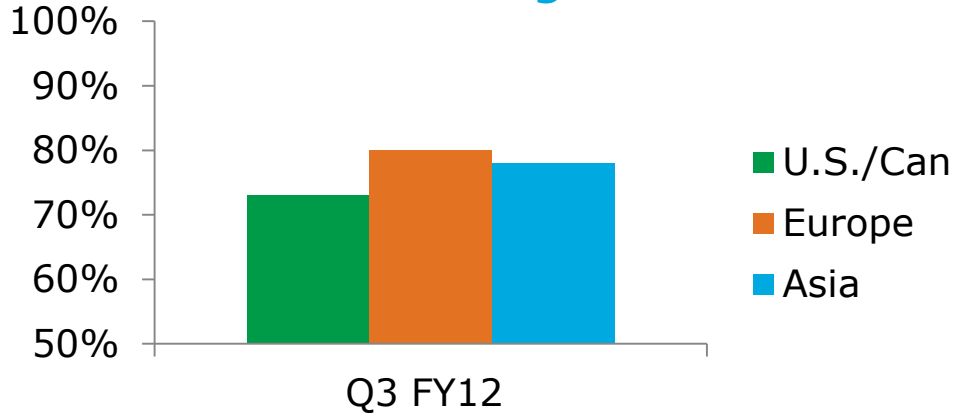
Return on
Capital

15%

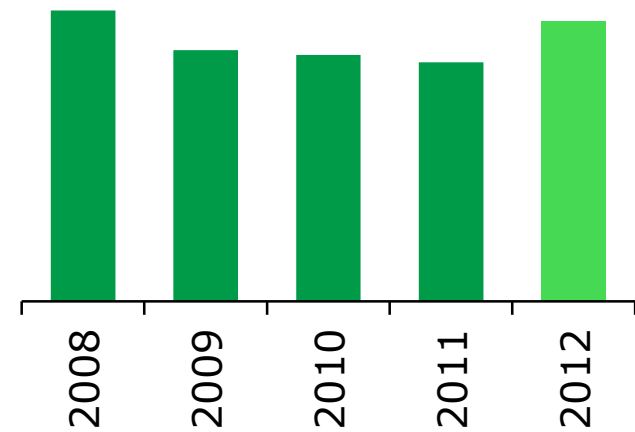
From 12.5%
in 2010
to
15% in 2015

Merchant Opportunity

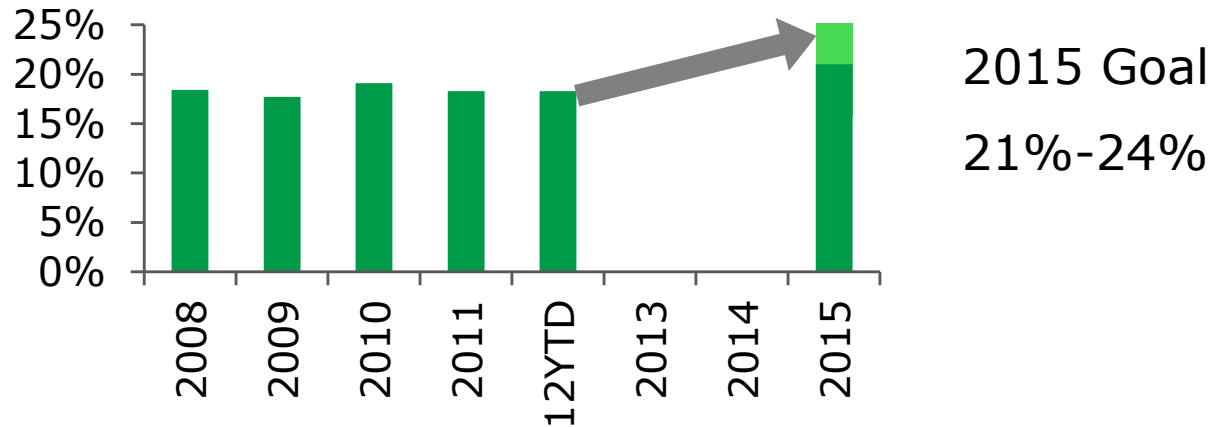
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Signings (MTD)



Operating Margin

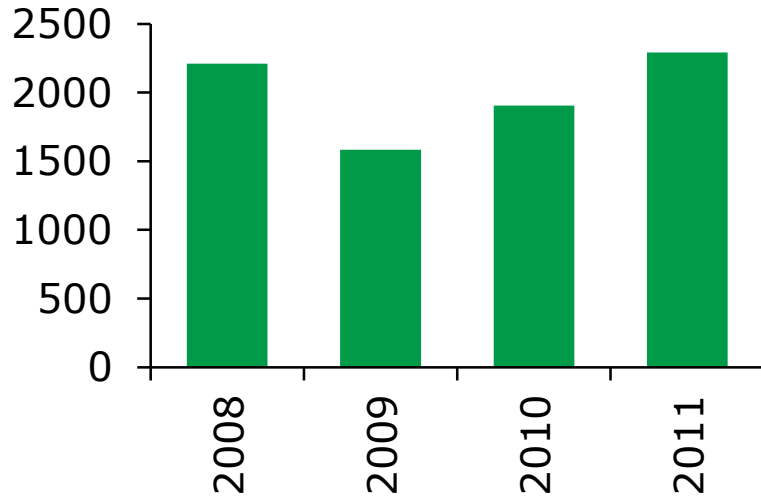


Tonnage Backlog

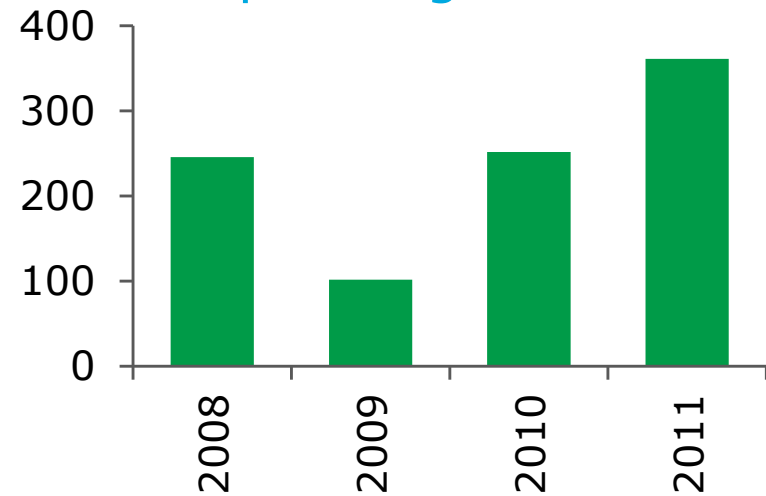
Plant	Location	Capacity	Timing
<u>Hydrogen</u>			
H2	Luling, LA	120 MMSCFD H2	Onstream
H2 Pipeline	Gulf Coast, US	180 miles	Q4FY12
H2	Petrochina, Chengdu, China	90 MMSCFD H2	H1FY13
H2	Marathon, Detroit	60 MMSCFD H2	H1FY13
H2	St. Charles, LA	World Scale	FY14
<u>Gasification</u>			
ASU/Liquid	Petrochina, Chengdu, China	World Scale	H1FY13
ASU	PCEC, Weinan, China	8,200 TPD O2	H2FY13
ASU/Liquid	Wison, Nanjing, China	1,500 TPD O2	FY14
ASU	Shaanxi, China	12,000 TPD O2	FY14
ASU/Liquid	XLX, Henan, China	2,000 TPD O2	FY14
<u>Steel</u>			
ASU/Liquid	Gent, Belgium	2,000 TPD O2	H1FY13

Electronics & Performance Mat'ls Improvement

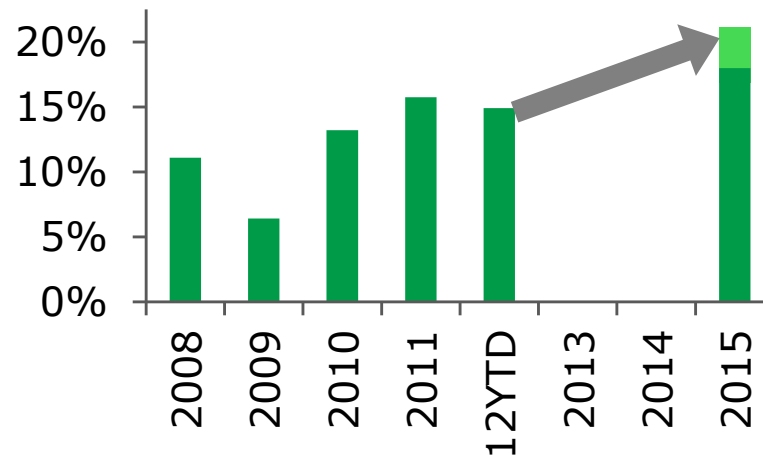
Sales



Operating Income



Operating Margin



2015 Goal
18%- 21%

Energy from Waste - Tees Valley, UK

Strategic drivers

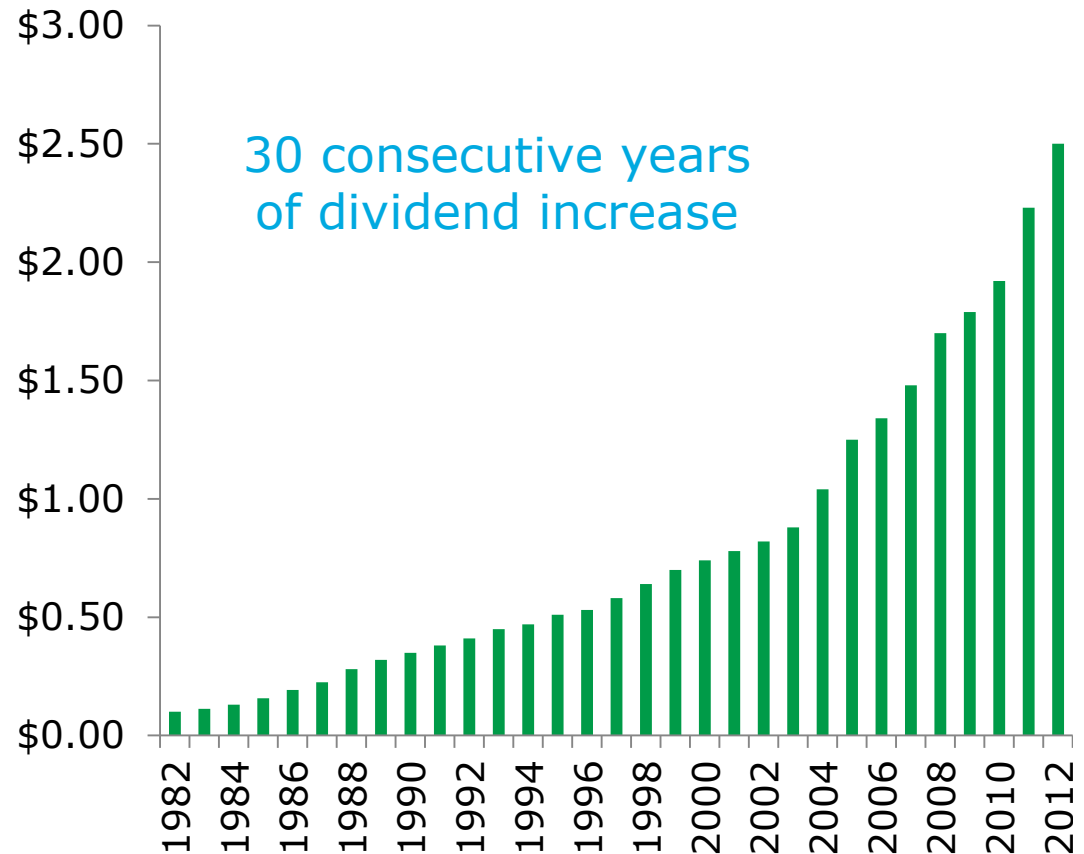
- Innovative growth opportunity
- Onsite business model
- Proven competencies

Project highlights

Project	Gasify 350,000 TPY of waste into 50 MW of power in Tees Valley, UK
Key Partners	Fortune 150 company – power purchase Fortune 100 bank – Renewable Credit purchase Impetus – waste provider AlterNRG – Westinghouse gasification technology
Economic Dimensions	~\$500MM capital ~\$130MM annual revenue

Cash Priorities Remain Consistent

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



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