

# Investor Update

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Diversified Industries Conference

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**AIR**  
**PRODUCTS** 

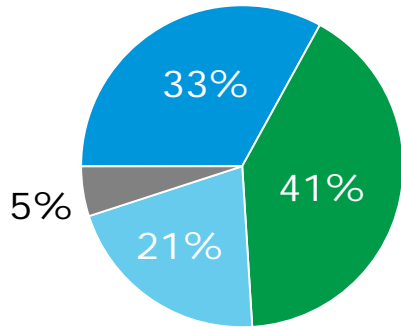
# Forward Looking Statement

Note: This presentation contains "forward-looking statements" within the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including earnings guidance, projections and targets. These forward-looking statements are based on management's reasonable expectations and assumptions as of the date this release is issued regarding important risk factors. 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 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; consequences of acts of war or terrorism impacting the United States and other markets; the effects of a natural disaster; the success of cost reduction and productivity programs and 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 timing and rate at which tax credits can be utilized and other risk factors described in the Company's Form 10K for its fiscal year ended September 30, 2010. 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

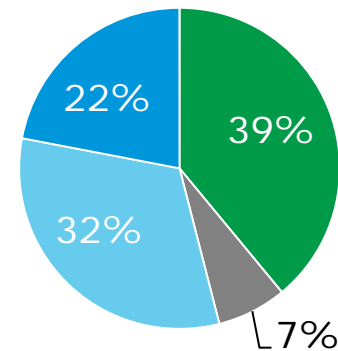
## *At a Glance*

Business Segment Sales



- Tonnage
- Merchant
- Electronics & Performance Materials
- Equipment & Energy

Geographic Sales



- United States
- Canada/Latin America
- Europe
- Asia

- \$9B company
- Diverse markets and geographies
- Positioned for continued long-term value creation

# Air Products Value Proposition

## *Profitable Growth*

- Stability
  - Long term contracts
  - Consistent and predictable cash flows
  - Strong balance sheet
- Growth
  - Energy opportunities
  - Environmental solutions
  - Emerging markets
- Improving returns
  - Margin improvement
  - Productivity
  - Increasing dividends



# 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

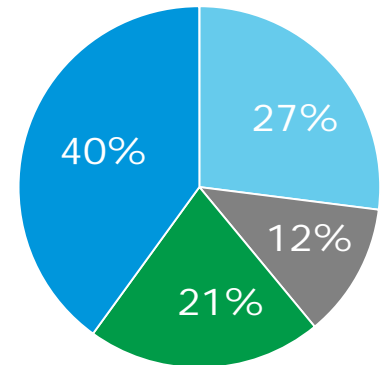


3-5 year Contracts  
Cost Recovery

### Equipment & Services

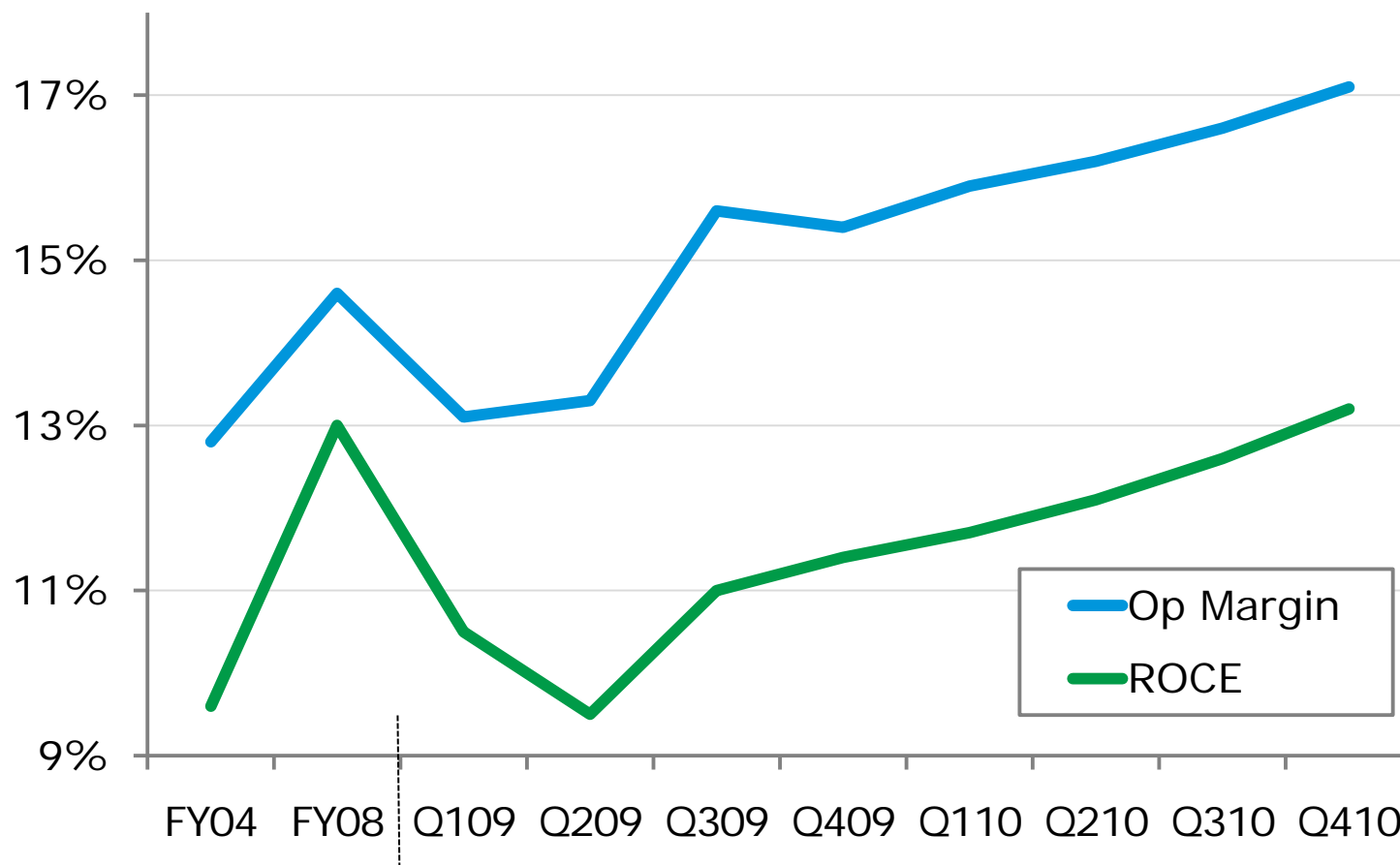


Sale of Equipment  
PO Based



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

# Financial Performance



non-GAAP, see appendix for reconciliation

# Q2 Financials

(\$millions, excluding items)	Q2 FY11	Fav/(Unfav) vs.	
		Q2 FY10	Q1 FY11
Sales	\$2,501	11%	5%
- Volume		11%	2%
- Price		1%	1%
- Energy/RM pass-thru		(2%)	1%
- Currency		1%	1%
Operating Income	\$425	17%	5%
Operating Margin	17.0%	80bp	10bp
Net Income	\$309	16%	4%
Diluted EPS (\$/share)	1.41	15%	4%
ROCE	13.3%	110bp	10bp

Non-GAAP, see appendix for reconciliation.



# Macro Trends Drive Growth

## Hydrogen Energy



- Leading refinery H<sub>2</sub> supplier
- Leader in H<sub>2</sub> fueling infrastructure; game-changing compression-less H<sub>2</sub> fueling technology

## Large-scale O<sub>2</sub>



- Clean / efficient combustion
- Gasification (IGCC, GTL, CTL, CTC)
- Oxyfuel / carbon capture

## Electronic Materials



- Semiconductor and TFT-LCD materials
- SunSource™ solutions for PV; driving for grid parity

## Clean Water



- Wastewater, drinking water and water reuse
- Halia™ ozone-based advanced oxidation technology

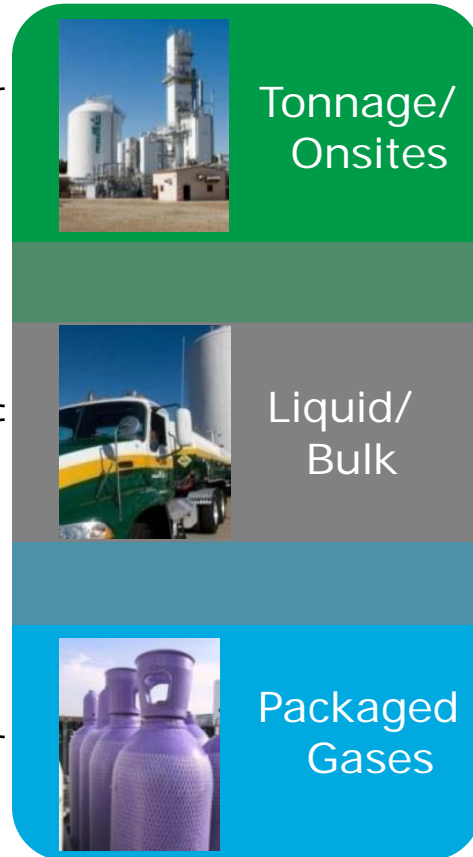
Energy, Environmental and Emerging Markets



# Integrated Industrial Gas Model provides real benefits – locally and globally

## Supply Chain Leverage

- Co-product economics
- Liquid back-up
- Density
- Product supply/outlet
- Molecule balance



## Market Opportunity

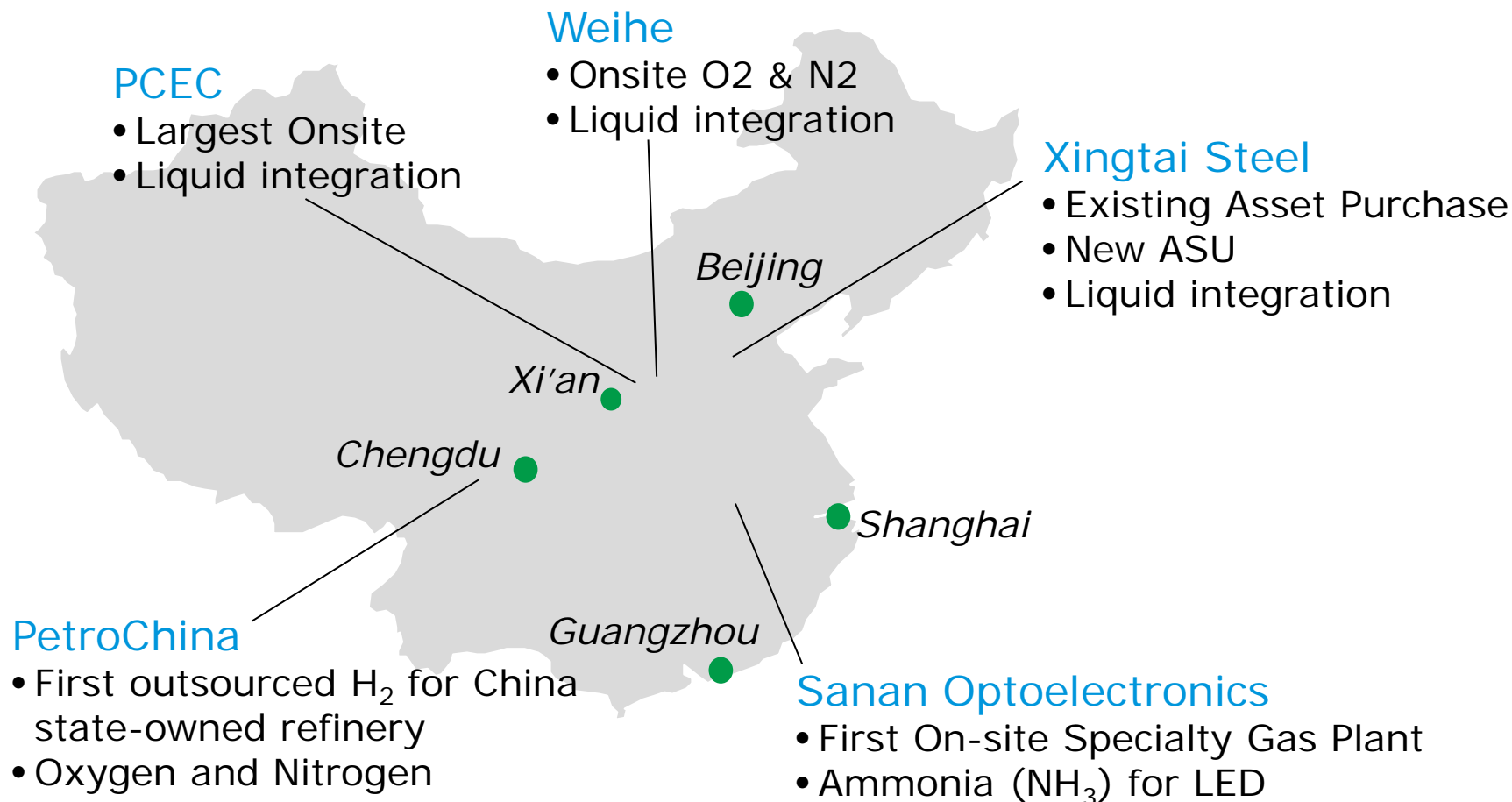
- New segments
  - PG only
  - Bundled
- Sales
  - Greater presence
  - Cross-selling opportunities
- Brand recognition

## Global Scale

- Innovation
- Productivity and best practices
- Enterprise systems & processes

*Outcome = Higher Growth and Higher Profitability*

# Integrated Model in China



*Packaged gas plants co-located with key  
merchant markets & assets  
Over 2000 CryoEase® Services microbulk  
installations*

# Equity Affiliates

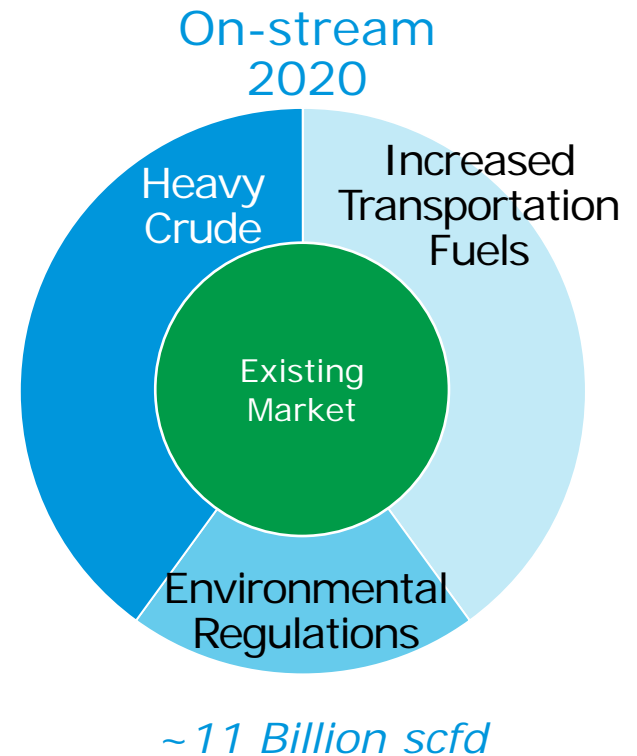
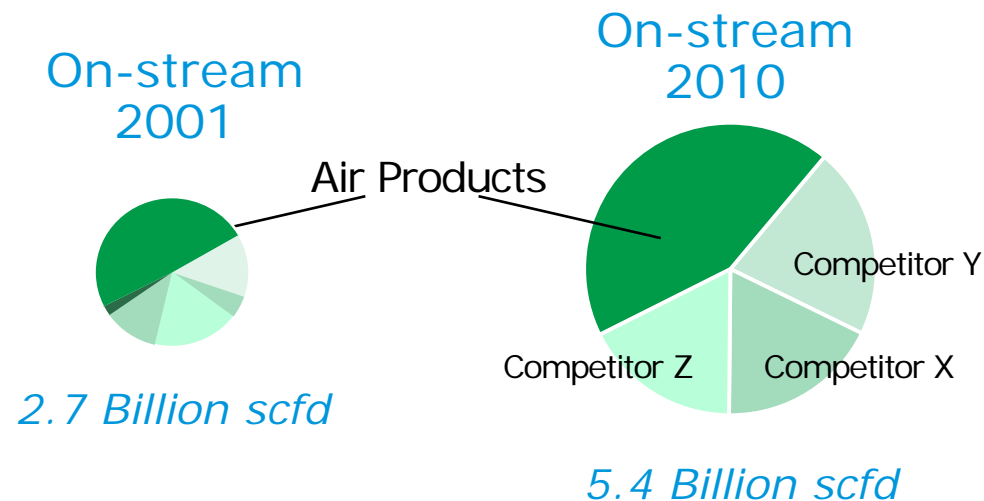
\$2.3B revenue on 100% basis

*Important Source of Growth*



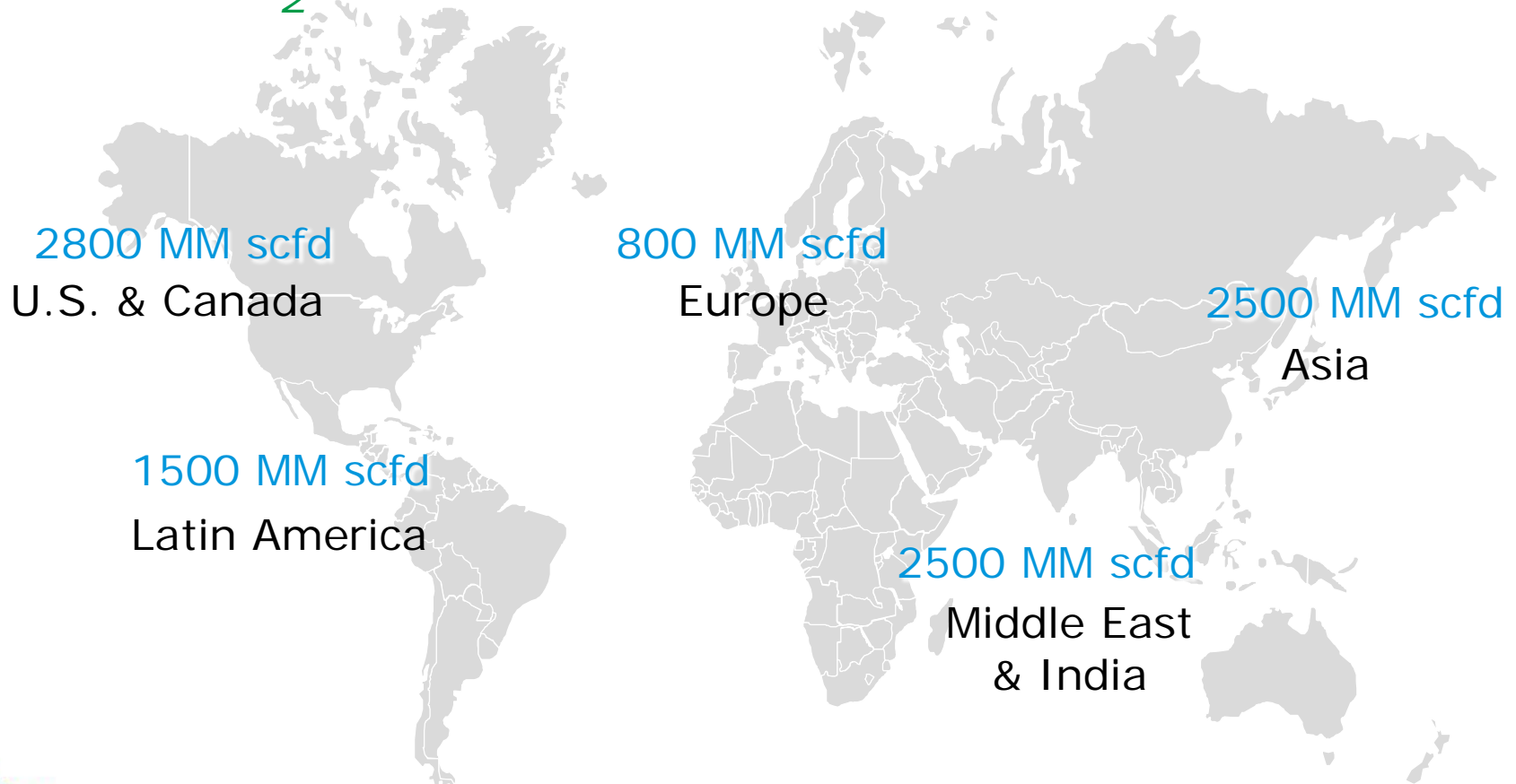
# Air Products: #1 Global H<sub>2</sub> Position in high growth market

- Maintained 40+% share over 20 years (2 x closest competitor)
- Significant Global Pipeline Networks
- Highly probable Market Growth Drivers



# Global H<sub>2</sub> Market Growth\* ~10 BSCFD

*More geographically dispersed vs.  
earlier H<sub>2</sub> investments*



\*Based on estimates of H<sub>2</sub> 2008 -2018 awards,  
on-stream by 2020

# Hydrogen Pipeline Networks

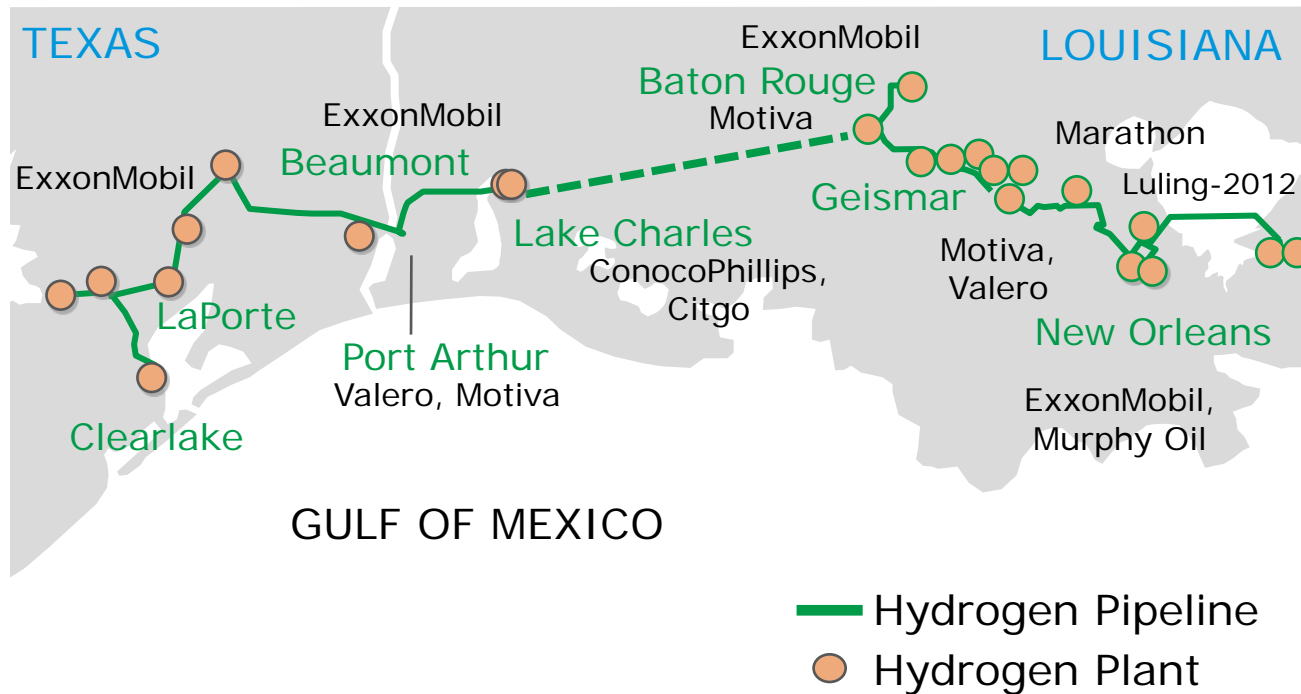
## *Leading Global Hydrogen Provider*



Increasing  
Refineries Global  
Competitiveness  
via:

- Higher Reliability
- Greater Flexibility
- Improved Efficiency
- Economies of Scale

# Air Products (Texas-Louisiana) USGC H<sub>2</sub> Pipeline Networks - 2010 / 2012



- > 1 billion SCFD of capacity
- > 20 plants
- > 600 miles of pipeline driving:
  - Improved Supply Reliability
  - System Efficiency Optimization
  - Demand/Supply Balance
  - Future Project Development



# Tonnage Gases

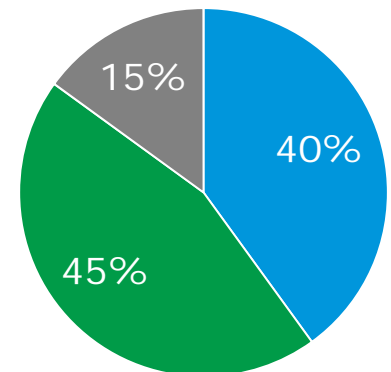
## *Significant New Markets for Oxygen*

- Steel
  - Asian infrastructure growth
  - Mill modernization
- Gasification
  - Power
  - Feedstock independence
  - Low BTU hydrocarbons
- Cleaner coal
  - Power
  - CO<sub>2</sub> capture

200,000-300,000 tons-per-day new oxygen capacity by 2018

100+ new plants

New Market Growth for Oxygen



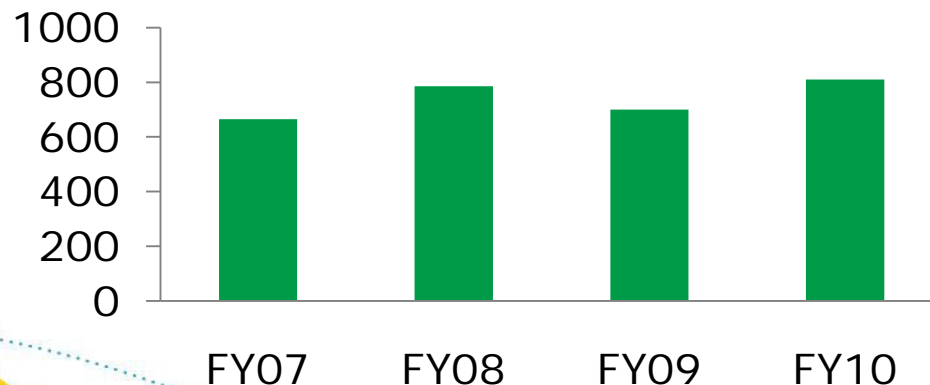
- Steel
- Gasification
- Clean Coal

# Merchant Gases

## *Strong growth in Asia*

- Largest Liquid/Bulk Share in China among global majors
- Leading Merchant positions in Taiwan, Korea and Thailand
- Leading Merchant Gases supplier in India
- Generating growth through applications and product expertise

Asia Merchant Revenues (\$ MM)




China Liquid Share 2009 – Majors



- Air Products
- Competitor 1
- Competitor 2
- Competitor 3
- Competitor 4

# Merchant Gases

*Applications technology drives higher growth*

<u>Markets</u>	<u>Applications</u>	<u>Quality</u>	<u>Benefits</u>	
			<u>Productivity</u>	<u>Environment</u>
 Glass	→ Cleanfire® HRI™ Burner		✓	✓
 Food	→ Freshline® Dual Mode Freezer	✓	✓	
 Electronic Packaging	→ NitroFAS™ II Wave soldering enhancement	✓	✓	✓
 Cement	→ O <sub>2</sub> Proprietary Nozzles For alternative and low BTU value fuels		✓	✓

# Electronics Revenue > \$1 Billion

Onsite Gas Supply



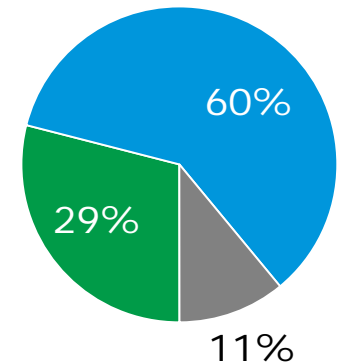
Specialty Gases & Chemicals



Enabling Equipment



FY10 Revenue

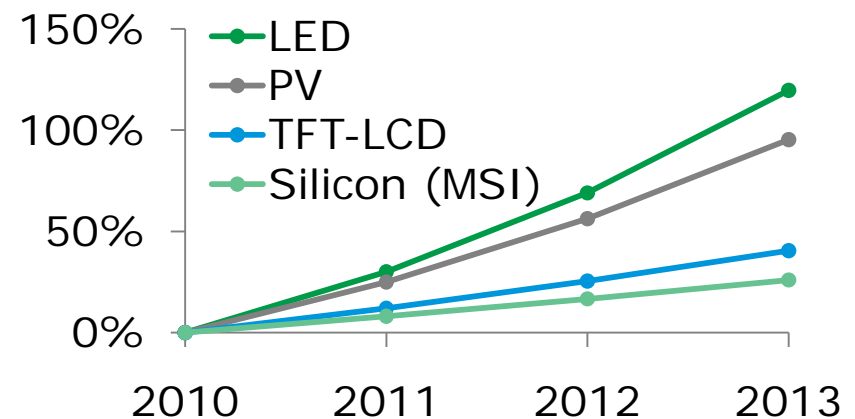


- Onsite Gas Supply
- Specialty Gases & Chemicals
- Enabling Equipment

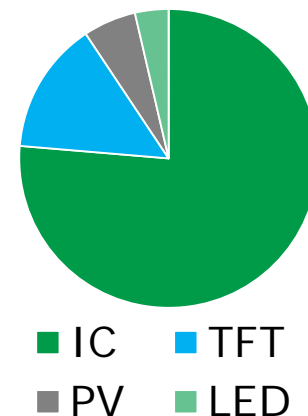
# Electronics

## High Growth Markets

- Growth across all key markets
  - IC silicon (MSI) = 8%
  - TFT-LCD = 12%
  - PV = 25%
  - LED = 30%
- Majority positions with industry leaders
  - #1 in IC, TFT-LCD and foundry
- #1 in Electronic industry powerhouses Korea and Taiwan
- New IP Product Development to meet customer technology needs



2010 Revenue



# Performance Materials

## *Earth-Friendly Solutions*

### Replacing Toxic or Emitting Materials



- Water-based construction materials
- Low emission polyurethane foams
- Low toxicity coatings additives

### Higher Efficiency Insulation Materials



- Reduced energy consumption
- Lower carbon footprint buildings

### Renewable Content



- Natural-based surfactants for I&I cleaning
- Enabling vegetable base polyols for polyurethane foams

# Energy & Equipment Leveraging Sustainable Global Trends

Alt Fuel  
H<sub>2</sub>/CNG/  
LNG/HCNG



Existing  
Products +  
Innovation :  
Solutions for  
New Markets

Energy from  
Waste



Leverage  
Experience and  
Technology for  
Renewable  
Power

Carbon  
Capture and  
Storage



Leveraging  
Leadership  
and External  
Funding  
Globally

BF Plus



New Offering  
for Steel  
Industry



# Sustainability at Air Products

## Business Value



Providing innovative solutions for the world's most pressing challenges

## Environmental Stewardship



Responsibly managing our footprint through improvements and aggressive goals

## Social Responsibility



Improving the quality of life for our employees and plant communities

## Governance



Working with integrity and accountability for our stakeholders

## Water

- Reduce consumption 10% globally by 2015

## Greenhouse Gases

- Reduce by 7% indexed against production by 2015

# Outlook

## FQ2 2011 EPS

\$1.41

- Higher Merchant volumes
- Improved cost performance
- Higher E&PM volumes
- Lower tax rate
- Tonnage - lower bonuses and higher maintenance costs
- Lower Equipment results
- Japan uncertainty

} ↑ EPS

} ↓ EPS

## FQ3 2011 EPS

\$1.42-\$1.47

## FY 2011 EPS

\$5.65-\$5.75

Non-GAAP, see appendix for reconciliation.

# The Air Products opportunity

## Stability

- Long term contracts, consistent and predictable cash flow
- Diversified across markets, geographies and distribution channels
- Global opportunity to create competitive positions in all three supply modes

## Growth

- Solid backlog and strong growth opportunities in all geographies
- New growth opportunities in energy, environment and emerging markets
- Integrated model delivers higher growth and profitability

## Results

- Double-digit EPS growth
- ROCE 3-5% above cost of capital
- Continued margin and return improvement

Well positioned for long-term value creation

# Appendix Slides

The background is a solid green color. A thick, solid yellow curve starts from the bottom left and arcs towards the right, leveling off. A thin, dotted white curve starts from the bottom left and arcs more steeply towards the top right, crossing the yellow curve.

# Non GAAP Appendix: *ROCE FY04 and FY08*

\$ Millions Quarter Ended Numerator	FY04					FY08				
	Q403	Q104	Q204	Q304	Q404	Q407	Q108	Q208	Q308	Q408
Operating Income Reported		181.7	200.2	231.3	223.7		380.4	348.6	393.7	373.1
Equity Affiliate Income		<u>17.8</u>	<u>19.2</u>	<u>19.8</u>	<u>21.8</u>		<u>25.3</u>	<u>42.4</u>	<u>46.5</u>	<u>30.8</u>
Earnings before tax as reported		199.5	219.4	251.1	245.5		405.7	391.0	440.2	403.9
Pension Settlement Charge		0.0	0.0	0.0	0.0		0.0	26.3	0.0	0.0
Proforma Stock Option Expense		<u>(12.0)</u>	<u>(12.1)</u>	<u>(12.7)</u>	<u>(12.2)</u>		<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Earnings before tax ex items		187.5	207.3	238.4	233.3		405.7	417.3	440.2	403.9
Effective tax rate as reported		26.3%	27.7%	27.6%	25.2%		26.9%	25.3%	25.0%	23.3%
Earnings after tax as reported		147.0	158.6	181.8	183.6		296.6	292.1	330.2	309.8
Effective tax rate ex items		25.4%	27.0%	27.0%	24.5%		26.9%	26.1%	25.0%	23.3%
Earnings after tax ex items		139.9	151.3	174.0	176.1		296.6	308.4	330.2	309.8
4 Qtr trailing AT earnings (numerator) - as reported					671.0					1,228.7
4 Qtr trailing AT Earnings (numerator) - ex items					641.3					1,245.0
<u>Denominator</u>										
Total Debt	2,503.0	2,547.4	2,624.4	2,428.8	2,384.5	3,667.8	3,972.5	4,383.9	4,027.3	3,966.8
Air Products Shareholders' Equity	3,759.3	3,982.5	4,141.0	4,245.6	4,420.0	5,495.6	5,603.0	5,524.3	5,568.7	5,030.7
Noncontrolling Interest	<u>105.2</u>	<u>107.3</u>	<u>99.3</u>	<u>85.1</u>	<u>88.8</u>	<u>92.9</u>	<u>99.3</u>	<u>117.4</u>	<u>115.5</u>	<u>136.2</u>
Total Capital	6,367.5	6,637.2	6,864.7	6,759.5	6,893.3	9,256.3	9,674.8	10,025.6	9,711.5	9,133.7
5 Qtr Average Capital (denominator)					6,704.4					9,560.4
ROCE as rptd (4 Qtr trail AT earnings / 5 pt avg capital)					10.0%	12.9%				
ROCE ex items (4 Qtr trail AT earnings/ 5 pt avg capital)					9.6%	13.0%				

# Non GAAP Appendix:

## *ROCE Tax Rate FY04 and FY08*

	<u>Q104</u>	<u>Q204</u>	<u>Q304</u>	<u>Q404</u>	<u>Q108</u>	<u>Q208</u>	<u>Q308</u>	<u>Q408</u>
<u>Reported</u>								
Income from Cont. Ops. Bef. Tax	169.0	187.6	221.8	217.6	364.9	352.1	400.7	361.1
Noncontrolling Interest	<u>(1.9)</u>	<u>(4.1)</u>	<u>(3.3)</u>	<u>(2.5)</u>	<u>(6.1)</u>	<u>(4.5)</u>	<u>(7.6)</u>	<u>(4.8)</u>
Income from Cont. Ops. Before Tax, after Noncontrolling Interest	167.1	183.5	218.5	215.1	358.8	347.6	393.1	356.3
Tax Expense	43.9	50.8	60.4	54.3	96.5	87.8	98.1	82.9
Tax Rate Reported	26.3%	27.7%	27.6%	25.2%	26.9%	25.3%	25.0%	23.3%
<u>ITEMS</u>								
<u>Operating Income</u>								
Proforma Option Expense	(12.0)	(12.1)	(12.7)	(12.2)				
Pension Settlement Charge						26.3		
<u>Tax Exp</u>								
Proforma Option Expense	(4.5)	(4.5)	(4.8)	(4.6)				
Pension Settlement Charge						9.8		
<u>Ex Items</u>								
Income from Cont. Ops. Before Tax	155.1	171.4	205.8	202.9	358.8	373.9	393.1	356.3
Tax Expense	39.4	46.3	55.6	49.7	96.5	97.6	98.1	82.9
Tax Rate ex Items	25.4%	27.0%	27.0%	24.5%	26.9%	26.1%	25.0%	23.3%

# Non GAAP Appendix:

## *FY04 and FY08 Operating Margin*

(\$ Millions)

	<u>GAAP Measure</u>		<u>Non GAAP Adjusts.</u>		<u>Non GAAP Measure</u>	
<u>FY04 and FY08 - Total Co.</u>	<u>FY04</u>	<u>FY08</u>	<u>FY04 (1)</u>	<u>FY08 (2)</u>	<u>FY04</u>	<u>FY08</u>
Sales	6,163.2	10,414.5			6,163.2	10,414.5
Operating Income	836.9	1,495.8	(49.0)	26.3	787.9	1,522.1
Operating Margin	13.6%	14.4%			<b>12.8%</b>	<b>14.6%</b>

(1) Proforma Stock Option Expense

(2) Q208 Pension Settlement



# Non GAAP Appendix: Operating Margin Trend

(\$millions)	<u>Q109</u>	<u>Q209</u>	<u>Q309</u>	<u>Q409</u>	<u>Q110</u>	<u>Q210</u>	<u>Q310</u>	<u>Q410</u>
Sales	2,195.3	1,955.4	1,976.2	2,129.3	2,173.5	2,249.0	2,252.3	2,351.2
GAAP Operating Income	114.1	260.4	143.8	328.0	345.0	340.6	336.4	367.0
GAAP Operating Margin	5.2%	<b>13.3%</b>	7.3%	<b>15.4%</b>	<b>15.9%</b>	15.1%	14.9%	15.6%
<u>Non GAAP Adjustments</u>								
Global Cost Reduction Plan	174.2		124.0					
Pension Settlement			8.0					
Customer Bankruptcy and Asset Actions			32.1					
Acquisition - Related Costs						23.4	37.9	34.7
Non GAAP Operating Income	288.3		307.9			364.0	374.3	401.7
Non GAAP Operating Margin	<b>13.1%</b>		<b>15.6%</b>			<b>16.2%</b>	<b>16.6%</b>	<b>17.1%</b>

# Appendix: Q2 FY11 Results and Guidance

(\$ Millions, except per share data)

	GAAP Measure				Non GAAP Adjustments		Non GAAP Measure			
			\$	%					\$	%
<u>Q211 vs. Q210 - Total Co.</u>	<u>Q211</u>	<u>Q210</u>	<u>Change</u>	<u>Change</u>	<u>Q211 (1)</u>	<u>Q210 (1)</u>	<u>Q211</u>	<u>Q210</u>	<u>Change</u>	<u>Change</u>
Sales	2,501.3	2,249.0	252.3	11%			2,501.3	2,249.0	252.3	11%
Operating Income	419.5	340.6	78.9	23%	5.0	23.4	424.5	364.0	60.5	17%
Operating Margin	16.8%	15.1%		170bp			17.0%	16.2%		80bp
Net Income Attributable to Air Products	304.3	252.0	52.3	21%	4.4	14.6	308.7	266.6	42.1	16%
Diluted EPS Attributable to Air Products	\$1.39	\$1.16	\$0.23	20%	\$0.02	\$0.07	\$1.41	\$1.23	\$0.18	15%
			\$	%					\$	%
<u>Q211 vs. Q111 - Total Co.</u>	<u>Q211</u>	<u>Q111</u>	<u>Change</u>	<u>Change</u>	<u>Q211 (1)</u>	<u>Q111 (1)</u>	<u>Q211</u>	<u>Q111</u>	<u>Change</u>	<u>Change</u>
Sales	2,501.3	2,391.7	109.6	5%			2,501.3	2,391.7	109.6	5%
Operating Income	419.5	360.6	58.9	16%	5.0	43.5	424.5	404.1	20.4	5%
Operating Margin	16.8%	15.1%		170bp			17.0%	16.9%		10bp
Net Income Attributable to Air Products	304.3	268.6	35.7	13%	4.4	27.2	308.7	295.8	12.9	4%
Diluted EPS Attributable to Air Products	\$1.39	\$1.23	\$0.16	13%	\$0.02	\$0.12	\$1.41	\$1.35	\$0.06	4%

(1) Acquisition - related costs

<u>Q3 FY11 Guidance</u>	<u>Diluted EPS</u>
Q3 FY10 GAAP	\$1.17
Acquisition - related costs	<u>\$0.11</u>
Q3 FY10 Non GAAP	\$1.28
Q3 FY11 Guidance (1)	\$1.42-\$1.47
% Change	11%-15%
<u>FY11 Guidance</u>	
FY10 GAAP	\$4.74
Acquisition - related costs	<u>\$0.28</u>
FY10 Non GAAP	\$5.02
FY11 Guidance (1)	\$5.65-\$5.75
% Change	13%-15%

(1) Excludes acquisition - related costs

# Appendix: ROCE

\$ Millions										
Quarter Ended	Q109	Q209	Q309	Q409	Q110	Q210	Q310	Q410	Q111	Q211
<u>Numerator</u>										
Operating Income Reported		260.4	143.8	328.0	345.0	340.6	336.4	367.0	360.6	419.5
Equity Affiliate Income		<u>27.0</u>	<u>28.5</u>	<u>32.2</u>	<u>26.9</u>	<u>32.2</u>	<u>32.5</u>	<u>35.3</u>	<u>27.8</u>	<u>31.7</u>
Earnings before tax as reported		287.4	172.3	360.2	371.9	372.8	368.9	402.3	388.4	451.2
Global Cost Reduction Plan		0.0	124.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pension Settlement Charge		0.0	8.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Customer Bankruptcy and Asset Actions		0.0	32.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Acquisition - Related Costs		<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>23.4</u>	<u>37.9</u>	<u>34.7</u>	<u>43.5</u>	<u>5.0</u>
Earnings before tax ex items		287.4	336.4	360.2	371.9	396.2	406.8	437.0	431.9	456.2
Effective tax rate as reported		25.8%	17.5%	26.0%	24.5%	24.7%	22.9%	25.2%	22.8%	26.1%
Earnings after tax as reported		213.3	142.1	266.5	280.8	280.7	284.4	300.9	299.8	333.4
Effective tax rate ex items		25.8%	25.7%	26.0%	24.5%	25.6%	24.4%	26.2%	24.4%	26.0%
Earnings after tax ex items		213.3	249.9	266.5	280.8	294.8	307.5	322.5	326.5	337.6
4 Qtr trailing AT earnings (numerator) - as reported					902.7	970.1	1,112.4	1,146.8	1,165.8	1,218.5
4 Qtr trailing AT Earnings (numerator) - ex items					1,010.5	1,092.0	1,149.6	1,205.6	1,251.3	1,294.1
<u>Denominator</u>										
Total Debt	4,169.2	4,102.4	4,145.2	4,501.5	4,418.7	4,343.4	4,188.0	4,128.3	3,992.0	4,395.9
Air Products Shareholders' Equity	4,726.1	4,638.1	4,928.3	4,791.9	5,033.9	5,265.6	5,231.4	5,546.9	5,810.0	5,825.2
Noncontrolling Interest	<u>137.9</u>	<u>126.7</u>	<u>134.6</u>	<u>138.1</u>	<u>150.2</u>	<u>152.7</u>	<u>140.5</u>	<u>150.7</u>	<u>167.2</u>	<u>174.0</u>
Total Capital	9,033.2	8,867.2	9,208.1	9,431.5	9,602.8	9,761.7	9,559.9	9,825.9	9,969.2	10,395.1
5 Qtr Average Capital (denominator)					9,228.6	9,374.3	9,512.8	9,636.4	9,743.9	9,902.4
ROCE as rptd (4 Qtr trail AT earnings / 5 pt avg capital)					9.8%	10.3%	11.7%	11.9%	12.0%	12.3%
ROCE ex items (4 Qtr trail AT earnings/ 5 pt avg capital)					10.9%	11.6%	12.1%	12.5%	12.8%	13.1%
Instantaneous ROCE ex items (Qtr earnings AT x 4) / 2 pt avg capital)					11.8%	12.2%	12.7%	13.3%	13.2%	13.3%

# Appendix: ROCE Tax Rate

	<u>Q209</u>	<u>Q309</u>	<u>Q409</u>	<u>Q110</u>	<u>Q210</u>	<u>Q310</u>	<u>Q410</u>	<u>Q111</u>	<u>Q211</u>
<u>Reported</u>									
Income Before Taxes	257.4	144.8	332.3	340.3	343.3	338.9	371.5	357.4	421.8
Tax Expense	66.5	25.4	86.3	83.5	84.9	77.6	93.5	81.5	110.3
<b>Tax Rate Reported</b>	<b>25.8%</b>	<b>17.5%</b>	<b>26.0%</b>	<b>24.5%</b>	<b>24.7%</b>	<b>22.9%</b>	<b>25.2%</b>	<b>22.8%</b>	<b>26.1%</b>
<u>ITEMS</u>									
<u>Operating Income</u>									
Global Cost Reduction Plan		124.0							
Pension Settlement Charge		8.0							
Customer Bankruptcy and Asset Actions		32.1							
Acquisition - related costs					23.4	37.9	34.7	43.5	5.0
<u>Tax Exp</u>									
Global Cost Reduction Plan		39.8							
Supp. Pension Plan Charge		3.0							
Customer Bankruptcy and Asset Actions		11.1							
Acquisition - related costs					8.8	14.2	12.9	16.3	0.6
<u>Ex Items</u>									
Income Before Taxes	257.4	308.9	332.3	340.3	366.7	376.8	406.2	400.9	426.8
Tax Expense	66.5	79.3	86.3	83.5	93.7	91.8	106.4	97.8	110.9
<b>Tax Rate ex Items</b>	<b>25.8%</b>	<b>25.7%</b>	<b>26.0%</b>	<b>24.5%</b>	<b>25.6%</b>	<b>24.4%</b>	<b>26.2%</b>	<b>24.4%</b>	<b>26.0%</b>

Thank you...  
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