

Moving forward



Create Shareholder Value

Q2 FY19
Earnings Conference Call

April 24 2019



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, 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	Q219 YTD	FY19 vs FY14
Employee Lost Time Injury Rate	0.24	0.04	83% better
Employee Recordable Injury Rate	0.58	0.32	45% 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



GE Gasification Technology Announcement (November 2018)



Shell Gasification Technology acquisition (May 2018)



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**

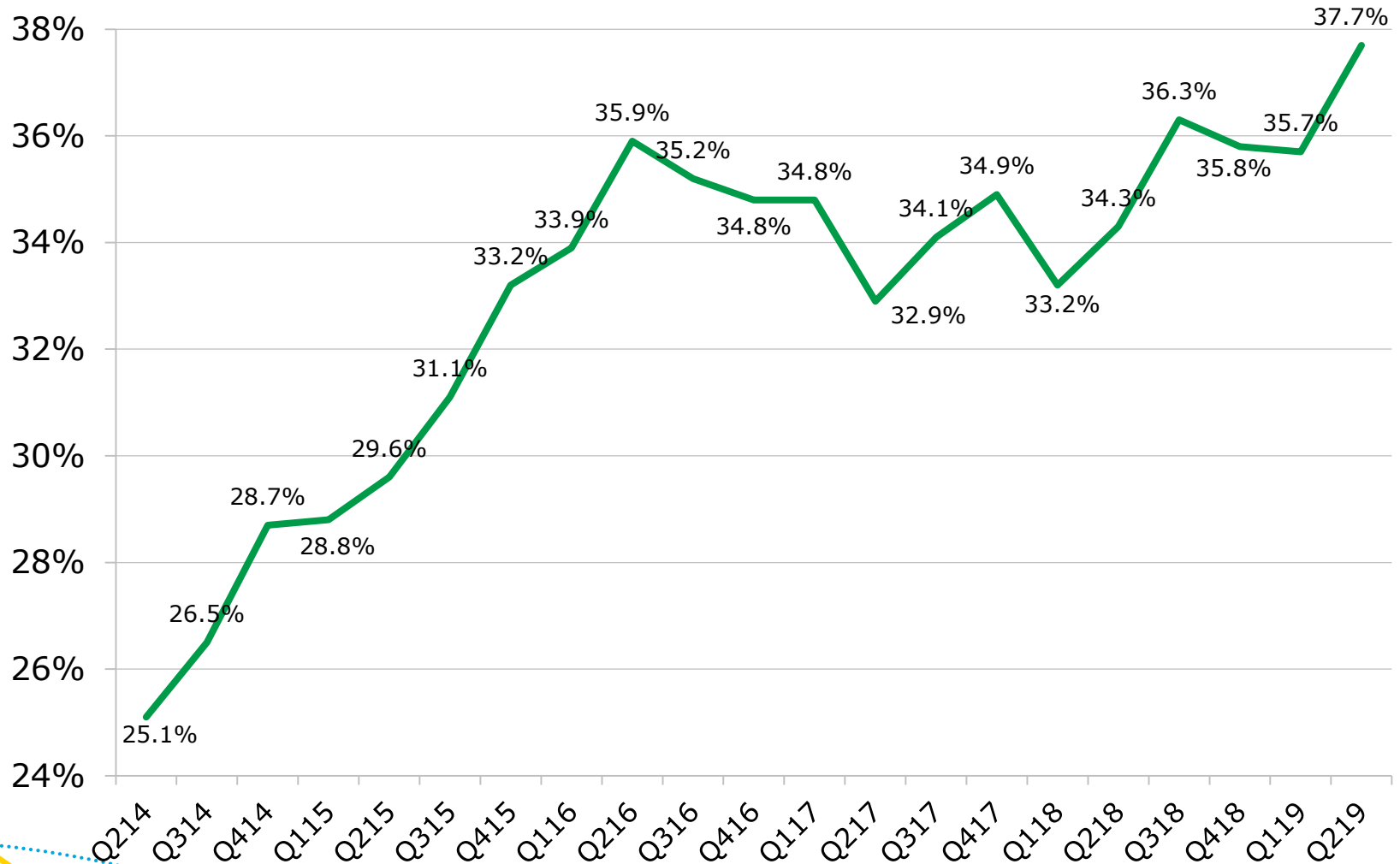


**Juitai
100% APD
\$0.65B
2022**

Our key profitability metrics

	Q2 FY19
EBITDA % margin	37.7%
Operating % margin	23.6%
ROCE	12.6%

EBITDA margin trend



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

Q2 Results

(\$ million)	Q2FY19	Fav/(Unfav) vs.	
		Q2FY18	Q1FY19
Sales	\$2,188	1%	(2%)
- Volume		3%	-0%
- Price		3%	1%
- Energy cost pass-through		1%	(2%)
- Currency		(4%)	1%
- Other (<i>India contract modification</i>)		(2%)	(2%)
EBITDA	\$825	12%	4%
- <i>EBITDA Margin</i>	<i>37.7%</i>	<i>340bp</i>	<i>200bp</i>
Operating Income	\$517	13%	7%
- <i>Operating Margin</i>	<i>23.6%</i>	<i>250bp</i>	<i>180bp</i>
Net Income	\$425	13%	4%
GAAP EPS (\$/share)	\$1.90	1%	21%
Adjusted EPS (\$/share)	\$1.92	12%	3%
ROCE	12.6%	80bp	20bp

- Volume up 5% excluding Jazan sale of equipment
- Strong price in all three regions
- India hydrogen plant converted to tolling – lowers sales 2% but no profit impact

Q2 EPS analysis

	Q2FY18	Q2FY19	Change
As reported cont ops EPS	\$1.89	\$1.90	
less non-GAAP items	<u>0.18</u>	<u>(0.02)</u>	
NonGAAP cont ops EPS	\$1.71	\$1.92	\$0.21
Volume			0.15
Price (net of variable costs)			0.21
Other Cost			<u>(0.06)</u>
			\$0.30
Currency/FX			(\$0.08)
Interest Expense			(0.02)
Non-controlling Interest			(0.02)
Non-operating Income			0.03
Other (EAI, Shares, etc)			<u>-</u>
			(\$0.01)

- Strong operating performance driven by price and volume
- EPS up 17% on constant currency basis

Cash Flow Focus

(\$ million)

Q2FY19 LTM

EBITDA	\$3,261
Interest, net	(78)
Cash Tax	(377)
Maintenance Capex	<u>(389)</u>
Distributable Cash Flow	\$2,417
	<i>\$10.92/Share</i>
Dividends	<u>(966)</u>
Investable Cash Flow	\$1,451

- \$11/share of Distributable Cash Flow
- Paid about 40% of Distributable Cash Flow as dividends
- \$1.5B of Investable Cash Flow

Capital Deployment Scorecard

FY18 – FY22, as of 3/31/19

Available Now (3/31/19)		
Total Debt Capacity	\$ 9.8	Assuming 3 x LTM EBITDA
Less: Net Debt	<u>\$ 1.1</u>	Debt minus cash
Additional Available Now	\$ 8.7	
Available In Future – Investable Cash Flow	\$ 5.1	LTM ICF x 3.5 years
Already Spent – FY18 through Q2 FY19	\$ 2.4	Growth CAPEX plus M&A
FY18 - FY22 Capacity	\$ 16.2	

Commitments	\$ 6.8	Remaining to be spent
Spent + Commitments	\$ 9.2	

% Spent 15%

% Spent + Commitments 57%

- Committed to manage debt balance to maintain current targeted A/A2 rating
- Total Commitment Value ~ \$7.5B - Remaining to be spent ~ \$6.8B

Gases Asia

		Fav/(Unfav) vs.	
	Q2FY19	Q2FY18	Q1FY19
Sales	\$625	12%	-%
- Volume		12%	(3%)
- Price		5%	1%
- Energy cost pass-through		-%	-%
- Currency		(5%)	2%
EBITDA	\$298	32%	-%
- EBITDA Margin	47.7%	700bp	20bp
Operating Income	\$200	34%	(1%)
- Operating Margin	31.9%	520bp	(30bp)

- New plants, primarily Lu'An, drive majority of volume growth
- Record EBITDA margin driven by volume and price
- Sequential comparison negatively impacted by Lunar New Year in Q2

Gases Americas

	Q2FY19	Fav/(Unfav) vs.	
		Q2FY18	Q1FY19
Sales	\$992	9%	-%
- Volume		5%	2%
- Price		3%	1%
- Energy cost pass-through		3%	(3%)
- Currency		(2%)	-%
EBITDA	\$398	10%	8%
- <i>EBITDA Margin</i>	40.2%	60bp	310bp
Operating Income	\$256	15%	17%
- <i>Operating Margin</i>	25.8%	150bp	360bp

- Robust refinery hydrogen demand and positive merchant volumes
- Strongest price performance in over four years
- EBITDA margin up 150bp excluding energy pass-through

Gases EMEA

	Q2FY19	Fav/(Unfav) vs.	
		Q2FY18	Q1FY19
Sales	\$494	(12%)	(6%)
- Volume		-%	1%
- Price		3%	3%
- Energy cost pass-through		1%	(2%)
- Currency		(7%)	-%
- Other (<i>India contract modification</i>)		(9%)	(8%)
EBITDA	\$182	2%	10%
- EBITDA Margin	36.8%	500bp	520bp
Operating Income	\$123	5%	16%
- Operating Margin	24.8%	400bp	470bp

- India hydrogen plant converted to tolling - lowers sales 9% but no profit impact
- EBITDA up 9% on constant currency basis
- Excluding India contract modification, EBITDA margin up ~200bp

Global Gases

	Q2FY19	Fav/(Unfav) vs. Q2FY18
Sales	\$54	(\$48)
EBITDA	(\$9)	(\$23)
Operating Income	(\$12)	(\$24)

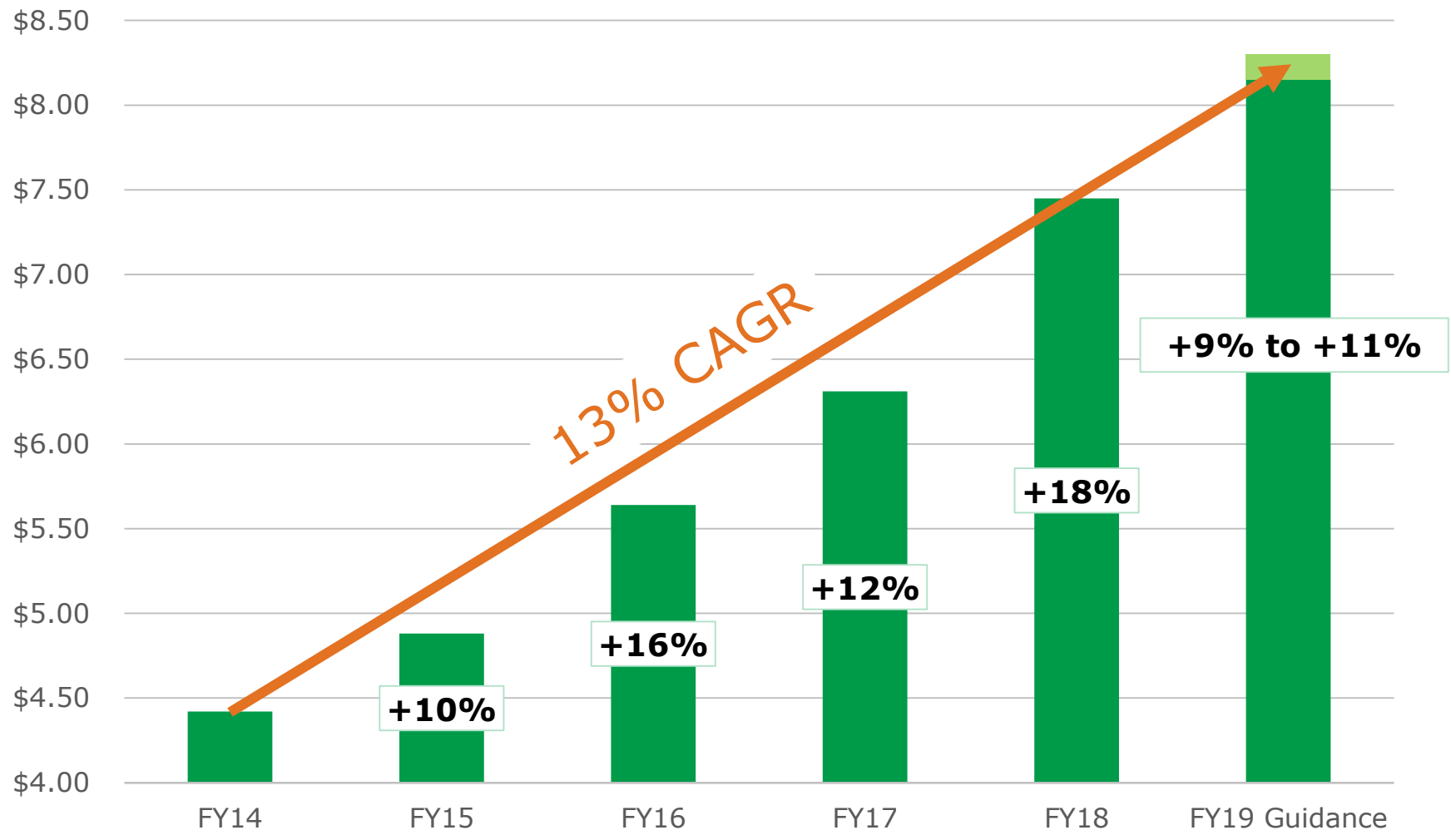
- Sales and profits decreased on lower Jazan Sale of Equipment activity

Corporate

	Q2FY19	Fav/(Unfav) vs. Q2FY18
Sales	\$22	\$1
EBITDA	(\$45)	(\$3)
Operating Income	(\$49)	(\$5)

- LNG prospects improving
- Contract win for Golden Pass LNG Export Project

Air Products EPS



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



Outlook

Q3 EPS	vs PY	FY EPS	vs PY
\$2.10 - \$2.15	+8% to +10%	\$8.15 to \$8.30	+9% to +11%

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

(Does not include Jazan Gasification/Power JV)

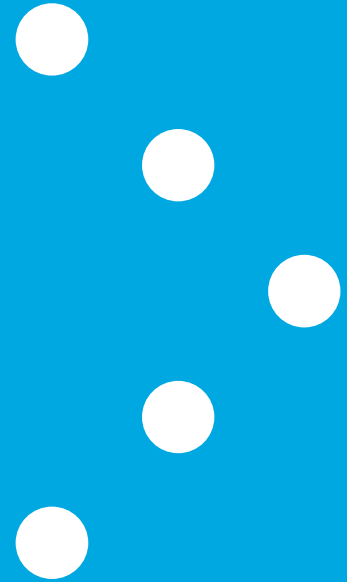
Our competitive advantage

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

commitment and **motivation**

of the people in the enterprise

Appendix slides



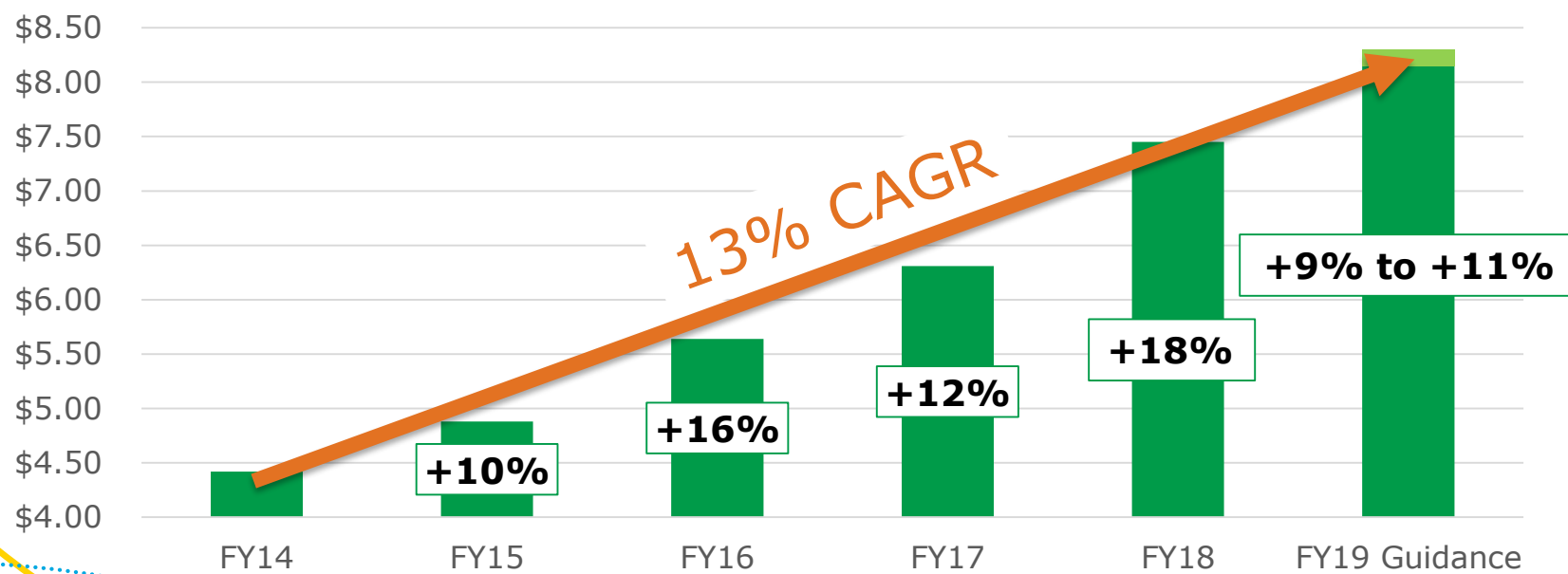
Major projects

* Multiple Phases

Plant	Customer/Location	Capacity	Timing	Market
ONSTREAM (last four 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
PROJECT COMMITMENTS				
Liquid ASU	Glenmont, NY	1100 TPD LXNLAR	Q3 FY19	Merchant
ASU/H2/Air	Samsung Xi'an, China	World Scale	Q3 FY19*	Electronics
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	\$2.10 - \$2.15
			Q4	\$1.76	\$2.00	
\$4.42	\$4.88	\$5.64		\$6.31	\$7.45	\$8.15 - \$8.30



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.

Q2FY19 Non-GAAP Item

\$Millions	Other Non-Operating inc/(exp)	Tax	Net Income	EPS
Pension Settlement Loss	\$ 5.0	\$ 1.2	\$ 3.8	\$ 0.02

- Recognized to accelerate recognition of a portion of actuarial losses deferred in accumulated other comprehensive loss, associated with the U.S. Supplementary Pension Plan.

Non-GAAP Historical Impacts



\$Millions, except per share data

	<u>Q118</u>			<u>Q218</u>			<u>Q318</u>			<u>Q418</u>			<u>FY18</u>		
	<u>GAAP</u>	<u>Items</u>	<u>Non-GAAP</u>	<u>GAAP</u>	<u>Items</u>	<u>Non-GAAP</u>	<u>GAAP</u>	<u>Items</u>	<u>Non-GAAP</u>	<u>GAAP</u>	<u>Items</u>	<u>Non-GAAP</u>	<u>GAAP</u>	<u>Items</u>	<u>Non-GAAP</u>
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
	<u>Q119</u>			<u>Q219</u>											
	<u>GAAP</u>	<u>Items</u>	<u>Non-GAAP</u>	<u>GAAP</u>	<u>Items</u>	<u>Non-GAAP</u>									
Operating Income	455.0	29.0	484.0	516.5	0.0	516.5									
Equity Affil. Income	52.9	0.0	52.9	46.2	0.0	46.2									
Interest Expense	37.3	0.0	37.3	35.4	0.0	35.4									
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>									
Income from cont. ops before taxes	489.1	29.0	518.1	541.0	5.0	546.0									
Taxes	132.1	(33.7)	98.4	107.5	1.2	108.7									
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>									
Net Inc. Cont. Ops	347.5	62.7	410.2	421.3	3.8	425.1									
EPS	1.57	0.29	1.86	1.90	0.02	1.92									

Appendix: GAAP to Non-GAAP Measures



(\$ Millions, except per share data)

	GAAP Measure				Non-GAAP Adjusts.		Non-GAAP Measure			
	Q219	Q218	\$ Change	% Change	Q219	Q218	Q219	Q218	\$ Change	% Change
<u>Q219 vs. Q218 - Total Company</u>										
Sales	2,187.7	2,155.7	32.0	1%			2,187.7	2,155.7	32.0	1%
Operating Income	516.5	455.4	61.1	13%			516.5	455.4	61.1	13%
Operating Margin	23.6%	21.1%		250bp			23.6%	21.1%		250bp
Income from Cont. Ops. (1)	421.3	416.4	4.9	1%	3.8	(38.8)	425.1	377.6	47.5	13%
Diluted EPS - Cont. Ops. (1)	\$1.90	\$1.89	\$0.01	1%	0.02	(0.18)	\$1.92	\$1.71	\$0.21	12%
<u>Q219 vs. Q119 - Total Company</u>										
Sales	2,187.7	2,224.0	(36.3)	(2%)			2,187.7	2,224.0	(36.3)	(2%)
Operating Income	516.5	455.0	61.5	14%		29.0	516.5	484.0	32.5	7%
Operating Margin	23.6%	20.5%		310bp			23.6%	21.8%		180bp
Income from Cont. Ops. (1)	421.3	347.5	73.8	21%	3.8	62.7	425.1	410.2	14.9	4%
Diluted EPS - Cont. Ops. (1)	\$1.90	\$1.57	\$0.33	21%	0.02	0.29	\$1.92	\$1.86	\$0.06	3%

(1) Attributable to Air Products

Appendix: Adjusted EBITDA Trend



\$ Millions	Q118	Q218	Q318	Q418	FY18	Q119	Q219	Q219 vs PY		Q219 vs PQ	
								\$	%	\$	%
Income From Continuing Operations	162.7	423.6	444.7	459.7	1,490.7	357.0	433.5				
Add: Interest expense	29.8	30.4	34.9	35.4	130.5	37.3	35.4				
Less: Other non-operating income (expense), net	9.8	11.1	12.8	(28.6)	5.1	18.5	13.7				
Add: Income tax provision (benefit)	291.8	56.2	107.1	69.2	524.3	132.1	107.5				
Add: Depreciation and amortization	227.9	240.0	245.6	257.2	970.7	258.0	262.1				
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>				
Adjusted EBITDA	734.9	739.1	819.5	822.0	3,115.5	794.9	824.8	85.7	12%	29.9	4%
Sales	2,216.6	2,155.7	2,259.0	2,298.9	8,930.2	2,224.0	2,187.7				
Adjusted EBITDA Margin	33.2%	34.3%	36.3%	35.8%	34.9%	35.7%	37.7%			340bp	200bp

(1) Non-GAAP Pre-Tax Adjustments

	Q118	Q218	Q318	Q418	FY18	Q119	Q219
Change in inventory valuation method	0.0	0.0	0.0	(24.1)	(24.1)	0.0	0.0
Tax reform repatriation – equity method investment	32.5	0.0	0.0	(4.0)	28.5	0.0	0.0
Facility closure	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>29.0</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>

Appendix: Adjusted EBITDA by Segment

\$ Millions	Q118	Q218	Q318	Q418	FY18	Q119	Q219	Q219 vs PY		Q219 vs PQ	
								\$	%	\$	%
Gases - Americas											
Operating Income	217.2	222.3	237.1	251.3	927.9	219.2	255.6				
Add: Depreciation and amortization	117.8	122.3	120.5	124.7	485.3	125.6	124.9				
Add: Equity affiliates' income	<u>18.6</u>	<u>16.9</u>	<u>24.1</u>	<u>22.4</u>	<u>82.0</u>	<u>22.6</u>	<u>17.8</u>				
Adjusted EBITDA	353.6	361.5	381.7	398.4	1,495.2	367.4	398.3	36.8	10%	30.9	8%
Adjusted EBITDA Margin	38.9%	39.6%	40.2%	40.4%	39.8%	37.1%	40.2%		60bp		310bp
Gases - EMEA											
Operating Income	104.5	116.7	118.8	105.8	445.8	105.6	122.5				
Add: Depreciation and amortization	49.1	50.7	49.8	49.0	198.6	46.3	46.3				
Add: Equity affiliates' income	<u>13.1</u>	<u>11.1</u>	<u>17.5</u>	<u>19.4</u>	<u>61.1</u>	<u>13.7</u>	<u>13.3</u>				
Adjusted EBITDA	166.7	178.5	186.1	174.2	705.5	165.6	182.1	3.6	2%	16.5	10%
Adjusted EBITDA Margin	32.3%	31.8%	33.2%	31.4%	32.2%	31.6%	36.8%		500bp		520bp
Gases - Asia											
Operating Income	175.5	148.7	185.5	180.2	689.9	201.8	199.7				
Add: Depreciation and amortization	56.8	62.6	69.5	76.9	265.8	79.9	84.9				
Add: Equity affiliates' income	<u>14.2</u>	<u>15.4</u>	<u>15.1</u>	<u>13.6</u>	<u>58.3</u>	<u>16.2</u>	<u>13.8</u>				
Adjusted EBITDA	246.5	226.7	270.1	270.7	1,014.0	297.9	298.4	71.7	32%	0.5	0%
Adjusted EBITDA Margin	38.3%	40.7%	43.3%	42.8%	41.3%	47.5%	47.7%		700bp		20bp
Gases - Global											
Operating Income	9.5	12.1	19.8	12.5	53.9	3.9	(12.2)				
Add: Depreciation and amortization	1.6	1.9	2.3	2.3	8.1	2.1	2.0				
Add: Equity affiliates' income	<u>0.4</u>	<u>0.3</u>	<u>1.4</u>	<u>(0.2)</u>	<u>1.9</u>	<u>0.4</u>	<u>1.3</u>				
Adjusted EBITDA	11.5	14.3	23.5	14.6	63.9	6.4	(8.9)	(23.2)		(15.3)	
Corporate/Other											
Operating Income	(46.0)	(44.4)	(45.4)	(40.2)	(176.0)	(46.5)	(49.1)				
Add: Depreciation and amortization	2.6	2.5	3.5	4.3	12.9	4.1	4.0				
Add: Equity affiliates' income	<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>0.0</u>				
Adjusted EBITDA	(43.4)	(41.9)	(41.9)	(35.9)	(163.1)	(42.4)	(45.1)	(3.2)		(2.7)	

Appendix: ROCE

Living forward

	<u>Q117</u>	<u>Q217</u>	<u>Q317</u>	<u>Q417</u>	<u>Q118</u>	<u>Q218</u>	<u>Q318</u>	<u>Q418</u>	<u>Q119</u>	<u>Q219</u>
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
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
Interest expense tax impact		<u>(7.1)</u>	<u>(13.6)</u>	<u>0.1</u>	<u>(19.1)</u>	<u>(3.6)</u>	<u>(6.8)</u>	<u>(4.6)</u>	<u>(10.1)</u>	<u>(7.0)</u>
Net interest expense Impact		23.4	16.2	30.9	10.7	26.8	28.1	30.8	27.2	28.4
Add Net income attributable to noncontrolling interests (cont. ops.)		<u>5.7</u>	<u>2.2</u>	<u>6.3</u>	<u>7.1</u>	<u>7.2</u>	<u>14.0</u>	<u>6.8</u>	<u>9.5</u>	<u>12.2</u>
GAAP Earnings After-Tax		333.5	122.6	511.4	173.4	450.4	472.8	490.5	384.2	461.9
Non-GAAP adjustments, after-tax										
Change in inventory valuation method		-	-	-	-	-	-	(17.5)	-	-
Facility closure		-	-	-	-	-	-	-	22.1	-
Tax benefit associated with business separation		-	(8.2)	-	-	-	-	-	-	-
Cost reduction and asset actions		7.2	30.0	30.9	-	-	-	-	-	-
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)	-
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
Non-GAAP Earnings After-Tax		343.3	381.4	423.9	412.4	411.6	472.8	479.4	446.9	465.7
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
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
Less: Assets of discontinued operations	<u>(860.2)</u>	<u>(9.8)</u>	<u>(9.8)</u>	<u>(10.2)</u>	<u>(10.2)</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
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
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
Five-quarter average total capital					<u>13,072.3</u>	<u>13,780.4</u>	<u>14,065.9</u>	<u>14,378.4</u>	<u>14,545.1</u>	<u>14,839.1</u>
ROCE - GAAP items					8.7%	9.1%	11.4%	11.0%	12.4%	12.2%
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
Five-quarter average total capital					<u>13,072.3</u>	<u>13,780.4</u>	<u>14,065.9</u>	<u>14,378.4</u>	<u>14,545.1</u>	<u>14,839.1</u>
ROCE - Non-GAAP items					11.9%	11.8%	12.2%	12.4%	12.4%	12.6%

FY19 EPS Outlook

FY19 Guidance vs Prior Year

	<u>Diluted EPS (1)</u>
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>\$8.15-\$8.30</u>
% Change	9%-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

