

Air Products Completes Sale of High Purity Process Chemicals to KMG Chemicals

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Sale Helps Position Electronics Business to Invest in and Serve Global
Business

LEHIGH VALLEY, Pa., Jan. 2 /PRNewswire-FirstCall/ -- Air Products (NYSE: APD) today said it has completed the previously announced sale of its high purity process chemicals (HPPC) business for approximately \$75 million to KMG Chemicals (Nasdaq: KMGB), a producer and distributor of mature specialty chemicals for carefully focused global markets.

"We are pleased to complete this sale to KMG Chemicals. We're aligning our portfolio to better focus on the products where we can provide the most value to our customers. We thank all of the employees involved for their hard work in running the HPPC business and completing this sale," said Mike Hilton, senior vice president and general manager, Electronics and Performance Materials.

The sale of the HPPC business, which generated \$87 million in revenues in fiscal year 2007, includes production facilities located in Pueblo, Colo., and Milan, Italy. About 160 employees directly associated with this business will continue with KMG Chemicals. High-purity process chemicals are basic and custom-performance blends of acids and solvents used in the manufacture of semiconductors. Customers use the chemicals in their manufacturing process to etch and clean the wafer at each production layer. These chemicals remove unwanted residue at very specific rates. The typical application is in the form of chemical baths or spray on devices. For more information on KMG Chemicals, visit www.kmgchemicals.com.

Air Products' Electronics business is a leading supplier of gases, chemicals and equipment for the global electronics industry. Our customers are manufacturers around the world and across market segments and include device makers and foundries, TFT-LCD flat panel manufacturers, and the photovoltaic market.

Air Products (NYSE: APD) serves customers in industrial, energy, technology and healthcare markets worldwide with a unique portfolio of atmospheric gases, process and specialty gases, performance materials, and equipment and services. Founded in 1940, Air Products has built leading positions in key growth markets such as semiconductor materials, refinery hydrogen, home healthcare services, natural gas liquefaction, and advanced coatings and adhesives. The company is recognized for its innovative culture, operational excellence and commitment to safety and the environment. Air Products has annual revenues of \$10 billion, operations in over 40 countries, and 22,000 employees around the globe. For more information, visit www.airproducts.com.

***NOTE: This release may contain forward-looking statements. Actual results could vary materially, due to changes in current expectations.

SOURCE Air Products

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(APD KMGB)

CO: Air Products; KMG Chemicals
ST: Pennsylvania, Colorado, Italy
IN: CHM SEM OIL CPR
SU: TNM

AM-KG

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