

Air Products to Build Large Air Separation Unit for Methanol Production Facility in Trinidad

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Agreements Include JV Ownership of ASU and Methanol Purchase for Amines Facilities

Air Products and Chemicals, Inc. (NYSE:APD) announced today that it has been selected to construct an air separation unit (ASU) in the Caribbean Republic of Trinidad and Tobago. The undertaking also will lead to the company establishing its first business entry in Trinidad. Under a separate agreement, a methanol production facility to be based in Trinidad and supplied by the ASU, will provide a new long-term source of feedstock for Air Products' worldwide methylamines plants.

The new business undertaking will be conducted by an Air Products affiliate, Caribbean Industrial Gases Unlimited (CIG), which is based in Point Lisas, Trinidad. CIG is a joint venture, owned by an Air Products subsidiary and a subsidiary of Trinidad-based Neal & Massy Holdings Limited. CIG will supply oxygen, nitrogen and instrument air to the methanol production facility under a long-term contract. "We are very excited about the opportunity to enter the Trinidad market and have such a well-respected partner in Neal & Massy, one of the preeminent industrial firms in the Caribbean," said Arthur T. Katsaros, group vice president, Engineered Systems and Development for Air Products.

Air Products and its affiliates will begin construction of the ASU in January 2002. The facility will provide over 2,800 metric tons per day of oxygen and 1,000 metric tons per day of nitrogen, as well as instrument air, to the 1.7 million ton per year Atlas methanol production facility announced recently by Methanex Corporation and BP. Start-up of the ASU is targeted for September 2003.

"The methanol production facility will require a high degree of ASU reliability and performance. We have experience in building large facilities like this and are one of few companies in the world that has successfully built and operated ASUs of this size," said Katsaros. Air Products has built 3,000 metric ton-range oxygen facilities operating today in Houston, Texas, in Rotterdam, the Netherlands, and in Shanghai, the People's Republic of China.

The CIG joint venture also highlights Air Products' ability to establish new business growth while being capital efficient. "Consistent with our commitment to achieve corporate growth and improve capital efficiency, we have structured CIG to use project specific financing," said Leo J. Daley, Air Products' vice president, Finance and Chief Financial Officer. "This provides an exciting platform for addressing new business opportunities in a way that meets the expectations of both our customers and our shareholders."

Additionally, Air Products has agreed to a long-term methanol supply relationship with Atlas. Air Products will purchase methanol from the Atlas facility to support its leading worldwide positions in the production and supply of methylamines. This methanol can be delivered to the U.S. and other locations at a competitive cost and provides a reliable long-term source.

Air Products and Chemicals, Inc. (www.airproducts.com) is the world's only combined gases and chemicals company. Founded more than 60 years ago, the business has annual revenues of \$5.5 billion and operations in 30 countries. Air Products is a market leader in the global electronics and chemical processing industries, and a longstanding innovator in many industrial markets, including coatings, adhesives and polyurethanes. The company distinguishes itself through its 17,500 employees around the world, who build lasting relationships with their customers and communities based on understanding, integrity and passion.

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