UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) 28 July 2003

AIR PRODUCTS AND CHEMICALS, INC.
(Exact name of registrant as specified in charter)

Delaware	1-4534	23-1274455
(State of other jurisdiction of incorporation)	(Commission file number)	(IRS Identification number)

7201 Hamilton Boulevard, Allentown, Pennsylvania	18195-1501
(Address of principal executive offices)	(Zip Code)

(610) 481-4911
Registrant's telephone number, including area code

not applicable
(Former Name or Former Address, if changed Since Last Report)

Item 7. Financial Statements and Exhibits

(c) Exhibits

99.1 Press Release issued by the registrant on July 28, 2003, with respect to financial results for the third quarter ended June 30, 2003.

Item 9. Regulation FD Disclosure

The information contained in this Item 9 is being furnished under Item 12, Results of Operations and Financial Condition, in accordance with SEC Release No. 33-8216.

On July 28, 2003, the company issued a press release announcing its earnings for the third quarter of fiscal year 2003. A copy of the press release is attached as Exhibit 99.1 to this Form 8-K.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Air Products and Chemicals, Inc.
(Registrant)

Dated: 28 July 2003

By: /s/ John R. Owings

John R. Owings
Vice President and Chief Financial Officer

EXHIBIT INDEX

99.1 Press release issued by Air Products and Chemicals, Inc. on July 28, 2003, announcing results for the third quarter of fiscal year 2003.

Exhibit 99.1

[AIR PRODUCTS LOGO] News Release

AIR PRODUCTS AND CHEMICALS, INC.
7201 Hamilton Boulevard
Allentown, PA 18195-1501

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AIR PRODUCTS REPORTS THIRD QUARTER EPS OF 12 CENTS INCLUDING GLOBAL COST REDUCTION CHARGE AIMED AT INCREASING PROFITABILITY

Access the Q3 earnings teleconference scheduled for 10:00 a.m. EDT on July 28 by calling (719) 457-2649 and entering passcode 254306 or listen on the Web at: www.airproducts.com/Invest/EarningsReleases.htm.

LEHIGH VALLEY, Pa. (July 28, 2003) - Air Products (NYSE:APD) today reported net income of $27 million or diluted earnings per share (EPS) of $.12 for its third fiscal quarter ended June 30, 2003, which includes an after-tax global cost reduction charge of $96.6 million, or $.43 EPS. This charge includes asset disposals and facility closures in the company's Gases and Chemicals segments, and accruals for severance and pension-related benefits.

Before including the impact of the charge, net income was $123 million and diluted EPS was $.55 per share, each down 13 percent compared with prior year results.*

Quarter revenues of $1,630 million were up 19 percent from the prior year. The effects of acquisitions, divestitures, currency, and the pass-through effect of higher natural gas prices accounted for 16 percent of the increase. Improved volumes in both the Gases and Chemicals businesses primarily drove the three percent underlying sales improvement. Sequentially, sales were up three percent.

Operating income of $40 million included a charge of $153 million for the global cost reduction plan. Before the impact of the charge, operating income of $193 million was down 10 percent versus prior year and up eight percent sequentially.* Stronger sales volumes in Gases and Chemicals, favorable currency, and lower maintenance costs in the company's CPI business drove this sequential improvement.

Commenting on the quarter results, John P. Jones, Air Products' chairman and chief executive officer, said, "I am encouraged by the improvement in our businesses compared to

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last quarter. We saw better results in Gases, with stronger volumes in electronics and CPI. Chemicals volumes also improved, but margins were hurt by continued high raw material costs."

Gases segment sales of $1,138 million increased 24 percent over the prior year. Of this increase, 22 percent is accounted for by acquisitions, currency and higher natural gas pass-through effects. Gases operating income of $79 million included the global cost reduction plan charge of $92 million. Before this charge, operating income of $171 million was up three percent versus the prior year, largely a function of acquisitions and favorable currency effects partially offset by higher operating costs and lower electronics pricing.*

Sequentially, Gases revenues increased one percent. Pre-charge operating income increased 12 percent on improved sales volumes, lower maintenance costs and favorable currency effects.*

Chemicals segment sales of $421 million increased nine percent versus the prior year. Of this increase, five percent is accounted for by currency, divestitures and higher natural gas pass-through effects. An operating loss of $29 million was reported in the quarter, which includes the global cost reduction plan charge of $58 million. Before this charge, operating income declined 40 percent over the prior year to $29 million, principally on higher feedstock costs.*

Sequentially, Chemicals revenues increased six percent, mainly on higher volumes and favorable currency. Pre-charge operating income was 14 percent below prior quarter, as higher maintenance and raw material costs more than offset sequential volume improvement.*

Equipment segment sales of $71 million were three percent below prior year and up 41 percent sequentially. The operating loss of $0.6 million in the quarter included the global cost reduction plan charge of $2.4 million. Before this charge, operating income of $1.8 million was down $3.9 million year on year, due to lower helium container sales and weak non-LNG project activity.* Sequentially, operating income was down on reduced LNG project activity, with two LNG heat exchangers completed this quarter.

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Summarizing the quarter results, Mr. Jones said, "In Gases, we are seeing stable North American merchant volumes, a slightly improving electronics outlook, and continuing strong demand in hydrogen, healthcare and Asia. In Chemicals, although we are now seeing some stability in energy and raw material costs, our volume improvement this quarter did not meet our expectations.

"We also announced two major strategic developments in the quarter. First, we signed a definitive agreement to acquire the electronic chemicals business of Ashland Specialty Chemical Company, a division of Ashland Inc. This transaction will significantly expand our position in specialty materials, the principal growth driver of our electronics business; strengthen our global position as a market leader in the industry; and capitalize on our unique skills as the world's only combined gases and chemicals company.

"Second, to position the company for improved profitability in this environment, we are implementing a global cost reduction plan to reduce capacity and costs in several businesses. These actions will cover three areas. First, we have shut down or will divest several underutilized facilities within our Gases and Chemicals segments. Second, we are implementing cost reductions to improve productivity, including balancing engineering resources with project activity. And third, we are reducing the number of management positions in the company to streamline our structure. Collectively, these actions will result in the elimination of 461 positions worldwide."

Regarding Air Products' outlook, Mr. Jones said, "As we enter our final fiscal quarter, our guidance assumes an improving electronics market, stable to decreasing raw material costs and continued modest manufacturing growth. This should yield a sequential earnings improvement in the fourth quarter to an EPS range of $.58 to $.61, and a full-year EPS around the bottom of last quarter's guidance range, which excluded the impact of the cost reduction charge."

Mr. Jones concluded by saying, "Our leadership team is committed to making Air Products a more productive, focused and efficient company, and in turn, a more attractive investment. We have a stable business mix. We have significant operating leverage as markets continue to recover. And we have four solid growth platforms that represent approximately half of our

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sales, with double-digit average growth opportunities going forward. We will drive profitability using our portfolio management process, especially in these challenging economic times when payoffs aren't always immediate. We will continue to deal with reality in this tough environment, but we will not lose our focus on growth."

NOTE: The forward-looking statements contained in this release are based on current expectations regarding important risk factors. Actual results may differ materially from those expressed. Factors that might cause forward-looking statements to differ materially from actual results include, among other things, overall economic and business conditions different than those currently anticipated and demand for Air Products' goods and services; competitive factors in the industries in which it competes; interruption in ordinary sources of supply; the ability to recover increased energy and raw material costs from customers; spikes in the pricing of natural gas; changes in government regulations; consequences of acts of war or terrorism impacting the United States' and other markets; the success of implementing cost reduction programs; the timing, impact and other uncertainties of future acquisitions or divestitures; significant fluctuations in interest rates and foreign currencies; the impact of tax and other legislation and regulations in jurisdictions in which Air Products and its affiliates operate; and the timing and rate at which tax credits can be utilized.

*This press release contains non-GAAP measures, which exclude the impact of the 2003 global cost reduction plan charge. The presentation of these non-GAAP measures is intended to enhance the usefulness of financial information by providing measures which are indicators of the company's baseline performance. The company's management uses these non-GAAP measures internally to evaluate its business and as a basis for forecasting future periods.

The table below presents a reconciliation of GAAP measures to non-GAAP measures:

Millions of dollars, except per share

	GAAP Basis	2003 Global Cost Reduction Plan Charge	Non-GAAP Measures
Operating Income			
Gases	$ 79.2	$ 92.2	$ 171.4
Chemicals	(29.2)	58.1	28.9
Equipment	(.6)	2.4	1.8
All Other	(9.4)	--	(9.4)
Consolidated	$ 40.0	$ 152.7	$ 192.7
Net Income	$ 26.6	$ 96.6	$ 123.2
Diluted EPS	$ .12	$ .43	$ .55

Please review the attached financial information:

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AIR PRODUCTS AND CHEMICALS, INC.
SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION
(Unaudited)

(Millions of dollars, except per share)

	Three Months Ended 30 June		Nine Months Ended 30 June	
	2003	2002	2003	2002
Sales	$ 1,629.9	$ 1,374.0	$ 4,655.0	$ 4,003.2
Income Before Cumulative Effect of Accounting Change	$ 26.6(a)	$ 141.3	$ 268.9(a)	$ 381.1(b)
Cumulative Effect of Accounting Change	--	--	(2.9)	--
Net Income	$ 26.6(a)	$ 141.3	$ 266.0(a)	$ 381.1(b)
Basic Earnings Per Share:				
Income Before Cumulative Effect of Accounting Change	$ .12(a)	$ .65	$ 1.23(a)	$ 1.76(b)
Cumulative Effect of Accounting Change	--	--	(.02)	--
Net Income	$ .12(a)	$ .65	$ 1.21(a)	$ 1.76(b)
Diluted Earnings Per Share:				
Income Before Cumulative Effect of Accounting Change	$ .12(a)	$ .63	$ 1.21(a)	$ 1.71(b)
Cumulative Effect of Accounting Change	--	--	(.02)	--
Net Income	$ .12(a)	$ .63	$ 1.19(a)	$ 1.71(b)
Capital Expenditures	$ 152.8	$ 149.1	$ 692.5	$ 508.0
Depreciation	$ 164.7	$ 148.2	$ 477.1	$ 423.9

(a) Included an after-tax charge of $96.6, or $.43 per share, for a global cost reduction plan.

(b) Included an after-tax gain of $25.7, or $.12 per share, on the sale of U.S. packaged gas business and an after-tax charge of $18.9, or $.09 per share, for a global cost reduction plan.

AIR PRODUCTS AND CHEMICALS, INC. and Subsidiaries
CONSOLIDATED INCOME STATEMENTS
(Unaudited)

(Millions of dollars, except per share)	Three Months Ended 30 June		Nine Months Ended 30 June	
	2003	2002	2003	2002
SALES	$ 1,629.9	$ 1,374.0	$ 4,655.0	$ 4,003.2
COSTS AND EXPENSES				
Cost of sales	1,225.4	976.7	3,434.7	2,856.1
Selling and administrative	243.4	172.9	638.1	531.3
Research and development	32.1	31.9	93.2	90.4
Other (income) expense, net	89.0	(22.6)	73.5	(28.7)
OPERATING INCOME	40.0	215.1	415.5	554.1
Income from equity affiliates, net of related expenses	20.0	17.7	58.3	56.4
Gain on sale of U.S. packaged gas business	--	--	--	55.7
Interest expense	32.5	27.5	92.8	93.6
INCOME BEFORE TAXES AND MINORITY INTEREST	27.5	205.3	381.0	572.6
Income taxes	(2.9)	60.6	100.9	179.0
Minority interest (a)	3.8	3.4	11.2	12.5
INCOME BEFORE CUMULATIVE EFFECT OF ACCOUNTING CHANGE	26.6	141.3	268.9	381.1
Cumulative effect of accounting change	--	--	(2.9)	--
NET INCOME	$ 26.6	$ 141.3	$ 266.0	$ 381.1
BASIC EARNINGS PER COMMON SHARE				
Income before cumulative effect of accounting change	$ .12	$ .65	$ 1.23	$ 1.76
Cumulative effect of accounting change	--	--	(.02)	--
Net Income	$ .12	$ .65	$ 1.21	$ 1.76
DILUTED EARNINGS PER COMMON SHARE				
Income before cumulative effect of accounting change	$ .12	$ .63	$ 1.21	$ 1.71
Cumulative effect of accounting change	--	--	(.02)	--
Net Income	$ .12	$ .63	$ 1.19	$ 1.71

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AIR PRODUCTS AND CHEMICALS, INC. and Subsidiaries
CONSOLIDATED INCOME STATEMENTS
(Unaudited)

(continued)

WEIGHTED AVERAGE NUMBER OF COMMON SHARES (in millions)	219.7	218.0	219.3	216.8
WEIGHTED AVERAGE NUMBER OF COMMON AND COMMON EQUIVALENT SHARES (in millions)	223.3	224.7	222.9	222.7
DIVIDENDS DECLARED PER COMMON SHARE - Cash	$ .23	$ .21	$ .65	$ .61

(a) Minority interest primarily includes before-tax amounts.

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AIR PRODUCTS AND CHEMICALS, INC. and Subsidiaries
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

(Millions of dollars)

	30 June 2003	30 June 2002
ASSETS		
CURRENT ASSETS		
Cash and cash items	$ 141.3	$ 185.8
Trade receivables, less allowances for doubtful accounts	1,133.5	933.4
Inventories and contracts in progress	505.8	451.1
Other current assets	237.8	210.7
TOTAL CURRENT ASSETS	2,018.4	1,781.0
INVESTMENTS IN NET ASSETS OF AND ADVANCES TO EQUITY AFFILIATES	550.7	568.5
PLANT AND EQUIPMENT, at cost	11,369.9	10,562.1
Less - Accumulated depreciation	5,926.5	5,413.8
PLANT AND EQUIPMENT, net	5,443.4	5,148.3
GOODWILL	610.2	381.9
OTHER NONCURRENT ASSETS	326.2	356.8
TOTAL ASSETS	$ 8,948.9	$ 8,236.5
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Payables and accrued liabilities	$ 913.9	$ 839.2
Accrued income taxes	35.9	64.7
Short-term borrowings and current portion of long-term debt	217.6	206.6
TOTAL CURRENT LIABILITIES	1,167.4	1,110.5
LONG-TERM DEBT	2,150.7	2,007.4
DEFERRED INCOME & OTHER NONCURRENT LIABILITIES	914.2	689.2
DEFERRED INCOME TAXES	766.5	779.2
TOTAL LIABILITIES	4,998.8	4,586.3
MINORITY INTERESTS IN SUBSIDIARY COMPANIES	178.9	126.5
TOTAL SHAREHOLDERS' EQUITY	3,771.2	3,523.7
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 8,948.9	$ 8,236.5

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AIR PRODUCTS AND CHEMICALS, INC. and Subsidiaries
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(Millions of dollars)

	Nine Months Ended 30 June	
	2003	2002
OPERATING ACTIVITIES		
Net Income	$ 266.0	$ 381.1
Adjustments to reconcile income to cash provided by operating activities:		
Depreciation	477.1	423.9
Impairment of long-lived assets	91.7	3.7
Deferred income taxes	60.8	30.8
Undistributed earnings of unconsolidated affiliates	.7	(33.2)
Gain on sale of assets and investments	(9.2)	(66.6)
Pension plan contributions	(50.8)	(38.1)
Other	35.5	46.5
Working capital changes that provided (used) cash, excluding effects of acquisitions and divestitures:		
Trade receivables	(64.9)	(16.8)
Inventories and contracts in progress	(26.9)	15.9
Payables and accrued liabilities	11.4	(58.9)
Other	(60.9)	36.4
CASH PROVIDED BY OPERATING ACTIVITIES	730.5	724.7
INVESTING ACTIVITIES		
Additions to plant and equipment (a)	(440.0)	(459.8)
Investment in and advances to unconsolidated affiliates	(6.1)	(35.2)
Acquisitions, less cash acquired (b)	(234.2)	(10.3)
Proceeds from sale of assets and investments	99.5	283.7
Other	(.1)	6.3
CASH USED FOR INVESTING ACTIVITIES	(580.9)	(215.3)
FINANCING ACTIVITIES		
Long-term debt proceeds	135.4	43.6
Payments on long-term debt	(212.8)	(174.1)
Net decrease in commercial paper and short-term borrowings	(100.8)	(229.6)
Dividends paid to shareholders	(138.0)	(129.8)
Issuance of stock for options and award plans	42.8	96.4
CASH USED FOR FINANCING ACTIVITIES	(273.4)	(393.5)
Effect of Exchange Rate Changes on Cash	11.4	3.7
(Decrease) Increase in Cash and Cash Items	(112.4)	119.6
Cash and Cash Items - Beginning of Year	253.7	66.2
Cash and Cash Items - End of Period	$ 141.3	$ 185.8

(a) Excludes capital lease additions of $6.8 and $2.7 in 2003 and 2002, respectively.

(b) Excludes $1.4 of capital lease obligations and $4.0 of long-term debt assumed in acquisitions in 2003.

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AIR PRODUCTS AND CHEMICALS, INC. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

(Millions of dollars, except per share)

Asset Retirement Obligations

The company adopted Statement of Financial Accounting Standards (SFAS) No. 143, "Accounting for Asset Retirement Obligations," on 1 October 2002. The Statement requires that the fair value of a liability for an asset retirement obligation be recognized in the period in which it is incurred. The liability is measured at discounted fair value and is adjusted to its present value in subsequent periods as accretion expense is recorded. The corresponding asset retirement costs are capitalized as part of the carrying amount of the related long-lived asset and depreciated over the asset's useful life. The company's asset retirement obligations are primarily associated with Gases on-site long-term supply contracts under which the company has built a facility on land leased from the customer and is obligated to remove the facility at the end of the contract term. At 1 October 2002, the company recognized transition amounts for existing asset retirement obligation liabilities, associated capitalizable costs and accumulated depreciation. An after-tax transition charge of $2.9 was recorded as the cumulative effect of an accounting change. The ongoing expense on an annual basis resulting from the initial adoption of SFAS No. 143 is approximately $1.

Acquisitions

On 30 June 2003, the company announced it had signed a definitive agreement to acquire the Electronic Chemicals business of Ashland Specialty Chemical Company, a division of Ashland Inc., in a cash transaction valued at approximately $300 million. The acquisition is subject to regulatory approvals. Honeywell International Inc. has filed a lawsuit in the Delaware Chancery Court in New Castle County, Delaware seeking to block the acquisition alleging the acquisition would cause a breach of an agreement between a Honeywell joint venture and the company. Ashland's Electronic Chemicals business is a leading global electronic service provider and supplier of ultrapure specialty chemicals used by the electronics industry to make semiconductor devices.

Acquisitions for the nine months ended 30 June 2003, totaling $234.2, included American Homecare Supply, LLC (AHS), additional small homecare businesses, and Sanwa Chemical Industry Co., Ltd. The principal acquisition of the company was AHS in October 2002, for $166. AHS is a homecare market leader throughout the northeastern United States.

In July 2002, the company purchased an additional 22% of the outstanding shares of San Fu Chemical Company, Ltd. (San Fu), increasing the company's ownership interest from 48% to 70%. As of 30 June 2002, the company accounted for its investment in San Fu using the equity method. With this acquisition, the company obtained control and consolidated this investment.

The acquisitions in 2003 and the San Fu acquisition in 2002 contributed $290 and $47 to sales and operating income, respectively, for the nine months ended 30 June 2003.

Divestitures

On 28 February 2002, the company completed the sale of the majority of its U.S. packaged gas business, excluding the electronic gases and magnetic resonance imaging related helium operations,

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to Airgas, Inc. (Airgas). The company also sold its packaged gas operations in the Carolinas and in Southern Virginia to National Welders Supply Company, Inc., a joint venture between Airgas and the Turner family of Charlotte, N.C. For the five months ended 28 February 2002, the assets sold generated revenues of approximately $100 also with a modest contribution to operating income. The proceeds from these transactions were $254.5. The results for the nine months ended 30 June 2002 included a gain of $55.7 ($25.7 after-tax, or $.12 per share).

On 1 April 2003, the company completed the sale of the majority of its Canadian packaged gas business to the BOC Group for approximately $40.

2003 Global Cost Reduction Plan

The results for the three and nine months ended 30 June 2003 included a charge of $152.7 ($96.6 after-tax, or $.43 per share) for a global cost reduction plan (2003 Plan). This charge included $56.8 for severance and pension related benefits recorded in cost of sales, selling and administrative, and research and development and $95.9 for asset disposals and facility closures in the Gases and Chemicals segments recorded in other expense.

During the third quarter of 2003, the company completed a capacity utilization analysis in several businesses in the Gases segment. To reduce capacity and costs several facilities ceased operation by 30 June 2003. A charge of $37.6 was recognized for the closure of these facilities, net of expected recovery. A decision was made to terminate several incomplete capacity expansion projects. A charge of $13.0 was recognized for the cost of terminating these projects, net of expected recovery from disposal and redeployment. A charge of $3.6 was also recognized for the planned sale of two real estate properties and the termination of several leases for small facilities. These charges are principally in our North American merchant and tonnage businesses with a modest amount in our Electronics business.

The rationalization of excess capacity in certain products has resulted in a decision to exit certain Chemical Intermediates operations. Late in the quarter ending 30 June 2003, the company decided to pursue the sale of its European methylamines and derivatives business. The company expects to complete the sale by 30 June 2004. Expected proceeds from sale were determined and a loss was recognized for the difference between the carrying value of the assets and the expected net proceeds from the sales. Additional charges for the closure of its methanol and ammonia plants in Pensacola, Florida, which make products for internal consumption were also recognized. The total charge for these actions was $41.7.

In addition to the capacity reduction initiatives, the company continues to implement cost reduction and productivity related efforts. The divestitures, the capacity reductions and the cost control initiatives will result in the elimination of 461 positions from the company. The company will complete the 2003 Plan by 30 June 2004. Approximately 30% of the position reductions relate to capacity rationalization and divestitures. An additional 40% relates to ongoing productivity efforts and balancing engineering resources with project activity and the remaining 30% relates to a reduction in the number of management positions.

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The 2003 global cost reduction plan charges were recorded to the following income statement line items and operating segments:

Segment	Cost of Sales	Selling and Administrative	Research and Development	Other Expense	Total
Gases	$ 10.3	$ 26.9	$ .8	$ 54.2	$ 92.2
Chemicals	9.5	5.8	1.1	41.7	58.1
Equipment	.8	1.4	.2	--	2.4
Total	$ 20.6	$ 34.1	$ 2.1	$ 95.9	$ 152.7

Results for the remainder of 2003 and beyond will benefit from the 2003 global cost reduction plan. Cost savings of $3 are expected in the fourth quarter of 2003. Cost savings of $38 are expected in 2004. Beyond 2004, the company expects the 2003 global cost reduction plan to provide annualized incremental cost savings of $59, of which the majority is related to reduced personnel costs.

2002 Global Cost Reduction Plan

The results for the nine months ended 30 June 2002 included a charge of $30.8 ($18.9 after-tax, or $.09 per share) for a global cost reduction plan (2002 Plan) including U.S. packaged gas divestiture related reductions. The plan included 333 position eliminations, resulting in a charge of $27.1 for severance and pension related benefits. A charge of $3.7 was recognized for asset impairments related to the planned sale or closure of two small chemicals facilities. The restructuring charges included in cost of sales, selling and administrative, research and development, and other expense were $13.4, $14.1, $.4, and $2.9, respectively. This cost reduction plan was completed as expected in March 2003.

Equity Affiliates' Income

Income from equity affiliates for the nine months ended 30 June 2003 included $14 for adjustments related to divestitures recorded in prior periods. $8 is included in Other equity affiliates and $6 is included in Gases equity affiliates.

Income from equity affiliates contributed $.08 to diluted earnings per share for the three months ended 30 June 2003 and 2002. Income from equity affiliates contributed $.23 and $.24 to diluted earnings per share for nine months ended 30 June 2003 and 2002, respectively.

Income Taxes

The company had a net tax benefit of $2.9 for the three months ended 30 June 2003. The net benefit was driven by the impact of the 2003 global cost reduction plan charges, which were taxed at statutory rates.

AIR PRODUCTS AND CHEMICALS, INC. and Subsidiaries
SUMMARY BY BUSINESS SEGMENTS
(Unaudited)

Business segment information is shown below:

(Millions of dollars)	Three Months Ended 30 June 2003	Three Months Ended 30 June 2002	Nine Months Ended 30 June 2003	Nine Months Ended 30 June 2002
Revenues from external customers				
Gases	$1,138.1	$ 915.7	$3,293.4	$2,706.6
Chemicals	421.2	385.4	1,173.5	1,092.5
Equipment	70.6	72.9	188.1	204.1
Segment Totals	1,629.9	1,374.0	4,655.0	4,003.2
Consolidated Totals	$1,629.9	$1,374.0	$4,655.0	$4,003.2
Operating income				
Gases	$ 79.2(a)	$ 166.7	$ 402.6(a)	$ 441.2(d)
Chemicals	(29.2)(b)	47.9	37.6(b)	130.4(e)
Equipment	(0.6)(c)	5.7	6.5(c)	11.7
Segment Totals	49.4	220.3	446.7	583.3
Corporate research and development and other income (expense)	(9.4)	(5.2)	(31.2)	(29.2)
Consolidated Totals	$ 40.0	$ 215.1	$ 415.5	$ 554.1
Equity affiliates' income				
Gases	$ 16.5	$ 14.4	$ 43.1	$ 46.5
Chemicals	3.6	3.4	6.9	8.5
Equipment	(0.1)	(0.1)	--	1.4
Segment Totals	20.0	17.7	50.0	56.4
Other	--	--	8.3	--
Consolidated Totals	$ 20.0	$ 17.7	$ 58.3	$ 56.4

(Millions of dollars)	30 June 2003	30 June 2002
Identifiable assets (f)		
Gases	$6,614.5	$5,771.1
Chemicals	1,441.7	1,399.3
Equipment	168.4	202.4
Segment Totals	8,224.6	7,372.8
Corporate assets	173.6	295.2
Consolidated Totals	$8,398.2	$7,668.0

(a) Included a global cost reduction plan charge of $92.2.

(b) Included a global cost reduction plan charge of $58.1.

(c) Included a global cost reduction plan charge of $2.4.

(d) Included a global cost reduction plan charge of $26.2.

(e) Included a global cost reduction plan charge of $4.6.

(f) Identifiable assets are equal to total assets less investments in equity affiliates.

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AIR PRODUCTS AND CHEMICALS, INC. and Subsidiaries
SUMMARY BY GEOGRAPHIC REGIONS
(Unaudited)

(Millions of dollars)

	Three Months Ended 30 June		Nine Months Ended 30 June	
	2003	2002	2003	2002
Revenues from external customers				
United States	$ 939.4	$ 845.8	$2,700.8	$2,503.6
Canada	19.2	28.5	76.5	80.6
Total North America	958.6	874.3	2,777.3	2,584.2
United Kingdom	133.3	122.4	362.4	341.3
Spain	97.7	89.2	271.0	250.9
Other Europe	242.0	173.8	683.1	506.2
Total Europe	473.0	385.4	1,316.5	1,098.4
Asia	165.8	88.1	471.8	240.1
Latin America	32.3	26.1	89.0	80.3
All Other	.2	.1	.4	.2
Total	$1,629.9	$1,374.0	$4,655.0	$4,003.2

Note: Geographic information is based on country of origin. The Other Europe segment operates principally in Belgium, France, Germany and the Netherlands.

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