Moving forward

Creating Shareholder Value

Q2 FY23
Earnings Conference Call

May 9, 2023

AIR PRODUCTS

Forward-looking statements

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 those disclosed in our earnings release for the second quarter of fiscal year 2023 and our Annual Report on Form 10-K for our fiscal year ended September 30, 2022 as well as in our other filings with the Securities and Exchange Commission. 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.

Non-GAAP financial measures

This presentation and the discussion on the accompanying conference call contain certain financial measures that are not prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). We have posted to our website, in the relevant Earnings Release section, reconciliations of these non-GAAP financial measures to the most directly comparable financial measures prepared in accordance with GAAP. Management believes these non-GAAP financial measures provide investors, potential investors, securities analysts, and others with useful information to evaluate our business because such measures, when viewed together with our GAAP disclosures, provide a more complete understanding of the factors and trends affecting our business. The non-GAAP financial measures supplement our GAAP disclosures and are not meant to be considered in isolation or as a substitute for the most directly comparable measures prepared in accordance with GAAP. These measures may not be comparable to similarly titled measures used by other companies.

Safety Results

	FY14	Q2FY23	Q2FY23 vs FY14
Employee Lost Time Injury Rate	0.24	0.10	58% better
Employee Recordable Injury Rate	0.58	0.32	45% better

FY14 includes former Materials Technologies businesses divested in FY2017

Management Philosophy

- **Our Goal:** to be the **safest**, **most diverse** and **most profitable** industrial gas company in the world, providing excellent service to our customers
- **Creating Shareholder Value:** cash is king; long-term increase in **per share value** of our stock; capital allocation is the most important job of the CEO
- **Five-Point Plan:** sustain the lead, deploy capital, evolve portfolio, change culture, belong and matter
- **Our Higher Purpose:** bring people together to **collaborate** and **innovate** solutions to the world's most significant **energy and environmental** sustainability challenges

Air Products Adjusted EPS*

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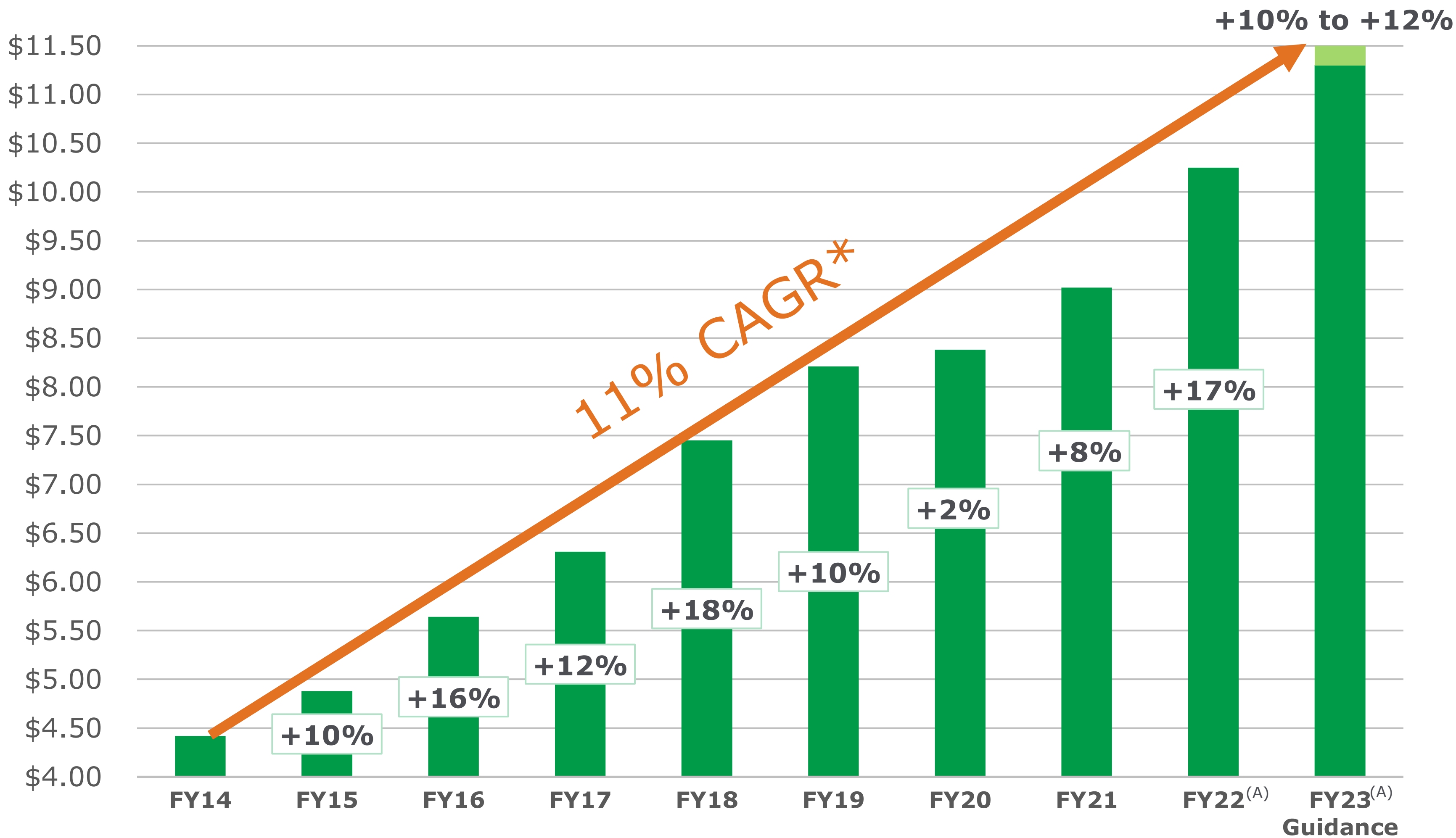
Q2 FY23 Adjusted EPS* $2.74, up 17% vs. Last Year

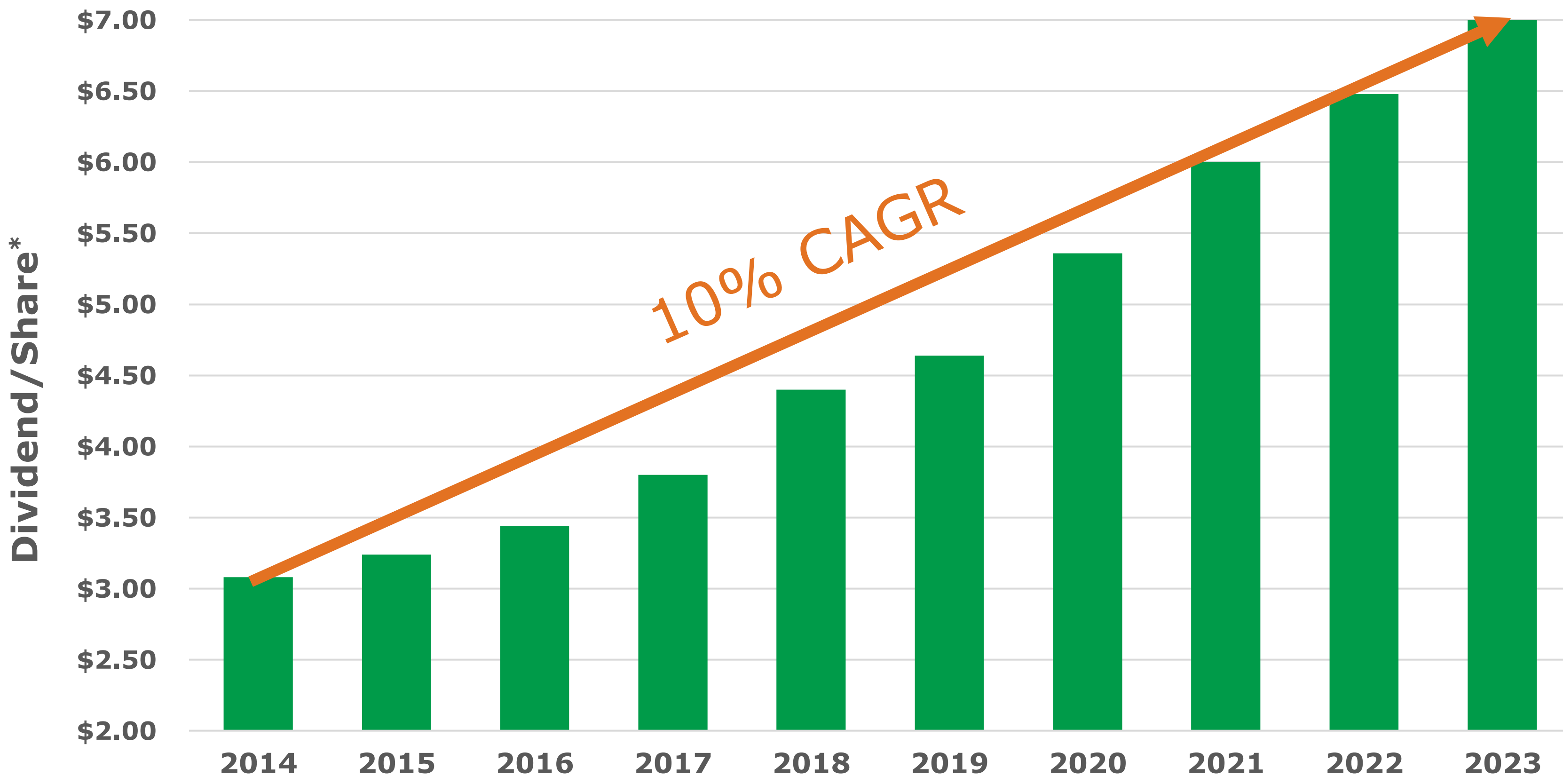


*Non-GAAP financial measure. See website for reconciliation.
CAGR is calculated using midpoint of FY23 guidance.

(A) FY22 and FY23 amounts and comparisons to immediately preceding year have been updated to reflect adjustment for non-service-related pension impacts. See website for reconciliation.

Dividend History

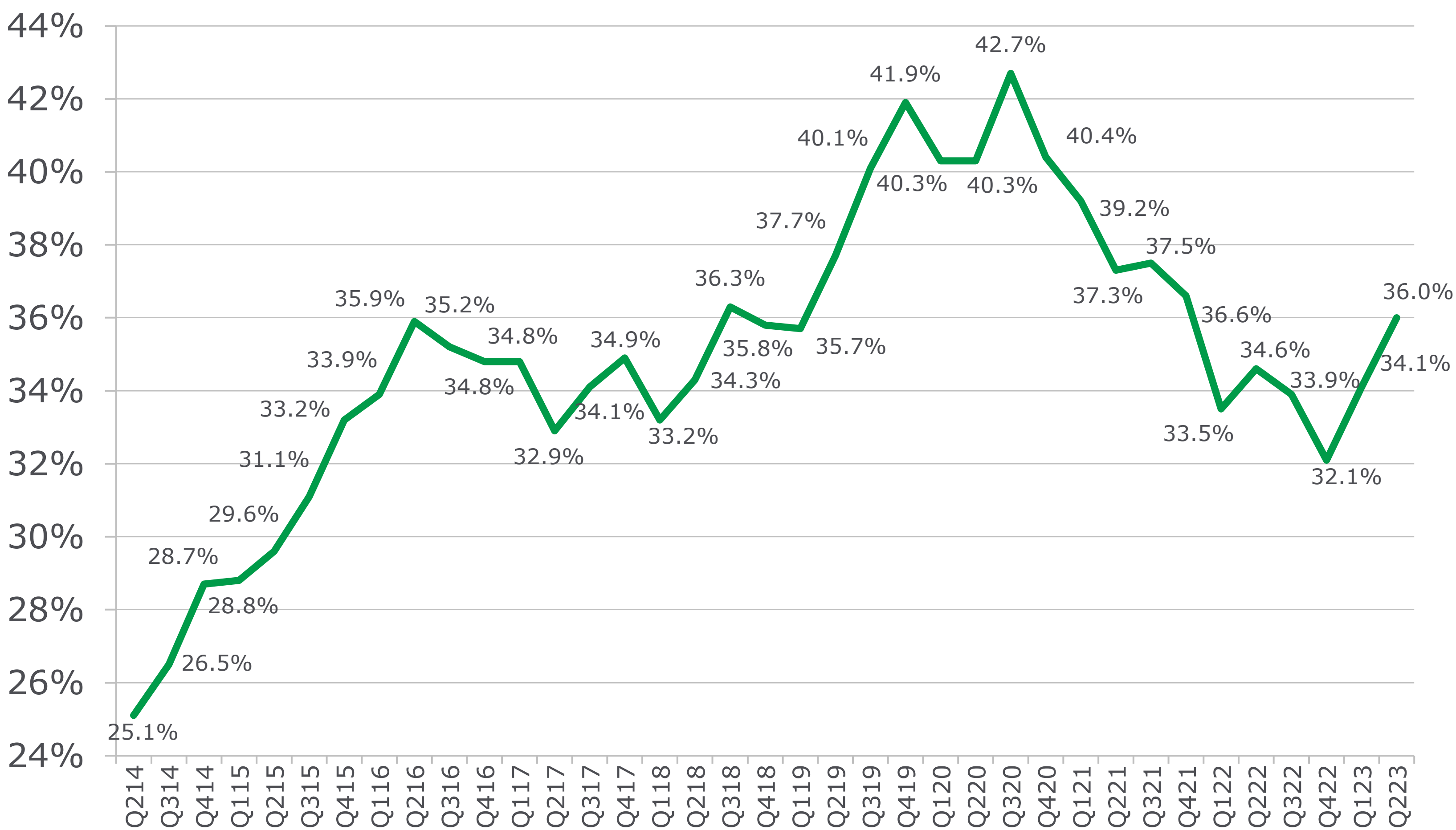
40+ consecutive years of dividend increases



- Increased dividend to $1.75 per share, up 8% ($0.13 per share); announced in January 2023
- >$1.5 billion of dividend payments to shareholders expected in 2023

* Based on annualized quarterly dividend declared in first quarter

Adjusted EBITDA Margin*



3/4 of decline from peak due to higher energy cost pass-through, which increases sales, but does not impact profits

* Non-GAAP financial measure. See website for reconciliation.

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Air Products' Position in the Energy Transformation to Hydrogen

H_2 Gray Hydrogen
from Hydrocarbons

Air Products is the Global Leader in Gray Hydrogen Today

H_2 Blue Hydrogen
from Hydrocarbons with **CCS**

Air Products will be the Global Leader in Blue Hydrogen after Executing the Canada Project & the Louisiana Project

H_2 Green Hydrogen
from Wind, Solar and Hydro

Air Products will be the Global Leader in Green Hydrogen after Executing the NEOM Project, the NY Project & the Texas Project

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Q2 Results

($ million)	Q2FY23	Fav/(Unfav) vs. Q2FY22	Fav/(Unfav) vs. Q1FY23
Sales	$3,200	9%	1%
- Volume		6%	3%
- Price		8%	-%
- Energy cost pass-through		(1%)	(4%)
- Currency		(4%)	2%
Adjusted EBITDA*	$1,151	13%	6%
*- Adjusted EBITDA Margin**	*36.0%*	*140bp*	*190bp*
Adjusted Operating Income*	$645	15%	(1%)
*- Adjusted Operating Margin**	*20.2%*	*110bp*	*(30bp)*
Adjusted Net Income*	$611	17%	4%
Adjusted EPS* ($/share)	$2.74	17%	4%
ROCE*	11.7%	140bp	30bp

Versus prior year:

- Strong results driven by +8% price (Merchant price +18%) and better on-site volume
- Adjusted EBITDA* and Adjusted EBITDA margin* up as price and Jazan phase II more than offset higher costs

Sequentially:

- Adjusted EBITDA* improved as better volume and equity affiliates' income more than offset higher costs
- Lower energy cost pass-through benefited Adjusted EBITDA margin* ~150bp

* Non-GAAP financial measure. See website for reconciliation.

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Q2 Adjusted EPS*

Up 17% on strong operating performance

	Q2FY22	Q2FY23	Change	
GAAP EPS from cont. ops	$2.38	$1.97		
Non-GAAP items	(0.04)	0.77		
Adjusted EPS*	**$2.34**	**$2.74**		**$0.40**
Volume			0.12	
Price, net of variable costs			0.72	
Other cost			(0.44)	
				$0.40
Currency				($0.09)
Equity affiliates' income			0.16	
Non-controlling interest			(0.04)	
Tax rate			(0.04)	
Other *(interest expense, non-op. income & expense)*			0.01	
				$0.09

- Strong price and higher equity affiliates' income drove higher earnings per share
- Jazan phase II added to equity affiliates' income
- Higher costs include additional maintenance, pre-onstream project costs, and other non-repeating-items

*Non-GAAP financial measure. See website for reconciliation.

EPS is calculated independently for each component and may not sum to total EPS due to rounding

Cash Flow Focus

Strength and stability during challenging conditions

($ millions)	Q2FY23 LTM
Adjusted EBITDA*	$4,460
Interest, net*	(131)
Cash Tax	(519)
Maintenance Capex*	(658)
Distributable Cash Flow*	$3,152
	*$14.16/Share**
Dividends	(1,438)
Investable Cash Flow*	$1,714

- >$14/share of distributable cash flow*
- Paid over 45% of distributable cash flow* as dividends
- ~$1.7 billion of investable cash flow* available for growth

* Non-GAAP financial measure. See website for reconciliation.

FY18-27 Capital Deployment Scorecard

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Significant progress made; substantial investment capacity remaining

Available Now (3/31/23)	($ Billion)	
Total Debt Capacity	$ 13.4	Assuming 3xLTM Adj EBITDA*
Less: Net Debt*	$ 6.3	Debt ($8.7B) minus cash[1] ($2.4B)
Additional Available Now	**$ 7.1**	
Estimated Available In Future		
Investable Cash Flow (ICF)*	$ 7.7	LTM ICF* x 4.5 years
Debt enabled by New Projects	$ 7.0	Details below[2]
Estimated In Future	**$ 14.7**	
Already Spent		
FY18 through Q2 FY23	**$ 13.0**	Growth CapEx* (including M&A)
Estimated FY18 - FY27 Capacity	**$ 34.8**	
Backlog (remaining to be spent)	$ 11.3	
Spent + Backlog (remaining to be spent)	$ 24.3	
% Spent	*37%*	
% Spent + Backlog (remaining to be spent)	*70%*	

Committed to manage debt balance to maintain current targeted A/A2 rating
Total Backlog $15.5B; Backlog remaining to be spent $11.3B

*Non-GAAP financial measure. See website for reconciliation.

1. Cash includes cash and short-term investments
2. Total Backlog ~$15.5 billion x (15% Adj EBITDA* / CapEx[3]) x (3x Debt / Adj EBITDA)*
3. Based on assumed (10% Operating Income / CapEx) and 20-year depreciable life

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Americas

	Q2FY23	Fav/(Unfav) vs. Q2FY22	Fav/(Unfav) vs. Q1FY23
Sales	$1,373	16%	(1%)
- Volume		9%	2%
- Price		8%	1%
- Energy cost pass-through		-%	(4%)
- Currency		(1%)	-%
Adjusted EBITDA*	$514	14%	-%
*- Adjusted EBITDA Margin**	*37.4%*	*(50bp)*	*20bp*
Operating Income	$324	18%	(5%)
- Operating Margin	*23.6%*	*40bp*	*(120bp)*

Versus prior year:

- Underlying sales up 17%
- Price +8% = merchant price +21%
- Volume up on strong hydrogen demand
- Adjusted EBITDA* up driven by strong price and volume, partially offset by higher costs
- Adjusted EBITDA margin* flat as positive price offset higher costs

Sequentially:

- Adjusted EBITDA* flat as favorable price and EAI offset higher costs

* Non-GAAP financial measure. See website for reconciliation.

Asia

	Q2FY23	Fav/(Unfav) vs. Q2FY22	Fav/(Unfav) vs. Q1FY23
Sales	$814	8%	5%
- Volume		7%	-%
- Price		5%	-%
- Energy cost pass-through		3%	1%
- Currency		(7%)	4%
Adjusted EBITDA*	$350	9%	1%
*- Adjusted EBITDA Margin**	*43.0%*	*20bp*	*(140bp)*
Operating Income	$233	14%	(1%)
- Operating Margin	*28.6%*	*150bp*	*(170bp)*

Versus prior year:

- Positive results despite negative currency and COVID-19 impacts
- Volume up 7% due to on-site business
- Price +5% = Merchant price +12%
- Currency reduces op. income and adjusted EBITDA* by ~7%
- Operating income and adjusted EBITDA* higher due to favorable volume and price partially offset by costs and currencies
- Margins improved primarily driven by volume and price partially offset by costs

Sequentially: New assets offset seasonal lunar new year slowdown

* Non-GAAP financial measure. See website for reconciliation.

Europe

	Q2FY23	Fav/(Unfav) vs. Q2FY22	Fav/(Unfav) vs. Q1FY23
Sales	$753	2%	(5%)
- Volume		3%	3%
- Price		11%	(1%)
- Energy cost pass-through		(6%)	(12%)
- Currency		(6%)	5%
Adjusted EBITDA*	$251	32%	21%
*- Adjusted EBITDA Margin**	*33.3%*	*760bp*	*710bp*
Operating Income	$173	49%	19%
- Operating Margin	*23.0%*	*720bp*	*460bp*

Versus prior year:

- Price +11% = merchant price +19%
- Volume up due to better on-site
- Adjusted EBITDA* and Adjusted EBITDA margin* improved driven primarily by strong price
- Energy cost pass-through benefited adjusted EBITDA margin* ~100bp

Sequentially:

- Adjusted EBITDA* higher primarily driven by favorable volume and EAI
- Adjusted EBITDA margin* driven by positive volume, EAI and energy cost pass-through (~200bp)

* Non-GAAP financial measure. See website for reconciliation.

Middle East & India

	Q2FY23	Fav/(Unfav) vs. Q2FY22	Fav/(Unfav) vs. Q1FY23
Sales	$45	$16	$3
Operating Income	$1	($4)	($5)
Equity Affiliates' Income	**$99**	**$28**	**$35**
Adjusted EBITDA*	$107	$24	$29

- Sales increased due to stronger base volume
- Higher maintenance activities negatively impacted operating income
- Jazan Project Phase II, completed in January 2023, added to equity affiliates' income

* Non-GAAP financial measure. See website for reconciliation.

Corporate and Other

	Q2FY23	Fav/(Unfav) vs. Q2FY22
Sales	$215	($24)
Adjusted EBITDA*	($71)	($46)
Operating Income	($86)	($48)

- Sales and profit lower on reduced sale of equipment activity
- Additional resources to support growth strategy
- New LNG sale of equipment projects

* Non-GAAP financial measure. See website for reconciliation.

Outlook*

Q3 FY23 Adjusted EPS*	vs Prior Year	FY23 Adjusted EPS*	vs Prior Year
$2.85 to $2.95	+10% to +14%	$11.30 to $11.50	+10% to +12%

FY23 Capital Expenditures* $5.0 - $5.5 billion

*Non-GAAP financial measure.

Fiscal year 2022 comparisons have been updated to reflect adjustment for non-service-related pension impacts. See website for reconciliation.

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

Plant	Customer/Location	Project Size	Est. Timing	Market
ONSTREAM (last five quarters)				
ASU/Liquid	Eastman, Kingsport, Tennessee	Not disclosed	FY22	Gasif/Merchant
ASU/Gasifier/ Power	AP / ACWA / SA / APQ – Jazan, Saudi Arabia – Phase II	~$12 billion total JV	FY23	Gasif to Refinery
PROJECT COMMITMENTS				
ASU/Gasifier	AP 100% - Jiutai – China	~$0.65 billion	Q4 FY23	Gasif to Chemicals
SMR/ASU/PL	GCA – Texas City	~$500 million	Q3 FY23	Ammonia
ASU/Gasifier	AP (80%) / Debang – Lianyung City, China	~$250 million total JV	1H FY24	Gasif to Chemicals / Merchant
Net-zero H_2	Alberta, Canada	~$1.6 billion CAD	2024	Pipeline / Transportation
H2/SAF	World Energy, California	~$2.5 billion	2025	Sustainable Aviation Fuel
Carbon-free H_2	NEOM Saudi Arabia	~$8.5 billion total JV	2026	Air Products
Low-carbon H_2	Downstream H_2 supply chain	~$2 billion	2025-2028	Transportation / Industrial
Blue H_2	Louisiana	~$4.5 billion	2026	Pipeline / Transportation
Semiconductor	Kaohsuing, Taiwan	~$900 million	Not disclosed	Semiconductor
Green H_2	New York	~$0.5 billion	2026 / 2027	Mobility / Industrial
Carbon Monoxide	USGC – La Porte, TX	>30 mmscfd	2024	Chemicals
Carbon Monoxide	USGC – Texas City, TX	>40 mmscfd	2026	Chemicals

Project capital represents 100%, not APD share

Capital Expenditures*

FY	$MM
2023	$5.0 - $5.5 billion#
2022	$4,650
2021	$2,551
2020	$2,717
2019	$2,129
2018	$1,914
2017	$1,056
2016	$908
2015	$1,201
FY23	**$MM**
Q1	$725
Q2	$1,693
Q3	
Q4	
YTD	$2,418

Capital expenditures are calculated independently for each quarter and may not sum to full year amount due to rounding.

* Non-GAAP financial measure. See website for reconciliation.
\# Outlook

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Thank you

tell me more