

# Investor Conference

## Innovation, Integration and Improvement

Simon Moore

Director, Investor Relations



## 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 earnings guidance, projections and targets. These forward-looking statements are based on management's reasonable expectations and assumptions as of the date this release is issued regarding important risk factors. Actual performance and financial results may differ materially from projections and estimates expressed in the forward-looking statements because of many factors not anticipated by management, including, without limitation, slowing of global economic recovery; renewed deterioration in economic and business conditions; weakening demand for the Company's products; future financial and operating performance of major customers and industries served by the Company; unanticipated contract terminations or customer cancellations or postponement of projects and sales; the success of commercial negotiations; asset impairments due to economic conditions or specific product or customer events; the impact of competitive products and pricing; interruption in ordinary sources of supply of raw materials; the ability to recover unanticipated increased energy and raw material costs from customers; costs and outcomes of litigation or regulatory activities; successful development and market acceptance of new products and applications, the ability to attract, hire and retain qualified personnel in all regions of the world where the Company operates; the effects of a natural disaster; the success of cost reduction and productivity programs and achieving anticipated acquisition synergies; the timing, impact, and other uncertainties of future acquisitions or divestitures; significant fluctuations in interest rates and foreign currencies from that currently anticipated; the continued availability of capital funding sources in all of the Company's foreign operations; the impact of environmental, healthcare, tax or other legislation and regulations in jurisdictions in which the Company and its affiliates operate; the impact of new or changed financial accounting guidance; the timing and rate at which tax credits can be utilized and other risk factors described in the Company's Form 10K for its fiscal year ended September 30, 2010. The Company disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in this document to reflect any change in the Company's assumptions, beliefs or expectations or any change in events, conditions, or circumstances upon which any such forward-looking statements are based.

## Agenda

| Time  | Presentation                                  | Presenter                 |
|-------|---|---------------------------|
| 8:30  | Welcome                                       | Simon Moore               |
| 8:35  | Strategy for Success<br>Commitment to Success | John McGlade<br>Paul Huck |
| 9:30  | Q&A   | John McGlade<br>Paul Huck |
| 9:50  | Break   |                           |
| 10:05 | Business Presentations and Q&A                | Business Leaders          |
| 11:45 | Closing                                       | John McGlade              |
| 12:00 | Lunch<br>Display Interaction                  | Management Team           |
| 1:30  | End   |                           |

## Today's Speakers

|            |  |  |
|------------|--|--|
| 8:35 a.m.  | <br><b>John McGlade</b><br>Chairman,<br>President and CEO   | Strategy for Success                   |
| 9:00 a.m.  | <br><b>Paul Huck</b><br>Senior Vice President<br>and Chief Financial Officer                                | Commitment to Success                  |
| 10:05 a.m. | <br><b>Bob Dixon</b><br>Senior Vice President<br>and General Manager, Merchant Gases                        | Merchant Gases                         |
| 10:40 a.m. | <br><b>Steve Jones</b><br>Senior Vice President and General Manager,<br>Tonnage Gases, Equipment and Energy | Tonnage Gases,<br>Equipment and Energy |
| 11:15 a.m. | <br><b>Corning Painter</b><br>Vice President<br>and General Manager, Global Electronics                     | Electronics                            |

# Investor Conference

Innovation, Integration and Improvement

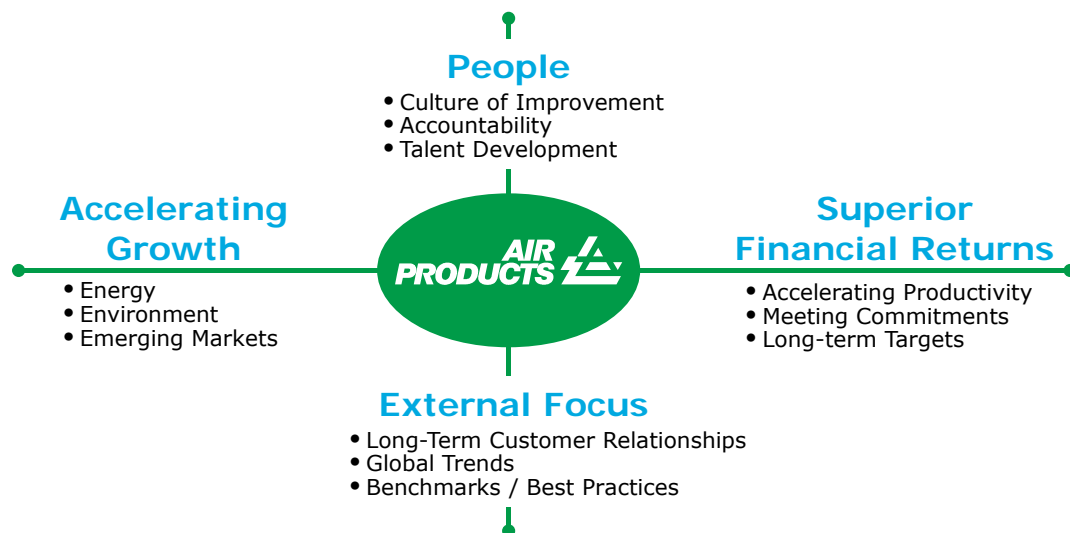
## Strategy for Success

John McGlade

Chairman, President and CEO



## Delivering on Our Future



## A Strategy for Success

**Winning** in energy, environmental  
and emerging **Markets**



**Executing** on innovation, integration  
and improvement **Actions**

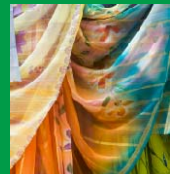


**Delivering** on revenue, margin  
and return **Goals**



## Generating Shareholder Value

**Winning** in energy, environmental  
and emerging **Markets**



## Winning in the Markets

**Accelerating  
Growth**

**Air Products Advantage**

**Global Trends**

Customers

Productivity

Quality

Applications

Environmental Needs

Efficiency

**Industrial Gas Fundamentals**

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## Global Trends Accelerate Growth

**Trend**  
Increasing Energy Demand



**Market**

- Refining
- Gasification

**Air Products  
Opportunity**

- Hydrogen
- Oxygen

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## Global Trends Accelerate Growth



## Global Trends Accelerate Growth

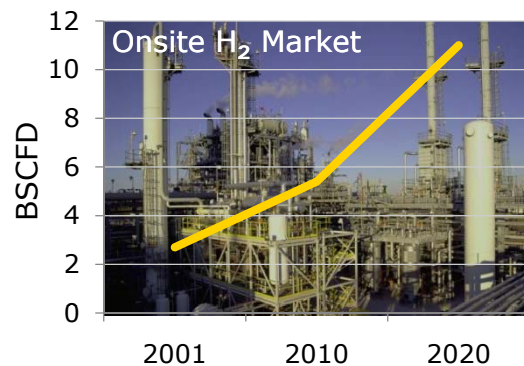
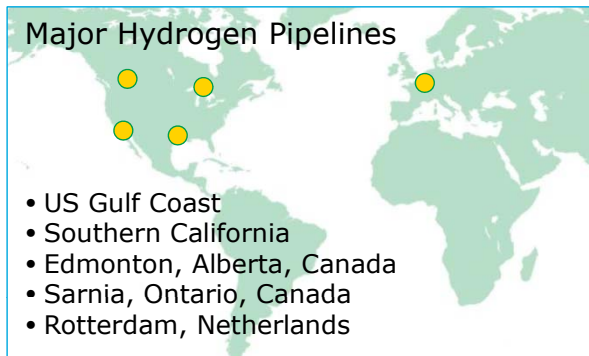


## Global Trends Accelerate Growth



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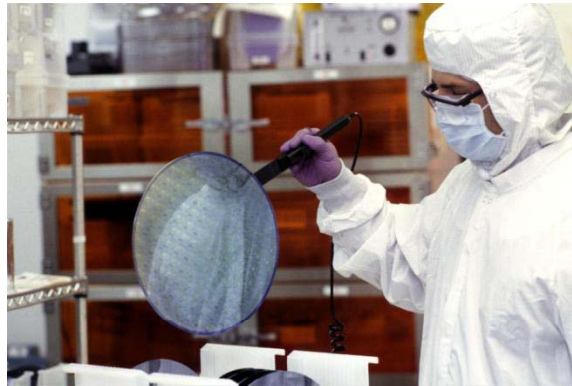
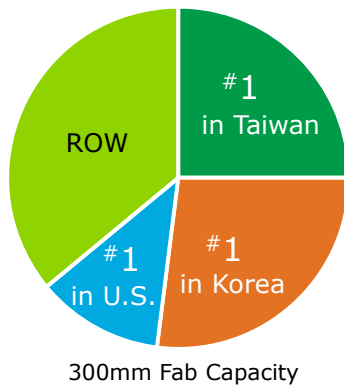
## Air Products Advantage: Hydrogen Leadership



#1 market share for over two decades

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## Air Products Advantage: Electronics Leadership



Key customer and geographic positions

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## Air Products Advantage: Asia Merchant Leadership



#1 positions in high growth markets

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## Air Products Advantage: Profitable Joint Ventures in High Growth Regions



\$2.3B revenue on 100% basis

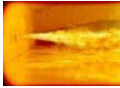



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# Executing on innovation, integration and improvement **Actions**



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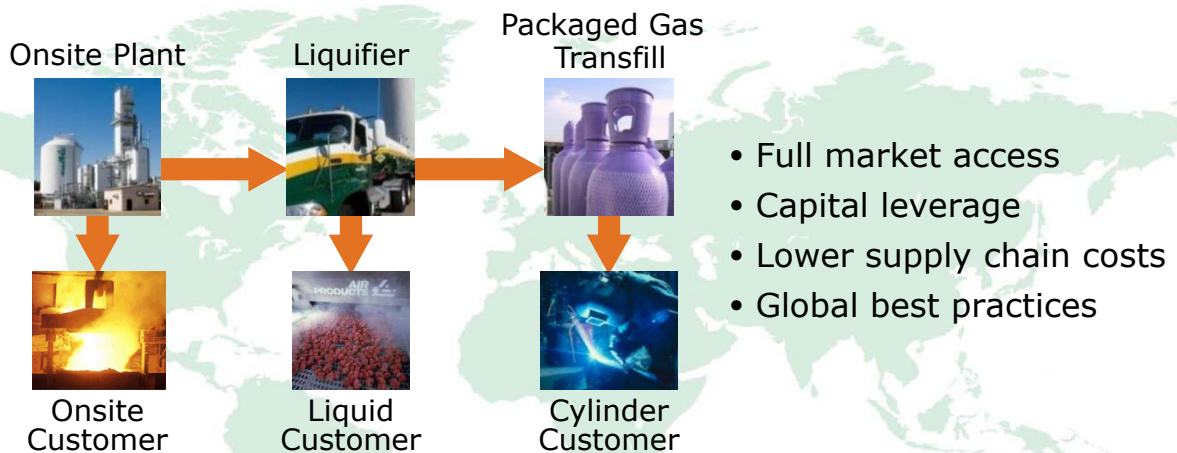
## Innovation Built on Core Competencies

| Core Competencies  | Key Offerings  | Markets   |
|--|--|---|
|  Combustion<br> Process Technology<br> Separations<br> Materials and Chemistry | <b>Gas Applications</b><br>Oxy-Fuel Burner Design<br><br><b>Gas Production &amp; Delivery</b><br>ASU, SMR, LNG, ITM<br><br><b>Electronics</b><br>Thin film precursors<br><br><b>PMD</b><br>Performance Additives | Refining<br>Gasification<br>Chemicals<br>Steel<br>Glass<br>Food<br>Fabrication<br>Semiconductor<br>Coatings |

Creating customer value through these combinations

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## Integrated Industrial Gas Model

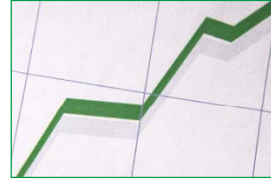


Delivers higher growth and profitability

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## A Culture of Improvement Delivers Results

- Investment in people, process and tools
- Leadership accountability and individual responsibility
- Data-driven



### Growth

- New offerings
- Capacity expansions
- Acquisition synergy

### Productivity

- Product cost reduction
- Distribution efficiency
- Receivables reduction

### Pricing

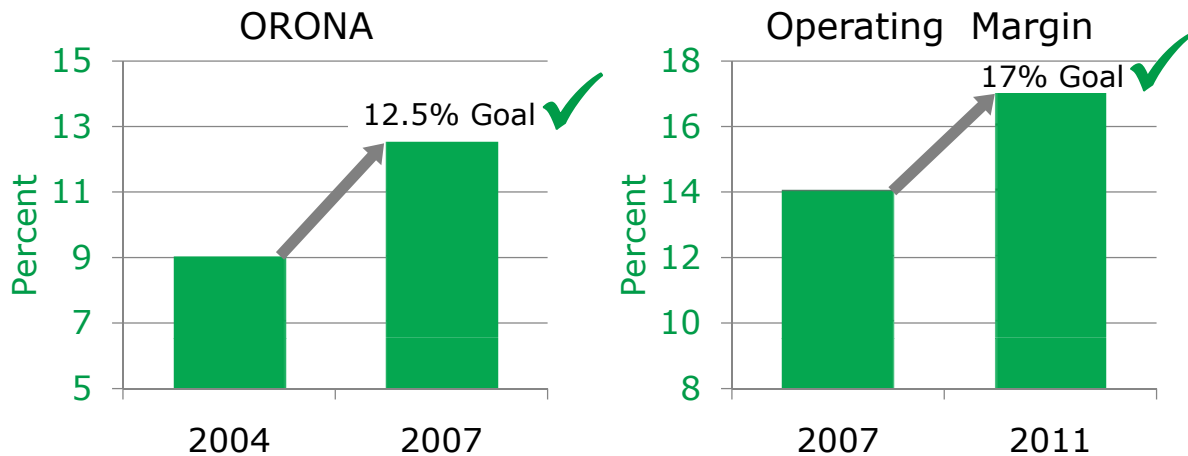
- Pricing tools and skills development
- Materials sourcing
- Leveraging SAP

4%–5% annual cost reduction

## Delivering on revenue, margin and return Goals



## We Deliver on Our Commitments



See appendix for GAAP reconciliation

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# 2015 by 2015

**\$15+** Billion in Sales

**20%** Operating Margin

**15%** Return on Capital Employed

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Thank you...  
tell me more



# Investor Conference

Innovation, Integration and Improvement

## Commitment to Success

**Paul Huck**

Senior Vice President and  
Chief Financial Officer



**2015  
by  
2015**

Revenue  
Growth

**11%-13%  
per year**

From \$9B  
in 2010  
to  
\$15B+ in 2015

Operating  
Margin

**20%**

From 16.5%  
in 2010  
to  
20% in 2015

Return on  
Capital

**15%**

From 12.5%  
in 2010  
to  
15% in 2015

See appendix for GAAP reconciliation

InvestorConference2011 The logo for Air Products, featuring the word "AIR" above "PRODUCTS" with a stylized flame icon to the right.

**2015**  
by **2015**

## Revenue Growth

**11%-13%  
per year**

From \$9B  
in 2010  
to  
\$15B+ in 2015

## Operating Margin

**20%**

From 16.5%  
in 2010  
to  
20% in 2015

## Return on Capital

**15%**

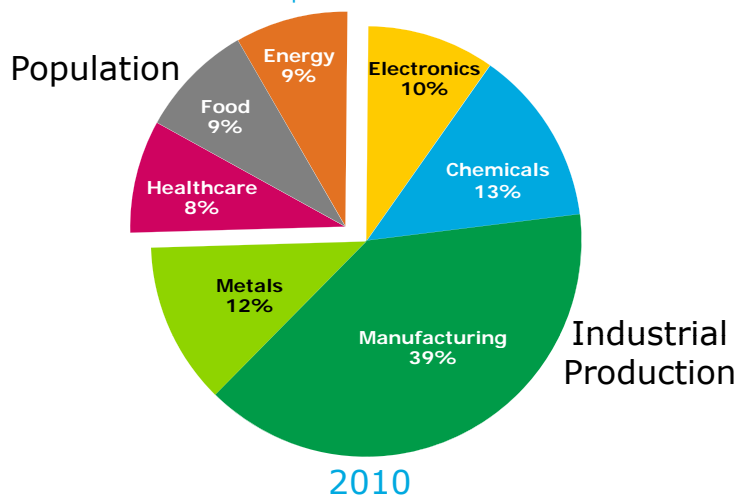
From 12.5%  
in 2010  
to  
15% in 2015

See appendix for GAAP reconciliation

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## Global Industrial Gas Market

\$63 Billion

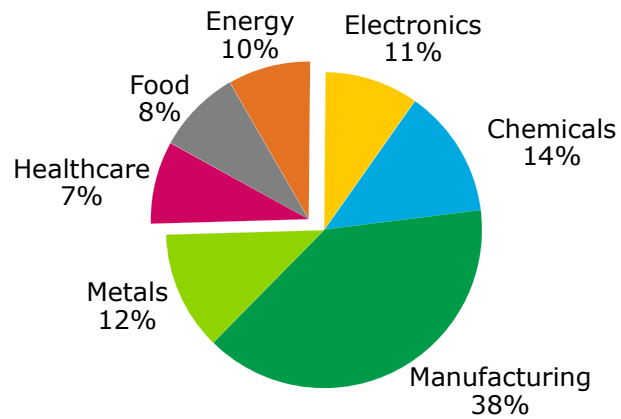
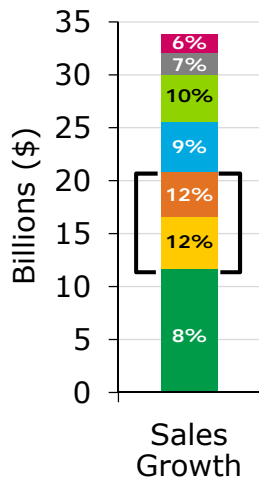


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## Global Industrial Gas Market Growth

Annual Growth 9%

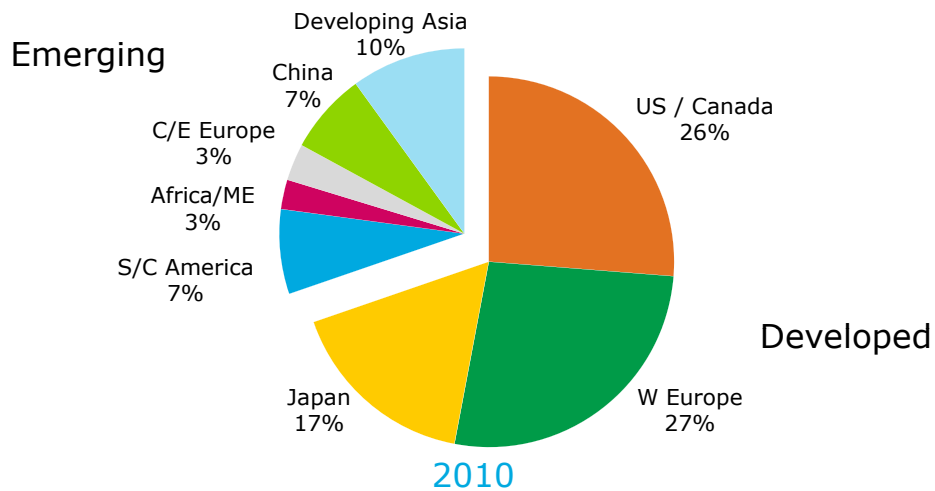
\$96 Billion



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## Global Industrial Gas Geographies

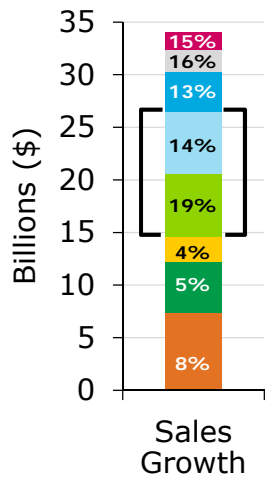
\$63 Billion



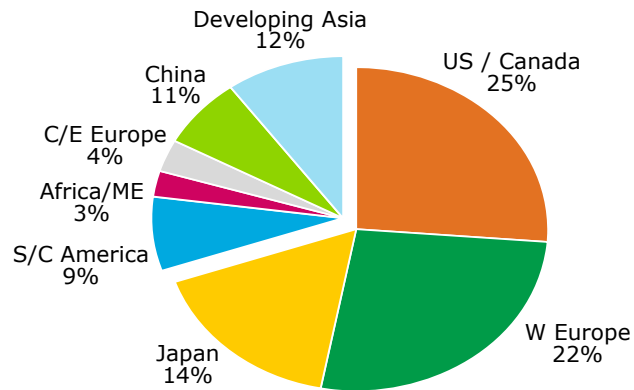
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## Global Industrial Gas Geographic Growth

Annual Growth 9%



\$96 Billion

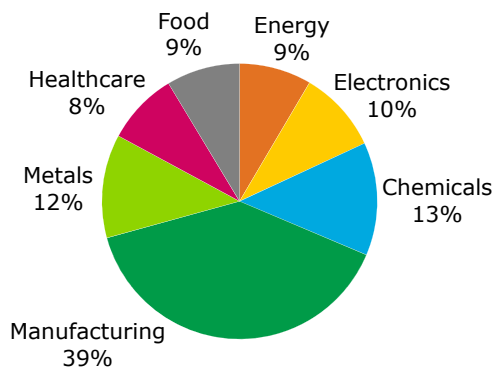


2015

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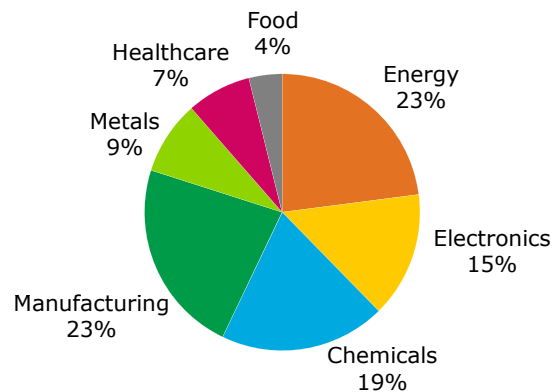
## Air Products Market Exposure 2010

Market \$63 Billion



~9% Growth

APD \$9 Billion



~10-11% Growth

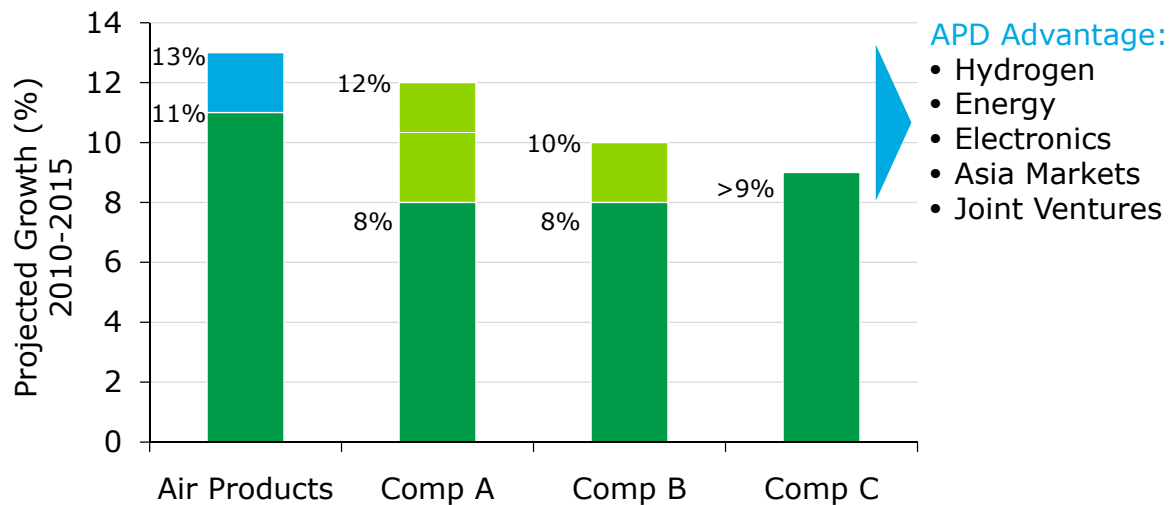
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## Accelerating Air Products Growth

| Growth Component             | % Increase    |
|------------------------------|---------------|
| Market Growth                | 9%            |
| Air Products Market Position | 1%-2%         |
| Consolidation / M&A          | 1%-2%         |
| <b>Total</b>                 | <b>11-13%</b> |

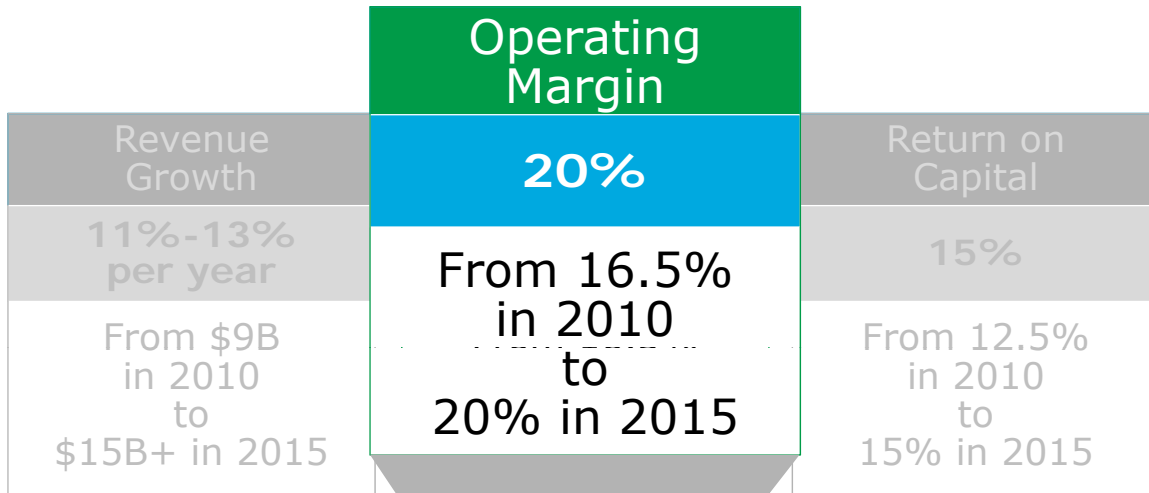
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## Air Products Growth Advantage



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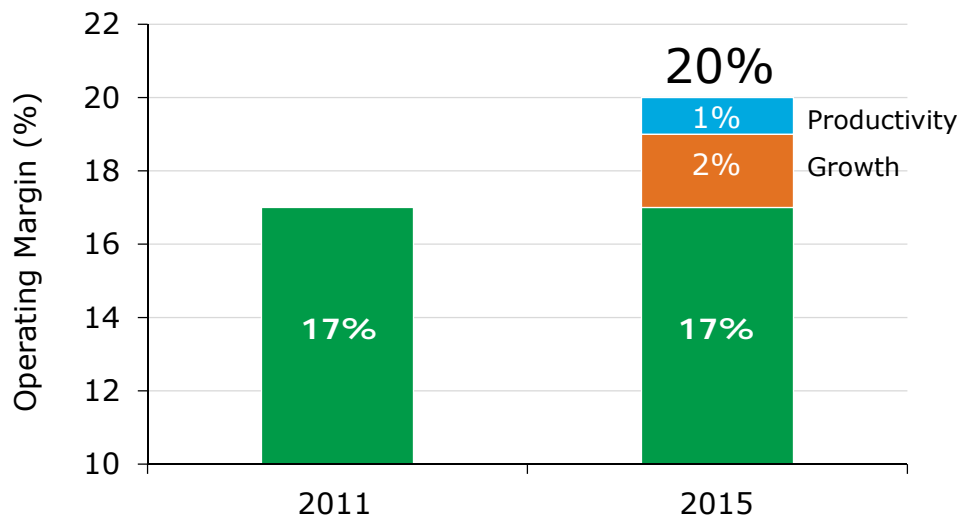
**2015**  
by  
**2015**



See appendix for GAAP reconciliation

InvestorConference2011 **AIR PRODUCTS**

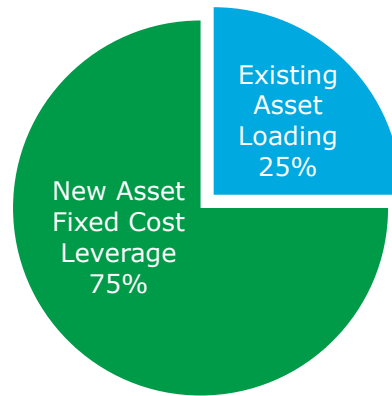
## Roadmap to 20%



See appendix for GAAP reconciliation

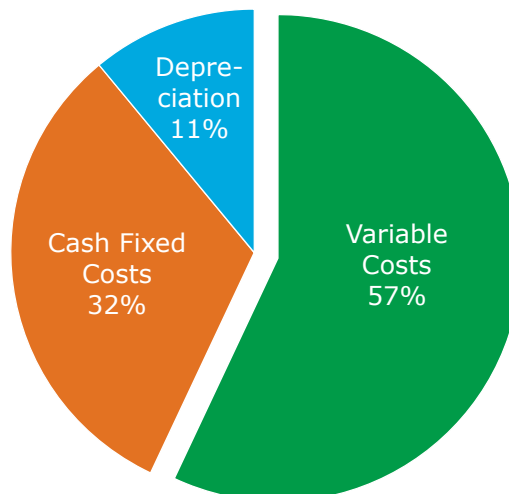
InvestorConference2011 **AIR PRODUCTS**

## Growth Leverage

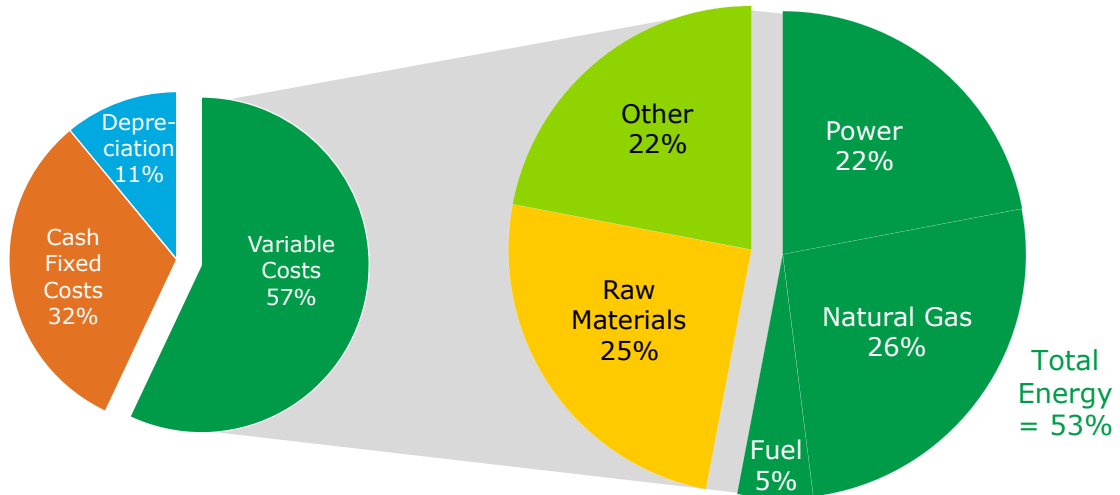


200 Basis Point Margin Improvement

## Air Products Cost Profile = \$7.5B

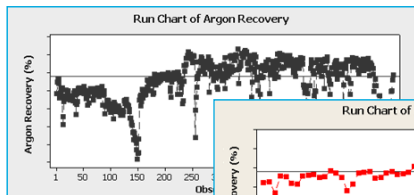
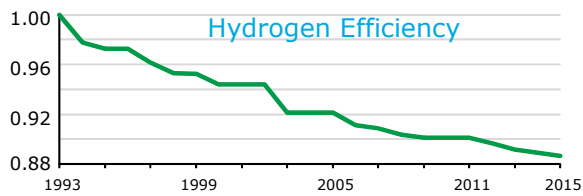


## Air Products Variable Cost Profile = \$4.3B

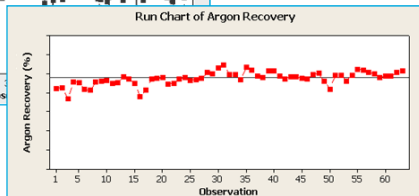


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## Variable Cost Leverage



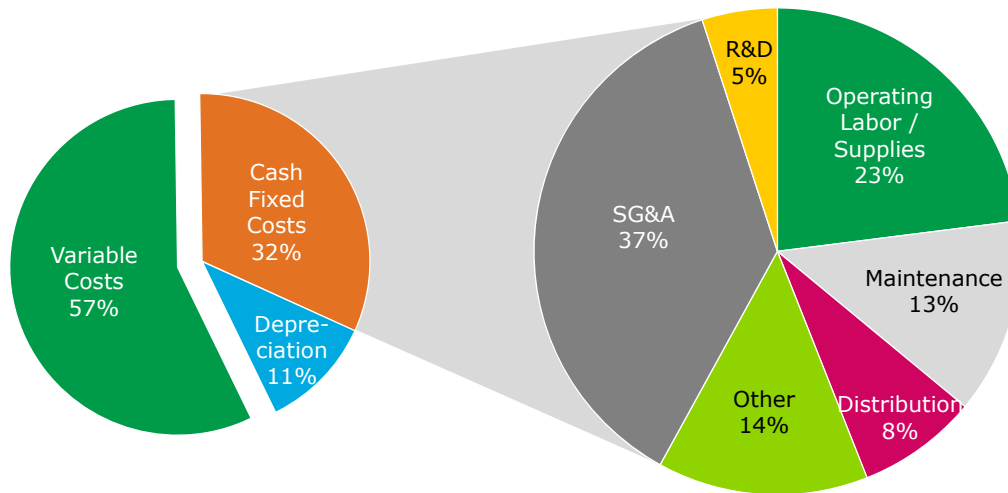
Argon Recovery



\$100MM/year improvement

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## Air Products Fixed Cost Profile = \$2.4B

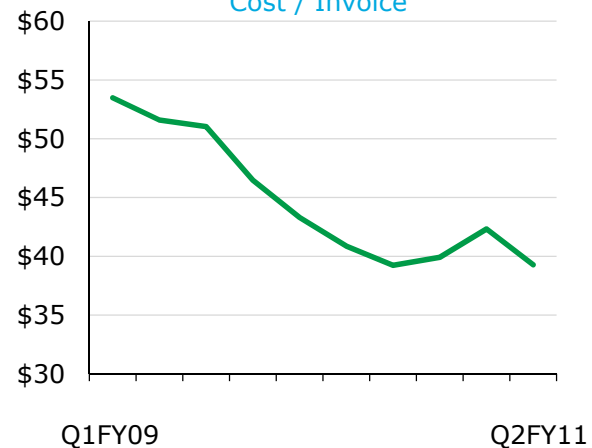


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## Fixed Cost Leverage

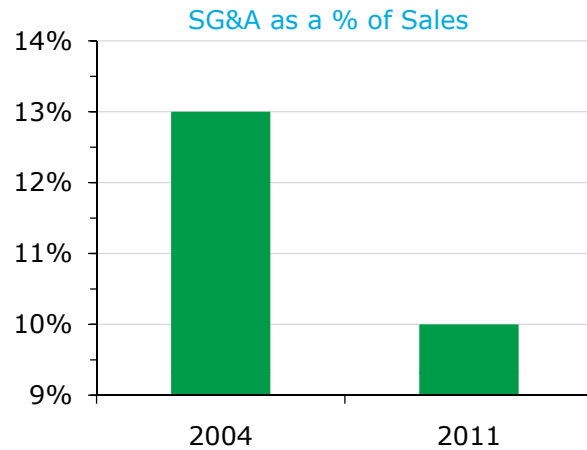


Global Business Support Services  
Cost / Invoice



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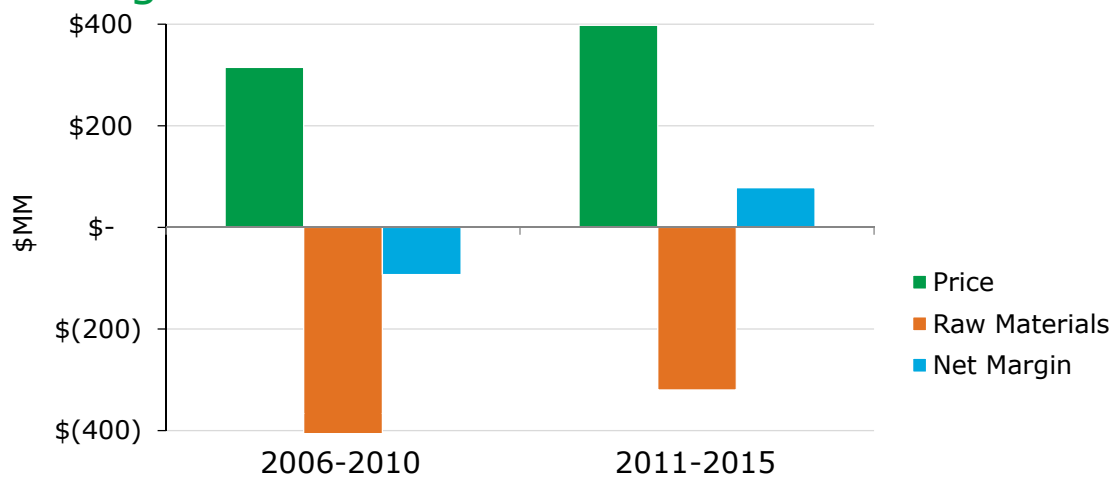
## Fixed Cost Leverage



\$50MM/year improvement

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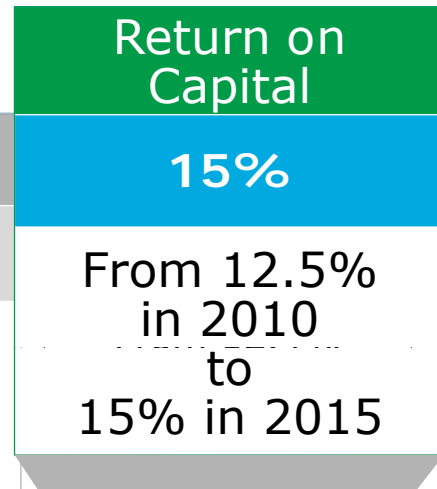
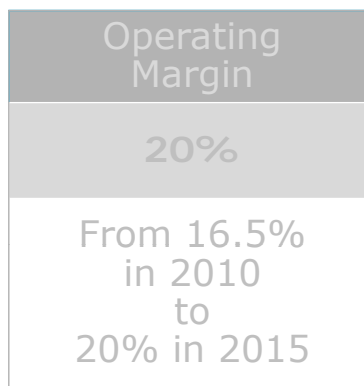
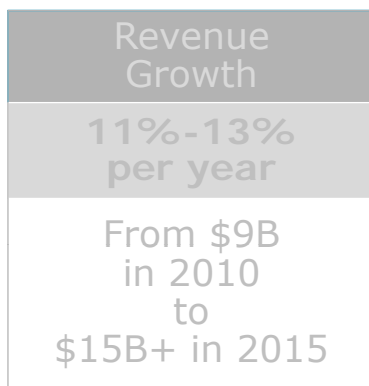
## Pricing vs. Raw Materials



\$35MM/year improvement

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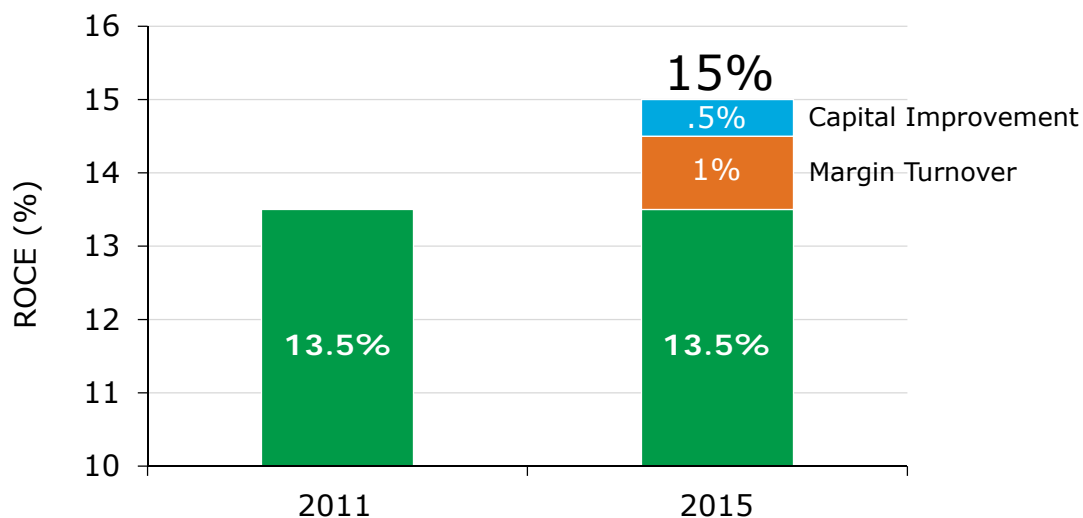
**2015**  
by  
**2015**



See appendix for GAAP reconciliation

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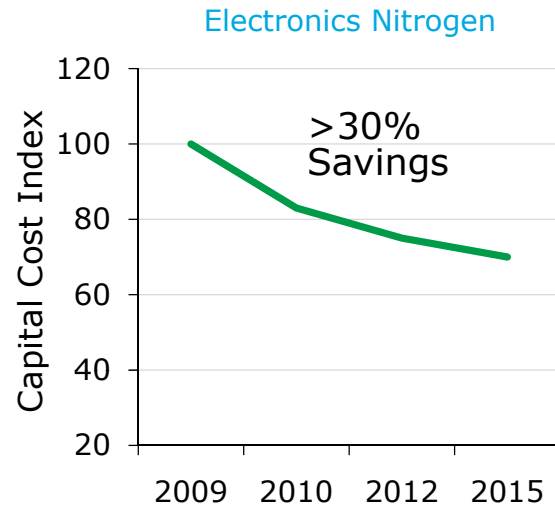
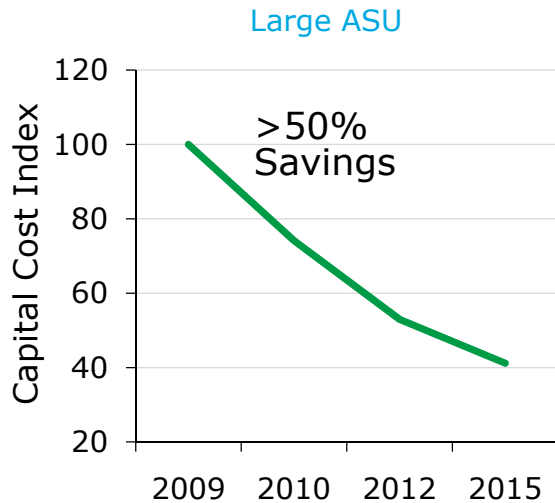
## Driving Returns Higher



See appendix for GAAP reconciliation

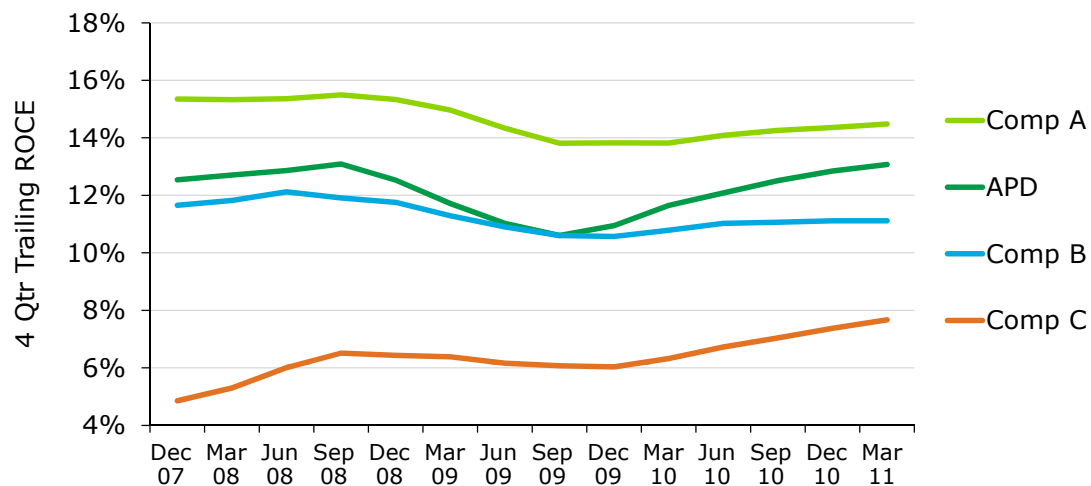
InvestorConference2011 AIR PRODUCTS

## Driving Capital Cost Lower



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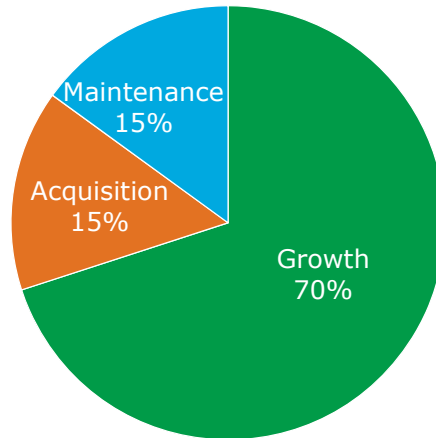
## Delivering Higher Returns



See appendix for ROCE definition

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## Strong Growth Opportunities Drive Disciplined Investment

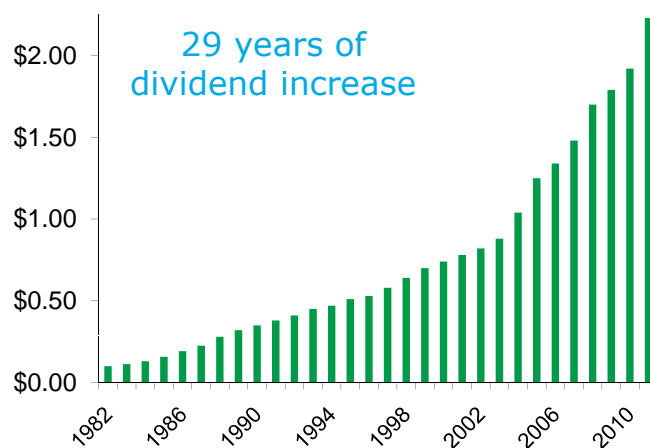


\$13-14B Capital Spending - 2011 to 2015

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## Cash Priorities Remain Consistent

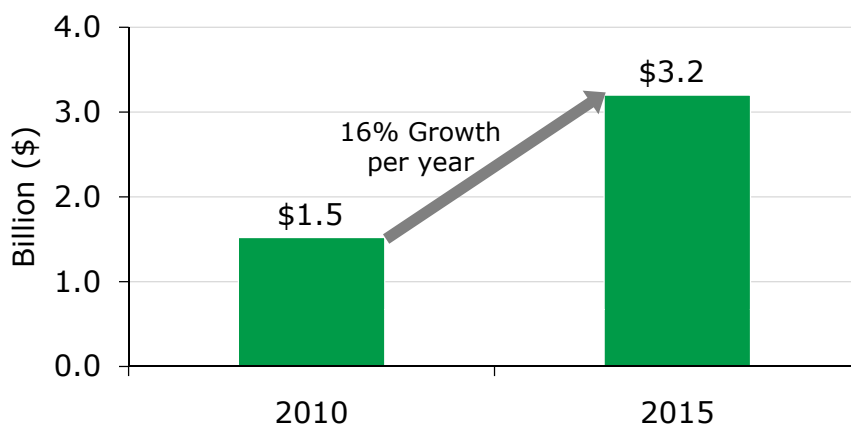
- Invest in the best return projects
- Maintain A bond rating
- Dividend increase each year
- Share repurchase with excess cash



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## Shareholder Rewards: Operating Cash Flow

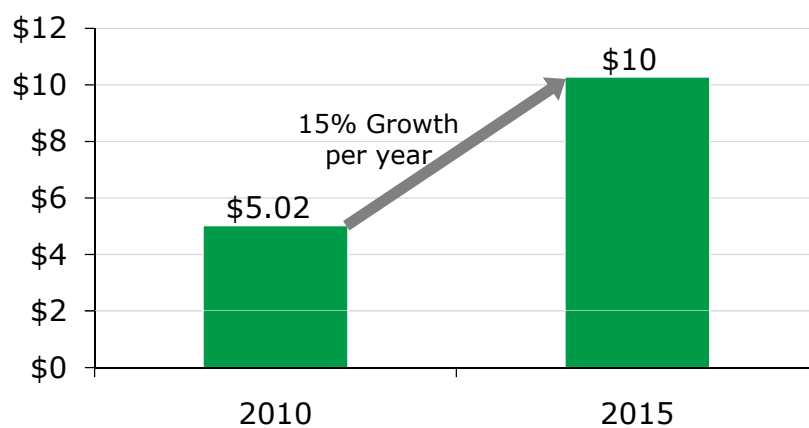
2015  
by  
2015



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## Shareholder Rewards: Earnings Per Share

2015  
by  
2015



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# 2015 by 2015

**\$15+** Billion in Sales

**20%** Operating Margin

**15%** Return on Capital Employed

InvestorConference2011 **AIR PRODUCTS** 

Thank you...  
tell me more

**AIR PRODUCTS** 

# Appendix



## Appendix – Non GAAP Results

### 1) FY06-FY10 Non GAAP Operating Income/Operating Margin

| (\$mm)                                | <u>FY06</u> | <u>FY07</u> | <u>FY08</u> | <u>FY09</u> | <u>FY10</u> |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Sales                                 | 7,885.0     | 9,148.2     | 10,414.5    | 8,256.2     | 9,026.0     |
| GAAP Operating Income                 | 1,042.0     | 1,375.6     | 1,495.8     | 846.3       | 1,389.0     |
| <u>Non GAAP Adjustments</u>           |             |             |             |             |             |
| Global Cost Reduction Plan            | 72.1        | 13.7        |             | 298.2       |             |
| Gain on Contract Settlement           |             | (36.8)      |             |             |             |
| Pension Settlement                    |             | 10.3        | 26.3        | 8.0         |             |
| Donation/Sale of Cost Investment      |             | (5.0)       |             |             |             |
| Customer Bankruptcy and Asset Actions |             |             |             | 32.1        |             |
| Acquisition - Related Costs           |             |             |             |             | 96.0        |
| Total Non GAAP Adjustments            | 72.1        | (17.8)      | 26.3        | 338.3       | 96.0        |
| Non-GAAP Operating Income             | 1,114.1     | 1,357.8     | 1,522.1     | 1,184.6     | 1,485.0     |
| Non-GAAP Operating Margin             | 14.1%       | 14.8%       | 14.6%       | 14.3%       | 16.5%       |

### 2) FY10 Non GAAP Diluted EPS Continuing Ops. Attributable to Air Products

|                                  |               |
|----------------------------------|---------------|
| FY10 Reported EPS                | \$4.74        |
| FY10 Acquisition - Related Costs | <u>\$0.28</u> |
| FY10 Non GAAP EPS                | <u>\$5.02</u> |

### 3) FY11 Operating Margin and ROCE excludes Airgas acquisition related costs of \$48.5mm pre-tax.

## Appendix – Non GAAP Results

| \$ Millions   | ROCE Calculation |         |         |         |         |
|---|------------------|---------|---------|---------|---------|
| Quarter Ended   | Q409             | Q110    | Q210    | Q310    | Q410    |
| <b>Numerator</b>  |                  |         |         |         |         |
| Operating Income Reported                                 |                  | 345.0   | 340.6   | 336.4   | 367.0   |
| Equity Affiliate Income                                   |                  | 26.9    | 32.2    | 32.5    | 35.3    |
| Earnings before tax as reported                           |                  | 371.9   | 372.8   | 368.9   | 402.3   |
| <b>Items</b>  |                  |         |         |         |         |
| Acquisition - Related Costs                               |                  | 0.0     | 23.4    | 37.9    | 34.7    |
| Earnings before tax ex items                              |                  | 371.9   | 396.2   | 406.8   | 437.0   |
| Effective tax rate as reported                            |                  | 24.5%   | 24.7%   | 22.9%   | 25.2%   |
| Earnings after tax as reported                            |                  | 280.8   | 280.7   | 284.4   | 300.9   |
| Effective tax rate ex items                               |                  | 24.5%   | 25.6%   | 24.4%   | 26.2%   |
| Earnings after tax ex items                               |                  | 280.8   | 294.8   | 307.5   | 322.5   |
| 4 Qtr trailing AT earnings (numerator) - as reported      |                  |         |         |         | 1,146.8 |
| 4 Qtr trailing AT Earnings (numerator) - ex items         |                  |         |         |         | 1,205.6 |
| <b>Denominator</b>  |                  |         |         |         |         |
| Total Debt  | 4,501.5          | 4,418.7 | 4,343.4 | 4,188.0 | 4,128.3 |
| Air Products Shareholders' Equity                         | 4,791.9          | 5,033.9 | 5,265.6 | 5,231.4 | 5,546.9 |
| Noncontrolling Interest                                   | 138.1            | 150.2   | 152.7   | 140.5   | 150.7   |
| Total Capital   | 9,431.5          | 9,602.8 | 9,761.7 | 9,559.9 | 9,825.9 |
| 5 Qtr Average Capital (denominator)                       |                  |         |         |         | 9,636.4 |
| ROCE as rptd (4 Qtr trail AT earnings / 5 pt avg capital) |                  |         |         |         | 11.9%   |
| ROCE ex items (4 Qtr trail AT earnings/ 5 pt avg capital) |                  |         |         |         | 12.5%   |

| \$ Millions  | Tax Rate Calculation |       |       |       |             |
|--|----------------------|-------|-------|-------|-------------|
| Quarter Ended  | Q110                 | Q210  | Q310  | Q410  |             |
| <b>Reported</b>  |                      |       |       |       |             |
| Income Before Taxes  | 340.3                | 343.3 | 338.9 | 371.5 |             |
| Tax Expense  | 83.5                 | 84.9  | 77.6  | 93.5  |             |
| Tax Rate Reported  | 24.5%                | 24.7% | 22.9% | 25.2% |             |
| <b>Items</b>   |                      |       |       |       |             |
| <b>Operating Income</b>  |                      |       |       |       |             |
| Acquisition - related costs  |                      | 23.4  | 37.9  | 34.7  |             |
| <b>Tax Exp</b>   |                      |       |       |       |             |
| Acquisition - related costs  |                      | 8.8   | 14.2  | 12.9  |             |
| <b>Ex Items</b>  |                      |       |       |       |             |
| Income Before Taxes  | 340.3                | 366.7 | 376.8 | 406.2 |             |
| Tax Expense  | 83.5                 | 93.7  | 91.8  | 106.4 |             |
| Tax Rate ex Items  | 24.5%                | 25.6% | 24.4% | 26.2% |             |
| <b>Capital Expenditures</b>  |                      |       |       |       | <b>FY10</b> |
| GAAP Capital Expenditures  |                      |       |       |       | 1,133.8     |
| Capital lease expenditures   |                      |       |       |       | 122.6       |
| Noncurrent liability related to purchase of shares from noncontrolling interests |                      |       |       |       | 42.0        |
| Non-GAAP Capital Expenditures  |                      |       |       |       | 1,298.4     |

# Investor Conference

## Innovation, Integration and Improvement

**Simon Moore**

Director, Investor Relations



## 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 earnings guidance, projections and targets. These forward-looking statements are based on management's reasonable expectations and assumptions as of the date this release is issued regarding important risk factors. Actual performance and financial results may differ materially from projections and estimates expressed in the forward-looking statements because of many factors not anticipated by management, including, without limitation, slowing of global economic recovery; renewed deterioration in economic and business conditions; weakening demand for the Company's products; future financial and operating performance of major customers and industries served by the Company; unanticipated contract terminations or customer cancellations or postponement of projects and sales; the success of commercial negotiations; asset impairments due to economic conditions or specific product or customer events; the impact of competitive products and pricing; interruption in ordinary sources of supply of raw materials; the ability to recover unanticipated increased energy and raw material costs from customers; costs and outcomes of litigation or regulatory activities; successful development and market acceptance of new products and applications, the ability to attract, hire and retain qualified personnel in all regions of the world where the Company operates; the effects of a natural disaster; the success of cost reduction and productivity programs and achieving anticipated acquisition synergies; the timing, impact, and other uncertainties of future acquisitions or divestitures; significant fluctuations in interest rates and foreign currencies from that currently anticipated; the continued availability of capital funding sources in all of the Company's foreign operations; the impact of environmental, healthcare, tax or other legislation and regulations in jurisdictions in which the Company and its affiliates operate; the impact of new or changed financial accounting guidance; the timing and rate at which tax credits can be utilized and other risk factors described in the Company's Form 10K for its fiscal year ended September 30, 2010. The Company disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in this document to reflect any change in the Company's assumptions, beliefs or expectations or any change in events, conditions, or circumstances upon which any such forward-looking statements are based.

## Agenda

| Time  | Presentation                                  | Presenter                 |
|-------|---|---------------------------|
| 8:30  | Welcome                                       | Simon Moore               |
| 8:35  | Strategy for Success<br>Commitment to Success | John McGlade<br>Paul Huck |
| 9:30  | Q&A   | John McGlade<br>Paul Huck |
| 9:50  | Break   |                           |
| 10:05 | Business Presentations and Q&A                | Business Leaders          |
| 11:45 | Presentation Wrap-up                          | John McGlade              |
| 12:00 | Lunch<br>Display Interaction                  | Management Team           |
| 1:30  | End   |                           |

# Investor Conference

Innovation, Integration and Improvement

## Merchant Gases

Bob Dixon

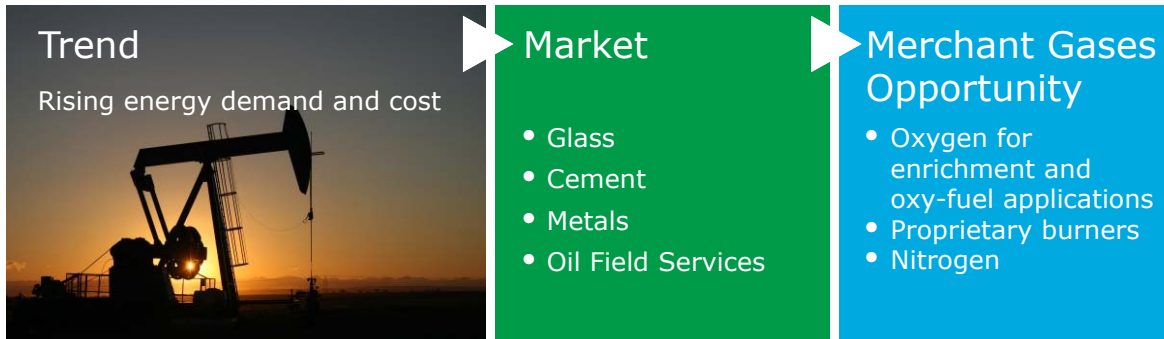
Senior Vice-President and  
General Manager Merchant Gases



Winning in energy, environmental  
and emerging Markets



## Global Trends Accelerate Merchant Growth



## Global Trends Accelerate Merchant Growth



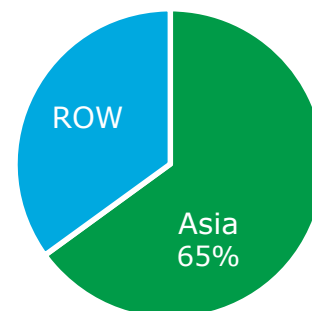
## Global Trends Accelerate Merchant Growth



## Air Products Advantage: Asia Leadership



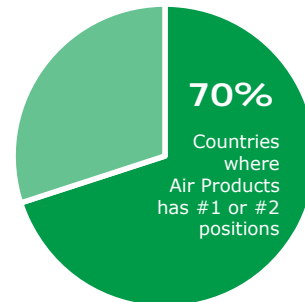
2011-2020  
Forecasted Growth  
in Manufacturing Output



## Air Products Advantage: Asia Leadership



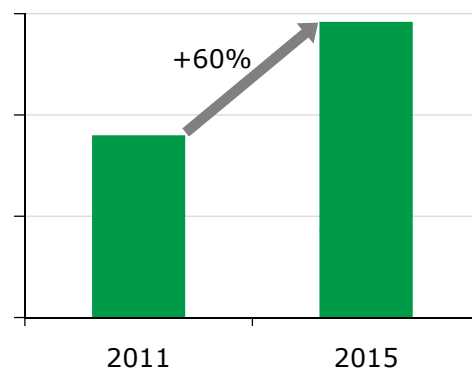
Asia 2011  
Manufacturing Output



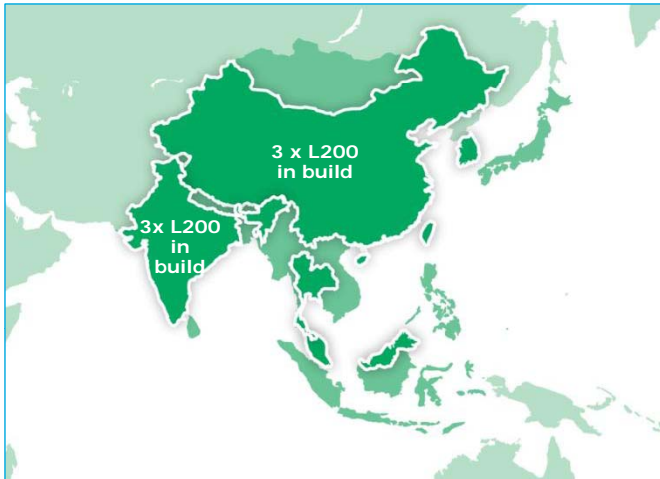
## Air Products Advantage: Asia Leadership



Air Products  
Installed Capacity



## Air Products Advantage: Asia Leadership



L200 Plant



1<sup>st</sup> On-Stream GYdh' 2011

InvestorConference2011 **AIR PRODUCTS** 

# Executing on innovation, integration and improvement **Actions**



InvestorConference2011 **AIR PRODUCTS** 

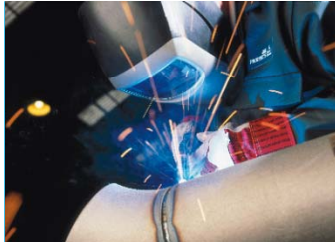
## Driving Profits through Innovation Responding to Market Needs



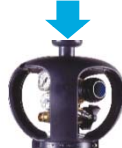
Low cost start-up  
food freezing solutions



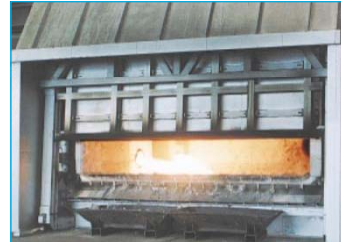
**Freshline® QS Freezer**



Safer, more convenient  
welding & cutting



**Integra® Cylinder**



Improved yield, lower emission  
aluminum production



**Advanced Low  
Emission Aluminum Melting**

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## Driving Profits through Innovation Bringing Supply Convenience to Customers

### Vacuum Swing Adsorption (VSA)



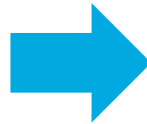
Air Products  
Patent Pending  
Modular Design

InvestorConference2011 

## Driving Profits through Innovation

Bringing Supply Convenience to Customers

80 cylinders

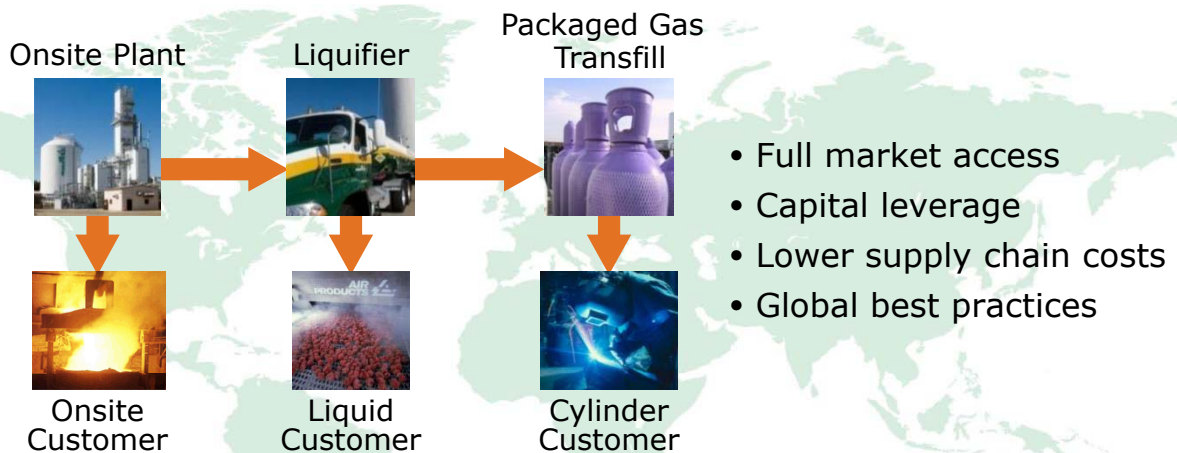


CryoEase®  
Microbulk Solutions



InvestorConference2011 

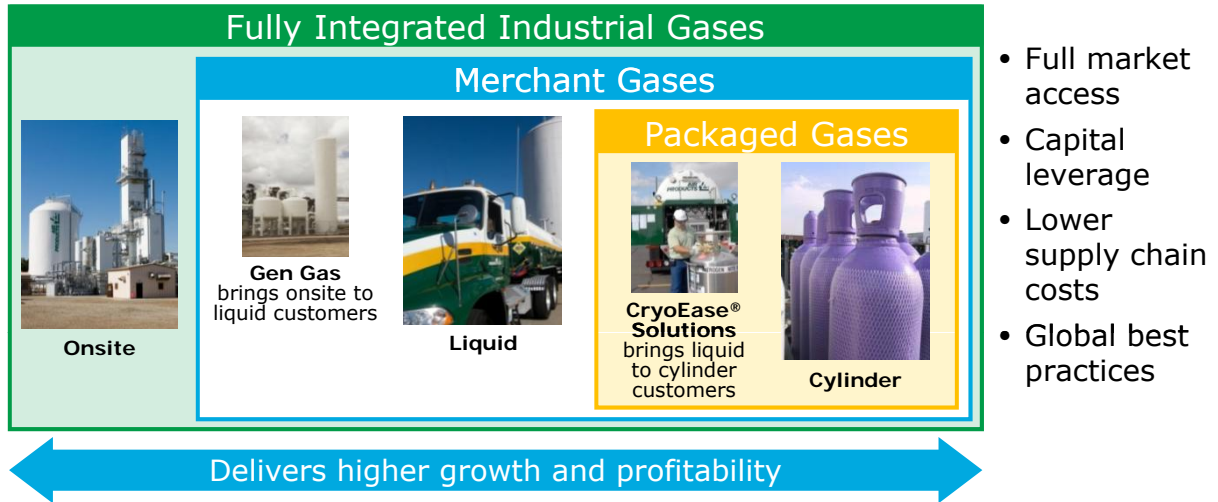
## Integrated Industrial Gas Model



Delivers higher growth and profitability

InvestorConference2011 

## Integrated Industrial Gas Model Providing Real Benefits –Locally and Globally



InvestorConference2011 **AIR PRODUCTS**

## Success in the Past, Present and Future



La Porte new ASU  
On-stream Oct 2011



SAGA Acquisition  
SAP Go Live Feb 2011



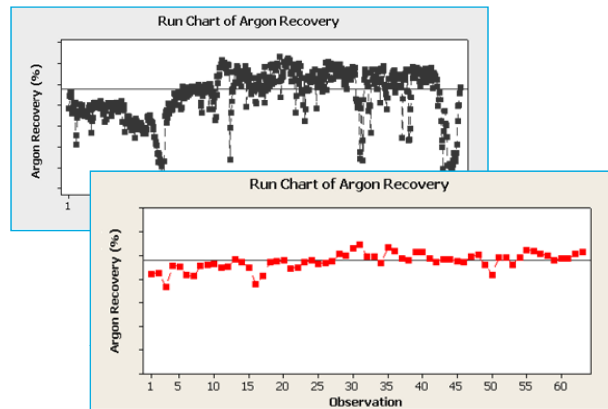
Xingtai new ASU  
On-stream Apr 2011

InvestorConference2011 **AIR PRODUCTS**

## Driving Profits through Improvement



Operating Service Center



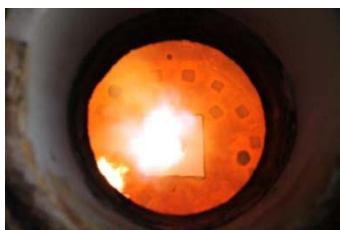
Argon Recovery

## Combining for a Customer Win



Industry  
Experts

World Class  
Facilities



Winning  
Solutions

Customer  
Knowledge



# Delivering on growth, margin and return **Goals**

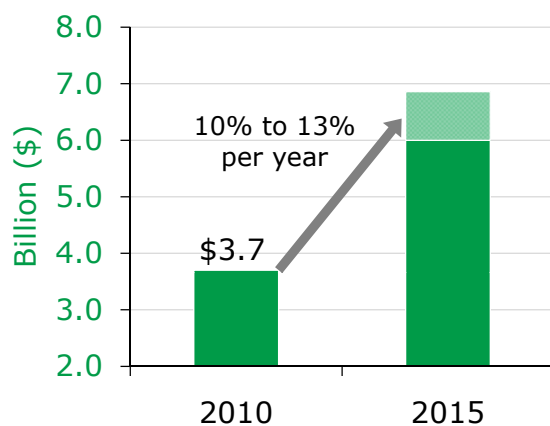


InvestorConference2011 **PRODUCTS** 

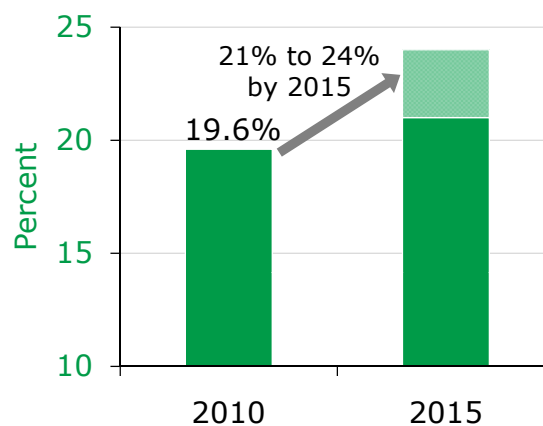
## Merchant Gases Commitments

**2015**  
by **2015**

Revenue Growth



Operating Margin



InvestorConference2011 **PRODUCTS** 

## A Strategy for Success

**Winning** in energy, environmental  
and emerging **Markets**



**Executing** on innovation, integration  
and improvement **Actions**



**Delivering** on revenue, margin  
and return **Goals**



**Generating Shareholder Value**

## A Strategy for Success

**Winning** • Strong market fundamentals  
• Positioned in the right geographies



**Executing** • Customer solutions  
• Lower cost supply  
• Driving productivity



**Delivering** • 2015 goals



**Generating Shareholder Value**

Thank you...  
tell me more



# Investor Conference

Innovation, Integration and Improvement

## Tonnage Gases, Equipment and Energy

Steve Jones

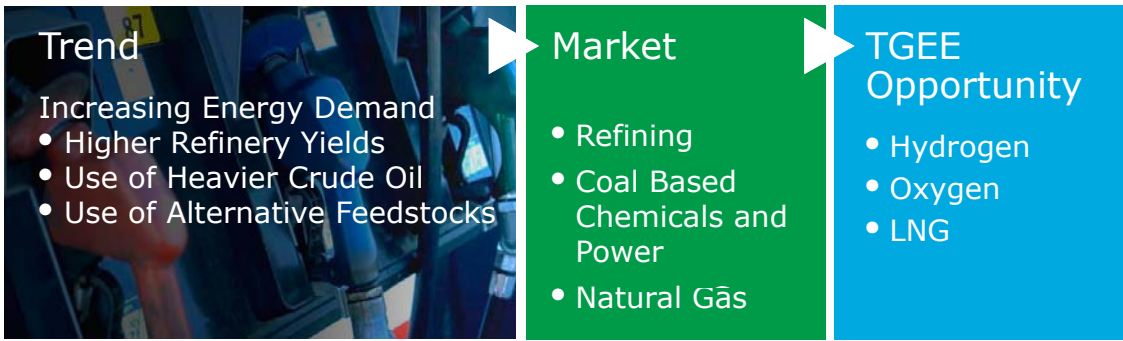
Senior Vice-President and General Manager  
Tonnage Gases, Equipment and Energy



Winning in energy, environmental  
and emerging Markets



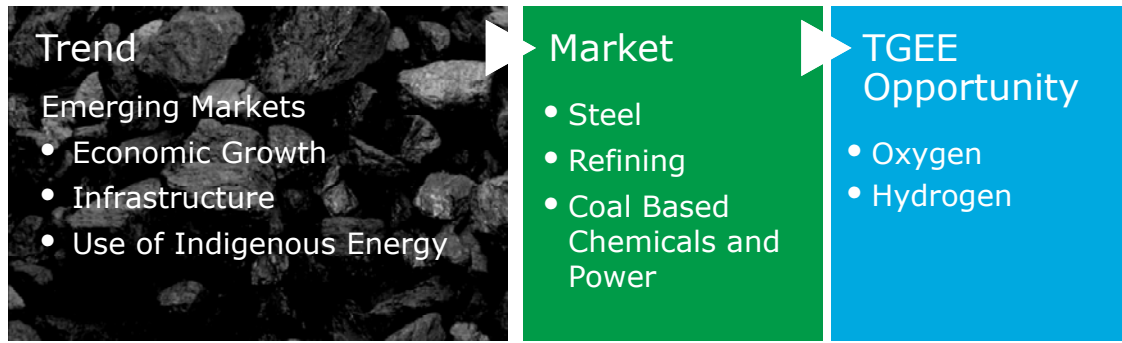
## Global Trends Accelerate Growth



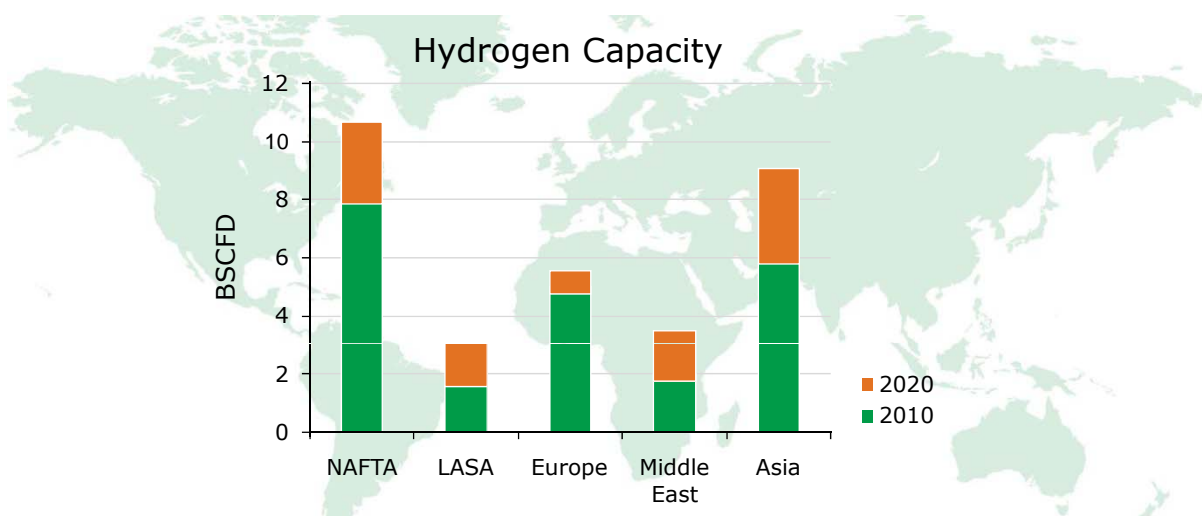
## Global Trends Accelerate Growth



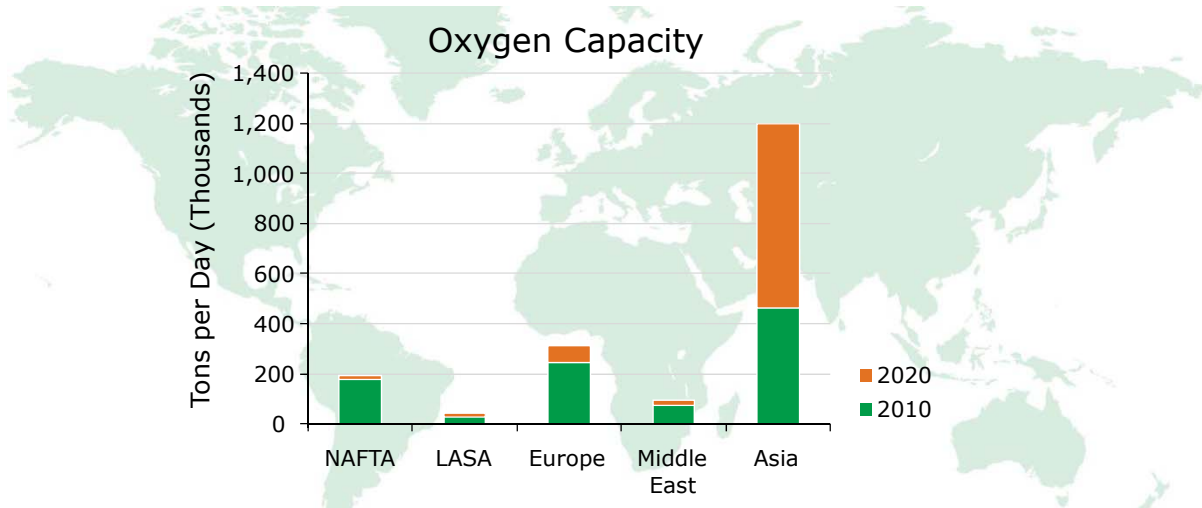
## Global Trends Accelerate Growth



## Geographies Are Expanding over the Next Decade...

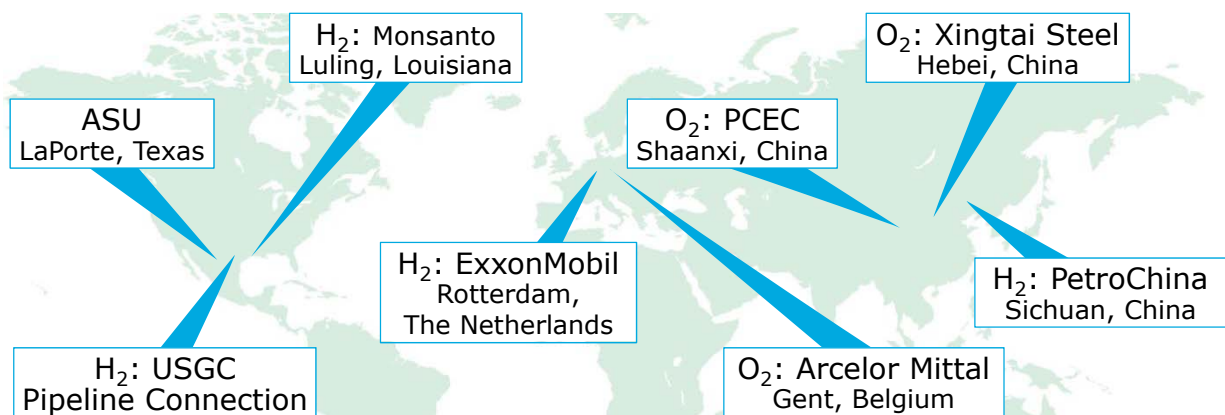


## Geographies Are Expanding over the Next Decade...



InvestorConference2011 PRODUCTS

## Geographies Are Expanding over the Next Decade...



Additional Active Bidding: LASA, Middle East, India, C/E Europe

InvestorConference2011 PRODUCTS

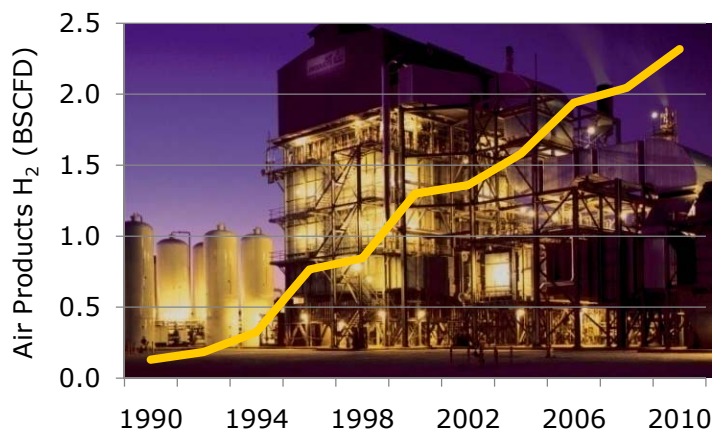
# Executing on innovation, integration and improvement **Actions**



InvestorConference2011 **AIR PRODUCTS**

## Innovation Drives Hydrogen Business and Global Leadership

- Pioneered new business model from SOE to SOG
- Technip alliance
- Maintaining 40+% market share



InvestorConference2011 **AIR PRODUCTS**

## Innovation in LNG: Reshape Markets and Serve Emerging Needs

- Full range of process options: from peak-shavers to mega-trains
- Mid-size plant under construction in China
- Technology of choice for emerging floating LNG market



World's leading provider of LNG technology

InvestorConference2011 **AIR PRODUCTS**

## Innovation: Responding to Market Needs



Alternative Fuel



Energy from Waste



Carbon Capture and Storage



Ion Transport Membrane



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## Integrated Solutions to Win in Growing Markets Globally



- Focus on integrated solutions
- Pipeline franchises in key locations globally
- Growth with key customers

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## Integrated Gulf Coast Pipeline Drives Efficiency and Reliability

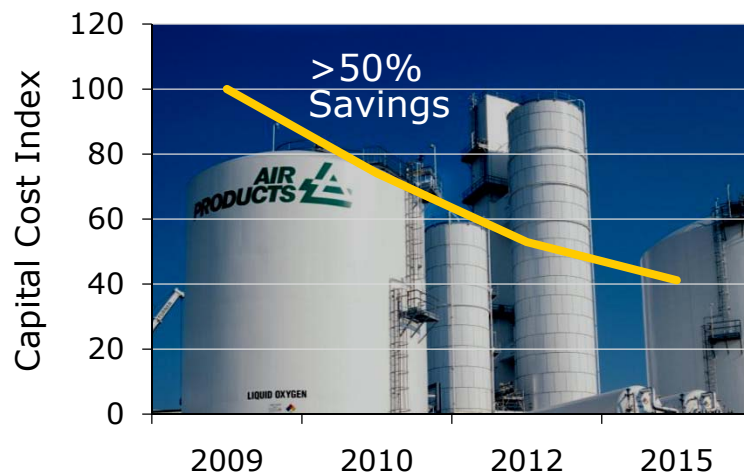


- >1 billion SCFD of capacity
- >20 operating plants
- >600 miles of pipeline
- On-stream 2012

Enhances leadership position in world's largest refining market

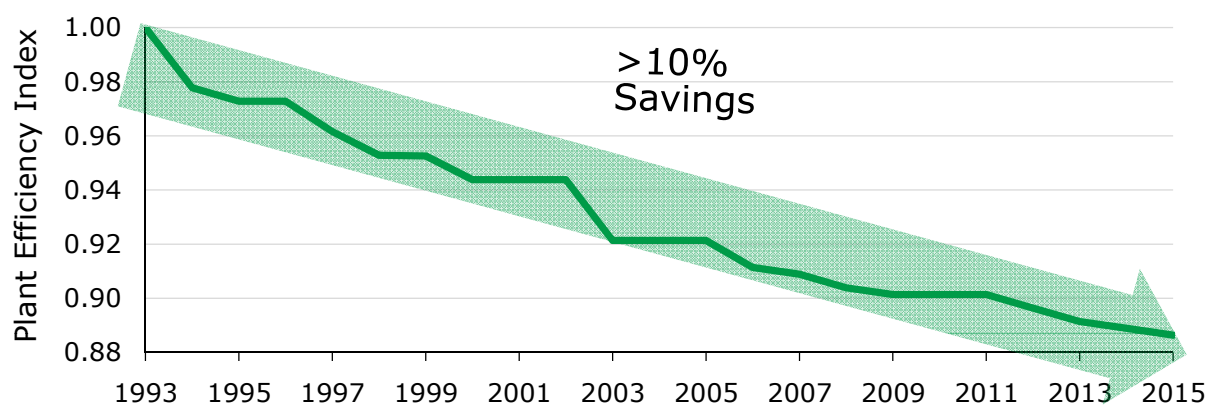
InvestorConference2011 

## Improvement in Large ASU Delivering Low Cost and New Business Globally



InvestorConference2011 AIR PRODUCTS

## Dedicated to Hydrogen Plant Efficiency Improvement



Delivering results in the past and future

InvestorConference2011 AIR PRODUCTS

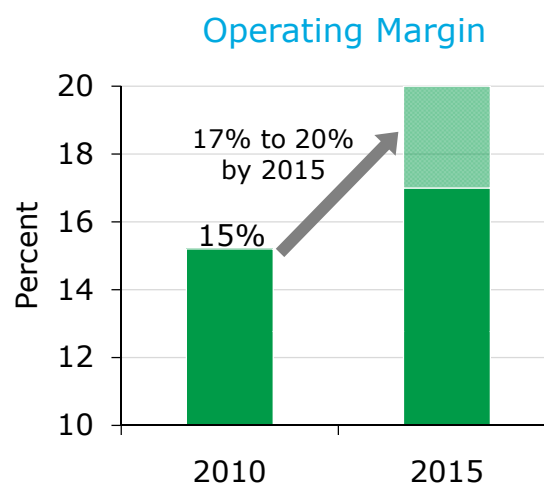
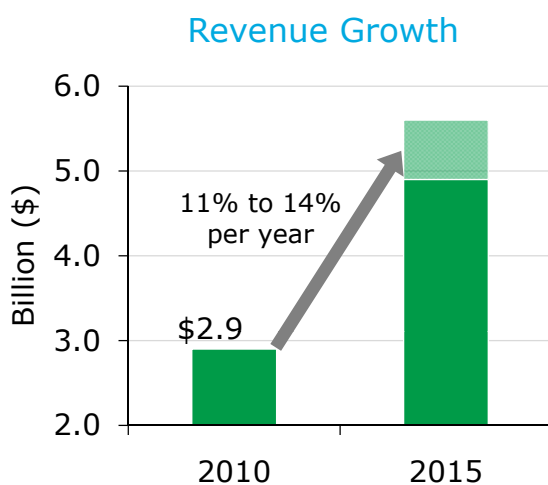
# Delivering on revenue, margin and return Goals



InvestorConference2011 **PRODUCTS** 

## Tonnage Commitments

2015  
by 2015



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## A Strategy for Success

**Winning** in energy, environmental  
and emerging **Markets**



**Executing** on innovation, integration  
and improvement **Actions**



**Delivering** on revenue, margin  
and return **Goals**



**Generating Shareholder Value**

## A Strategy for Success

**Winning** • Global trends accelerate growth  
• Expanding geographies



**Executing** • Innovation responding to market needs  
• Focused on low-cost offerings  
• Driving productivity



**Delivering** • 2015 goals



**Generating Shareholder Value**

Thank you...  
tell me more



# Investor Conference

Innovation, Integration and Improvement

## Electronics

### Corning Painter

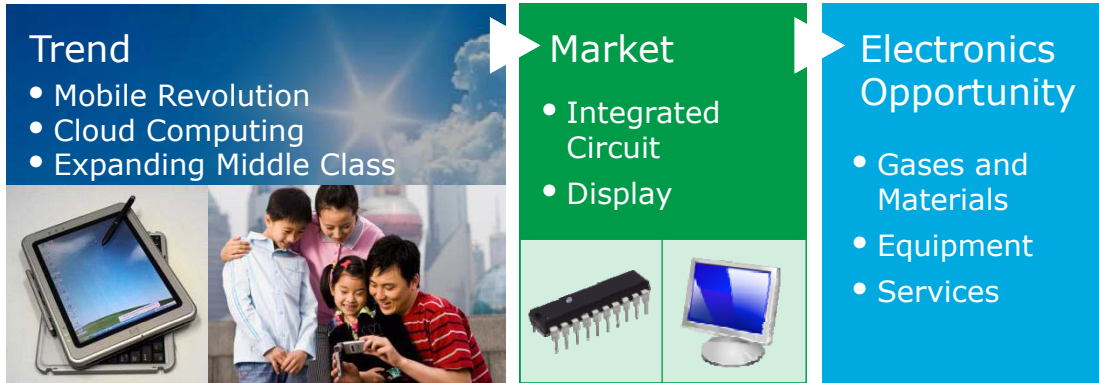
Vice-President and General Manager  
Global Electronics



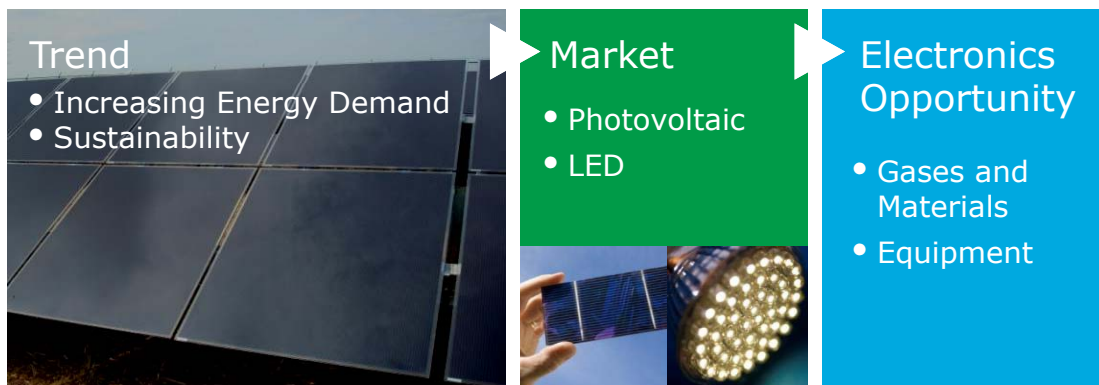
## Winning in energy, environmental and emerging Markets



## Global Trends Accelerate Electronics Growth

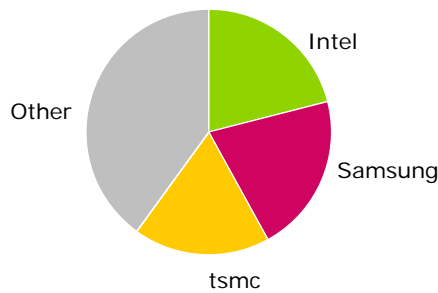


## Global Trends Accelerate Electronics Growth



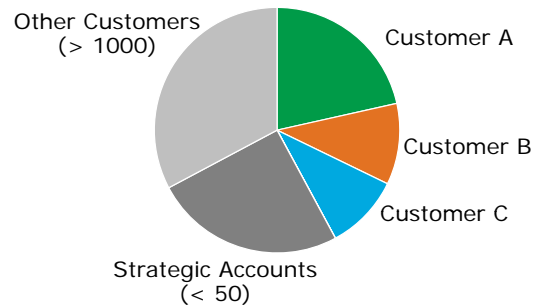
# Winning in the Marketplace

## Semiconductor Capital Spending



2011 Top 10 Outlook

## Air Products Revenue



2010

# The Partner of Choice

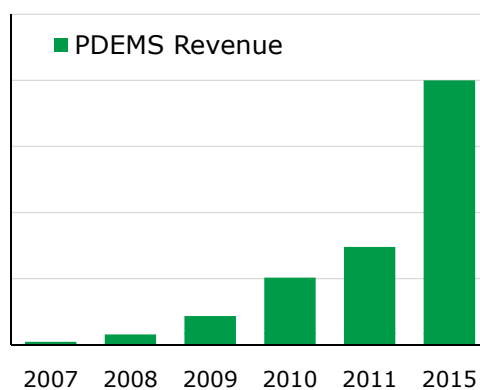
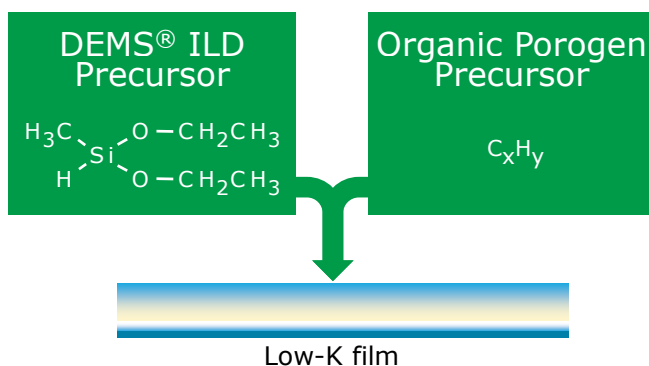
| What customers want                   | What we provide   | Result   |
|---------------------------------------|---|--|
| Scale and low cost                    | <ul style="list-style-type: none"> <li>• Basic manufacturing</li> <li>• Scale</li> <li>• Lean 6 Sigma</li> </ul>                                | <ul style="list-style-type: none"> <li>• Strong market and cost position</li> </ul>  |
| Technical leadership<br>Collaboration | <ul style="list-style-type: none"> <li>• Enabling materials</li> <li>• Joint development</li> </ul>   | <ul style="list-style-type: none"> <li>• New product pipeline</li> <li>• Value-added products</li> <li>• Rapid adoption</li> </ul> |
| Reliability                           | <ul style="list-style-type: none"> <li>• Supply chain excellence</li> <li>• Robust quality systems</li> <li>• Continuous Improvement</li> </ul> | <ul style="list-style-type: none"> <li>• Secure position with industry leaders</li> <li>• Stronger growth</li> </ul>               |

Partnership position with industry leaders

# Executing on innovation, integration and improvement **Actions**

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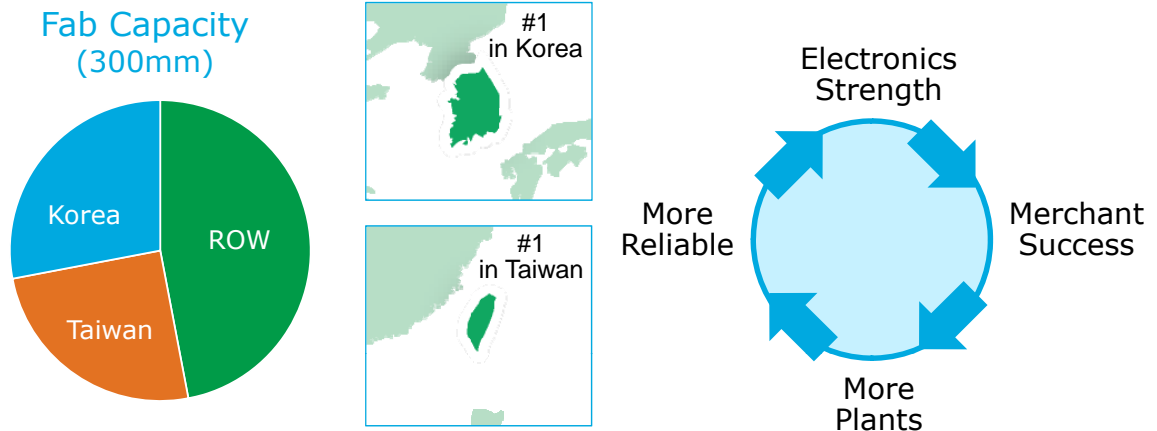
## Innovation: Customer-Focused Development Spurs Growth



PDEMS®: Porous Low-K Dielectrics

InvestorConference2011 

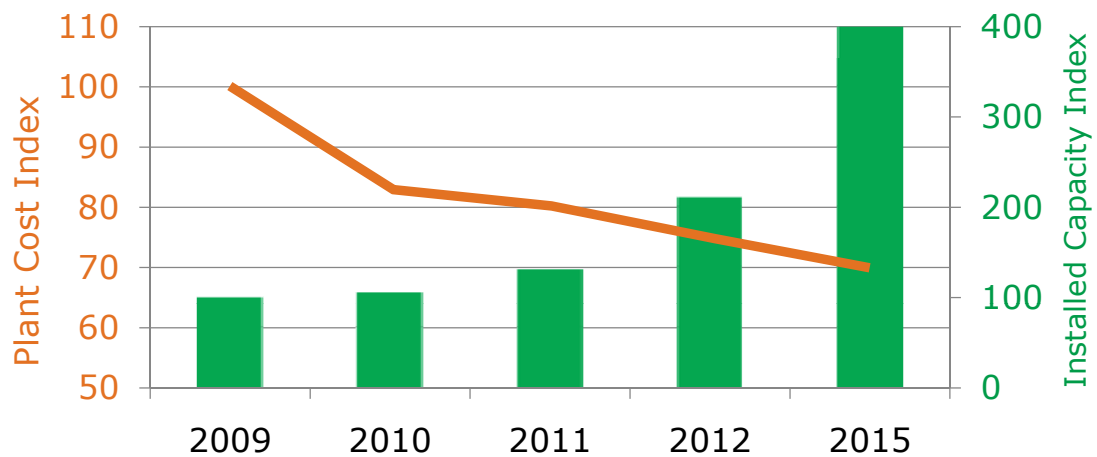
## Merchant and Electronics Integration



Electronics anchors our leading position in Taiwan and Korea

InvestorConference2011 **AIR PRODUCTS**

## Driving Improvement – Tonnage Nitrogen Plant Cost Reduction



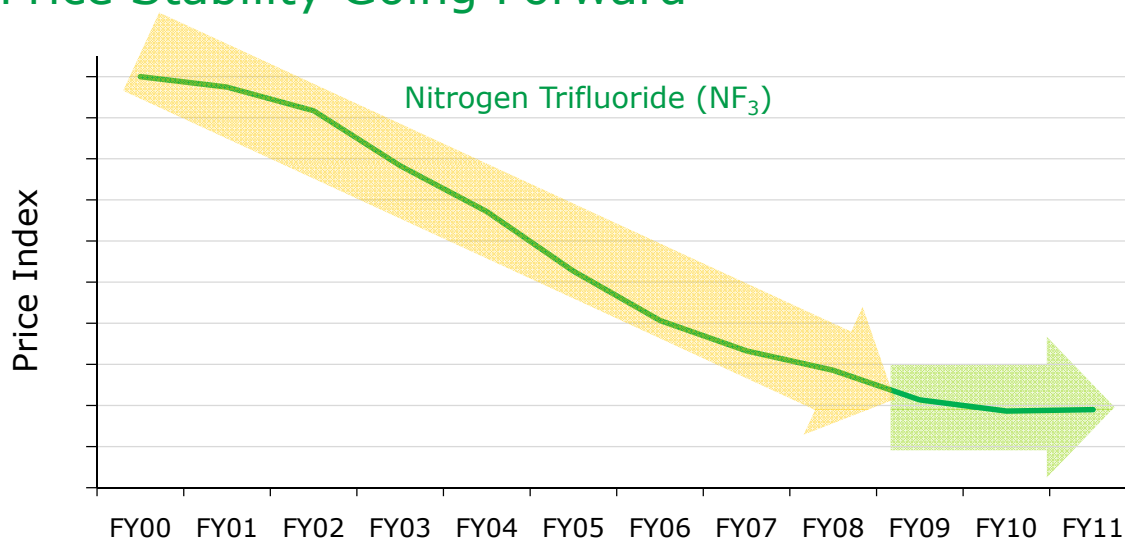
InvestorConference2011 **AIR PRODUCTS**

# Delivering on revenue, margin and return Goals



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## Price Stability Going Forward

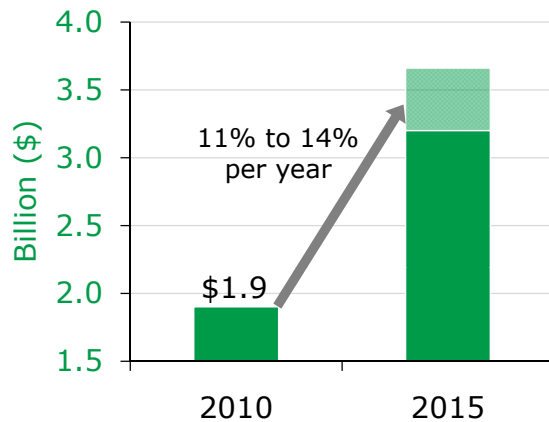


InvestorConference2011 

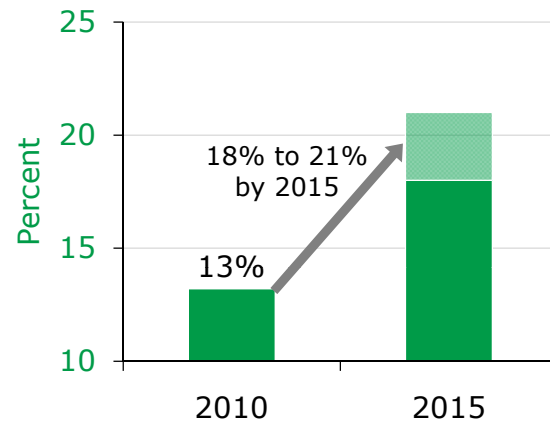
## Electronics & Performance Materials Commitments

2015  
by 2015

Revenue Growth



Operating Margin



InvestorConference2011 

## A Strategy for Success

**Winning** in energy, environmental  
and emerging **Markets**

**Executing** on innovation, integration  
and improvement **Actions**

**Delivering** on revenue, margin  
and return **Goals**

**Generating Shareholder Value**

## A Strategy for Success

Winning

- Partner to Industry Leaders



Executing

- Innovative materials
- Cost leadership
- Emerging markets



Delivering

- 2015 goals



Generating Shareholder Value

Thank you...  
tell me more

# Investor Conference

Innovation, Integration and Improvement

## Strategy for Success

John McGlade

Chairman, President and CEO



# 2015 by 2015

**\$15+** Billion in Sales

**20%** Operating Margin

**15%** Return on Capital Employed

## A Strategy for Success

**Winning** in energy, environmental  
and emerging **Markets**

**Executing** on innovation, integration  
and improvement **Actions**

**Delivering** on revenue, margin  
and return **Goals**

**Generating Shareholder Value**

Thank you...  
tell me more

# Investor Conference

Innovation, Integration and Improvement

**Simon Moore**

Director, Investor Relations



## Agenda

| Time  | Presentation                                  | Presenter                 |
|-------|---|---------------------------|
| 8:30  | Welcome                                       | Simon Moore               |
| 8:35  | Strategy for Success<br>Commitment to Success | John McGlade<br>Paul Huck |
| 9:30  | Q&A   | John McGlade<br>Paul Huck |
| 9:50  | Break   |                           |
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| 11:45 | Presentation Wrap-up                          | John McGlade              |
| 12:00 | Lunch<br>Display Interaction                  | Management Team           |
| 1:30  | End   |                           |

## Today's Display Sessions

How do we win in our target markets?  
Delivering low-cost facilities



**Debbie McCullough**  
Vice President  
Global Engineering



**John Marsland**  
Sr. Vice President  
Supply Chain

How do we win in our target markets?  
Integrated project development



**Jeff Byrne**  
Vice President  
and Gen. Mgr.  
Tonnage Gases



**C.S. Saw**  
Vice President  
Liquid Bulk Asia

How do we develop new electronics materials?



**Monty Alger**  
Vice President and  
Chief Technology Officer



**Corning Painter**  
Vice President  
and Gen. Mgr.  
Global Electronics

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## Today's Display Sessions

How do we grow through innovation?  
CryoEase® Microbulk Solutions



**Ivo Bols**  
Vice President  
and Gen. Mgr.  
Merchant  
Gases Asia



**Jeff Kramer**  
Vice President  
and Gen. Mgr.  
Packaged Gases



**Nelson Squires**  
Vice President  
N.A. Merchant  
Gases

How do we manage a pipeline network and keep improving returns?



**Wilbur Mok**  
Vice President  
N.A. Tonnage Gases



**Joe Pietrantonio**  
Vice President  
Global Operations

How do our Performance Materials provide a competitive advantage?



**Pam Mattimore**  
Vice President  
and Gen. Mgr.  
Performance Materials



**George Bitto**  
Vice President  
and Treasurer

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