

# Corporate Slide Presentation

December 2018

# 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 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 release 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, without limitation: changes in global or regional economic conditions, supply and demand dynamics in market segments we serve, or in the financial markets; risks associated with having extensive international operations, including political risks, risks associated with unanticipated government actions and risks of investing in developing markets; project delays, contract terminations or customer cancellations or postponement of projects and sales; future financial and operating performance of major customers and joint venture partners; our ability to develop, implement, and operate new technologies, or to execute the projects in our backlog; tariffs, economic sanctions and regulatory activities in jurisdictions in which we and our affiliates and joint ventures operate; the impact of environmental, tax or other legislation, as well as regulations affecting our business and related compliance requirements, including regulations related to global climate change; changes in tax rates and other changes in tax law; the timing, impact and other uncertainties relating to acquisitions and divestitures, including our ability to integrate acquisitions and separate divested businesses, respectively; risks relating to cybersecurity incidents, including risks from the interruption, failure or compromise of our information systems; catastrophic events, such as natural disasters, acts of war, or terrorism; the impact of price fluctuations in natural gas and disruptions in markets and the economy due to oil price volatility; costs and outcomes of legal or regulatory proceedings and investigations; asset impairments due to economic conditions or specific events; significant fluctuations in interest rates and foreign currency exchange rates from those currently anticipated; damage to facilities, pipelines or delivery systems, including those we own or operate for third parties; availability and cost of raw materials; the success of productivity and operational improvement programs; and other risk factors described in the Company's Form 10-K for its fiscal year ended September 30, 2018. 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.

# Over 75 Years of Proud Heritage

## October 1940

Air Products founded in Detroit, Michigan, based on Leonard Pool's revolutionary onsite gas supply concept.



## 1950s

Air Products enters the international market for industrial gases.



## 1960s

Air Products stock is listed on the New York Stock Exchange for the first time in 1961 as its sales exceed \$100 million.



## 1970s

Air Products reaches \$1 billion in sales and makes Fortune 500 list for first time.



## 1980s

Air Products takes minority positions in industrial gas companies in Asia and Mexico.



# Over 75 Years of Proud Heritage

## 1990s

Air Products pioneered the first hydrogen fueling station in Chicago, Illinois. The company acquires a 49 percent interest in Sapiro - Italy, and completes the acquisition of Spanish and Korean joint ventures.



## 2000s

Air Products continues rapid expansion of hydrogen business; continues leveraging existing capabilities and launching new technologies.



## 2010s

Air Products and ACWA Holding are awarded contract under a joint venture by Saudi Aramco to build world's largest industrial gas complex in the Kingdom of Saudi Arabia.



## Today

Air Products acquires patent portfolios for gasification, extending its offerings to include turn-key sale-of-gas gasification facilities.

Approximately 16,000 passionate, talented and committed employees from diverse backgrounds are driven by Air Products' higher purpose to create innovative solutions that benefit the environment, enhance sustainability and address the challenges facing customers, communities, and the world.

# Air Products Today

\$8.9  
billion in sales

~16,000  
employees

50+  
countries

~\$35B  
market cap

7+  
decades in business

170,000+  
customers

1,800  
miles of industrial  
gas pipeline

750+  
production  
facilities

30+  
industries  
served

# Our Goal

Air Products will be the **safest, most diverse** and **most profitable** industrial gas company in the world, providing **excellent service to our customers.**

“We want to ensure we are providing opportunities and the right environment for everyone to contribute and succeed, regardless of their gender, color, race, religion, orientation, country of origin or any other dimension of diversity.”

- Seifi Ghasemi,  
Chairman, President and Chief Executive Officer

# Creating Long-term Value Through Sustainability

Our products improve the environment, make our customers' processes better and fulfill societal needs.



We are focused on improving our operations to manage environmental, social and governance risks.

Our products enable customers to avoid

**54 Million Metric Tons of Carbon Dioxide (CO<sub>2</sub>)**  
equivalent to emissions from 11 million cars, and almost double our direct and indirect CO<sub>2</sub> emissions.



MEMBER OF  
**Dow Jones Sustainability Indices**  
In Collaboration with RobecoSAM

CEO **ACTION FOR DIVERSITY & INCLUSION**

*"We share society's concerns about the impacts of climate change on our environment. And we remain committed to sustainability and the goals we have set. Sustainability is one of our core values and is at the heart of what we do as an industrial gas company."*

# Business Segments

Air Products reported fiscal 2018 results under five segments:

## Industrial Gases –

- Americas
- EMEA (Europe, Middle East and Africa)
- Asia

The **regional Industrial Gases** (Americas, EMEA, and Asia) segments produce and sell atmospheric gases such as oxygen, nitrogen, and argon (primarily recovered by the cryogenic distillation of air) and process gases such as hydrogen, carbon monoxide, helium, syngas, and specialty gases. We serve customers in many industries, including refining, chemical, gasification, metals, electronics, manufacturing, and food and beverage. We distribute gases to customers through a variety of supply modes, including liquid or gaseous bulk supply delivered by tanker or tube trailer and, for smaller customers, packaged gases delivered in cylinders and dewars or small onsites (cryogenic or non-cryogenic generators). For large-volume customers, we construct an onsite plant adjacent to or near the customer's facility or deliver product from one of our pipelines

## Industrial Gases – Global

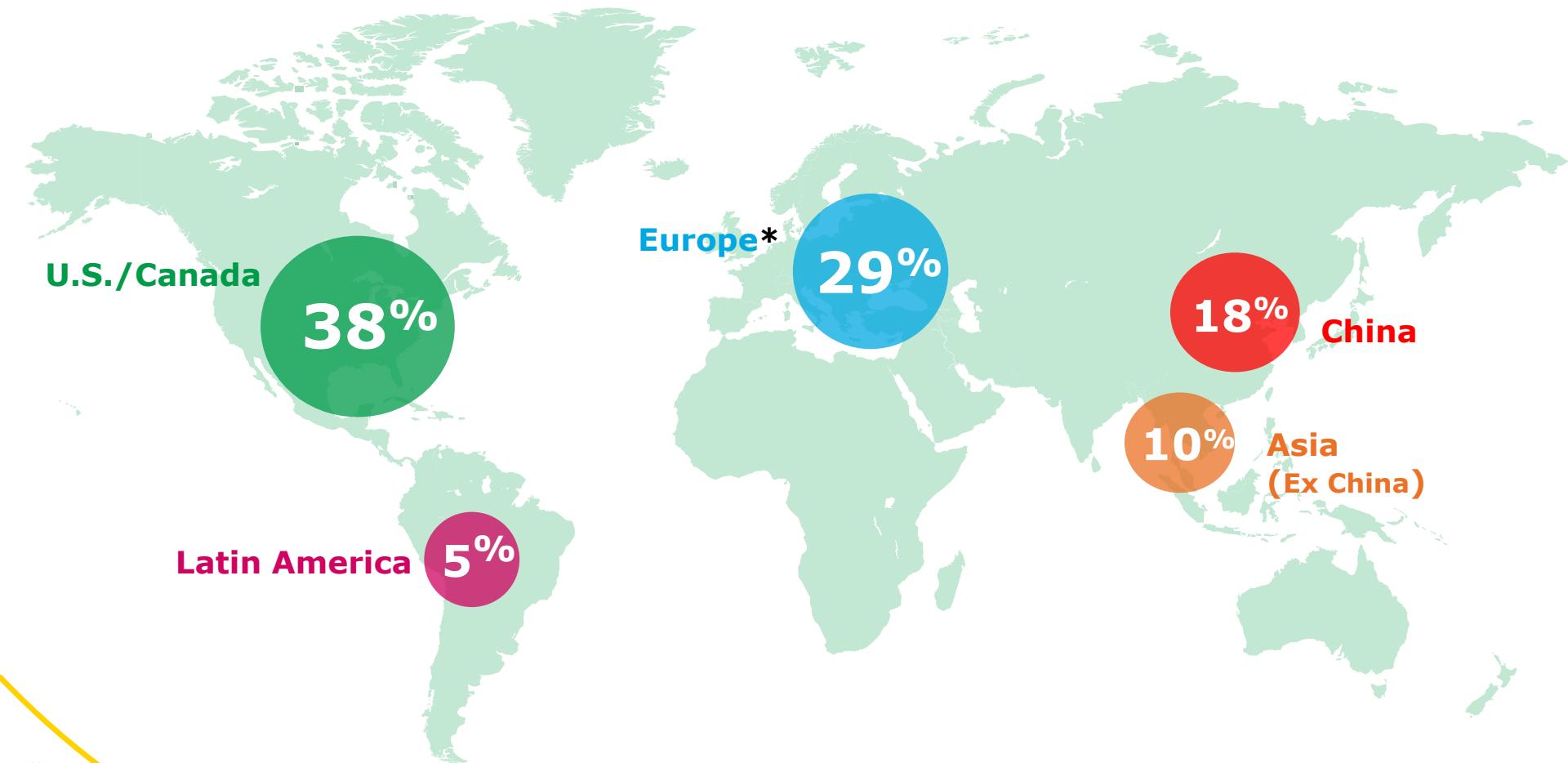
The **Industrial Gases – Global** segment includes atmospheric sale of equipment businesses, such as air separation units and noncryogenic generators, as well as global resources associated with the Industrial Gases business. The equipment is sold worldwide to customers in a variety of industries, including chemical and petrochemical manufacturing, oil and gas recovery and processing, and steel and primary metals processing. The Industrial Gases – Global segment also includes centralized global costs associated with managing all the Industrial Gases segments.

## Corporate and Other

The **Corporate and other** segment includes three global equipment businesses: liquefied natural gas (LNG) sale of equipment and process technology, liquid helium and liquid hydrogen transport and storage containers, and turboexpanders and other precision rotating equipment.

# Air Products Global Presence

FY18 Sales = \$8.9 Billion



# Air Products Supply Modes

FY18 Sales = \$8.9 Billion



**52%**

**HyCO 26%**

**ASU 26%**

## **Onsite/Pipeline**

- 15-20+ year contracts
- Limited volume risk
- No energy/raw materials risks



**30%**

## **Liquid Bulk**

- 3-5 year contracts
- Local supply chain



**12%**

## **Packaged Gas**

- Short-term contracts
- Local supply chain



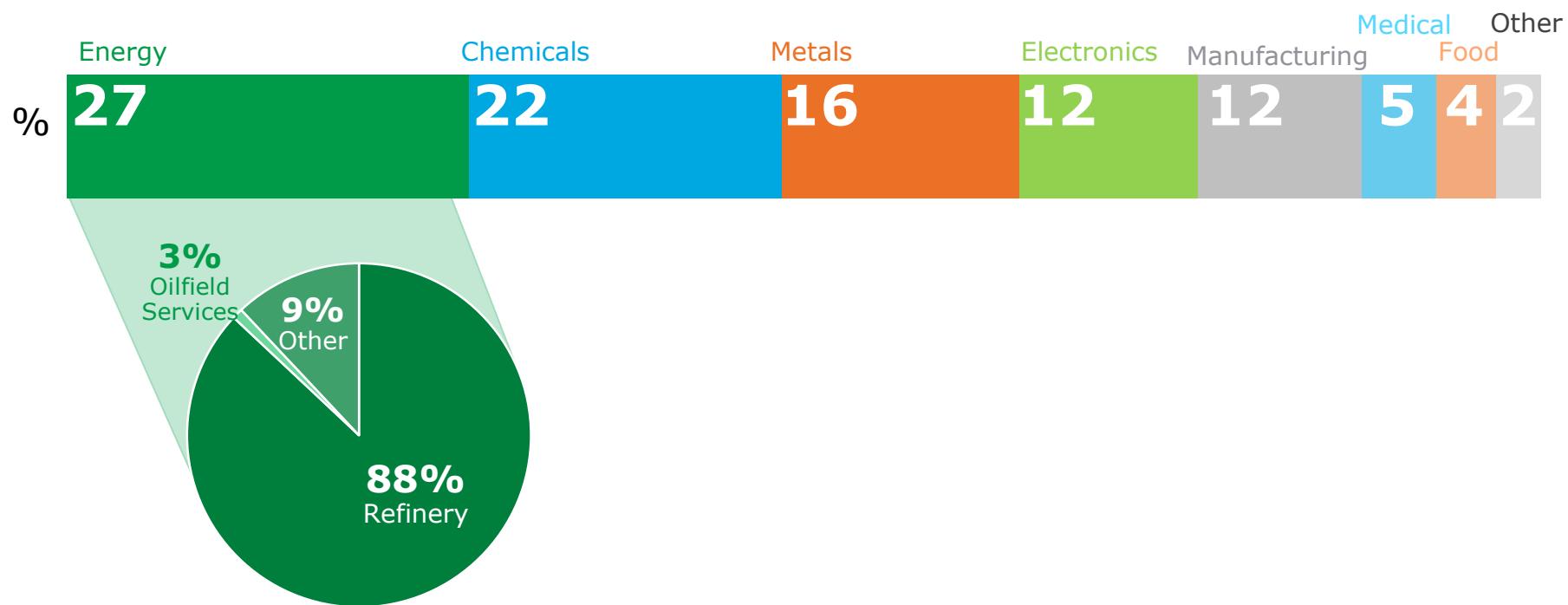
**6%**

## **Equipment & Services**

- Sale of equipment
- Purchase order based

# End Markets We Serve

FY18 Sales = \$8.9 Billion



# Fiscal 2018 Key Accomplishments

- Major projects execution
  - Baytown, Texas CO/H<sub>2</sub>
  - BPCL - India HyCO
  - Gulf Coast H<sub>2</sub> Pipeline Capacity Addition
  - Jazan Mechanical Completion – ASU
  - Lu'An JV - ASU, Gasifier
  - PKEDZ – Nanjing, China ASU
  - Samsung - Pyeongtaek, Korea ASU
- New projects
  - BPCL Phase 2 Syngas
  - Eastman – Kingsport, TN ASU
  - Jazan - Gasifier/Power JV
  - Jiutai - Hohhot, China Syngas
  - Louisiana - CO, H<sub>2</sub>
  - Samsung – Korea ASU,
  - Samsung - China ASU, H<sub>2</sub>
  - Sfec JV – China ASU, Syngas
  - Texas Liquid H<sub>2</sub>
- Acquisitions
  - Shell Gasification Technology



# Target Areas for Growth

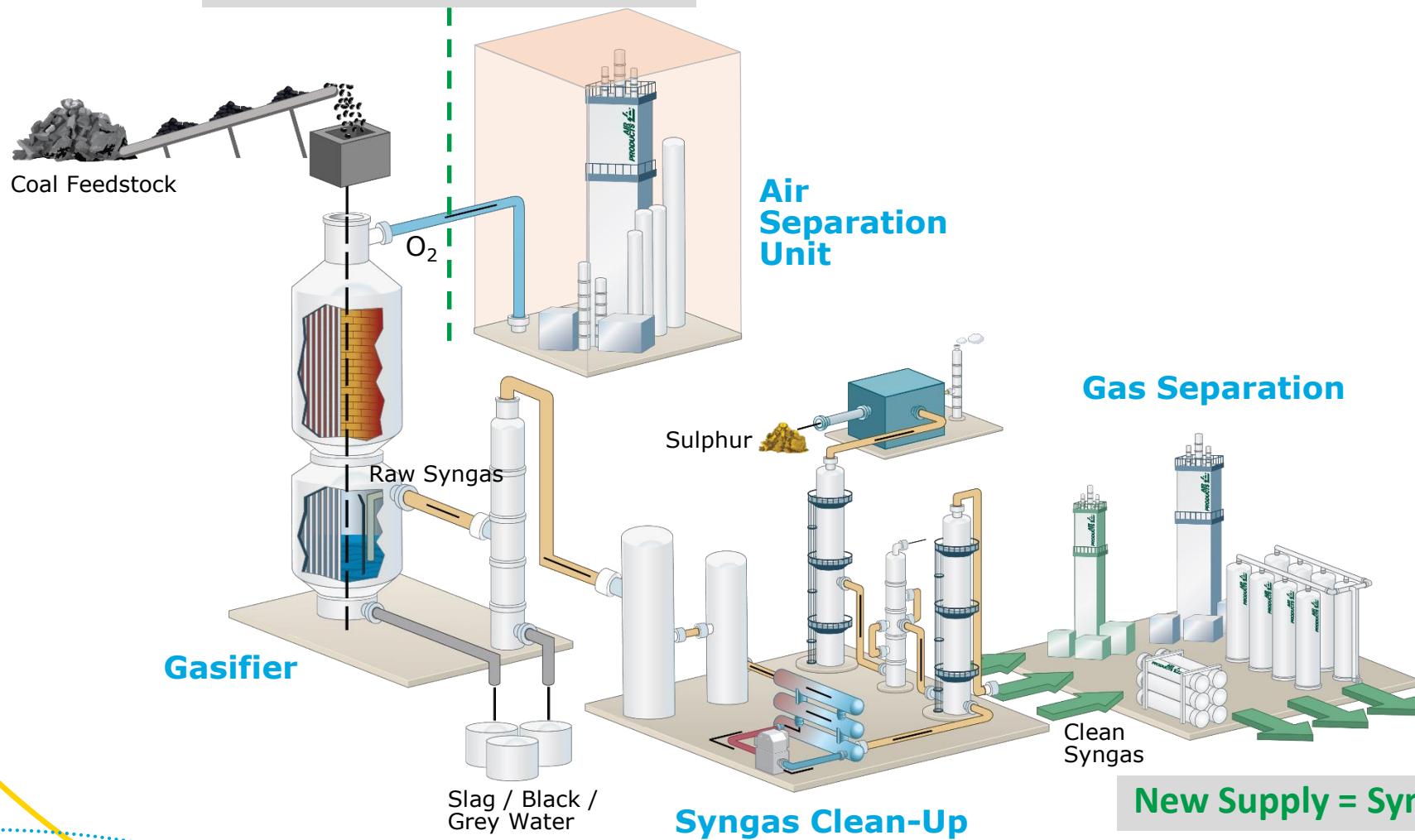
## 2018 – 2022 Capital Deployment

- Acquisitions 7%
- Traditional organic growth 25%
- Asset buyback 15%
- Gasification and syngas production 53%
- Total 100%**



# Gasification

Traditional Supply = Oxygen



# Drivers for Gasification

- Countries with massive resources of coal that want to reduce dependence on imported oil for the production of liquid fuel or high-end chemicals
  - South Africa, China, India
- Countries with significant natural gas reserves that want to create additional value by converting natural gas to liquid fuel or high-end chemicals
  - United States, Russia, Uzbekistan
- Refineries all over the world that need to find a use for low-value heavy residues which can no longer be used as fuel for ships (IMO 2020)



Thank You  
tell me more

