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Air Products' Skychain Inventory Monitoring Technology Helps Customers Offset Soaring Delivery Costs

LEHIGH VALLEY, Pa. (August 20, 2008) – As gasoline prices continue to challenge everyone, Skychain—a wholly-owned subsidiary of Air Products (NYSE:APD)—offers a way for chemical and lubricant manufacturers and distributors to offset some of those costs. Skychain's web-based inventory monitoring technology accesses real-time data so users can automate forecasting, optimize production and delivery, and reduce the risk of inventory depletion to lower distribution costs through a more effectively managed supply chain.

“As gas prices continue to soar, users can reap even greater value through Skychain's ability to provide them with the right data at the right time so they can schedule fewer, more timely deliveries to customers,” says Patrick Kuchevar, vice president at Skychain. “With little to no upfront equipment fees and user-friendly tools for remote electronic management of customer inventory levels, Skychain technology is one key way to drive costs from the supply chain and improve revenue.”

Based on telemetry that Air Products has been successfully using within its liquid gas bulk supply business for more than 12 years, Skychain is now making this technology available to the chemical industry. The technology uses a sensor to monitor product levels in a customer's tank or other container, taking readings every hour and transferring information to the user twice a day. Skychain provides, installs, and supports the equipment, including sensors, computer software, communications tools, and the information technology infrastructure that allows users to go on-line—or into their own Enterprise Resource Planning systems—to review inventory and production operations data.

Skychain's remote monitoring solution has provided Rowell Chemical Corporation, based in Hinsdale, Ill., a means to achieve significant cost reductions in the distribution of its products. “Skychain has enabled us to evolve our ability to manage our inventories from being a reactive supplier to a proactive partner,” said Kip K. Coco, marketing manager at Rowell. “By having an extra set of eyes on our customers' storage, we have been able to reduce freight costs, eliminate emergency shipments, and execute our customer focus objectives.”

Skychain's forecasting modules predict future needs based on actual usage patterns and proven mathematical algorithms. With this knowledge, users can more effectively manage the replenishment process for customers by arriving at the optimum time when the most product can be delivered. The forecasting modules also enable users to make better decisions around purchasing raw materials and planning production at their own facilities based on actual customer use.

“Skychain gives Rowell a sustainable advantage in the chemical marketplace and provides another instance where we can differentiate ourselves from competitors,” Coco adds. “It’s clear and concise. It’s simple, yet adaptable to our customers. Skychain has taken the complexities out of inventory management and created applicable solutions to a demanding market.”

For more information about Skychain, visit www.skychain.com.

Air Products (NYSE:APD) serves customers in industrial, energy, technology and healthcare markets worldwide with a unique portfolio of atmospheric gases, process and specialty gases, performance materials, and equipment and services. Founded in 1940, Air Products has built leading positions in key growth markets such as semiconductor materials, refinery hydrogen, home healthcare services, natural gas liquefaction, and advanced coatings and adhesives. The company is recognized for its innovative culture, operational excellence and commitment to safety and the environment. Air Products has annual revenues of \$10 billion, operations in over 40 countries, and 22,000 employees around the globe. For more information, visit www.airproducts.com.

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

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