

## Reconciliation of Non-GAAP Financial Measures (Unaudited)

Airgas, Inc. and Subsidiaries

### Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow

*(In thousands)*

Years Ended March 31,	2005	2006	2007	2008	2009
<b>Net cash provided by operating activities</b>	\$ 212,410	\$ 346,045	\$ 326,343	\$ 549,926	\$ 582,767
Adjustments to cash provided by operating activities:					
Cash used (provided) by the securitization of trade receivables	(27,300)	(54,300)	(20,200)	(95,600)	48,600
Stock issued for the Employee Stock Purchase Plan	9,907	10,534	11,951	14,091	16,507
Tax benefit realized from the exercise of stock options	—	—	9,013	13,327	11,846
<b>Adjusted cash from operations</b>	195,017	302,279	327,107	481,744	659,720
<b>Capital expenditures</b>	(167,977)	(208,603)	(238,274)	(267,378)	(351,912)
Adjustments to capital expenditures:					
Operating lease buyouts	24,130	14,558	9,509	979	5,575
Proceeds from sales of plant and equipment	5,361	8,202	8,685	9,345	14,360
<b>Adjusted capital expenditures</b>	(138,486)	(185,843)	(220,080)	(257,054)	(331,977)
<b>Free cash flow</b>	\$ 56,531	\$ 116,436	\$ 107,027	\$ 224,690	\$ 327,743

The Company believes that free cash flow provides investors meaningful insight into the Company's ability to generate cash from operations, which is available for servicing debt obligations and for the execution of its business strategy, including acquisitions, the prepayment of debt, or to support other investing and financing activities.

Non-GAAP numbers should be read in conjunction with GAAP financial measures, as non-GAAP metrics are merely a supplement to, and not a replacement for, GAAP financial measures.

It should be noted as well that our free cash flow metric may be different from a free cash flow metric provided by other companies.

## Reconciliation of Non-GAAP Financial Measures (Unaudited)

Airgas, Inc. and Subsidiaries

### Reconciliation and Computation of Return on Capital

(In thousands)

Years Ending March 31,	2005	2006	2007	2008	2009
<b>Operating Income</b>	<b>\$ 202,454</b>	<b>\$ 269,142</b>	<b>\$ 341,497</b>	<b>\$ 475,824</b>	<b>\$ 524,868</b>
Five Quarter Average of Total Assets	\$ 2,112,504	\$ 2,378,324	\$ 2,679,575	\$ 3,710,066	\$ 4,239,658
Five Quarter Average of					
Securitized Trade Receivables	183,300	216,360	246,240	310,880	350,280
Five Quarter Average of					
Current Liabilities (Exclusive of Debt)	(269,975)	(326,618)	(354,623)	(423,266)	(456,154)
<b>Five Quarter Average Capital Employed</b>	<b>\$ 2,025,829</b>	<b>\$ 2,268,066</b>	<b>\$ 2,571,193</b>	<b>\$ 3,597,680</b>	<b>\$ 4,133,784</b>
<b>Return on Capital</b>	<b>10.0%</b>	<b>11.8%</b>	<b>13.3%</b>	<b>13.2%</b>	<b>12.7%</b>

The Company believes this return on capital computation helps investors assess how effectively the Company uses the capital invested in its operations.

Management uses return on capital as one of the metrics for determining employee compensation.

Non-GAAP numbers should be read in conjunction with GAAP financial measures, as non-GAAP metrics are merely a supplement to, and not a replacement for, GAAP financial measures.

It should be noted as well that our return on capital computation may be different from a return on capital computation provided by other companies.

Quarterly averages used in the computation of return on capital above reflect the impact of acquisitions as of their acquisition date.

### Twenty-one Year Reconciliation of Operating income to Adjusted EBITDA to Cash from Operations

(In thousands)

Years Ended March 31,	1989	1990	1991	1992	1993	1994	1995	1996	1997
<b>Operating income</b>	\$ 15,958	\$ 23,221	\$ 17,286	\$ 26,316	\$ 34,367	\$ 48,667	\$ 72,600	\$ 92,987	\$ 80,480
Add:									
Depreciation & amortization	11,147	17,387	21,158	23,420	28,042	30,571	36,868	45,762	64,428
<b>Adjusted EBITDA</b>	<b>27,105</b>	<b>40,608</b>	<b>38,444</b>	<b>49,736</b>	<b>62,409</b>	<b>79,238</b>	<b>109,468</b>	<b>138,749</b>	<b>144,908</b>
<b>(Uses)/sources of cash excluded from Adjusted EBITDA, included in Cash from Operations:</b>									
Interest expense, net	(12,245)	(16,198)	(15,179)	(12,838)	(11,403)	(12,486)	(17,625)	(24,862)	(39,367)
Discount on securitization of receivables	—	—	—	—	—	—	—	—	—
Current income taxes	404	1,700	(599)	(3,591)	(5,653)	(7,838)	(12,345)	(17,654)	(20,012)
Other income (expense)	215	157	870	214	546	453	1,607	781	1,695
Equity in earnings of Elkem joint venture	1,415	1,435	2,009	2,019	(897)	(1,258)	(840)	(1,428)	(1,356)
(Gains)/losses on divestitures	—	—	—	—	—	—	(560)	—	—
(Gains)/losses on sale of PP&E	(32)	2	(715)	(76)	(292)	(63)	110	(12)	616
Stock-based compensation expense	—	—	—	—	—	—	—	—	—
Income/(loss) on discontinued operations	—	—	—	—	—	—	—	—	478
Other non-cash charges	260	308	252	250	—	—	—	—	3,930
Cash provided by (used in) changes in assets and liabilities	4,379	702	6,712	15,968	13,608	6,752	(2,030)	(6,948)	(14,801)
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 21,501</b>	<b>\$ 28,714</b>	<b>\$ 31,794</b>	<b>\$ 51,682</b>	<b>\$ 58,318</b>	<b>\$ 64,798</b>	<b>\$ 77,785</b>	<b>\$ 88,626</b>	<b>\$ 76,091</b>

The Company believes Adjusted EBITDA provides investors meaningful insight into the Company's ability to generate cash from operations to support required working capital, capital expenditures and financial obligations.

Non-GAAP numbers should be read in conjunction with GAAP financial measures, as non-GAAP metrics are merely a supplement to, and not a replacement for, GAAP financial measures.

It should be noted as well that our Adjusted EBITDA metric may be different from an Adjusted EBITDA metric provided by other companies.

Certain reclassifications have been made to prior period financial statements to conform to the current presentation.

**Reconciliation of Non-GAAP Financial Measures  
(Unaudited)**

Airgas, Inc. and Subsidiaries

1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
\$ 111,709	\$ 112,607	\$ 105,461	\$ 106,728	\$ 124,938	\$ 156,336	\$ 168,544	\$ 202,454	\$ 269,142	\$ 341,497	\$ 475,824	\$ 524,868
82,227	83,839	85,262	82,796	71,757	79,279	87,447	111,078	127,542	147,343	189,775	220,795
193,936	196,446	190,723	189,524	196,695	235,615	255,991	313,532	396,684	488,840	665,599	745,663
(52,603)	(59,677)	(56,879)	(59,550)	(46,775)	(46,374)	(42,357)	(51,245)	(54,145)	(60,180)	(89,485)	(84,395)
—	—	—	(1,303)	(4,846)	(3,326)	(3,264)	(4,711)	(9,371)	(13,630)	(17,031)	(10,738)
(16,502)	(17,244)	(16,902)	(13,402)	4,546	(33,174)	(24,623)	(22,622)	(30,718)	(47,972)	(69,459)	(64,985)
9,811	29,491	18,625	1,324	5,987	2,132	1,472	1,129	2,411	1,556	1,454	(382)
(1,478)	(869)	—	—	—	—	—	—	—	—	—	—
(1,452)	(25,468)	(17,712)	(1,173)	(5,548)	241	—	(360)	1,900	—	—	—
(504)	(222)	(915)	502	405	(257)	(837)	(321)	(1,330)	39	714	(964)
—	—	—	—	—	—	—	—	—	15,445	16,629	20,635
(635)	(871)	(335)	(400)	(3,529)	(1,776)	(457)	464	(1,424)	—	—	—
11,422	—	458	2,281	1,068	—	—	—	—	—	—	—
(13,548)	(25,273)	(22,686)	78,329	95,691	33,931	17,865	(23,456)	42,038	(57,755)	41,505	(22,067)
\$ 128,447	\$ 96,313	\$ 94,377	\$ 196,132	\$ 243,694	\$ 187,012	\$ 203,790	\$ 212,410	\$ 346,045	\$ 326,343	\$ 549,926	\$ 582,767