

ITEM 6.

SELECTED FINANCIAL DATA

FIVE-YEAR FINANCIAL SUMMARY
(Dollar amounts in millions, except per share data)

<u>Year Ended December 31,</u>	<u>2015(a)</u>	<u>2014(a)</u>	<u>2013(a)</u>	<u>2012(a)</u>	<u>2011(a)</u>
From the Consolidated Statements of Income					
Sales	\$ 10,776	\$ 12,273	\$ 11,925	\$ 11,224	\$ 11,252
Cost of sales, exclusive of depreciation and amortization	5,960	6,962	6,744	6,396	6,458
Selling, general and administrative	1,152	1,308	1,349	1,270	1,239
Depreciation and amortization	1,106	1,170	1,109	1,001	1,003
Research and development	93	96	98	98	90
Cost reduction program and other charges – net	172	138	32	65	1
Other income (expenses) – net	28	9	32	43	7
Operating profit	2,321	2,608	2,625	2,437	2,468
Interest expense – net	161	213	178	141	145
Income before income taxes and equity investments	2,160	2,395	2,447	2,296	2,323
Income taxes	612	691	649	586	641
Income before equity investments	1,548	1,704	1,798	1,710	1,682
Income from equity investments	43	42	38	34	40
Net income (including noncontrolling interests)	1,591	1,746	1,836	1,744	1,722
Noncontrolling interests	(44)	(52)	(81)	(52)	(50)
Net income – Praxair, Inc.	<u>\$ 1,547</u>	<u>\$ 1,694</u>	<u>\$ 1,755</u>	<u>\$ 1,692</u>	<u>\$ 1,672</u>
Per Share Data – Praxair, Inc. Shareholders					
Basic earnings per share	\$ 5.39	\$ 5.79	\$ 5.94	\$ 5.67	\$ 5.53
Diluted earnings per share	\$ 5.35	\$ 5.73	\$ 5.87	\$ 5.61	\$ 5.45
Cash dividends per share	\$ 2.86	\$ 2.60	\$ 2.40	\$ 2.20	\$ 2.00
Weighted Average Shares Outstanding (000's)					
Basic shares outstanding	287,005	292,494	295,523	298,316	302,237
Diluted shares outstanding	289,055	295,608	298,965	301,845	306,722
Other Information and Ratios					
Total assets	\$ 18,319	\$ 19,769	\$ 20,223	\$ 18,062	\$ 16,333
Total debt	\$ 9,231	\$ 9,225	\$ 8,779	\$ 7,334	\$ 6,539
Cash flow from operations	\$ 2,682	\$ 2,868	\$ 2,917	\$ 2,752	\$ 2,455
Net cash used for investing activities	\$ (1,303)	\$ (1,803)	\$ (3,237)	\$ (2,378)	\$ (2,005)
Net cash used for financing activities	\$ (1,297)	\$ (1,008)	\$ 328	\$ (303)	\$ (380)
Adjusted EBITDA (b)	\$ 3,642	\$ 3,958	\$ 3,804	\$ 3,537	\$ 3,512
Capital expenditures	\$ 1,541	\$ 1,689	\$ 2,020	\$ 2,180	\$ 1,797
Acquisitions, net of cash acquired	\$ 82	\$ 206	\$ 1,323	\$ 280	\$ 294
After-tax return on capital (b)	12.6%	12.7%	12.8%	13.9%	14.8%
Return on equity (b)	34.6%	28.7%	28.6%	28.9%	28.1%
Debt-to-capital ratio (b)	64.9%	59.5%	54.2%	51.8%	51.7%
Debt-to-adjusted EBITDA (b)	2.5	2.3	2.2	1.9	1.7
Shares outstanding (000's)	284,879	289,262	294,134	296,229	298,530
Number of employees	26,657	27,780	27,560	26,539	26,184

(a) Amounts for 2015 include: (i) a pre-tax charge of \$165 million (\$125 million after-tax, or \$0.43 per diluted share) related to the cost reduction program and other charges; and (ii) a pre-tax charge of \$7 million (\$5 million after-tax, or \$0.02 per diluted share) related to a pension settlement.

Amounts for 2014 include: (i) a pre-tax charge of \$131 million (\$131 million after-tax, or \$0.45 per diluted share) related to the Venezuela currency devaluation, (ii) a pre-tax charge of \$7 million (\$5 million after-tax, or \$0.02 per diluted share) related

to pension settlements; and (iii) a pre-tax charge of \$36 million (\$22 million after-tax, or \$0.07 per diluted share) related to a bond redemption.

Amounts for 2013 include: (i) a pre-tax charge of \$23 million (\$23 million after-tax, or \$0.08 per diluted share) related to the Venezuela currency devaluation; (ii) a pre-tax charge of \$9 million (\$6 million after-tax, or \$0.02 per diluted share) related to pension settlements; (iii) an income tax benefit of \$40 million (\$24 million net of noncontrolling interests, or \$0.08 per diluted share) related to a realignment of the Italian legal structure; and (iv) a pre-tax charge of \$18 million (\$12 million after-tax, or \$0.04 per diluted share) related to a bond redemption.

Amounts for 2012 include: (i) a pre-tax charge of \$56 million, (\$38 million after-tax and non-controlling interests, or \$0.12 per diluted share) related to the 2012 cost reduction program; (ii) a pre-tax charge of \$9 million (\$6 million after-tax, or \$0.02 per diluted share) related to pension settlement; and (iii) an income tax benefit of \$55 million (\$0.18 per diluted share) related to a loss on a liquidated subsidiary as a result of the divestiture of the U.S. Homecare business.

Amounts for 2011 include: (i) a pre-tax net gain on acquisition of \$39 million (\$37 million after-tax, or \$0.12 per diluted share); and (ii) a pre-tax charge of \$40 million (\$31 million after-tax, or \$0.10 per diluted share) relating to the 2011 cost reduction program.

See Notes 2, 5 and 7 to the consolidated financial statements.

- (b) Non-GAAP measures. See the “Non-GAAP Financial Measures” section in Item 7 for definitions and reconciliation to reported amounts.