

ITEM 6. SELECTED FINANCIAL DATA

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

<u>Year Ended December 31,</u>	<u>2012 (a)</u>	<u>2011 (a)</u>	<u>2010 (a)</u>	<u>2009 (a)</u>	<u>2008 (a)</u>
From the Consolidated Statements of Income					
Sales	\$ 11,224	\$ 11,252	\$ 10,116	\$ 8,956	\$ 10,796
Cost of sales, exclusive of depreciation and amortization	6,396	6,458	5,754	5,032	6,495
Selling, general and administrative	1,270	1,239	1,196	1,088	1,312
Depreciation and amortization	1,001	1,003	925	846	850
Research and development	98	90	79	74	97
Cost reduction program and other charges – net	65	1	85	306	194
Other income (expenses) – net	43	7	5	(35)	35
Operating profit	2,437	2,468	2,082	1,575	1,883
Interest expense – net	141	145	118	133	198
Income before income taxes and equity investments	2,296	2,323	1,964	1,442	1,685
Income taxes	586	641	768	169	465
Income before equity investments	1,710	1,682	1,196	1,273	1,220
Income from equity investments	34	40	38	24	36
Net income (including noncontrolling interests)	1,744	1,722	1,234	1,297	1,256
Noncontrolling interests	(52)	(50)	(39)	(43)	(45)
Net income – Praxair, Inc.	\$ 1,692	\$ 1,672	\$ 1,195	\$ 1,254	\$ 1,211
Per Share Data – Praxair, Inc. Shareholders					
Basic earnings per share	\$ 5.67	\$ 5.53	\$ 3.90	\$ 4.08	\$ 3.87
Diluted earnings per share	\$ 5.61	\$ 5.45	\$ 3.84	\$ 4.01	\$ 3.80
Cash dividends per share	\$ 2.20	\$ 2.00	\$ 1.80	\$ 1.60	\$ 1.50
Weighted Average Shares Outstanding (000's)					
Basic shares outstanding	298,316	302,237	306,720	307,676	312,658
Diluted shares outstanding	301,845	306,722	311,395	312,382	318,302
Other Information and Ratios					
Total assets	\$ 18,090	\$ 16,356	\$ 15,274	\$ 14,317	\$ 13,054
Total debt	\$ 7,362	\$ 6,562	\$ 5,557	\$ 5,055	\$ 5,025
Cash flow from operations	\$ 2,752	\$ 2,455	\$ 1,905	\$ 2,168	\$ 2,038
Capital expenditures	\$ 2,180	\$ 1,797	\$ 1,388	\$ 1,352	\$ 1,611
Acquisitions	\$ 280	\$ 294	\$ 148	\$ 131	\$ 130
After-tax return on capital (b)	13.9%	14.8%	14.5%	13.9%	15.4%
Return on equity (b)	28.9%	28.1%	26.4%	27.0%	26.8%
Debt-to-capital ratio (b)	51.9%	51.8%	47.3%	47.0%	53.7%
Debt-to-adjusted EBITDA (b)	1.9	1.7	1.6	1.8	1.6
Shares outstanding (000's)	296,229	298,530	303,997	306,478	306,861
Number of employees	26,539	26,184	26,261	26,164	26,936

- (a) Amounts for 2012 include: (i) a pre-tax charge of \$56 million, (\$38 million after-tax and non-controlling interests) related to the 2012 cost reduction program; (ii) a pre-tax charge of \$9 million (\$6 million after-tax) related to pension settlement; and (iii) an income tax benefit of \$55 million 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 net income – Praxair, Inc.); and (ii) a pretax charge of \$40 million (\$31 million net income – Praxair, Inc.) relating to the 2011 cost reduction program. Amounts for 2010 include: (i) an income tax charge of \$250 million related to a Spanish income tax settlement; (ii) a pre-tax charge of \$58 million (\$40 million after-tax) related to the U.S. homecare divestiture; (iii) a net repatriation tax benefit of \$35 million; and (iv) a pre-tax charge of \$27 million (\$26 million after-tax) related to the Venezuela currency devaluation. Amounts for 2009 include the impact of the Brazil tax amnesty program and other charges of \$306 million (\$7 million after-tax benefit). Amounts for 2008 include the impact of the cost reduction program and other charges of \$194 million (\$125 million after-tax and noncontrolling interests). See Note 2 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. Calculations for years prior to 2012 have been adjusted to conform to the current year presentation.