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CITIGROUP Global Chemical Conference



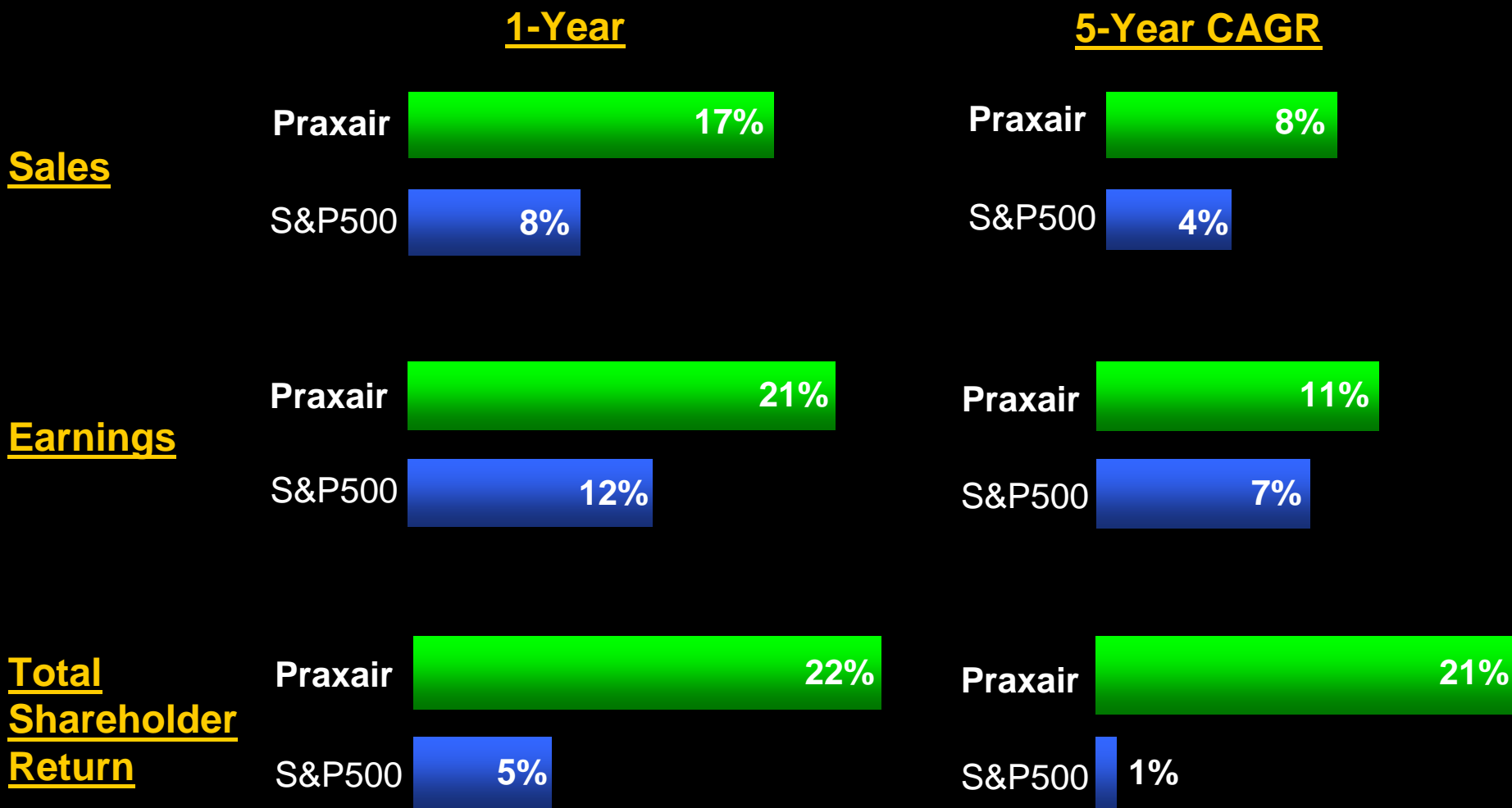
Stephen F. Angel
President and COO

December 6, 2006

Forward Looking Statement

This document contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management’s reasonable expectations and assumptions as of the date the statements are made but involve risks and uncertainties. These risks and uncertainties include, without limitation: the performance of stock markets generally; developments in worldwide and national economies and other international events and circumstances; changes in foreign currencies and in interest rates; the cost and availability of electric power, natural gas and other raw materials; the ability to achieve price increases to offset cost increases; catastrophic events; the ability to attract, hire, and retain qualified personnel; the impact of changes in financial accounting standards; the impact of tax and other legislation and government regulation in jurisdictions in which the company operates; the cost and outcomes of litigation and regulatory agency actions; continued timely development and market acceptance of new products and applications; the impact of competitive products and pricing; future financial and operating performance of major customers and industries served; and the effectiveness and speed of integrating new acquisitions into the business. These risks and uncertainties may cause actual future results or circumstances to differ materially from the projections or estimates contained in the forward-looking statements. The company assumes no obligation to update or provide revisions to any forward-looking statement in response to changing circumstances. The above listed risks and uncertainties are further described in Item 1A (Risk Factors) in the company’s latest Annual Report on Form 10-K filed with the SEC which should be reviewed carefully. Please consider the company’s forward-looking statements in light of those risks.

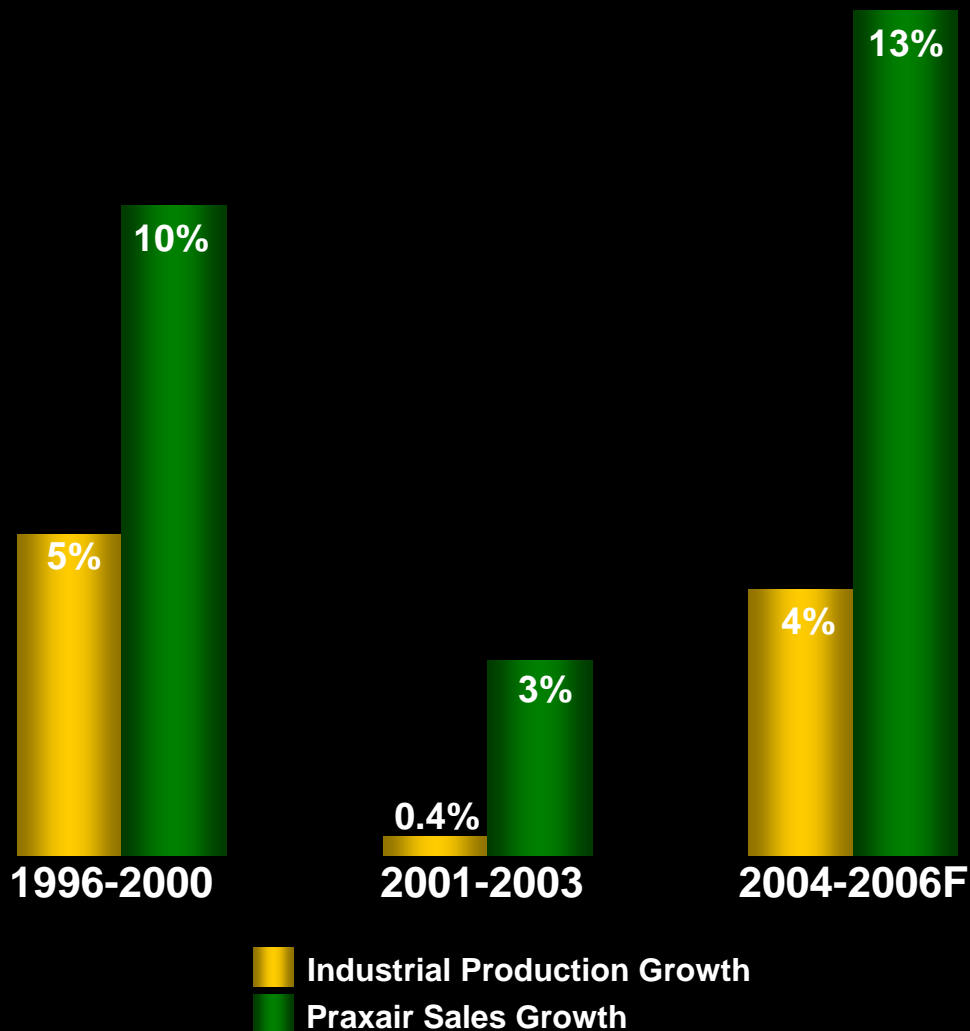
Financial Outperformance



Source: Bloomberg – 12/31/00 – 12/31/05 Sales per share, Diluted EPS from Continuing Operations

Praxair continues to outperform the S&P500

A Company For All Seasons

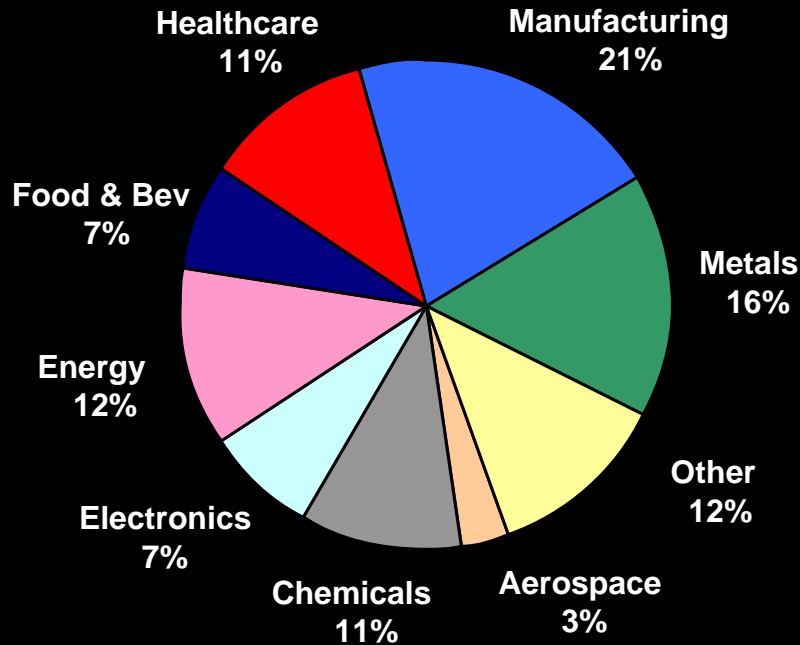


- ◆ Risk-based return criteria
- ◆ Minimum take-or-pay contracts
- ◆ Dollar denominated contracts

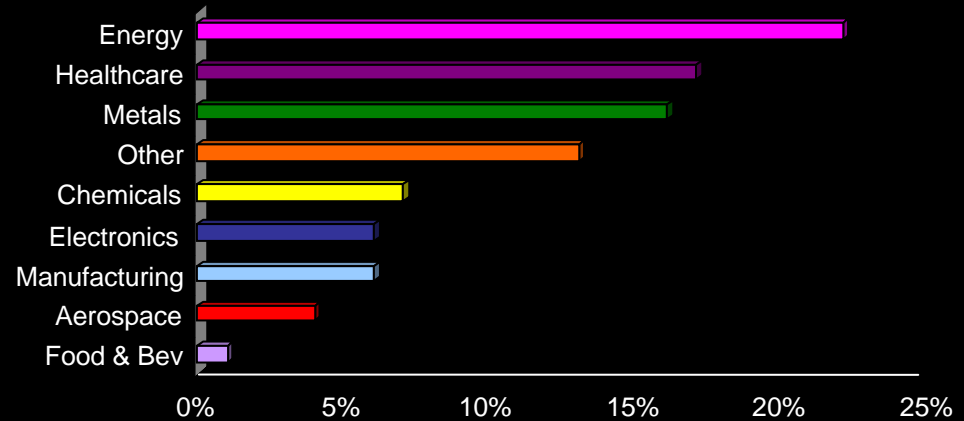
High growth without raising our risk profile

Diverse End Markets

End Markets*



Sales Growth



*2005 Sales \$7,656 MM

Customer diversity delivers growth and stability

Leading Position in China

◆ Petrochemical Parks

- Shanghai, Caojing
- Daya Bay, Nanhai

◆ Metals

- Shanghai
- Guangzhou

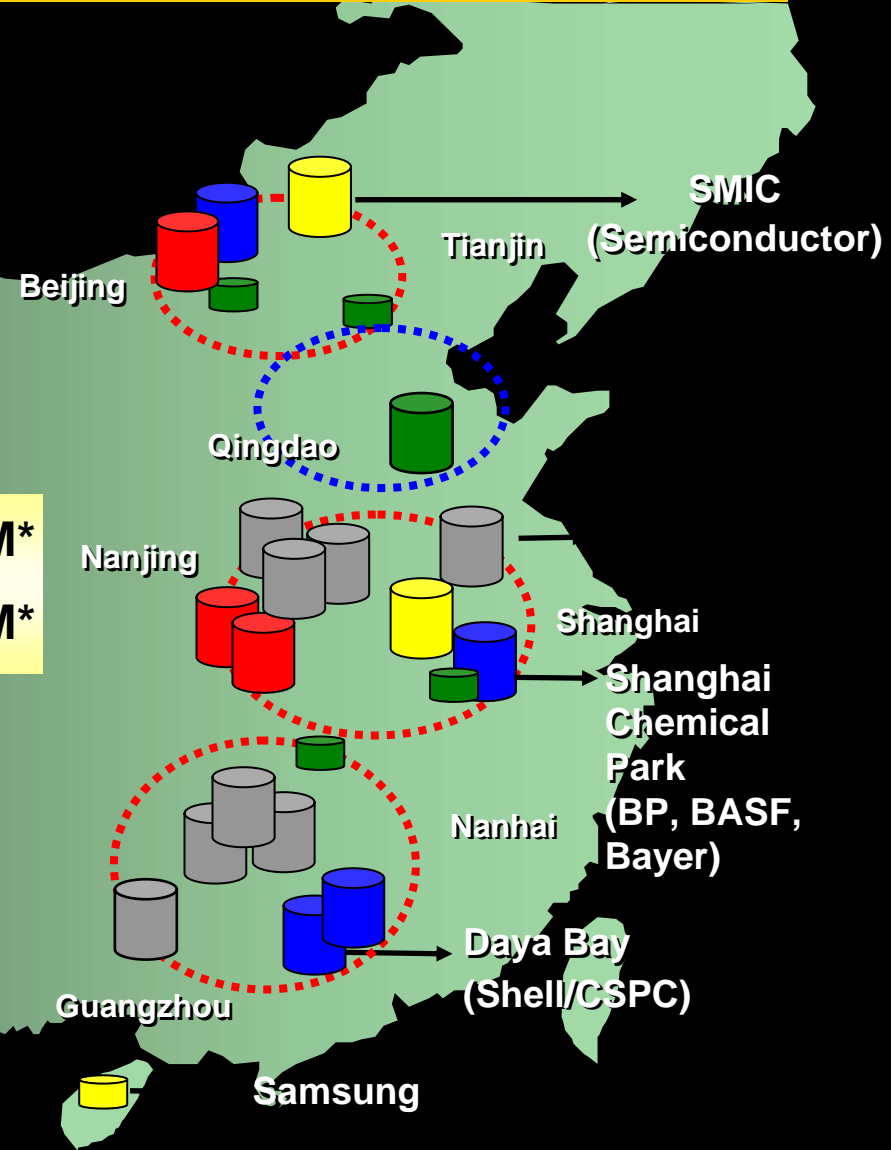
◆ Electronics

- Beijing
- Shanghai

2006F Sales \$230MM*
2010F Sales \$500MM*

*Combined Sales

CO₂ Plant Other



Develop Key Pipeline Complexes - Daya Bay, China



- ◆ \$4 B petrochemical investment - Shell and CNOOC
- ◆ O₂ and N₂ supply
- ◆ Expanding infrastructure - N₂ to Mitsubishi Petrochemical
- ◆ CNOOC is building a complex refinery for Phase 2
- ◆ Site enables capacity expansion

Multiple future opportunities

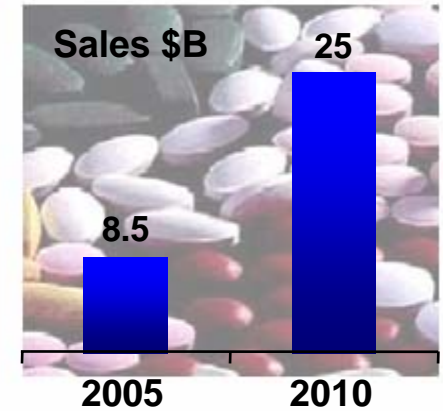
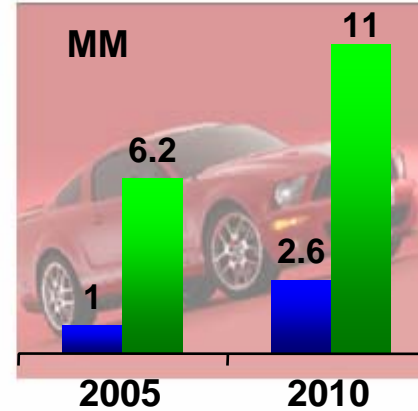
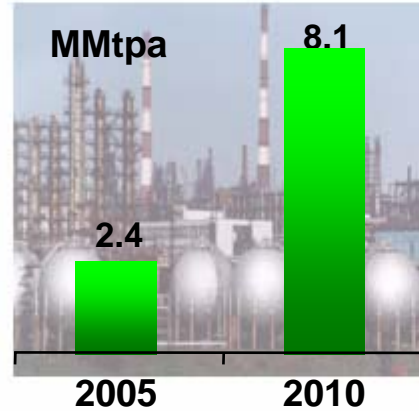
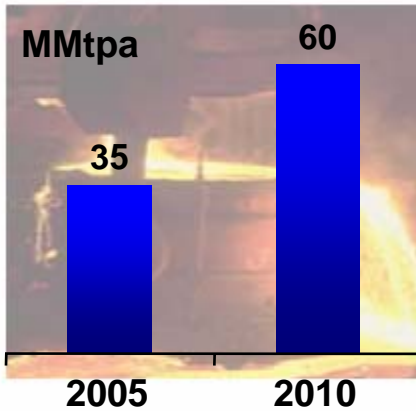
India - Strong Industrial Growth

Steel

Petrochem

Manufacturing

Pharma



■ Cars ■ 2wh

- ◆ Iron ore & labor
- ◆ Strong domestic demand

- ◆ Shortage of textile & plastic intermediates
- ◆ New naphtha crackers

- ◆ Strong domestic demand
- ◆ Small car & components hub

- ◆ Competitive generics
- ◆ Biotech growth

Drives high demand for industrial gases

Expanding Presence in India

\$350 MM industrial gas market* growing at 20% annually

◆ Domestic demand driving opportunities

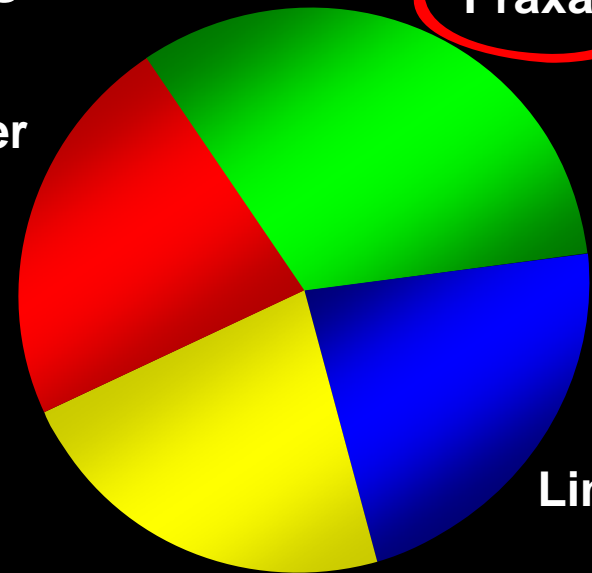
◆ Praxair #1 position

◆ Winning projects at good returns

- 8 plants operating
- 5 project start-ups in 2007-2008

◆ Expanding engineering capabilities

Other



Praxair

Linde/BOC

Air Products
JV

* Non-captive supply – PX estimated market shares

Unique situation – few global players

South America Growth Opportunities

2006F Sales \$1,330 MM

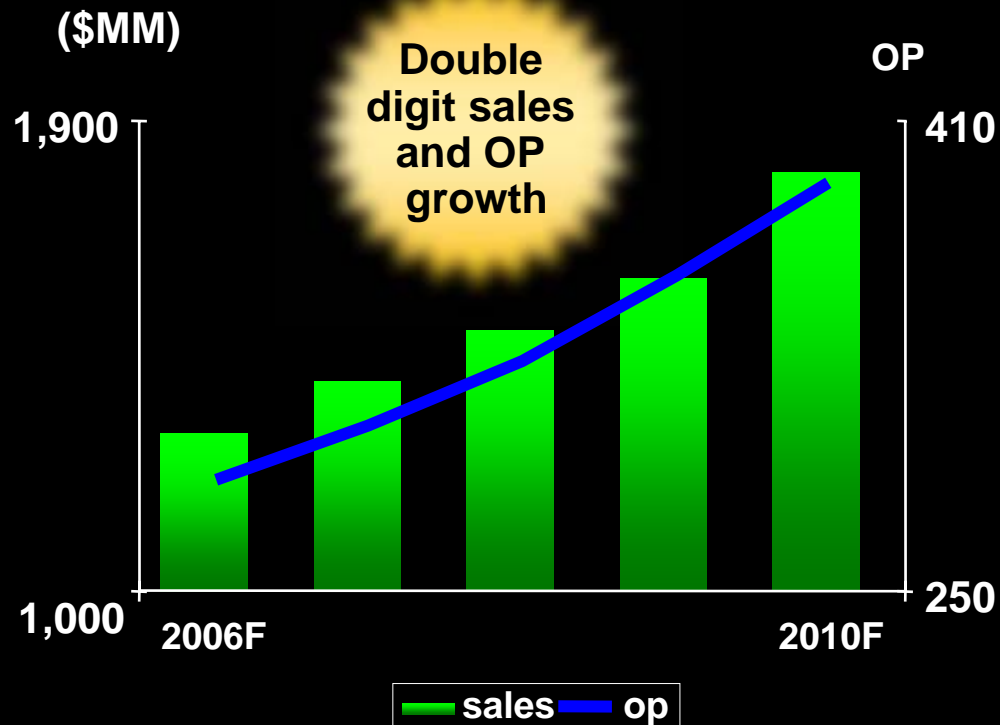
Strong On-site Position

- ◆ 82% market share - 92% win rate
- ◆ Recent wins - steel:
 - Gerdau, Arcelor, Techint
- ◆ Recent wins - pulp and paper:
 - Suzano, Botnia

Exploiting Energy Markets

- ◆ Conversions to alternative fuels
- ◆ JV with Petrobras for LNG distribution
- ◆ Energy is becoming a \$150MM business

Sales Forecast

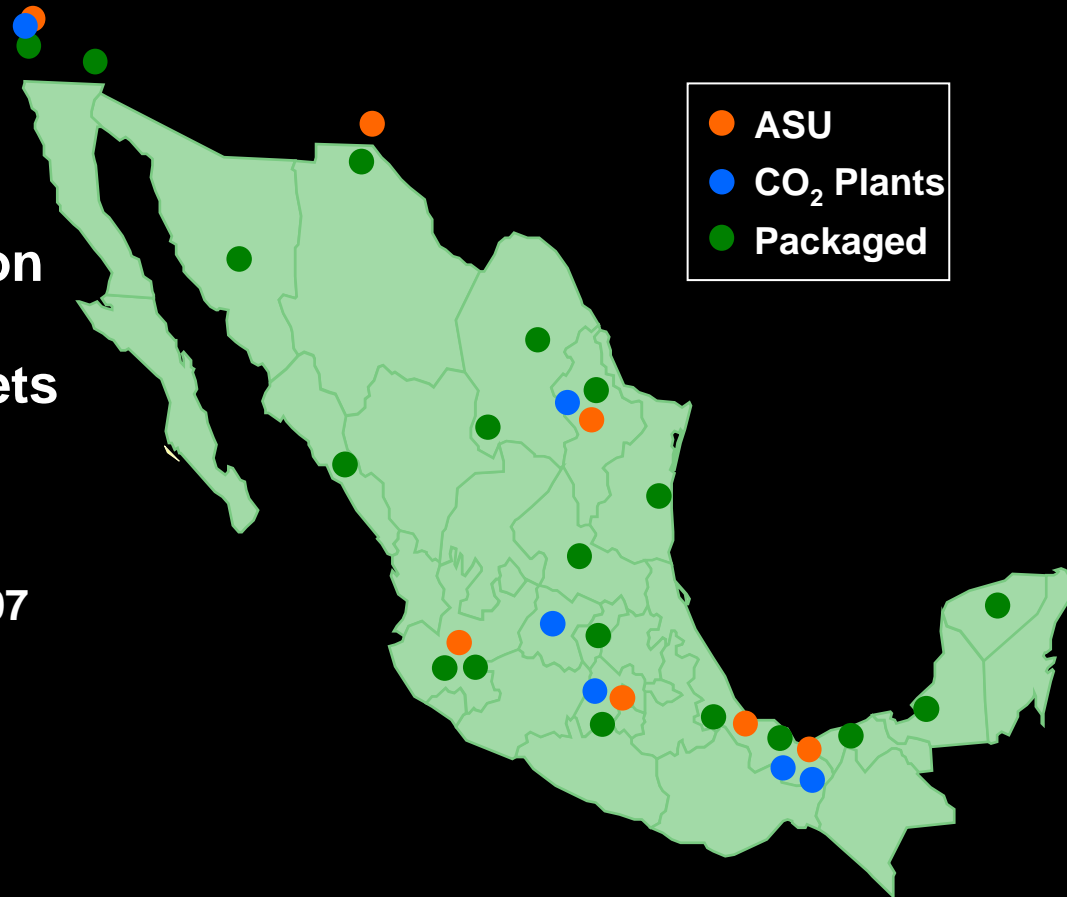


New capital investment indexed to US Dollars

Praxair Mexico

2006F Sales \$400 MM

- ◆ Strong market position
- ◆ National coverage with seamless border integration
- ◆ Growth from energy markets
 - Enhanced Oil Recovery
 - PEMEX Samaria project – 6500 TPD of N₂, start Q2 07
 - Oil well services

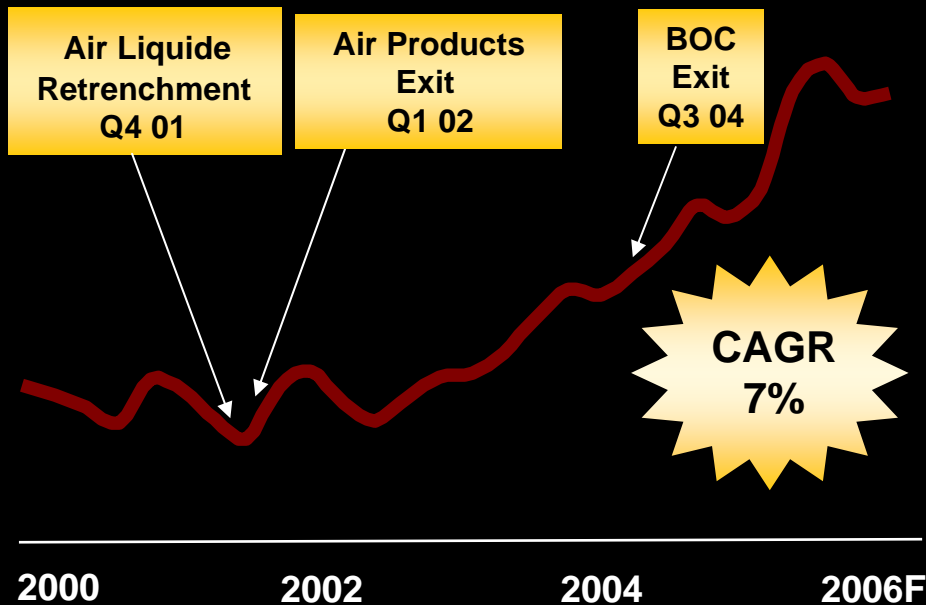


Sales of \$600MM - \$700MM by 2010

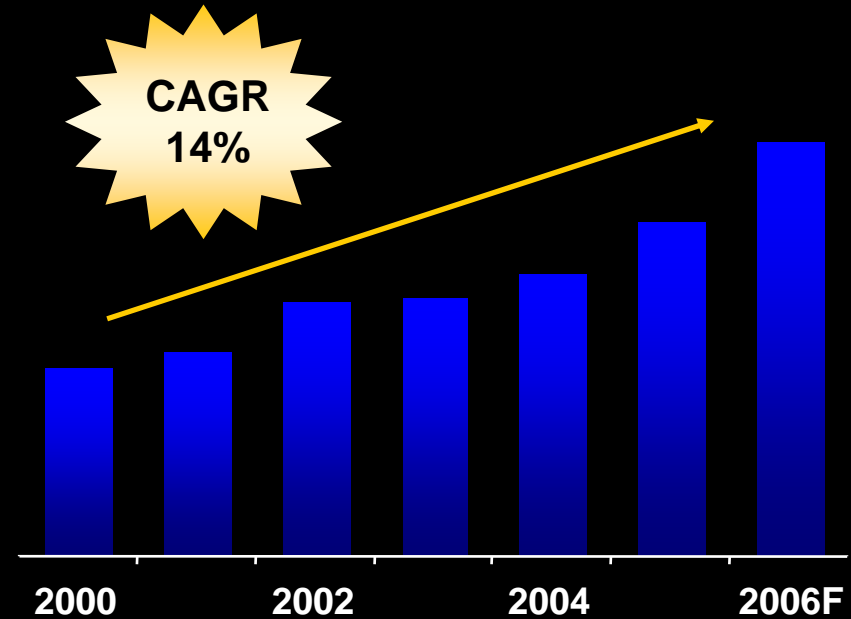
North American Packaged Gases

2006F Sales \$1,260 MM

Sales Trend



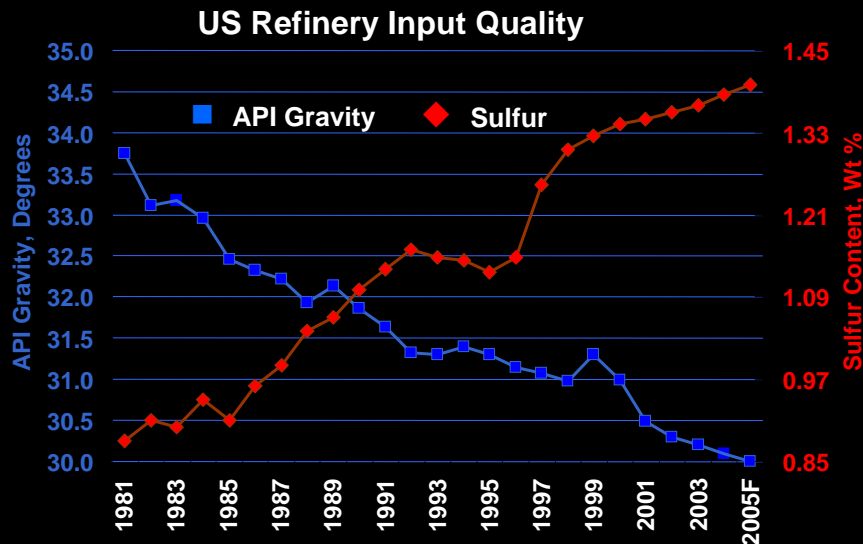
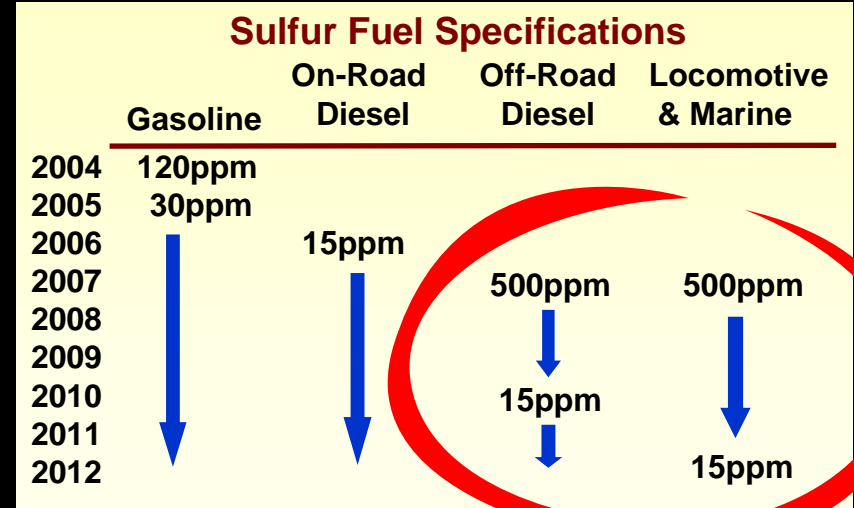
Operating Profit Trend



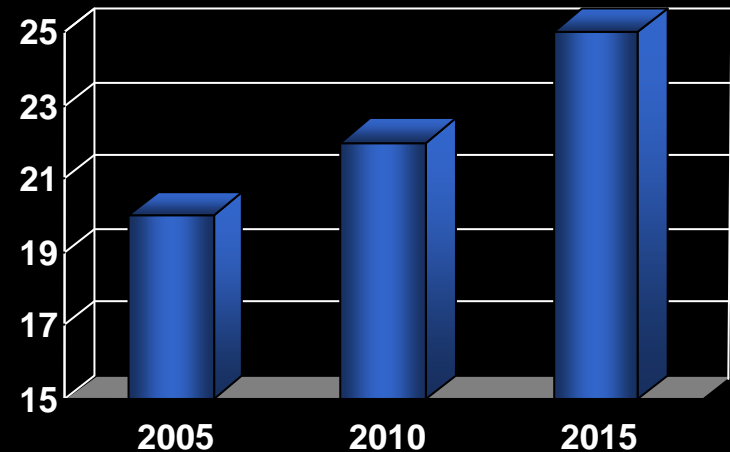
Packaged gases has become a very good business

Refining Demand for Hydrogen

- ◆ Low sulfur fuel regulations
- ◆ Heavy crude upgrading
- ◆ Planned refinery expansions to process heavy crude
- ◆ Replacing refineries old reformers



North American Refining Capacity Forecast

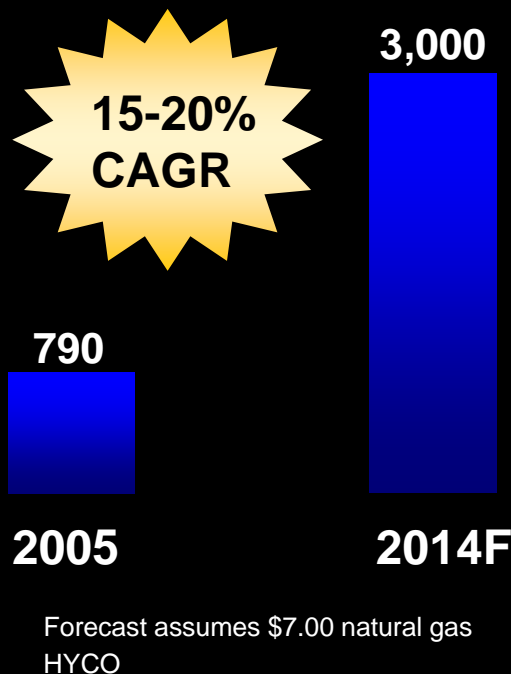


Environmental, economic and capacity additions driving H₂ demand

Hydrogen – Key Growth Areas



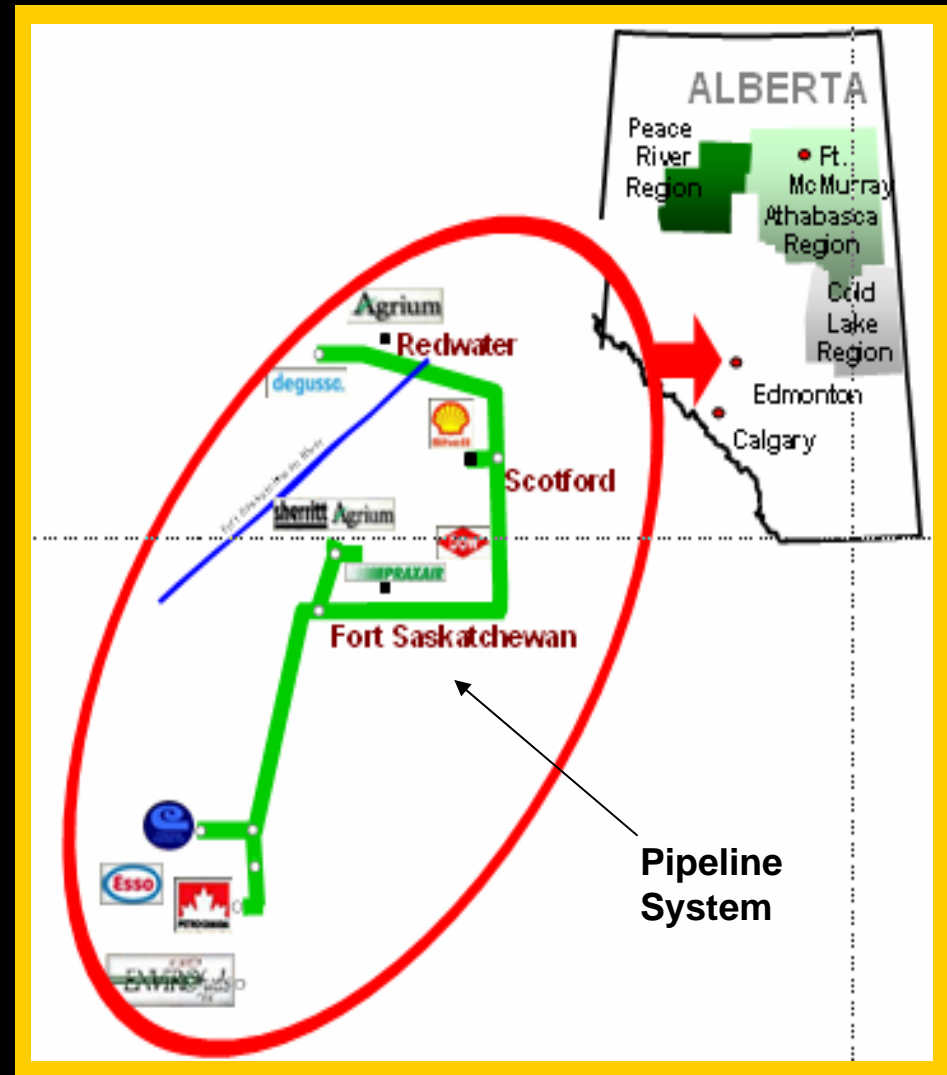
PX Global Hydrogen Sales (\$MM)



Significant growth in short and long term

Canadian Oil Sands

- ◆ 175 B barrels of proven reserves
- ◆ Current production of 1.1 MM bpd expected to triple by 2015
- ◆ Over 2.0 B SCFD of additional H₂ for upgrading bitumen
- ◆ Bitumen will be increasingly upgraded outside Ft. McMurray
- ◆ Large O₂ requirements for proposed gasification projects



Praxair well positioned for future H₂, O₂ and N₂ opportunities

Strong Drivers for Fracturing

- ◆ More low permeability wells being drilled

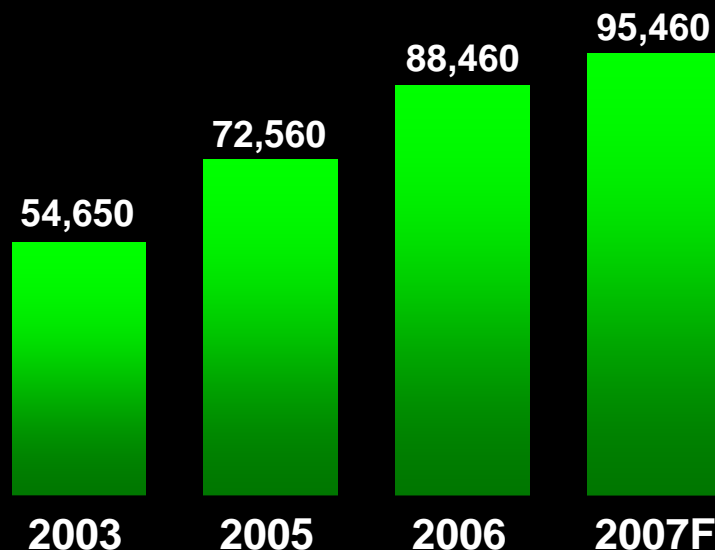
- Tight sands
- Coal bed methane
- Gas shale

- ◆ Natural gas prices above \$4/MMBtu will sustain active drilling

- ◆ Praxair best positioned

- Location
- Expertise
- Relationships
- Supply contracts

North American Wells Drilled

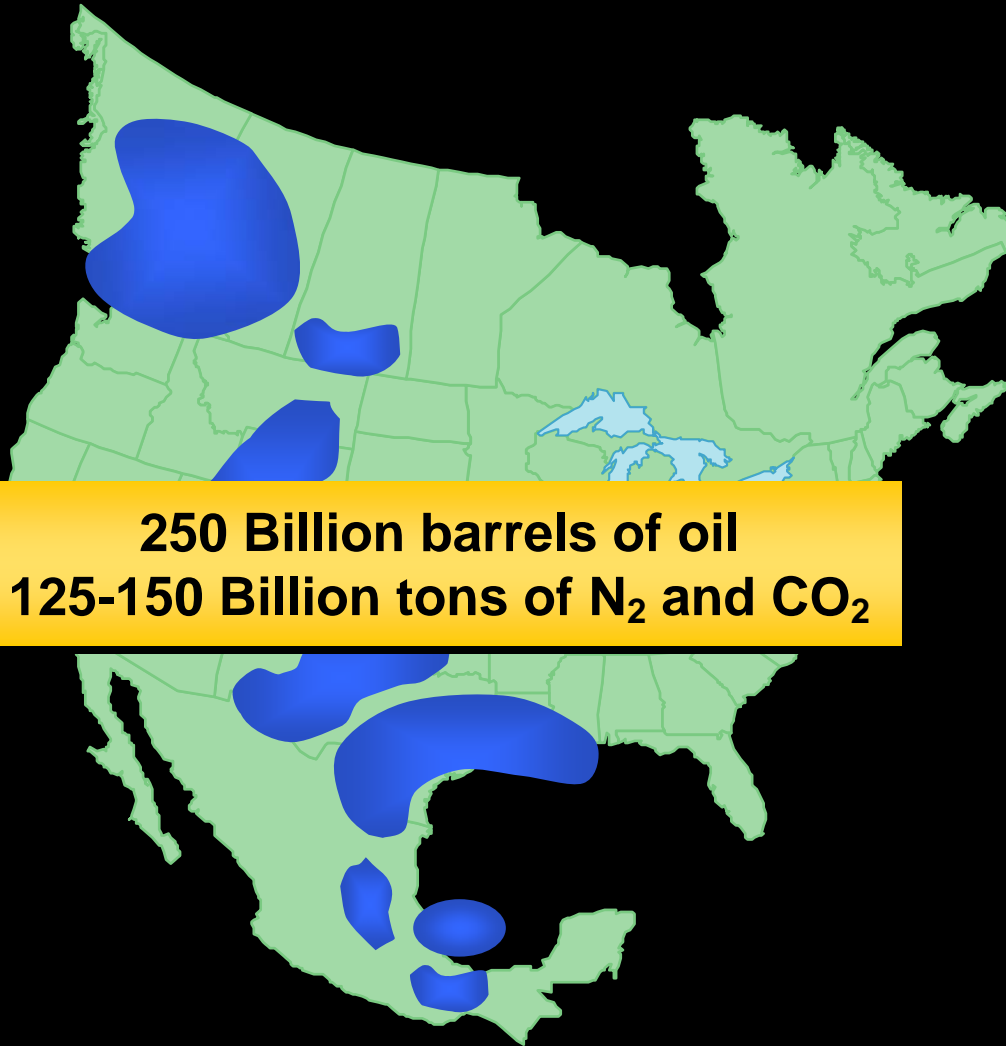


Source: Baker Hughes, Spears and Associates

Well completions increasing through 2007 and remaining strong

Enhanced Oil Recovery (EOR)

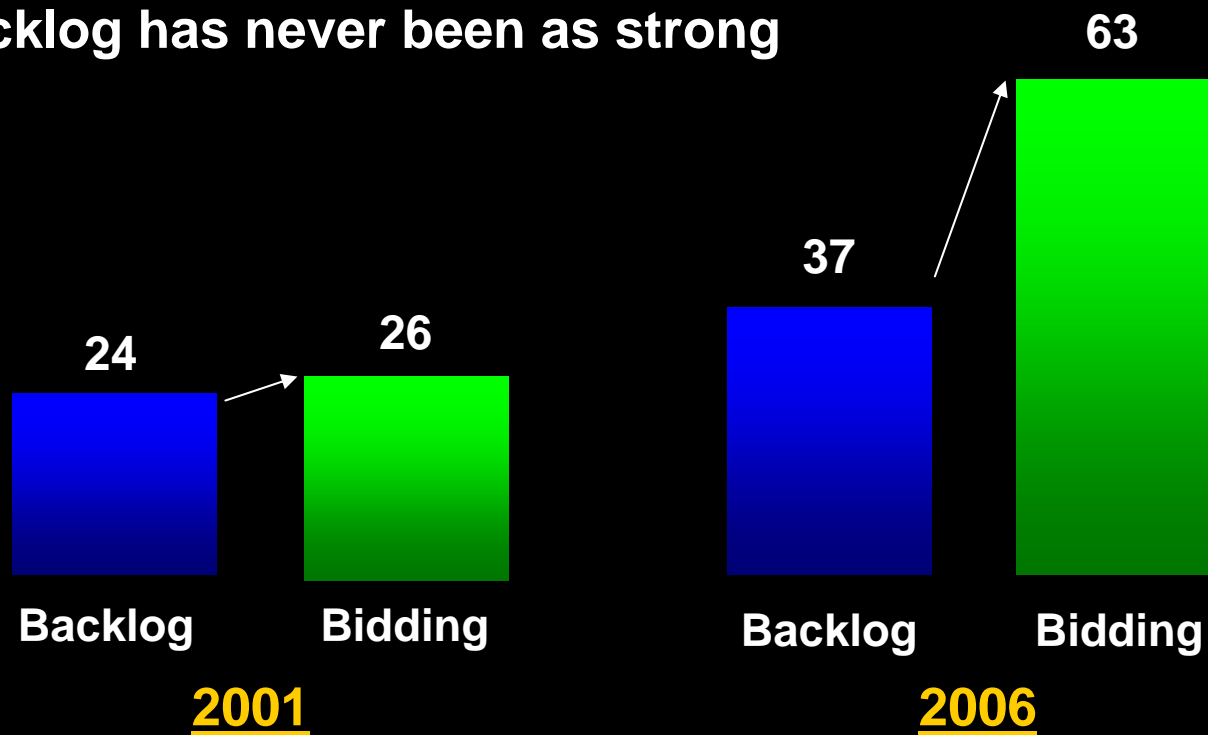
- ◆ 3rd stage of oil production
- ◆ Proven techniques
 - N₂
 - CO₂
- ◆ Oil prices above \$35 support EOR
- ◆ Growing target base as fields mature
- ◆ 19 EOR projects
 - PEMEX Samaria



Oil well services revenues growing 20 - 25% per year

Environment Is Positive

- ◆ Global economy remains on sound footing
- ◆ Praxair benefiting from additional secular trends
- ◆ Our backlog has never been as strong

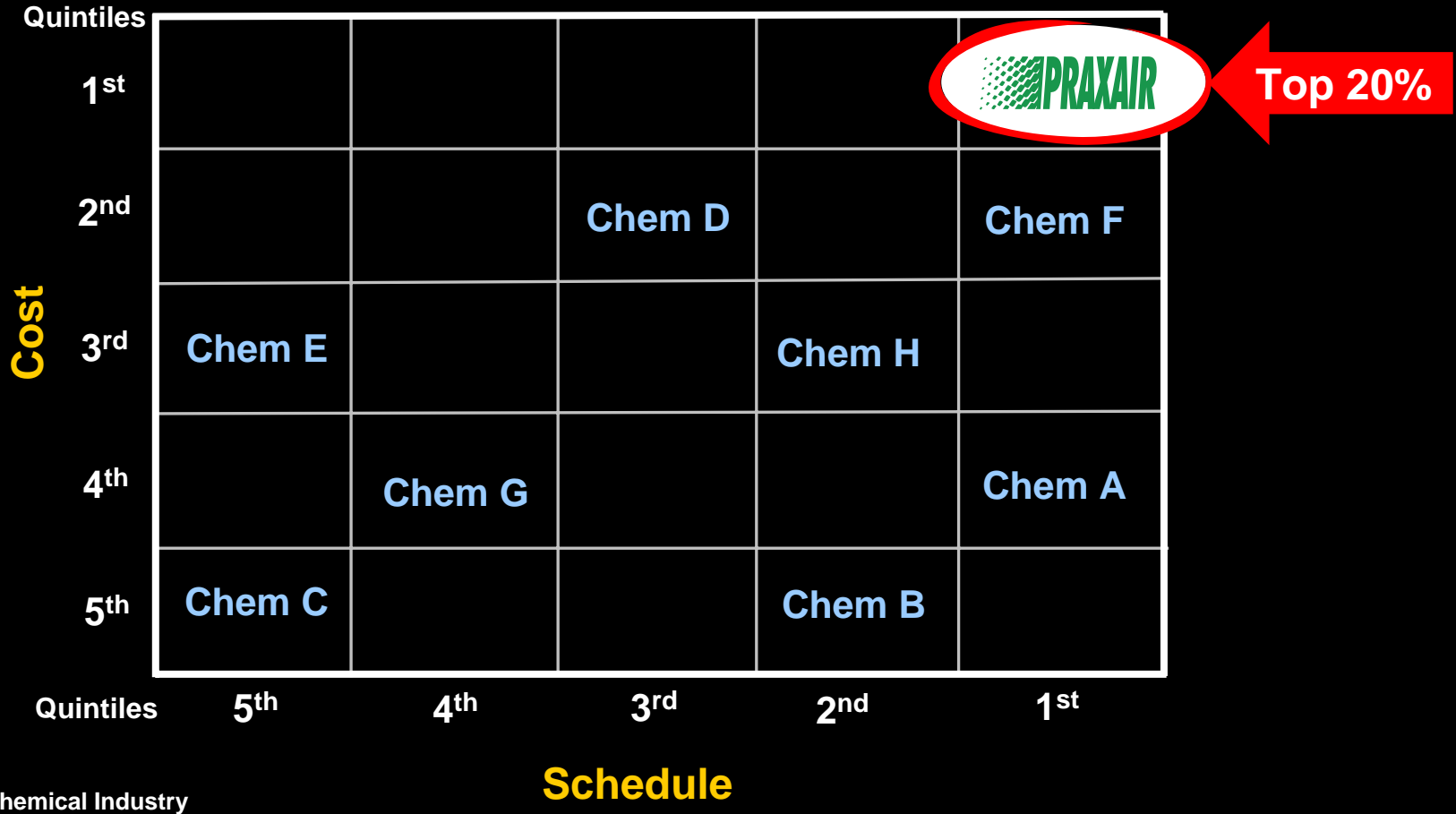


High growth environment for at least 3 to 5 years

Competitive Advantage - Execution

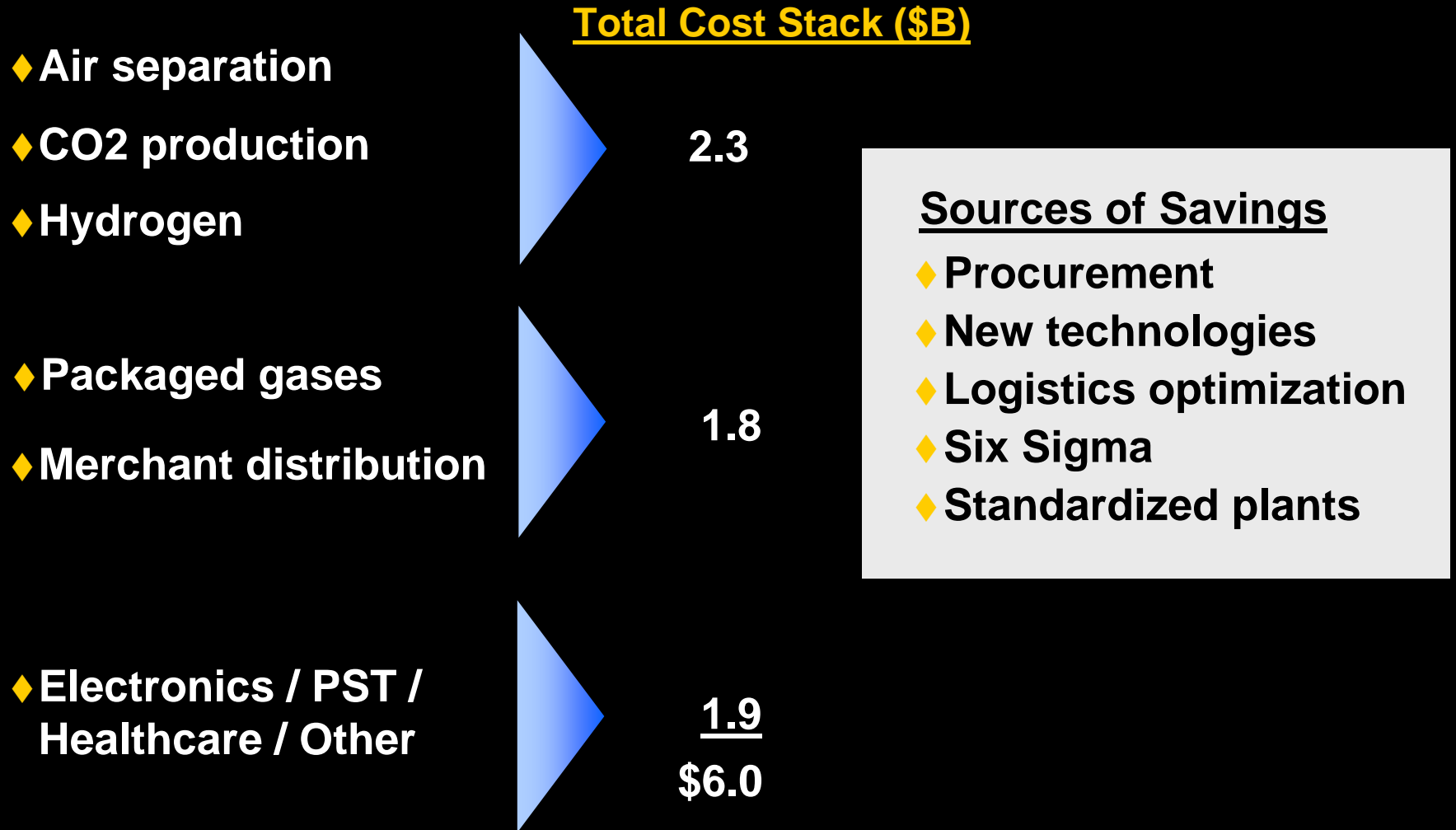
Independent Research Study IPA - 2005

Cost and Schedule Predictability*



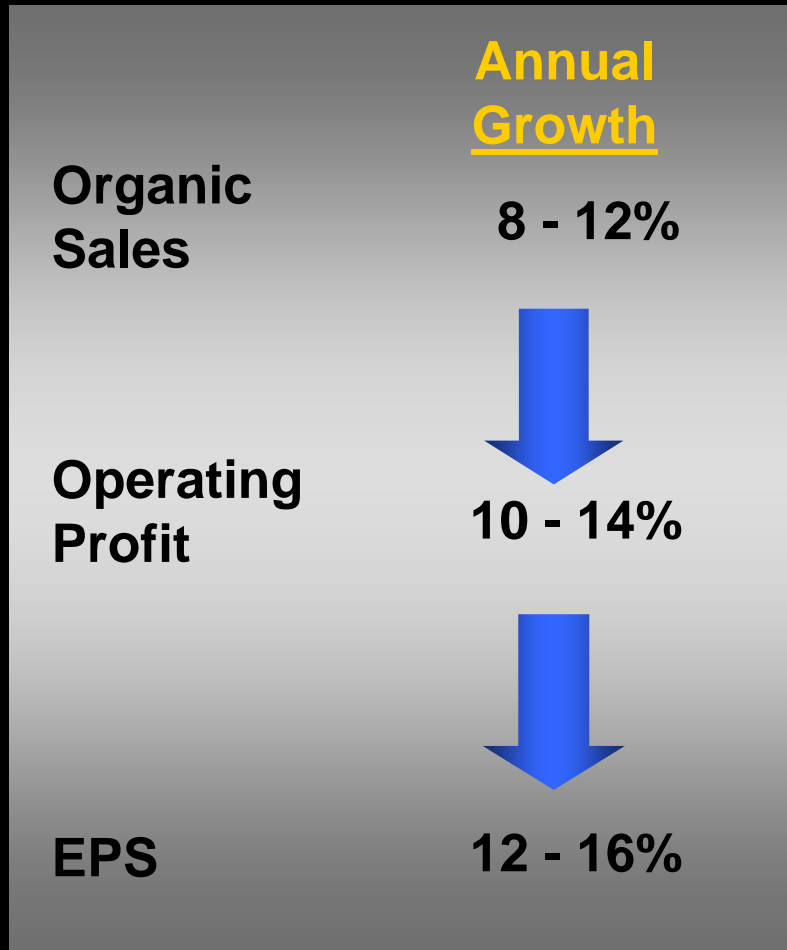
Superior execution ensures expected returns

Productivity - How Much Opportunity Exists?

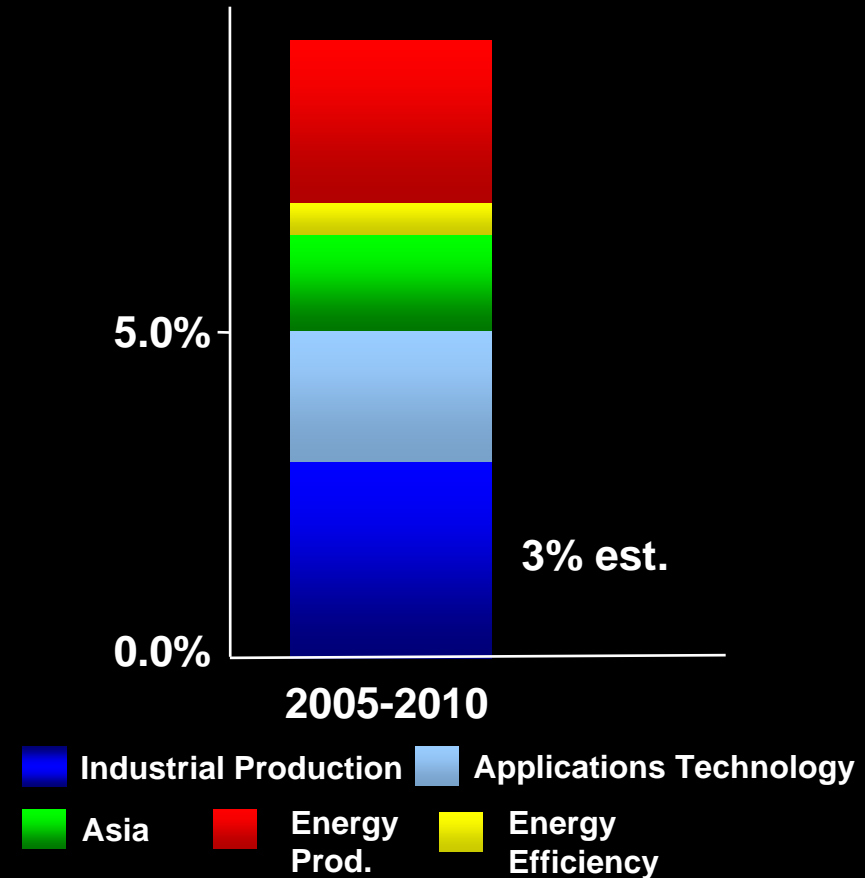


Target – reduce 4% of the cost stack each year

Robust Outlook Through 2010



Sales Growth %



We are committed to bringing growth to the bottom line!

Principles of Sustainability

Governance and Integrity

Foster a culture of integrity and accountability throughout the company through rigorous compliance with all laws, and by establishing and following effective corporate governance practices.

Customer Commitment

Continuously develop new products and applications that help our customers improve their productivity, energy efficiency and environmental performance. Provide the highest levels of service, reliability and quality to our customers.

Environmental Responsibility

Continue to improve the efficiency of energy consumption. Reduce the intensity¹ of air emissions, including greenhouse gases.

Employee Safety and Development

Maintain a safe work environment with a goal of zero accidents. Provide training and career opportunities that allow employees to develop to their fullest potential. Increase the diversity of our workforce so that it is more representative of the communities in which we operate.

Community Support

Help to improve the welfare and future of the communities in which we operate by sharing our knowledge, expertise and resources related to environmental protection, and community health, safety and security.

Financial Performance

Continuously improve our financial performance and provide attractive returns to our shareholders. Generate operating cash flow to reinvest in business growth and pay dividends.

¹Intensity is per-unit-of-production measure



CARBON DISCLOSURE PROJECT

2006 CLIMATE LEADERSHIP INDEX

