PRAXAIR

Credit Suisse First Boston
19th Annual Chemical Conference

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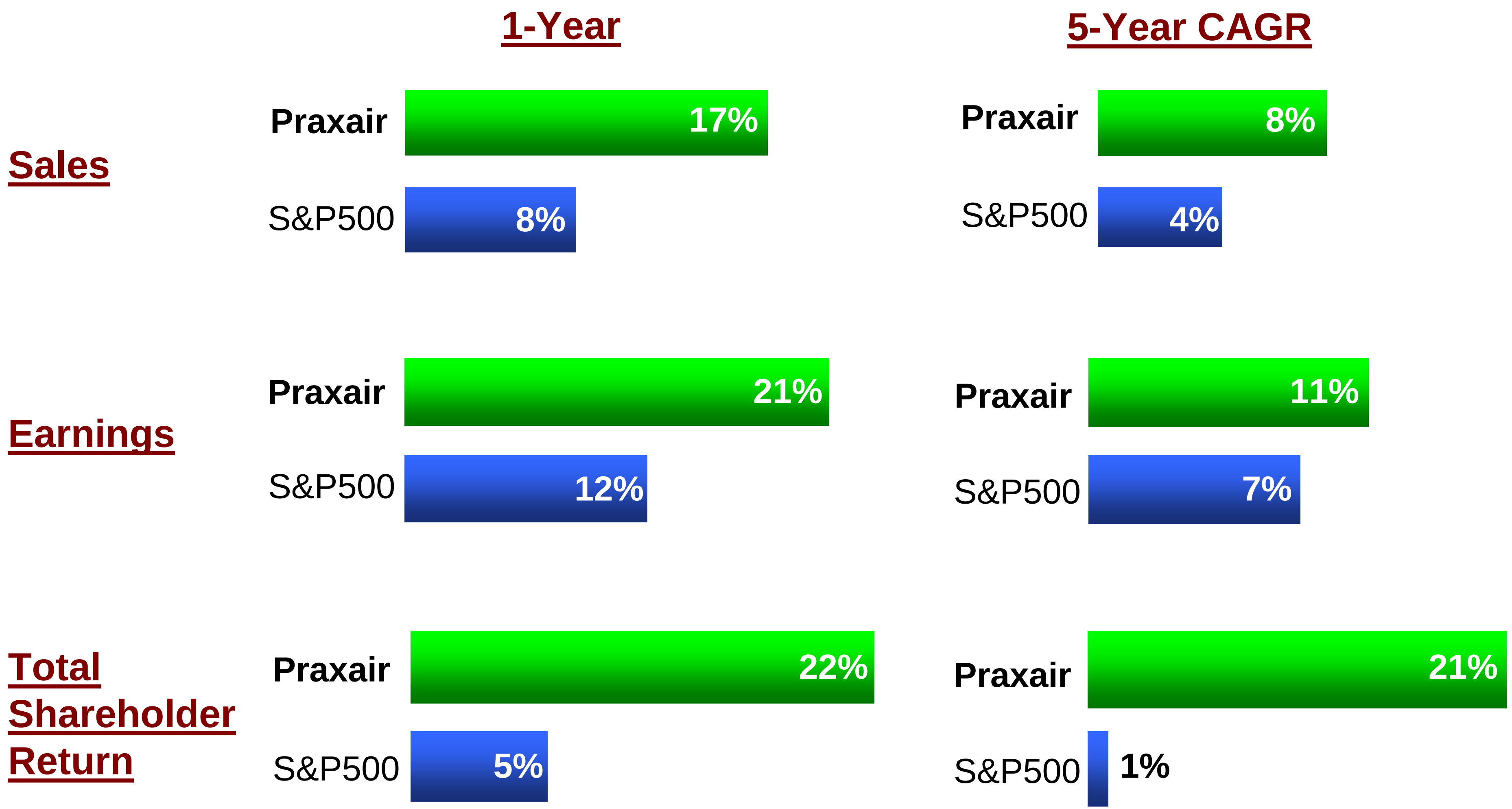
Forward Looking Statement

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.

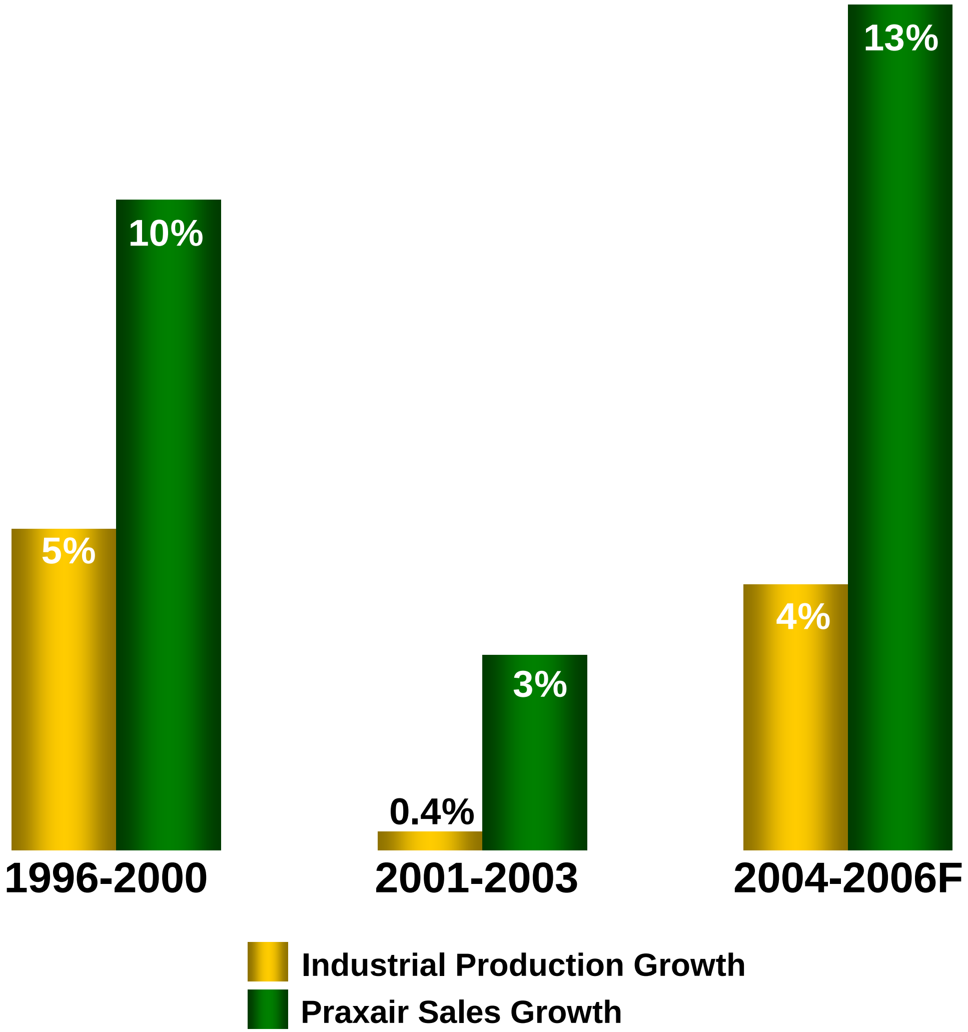
Financial Outperformance



Praxair continues to outperform the S&P500

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

A Company For All Seasons



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

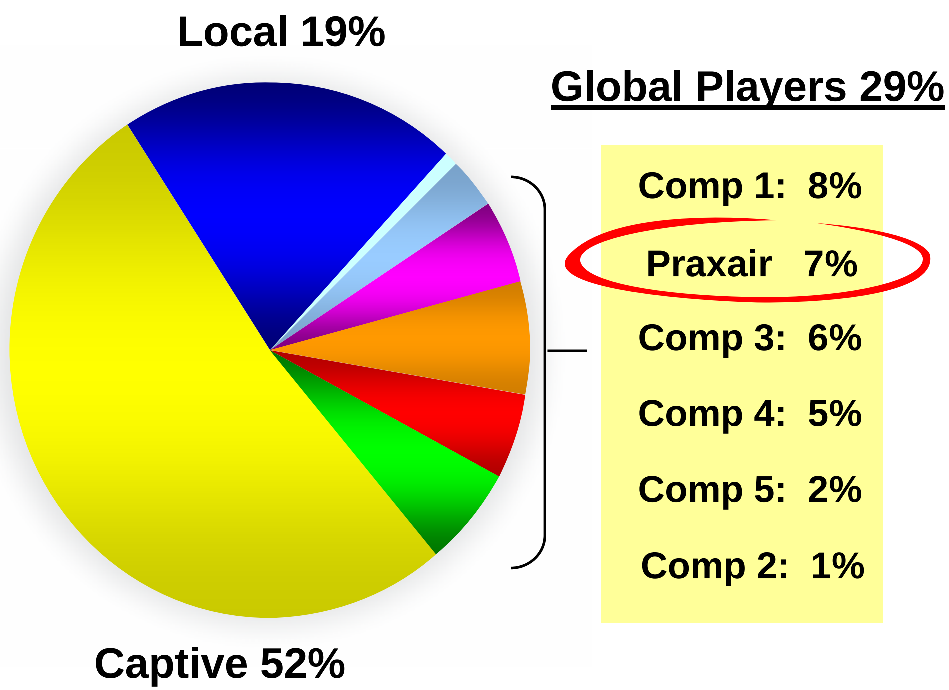
High growth without raising our risk profile

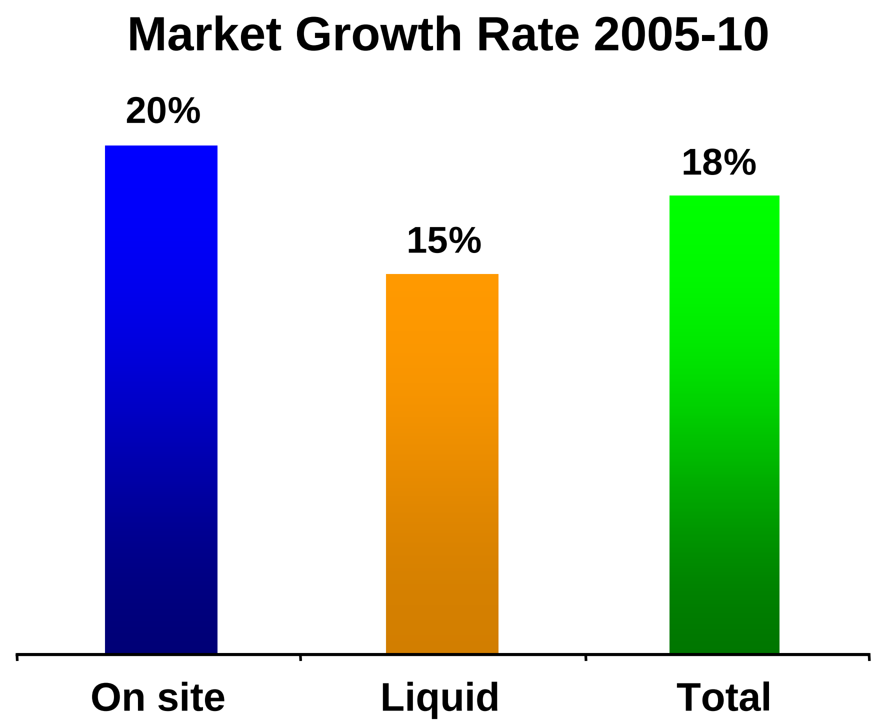
What We Are Doing

- Taking advantage of explosive growth in developing economies
  - China
  - India
  - Brazil
- Moving fast to capture opportunities
  - Refinery hydrogen
  - Oil & gas services
  - Canadian oil sands
- Creating new markets based on industrial gases competencies
  - On demand H_2
  - LNG distribution
  - Capturing CO_2 for EOR
- Managing existing business better than anyone else
  - Continuous pricing efforts
  - Keen focus on productivity
  - Application development

China - Industrial Gases Market

Total Gases Market: $2+ Billion

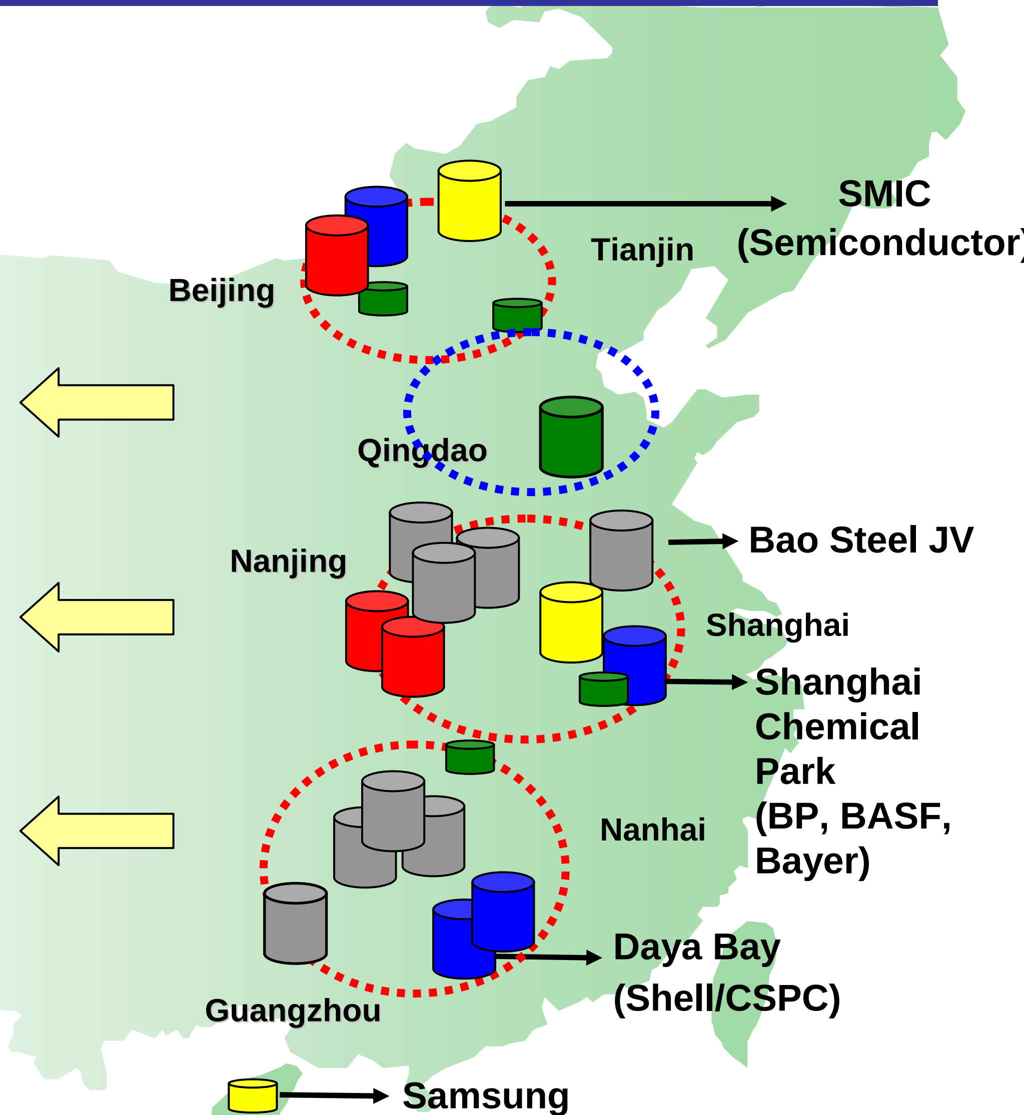




Praxair is a leader in a high growth market

Leading Position in China

- ♦**Petrochemical Parks**
  - Shanghai, Caojing
  - Daya Bay, Nanhai
- ♦**Metals**
  - Shanghai
  - Guangzhou
- ♦**Electronics**
  - Beijing
  - Shanghai

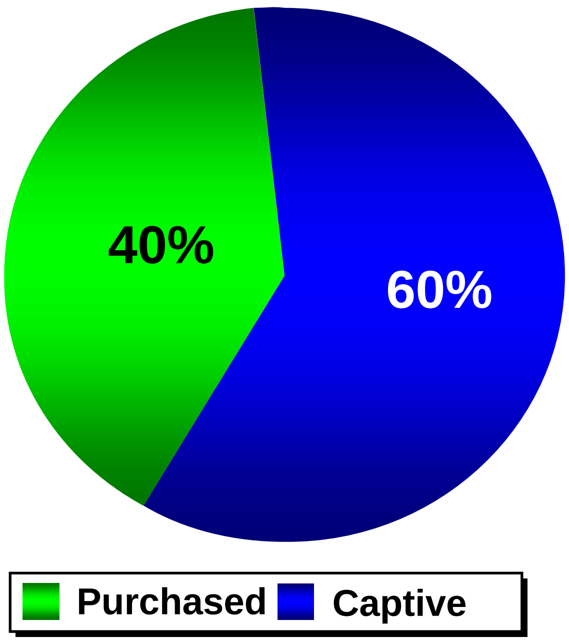


CO_2 Plant **Other**

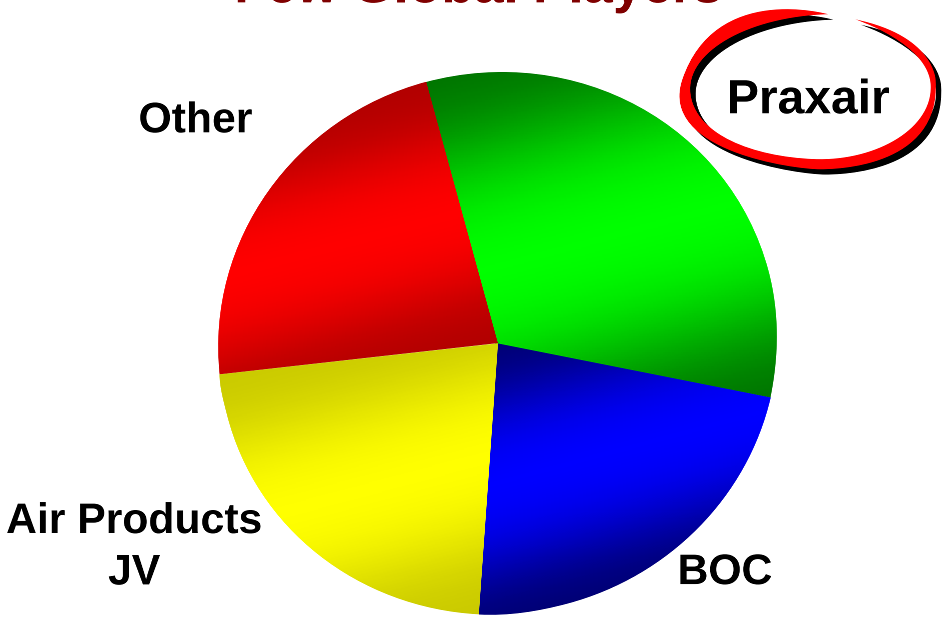
Customers moving west will create new growth opportunities

India Industrial Gases Market

2005: $896 MM



Few Global Players

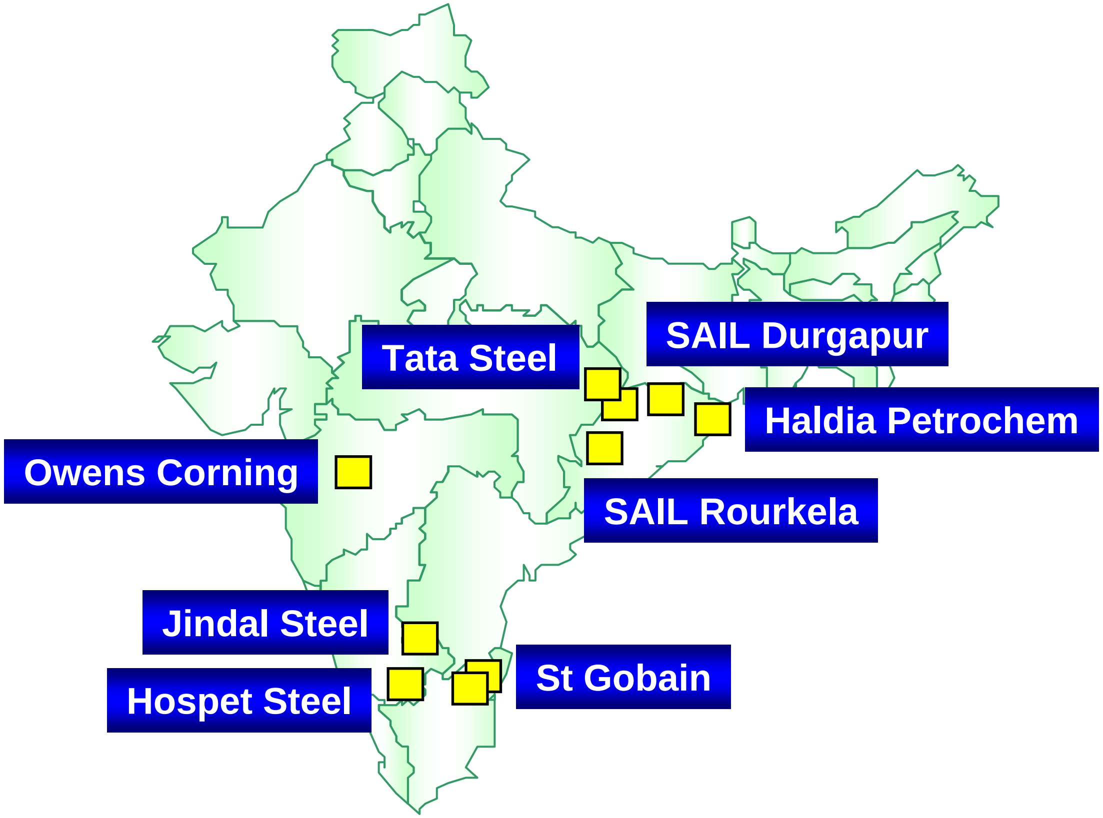


- ♦ Demand growing 15% annually
- ♦ Captive users moving to purchased product
- ♦ Purchased product market growing 20%

* Non-captive supply – PX estimated market shares

Well positioned in a high growth market

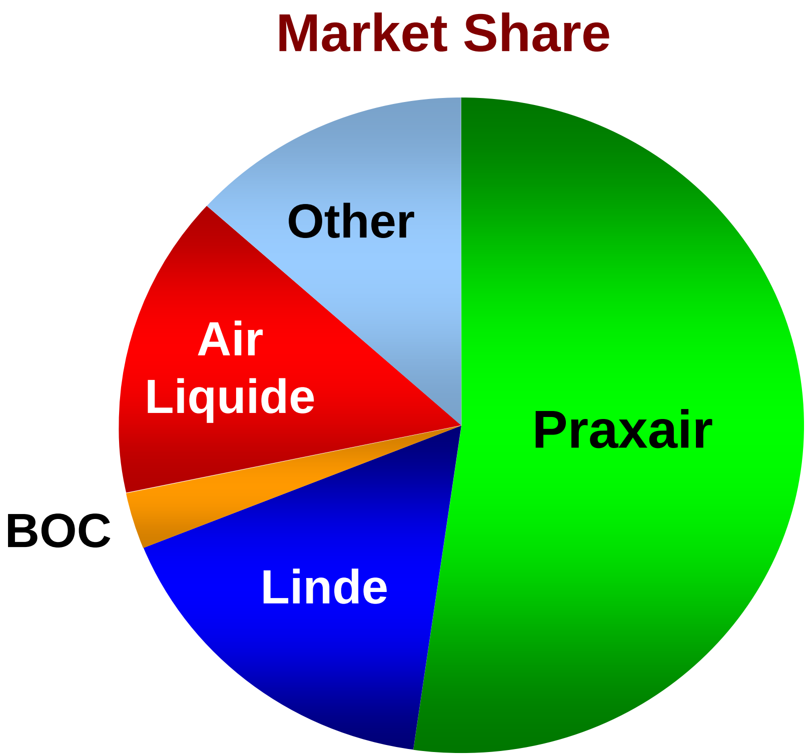
Expanding Presence in India

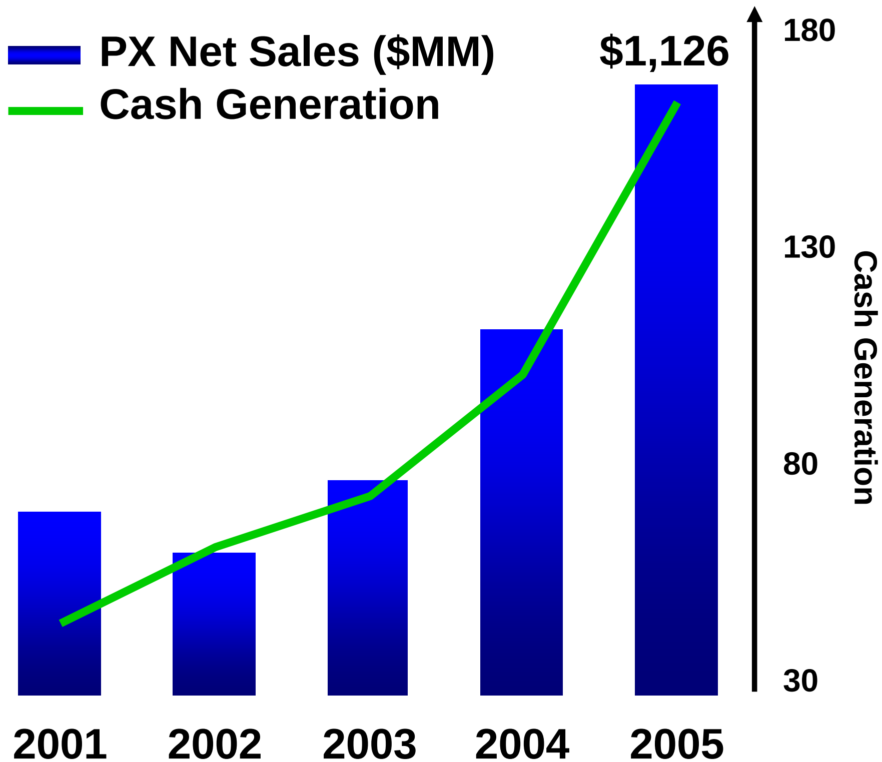


Project	Start-up Date
Tata Steel II	April 2008
SAIL Durgapur	April 2008
SAIL Rourkela	April 2008
Owens Corning	July 2007
Hospet Steel	Aug 2006
St Gobain II	Nov 2005
Tata Steel I	Oct 2005

The future is now

South America - A Pre-eminent Position





Sales Growth (ex-currency)	16%	19%	18%	13%

Growth looks like China?

South America Growth Opportunities

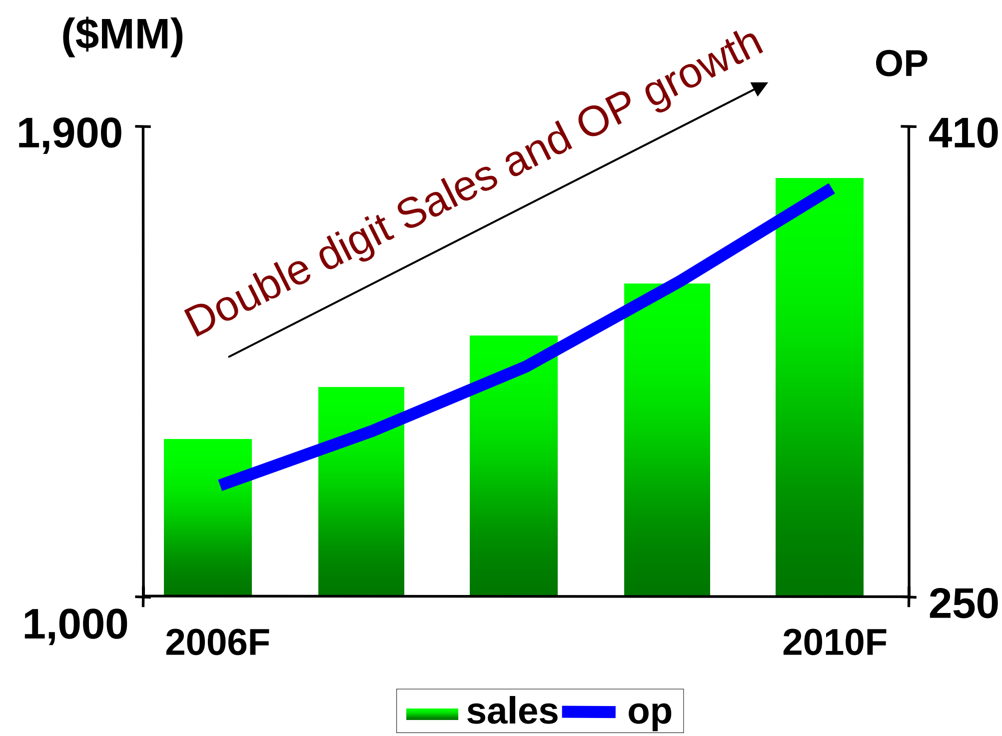
Strong On-site Position

- 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

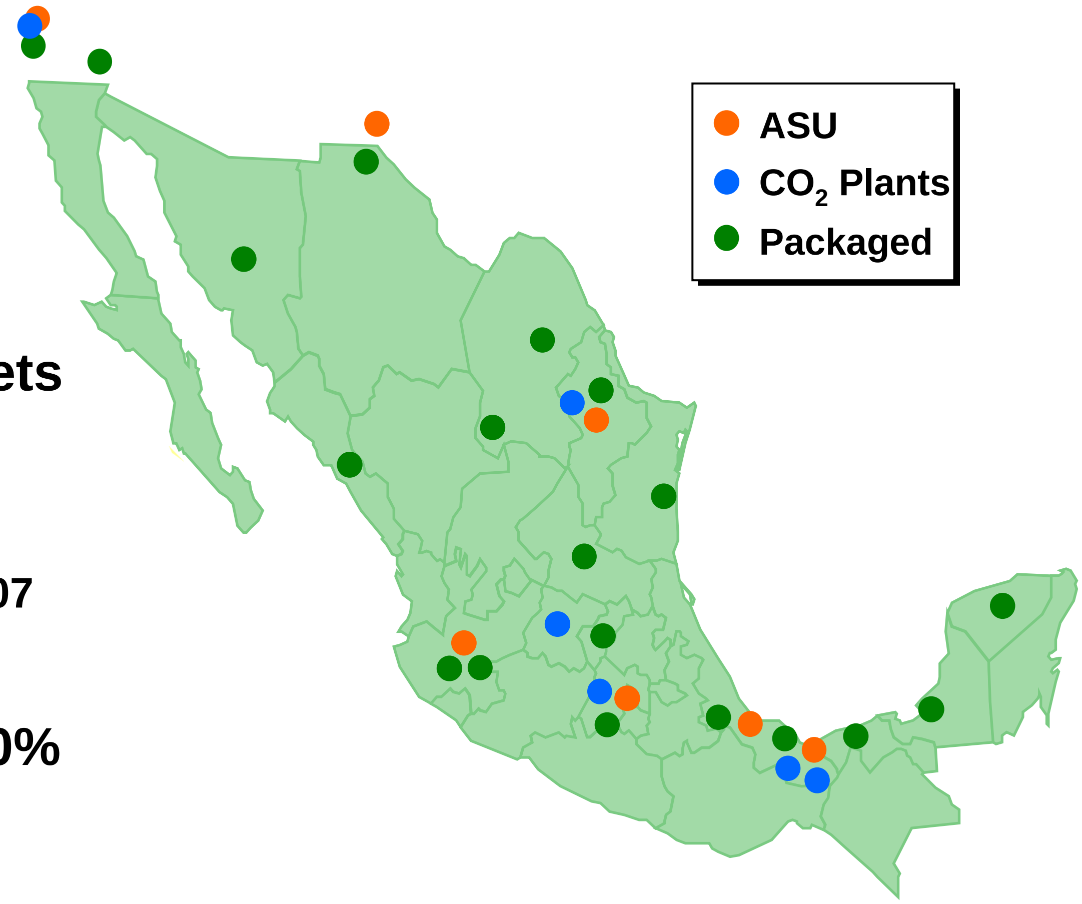


New capital investment indexed to US Dollars

Praxair Mexico

2005 Sales $347 MM

- ♦ **Strong market position**
- ♦ **Leading position in merchant and specialty gases**
- ♦ **Growth from energy markets**
  - – **Enhanced Oil Recovery**
    - • **PEMEX Samaria project – 6500 TPD of N2, start Q2 07**
  - – **Oil well services**
- ♦ **Return on capital above 20%**



Sales of $600MM - $700MM by 2010

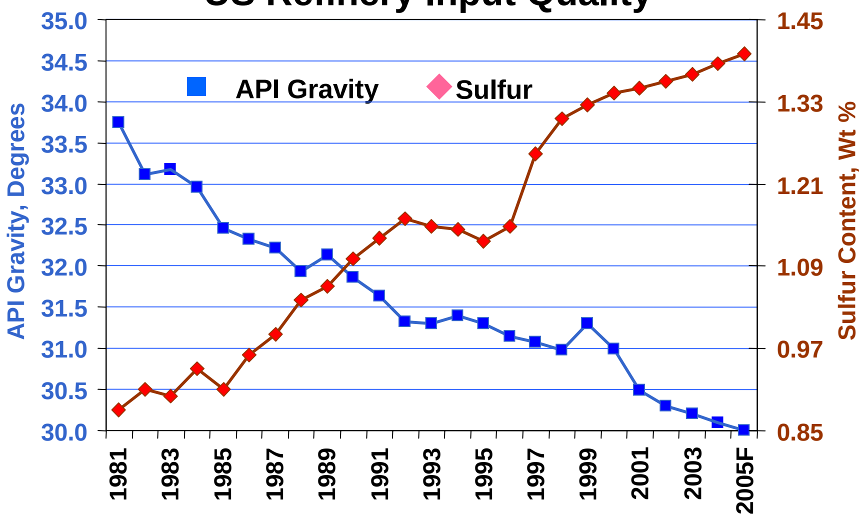
Refining Demand for Hydrogen

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

Sulfur Fuel Specifications

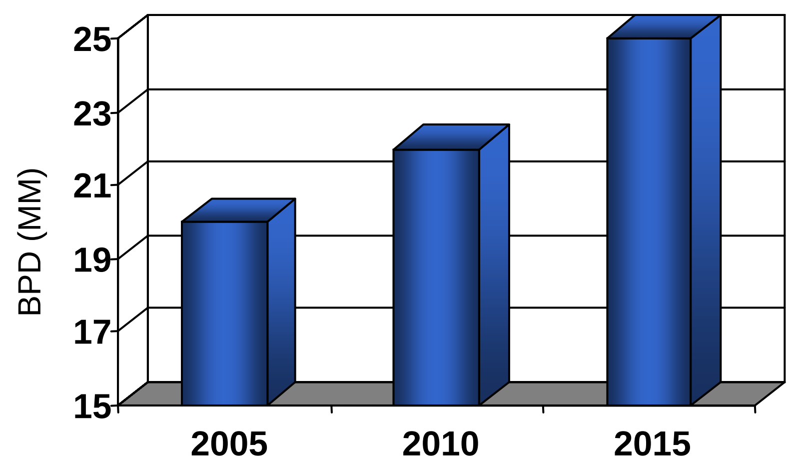
	Gasoline	On-Road Diesel	Off-Road Diesel	Locomotive & Marine
2004	120ppm			
2005	30ppm			
2006		15ppm		
2007			500ppm	500ppm
2008				
2009				
2010			15ppm	
2011				
2012				15ppm

US Refinery Input Quality



Source: EIA and PX estimates

North American Refining Capacity Forecast

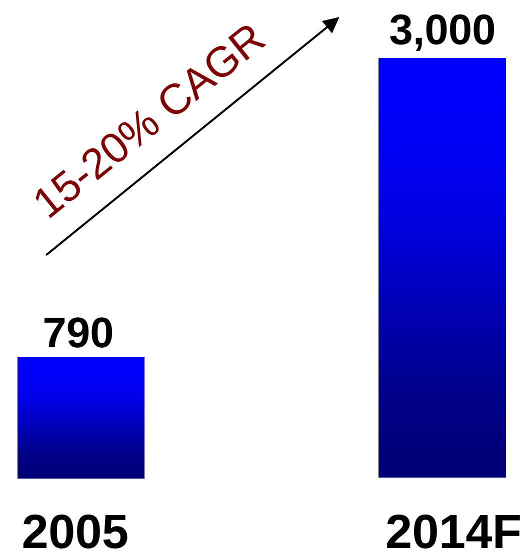


Environmental, economic and capacity additions driving H_2 demand

Hydrogen – Key Growth Areas

PX Global Hydrogen Sales

($MM)



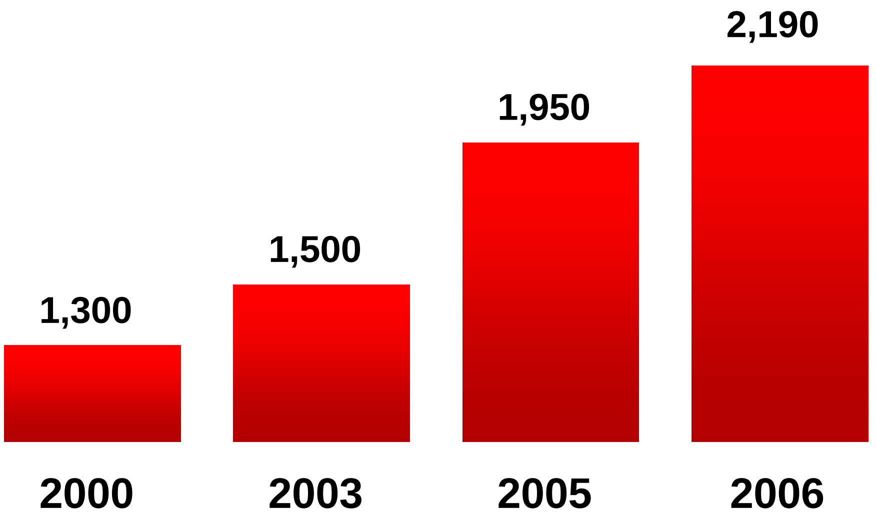
Forecast assumes $7.00 natural gas
HYCO

Significant growth in short and long term

Strong Drivers for Gas Well 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 Rig Count

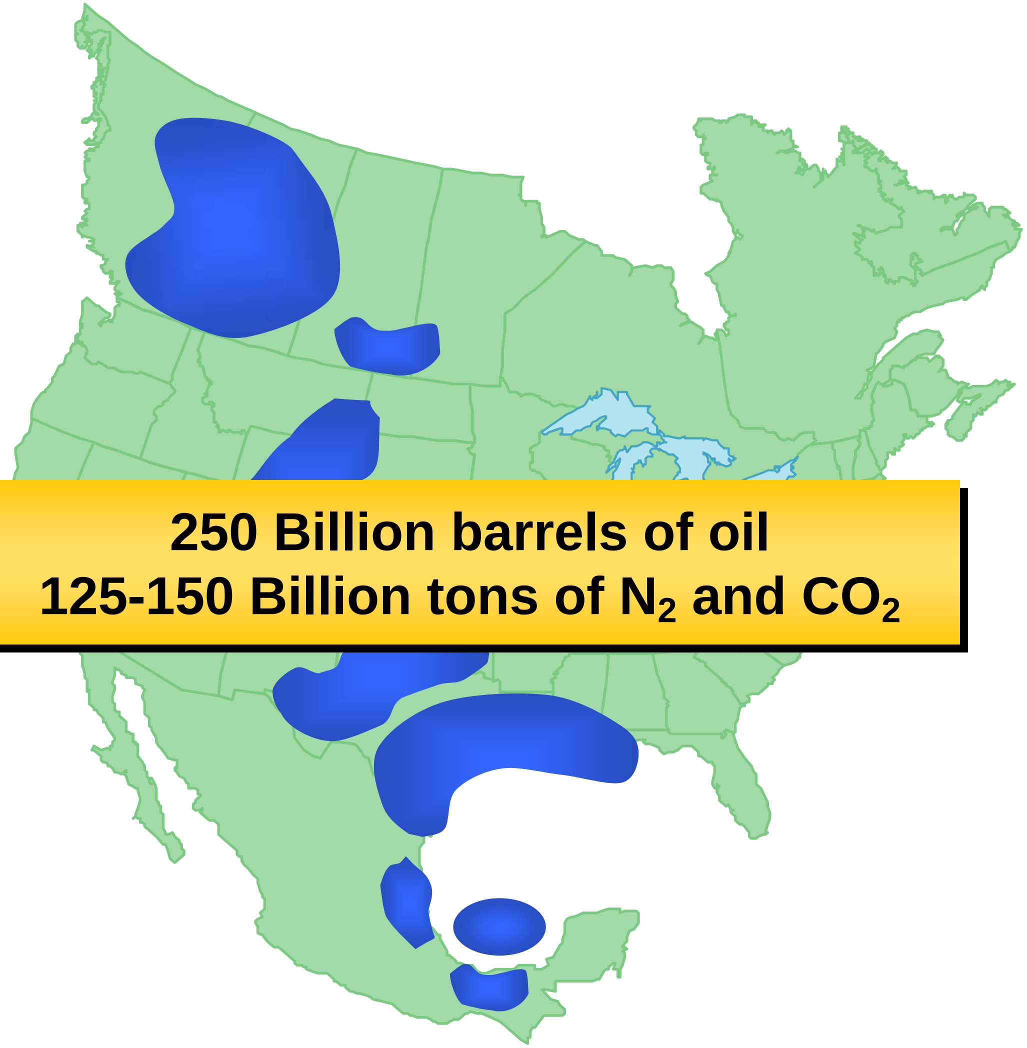


Source: Baker Hughes, Spears and Associates

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



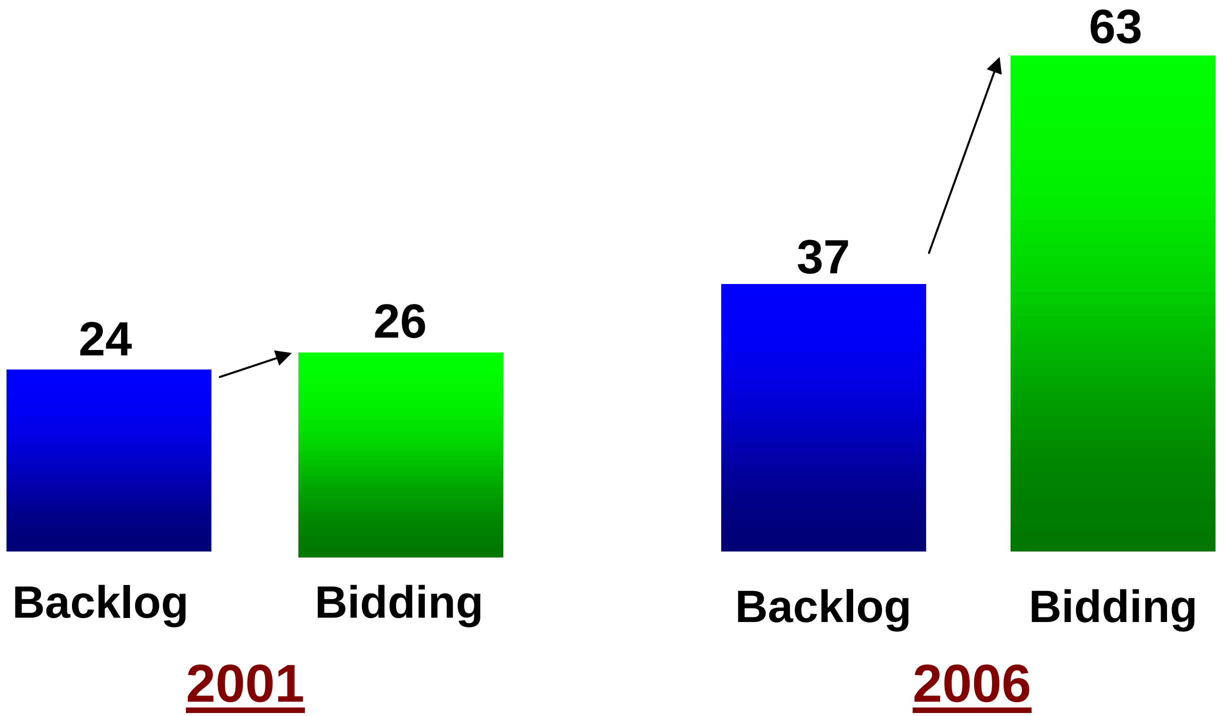
250 Billion barrels of oil
125-150 Billion tons of N_2 and CO_2

Source: DOE Basin Studies, UT BEG, AE & UB, Pemex

Oil well services revenues growing 20 - 25% per year

Environment Is Positive

- Praxair benefiting from additional secular trends
- Our backlog has never been as strong



High growth environment for at least 3 to 5 years

Productivity - How Much Opportunity Exists?

Total Cost Stack ($B)

♦ Air separation ♦ CO2 production ♦ Hydrogen	2.3
♦ Packaged gases ♦ Merchant distribution	1.8
♦ Electronics / PST / Healthcare / Other	1.9
	$6.0

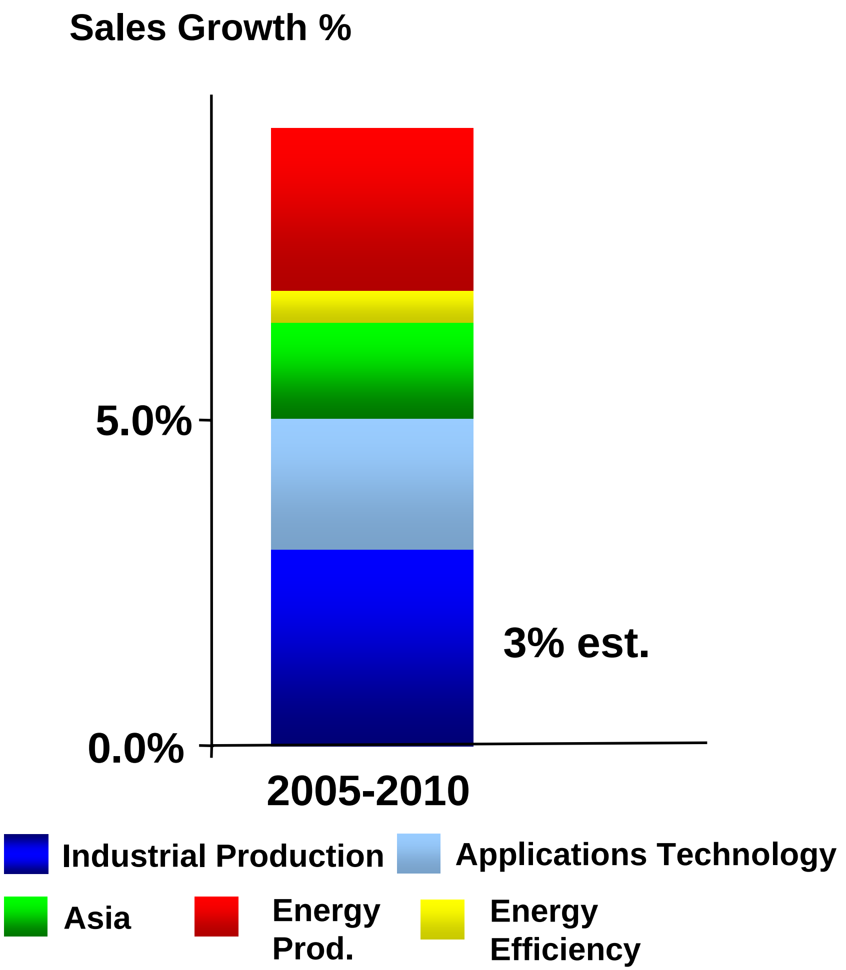
Sources of Savings

- Procurement
- New technologies
- Logistics optimization
- Six Sigma
- Standardized plants

Target – reduce 4% of the cost stack each year

Robust Outlook Through 2010

	Annual Growth
Organic Sales	8 - 12%
Operating Profit	10 - 14%
EPS	12 - 16%



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 intensity[1] 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.

[1]Intensity is per-unit-of-production measure