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 including natural disasters, epidemics and acts of war and terrorism; the ability to attract, hire, and retain qualified personnel; the impact of changes in financial accounting standards; the impact of tax, environmental, home healthcare 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.
Secular Growth Drivers

- Energy
- Environment
- Emerging economies

Unique Revenue Model

- Dedicated supply systems
- Long term contracts
- High ROC and cash flow

Indexed EPS

Steady and non-cyclical earnings growth
Praxair Growth Outlook through 2010

Annual Sales Growth

- 8-12% Growth
- 4-6% New Projects
- 2-3% Applications Technology
- 2-3% Base Business

By Region*
- Europe
- Asia
- NA

By Market*
- Basic Mat
- Mfr/Other
- Elec
- Energy

New uses in all markets
Existing customers, contracts, and facilities

*2007F Growth Capex

Highly visible top-line growth!

Bank of America – San Fran 9/17/07
### Second Quarter Sales Growth

<table>
<thead>
<tr>
<th>Industry</th>
<th>Q2 YOY</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy⁽¹⁾</td>
<td>+32%</td>
<td>Higher HYCO volumes, LNG in Brazil</td>
</tr>
<tr>
<td>Electronics</td>
<td>+10%</td>
<td>Strong volume growth offset by lower pricing</td>
</tr>
<tr>
<td>Chemicals</td>
<td>+8%</td>
<td>Strong growth in Europe and South America</td>
</tr>
<tr>
<td>Metals</td>
<td>+4%</td>
<td>Strong growth in South America and Asia, partially offset by lower volumes in North America</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>+16%</td>
<td>Strong global demand driving growth in all regions</td>
</tr>
<tr>
<td>Healthcare</td>
<td>+9%</td>
<td>Growth in hospital services, Canada, Spain and Brazil</td>
</tr>
<tr>
<td>Aerospace⁽²⁾</td>
<td>+9%</td>
<td>Strength in OEM aviation coatings</td>
</tr>
<tr>
<td>Food and Bev.</td>
<td>+14%</td>
<td>Strong seasonal beverage demand, growth in food applications</td>
</tr>
</tbody>
</table>

(1) Excluding natural gas pass-through  
(2) Excluding effect of divestiture
Growth from New Applications Technologies

- 20-30 new applications commercialized each year

- Revenues from new applications have 2X average OP margin

Food Safety

Biopharma - Fermentation

Combustion Efficiency-Aluminum

Wastewater - Ozone
Specialty and Rare Gases

**Helium**
- Scarce resource
- Growing demand for solar, MRI, electronics, and optical fiber

**Rare Gases**
- Xenon, krypton, neon, halogens
- Strong demand for healthcare, plasma TV, lighting, and lasers

**Specialty Gases**
- Mixtures, blends, ultra-high purities
- Growing applications in lighting, electronics, auto, and research
- Adding new facility in China

Strong demand growth exceeding available supply

- **Sales growing at ~12% p.a.**
  - 2006: $615MM

*Bank of America – San Fran 9/17/07*
Robust activity for global supply systems

Steadily increasing backlog supports future revenue growth

2001

Backlog: 24
Proposals: 26

2006

Backlog: 35
Proposals: 63

2007

Backlog: 40
Proposals: 72

Number of projects coming on stream is increasing
Enhanced Oil Recovery (EOR)

- N₂ or CO₂ injection in large quantities at high pressure

- Tertiary recovery can enable incremental production of 10% to 30%

- Oil prices above $35 support EOR – price expected to remain elevated

- Huge global market potential

- PEMEX 6500 TPD N₂ plant coming on-stream

Interest in EOR is increasing globally
Hydrogen for Refining

- Environmental regulations, crude quality, and product slate driving higher demand
- Purchased hydrogen market in North America expected to increase by 3,200 MMSCFD by 2015

Equivalent to 32 large scale SMR’s

Hydrogen Used Per Barrel of Oil

<table>
<thead>
<tr>
<th>Year</th>
<th>600 SCF/BBL</th>
<th>765 SCF/BBL</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>130</td>
<td></td>
</tr>
<tr>
<td></td>
<td>180</td>
<td></td>
</tr>
<tr>
<td></td>
<td>80</td>
<td></td>
</tr>
<tr>
<td></td>
<td>210</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>210</td>
<td>210</td>
</tr>
<tr>
<td></td>
<td>135</td>
<td></td>
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<tr>
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<td>210</td>
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</tbody>
</table>

Strong demand for hydrogen expected to continue

PX estimates
Gasification – Coal to Chemicals

- Economic drivers:
  - Lower cost chemical feedstocks
  - Nat gas price and availability
  - Energy independence (China)

- Currently viable in China
  - SOPO 3000 TPD $O_2$ plant on-stream in 2008 for acetic acid

- Multiple projects under consideration

Viability is a function of scarce natural gas
Integrated Gasification Combined Cycle (IGCC)

Coal → Power, 600 MW

Air → O₂ → Gasifier
(6,000 TPD)

- Capital cost > $2 Billion
- Praxair scope potential:
  - Large ASU
  - CO₂ separation technology
  - Capture compression and underground injection

Viability contingent on tough CO₂ legislation
Oxy-Coal CO$_2$ Capture and Sequestration

- **Flue Gas**
- **85% pure CO$_2$ Capture, compression and sequestration**

Coal →

Air → **Air Separation Unit** → O$_2$ → Power Plant → Power, 600 MW

- **90% reduction in CO$_2$ emissions vs. traditional coal combustion**
- **Alliance with Foster Wheeler for clean-coal technologies**
- **Praxair demonstration projects**
  - Jamestown, NY
  - El Bierzo, Spain

**Oxy-coal emerging as a favored technology for CO$_2$ capture**
South America

Brazil Market Segments

Packaged 24%
Merchant 33%
On-Site 24%
Nat Gas 9%
Other 10%

Brazil Market Share

Praxair
Air Liquide
Linde
Air Products
Others

Source: Company reports

2007 Forecast sales of $1.6 Billion, +23% YOY

Bank of America – San Fran 9/17/07
Praxair Mexico – Strong Growth Profile

- Praxair operates most efficient production/distribution network
- Export manufacturing economy, strong domestic demand growth
- Energy markets
  - Enhanced Oil Recovery – PEMEX
  - Oil well services
- Acquisition of Linde Mexico
  - $75MM sales
  - Significant revenue and cost synergies

Sales of $500 MM growing 15% per year
Growing in China

- Leading position in China
  - 11 JV’s and 13 subsidiaries

- Petrochemical parks
  - Caojing, Shanghai
  - Daya Bay, Nanhai

- Metals
  - Shanghai
  - Guangzhou

- Electronics
  - Beijing
  - Shanghai
  - Taiwan

- Gasification
  - Shanghai region

CO₂ Plant  Gasification  Other
$430 MM industrial gas market

- Domestic demand driving opportunities
  - metals, petrochem, pharma, auto

- Praxair #1 position

- Winning projects at good returns

- Strong project pipeline

- Praxair global engineering center

Sales of $150 MM growing 20% per year
The Productivity Pipeline of Projects Underway

♦ ASU/SMR Production Efficiency
  – Turbo-machinery – 400 plants
  – Advanced control Systems
  – O₂ enhanced reforming
  – Automated fill stations
($MM)
  200-250

♦ Product Distribution
  – Routing optimization
  – Equipment
  – Advanced technology
($MM)
  200-250

♦ Lean Manufacturing
  – Cost of poor quality
  – Labor savings
  – Transaction processing
($MM)
  150-200

♦ Business Processes
  – Shared services center
  – ERP systems
($MM)
  200-300
  750-1,000

$750-1,000 MM of cost savings over 5 years
Strong Cash Flow Generation

Cash Flow 2000-2006 ($MM)

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Cash Flow</th>
<th>Capital Reinvestment</th>
<th>Stock Dividends and Purchases (net)</th>
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<tbody>
<tr>
<td>2000</td>
<td>$400</td>
<td>$1,800</td>
<td>$543</td>
</tr>
<tr>
<td>2002</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2004</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>$1,752</td>
<td>$1,100</td>
<td>$543</td>
</tr>
</tbody>
</table>

Return on capital of 15% after tax generates cash flow for growth and shareholder return

1) Non-GAAP measure. Free cash flow equals operating cash flow minus capital expenditures.
2) Excludes Leased Asset Purchase in 2003
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