



Praxair, Inc.

Steve Angel
Chairman, President & Chief
Executive Officer

Credit Suisse
16th Annual Chemicals Conference
September 26, 2007



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.

A Growth Company for All Seasons

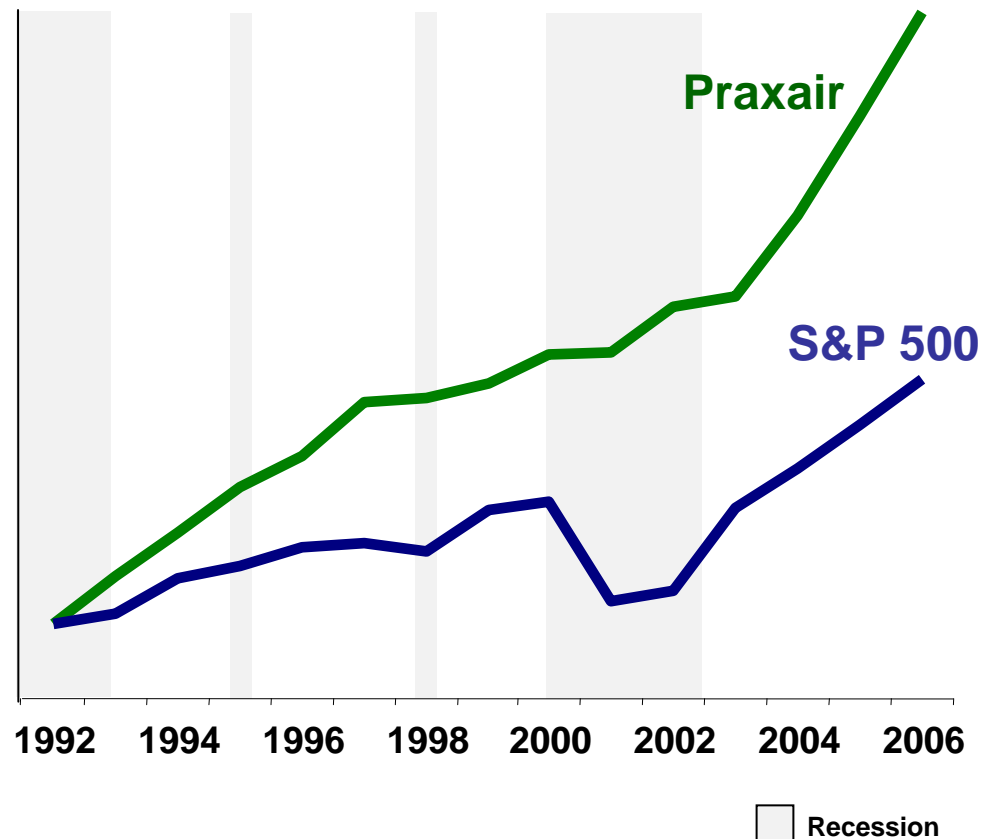
Secular Growth Drivers

- ◆ Energy
- ◆ Environment
- ◆ Emerging economies

Unique Revenue Model

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

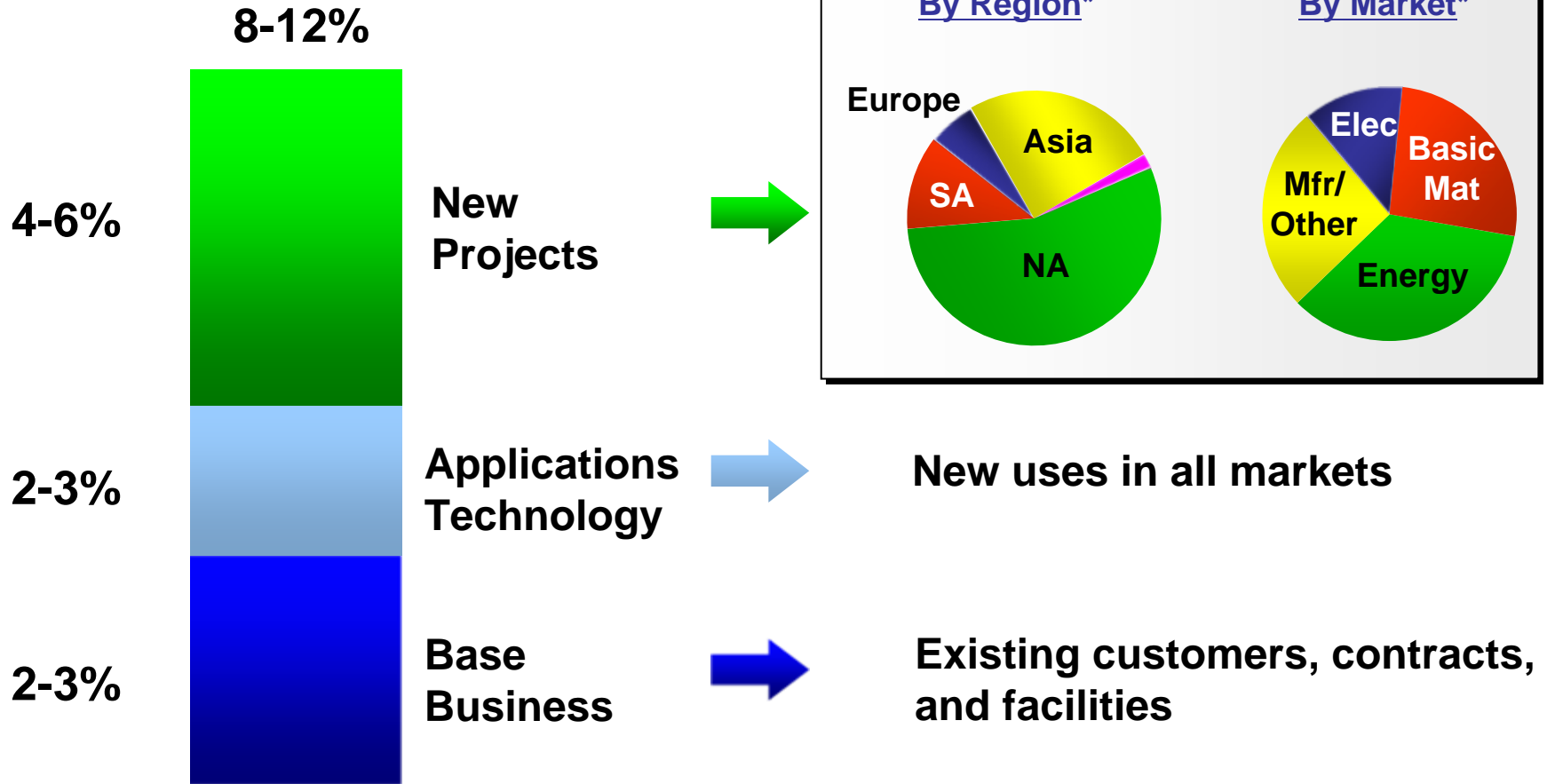
Indexed EPS



Steady and non-cyclical earnings growth

Praxair Growth Outlook through 2010

Annual Sales Growth



*2007F Growth Capex

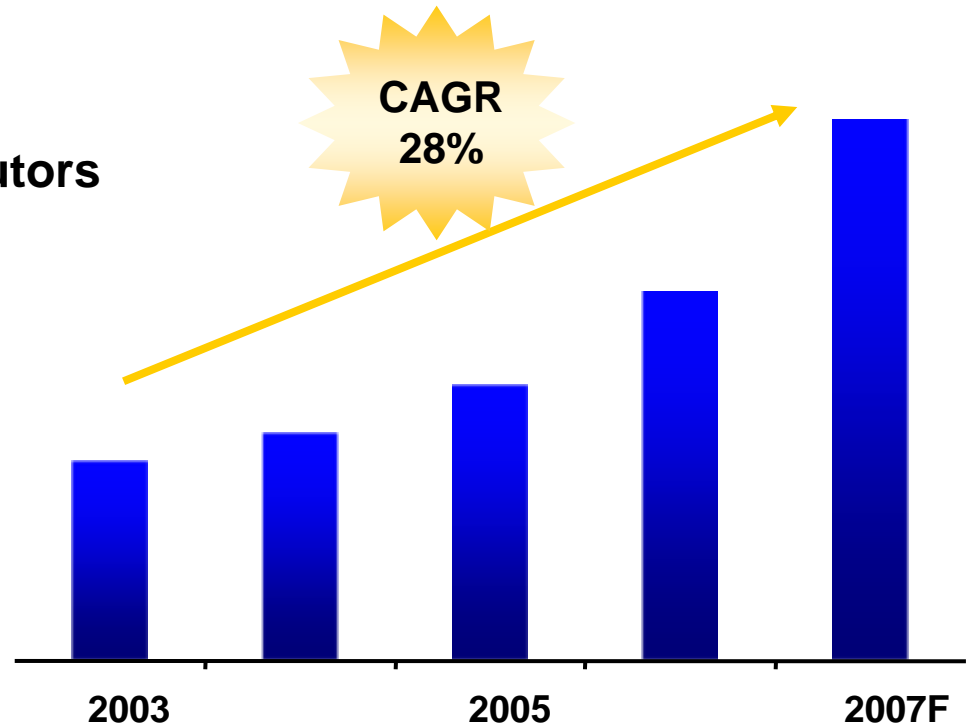
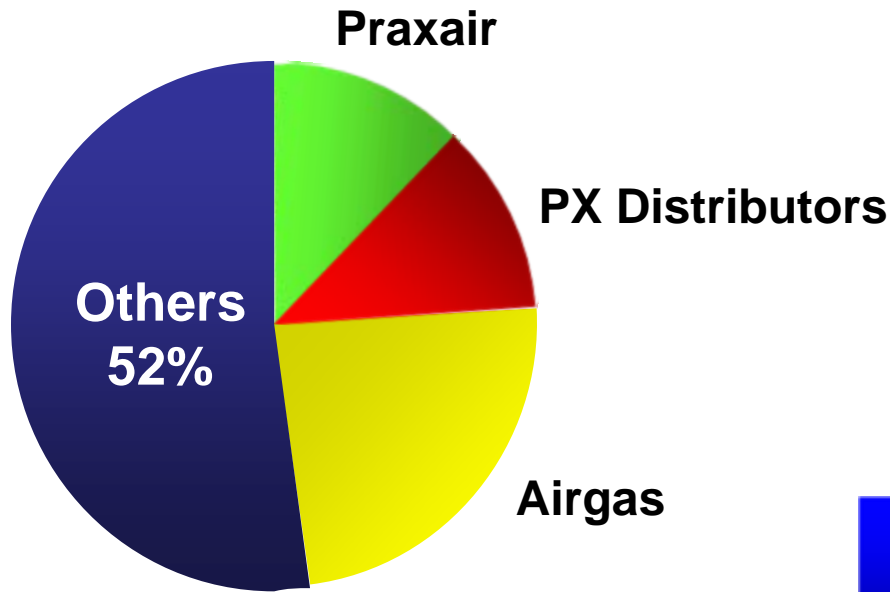
Highly visible top-line growth!

North American Packaged Gases

2007F Sales \$1,450 MM*

2006 - Market Size \$10B

Operating Profit Trend



*Includes US/Canada

Business continues to improve

Helium

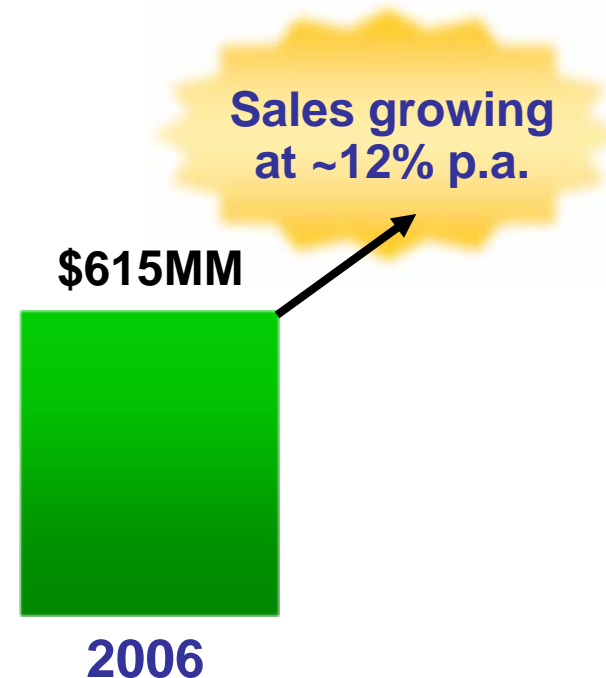
- ◆ Scarce resource
- ◆ Growing demand for solar, MRI, electronics, and optical fiber

Specialty Gases

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

Rare Gases

- ◆ Xenon, krypton, neon, halogens
- ◆ Strong demand for healthcare, plasma TV, lighting, and lasers



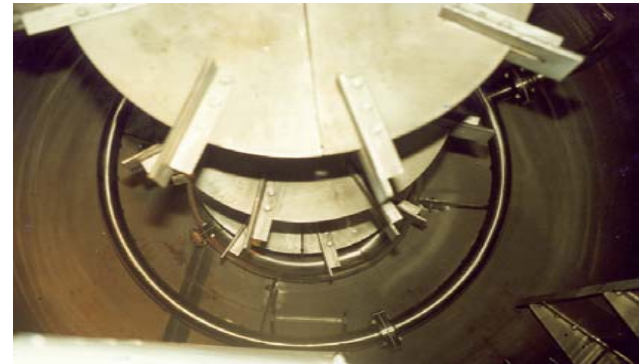
Strong demand growth exceeding available supply

Growth from New Applications Technologies

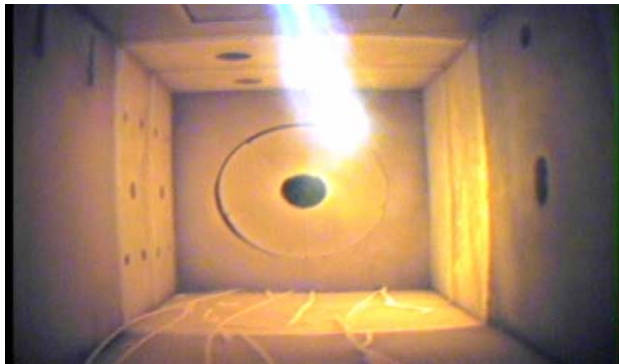
- ◆ 20-30 new applications commercialized each year



Food Safety



Biopharma - Fermentation



Combustion Efficiency-Aluminum



Wastewater - Ozone

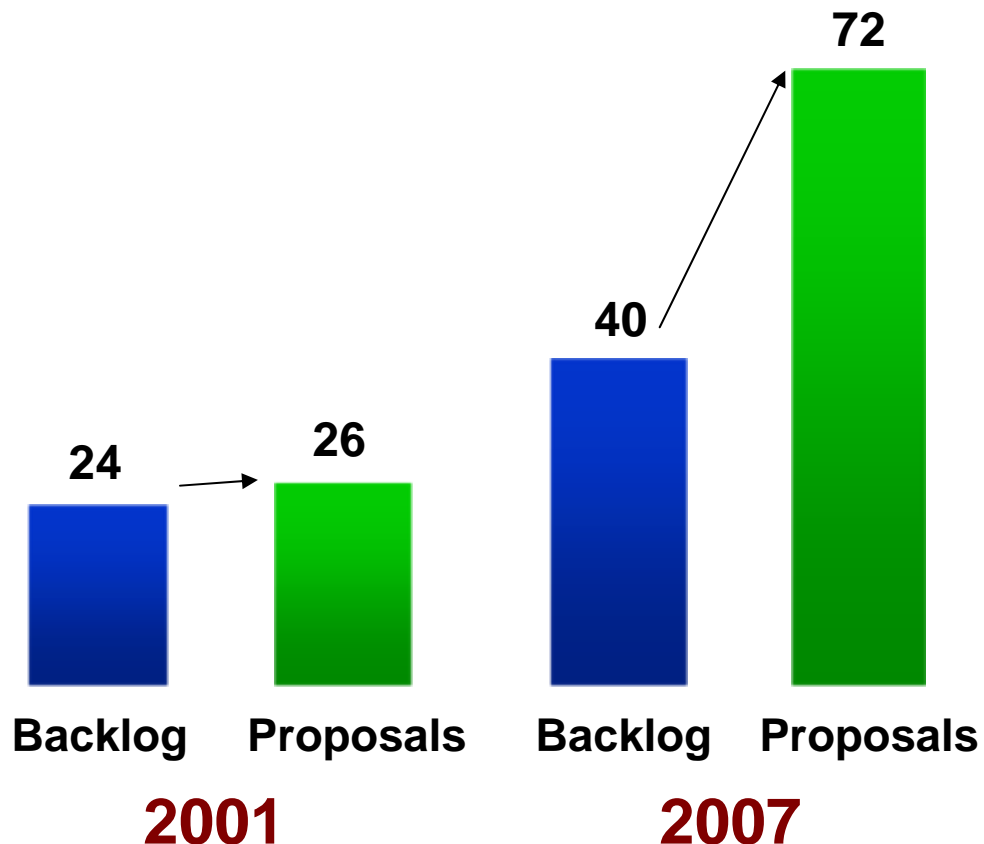
Revenues from new applications have 2X average OP margin

Record Project Activity

◆ Steadily increasing backlog supports future growth

◆ Current project backlog:

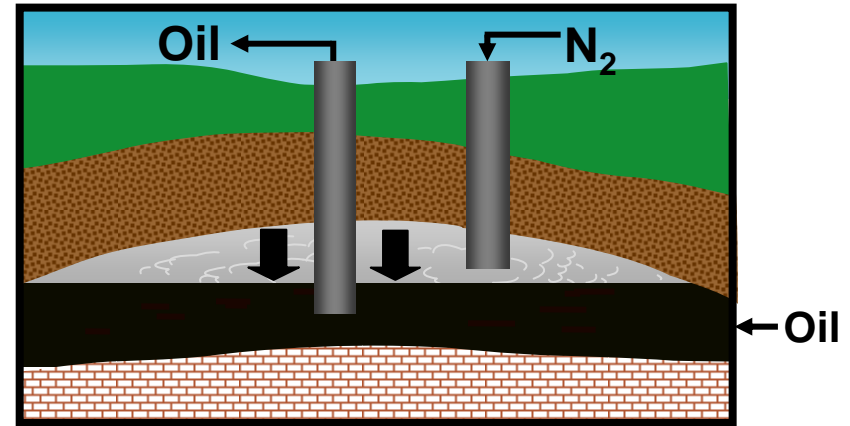
- Sale of gas, not plants
- Long term contracts
- Emerging markets
- Energy driven
- Grow with the customer
- > 50% standardized product line designs



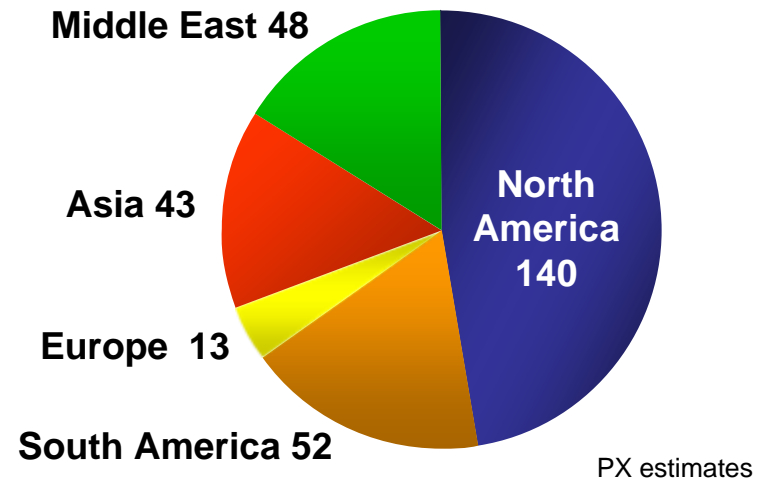
Abundance of high-quality projects

Enhanced Oil Recovery (EOR)

- ◆ N_2 or CO_2 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 N_2 plant coming on-stream



296 Prospective Fields



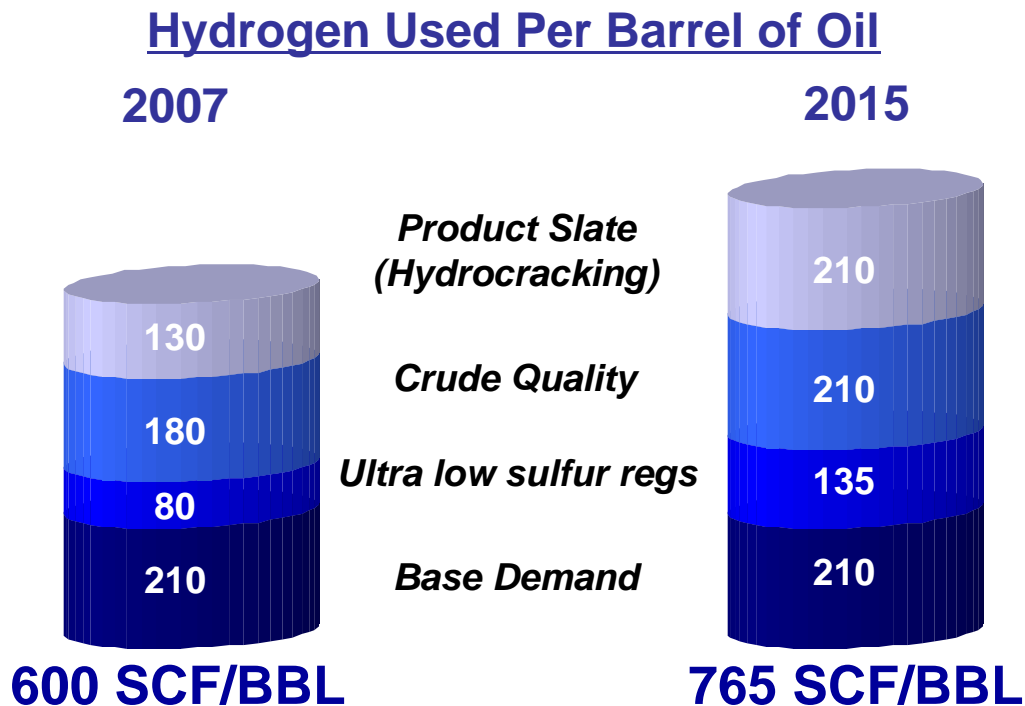
Interest in EOR is increasing globally

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



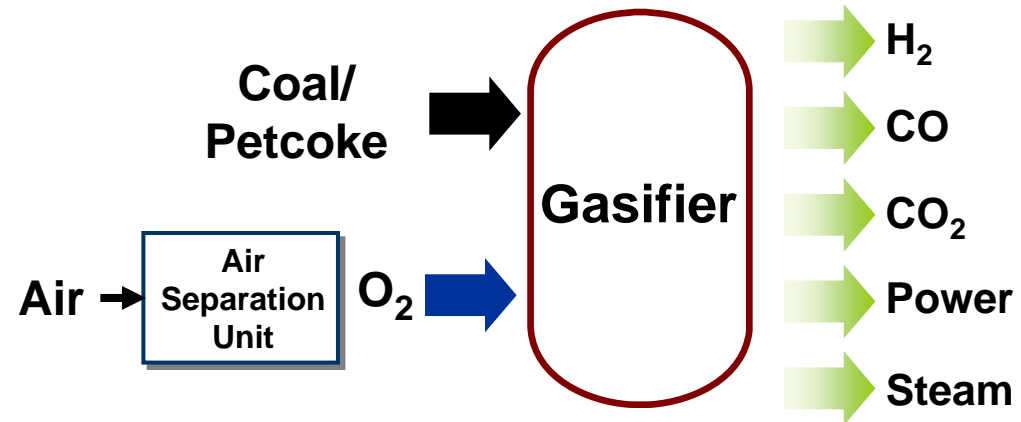
PX estimates

Strong demand for hydrogen expected to continue

Gasification – Coal to Chemicals

◆ Economic drivers:

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



◆ Currently viable in China

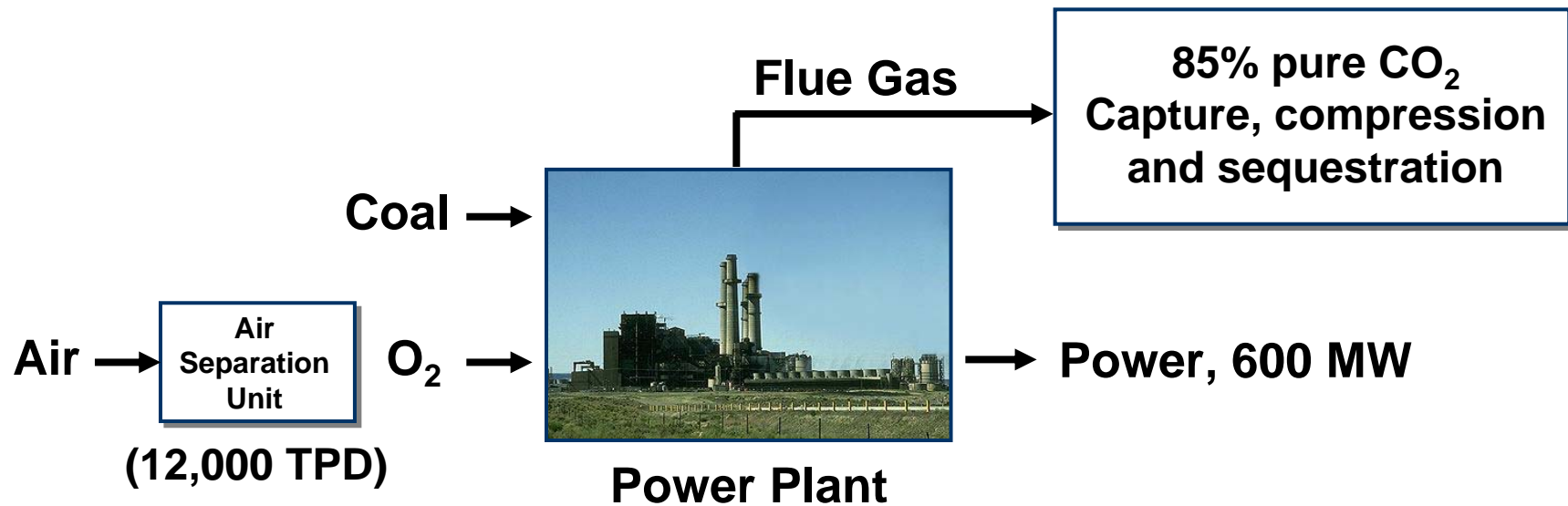
- SOPO 3000 TPD O₂ plant on-stream in 2009 for acetic acid



◆ Multiple projects under consideration

Viability is a function of scarce natural gas

Oxy-Coal - a Favored Technology for CO₂ Capture



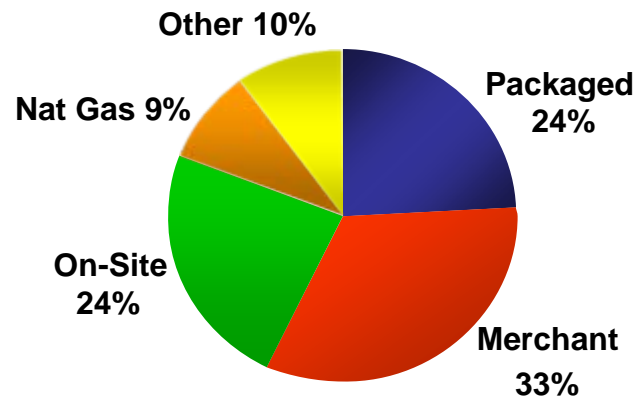
- ◆ 90% reduction in CO₂ emissions vs. traditional coal combustion
- ◆ Alliance with Foster Wheeler for clean-coal technologies
- ◆ Praxair demonstration projects
 - Jamestown, NY
 - El Bierzo, Spain

Viability contingent on tough CO₂ legislation

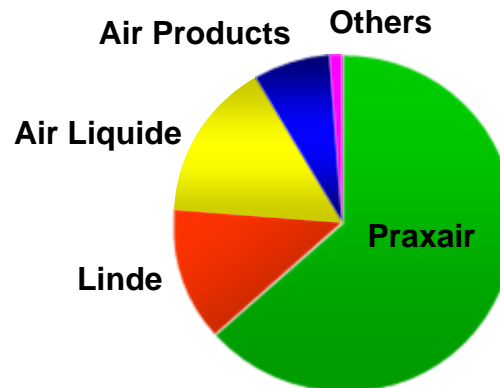
2007F Sales \$1.6 B



Brazil Market Segments



Brazil Market Share

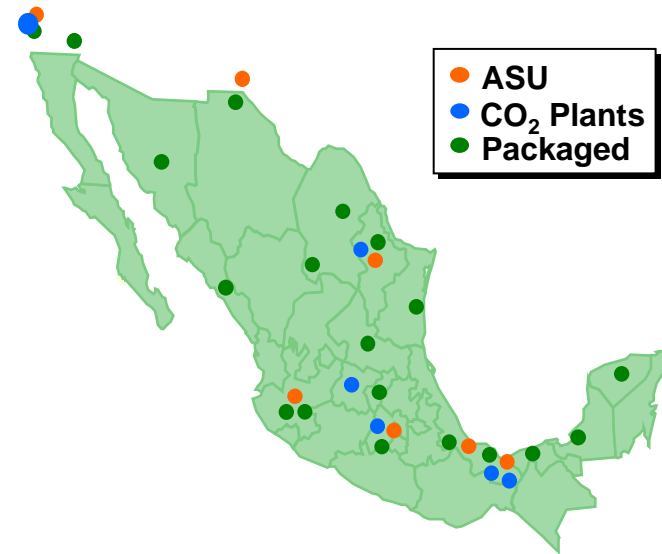


Source: Company reports

Forecasting strong profitable growth

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

\$230 MM* sales growing to ~ \$550 MM by 2010

◆ Petrochemical parks

- Caojing, Shanghai
- Daya Bay, Nanhai

◆ Metals

- Shanghai
- Guangzhou

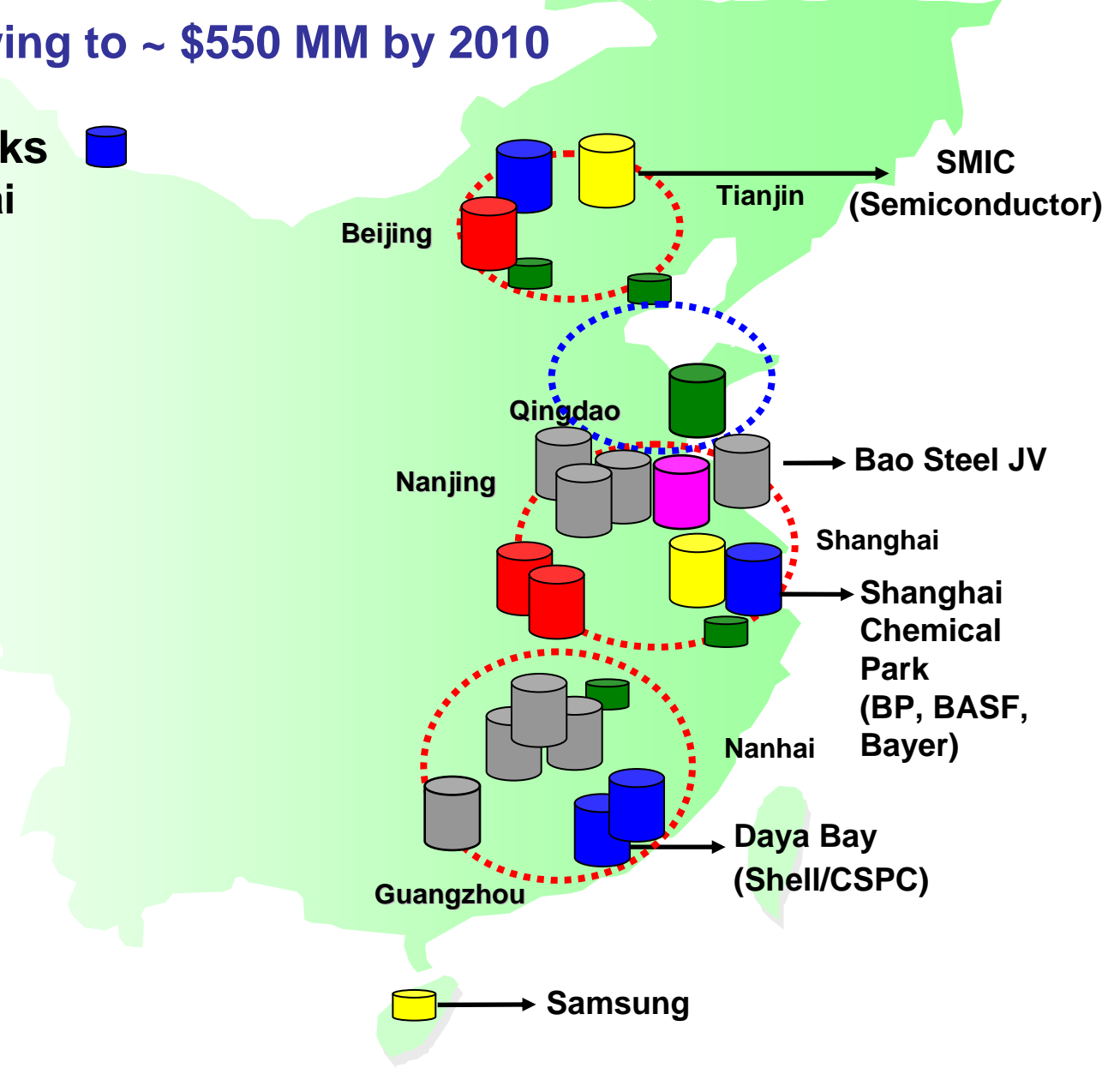
◆ Gasification

- Shanghai region

◆ Electronics

- Beijing
- Shanghai
- Taiwan

 CO₂ Plant
  Other

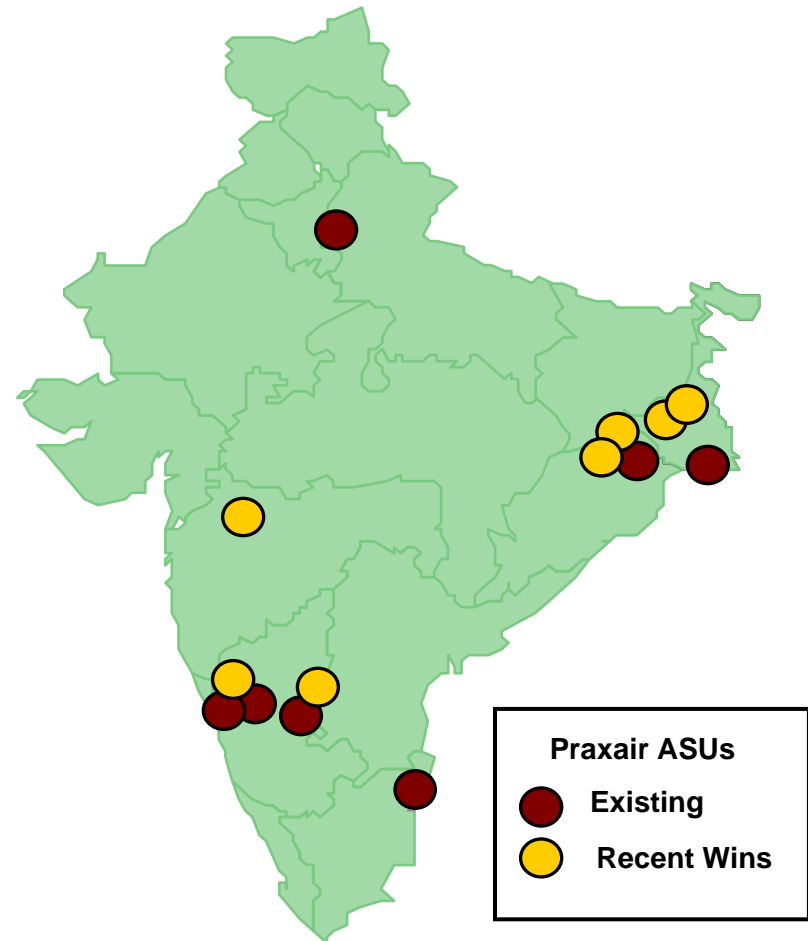


*2007F Combined sales

Rapid Growth in India

\$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

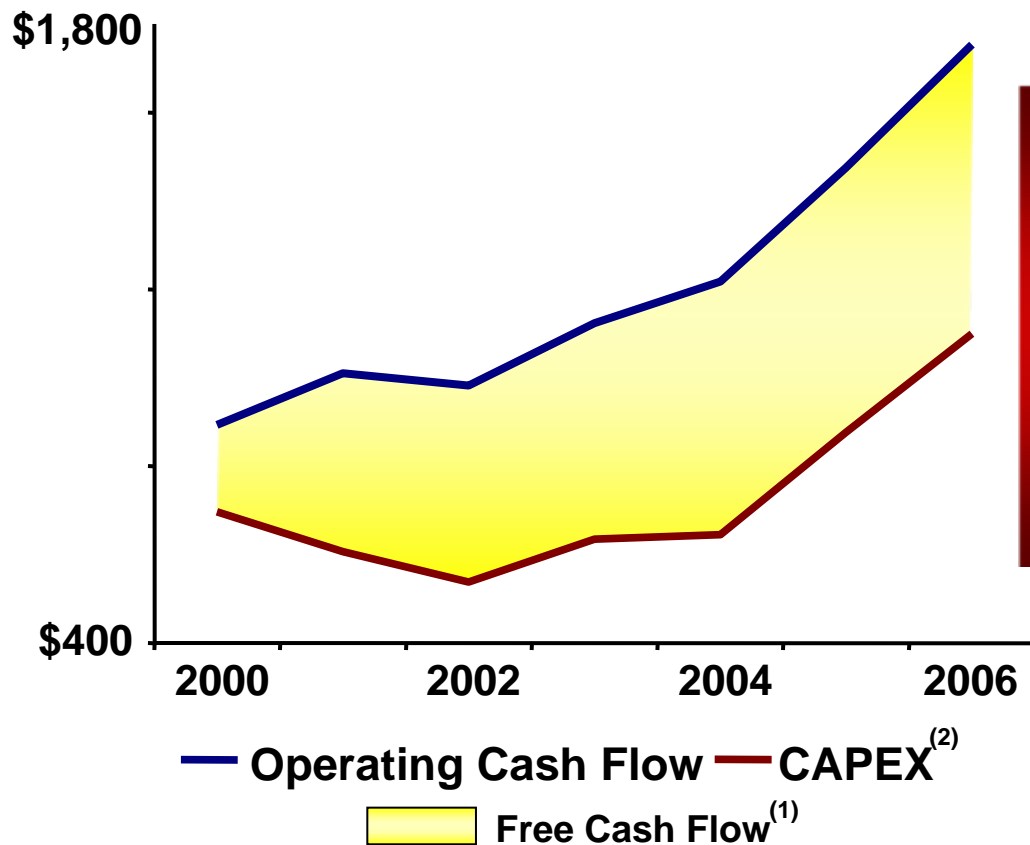
The Productivity Pipeline of Projects Underway

	(\$MM)
◆ ASU/SMR Production Efficiency <ul style="list-style-type: none">– Turbo-machinery – 400 plants– Advanced control Systems– O₂ enhanced reforming– Automated fill stations	200-250
◆ Product Distribution <ul style="list-style-type: none">– Routing optimization– Equipment– Advanced technology	200-250
◆ Lean Manufacturing/Six Sigma <ul style="list-style-type: none">– Cost of poor quality– Labor savings	150-200
◆ Transaction Processing <ul style="list-style-type: none">– Shared services center– ERP systems	<u>200-300</u>
	750-1,000

\$750-1,000 MM of cost savings over 5 years

Strong Cash Flow Generation

Cash Flow 2000-2006 (\$MM)



<u>2006</u>	<u>\$MM</u>	<u>%Sales</u>
Operating Cash Flow	\$1,752	20%
Capital Reinvestment	\$1,100	13%
Stock Dividends and Purchases (net)	\$543	7%

1) Non-GAAP measure. Free cash flow equals operating cash flow minus capital expenditures.

2) Excludes Leased Asset Purchase in 2003

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

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

