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.
Defensive Growth

Unique Revenue Model

◊ Dedicated supply systems
◊ Long term contracts
◊ No commodity pricing
◊ High ROC and cash flow

Secular Growth Drivers

◊ Environment
◊ Energy
◊ Emerging economies

Indexed EPS

18% CAGR

Praxair

9% CAGR

S&P 500

Recession

Steady earnings growth throughout economic cycles
Unique Revenue Model

On-Site/Pipeline Supply

- 15 year take-or-pay contracts
- Indexed to energy, inflation, currency

Merchant Liquid Supply

- Exclusive supply agreements
- Sourced as by-product from on-site

Packaged/Medical Gases

- Cylinder and equipment rental
- Sourced as by-product from bulk

Integrated system; contract terms drive high ROC
Diverse End Markets

Organic Sales Growth YOY
ex-FX, Acq and NG

<table>
<thead>
<tr>
<th></th>
<th>H1</th>
<th>Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>+13%</td>
<td>+10%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>+11%</td>
<td>+8%</td>
</tr>
<tr>
<td>Metals</td>
<td>+ 9%</td>
<td>+14%</td>
</tr>
<tr>
<td>Energy</td>
<td>+31%</td>
<td>+21%</td>
</tr>
<tr>
<td>Healthcare</td>
<td>+ 2%</td>
<td>+ 2%</td>
</tr>
<tr>
<td>Chemicals</td>
<td>+15%</td>
<td>+13%</td>
</tr>
<tr>
<td>Electronics</td>
<td>+15%</td>
<td>+19%</td>
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</table>

2007 Sales $9.4 Bn

2008 has been strong through Q3
North America

55% of sales

Growth Drivers

- Refinery H₂
- Environmental applications
- Strong pricing trends
- Infrastructure investment
- Leading position - US, Canada and Mexico

Outlook

- US and Canada IP ↓ 5%
- Slowing in metals, manufacturing
- Energy sector in US and Mexico expected to be strong
South America

17% of sales

Growth Drivers

- On-site investment
  - Metals
  - Petrochemical
  - Energy/refinery
  - Paper

- Applications technologies – food, healthcare, environmental

- Best positioned and preferred supplier

- New project start-ups 2009-2010

Outlook

- Brazil IP 6% → 3%

- Lower demand from commodity customers

- Currency translation headwinds

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25,000 TPD production capacity
140 production units
230 branches and filling stations
1,500 distribution vehicles
Europe

14% of sales

Growth Drivers

♦ Selective on-site opportunities in existing enclaves

♦ Healthcare, solar, environmental applications

♦ Strong productivity focus

Outlook

♦ Weak short-term outlook (IP ↓ 5%), weak currency
Growing in Asia

8% of sales

China
- Coal gasification
- Environmental applications
- A leading position

India
- Growth driven by domestic demand
- Captive users move to purchased product
- Praxair #1 supplier

Outlook
- Continued growth despite short-term slowdown
- Strong project pipeline
- Slowdown in electronics
Driving a High Performance Culture

**Budget expectations:**
- Volume growth >IP
- Expanding variable margin %
- Fixed costs are fixed

**Cash and earnings review**
- Expanding variable margin %
- Growth reviews
- Productivity

**Business Management:**
- Pricing
- Volume
- Costs
- Productivity
- Working Capital

**Compensation strongly tied to performance**

**Hands on management to ensure superior performance in any environment**
Highly Disciplined Project Management

Potential Project Identified

Heads-Up Review

First Pass Review

Final Approval and Proposal

Monthly Project Reviews / Updates

2008 Capital & OP within 2.5% of budget

FEL-1

Engineering

FEL-2

Project Audit

Start-Up
Competitive Advantage in Plant Design

Technology Programs... ...Drive capital and operating savings

♦ Pre-purification
♦ Distillation
♦ Heat transfer
♦ Turbomachinery
♦ Flexible liquid production

Product line approach provides ~15 – 20% capital cost advantage
Record Project Backlog

November 2008

- 45 major on-site projects
- Project start-ups 2009 to 2011
- Diverse customers – chemicals, electronics, energy, metals, pulp & paper, glass

# of projects, by region

Strong project backlog will drive future revenue growth
Growing Environmental Applications

**Water/Wastewater Treatment**
- Oxygen aeration, ozone
- Sludge reduction, drinking water disinfection

**Photovoltaics**
- Gases, gas delivery systems, deposition materials

**Oxy-fuel Combustion**
- Reduced NOx and CO₂ emissions

New applications drive growth at a multiple of IP
Accelerating Productivity Initiatives

- ASU/SMR production efficiency
- Product distribution
- Six Sigma / Lean Manufacturing
- Global sourcing
- Fixed cost reductions

2009 fixed costs will be lower than 2008
## Liquidity and Cash Flow

### Debt

<table>
<thead>
<tr>
<th>(Q3 08)</th>
<th>$MM</th>
<th>Avg. Rate</th>
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</thead>
<tbody>
<tr>
<td>CP &amp; Other US</td>
<td>$1,187</td>
<td>1.5%</td>
</tr>
<tr>
<td>International Debt</td>
<td>$1,269</td>
<td>6.9%</td>
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<tr>
<td>US Long Term Bonds</td>
<td>$2,488</td>
<td>5.2%</td>
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<tr>
<td>Total</td>
<td>$4,944</td>
<td>5%</td>
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### Ratio

<table>
<thead>
<tr>
<th>Ratios*</th>
<th></th>
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<tbody>
<tr>
<td>EBIT Interest Coverage</td>
<td>10.3X</td>
</tr>
<tr>
<td>Debt/EBITDA</td>
<td>1.7X</td>
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<tr>
<td>Debt to Capital Ratio</td>
<td>48.7%</td>
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### Debt Ratings

<table>
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<tr>
<th></th>
<th>S&amp;P</th>
<th>Moody’s</th>
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<tbody>
<tr>
<td>Long Term</td>
<td>A</td>
<td>A2</td>
</tr>
<tr>
<td>Short Term (CP)</td>
<td>A-1</td>
<td>P-1</td>
</tr>
</tbody>
</table>

*Non-GAAP measures. See appendix in Q3 08 earnings slides

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### Cash Flow

- **2007 Free Cash Flow**: $582MM

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*19th Annual Citi Chemicals Conference - NYC  12/2/08*
Why Praxair?

- Long-term contracts
- Secular growth drivers
- Application technologies
- Strong backlog
- Productivity focus
- Project execution
- Plant cost advantage
- Strong cash flow

Best company in an attractive industry
Principles of Sustainable Development

**Governance and Integrity**
Maintain strong systems and a culture of global corporate governance, compliance, ethics, human rights, integrity and accountability.

**Strategic Leadership**
Stay current with, and take advantage of, emerging global opportunities, developments and challenges to position Praxair for the future.

**Customer Commitment**
Focus relentlessly on the delivery of customer value through continuous innovation that helps our customers enhance their product quality, service, reliability, productivity, safety, energy efficiency and environmental performance.

**Environmental Responsibility**
Achieve continuous environmental performance improvement and energy efficiency in our operations.

**Employee Safety and Development**
Provide opportunities that allow employees to develop to their fullest potential in a creative, inclusive and safe environment.

**Community Support**
Participate in community development in regions where we operate.

**Financial Performance**
Maintain year-on-year recognition from shareholders and stakeholders for top-tier financial performance.

**Stakeholder Engagement and Communication**
Partner with internal and external stakeholders to achieve a strong, secure and sustainable society, economy and environment.