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
- Environment
- Energy
- Emerging economies

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

Indexed EPS
- Praxair: 18% CAGR
- S&P 500: 9% CAGR

Steady and non-cyclical earnings growth

Recession
Diverse End Markets

<table>
<thead>
<tr>
<th>Market</th>
<th>2007 Sales</th>
<th>Q2 08 Sales Growth YOY</th>
<th>Ex-FX and Acq.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>$9.4 Bn</td>
<td>+23%</td>
<td>+14%</td>
</tr>
<tr>
<td>Metals</td>
<td></td>
<td>+29%</td>
<td>+11%</td>
</tr>
<tr>
<td>Energy</td>
<td></td>
<td>+33%</td>
<td>+29%</td>
</tr>
<tr>
<td>Healthcare</td>
<td></td>
<td>+8%</td>
<td>+2%</td>
</tr>
<tr>
<td>Chemicals</td>
<td></td>
<td>+24%</td>
<td>+19%</td>
</tr>
<tr>
<td>Electronics</td>
<td></td>
<td>+15%</td>
<td>+13%</td>
</tr>
<tr>
<td>Aerospace</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Strong underlying growth in key markets
Sustainable Long-Term Growth

Annual Sales Growth

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

<table>
<thead>
<tr>
<th>Annual Growth</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic Sales</td>
<td>8 - 12%</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>10 - 14%</td>
</tr>
<tr>
<td>EPS</td>
<td>12 - 16%</td>
</tr>
</tbody>
</table>
Record Project Activity

* Energy and emerging markets driving demand

Increasing backlog supports future revenue growth
Emerging Economies Support Growing Project Backlog

新兴经济体 - 销售额的30%，增长资本的45%

- 各行业项目 - 化工、电子、能源、金属、纸浆造纸、玻璃
- 墨西哥
- 巴西
- 中国
- 印度

PX销售增长率（2005-2008年复合年增长率）
- 墨西哥：20%
- 巴西：21%
- 中国：20%
- 印度：21%

按人口计算的天然气消费
- 墨西哥：20%
- 巴西：15%
- 中国：2%
- 印度：1%

- 新兴经济体 - 30%的销售额，45%的增长资本

2007年销售额为9.4亿美元

项目在不同行业 - 化工、电子、能源、金属、纸浆造纸、玻璃
Strong Industrial Gas Demand for Energy Supplies

Nitrogen or CO₂ injection in large quantities at high pressure

Natural gas well fracturing

Enhanced oil recovery

Praxair well positioned in North America

Huge global market potential
Hydrogen for Refining

♦ Demand growth from:
  – Fuel emission standards
  – Heavy sour crude
  – Growing diesel demand

♦ Current growth
  – North America

♦ Future growth
  – Canadian oil sands
  – Emerging markets

Strong demand for hydrogen expected to continue
Coal Gasification

Now a reality in China
- Limited oil and gas availability
- Syngas chemical feedstock
- Best technology
- Multiple projects underway

Praxair oxygen supply
- SOPO acetic acid plant
- Anhui HuaYi Chemical
- 3000 TPD product line plants
- Aligned with gasification technology

Multiple projects in the backlog
Clean-Coal Power Generation

- Oxy-coal combustion
  - Enables CO2 capture and sequestration
  - World scale O₂ system

- Alliance with Foster Wheeler for clean-coal technologies

- Praxair demonstration projects
  - Jamestown, NY
  - El Bierzo, Spain

Power station with CO₂ capture

Commercialization depends on GHG legislation
**Photovoltaics Market**

- **Bulk and on-site gases**
  - $N_2, H_2, Ar$

- **Process gases**
  - Silane, dopants

- **PVD targets**
  - Metallization of solar modules

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**Market for Gases and Deposition Materials**

- **2007**: $110 MM
- **2015**: $1.0 Bn
- **CAGR 32%**

**Market expected to grow at ~30% per year**
Growing Environmental Applications

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

Air Emission Control
- Cryogenic condensation for solvent recovery

Oxy-fuel Combustion
- Reduced NOx and CO₂ emissions

New applications drive growth at a multiple of IP
Praxair Surface Technologies

♦ High performance ceramic coatings
  – High temperature
  – Thermal barrier
  – Hardness/abrasion
  – Lubricity
  – Chrome replacement

♦ Growth markets
  – Fuel efficient jet engines
  – Airframe components
  – Industrial gas turbines
  – Oil and gas drilling

High ROC / solid growth
Productivity is in our DNA

Limitless opportunities

♦ ASU/SMR production efficiency
♦ Product distribution
♦ Six Sigma / Lean Manufacturing
♦ Business processes

Target – reduce 4% of cost stack each year
## Technology Leadership in Plant Design

**Areas**
- Distillation
- Heat Transfer
- Turbomachinery
- Flexible liquid production
- Pressure swing adsorption

**Benefits**
- Lower energy consumption
- Lower capital cost
- Increased efficiency
- Faster schedule
- Operational flexibility
- Repeatable global designs

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Product line approach to plant construction reduces capital cost by 20%
## Outperforming the Competition

### 2007

<table>
<thead>
<tr>
<th></th>
<th>Praxair</th>
<th>Peers(^{(1)})</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EPS Growth</strong> (^{(5\text{-yr CAGR})})</td>
<td>17%</td>
<td>11%</td>
</tr>
<tr>
<td><strong>Sales Growth</strong> (^{(5\text{-yr CAGR})})</td>
<td>13%</td>
<td>9%</td>
</tr>
<tr>
<td><strong>Return on Capital</strong>(^{(2)})</td>
<td>15%</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Operating Margin</strong> (% \text{ of sales})</td>
<td>19%</td>
<td>12%</td>
</tr>
<tr>
<td><strong>Operating Cash Flow</strong> (% \text{ of sales})</td>
<td>21%</td>
<td>14%</td>
</tr>
</tbody>
</table>

\(^{(1)}\) Bloomberg, Capital IQ, PX estimates. Weighted average.
\(^{(2)}\) Non-GAAP measure

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**Best choice 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.