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
Diverse End Markets and Geographies

2007 Sales $9.4 Billion

**End Markets**
- Manufacturing: 23%
- Chemicals: 10%
- Metals: 16%
- Healthcare: 11%
- Other: 11%
- Aerospace: 3%
- Food & Beverage: 7%
- Electronics: 8%
- Energy: 11%
- Other: 11%

**Geographies**
- United States: 41%
- South America: 17%
- Europe: 14%
- Asia: 8%
- PST: 6%
- Mexico: 5%
- Canada: 9%
- Mexico: 5%
- South America: 17%
- Europe: 14%
- Asia: 8%
- PST: 6%
- Canada: 9%

Lehman Industrial Conference - Miami 2/12/08
“Terms of Trade” Drive Return on Capital

On-Site/Pipeline Supply
- 15 year take-or-pay contracts
- Indexed to energy, inflation, currency
- Financial engineering

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

This is not a commodity business!
Growing Environmental Applications

**Wastewater Treatment**
- Oxygen aeration and ozone sludge reduction

**Air Emission Control**
- Cryogenic condensation for solvent recovery

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

Revenues from new applications have 2X average OP margin
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

Sales growing 10%-15% p.a.

$650 MM

2007

Strong demand growth exceeding available supply
Photovoltaics Market

- Bulk and on-site gases
  - N₂, H₂, Ar

- Process gases
  - Silane, dopants

- PVD targets – metallization of solar modules

Market expected to grow at ~30% per year

Market for Gases and Deposition Materials

- Gases
- Deposition Materials

2007: $110 MM
2015: $1.0 Bn
CAGR 32%
Strong demand for hydrogen expected to continue.
Enhanced Oil Recovery

- 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

Interest in EOR is increasing globally

296 Prospective Fields

- North America 140
- Asia 43
- Europe 13
- South America 52

PX estimates
Future of Energy

♦ Coal to chemicals
  – Chemical feedstock
  – NG price and availability
  – Currently viable in China – SOPO 3,000 TPD O₂ plant

♦ Power generation with CO₂ capture
  – Oxy-coal combustion
  – IGCC
  – Viability depends on CO₂ legislation

H₂
CO
CO₂
Power
Steam

Praxair well positioned for CO₂ sequestration

Lehman Industrial Conference - Miami 2/12/08
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
South America

2007 Sales $1.6 B

Unrivalled network drives strong profitable growth

End Markets

- Chemicals: 6%
- Energy: 12%
- Food & Beverage: 10%
- Healthcare: 13%
- Manufacturing: 25%
- Metals: 24%
- Other: 10%

Brazil Market Share

- Praxair
- Linde
- Air Liquide
- Air Products
- Others

Source: Company reports
Growing in China

- Petrochemical
- Metals
- Gasification
- Electronics
- Food & beverage
- Specialty gas
- Other

Vertically integrated business with high distribution density
Rapid Growth in India

- Domestic demand growing
  - Petrochem
  - Pharma
  - Automotive
  - Metals

- Applications technologies

- Global engineering center

- Strong project pipeline

Sales growing ~25% per year

*Non-captive
Praxair Surface Technologies

Aerospace – Commercial Engines
♦ Contracted position with GE
♦ Increasing engine builds
♦ More parts per engine

Energy Market
♦ Oil production
♦ Industrial gas turbines

New Technologies
♦ Temperature sensitive
♦ Composites
♦ Lubricity
♦ Chrome replacement

Expect 8% - 12% annual sales growth
The Productivity Pipeline of Projects Underway

<table>
<thead>
<tr>
<th>Project Area</th>
<th>Sub-Projects</th>
<th>Cost Savings ($MM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASU/SMR production efficiency</td>
<td>Turbo-machinery – 400 plants</td>
<td>200-250</td>
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<tr>
<td></td>
<td>Advanced control Systems</td>
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<td></td>
<td>O₂ enhanced reforming</td>
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<tr>
<td></td>
<td>Automated fill stations</td>
<td></td>
</tr>
<tr>
<td>Product distribution</td>
<td>Routing optimization</td>
<td>200-250</td>
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<tr>
<td></td>
<td>Equipment</td>
<td></td>
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<tr>
<td></td>
<td>Advanced technology</td>
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<tr>
<td>Lean manufacturing</td>
<td>Cost of poor quality</td>
<td>150-200</td>
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<tr>
<td></td>
<td>Labor savings</td>
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<tr>
<td></td>
<td>Transaction processing</td>
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<tr>
<td>Business processes</td>
<td>Shared services center</td>
<td>200-300</td>
</tr>
<tr>
<td></td>
<td>ERP systems</td>
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</tr>
</tbody>
</table>

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

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

- Robust activity for global supply systems
- Steadily increasing backlog supports future revenue growth

Number of projects coming on stream is increasing
Long-Term Growth Outlook

**Annual Sales Growth**

- **New Projects**: 8-12%
- **Applications Technology**: 2-3%
- **Base Business**: 2-3%

**Annual Growth**

- **Organic Sales**: 8 - 12%
- **Operating Profit**: 10 - 14%
- **EPS**: 12 - 16%
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