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

Steady Base Business
- Applications technologies
- Price management
- Cost management

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

Steady and non-cyclical earnings growth
Diverse End Markets and Unique Business Model

2007 Sales $9.4 Billion

Revenue Model

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

Emerging economies represent 30% of sales
**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 facilities in China and India

Sales growing 10-15% p.a.

2007

$650 MM

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

- $110 MM in 2007
- $1.0 Bn in 2015

Gases
Deposition Materials
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
Strong demand for hydrogen expected to continue

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

Praxair Hydrogen Sales

- ($ MM)
- 2007: 840
- 2010: 1,600
- 2015F: 3,000

Assumes $7.50 nat gas

HYCO
Enhanced Oil Recovery

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

- N2 or CO2 injection in large quantities at high pressure

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

- Huge global market potential

Interest in EOR is increasing globally
Future of Energy

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

♦ Clean-coal power generation
  – Oxy-coal combustion
  – CO₂ capture and sequestration
  – Viability depends on CO₂ legislation

Praxair well positioned for CO₂ sequestration
Praxair Mexico

- Export manufacturing economy, strong domestic demand growth
- Most efficient production and distribution network
- Growth from energy markets
  - EOR
  - Oil well services
- Acquisition of Linde Mexico
  - Significant revenue and cost synergies

Sales of $500 MM growing 15% per year
Unrivalled network drives strong profitable growth

2007 Sales $1.6 B

- 140 production units
- 230 branches and filling stations
- 1,500 distribution vehicles
- 155,000 product deliveries/month
- 150,000 customers

Sales Growth CAGR 13% (ex-currency)
Growing in China

- Developed an integrated business
- Rapidly growing liquid market – energy and environmental applications
- High margin specialty gases
- Significant on-site opportunities in gasification, metals and electronics
- Expanding engineering capabilities

Sales of $320MM* growing ~20% annually

*2007 Combined sales
Rapid Growth in India

- Domestic demand growing  
  - Petrochem, pharma, automotive, metals
- Captive users moving to purchased product
- Applications technologies
- Strong project pipeline
- Global engineering center

Sales growing ~25% per year

*PX estimates, non-captive
Record Project Activity

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

Number of projects coming on stream is increasing
Productivity is in our DNA

- ASU/SMR production efficiency
- Product distribution
- Six Sigma
- Lean manufacturing

Target – reduce 4% of cost stack each year
Long-Term Growth Outlook

Annual Sales Growth

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

Annual Growth

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

Morgan Stanley Global Basic Materials Conference – NYC 2/21/08
High ROC Generates Strong Cash Flow

**NOPAT ROC\(^{(1)}\)**

- 11.1%
- 15.3%

**OPERATING CASH FLOW**

- 735
- 1,958

10-year CAGR 10%

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 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