Praxair, Inc.
James S. Sawyer
Executive Vice President and CFO

Oppenheimer 3rd Annual Industrials Investment Conference
New York, October 3, 2008
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

### Q2 08 Sales growth YOY and Ex-FX and Acq.

<table>
<thead>
<tr>
<th></th>
<th>Q2 08 Sales growth YOY</th>
<th>Ex-FX and Acq.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>+23%</td>
<td>+14%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>+29%</td>
<td>+11%</td>
</tr>
<tr>
<td>Metals</td>
<td>+19%</td>
<td>+11%</td>
</tr>
<tr>
<td>Energy</td>
<td>+33%</td>
<td>+29%</td>
</tr>
<tr>
<td>Healthcare</td>
<td>+8%</td>
<td>+2%</td>
</tr>
<tr>
<td>Chemicals</td>
<td>+24%</td>
<td>+19%</td>
</tr>
<tr>
<td>Electronics</td>
<td>+15%</td>
<td>+13%</td>
</tr>
</tbody>
</table>

2007 Sales $9.4 Bn

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Strong underlying growth in key markets
Sustainable Long-Term Growth

Annual Sales Growth

- Organic Sales Growth: 8 - 12%
- New Projects: 4 - 6%
- Applications Technology: 2 - 3%
- Base Business: 2 - 3%

Annual Growth

- Organic Sales: 8 - 12%
- Operating Profit: 10 - 14%
- EPS: 12 - 16%
Record Project Activity

- Energy and emerging markets driving demand

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

Emerging economies - 30% of sales, 45% of growth capital

<table>
<thead>
<tr>
<th>Region</th>
<th>Mexico</th>
<th>Brazil</th>
<th>China</th>
<th>India</th>
</tr>
</thead>
<tbody>
<tr>
<td>PX Leading Position</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>PX Sales Growth (CAGR ’05-’08F)</td>
<td>20%</td>
<td>21%</td>
<td>20%</td>
<td>21%</td>
</tr>
<tr>
<td>Per Capita Gas Consumption % of U.S.</td>
<td>20%</td>
<td>15%</td>
<td>2%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Projects in diverse industries – chemicals, electronics, energy, metals, pulp & paper, glass

2007 sales $9.4 Bn
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

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

17% CAGR

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

Commercialization depends on GHG legislation
Photovoltaics Market

Market for Gases and Deposition Materials

- **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**
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

<table>
<thead>
<tr>
<th>Areas</th>
<th>Benefits</th>
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<tbody>
<tr>
<td>Distillation</td>
<td>Lower energy consumption</td>
</tr>
<tr>
<td>Heat Transfer</td>
<td>Lower capital cost</td>
</tr>
<tr>
<td>Turbomachinery</td>
<td>Increased efficiency</td>
</tr>
<tr>
<td>Flexible liquid production</td>
<td>Faster schedule</td>
</tr>
<tr>
<td>Pressure swing adsorption</td>
<td>Operational flexibility</td>
</tr>
<tr>
<td></td>
<td>Repeatable global designs</td>
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</tbody>
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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&lt;sup&gt;(1)&lt;/sup&gt;</th>
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<tbody>
<tr>
<td><strong>EPS Growth</strong> (5-yr CAGR)</td>
<td>17%</td>
<td>11%</td>
</tr>
<tr>
<td><strong>Sales Growth</strong> (5-yr CAGR)</td>
<td>13%</td>
<td>9%</td>
</tr>
<tr>
<td><strong>Return on Capital&lt;sup&gt;(2)&lt;/sup&gt;</strong></td>
<td>15%</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Operating Margin (% of sales)</strong></td>
<td>19%</td>
<td>12%</td>
</tr>
<tr>
<td><strong>Operating Cash Flow (% of sales)</strong></td>
<td>21%</td>
<td>14%</td>
</tr>
</tbody>
</table>

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

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.