Praxair, Inc.
Steve Angel
Chairman, President and
Chief Executive Officer

Bernstein Strategic Decisions Conference
May 29, 2009

Making our planet more productive™

www.praxair.com
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.
### Historical Performance

<table>
<thead>
<tr>
<th></th>
<th>PX</th>
<th>Peers&lt;sup&gt;(1)&lt;/sup&gt;</th>
<th>S&amp;P 500</th>
<th>S&amp;P Basic Materials</th>
<th>S&amp;P 500 -1%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales growth</strong></td>
<td>14%</td>
<td>9%</td>
<td>10%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(5 year CAGR)</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td><strong>EPS growth</strong></td>
<td>19%</td>
<td>12%</td>
<td>4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(5 year CAGR)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>NOPAT ROC&lt;sup&gt;(2)&lt;/sup&gt;(2008)</strong></td>
<td>15%</td>
<td>10%</td>
<td>--</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash distributed to shareholders&lt;sup&gt;(3)&lt;/sup&gt;</strong></td>
<td>8%</td>
<td>3%</td>
<td>--</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(5 year average % sales)</td>
<td></td>
<td></td>
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</tbody>
</table>

### 5 Year Annualized TSR*

- **Praxair**: 18%
- **Comp 1**: 7%
- **Comp 2**: 6%
- **Comp 3**: 9%
- **S&P 500**: -1%
- **S&P Basic Materials**: 4%

### The best track record in a great industry

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<sup>(1)</sup> Bloomberg, PX estimates. Weighted average.

<sup>(2)</sup> Non-GAAP measure. See page 41 of annual report.

<sup>(3)</sup> Non-GAAP measure. Cash flow distributed = cash dividends plus purchases of common stock, net of issuances.

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*BTotal Shareholder Return = Price Appreciation and Dividends
Source: Bloomberg 5/8/09*
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
First Quarter Results

<table>
<thead>
<tr>
<th>($MM)</th>
<th>Q1 09</th>
<th>Q1 08(3)</th>
<th>% YOY</th>
<th>% YOY ex-FX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>$2,123</td>
<td>$2,663</td>
<td>-20%</td>
<td>-11%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>$928</td>
<td>$1,068</td>
<td>-13%</td>
<td></td>
</tr>
<tr>
<td>Gross Margin(1)</td>
<td>43.7%</td>
<td>40.1%</td>
<td>+360 bp</td>
<td></td>
</tr>
<tr>
<td>SG&amp;A</td>
<td>$ 265</td>
<td>$ 335</td>
<td>-21%</td>
<td></td>
</tr>
<tr>
<td>Operating Profit</td>
<td>$ 442</td>
<td>$ 499</td>
<td>-11%</td>
<td>0%</td>
</tr>
<tr>
<td>Operating Margin</td>
<td>20.8%</td>
<td>18.7%</td>
<td>+210 bp</td>
<td></td>
</tr>
</tbody>
</table>

Net Income(2) $290 $318 -9% +2%
Diluted EPS(2) $0.93 $0.99 -6% +5%

5% EPS growth ex-currency

(1) Gross Margin excludes depreciation and amortization expense.
(2) Net Income and Diluted EPS attributable to Praxair, Inc. shareholders.
(3) Q1 08 amounts, other than Sales, are non-GAAP measures, adjusted to exclude a pension settlement charge of $17 MM, $11 MM after-tax, or 3 cents
EPS. See Appendix in Q109 earnings presentation.

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First Quarter Operating Profit

($MM)

Volume decline offset by cost reduction and price
Accelerating Productivity Initiatives

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

2009 fixed costs will be much lower than 2008

<table>
<thead>
<tr>
<th>Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Costs ($ MM)</td>
<td>220</td>
<td>270</td>
<td>320</td>
<td>450</td>
</tr>
</tbody>
</table>

Additional cost reduction
Secular Growth Drivers

♦ Environmental applications

♦ Demand for energy supplies
  – Cleaner fuels
  – Expand/diversify sources

♦ Emerging economies
  – Growing population
  – Infrastructure investment
  – Outsourcing captive production

Positive long-term outlook
Enabling New Technologies

Renewable oil-based fuels

Cellulosic Bioethanol
Algae

Next Generation Biofuels

Photovoltaics

Activated carbon

Mercury Capture

~2% per year sales growth from high margin applications
Hydrogen for Refining

- **Global growth drivers**
  - Growing diesel demand
  - Heavy sour crude
  - Fuel emission standards
  - Outsourcing captive production
  - Emerging markets

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**Praxair H₂ Sales**

- **2008**: $1.1 Bn
- **2013F**: $2+ Bn

~15% CAGR

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**Hydrogen demand expected to grow by ~14 BCF/day by 2015...equivalent to 140 world-scale SMRs**

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**% of New H₂ Demand by Region**

- United States: 35%
- China/India: 15%
- Brazil, Mexico: 15%
- Middle East: 13%
- Canada/Oil Sands: 12%
- Other: 15%

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**Strong growth expected to continue**

*Source: Praxair estimates*
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
Carbon Capture and Storage

- Oxy-coal combustion for clean-coal power generation
  - World scale O₂ system
  - Alliance with Foster Wheeler

- Enabling technologies for other industries (e.g. steel, refining)
  - Oxy-fuel combustion
  - Large scale CO₂ separation/purification

- Increased government funding for demo projects in US and Europe

Commercialization depends on GHG legislation
Strong Presence in Emerging Economies

<table>
<thead>
<tr>
<th></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</td>
<td>20%</td>
<td>19%</td>
<td>18%</td>
<td>18%</td>
</tr>
<tr>
<td>(CAGR ’05–’08)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Per Capita Gas</td>
<td>20%</td>
<td>15%</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>Consumption (% of U.S.)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Forecasted IP</td>
<td>4%</td>
<td>4%</td>
<td>11%</td>
<td>5%</td>
</tr>
<tr>
<td>Growth* (CAGR ’09–’14)</td>
<td></td>
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</table>

Emerging economies represent 30%+ of sales and a higher percentage of new growth capital

*Global Insight 5/15/09

Praxair Sales

- United States: 44%
- South America: 18%
- Mexico: 6%
- Europe: 14%
- Asia: 8%
- Canada: 5%
- PST: 5%

2008 Sales $10.8 Bn
Growth Continuing in China

2008 sales of $376 MM*

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

Gasification, environmental and infrastructure development

*Combined sales.  ⬇ Under construction

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Coal Gasification

- Active in China
  - Limited oil and gas availability
  - Plenty of low cost coal
  - Syngas chemical feedstock
  - Low cost to compete globally

- Praxair oxygen supply
  - SOPO acetic acid plant
  - Anhui HuaYi Chemical
  - Large oxygen plants
  - Integrated with gasification technology

Multiple projects in the backlog
Strong Project Backlog

- 42 major on-site projects
- Project start-ups 2009 to 2011
- ~$2 billion in capex
- >60% in emerging markets

42 projects

Mexico
Asia
South America
Europe
North America

Q1 2009 # of projects, by region

Project backlog will drive revenue and earnings growth
Positive Outlook for 2010 and Beyond

Annual Organic Sales Growth

- 6-10% for 6-10%
- 3-5% for 3-5%
- 2-3% for 2-3%
- 1-2% for 1-2%

On-site project backlog
Environmental and energy technologies
Base business (global IP estimate)

Double digit annual earnings growth forecasted

EPS growth 10 – 12%
High ROC Generates Strong Free Cash Flow

- Operating cash flow > $2 Bn
- Free cash flow > $1 Bn
  - Dividends
  - Share purchases
  - Tuck-in acquisitions

Reduced capital spending results in higher free cash flow

(1) Non-GAAP measure. Free cash flow equals operating cash flow minus capital expenditures.
(2) Excludes Leased Asset Purchase in 2003
Dividend Growth

10-year CAGR 19%

Confident in ability to generate strong cash flow

*Proforma – assumes Q1 dividend rate for full year 2009
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.