



Making our planet more productiveSM

Praxair, Inc.

Jim Sawyer

**Executive Vice President and
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Morgan Stanley Industrial Conference

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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 changes in pension plan liabilities; the impact of tax, environmental, healthcare and other legislation and government regulation in jurisdictions in which the company operates; the cost and outcomes of investigations, litigation and regulatory proceedings; 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 Form 10-K and 10-Q reports filed with the SEC which should be reviewed carefully. Please consider the company’s forward-looking statements in light of those risks.

Unique Revenue Model

On-site Contracts



Merchant Contracts



Cylinder Rentals



Applications Technologies



Contract terms drive stable pricing and high ROC

Praxair Key Growth Drivers

Emerging Economies

- Increasing domestic consumption; infrastructure development
- Migrating application technologies
- Outsourcing of captive production

Energy

- Global growth of refinery hydrogen
- Coal gasification in China
- Enhanced oil recovery

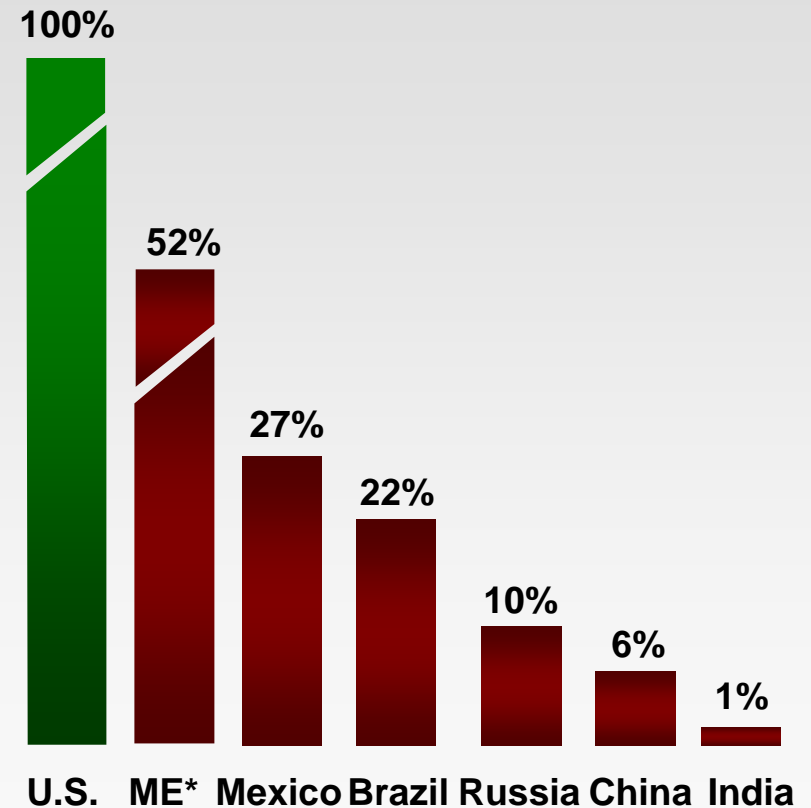
Environment

- Air, water, waste regulations
- Development of alternative fuels
- Potential GHG regulations

Strong Growth Outlook for Emerging Economies

- **Brazil**
 - Growing energy, metals and manufacturing markets
 - Strong domestic growth
- **Mexico**
 - Strong growth from energy sector
 - Upswing in industrial investment
- **China**
 - Petrochemicals and gasification
 - Industrialization of inland provinces
- **India**
 - Expanding middle class
 - Infrastructure investment
- **Middle East**
 - ROC acquisition

Per Capita Industrial Gas Consumption (% of US)



*GCC countries
Source: Spiritus Consulting

Production and Distribution Density...

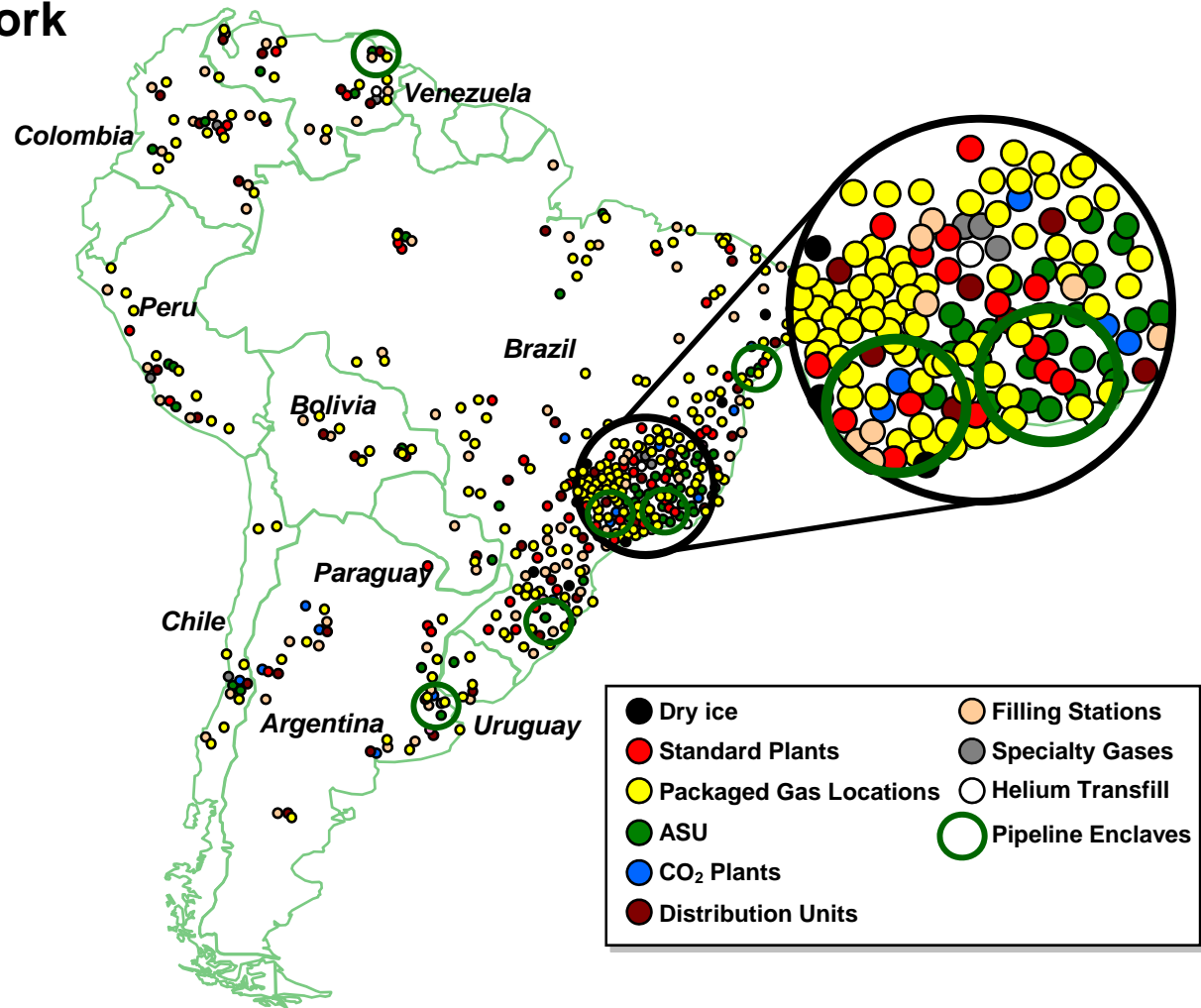
Praxair: Unrivalled Network

On-site and Bulk Gases

- 140 production plants
- 5000 customer locations
- 900 distribution vehicles
- 6 pipeline enclaves

Packaged and Specialty Gases

- 175 distribution facilities
- >100,000 customers
- 1150 distribution vehicles
- 77 filling stations

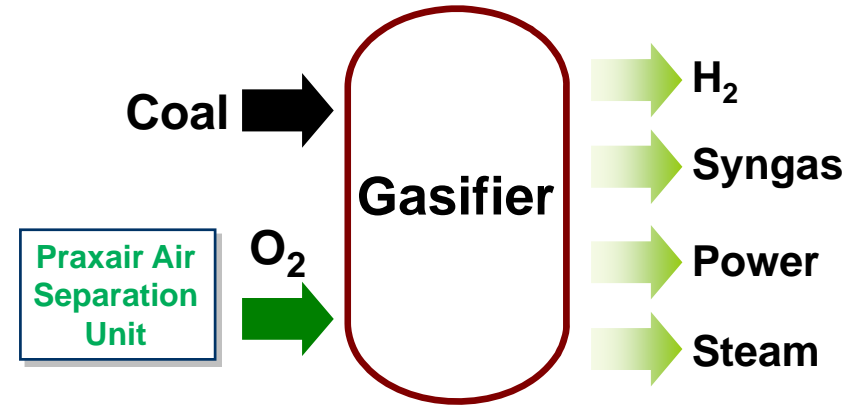


...drives reliability, growth, and returns

Coal Gasification

- **Active in China**
 - Limited oil and gas availability
 - Plenty of low-cost coal
 - Integrated coal to chemicals

- **Praxair oxygen supply**
 - Integrated with gasification technology
 - Large oxygen plants- 3,000 TPD
 - SOPO – started up Dec 2009
 - Anhui Huayi – H1 11



3,000 TPD ASU at SOPO

\$1B revenue potential in the next 5-7 years

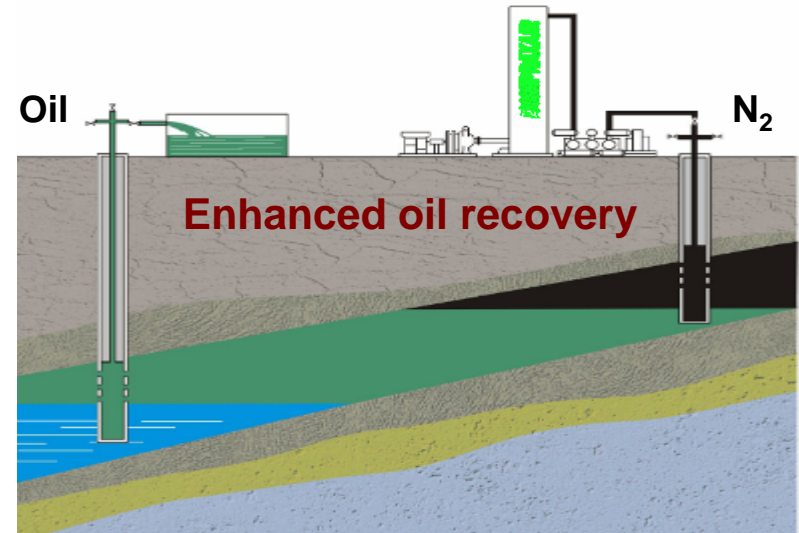
Energy Market Opportunities

- **Enhanced oil recovery**
 - Nitrogen or CO₂ injection
 - Large global market potential

- **Renewable energy**
 - Biofuels
 - Solar

- **Natural gas BTU stabilization**
 - Nitrogen blending

- **CO₂ sequestration pilots**



Significant long-term global opportunities

Strong Growth Outlook for Hydrogen

- **Developed markets**

- Environmental fuel standards
- Efficiency/flexibility/reliability
- Shift to diesel

- **Emerging Markets**

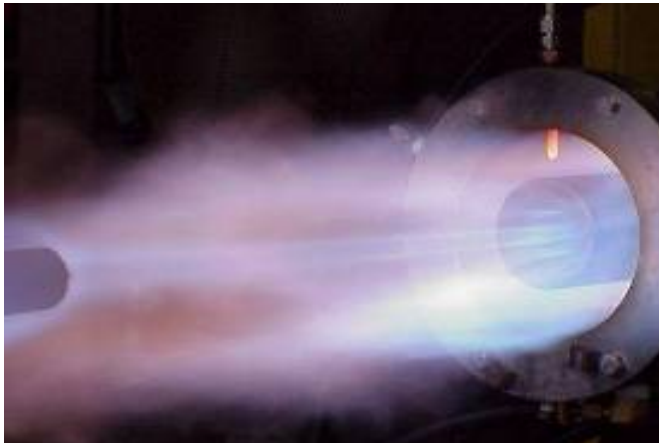
- Greenfield refining capacity
- Adoption of Euro fuel standards
- Heavy/sour crude capability
- H₂ for chemicals
- Trend toward outsourcing

Refining Capacity Growth (2010 – 2015)

US/Europe	2%
India	15%
China	20%
Middle East	24%
Brazil	25%

Praxair targeting 3 B scfd of hydrogen supply

Applications Technologies



Oxy-fuel Combustion



Renewable Biofuels



Water Treatment

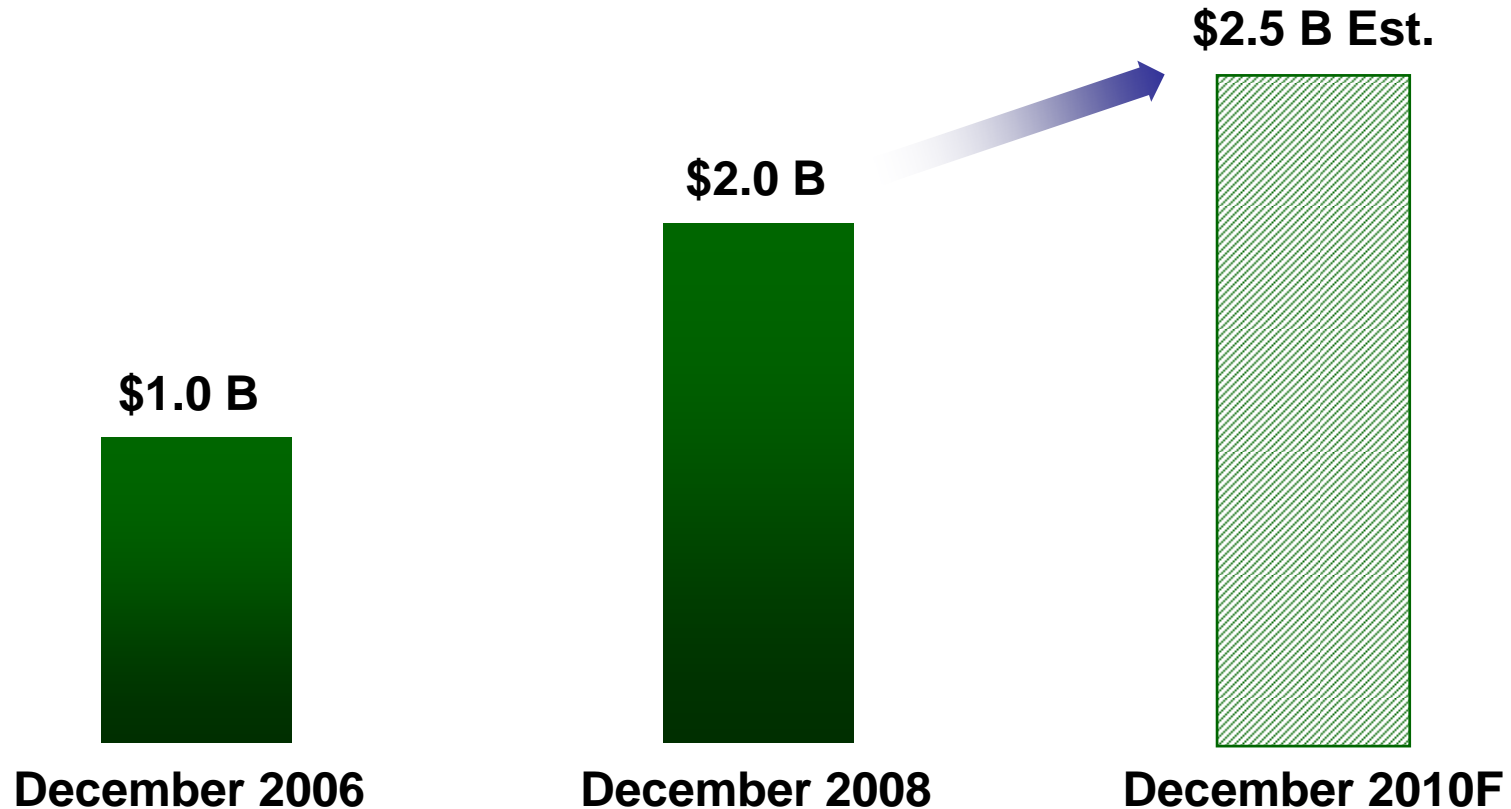


Photovoltaics

~2-3 per year sales growth from high margin applications

Project Backlog Continues to Grow

Major projects >\$5MM capital



Project start-ups will contribute 5% p.a. earnings growth

Long-term Growth Objectives

Annual Organic Growth

Sales → 8-12%

Operating Profit → 10-15%

EPS → 12-18%

After-tax return on capital* 15%+

- Growing project backlog
- Emerging markets growth
- Modest recovery in US/EU

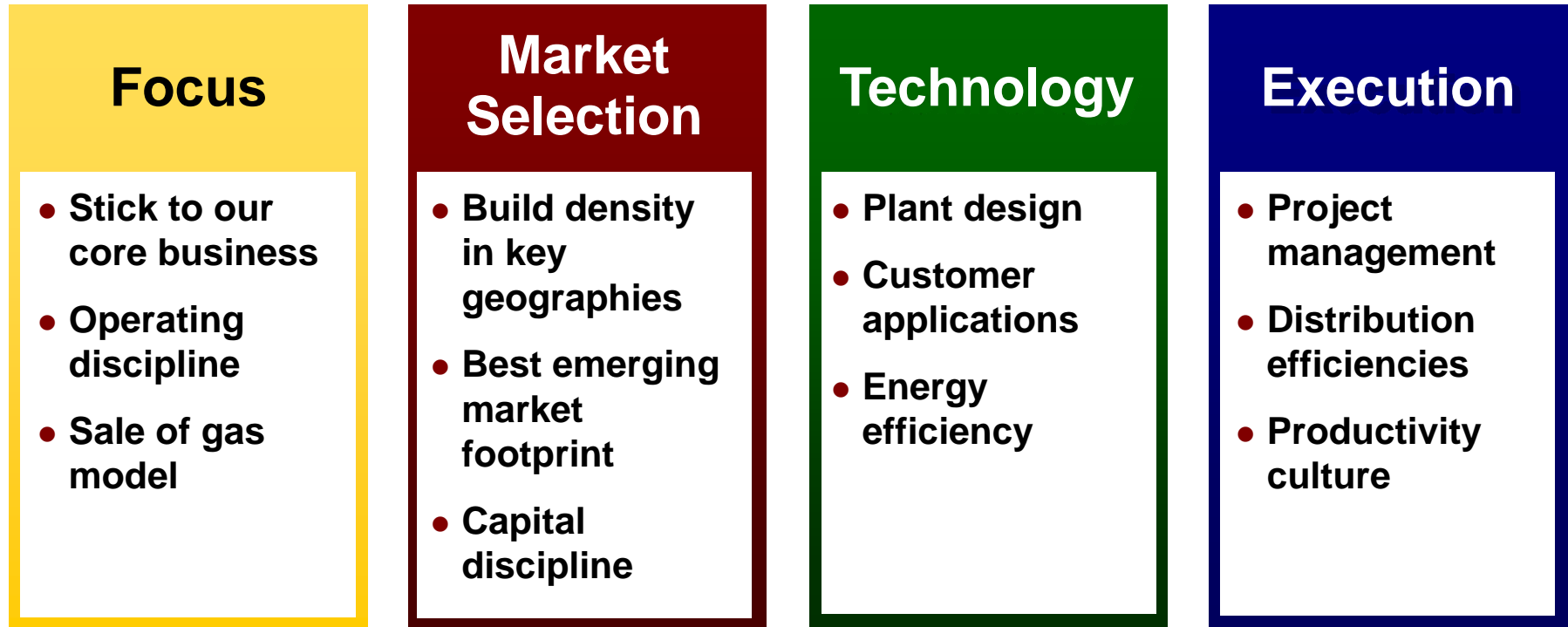
- Continued productivity
- Pricing > cost inflation

- EBITDA ~30% of sales
- Capex ~15% of sales

Free cash flow for increasing dividends and share purchases

*Non-GAAP measure, see page 40 of the 2009 annual report

Sustaining a Competitive Advantage



Organic growth and high ROC → shareholder value creation

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.

