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.
Praxair Delivers Consistent Outperformance

Indexed EPS

16% CAGR

8% CAGR


Recession

Praxair

S&P 500

* Source: S&P

Attractive Industry + Future Growth + Execution-Based Comp. Advantage = Winning Formula

Oppenheimer 6th Annual Industrials Conference - NYC 09/26/2011
Unique Revenue Model

- On-Site/Pipeline 25%
  - 15-year take-or-pay contracts
  - Indexed to energy, inflation, currency

- Merchant Liquid 30%
  - Exclusive supply agreements
  - Sourced as by-product from on-site

- Packaged/Medical 29%
  - Cylinder rental and specialty gas focus
  - Sourced as by-product from bulk

Integrated supply & contract terms drive high ROC
Largest Industrial Gases Company in North America

- $5.1B Sales 2010
- On-site and Bulk Gases
  - > 400 production plants
  - > 15,000 customer locations
  - 1,500 distribution vehicles
  - Several pipeline enclaves
- Packaged & Specialty Gases
  - > 100 production facilities
  - > 500,000 customers
  - 1,100 distribution vehicles
- Unique helium, argon and rare gases production & supply capabilities

Production / Distribution density drives growth and ROC
Praxair Key Growth Drivers

Emerging Economies
- Infrastructure development & domestic consumption
- 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

Supports annual organic sales growth of 8-12%
Praxair China

2010 Sales of $500 MM*

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

Increasing density and expanding footprint

* Combined Sales
South America

- Unrivaled network
  - 145 production units
  - 285 branches and filling stations
  - 2,050 distribution vehicles
  - 150,000 customers

- Largest markets include metals, manufacturing, healthcare, food and beverage, energy and chemicals

- Strong growth from project backlog

- Expanding domestic demand

- 2010 Sales of $2B

Best positioned and preferred supplier
Emerging Markets Sales

$7.5B

2005

26%

Asia

Mexico

South America

US and Canada

Europe

$10B

2010

36%

$16B

2015F

44%

14% CAGR for emerging market growth

Accelerating growth in emerging markets
Hydrogen Demand Growth

~8B scfd of H₂ Demand Growth through 2015

Includes ~5B scfd Outsourcing

Praxair hydrogen volumes expected to grow 20% p.a.
Praxair Gulf Coast Area Hydrogen Expansion

Gulf Coast Pipeline (TX / LA)
- 15,000 tpd O₂ / N₂ capacity
- 600MM scfd H₂ capacity
- 135MM scfd H₂ under construction
- 300+ miles of pipelines
- 2.5B scf Hydrogen cavern storage

Lower Mississippi Pipeline (LA)
- 90MM scfd H₂ capacity
- 135MM scfd H₂ under construction
- 35 miles of pipeline
- 45 mile pipeline expansion

~ 1 billion scfd by mid-2013
Environmentally-Friendly Applications Technologies

- Oxy-fuel Combustion
- Renewable Biofuels
- Water Treatment
- Photovoltaics

~2-3% per year sales growth from high margin applications
Sustaining a Competitive Advantage

**Focus**
- Stick to our core business
- Operating discipline
- Sale of gas model

**Market Selection**
- Build density in key geographies
- Best emerging market footprint
- Capital discipline

**Technology**
- Product line advantage
- Customer applications
- Total cost of ownership

**Execution**
- Project management
- Distribution efficiencies
- Productivity culture

Execution culture…difficult to match our “Say/Do” ratio
Growing Project Backlog

Backlog by Market

- Energy: 45%
- Chemicals: 10%
- Electronics: 10%
- Manufacturing: 23%
- Metals: 12%

Backlog $B

- 2006: 1.2B
- 2008: 1.8B
- 2010: 2.2B
- Current: 2.7B

Driven by emerging country and energy markets
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 39 of the 2010 annual report*
Cash Flow Projections – 2011 to 2015 cumulative

Cash Flow Generated from Operations
$18B

Capital Expenditures
$11B

Cash Flow Distributed
$7B

- Share Repurchase
- Dividends
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.