Praxair, Inc.

James S. Sawyer
Executive Vice President and
Chief Financial Officer

J.P. Morgan Diversified Industries Conference
June 05, 2012
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 Track Record

Strong Underlying Fundamentals...

Sales Growth

<table>
<thead>
<tr>
<th></th>
<th>Praxair</th>
<th>Competitor 1</th>
<th>Competitor 2</th>
<th>Competitor 3</th>
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<tr>
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<td>3%</td>
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EPS Growth

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Operating Margin

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Return on Capital

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<td>16%</td>
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Driving Industry - Leading Returns (5-year TSR)

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* Sales Growth and EPS Growth – 5 year CAGR
** Operating Margin and ROC – 2011

Leading value creation in the industry
Unique Revenue Model

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

Merchant Liquid 32%
- Exclusive supply agreements
- Sourced as by-product from on-site

Packaged/Medical 27%
- Cylinder rental and specialty gas focus
- Sourced as by-product from bulk

Integrated supply & contract terms drive high ROC
Diverse Markets

**Manufacturing 24%**
- Cutting – O₂
- Welding – O₂, N₂, Ar, H₂, He, blends
- Glass – O₂, N₂, Ar, H₂, He
- Automotive – O₂, N₂, Ar, H₂, Xe, Ne

**Metals 18%**
- Steel production – O₂
- Stainless steel – Ar, O₂
- Metal finishing / coating – H₂
- Inerting – Ar, N₂

**Energy 11%**
- Refining – H₂
- Natural gas fracturing – N₂
- Enhanced oil recovery – N₂, CO₂
- LNG in Brazil

**Chemicals 10%**
- Production – O₂, N₂, H₂
- Coal gasification – O₂
- Syngas production – CO
- Process control – specialty gases

**Electronics 9%**
- Semiconductor – process gases
- Photovoltaics – N₂, Ar, SiH₄
- Flat panel - O₂, N₂ , Ar, H₂, He, NH₃

**Healthcare 8%**
- Hospitals – O₂, N₂, CO₂
- MRI – He
- Sterilization – sterilant gases
- Anesthesia – N₂O

**Food & Bev 6%**
- Carbonation – CO₂
- Freezing – N₂, CO₂
- Inerting – N₂
- Hydrogenation – H₂

% of 2011 sales
Enhanced Oil Recovery

- Long-term growth drivers
  - Global economic recovery
  - Increasing energy demand
  - Rising oil prices

- Recent large nitrogen projects
  - Pemex, Samaria, Mexico
  - ExxonMobil, Hawkins, TX

- Participating in EOR pilot projects globally

Significant long term global opportunities
Global Shift to “Complex” Refining

Volume expansion; Hydrogen intensity 800-1200 scf per barrel
North America

2011 Sales $ 5.5B

- 500 production plants
- 3,000 distribution vehicles
- 500,000 customer locations
- Pipeline enclaves
- Unique helium, argon and rare gases production & supply capabilities

Main Markets

- Manufacturing: 28%
- Energy: 17%
- Metals: 13%
- Chemicals: 11%
- Healthcare: 8%

Strong growth fundamentals:
- Manufacturing
- Energy
- Chemical

Robust backlog of projects

Largest industrial gases company in North America
South America

2011 Sales $ 2.3B

- Unrivaled network, strong #1 position
  - 145 production units
  - 285 branches and filling stations
  - 2,050 distribution vehicles
  - 150,000 customers

- Robust underlying fundamentals
  - Expanding domestic demand
  - Infrastructure development
  - Export of metals and agricultural commodities

- Key growth markets: energy, manufacturing, metals, food & beverage, healthcare

- Strong growth from project backlog

Best positioned and preferred supplier
China

2011 Sales $ 0.6B*

Main Markets

- Chemicals 37%
- Metals 26%
- Electronics 14%
- Manufacturing 12%

Growing market with significant opportunities:
- Gasification, chemicals, metals, electronics
- Industrialization of inland provinces
- Energy efficiency & environmental

Outsourcing captive production
Applications driven growth
Strong growth from project backlog

Major enclaves in key geographies
- Caojing
- Daya Bay
- Chongqing

Quality customers and projects

* Combined Sales

Increasing density and expanding footprint
Competitive Advantage in Plant Design and Execution

- **Standardized product-line plants**
  - Up to 3000 TPD
  - >90% of plant builds

- **Multi-year Technology Roadmap**

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**O₂ Total Cost of Ownership**

*Up to 30% improvement over 2006*

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**Cost and Schedule Performance**

* Source: International Project Analysis (IPA)

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Maintaining competitive advantage in plant offerings

Superior execution ensures expected returns
Project Backlog

Driven by emerging economy and energy markets

- $2.7B capital spend - signed, long-term contracts with customers
- Strong customer bidding activity

Backlog by Market

<table>
<thead>
<tr>
<th>Market</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Energy</td>
<td>41%</td>
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<tr>
<td>Manufacturing</td>
<td>26%</td>
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<tr>
<td>Chemicals</td>
<td>12%</td>
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<tr>
<td>Metals</td>
<td>11%</td>
</tr>
<tr>
<td>Electronics</td>
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Backlog ($B)

- 2006: 1.2B
- 2008: 1.8B
- 2010: 2.2B
- 2011: 2.7B
Cash Flow Projections – 2011 to 2015 cumulative

**Cash Flow Generated from Operations**

$18B

**Cash Flow Distributed**

$7B

**Capital Expenditures**

$11B

- Share Repurchase
- Dividends
- Asia
- US & Canada
- Europe
- South America & Mexico
- Asia
- US & Canada
- Europe
- South America & Mexico
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.