

Praxair, Inc.

Steve Angel
Chairman, President and Chief Executive Officer



KeyBanc Capital Markets Basic Materials & Packaging Conference
September 12, 2012

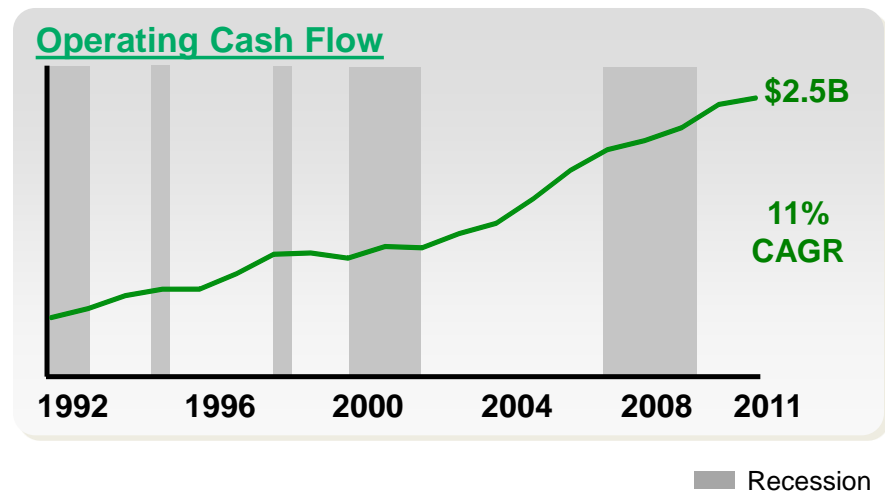
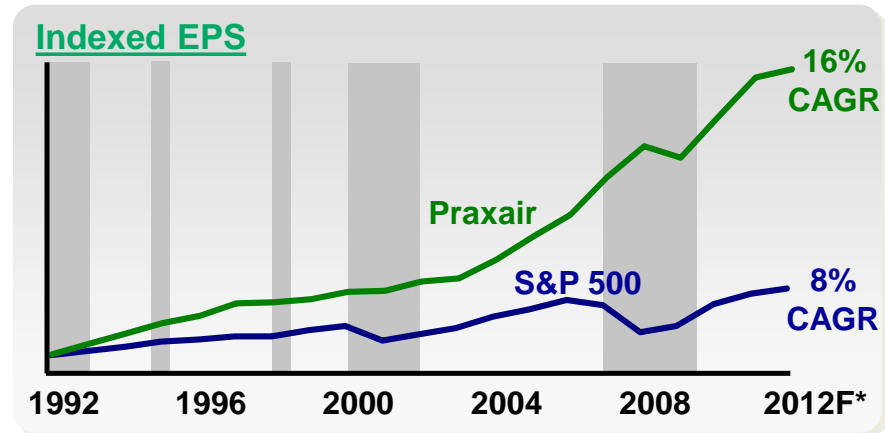
Forward Looking Statement

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; the impact of information technology system failures, network disruptions and breaches in data security; 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 Has Delivered...

Unique Revenue Model

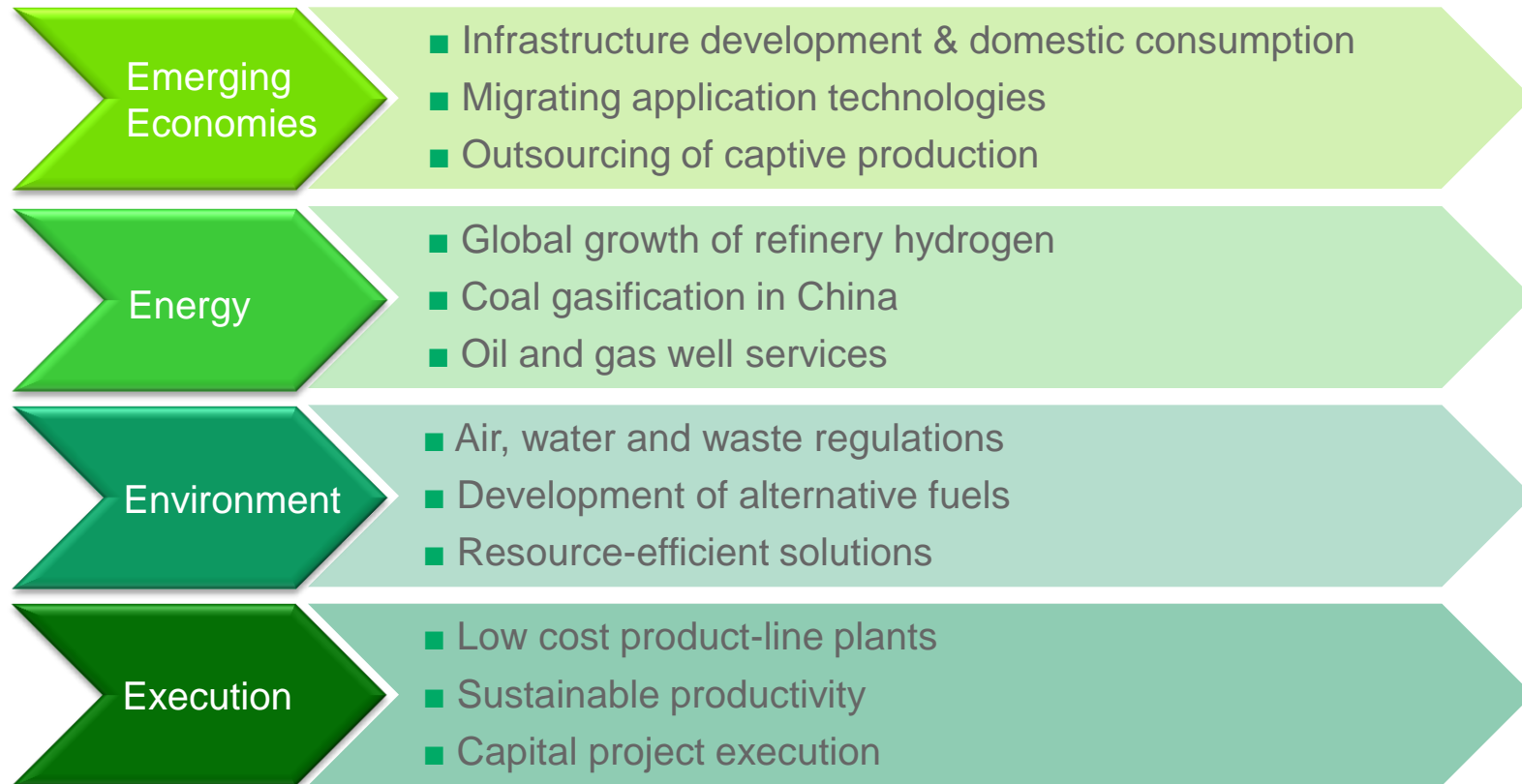
- No speculative capex
- Long-term contracts
- No commodity pricing
- Critical product, but low percentage of customer's cost stack
- High ROC and cash flow



...steady earnings growth through economic cycles

* Source: S&P

Praxair Key Growth Drivers



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



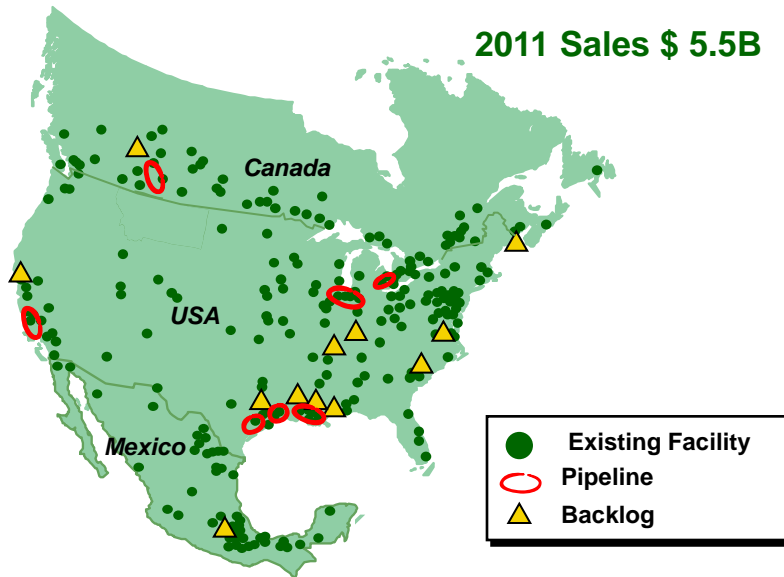
Food & Bev 6%

Carbonation – CO₂
 Freezing – N₂, CO₂
 Inerting – N₂
 Hydrogenation – H₂

% of 2011 sales

North America

2011 Sales \$ 5.5B



- 500 production plants
- 3,000 distribution vehicles
- Fully-integrated supply system
- Strength across all three countries: U.S., Canada and Mexico

<u>JUNE YTD YOY GROWTH</u>		
	<u>As reported</u>	<u>Ex-FX & P/T*</u>
SALES	4%	9%
OP	13%	15%

- Strong growth fundamentals:
 - Metals
 - Manufacturing
 - Energy: Refining and Oil & Gas Services
 - Chemical
- Packaged gas acquisition opportunities
- Robust backlog of projects

Largest and only fully-integrated industrial gases company in North America

* P/T = cost pass-through

South America



- Unrivalled network, strong #1 position
- 100 years of operations
- Fully-integrated on-site, merchant and packaged gases business

<u>JUNE YTD YOY GROWTH</u>		
	<u>As reported</u>	<u>Ex-FX & P/T*</u>
SALES	-7%	2%
OP	-17%	-3%

■ Solid underlying fundamentals

- Infrastructure development
- 2014 World Cup and 2016 Olympics
- Domestic demand
- Exports of metals
- Energy

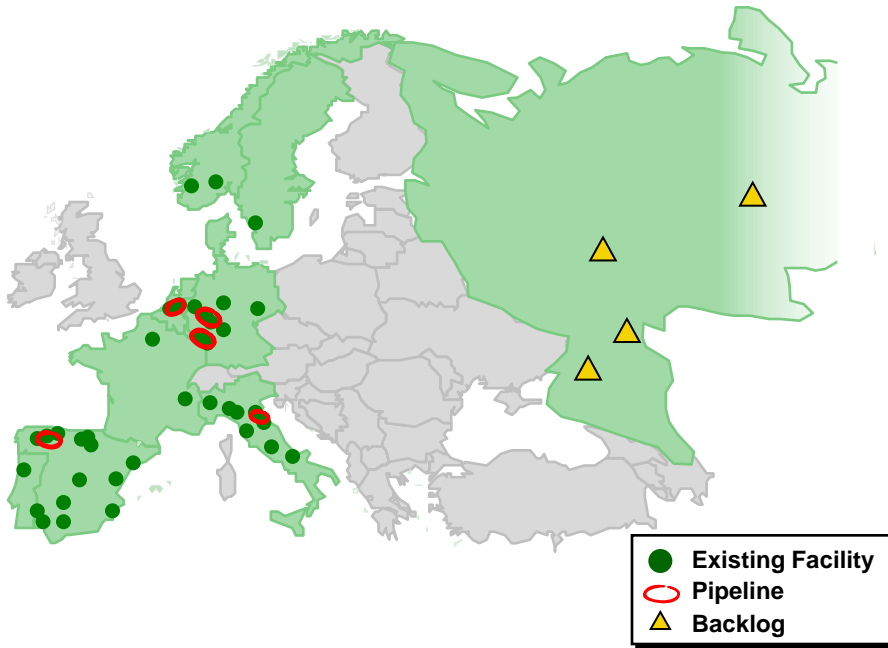
■ Strong growth from project backlog

Best positioned and preferred supplier

* P/T = cost pass-through

Europe

2011 Sales \$ 1.4B



- Pipeline enclaves: Germany, Belgium, Spain and Italy

JUNE YTD YOY GROWTH		
	<u>As reported</u>	<u>Ex-FX & P/T*</u>
SALES	6%	12%
OP	-3%	3%

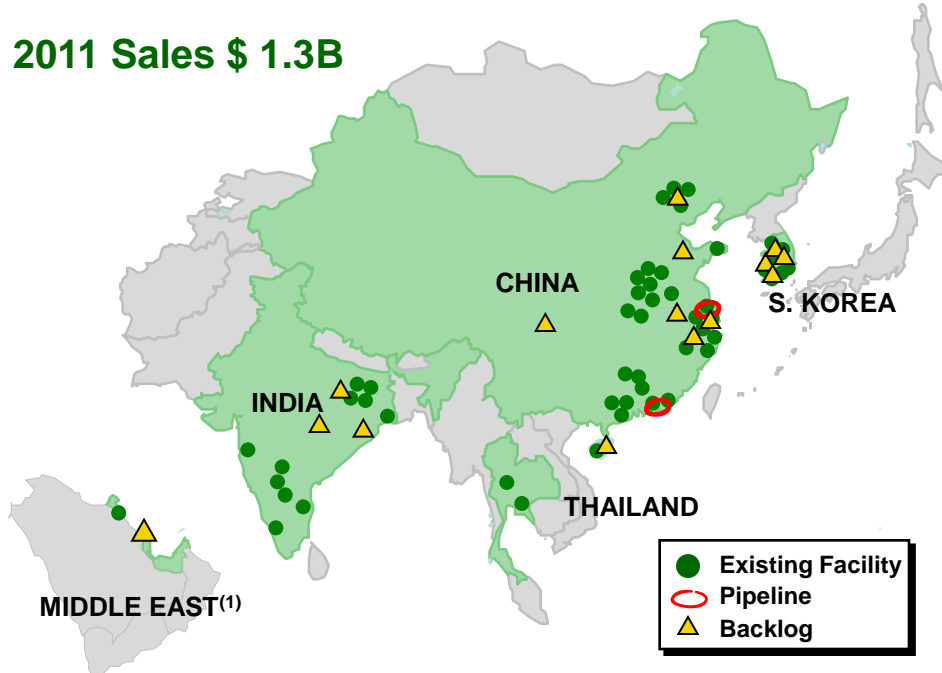
- Key markets: chemicals, manufacturing, healthcare, metals, food and beverage
- Positive price traction
- Consolidated Yara acquisition in Norway
- Strong project backlog in Russia

Right-sizing cost structure

* P/T = cost pass-through

Asia

2011 Sales \$ 1.3B



- Quality customers and projects
- Major enclaves in China
 - Caojing, Daya Bay, Chongqing

JUNE YTD YOY GROWTH		
	<u>As reported</u>	<u>Ex-FX & P/T⁽²⁾</u>
SALES	3%	3%
OP	8%	10%

- Secular growth opportunities:
 - Gasification
 - Energy efficiency & environmental
- Outsourcing captive production
- Applications driven growth
- Strong growth from project backlog

Increasing density and expanding footprint

(1) Kuwait, Bahrain, Qatar, UAE
 (2) P/T = cost pass-through

Proven Track Record of Productivity

Plant Efficiency

- Turbomachinery
- Advanced control systems

Distribution & Packaged Gas

- Fuel efficiency
- Routing optimization

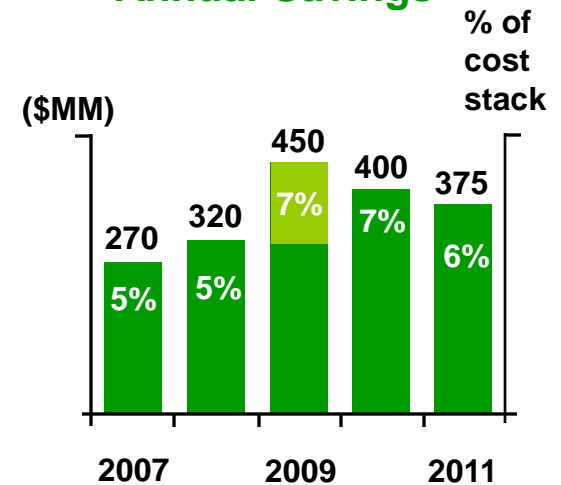
Lean Six Sigma

- Network optimization
- Facility workflow

Business Process

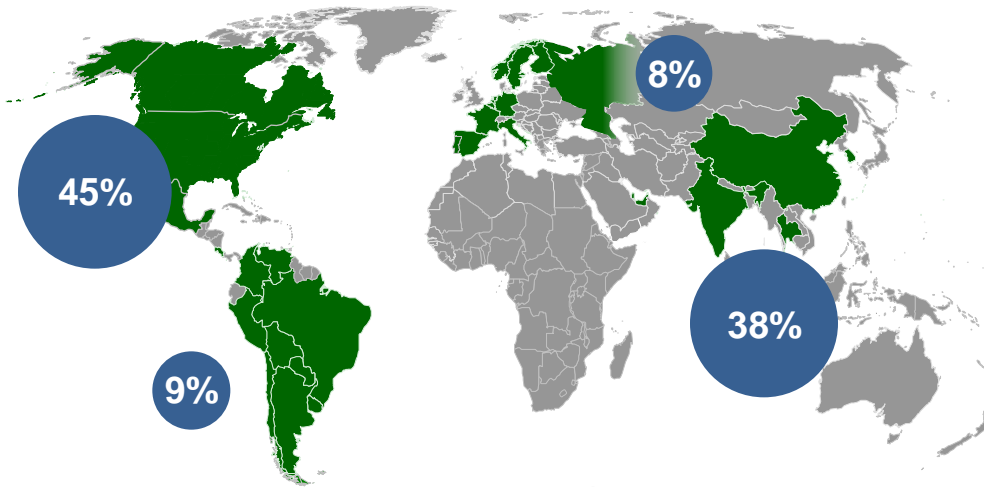
- Excellence in design, engineering, execution
- Low cost country sourcing

Annual Savings

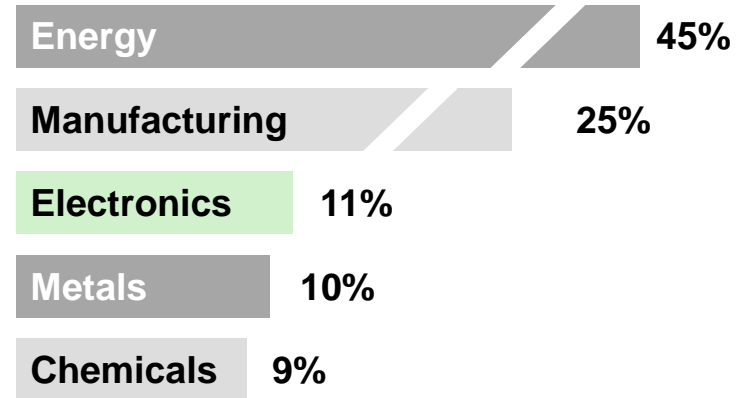


Productivity savings are sustainable – minimum target 5% per year

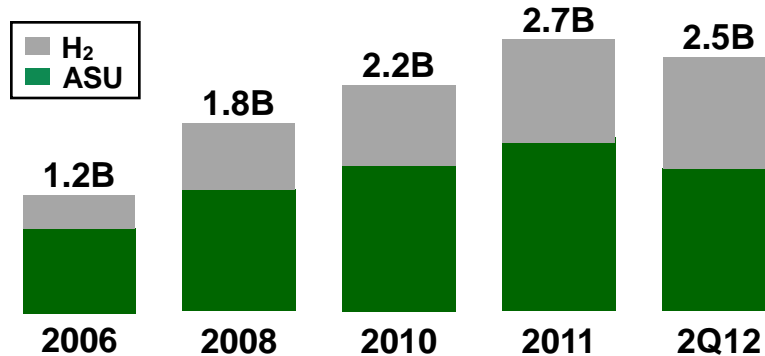
Project Backlog



Backlog by Market



Backlog (\$B)



- \$ 2.5B capital spend - signed, long-term contracts with customers
- Solid pipeline of opportunities

Driven by emerging economy and energy markets

Sustaining a Competitive Advantage

Focus

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

Market Selection

- Best geographic footprint
- Build density in key regions
- Capital discipline

Technology

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

Execution

- Project management
- Distribution efficiencies
- Productivity culture

Execution culture...difficult to emulate

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.



CARBON DISCLOSURE PROJECT

Global Carbon Disclosure Leadership Index
Global Carbon Performance Leadership Index



MSCI ESG Indices

