Praxair, Inc.

Steve Angel
Chairman, President and Chief Executive Officer

William Blair Annual Growth Stock Conference
June 13, 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 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
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
Excellent geographic footprint… well-positioned for future growth
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 and contract terms drive high profitability and ROC
Largest and only fully-integrated industrial gases company in North America

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

Main Markets

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

- Strong growth fundamentals:
  - Metals
  - Manufacturing
  - Energy: Refining and Oil & Gas Services
  - Chemical

- Packaged gas acquisition opportunities
- Robust backlog of projects
South America

2011 Sales $ 2.3B

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

Main Markets

<table>
<thead>
<tr>
<th>Market</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metals</td>
<td>27%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>23%</td>
</tr>
<tr>
<td>Healthcare</td>
<td>14%</td>
</tr>
<tr>
<td>Food &amp; Bev.</td>
<td>11%</td>
</tr>
<tr>
<td>Energy</td>
<td>9%</td>
</tr>
<tr>
<td>Chemicals</td>
<td>6%</td>
</tr>
</tbody>
</table>

- **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
China

2011 Sales $ 0.6B*

- Density in high growth corridors
- Major petro-chemical enclaves
  - Caojing
  - Daya Bay
  - Chongqing

Main Markets

<table>
<thead>
<tr>
<th>Market</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chemicals</td>
<td>37%</td>
</tr>
<tr>
<td>Metals</td>
<td>26%</td>
</tr>
<tr>
<td>Electronics</td>
<td>14%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>12%</td>
</tr>
</tbody>
</table>

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

- Outsourcing captive production
- Applications driven growth
- Strong growth from project backlog

Increasing density and expanding footprint

* Combined Sales
Hydrogen Demand Growth

- Developed markets
  - Heavy/sour crude capability
  - Shift to diesel
  - Replacing older, inefficient units

- 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)

<table>
<thead>
<tr>
<th>Region</th>
<th>Growth</th>
</tr>
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<tbody>
<tr>
<td>US/Europe</td>
<td>2%</td>
</tr>
<tr>
<td>India</td>
<td>15%</td>
</tr>
<tr>
<td>China</td>
<td>20%</td>
</tr>
<tr>
<td>Middle East</td>
<td>24%</td>
</tr>
<tr>
<td>Brazil</td>
<td>25%</td>
</tr>
</tbody>
</table>

Source: Purvin & Gertz, Praxair estimates

Praxair hydrogen volumes expected to grow 20% p.a.
Environmental Applications for Customers

Oxy-fuel Combustion
VOC emissions control
Water Treatment
Energy efficient windows

~2-3% per year sales growth from high margin applications
Proven Track Record of Productivity

Productivity savings are sustainable – minimum target 5% per year

**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**

<table>
<thead>
<tr>
<th>Year</th>
<th>Savings ($MM)</th>
<th>% of cost stack</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>270</td>
<td>5%</td>
</tr>
<tr>
<td>2009</td>
<td>320</td>
<td>5%</td>
</tr>
<tr>
<td>2011</td>
<td>450 + 7%</td>
<td>375 + 6%</td>
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Project Backlog

Driven by emerging economy and energy markets

Backlog by Market

- Energy: 41%
- Manufacturing: 26%
- Chemicals: 12%
- Metals: 11%
- Electronics: 10%

- $2.7B capital spend - signed, long-term contracts with customers
- Solid pipeline of opportunities

Backlog ($B)

- 2006: 1.2B
- 2008: 1.8B
- 2010: 2.2B
- 2011: 2.7B

$2.7B capital spend - signed, long-term contracts with customers
Solid pipeline of opportunities
Long-term Growth Objectives

**Annual Organic Growth**

- **Sales**: 8-12%
- **Operating Profit**: 10-15%
- **EPS**: 12-18%
- **After-tax return on capital**: 15%+

- Strong project backlog
- Secular growth drivers
- 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 2011 annual report*
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.