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. Additionally, financial projections or estimates exclude the impact of special items which the company believes are not indicative of ongoing business performance. 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.
Consistent Outperformance

Unique Revenue Model
- No speculative capex
- Long-term contracts – high renewal rates
- No commodity pricing
- Critical product, but low percentage of customer’s cost stack

Strong Profitability and Cash Flow
- Productivity – target at least 5% reduction in cost stack annually
- Integrated supply / distribution density strategy and contract terms drive profitability and high ROC

Leading value creation in the industry

* Source: Factset
Secular Growth Drivers…

...provide sustainable growth

Goldman Sachs Basic Materials Conference – NYC 05/22/2013
Industrial Parks / Enclaves in China

**CAOJING**
- Several air separation and hydrogen plants
- $20B investment by Bayer, Sinopec, BASF & BP, Evonik

**CHONGQING**
- >5,000 tons per day
- $5B petchem complex
- BASF and others

**DAYA BAY**
- 800 tons per day
- $4B investment by Shell and CNOOC
- Refinery expansions

Strict project selection, focus on areas where density can be developed
North America Unrivalled Integrated Supply Network

2012 Sales $ 5.6B

- Strength across all three countries: U.S., Canada and Mexico
- Solid growth fundamentals:
  - Metals
  - Manufacturing
  - Energy: Refining and Oil & Gas Services
  - Chemical
- Packaged gas acquisition opportunities

- 500 production plants
- 3,000 distribution vehicles
- Fully-integrated supply system

We are growing and building density
NuCO₂

- Leading provider of beverage carbonation to the U.S. restaurant industry
- Extension of Praxair competencies in distribution, productivity and safety
- Critical low-cost input to fountain beverage segment ... 24x7 service reliability is key
- Facility fee contracting model - stable and growing cash flow
- $250 MM 2013F sales, $115 MM EBITDA

Core industrial gases acquisition
# Productivity Savings Are Sustainable

<table>
<thead>
<tr>
<th>Category</th>
<th>Savings</th>
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<tbody>
<tr>
<td><strong>Plant Efficiency</strong></td>
<td>$400-450 MM</td>
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<tr>
<td>- Turbomachinery upgrades</td>
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<tr>
<td>- Cold box optimization</td>
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<td>- Advanced predictive control</td>
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<tr>
<td><strong>Distribution and Customer Service</strong></td>
<td>$100-150 MM</td>
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<tr>
<td>- Dynamic tour scheduling</td>
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<tr>
<td>- Tank optimization</td>
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<tr>
<td>- Fuel efficiency; on-board computers</td>
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<tr>
<td><strong>Packaged Gas</strong></td>
<td>$150-200 MM</td>
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<tr>
<td>- Network optimization and improved facilities workflow</td>
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<tr>
<td>- Mobile filling station / automation</td>
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<tr>
<td>- Asset tracking</td>
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<tr>
<td><strong>Reliability</strong></td>
<td>$50-100 MM</td>
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<tr>
<td>- Migrate new reliability technologies</td>
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<tr>
<td>- Global preventive and predictive maintenance program</td>
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<tr>
<td>- Vibration monitoring platform</td>
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<tr>
<td><strong>Business Process and Procurement</strong></td>
<td>$500-600 MM</td>
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<tr>
<td>- Sourcing contract management</td>
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<tr>
<td>- Low cost country sourcing</td>
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<tr>
<td>- Global business process replication</td>
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$1.2 - $1.5 billion cost savings over the next few years
Growth Outlook

- Double digit growth
- Increasing operating margin
- Positive IP and Secular Drivers
- Price & Productivity greater than cost inflation
- 1-2% annual share reduction

After-tax ROC 14-15%

Strong cash flow generation

Excludes acquisitions, divestitures and foreign currency
We Generate Stronger Cash Flow and…

% of Sales (3-yr average)

- Operating Cash Flow: 23% (PRAXAIR), 17% (Industry Average)
- Capital Spend: 16% (PRAXAIR), 12% (Industry Average)
- Dividends: 6% (PRAXAIR), 4% (Industry Average)
- Share Repurchases: 7% (PRAXAIR), 1% (Industry Average)

…reinvest and return to shareholders at a greater rate

*Industry ex-Praxair
Source: Bloomberg (2010-2012); PX 2010 Non-GAAP measure.
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.