Praxair, Inc.

Steve Angel
Chairman, President and Chief Executive Officer

Jefferies Industrial Leaders Day
March 6, 2014
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.
Stephen F. Angel  
Chairman, President & Chief Executive Officer

Steve Angel is chairman, president and CEO of Praxair, Inc. He became chairman in May 2007 and has been president and chief executive officer since January 2007.

Angel joined Praxair in 2001 as executive vice president, responsible for Praxair's businesses in North America, Europe and Asia, as well as for Healthcare. He was named president and chief operating officer in February 2006.

Prior to joining Praxair, Angel spent 22 years in a variety of management positions with General Electric.

Angel is a director on the board of PPG Industries. He is also a member of The Business Council and the U.S.-Brazil CEO Forum and is a former director of the American Chemistry Council and the U.S.-China Business Council.

A native of Winston-Salem, North Carolina, Angel received a bachelor of science degree in civil engineering from North Carolina State University and an MBA from Loyola College in Baltimore.
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

Operating Margin* (% of sales)

<table>
<thead>
<tr>
<th>Year</th>
<th>Praxair</th>
<th>Industry Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>9%</td>
<td>9%</td>
</tr>
<tr>
<td>1996</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>2000</td>
<td>15%</td>
<td>10%</td>
</tr>
<tr>
<td>2004</td>
<td>17%</td>
<td>8%</td>
</tr>
<tr>
<td>2008</td>
<td>22%</td>
<td>9%</td>
</tr>
<tr>
<td>2013</td>
<td>22%</td>
<td>15%</td>
</tr>
</tbody>
</table>

Operating Cash Flow

<table>
<thead>
<tr>
<th>Year</th>
<th>Praxair</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>$1.1B</td>
</tr>
<tr>
<td>1996</td>
<td>$1.5B</td>
</tr>
<tr>
<td>2000</td>
<td>$2.3B</td>
</tr>
<tr>
<td>2004</td>
<td>$2.5B</td>
</tr>
<tr>
<td>2008</td>
<td>$2.8B</td>
</tr>
<tr>
<td>2013</td>
<td>$2.9B</td>
</tr>
</tbody>
</table>

Source: Factset
*Praxair non-GAAP measure; refer to Annual Report for reconciliation
Sustaining a Competitive Advantage

Strategic Focus
- Select geographies – best footprint
- Core industrial gas
- Sale of gas model
- Integrated supply
- Build density

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

Execution
- Operational discipline
- Capital investment
- Safety
- Productivity
- Contract management
- Project execution
- Integrity and compliance

People
- High performers
- Disciplined operators
- Detail-oriented
- Nimble & adaptable
- Excellent leaders
- Non-hierarchical

High performance culture… takes years to build… tough to emulate
What We Do and Products We Supply

- We supply customers with atmospheric, process and specialty gases, high-performance coatings, and related services and technologies

- Atmospheric Gases
  - Produced when air is purified, compressed, cooled, distilled and condensed
  - Oxygen, nitrogen, argon and rare gases

- Process & Specialty Gases
  - Produced as by-products of chemical production or recovered from natural gas
  - Carbon dioxide, helium, hydrogen, semiconductor process gases, and acetylene
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 17%
- Steel production – O₂
- Stainless steel – Ar, O₂
- Metal finishing / coating – H₂
- Inerting – Ar, N₂

Energy 13%
- 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 8%
- 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 8%
- Carbonation – CO₂
- Freezing – N₂, CO₂
- Inerting – N₂
- Hydrogenation – H₂

% of 2013 sales
Advantages of Praxair’s Integrated Model

**CUSTOMERS**
- On-Site
- Merchant
- Packaged

**CONTRACTS**
- Long-term: 15 – 20 years
  - Take-or-pay provisions ensure base return
  - Pass-through escalation formulas for energy and inflation preserve return throughout project life
- Medium-term: 3 – 7 years
  - Requirements contracts with mix of open contracts, formula and other terms that anticipate changing market conditions
  - Low-cost energy purchase & efficient production drives profitability
- Short-term: 1 – 3 years or purchase order contracts
  - Bundle gas, rent, services, equipment and technology to maximize customer value

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Integrated supply & contract terms drive high ROC
North America Unrivalled Integrated Supply Network

- 2013 Sales $6.2B
  - 52% of Praxair

- 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
IG Opportunities in US Petchem Industry

Natural Gas/Liquids

- POX or ATR
- SMR
- Ethane Cracking
- PSA
- GTL
- Methanol
- Ammonia
- Ethylene Oxide/Glycol

Chemical Products IG Sales Intensity

- Fuels (via GTL): O₂  ++++
- Methanol: H₂ / CO  +++
- Ammonia: H₂, N₂  +++
- Acetic Acid: CO, O₂  ++
- Ethylene Oxide/Glycol: O₂  ++
- Ethylene: H₂ (Source)

Potential for $1B to $2B in IG industry capex going forward
South America

2013 Sales $2.0B
17% of Praxair

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

Opportunities
- Domestic demand
- Vast mineral and hydrocarbon resources - energy and infrastructure projects

#1 or #2 position in 8 out of 9 countries

Best positioned and preferred supplier
Praxair Europe

2013 Sales $1.5B
13% of Praxair

- Rightsizing costs in the South, growing in the North, entering Russia
- Diverse end markets: chemicals, manufacturing, healthcare, metals, food and beverage
- Positive price attainment
- Solid project backlog and bidding activity in Russia

Pipeline enclaves: Germany, Belgium, Spain and Italy

Margin upside with recovery… continued targeted investment strategy
Praxair Russia

Praxair Locations

- Existing
- Backlog

Investment Strategy

- Integrated supply + density
- Quality customers
- Heavily industrialized zones

Sales Outlook

- Existing Backlog
- $MM
- $250

Praxair Locations

- Evraz (3,000 tpd)
- KuibyshevAzot JV (1,400 tpd)
- Urals Region
- Moscow
- Volga River Region
- VolzhskyAzot Acq.
- Nikochem (400 tpd)

More opportunities than expected… execution every bit as tough
Praxair Asia

13% of Praxair

■ Quality customers and projects
■ Major pipeline systems in China

Geographic selectivity… density focus…profitable growth

Praxair Asia Sales

$1.5B

Thailand

Korea

India

China

2013

2017F

>$2.5B

MIDDLE EAST

CHINA

INDIA

S. KOREA

THAILAND

Existing Facility
Pipeline
Backlog
Praxair Surface Technologies

2013 Sales $0.7B
5% of Praxair

- Apply high-tech metallic and ceramic coatings
- Supply thermal spray consumables
  - Powder
  - Equipment
- Use technical competencies to solve problems
  - Metallurgy and material science
  - Coating development
  - Application engineering

Mid-single digit growth…strong productivity and ROC
Strong Backlog - $2.2B Capital

Strong U.S. petchem proposal activity
Praxair Investment Criteria

- Lower Risk ↔ Standard Global Hurdle Rate → Higher Risk

- **Guaranteed Cash Flows**
  - Cost Reduction – Take or Pay – Merchant

- **Customer & Asset**
  - Counter-party risk
  - Underlying asset viability

- **Sovereign Risks**
  - Foreign exchange volatility
  - Contractual enforcement
  - Ease of doing business

- **Execution**
  - Product line offering
  - Execution complexity

- **Strategic Alignment**
  - Density & integrated supply systems
    - Stand alone plants
    - Opportunistic
Sample Project Return on Capital

- Annuity-based business model
- Accretive to ROC within ~5 years
- Successive renewals

Praxair Consolidated Return on Capital Average

Economic Term (years)

Investment  Initial Contract Term  Renewal
Productivity Sources Over the Next Several Years

**Target a 5% Minimum Reduction in Cost Stack Annually**

<table>
<thead>
<tr>
<th>Category</th>
<th>Benefits</th>
<th>Cost Range</th>
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</thead>
<tbody>
<tr>
<td><strong>Plant Efficiency</strong></td>
<td>- Turbomachinery upgrades</td>
<td>$400-$450 MM</td>
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<tr>
<td></td>
<td>- Cold box optimization</td>
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<td></td>
<td>- Advanced predictive control monitoring</td>
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<tr>
<td><strong>Distribution and Customer Service</strong></td>
<td>- Dynamic tour scheduling</td>
<td>$100-$150 MM</td>
</tr>
<tr>
<td></td>
<td>- Tank optimization</td>
<td></td>
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<tr>
<td></td>
<td>- Fuel efficiency; on-board computers</td>
<td></td>
</tr>
<tr>
<td><strong>Packaged Gases</strong></td>
<td>- Network optimization and improved facilities workflow</td>
<td>$150-$200 MM</td>
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<tr>
<td></td>
<td>- Mobile filling station / automation</td>
<td></td>
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<tr>
<td></td>
<td>- Asset tracking</td>
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<tr>
<td><strong>Reliability</strong></td>
<td>- Migrate new reliability technologies</td>
<td>$50-$100 MM</td>
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<tr>
<td></td>
<td>- Global preventive and predictive maintenance program</td>
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<td></td>
<td>- Vibration monitoring platform</td>
<td></td>
</tr>
<tr>
<td><strong>Business Process and Procurement</strong></td>
<td>- Sourcing contract management</td>
<td>$500-$600 MM</td>
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<tr>
<td></td>
<td>- Low-cost country sourcing</td>
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<tr>
<td></td>
<td>- Global business process replication</td>
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</tbody>
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Productivity is sustainable
Growth from diverse sources… continued leverage down the P&L
20 Years of Growth and Outperformance

Continued focus on growing EPS faster than revenue

**Financial Leverage:**
High ROC and cash flow

**Operating Leverage:**
Price + productivity > inflation

- EPS: 13% CAGR
- OP: 11% CAGR
- SALES: 8% CAGR
1Q14 announced 21st consecutive annual dividend increase
Balanced use of cash to maximize return to shareholders
First Quarter 2014

- EPS in the range of $1.48 to $1.53, +7% to 11%*
  - Lunar New Year, Carnival, refinery customer turnarounds, adverse weather conditions

Full Year 2014

- Sales in the range of $12.3 to $12.8 billion
- EPS in the range of $6.25 to $6.55, +5% to 10% *
- Tax rate of about 28%
- CAPEX in the range of $1.8 to $2.0 billion

*Non-GAAP measures. See January 29, 2014 press release and slides for reconciliations to GAAP amounts.
### Sustainable Development Targets 2009-2015

<table>
<thead>
<tr>
<th>Business Drivers</th>
<th>Economic</th>
<th>Environmental</th>
<th>Social</th>
</tr>
</thead>
<tbody>
<tr>
<td>ENERGY</td>
<td></td>
<td></td>
<td>Zero Waste</td>
</tr>
<tr>
<td>ENVIRONMENT</td>
<td>$3 Billion Eco-Portfolio</td>
<td>GHG benefit 2X total GHG emissions</td>
<td></td>
</tr>
<tr>
<td>EMERGING ECONOMIES</td>
<td>$500 Million cumulative savings from Sustainable Productivity</td>
<td>Energy Efficiency</td>
<td>1.3MM Hours invested in safety training</td>
</tr>
<tr>
<td>EXECUTION</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>