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.
Praxair Snapshot

Industrial Gases
- Critical to customer; small part of their cost
- Local production and distribution
- Long-term contracts

Praxair Sep 2016 YTD Results
- Operating margin 22%
- Return on capital 12%
- Operating cash flow 26% of sales

Praxair Performance Drivers
- Diverse end-markets
- Integrated supply model
- Select geographic footprint
- Disciplined investments drive density & returns
- Growth and margin expansion
- Consistent strong cash flow generation and disciplined capital allocation

Sep 2016 YTD Sales

By Segment
- North America 53%
- Europe 13%
- Asia 15%
- South America 13%
- PST 6%

By Supply Mode
- On-Site 29%
- Merchant 35%
- Packaged Gases 28%
- Other 8%

By End-Market
- Manufacturing 23%
- Metals 17%
- Energy 11%
- Food / Bev 9%
- Healthcare 8%
- Electronics 11%
- Other 11%
- Aerospace 3%
- Chemicals 10%

Diversified business positioned for recovery
3Q16 Global Trends

North America 53%
- U.S. Gulf Coast project activity
- U.S. manufacturing and metals weak
- Food & beverage strong

Europe 13%
- Slow and steady improvement, ex-energy
- Synergistic acquisitions that grow density and resilient end-market sales

Asia 15%
- Consumer driven growth in China
- India growing; continued infrastructure needs

South America 13%
- Growing healthcare and food & beverage
- Manufacturing remains weak
- Project contribution

PST 6% (global)
- Aerospace growth

% of 3Q16 Sales
Strategy

2015

Optimize Base Business
- Price Management
- Cash Flow
- Productivity
- Align with end-market realities

2016

Grow Resilient End-Markets
- Healthcare
- Food & Beverage
- Environmental
- Specialty Gases
- Aerospace

2017

Capitalize on Acquisition Opportunities
- Build geographic density
- Increase presence in resilient end-markets

Execute Backlog & Win New Projects
- U.S. Gulf Coast focus
- Stronger contribution in 2017+

2018+

Leverage Cyclical Recovery
- Emerging Markets
- Oil and Metals
- Associated FX tailwind

Grow profitably regardless of the macroeconomic environment
Praxair U.S. Gulf Coast Expansion

Texas/Western Louisiana

- ~1 billion standard cubic foot per day hydrogen production and ~ 400 of miles of pipeline
- 2.5 bscf hydrogen cavern improves reliability and operational flexibility
- Winning and building density in the U.S. Gulf Coast with new projects:
  - Yara/BASF - ammonia
  - Geismar - TDI/MDI
  - MEGlobal – ethylene glycol
- Expect additional wins

+ $1 billion in capex for long-term supply contracts
Capital Allocation

Operating Cash Flow ~26% of Sales

Growth

Priority is quality growth
- Capital projects in our core business with prudent terms and conditions
- Synergistic acquisitions
- Double-digit after-tax IRR

Return to Shareholders

Consistently strong return of cash to shareholders
- Growing dividends at least in-line with earnings (19% CAGR over 22 years)
- Remaining free cash for stock repurchases

Investment Grade Rating

Maintain “A” rating
- Attractive cost of capital
- Flexibility for future growth opportunities

Consistently disciplined
Growth Outlook (excluding currency)

**SALES**
- Low to mid single-digit
- Price vs. inflation
- Project backlog
- Base volume vs. IP
- Acquisitions/divestitures

**OPERATING PROFIT**
- Greater than sales growth
- Productivity + price > costs
- Optimize base business
- Existing asset utilization

**SHAREHOLDER RETURN**
- Increase cash flow
- Share buy-backs
- Annual dividend growth

Focus on profitable growth
Sustainable Development Highlights

**BEST-IN-CLASS SAFETY PERFORMANCE:**

- **SAFETY FIRST**
- **25x** better than US OSHA industrial average lost workday case rate

**ECO-PORTFOLIO:**

- **$60+MM ENERGY SAVINGS PER YEAR**
- **32%** of revenue

**GHG:**

- **346,919** beneficiaries globally from Community Engagement
- **2x net GHG benefit** through PX applications

**RECOGNITION:**

- **14 consecutive years named to the Dow Jones Sustainability Indices**
- In Collaboration with RobecoSAM

- **CDP A LIST 2016 CLIMATE**
- **Diversity Inc 2016 Top 50 Companies for Diversity**
- **Forbes 2016 AMERICA’S BEST LARGE EMPLOYERS**

**300+ SITES & 12,500+ EMPLOYEES PARTICIPATED IN Praxair’s Zero Waste Program**

**90% of LEADERSHIP in emerging economies is local**

**125MM people served by water applications**