PRAXAIR

Investor Teleconference Presentation
Second Quarter 2007

July 25, 2007

Forward Looking Statements

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 tax, environmental, home healthcare and other legislation and government regulation in jurisdictions in which the company operates; the cost and outcomes of litigation and regulatory agency actions; 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 latest Annual Report on Form 10-K filed with the SEC which should be reviewed carefully. Please consider the company's forward-looking statements in light of those risks.

Second Quarter Results

($MM)	Second Quarter 2007	First Quarter 2007	Second Quarter 2006
Sales	$2,332	$2,175	$2,076
Operating Profit	$ 439	$ 403	$ 382
Operating Margin	18.8%	18.5%	18.4%
Net Income	$ 291	$ 265	$ 247
Diluted EPS	$ 0.89	$ 0.81	$ 0.75
After-Tax ROC*	15.3%	14.8%	14.5%
ROE*	25.0%	23.5%	23.5%

	YOY	Q2 vs Q1
Sales Growth	+12%	+7%
Volume	+5%	+3%
Price	+3%	0%
Currency	+3%	+2%
Acq/Div	+1%	+2%

YOY

Strong operating leverage

Sales	+12%
Operating Profit	+15%
Net Income	+18%
EPS	+19%

Operating Cash Flow	+23%

* Non-GAAP measures, See Appendix

North America

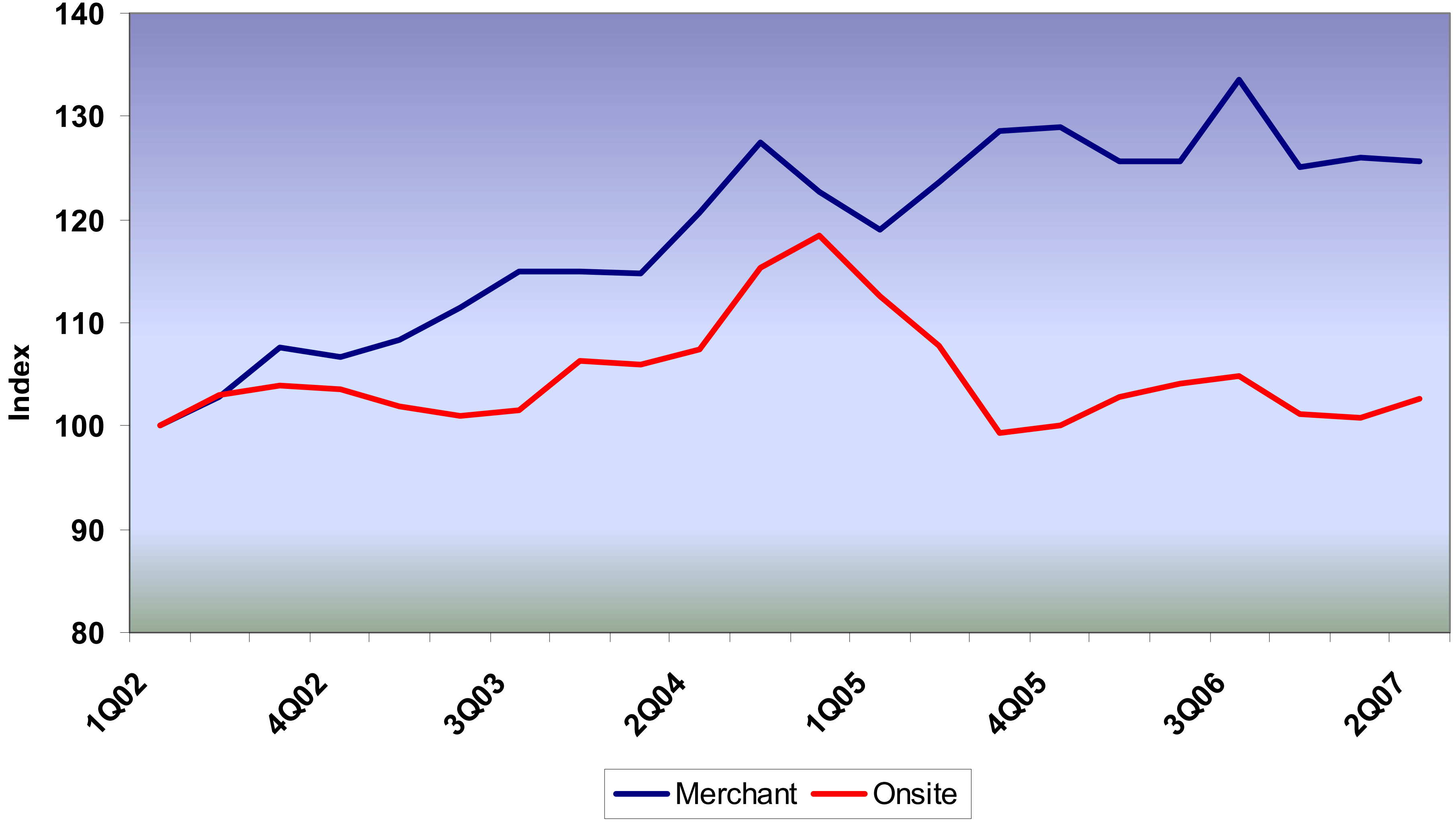
($MM)	Second Quarter 2007	First Quarter 2007	Second Quarter 2006
Sales	$1,293	$1,205	$1,158
Segment OP	$ 231	$ 217	$ 215
Operating Margin	17.9%	18.0%	18.6%

	YOY	Q2 vs Q1
Sales Growth	+12%	+7%
Volume	+4%	+2%
Price	+4%	+1%
Natural Gas	+1%	+1%
Acq/Div	+3%	+3%

- YOY sales growth driven by energy and general manufacturing markets
- Strong merchant and packaged gas pricing trends
- Strong growth in Mexico
- YOY OP +16%, ex-insurance recovery in Q2 06
- High level of new business development activity

Key Sales Indicators	YOY
On-Site Sales (ex-natural gas)	+ 8%
Merchant Sales	+ 12%
Packaged Gas Sales	+ 13%

North American Volumes



Volumes not days adjusted

Europe

($MM)	Second Quarter 2007	First Quarter 2007	Second Quarter 2006
Sales	$336	$330	$296
Segment OP	$ 79	$ 72	$ 65
Operating Margin	23.5%	21.8%	22.0%

	YOY	Q2 vs Q1
Sales Growth	+14%	+2%
Volume	+ 4%	+2%
Price	+ 2%	-3%
Currency	+ 8%	+3%

- Growth in on-site and merchant sales in Spain, Germany, Italy and Western Europe.
- Strong homecare and packaged gas sales across the region
- Higher YOY sales to chemical, food & beverage and manufacturing markets
- Margin gains from productivity initiatives
- Pricing reflects lower power pass-through costs vs. Q1 07

South America

($MM)	Second Quarter 2007	First Quarter 2007	Second Quarter 2006
Sales	$393	$348	$340
Segment OP	$ 76	$ 66	$ 58
Operating Margin	19.3%	19.0%	17.1%

	YOY	Q2 vs Q1
Sales Growth	+16%	+13%
Volume	+9%	+5%
Price	+5%	+3%
Currency	+8%	+5%
Equipment Sale	-6%	0%

- Improving economy and stable currency
- Volume growth in on-site, merchant and packaged gases
- Higher YOY growth to manufacturing, metals, beverage and chemical markets
- Pricing and productivity gains exceed cost inflation
- 5 project startups in H2 07

Asia

($MM)	Second Quarter 2007	First Quarter 2007	Second Quarter 2006
Sales	$179	$167	$155
Segment OP	$ 30	$ 27	$ 28
Operating Margin	16.8%	16.2%	18.1%

	YOY	Q2 vs Q1
Sales Growth	+15%	+8%
Volume	+11%	+8%
Price	-1%	-2%
Currency	+ 5%	+2%

- Strong growth in on-site and liquid volumes in China, Korea and India
- Electronics sales +15% YOY
- Significant power cost increases not passed through to merchant customers
- Business development proposal activity is strong

Surface Technologies

($MM)	Second Quarter 2007	First Quarter 2007	Second Quarter 2006
Sales	$131	$125	$127
Segment OP	$ 23	$ 21	$ 16
Operating Margin	17.6%	16.8%	12.6%

- Sales +12% YOY ex-currency and divestiture
- Strong demand for aircraft engine coatings
- Strong coating demand from Europe for industrial gas turbines (IGT)
- Margin improvement attributable to prior year divestiture, improved operating leverage and productivity improvements

Global End-Market Trends

Q2 YOY Sales Growth

Energy[1]	+32%	Higher HYCO volumes, LNG in Brazil
Electronics	+10%	Strong volume growth offset by lower pricing
Chemicals	+8%	Strong growth in Europe and South America
Metals	+4%	Strong growth in South America and Asia, partially offset by lower volumes in North America
Manufacturing	+16%	Strong global demand driving growth in all regions
Healthcare	+9%	Growth in hospital services, Canada, Spain and Brazil
Aerospace[2]	+9%	Strength in OEM aviation coatings
Food and Bev.	+14%	Strong seasonal beverage demand, growth in food applications

(1) Excluding natural gas pass-through
(2) Excluding effect of divestiture

Financial Outlook

Third Quarter 2007

- Diluted EPS in the range of $0.89 to $0.91

Full Year 2007

- YOY sales growth in the range of 10% to 12%
- Diluted EPS in the range of $3.50 to $3.55
- Tax rate about 26%
- CAPEX in the range of $1.2 to $1.3 billion

APPENDIX

Non-GAAP Measures ($MM)

Definitions of the following non-GAAP measures may not be comparable to similar definitions used by other companies. Praxair believes that (i) its debt-to-capital ratio is appropriate for measuring its financial leverage; (ii) its after-tax return on invested capital ratio is an appropriate measure for judging performance as it reflects the approximate after-tax profit earned as a percentage of investments by all parties in the business (debt, minority interests and shareholders' equity) and the ROC amount will help investors understand underlying performance; (iii) its return on equity is an appropriate measure for judging performance for shareholders.

	2007		2006			
	Q2	Q1	Q4	Q3	Q2	Q1
Total Capital						
Total debt	$ 3,700	$ 3,736	$ 3,167	$ 3,174	$ 3,454	$ 3,408
Minority interests	234	230	222	209	203	207
Shareholders' equity	4,850	4,467	4,554	4,494	4,269	4,125
Total Capital	$ 8,784	$ 8,433	$ 7,943	$ 7,877	$ 7,926	$ 7,740
Debt-to-Capital Ratio	42.1%	44.3%	39.9%	40.3%	43.6%	44.0%
After-Tax Return on Capital (ROC)						
Reported operating profit	$ 439	$ 403	$ 393	$ 392	$ 382	$ 352
Less: income taxes	(103)	(95)	(81)	(101)	(90)	(83)
Less: tax benefit on interest expense	(11)	(10)	(10)	(10)	(11)	(10)
Add: income from equity investments	5	4	4	1	3	2
Net operating profit after-tax (NOPAT)	$ 330	$ 302	$ 306	$ 282	$ 284	$ 261
Beginning capital	$ 8,433	$ 7,943	$ 7,877	$ 7,926	$ 7,740	$ 7,551
Ending capital	$ 8,784	$ 8,433	$ 7,943	$ 7,877	$ 7,926	$ 7,740
Average capital	$ 8,609	$ 8,188	$ 7,910	$ 7,902	$ 7,833	$ 7,646
ROC %	3.8%	3.7%	3.9%	3.6%	3.6%	3.4%
ROC % (annualized)	15.3%	14.8%	15.5%	14.3%	14.5%	13.7%
Return on Equity (ROE)						
Reported net income	$ 291	$ 265	$ 269	$ 247	$ 247	$ 225
Beginning shareholders' equity	$ 4,467	$ 4,554	$ 4,494	$ 4,269	$ 4,125	$ 3,902
Ending shareholders' equity	$ 4,850	$ 4,467	$ 4,554	$ 4,494	$ 4,269	$ 4,125
Average shareholders' equity	$ 4,659	$ 4,511	$ 4,524	$ 4,382	$ 4,197	$ 4,014
ROE %	6.2%	5.9%	5.9%	5.6%	5.9%	5.6%
ROE % (annualized)	25.0%	23.5%	23.8%	22.5%	23.5%	22.4%