Investor Teleconference Presentation
Third Quarter 2008

October 29, 2008

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 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 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.

Third Quarter Results

($MM)	Third Quarter 2008	Second Quarter 2008	Third Quarter 2007
Sales	$2,852	$2,878	$2,372
Operating Profit	$ 544	$ 543	$ 460
Operating Margin	19.1%	18.9%	19.4%
Net Income	$ 355	$ 349	$ 305
Diluted EPS	$ 1.11	$ 1.08	$ 0.94
After-Tax ROC*	15.5%	15.4%	15.5%
ROE*	26.9%	25.7%	25.1%

	YOY	Q3 vs Q2
Sales Growth	+20%	- 1%
Volume	+ 3%	- 2%
Price	+ 7%	+ 1%
Natural Gas	+ 3%	0%
Currency	+ 5%	0%
Acq/Div	+ 2%	0%

YOY

- Estimated hurricane impact
  - Sales ($30 MM)
  - Operating profit ($10 MM)
  - Diluted EPS ($0.02)
- Net FX hedge gains
  - Operating profit $13 MM
  - Diluted EPS $0.03

*Non-GAAP measures. See Appendix

North America

($MM)	Third Quarter 2008	Second Quarter 2008	Third Quarter 2007
Sales	$1,557	$1,573	$1,306
Segment OP	$ 274	$ 275	$ 244
Operating Margin	17.6%	17.5%	18.7%

	YOY	Q3 vs Q2
Sales Growth	+19%	- 1%
Volume	+ 1%	- 3%
Ex-hurricane	+ 3%	- 1 %
Price	+ 8%	+ 2%
Natural Gas	+ 5%	0%
Currency	+ 1%	0%
Acq/Div	+ 4%	0%

- YOY sales growth driven by diverse markets - energy, chemicals, metals and manufacturing
- Mexico sales +22% YOY ex-FX, strong price and volume growth
- Eastern Canada soft due to automotive and manufacturing
- Volume growth mitigated by shut-downs due to Gulf Coast hurricanes

Outlook

– Sequential slowing in metals, manufacturing
– Strong pricing trends
– Positive outlook for refinery hydrogen and oil well services
– Growth in Mexico driven by energy sector

North America Business Trends – Q3 08 YOY

On-site

- On-site sales +37%, +18% ex-NG
- Refinery hydrogen volume +9%, +27% ex hurricane
- On-site atmospheric gases volume +10%

Merchant

- Merchant sales +12%
- Strong pricing trends
- Growth in food, refining and oil well services
- Strong LOX and CO2 volumes
- Sequential seasonal slowdown in CO2 for beverage

Packaged

- Packaged gases sales +13%
- PDI SSS +5%. US SSS +6%, Canada SSS +2%. Gases SSS +8%, hardgoods +1%.
- Closed 3 distributor acquisitions
- September 1 pricing action to recover higher power and distribution costs

Europe

($MM)	Third Quarter 2008	Second Quarter 2008	Third Quarter 2007
Sales	$384	$406	$325
Segment OP	$ 96	$ 99	$ 78
Operating Margin	25.0%	24.4%	24.0%

	YOY	Q3 vs Q2
Sales Growth	+18%	- 5%
Volume	+ 2%	- 4%
Price	+ 5%	0%
Currency	+13%	- 1%
Acq/Div	- 2%	0%

- Merchant volume growth in Spain, Germany and Italy
- YOY growth to chemicals and healthcare end markets
- Slowing growth in packaged gases volumes in September
- Sequential slowdown due to August holiday
- OP includes $9MM net FX hedge gain

Outlook

- Weak macroeconomic environment
- Weaker Euro currency
- Continued growth from new projects and customers, and applications technology

South America

($MM)	Third Quarter 2008	Second Quarter 2008	Third Quarter 2007
Sales	$ 527	$514	$419
Segment OP	$ 111	$102	$ 84
Operating Margin	21.1%	19.8%	20.0%

	YOY	Q3 vs Q2
Sales Growth	+26%	+ 3%
Volume	+ 7%	+ 2%
Price	+ 7%	+ 2%
Currency	+12%	- 1%

- Brazil Q3 IP growth +5.7%, driven by strong domestic demand
- YOY volume growth in on-site, merchant and packaged gases
- Sales growth driven by manufacturing, metals, food and beverage and healthcare
- Sales outside of Brazil +23% ex-FX
- OP includes $4MM net FX hedge gain

Outlook

- Softening on-site volumes for steel customers
- Continued strength in merchant and packaged gases
- Strong backlog and proposal activity

Asia

($MM)	Third Quarter 2008	Second Quarter 2008	Third Quarter 2007
Sales	$239	$232	$190
Segment OP	$ 38	$ 40	$ 30
Operating Margin	15.9%	17.2%	15.8%

	YOY	Q3 vs Q2
Sales Growth	+26%	+ 3%
Volume	+ 14%	+ 2%
Price	+ 11%	+ 3%
Currency	+ 1%	- 2%

- Strong merchant volumes in China, India and Korea; strong pricing trends
- Growth in chemicals and manufacturing
- Electronics sales +48% YOY; new project start-ups in China and Korea
- Project activity remains strong

Outlook

- Slowdown in electronics
- Continued strong backlog and proposal activity

Surface Technologies

($MM)	Third Quarter 2008	Second Quarter 2008	Third Quarter 2007
Sales	$145	$153	$132
Segment OP	$ 25	$ 27	$ 24
Operating Margin	17.2%	17.6%	18.2%

- Sales growth +3% YOY ex-currency
- Lower aviation coatings for jet engines due to plane delays and Boeing strike
- Strong coatings growth to energy market for industrial gas turbines and oil well components
- Sequential impact from August holiday in Europe

Outlook

– Continued strength in coatings for energy market
– Aviation coating volumes will pick up

Global End-Market Trends

Sales Growth YOY

ex-FX, Acq and NG

	Q2	Q3	
Energy	+29%	+21%	Hydrogen for refineries, oil well services; sequential impact from hurricanes
Electronics	+13%	+19%	New project start-ups in China and Korea, growth in solar
Chemicals	+19%	+13%	Growth in Asia, Europe and North America
Metals	+11%	+14%	Global growth expected to moderate
Manufacturing	+11%	+ 8%	Sequential softening in US and Europe
Healthcare	+ 2%	+ 2%	Strong hospital and international, partially offset by US homecare
Aerospace	+ 8%	- 3%	Lower volumes of jet engine coatings due to Boeing strike and plane delays
Food and Bev.	+ 3%	+ 5%	Continued steady growth

Liquidity and Cash Flow

Debt

(Q3 08)	$MM	Avg. Rate
CP & Other US	$1,187	2.3%
International Debt	$1,269	6.9%
US Long Term Bonds	$2,488	5.2%
Total	$4,944	5.0%

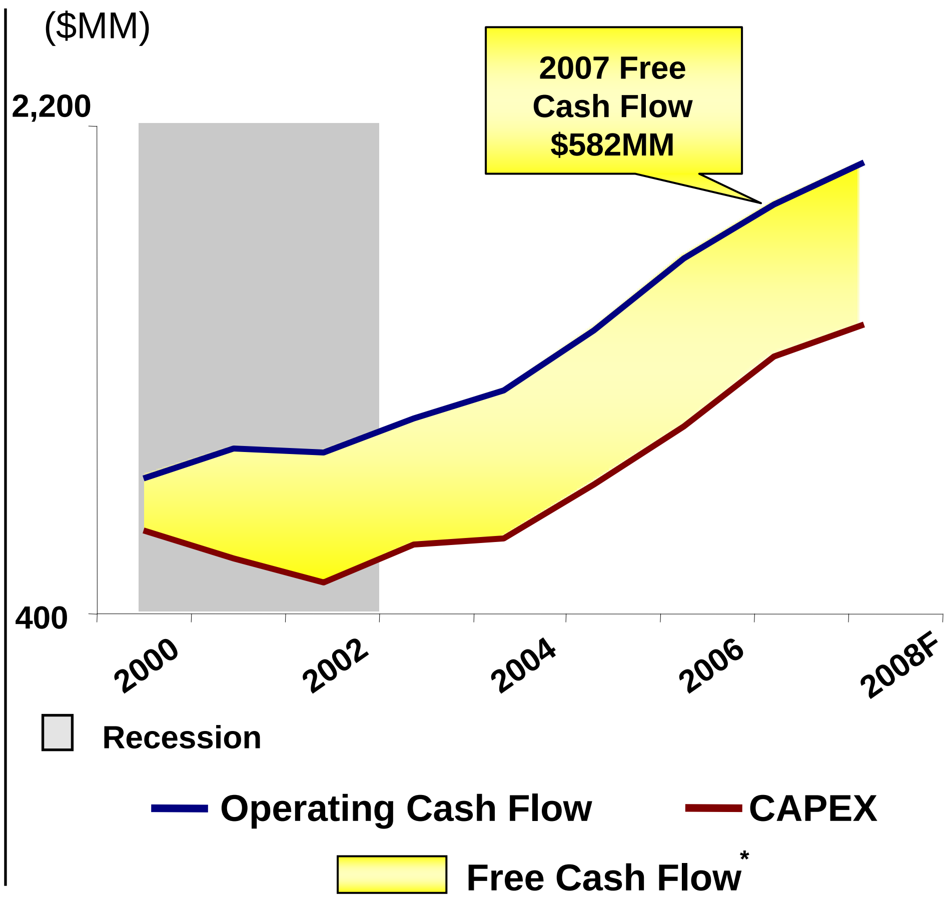
Ratios*

EBIT Interest Coverage	10.3X
Debt/EBITDA	1.7X
Debt to Capital Ratio	48.7%

Debt Ratings

	S&P	Moody's
Long Term	A	A2
Short Term (CP)	A-1	P-1

Cash Flow



*Non-GAAP measures. See Appendix

Financial Outlook

Fourth Quarter 2008

- **Diluted EPS in the range of $1.03 to $1.08**
  - **Assumes negative currency impact of about 8%, based on current exchange rates**
  - **Excludes potential restructuring costs**

Full Year 2008

- **Sales of approximately $11 billion, +17% YOY**
- **Diluted EPS in the range of $4.21 to $4.26***
  - **Excludes ($.03) Q1 impact of pension settlement charge**
  - **Excludes potential Q4 restructuring costs**
  - **Represents growth of 16% to 18% YOY***
- **Tax rate about 28%, up 2% from 2007**
- **CAPEX of about $1.5 billion**

*Non-GAAP measures, see Appendix

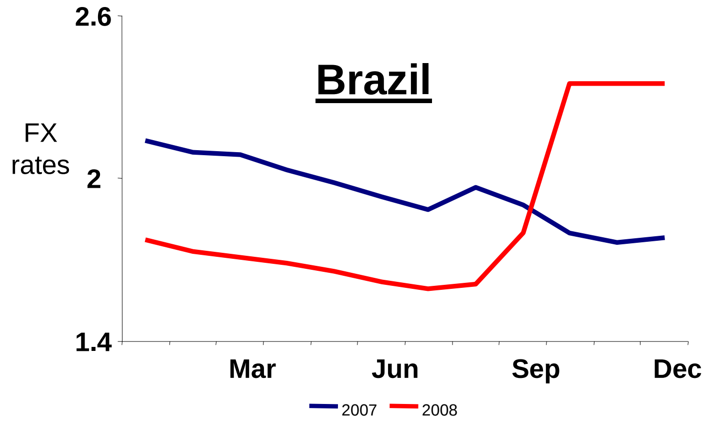
APPENDIX

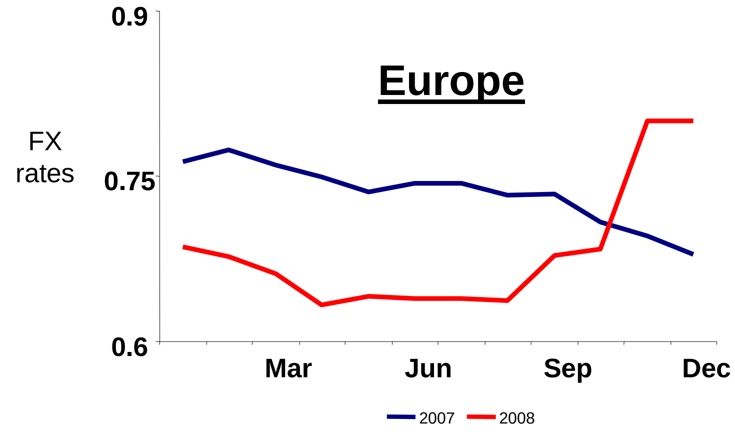
Q3 Global End-Markets

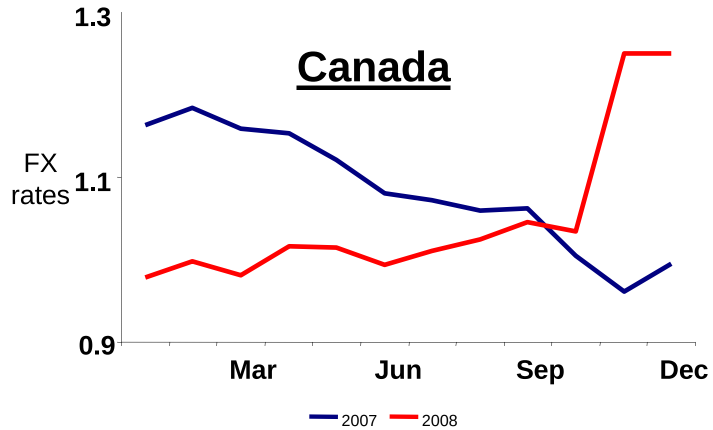
	YOY Sales Growth[1]	Ex-FX and Acq
Energy	+24%	+21%
Electronics	+20%	+19%
Chemicals	+17%	+13%
Metals	+21%	+14%
Manufacturing	+22%	+ 8%
Healthcare	+ 8%	+ 2%
Aerospace	+ 0%	- 3%
Food and Bev.	+10%	+ 5%

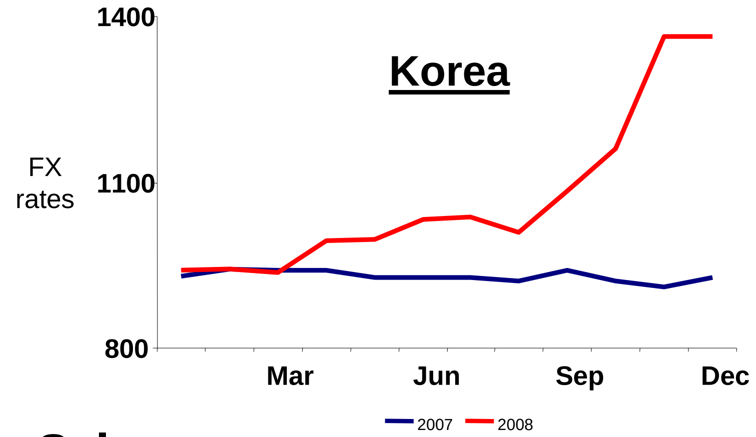
(1) Excluding natural gas pass-through

Currency









FX Impact on Sales
2008 YOY

Q1	Q2	Q3	Q4 Est
+7%	+7%	+5%	-8%

Non-GAAP Measures ($MM)

The following non-GAAP measures are intended to supplement investors' understanding of the company's financial information by providing measures which investors, financial analysts and management use to help evaluate the company's financing leverage, return on net assets employed and operating performance. Special items which the company does not believe to be indicative of on-going business trends are excluded from these calculations so that investors can better evaluate and analyze historical and future business trends on a consistent basis. Definitions of these non-GAAP measures may not be comparable to similar definitions used by other companies and are not a substitute for similar GAAP measures. 2008 adjusted operating profit, net income and diluted EPS are adjusted for the impact of the 2008 Q1 pension settlement charge which helps investors understand underlying performance on a comparable basis.

Debt to Capital Ratio - The debt-to-capital ratio is a measure used by investors, financial analysts and management to provide a measure of financial leverage and insights into how the company is financing its operations.

	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1
Total debt	$ 4,944	$ 4,596	$ 4,574	$ 4,192	$ 4,003	$ 3,700	$ 3,736
Minority interests	307	317	344	321	255	234	230
Shareholders' equity	4,891	5,671	5,209	5,142	4,862	4,850	4,467
Total Capital	$ 10,142	$ 10,584	$ 10,127	$ 9,655	$ 9,120	$ 8,784	$ 8,433
Debt to capital ratio	48.7%	43.4%	45.2%	43.4%	43.9%	42.1%	44.3%

After -tax return on Capital (ROC) - After-tax return on capital is a measure used by investors, financial analysts and management to evaluate the return on net assets employed in the business. ROC measures the after-tax operating profit that the company was able to generate with the investments made by all parties in the business (debt, minority interests and shareholders' equity).

	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1
Adjusted operating profit (a)	$ 544	$ 543	$ 499	$ 484	$ 460	$ 439	$ 403
Less: income taxes	(139)	(137)	(122)	(115)	(106)	(103)	(95)
Less: tax benefit on pension settlement charge (b)	-	-	(6)	-	-	-	-
Less: tax benefit on interest expense	(14)	(15)	(13)	(13)	(11)	(11)	(10)
Add: income from equity investments	11	8	9	13	4	5	4
Net operating profit after-tax (NOPAT)	$ 402	$ 399	$ 367	$ 369	$ 347	$ 330	$ 302
Beginning capital	$ 10,584	$ 10,127	$ 9,655	$ 9,120	$ 8,784	$ 8,433	$ 7,943
Ending capital	$ 10,142	$ 10,584	$ 10,127	$ 9,655	$ 9,120	$ 8,784	$ 8,433
Average capital	$ 10,363	$ 10,356	$ 9,891	$ 9,388	$ 8,952	$ 8,609	$ 8,188
ROC %	3.9%	3.9%	3.7%	3.9%	3.9%	3.8%	3.7%
ROC % (annualized)	15.5%	15.4%	14.8%	15.7%	15.5%	15.3%	14.8%

Non-GAAP Measures, cont.

Return on Equity (ROE) - Return on equity is a measure used by investors, financial analysts and management to evaluate operating performance from a Praxair shareholder perspective. ROE measures the net income that the company was able to generate with the money shareholders have invested.

Adjusted net income (a)	$ 355	$ 349	$ 318	$ 316	$ 305	$ 291	$ 265
Beginning shareholders' equity	$ 5,671	$ 5,209	$ 5,142	$ 4,862	$ 4,850	$ 4,467	$ 4,554
Ending shareholders' equity	$ 4,891	$ 5,671	$ 5,209	$ 5,142	$ 4,862	$ 4,850	$ 4,467
Average shareholders' equity	$ 5,281	$ 5,440	$ 5,176	$ 5,002	$ 4,856	$ 4,659	$ 4,511
ROE %	6.7%	6.4%	6.1%	6.3%	6.3%	6.2%	5.9%
ROE % (annualized)	26.9%	25.7%	24.6%	25.3%	25.1%	25.0%	23.5%

(a) **2008 Adjusted Operating profit, Net income and Diluted EPS**

	First Quarter	Full Year 2008 Guidance	
	2008	Low End	High End
Reported operating profit	$ 482		
Add: pension settlement charge (b)	17		
Adjusted operating profit	$ 499		
Reported net income	$ 307		
Add: pension settlement charge (b)	11		
Adjusted net income	$ 318		
Diluted weighted average shares	320,409		
Reported diluted EPS	$ 0.96	$ 4.18	$ 4.23
Add: pension settlement charge (b)	0.03	0.03	0.03
Adjusted Diluted EPS	$ 0.99	$ 4.21	$ 4.26
Reported 2007 Diluted EPS		$ 3.62	$ 3.62
Percentage change from 2007		16%	18%

(b) A pension settlement charge of $17 million ($11 million after-tax or $0.03 per diluted share) was recorded in the 2008 first quarter related to lump sum benefit payments made from the U.S. supplemental pension plan to a number of recently retired senior managers, including Praxair's former chairman and chief executive officer.

Non-GAAP Measures, cont.

Earnings Before Interest & Taxes (EBIT) Interest Coverage

	Last 12 Months	2008 Q3	2008 Q2	2008 Q1	2007 Q4
Operating profit	$ 2,053	$ 544	$ 543	$ 482	$ 484
Interest expense - net	$ 199	$ 50	$ 52	$ 47	$ 50
EBIT Interest Coverage	10.3 X				

Debt/Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA)

	Last 12 Months	2008 Q3	2008 Q2	2008 Q1	2007 Q4
Operating profit	$ 2,053	$ 544	$ 543	$ 482	$ 484
Depreciation and amortization	851	218	216	210	207
EBITDA	$ 2,904	$ 762	$ 759	$ 692	$ 691
Total debt Q3 2008	$ 4,944				
Debt/EBITDA	1.7 X				

Free Cash Flow

	2007	2006	2005	2004	2003	2002	2001	2000
Cash flow from operations	$ 1,958	$ 1,752	$ 1,475	$ 1,243	$ 1,137	$ 1,001	$ 1,020	$ 899
Capital expenditures	(1,376)	(1,100)	(877)	(668)	(983)	(498)	(595)	(704)
Less: 2003 leased asset purchase	-	-	-	-	339	-	-	-
Free Cash Flow	$ 582	$ 652	$ 598	$ 575	$ 493	$ 503	$ 425	$ 195