PRAXAIR

Investor Teleconference Presentation
Second Quarter 2009

July 29, 2009

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.

Second Quarter Results

($MM)	Second Quarter 2009	First Quarter 2009	Second Quarter 2008
Sales	$2,138	$2,123	$2,878
Operating Profit	$ 447	$ 442	$ 543
Operating Margin	20.9%	20.8%	18.9%
Net Income(1)	$ 299	$ 290	$ 349
Diluted EPS(1)	$ 0.96	$ 0.93	$ 1.08
After-Tax ROC(2)	13.8%	13.8%	15.4%
ROE(2)	27.5%	28.7%	25.7%

	YOY	Q2 vs Q1
Sales Growth	- 26%	+ 1%
Volume	- 14%	- 1%
Price/Mix/Other	+ 2%	0%
Cost pass-thru	- 5%	0%
Currency	- 9%	+ 2%
Acq/Div	0%	0%

Operating Profit (YOY, $MM)

Q2 08		543
Volume	(207)	
Price	69	
Currency	(79)	
Cost reduction	121	
Q2 09		447

(1) Net Income and Diluted EPS attributable to Praxair, Inc. shareholders.
(2) Non-GAAP measures. See Appendix.

North America

($MM)	Second Quarter 2009	First Quarter 2009	Second Quarter 2008
Sales	$1,120	$1,164	$1,573
Segment OP	$ 264	$ 256	$ 275
Operating Margin	23.6%	22.0%	17.5%

	YOY	Q2 vs Q1
Sales Growth	- 29%	- 4%
Volume	- 17%	- 3%
Price/Mix/Other	+ 2%	0%
Cost pass-thru	- 9%	- 1%
Currency	- 5%	0%
Acq/Div	0%	0%

- Sales growth in energy from refinery hydrogen and enhanced oil recovery
- Oil well services weak due to low natural gas prices
- On-site volumes stabilizing as destocking appears to be finished. Signs of improvement in June
- Mexico sales + 5% YOY ex-FX. Strong EOR; manufacturing stable
- OP margin reflects significant cost reduction and productivity

North America Business Trends – Q2 09 YOY

On-site

- **On-site sales –38%, ex-FX**
  - **Cost pass-through impact –27%**
- **On-site volumes –11%**
- **Growth in refinery hydrogen volumes, offset by lower volumes to steel and chemicals**
- **On-site oxygen volumes up sequentially in June**

Merchant

- **Merchant sales –13%, ex-FX**
- **Merchant volumes –18%, vs. very strong Q2 08**
- **Overall volumes weaker than Q1, but stabilizing in June**
- **New business activity – food and environment**

Packaged

- **Packaged gases sales –19%, ex-FX**
- **PDI SSS – 18%. Gases SSS -7%, hardgoods –34%**
- **Sales per day have been relatively flat since March**

Europe

($MM)	Second Quarter 2009	First Quarter 2009	Second Quarter 2008
Sales	$306	$303	$406
Segment OP	$ 61	$ 63	$ 99
Operating Margin	19.9%	20.8%	24.4%

	YOY	Q2 vs Q1
Sales Growth	- 25%	+ 1%
Volume	- 14%	0%
Price/Mix/Other	+ 3%	0%
Cost pass-thru	0%	0%
Currency	- 14%	+ 1%
Acq/Div	0%	0%

- Lower pipeline volumes YOY to steel and chemicals; lower merchant and packaged volumes in Spain due to construction slowdown
- Sequentially, volumes are stabilizing; higher sales to manufacturing, food and healthcare
- On-site and merchant volumes slightly higher in June vs. May
- New business for food and wastewater treatment

South America

($MM)	Second Quarter 2009	First Quarter 2009	Second Quarter 2008
Sales	$ 395	$353	$514
Segment OP	$ 70	$ 75	$102
Operating Margin	17.7%	21.2%	19.8%

	YOY	Q2 vs Q1
Sales Growth	- 23%	+ 12%
Volume	- 10%	0%
Price/Mix/Other	+ 5%	+ 2%
Cost pass-thru	+ 1%	0%
Currency	- 19%	+ 10%
Acq/Div	0%	0%

- Brazil's economy showing positive growth trends from government stimulus programs
- On-site volumes up sequentially in metals and chemicals
- Higher merchant volumes vs. Q1, ex seasonal CO2
- OP reflects strong price and cost reduction
- Expect sequential volume improvement in Q3

Asia

($MM)	Second Quarter 2009	First Quarter 2009	Second Quarter 2008
Sales	$199	$180	$232
Segment OP	$ 33	$ 26	$ 40
Operating Margin	16.6%	14.4%	17.2%

	YOY	Q2 vs Q1
Sales Growth	- 14%	+ 11%
Volume	- 3%	+ 13%
Price/Mix/Other	- 2%	- 1%
Cost pass-thru	0%	- 1%
Currency	- 9%	0%
Acq/Div	0%	0%

- Lower YOY sales to metals and electronics
- Business in China, India and Thailand improving sequentially
- China on-site and merchant volumes up 16% and 28% vs. Q1
- Electronics sales +27% vs. Q1, ex-FX
- OP margin improvement from higher volumes and good cost control

Surface Technologies

($MM)	Second Quarter 2009	First Quarter 2009	Second Quarter 2008
Sales	$118	$123	$153
Segment OP	$ 19	$ 22	$ 27
Operating Margin	16.1%	17.9%	17.6%

- Sales down -14% YOY, ex-FX
- Energy coatings higher, particularly for industrial gas turbines
- Automotive, steel, printing and capital equipment coatings very weak
- Aerospace jet engine coatings expected to increase in 2H 09
- Acquired Sermatech International on July 1; will add ~$50MM sales in 2H 09

Global End-Market Trends

Q2 09 Organic Sales Growth

	YOY	Vs. Q1 09	
Energy	+ 10%	- 2%	Growth in H2 and enhanced oil recovery; low oil well services activity in US and Canada
Electronics	- 20%	+17%	Sequential improvement, particularly in Asia
Chemicals	- 25%	- 5%	Stabilizing demand globally
Metals	- 23%	- 5%	Destocking mostly finished, sequential growth in China, improving volumes in June in NA and SA
Manufacturing	- 14%	+ 1%	Improving trends in SA and Asia; Europe stabilizing
Healthcare	+ 1%	0%	Growth in Spain and SA, offset by US homecare
Aerospace	- 7%	+ 3%	Higher jet engine coatings Q2 vs. Q1
Food and Bev.	- 3%	+ 4%	Steady, moderate growth

Financial Outlook

Third Quarter 2009

- Diluted EPS in the range of $0.95 to $1.00

Full Year 2009

- Sales in the area of $9 billion
- Diluted EPS in the range of $3.85 to $4.05
- Tax rate about 28%
- CAPEX in the area of $1.4 billion

APPENDIX

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 - Praxair, Inc. and diluted EPS are adjusted for the impact of the 2008 fourth quarter cost reduction program and other charges and the 2008 first quarter 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.

	2009		2008			
	Q2	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Total debt	$ 5,107	$ 5,045	$ 5,025	$ 4,944	$ 4,596	$ 4,574
Equity:						
Praxair, Inc. shareholders' equity	4,638	4,073	4,009	4,891	5,671	5,209
Noncontrolling interests	308	302	302	307	317	344
Total equity	4,946	4,375	4,311	5,198	5,988	5,553
Total Capital	$ 10,053	$ 9,420	$ 9,336	$ 10,142	$ 10,584	$ 10,127
Debt to capital ratio	50.8%	53.6%	53.8%	48.7%	43.4%	45.2%

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, noncontrolling interests and Praxair, Inc. shareholders' equity).

	2009		2008			
	Q2	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Adjusted operating profit (a)	$ 447	$ 442	$ 491	$ 544	$ 543	$ 499
Less: income taxes	(109)	(114)	(67)	(139)	(137)	(122)
Less: tax benefit on cost reduction program and other charges (b)	-	-	(59)	-	-	-
Less: tax benefit on pension settlement charge (c)	-	-	-	-	-	(6)
Less: tax benefit on interest expense	(9)	(10)	(14)	(14)	(15)	(13)
Add: income from equity investments	6	5	8	11	8	9
Net operating profit after-tax (NOPAT)	$ 335	$ 323	$ 359	$ 402	$ 399	$ 367
Beginning capital	$ 9,420	$ 9,336	$ 10,142	$ 10,584	$ 10,127	$ 9,655
Ending capital	$ 10,053	$ 9,420	$ 9,336	$ 10,142	$ 10,584	$ 10,127
Average capital	$ 9,737	$ 9,378	$ 9,739	$ 10,363	$ 10,356	$ 9,891
ROC %	3.4%	3.4%	3.7%	3.9%	3.9%	3.7%
ROC % (annualized)	13.8%	13.8%	14.7%	15.5%	15.4%	14.8%

Non-GAAP Measures, cont.

Return on Praxair, Inc. Shareholder's equity (ROE) - Return on Praxair, Inc. shareholders' 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 attributable to Praxair, Inc. that the company was able to generate with the money shareholders have invested.

	2009		2008			
	Q2	Q1	Q4	Q3	Q2	Q1
Adjusted net income - Praxair, Inc. (a)	$ 299	$ 290	$ 314	$ 355	$ 349	$ 318
Beginning Praxair, Inc. shareholders' equity	$ 4,073	$ 4,009	$ 4,891	$ 5,671	$ 5,209	$ 5,142
Ending Praxair, Inc. shareholders' equity	$ 4,638	$ 4,073	$ 4,009	$ 4,891	$ 5,671	$ 5,209
Average Praxair, Inc. shareholders' equity	$ 4,356	$ 4,041	$ 4,450	$ 5,281	$ 5,440	$ 5,176
ROE %	6.9%	7.2%	7.1%	6.7%	6.4%	6.1%
ROE % (annualized)	27.5%	28.7%	28.2%	26.9%	25.7%	24.6%

(a) **2008 Adjusted Operating profit, Net income - Praxair, Inc. and Diluted EPS**

	Fourth Quarter 2008	First Quarter 2008
Reported operating profit	$ 314	$ 482
Add: cost reduction program and other charges (b)	177	-
Add: pension settlement charge (c)	-	17
Adjusted operating profit	$ 491	$ 499
Reported net income - Praxair, Inc.	$ 200	$ 307
Add: cost reduction program and other charges (b)	114	-
Add: pension settlement charge (c)	-	11
Adjusted net income - Praxair, Inc.	$ 314	$ 318
Diluted weighted average shares	310,719	320,409
Reported diluted EPS	$ 0.64	$ 0.96
Add: cost reduction program and other charges (b)	0.37	-
Add: pension settlement charge (c)	-	0.03
Adjusted diluted EPS	$ 1.01	$ 0.99

(b) The 2008 quarter includes cost reduction program and other charges of $177 million ($114 million after-tax and noncontrolling interests, or $0.37 per diluted share).

(c) 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.