

Investor Teleconference Presentation Fourth Quarter 2012



Praxair, Inc.
January 23, 2013

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.

Full Year Results

(\$MM)	Adj. 2012 ⁽¹⁾	Adj. 2011 ⁽¹⁾	Δ%
Sales	\$11,224	\$11,252	--
Operating Profit	\$2,502	\$2,469	1%
Operating Margin	22.3%	21.9%	+40bp
Net Income ⁽²⁾	\$1,681	\$1,666	1%
Diluted EPS ⁽²⁾	\$5.57	\$5.43	3%
Operating Cash Flow	\$2,752	\$2,455	12%
After – Tax ROC ⁽¹⁾	13.9%	14.8%	
ROE ⁽¹⁾	28.9%	28.1%	

	YOY
Sales Growth	--
Volume	+ 2%
Price/Mix/Other	+ 2%
Cost pass-thru	- 1%
Currency	- 4%
Acq/Div	+ 1%

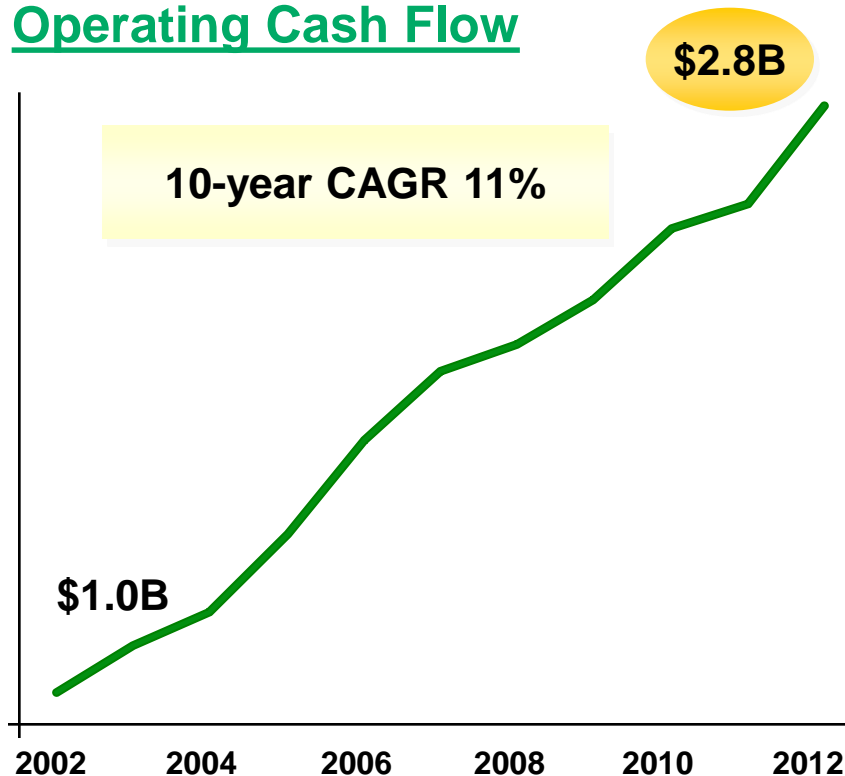
- Significant currency headwind
 - Sales + 5%, ex-FX and pass-thru
 - OP +6%, ex-FX
- Record operating cash flow of \$2.8 billion
- Record capex of \$2.2 billion
- \$2.6B backlog of projects under construction to start-up in 2013 - 2015

(1) Non-GAAP measures, other than sales and operating cash flow. 2012 adjusted amounts exclude Q3 12 cost reduction charges, a pension settlement charge and an income tax benefit. 2011 adjusted amounts exclude Yara acquisition net gain and restructuring charges. See Appendix.

(2) Net Income and Diluted EPS attributable to Praxair, Inc. shareholders.

Record Cash Flow Generation in 2012

Operating Cash Flow



Uses of Cash

- Capex of \$2,180MM – strong on-site backlog
- Acquisitions \$280MM
 - 17 North American packaged gas distributors
 - Russian industrial gas business
- Net share repurchases \$459MM
 - \$1B remaining under 2012 buy back program
- Dividends \$655MM
 - 20th consecutive dividend increase

Fourth Quarter Results

(\$MM)	<u>Fourth Quarter 2012</u>	<u>Adj. Third Quarter 2012⁽¹⁾</u>	<u>Adj. Fourth Quarter 2011⁽¹⁾</u>
Sales	\$2,799	\$2,774	\$2,796
Operating Profit	\$616	\$623	\$619
Operating Margin	22.0%	22.5%	22.1%
Net Income ⁽²⁾	\$414	\$419	\$414
Diluted EPS ⁽²⁾	\$1.38	\$1.39	\$1.36
After – Tax ROC ⁽¹⁾	13.9%	14.2%	14.8%
ROE ⁽¹⁾	28.9%	29.2%	28.1%

	<u>YOY</u>	<u>Q4 vs Q3</u>
Sales Growth	--	+ 1%
Volume	--	- 1%
Price	+ 1%	+ 1%
Cost pass-thru	--	--
Currency	- 2%	+ 1%
Acq/Div	+ 1%	--

- Record operating cash flow of \$879 million
- Capex of \$586 million
- Project backlog of \$2.6B

(1) Non-GAAP measures, other than sales. Q3 12 adjusted amounts exclude cost reduction charges, a pension settlement charge and an income tax benefit. Q4 11 adjusted amounts exclude the Yara acquisition net gain and restructuring charges. See Appendix.

(2) Net Income and Diluted EPS attributable to Praxair, Inc. shareholders.

North America

(\$MM)	<u>Fourth Quarter 2012</u>	<u>Third Quarter 2012</u>	<u>Fourth Quarter 2011</u>
Sales	\$1,416	\$1,391	\$1,388
Segment OP	\$367	\$374	\$353
Operating Margin	25.9%	26.9%	25.4%

	<u>YOY</u>	<u>Q4 vs Q3</u>
Sales Growth	+ 2%	+ 2%
Volume	- 2%	- 1%
Price	+ 2%	+ 1%
Cost pass-thru	--	+ 1%
Currency	+ 1%	+ 1%
Acq/Div	+ 1%	--

- Year-end slowdown
 - Packaged gases
 - Merchant
 - Fracking
- Underlying fundamentals remain strong in refining, steel, and chemicals
- Continued positive price momentum
- 2013 large hydrogen project start-ups: Valero Port Arthur and St. Charles, Motiva Norco
- Strong new project proposal activity in chemicals, energy, metals and manufacturing

Europe

(\$MM)	<u>Fourth Quarter 2012</u>	<u>Third Quarter 2012</u>	<u>Fourth Quarter 2011</u>
Sales	\$363	\$352	\$382
Segment OP	\$60	\$60	\$64
Operating Margin	16.5%	17.0%	16.8%

	<u>YOY</u>	<u>Q4 vs Q3</u>
Sales Growth	- 5%	+ 3%
Volume	- 1%	- 1%
Price	+ 1%	+ 1%
Cost pass-thru	- 1%	- 1%
Currency	- 4%	+ 4%

- Sequential volumes
 - Weaker Germany
 - Steady Southern Europe
 - Scandinavia growth
- Q4 start-up of first plant in Russia: Nikochem in Volgograd
- Continued focus on price attainment
- Expect margin improvement in 2H13 from 2012 cost reduction programs

South America

<u>(\$MM)</u>	<u>Fourth Quarter 2012</u>	<u>Third Quarter 2012</u>	<u>Fourth Quarter 2011</u>
Sales	\$484	\$516	\$532
Segment OP	\$92	\$112	\$118
Operating Margin	19.0%	21.7%	22.2%

	<u>YOY</u>	<u>Q4 vs Q3</u>
Sales Growth	- 9%	- 6%
Volume	--	- 7%
Price	+ 1%	+ 2%
Cost pass-thru	--	--
Currency	- 10%	- 1%

- Q4 extended production curtailments in steel and manufacturing
- Expect Q1 13 seasonally slower sales due to Carnival and slower production restarts after the holiday
- Project proposal activity remains strong across South America
- Improving outlook beginning in Q2 13

Asia

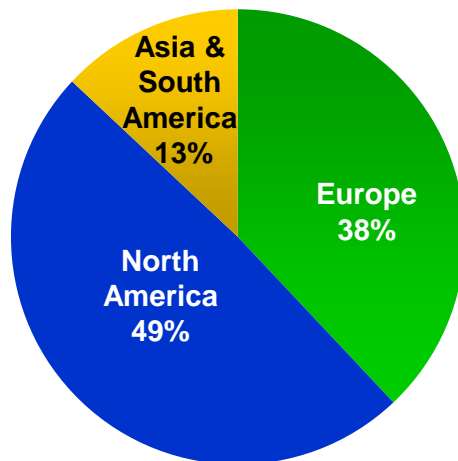
	<u>Fourth Quarter 2012</u>	<u>Third Quarter 2012</u>	<u>Fourth Quarter 2011</u>
(\$MM)			
Sales	\$374	\$358	\$334
Segment OP	\$69	\$52	\$60
Operating Margin	18.4%	14.5%	18.0%
	<u>YOY</u>	<u>Q4 vs Q3</u>	
Sales Growth	+ 12%	+ 4%	
Volume	+ 12%	+ 5%	
Price	- 1%	--	
Cost pass-thru	+ 1%	- 2%	
Currency	--	+ 1%	

- Strong volume growth in China, India and Korea, including new project start-ups
- Expect Q1 13 seasonal slowdown Lunar New Year
- \$1 billion project backlog in China, India and Korea
- New project activity strong in China and India for energy, chemicals, and metals

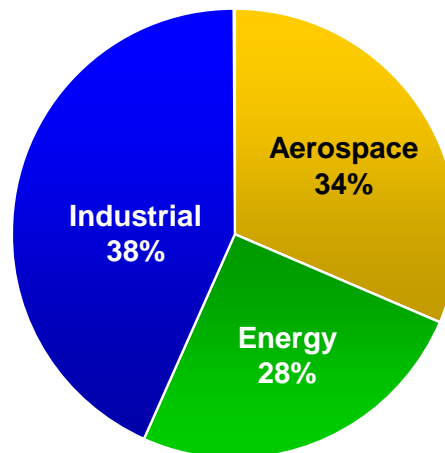
Surface Technologies

(\$MM)	Fourth Quarter 2012	Third Quarter 2012	Fourth Quarter 2011
Sales	\$162	\$157	\$160
Segment OP	\$28	\$25	\$24
Operating Margin	17.3%	15.9%	15.0%

Geographies



End Markets



- Sales + 3% YoY, ex-FX
- Steady aircraft coating volumes
- Energy sector solid, oil and gas remains strong
- Manufacturing sector in Europe remains weak
- Operating profit reflects price and productivity

Financial Outlook

First Quarter 2013

- Diluted EPS in the range of \$1.35 to \$1.40

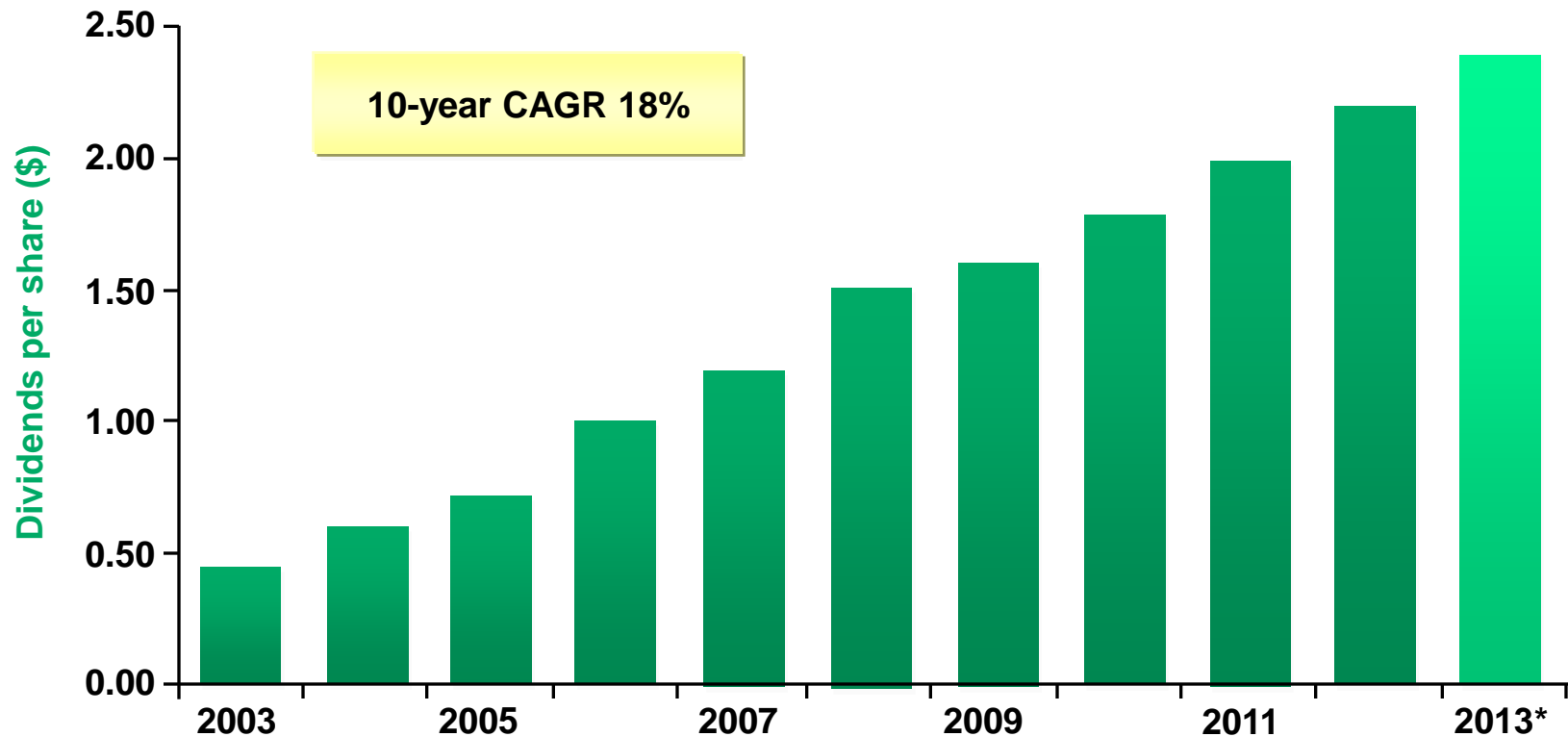
Full Year 2013

- Sales in the area of \$12 billion
- Diluted EPS in the range of \$5.85 to \$6.10, +5% to 10%*
- Tax rate of about 28%*
- CAPEX in the range of \$1.8 to \$2.0 billion

* See Appendix for year-over-year percentage reconciliation

Appendix

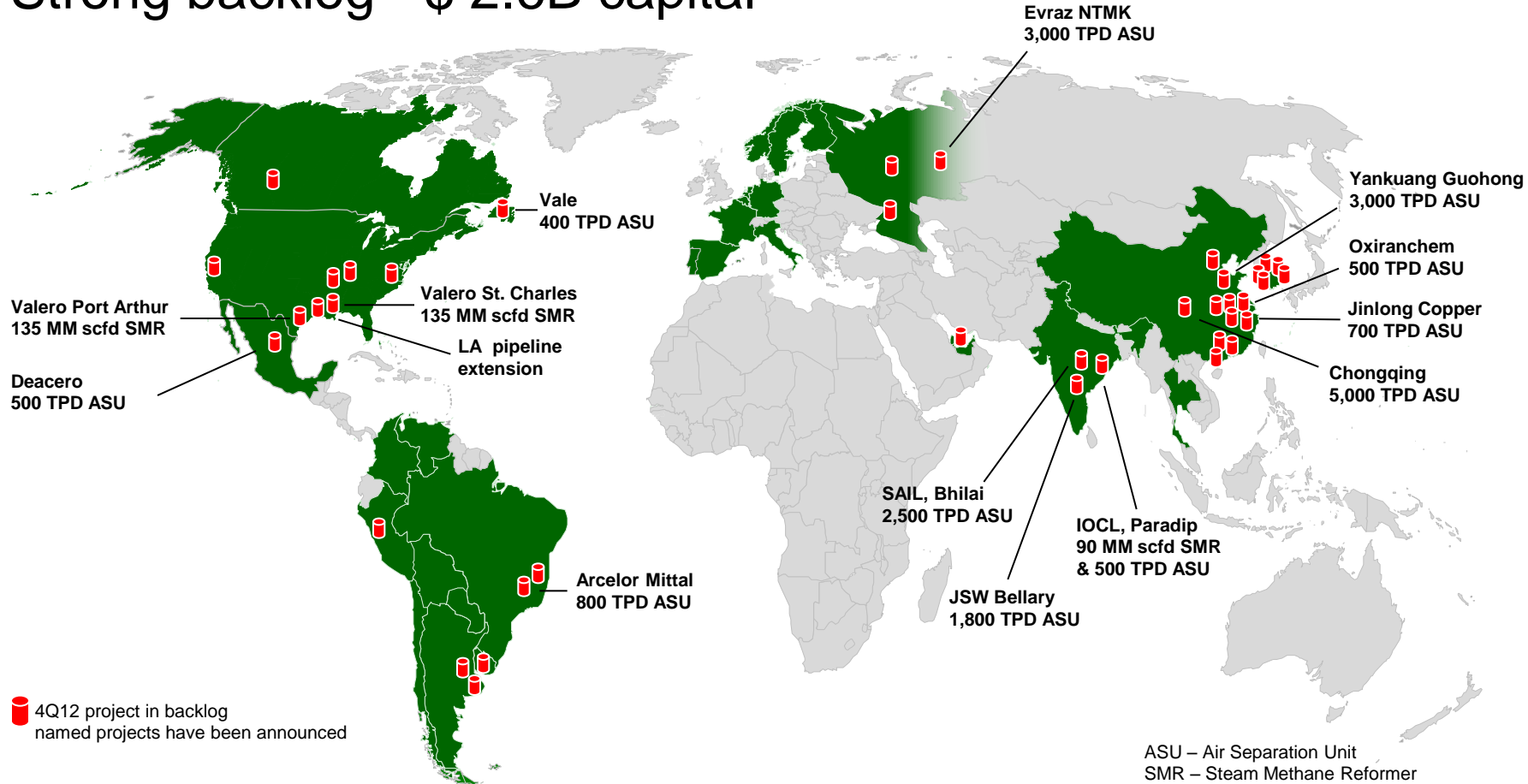
Dividend Growth



* Proforma – assumes Q1 dividend rate for full year 2013

20th consecutive annual increase

Strong backlog - \$ 2.6B capital



New project development activity remains solid

Global End-Market Trends

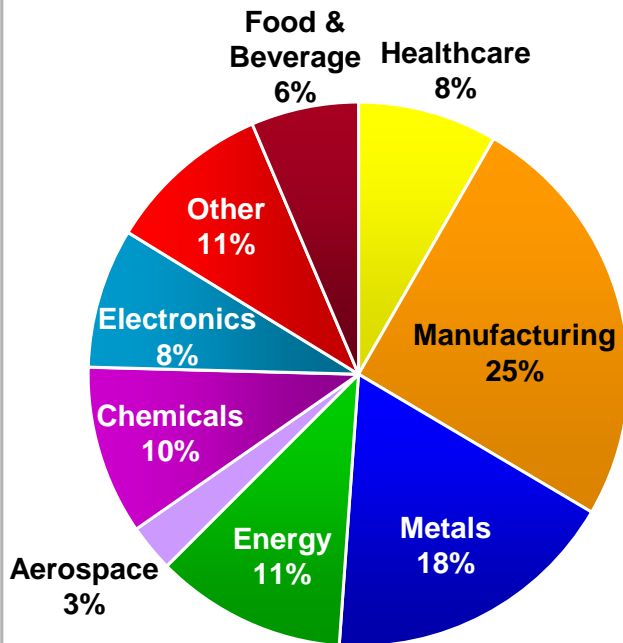
Q4 12 Organic Sales Growth

	<u>YOY</u>	<u>Vs. Q3 12</u>	
Energy	+ 1%	+ 2%	Solid North America refinery hydrogen demand
Electronics	- 2%	- 7%	Solar and material science weakness partially offset by Korea on-site demand
Chemicals	--	+ 5%	Project contribution in Asia
Metals	+ 6%	--	Continued strength in North America, project contribution in Asia; sequential weakness in South America
Manufacturing	+ 1%	- 2%	North America packaged gas solid, partially offset by sequentially weaker South America
Healthcare	+ 6%	+ 3%	Growth in North and South America
Aerospace	+13%	+ 3%	Surface Technologies aviation coatings
Food and Bev.	--	- 1%	Stable demand

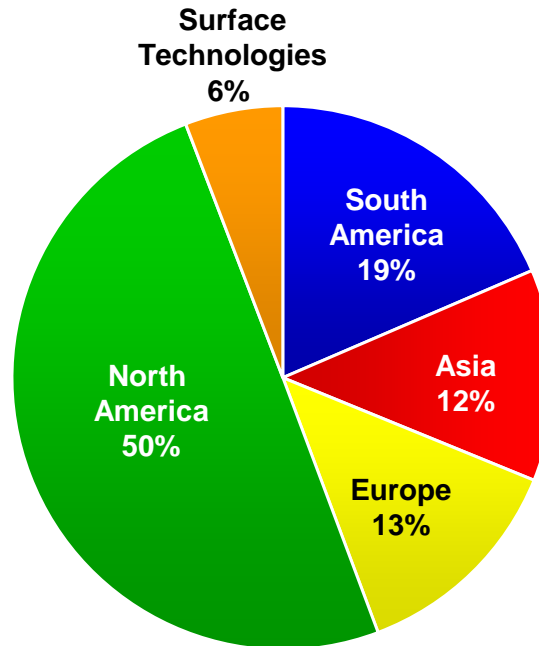
Excludes impact of currency, natural gas/precious metals cost pass-through and acquisitions/divestitures

2012 Sales Breakdown

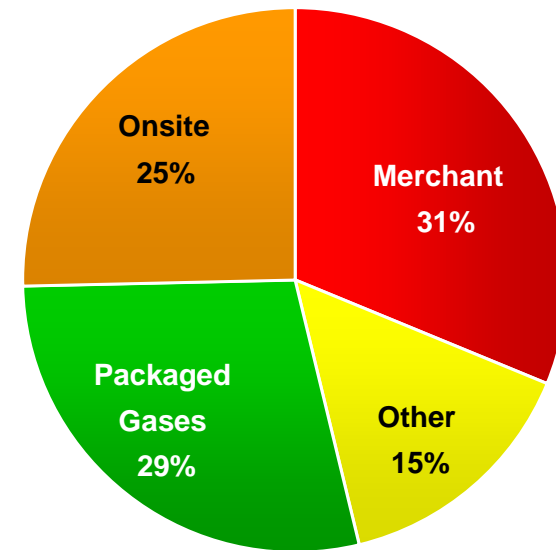
End Markets



Geographies



Distribution Method



Non-GAAP Measures (\$MM)

The following non-GAAP measures are intended to supplement an 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. 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. Adjusted amounts exclude the impact of the 2012 third-quarter cost reduction program, pension settlement charge, and an income tax benefit; the 2011 fourth-quarter gain on acquisition and cost reduction program; and the 2010 first-quarter loss on Venezuela currency devaluation and the 2010 fourth-quarter loss on the U.S. Homecare divestiture, Spanish income tax settlement and repatriation tax benefit.

To be more consistent with the methodology used for annual reporting and to improve comparability, effective in the third quarter 2012 the company changed the methodology that it uses for calculating the following non-GAAP measures: Debt to capital, After-tax ROC, ROE, Debt-to-Adjusted EBITDA. These calculations are now based on a rolling four quarters approach for the earnings component of the calculations (NOPAT, Net income- Praxair, Inc., Adjusted EBITDA) and a five quarter average for the balance sheet component of the calculation (capital, equity, debt). In addition, the company decided to use net debt instead of debt in the new calculations. Net debt is defined as debt less cash and cash equivalents. Prior-period amounts have been adjusted to conform to the current methodology.

Year	2012				Year	2011				Year	2010			
	Q4	Q3	Q2	Q1		Q4	Q3	Q2	Q1		Q4	Q3	Q2	Q1
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.														
Debt	\$ 7,362	\$ 7,136	\$ 6,995	\$ 6,856	\$ 6,562	\$ 6,310	\$ 6,119	\$ 5,838	\$ 5,557	\$ 5,077	\$ 5,026	\$ 5,404		
Less: cash and cash equivalents	(157)	(108)	(104)	(107)	(90)	(125)	(80)	(86)	(39)	(71)	(48)	(376)		
Net debt	7,205	7,028	6,891	6,749	6,472	6,185	6,039	5,752	5,518	5,006	4,978	5,028		
Equity and redeemable noncontrolling interests:														
Redeemable noncontrolling interests	252	243	232	232	220	-	-	-	-	-	-	-		
Praxair, Inc. shareholders' equity	6,064	6,015	5,615	5,940	5,488	5,753	6,400	6,165	5,792	5,991	5,452	5,398		
Noncontrolling interests	357	331	279	327	309	368	370	372	353	339	315	332		
Total equity and redeemable noncontrolling interests	6,673	6,589	6,126	6,499	6,017	6,121	6,770	6,537	6,145	6,330	5,767	5,730		
Capital	\$ 13,878	\$ 13,617	\$ 13,017	\$ 13,248	\$ 12,489	\$ 12,306	\$ 12,809	\$ 12,289	\$ 11,663	\$ 11,336	\$ 10,745	\$ 10,758		
Debt-to-capital	51.9%	51.6%	52.9%	50.9%	51.8%	50.3%	47.1%	46.8%	47.3%	44.2%	46.3%	46.7%		

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).

Adjusted operating profit (a)	\$ 2,502	\$ 616	\$ 623	\$ 636	\$ 627	\$ 2,469	\$ 619	\$ 632	\$ 627	\$ 591	\$ 563	\$ 551	\$ 547	\$ 506
Less: adjusted income taxes (a)	(660)	(162)	(164)	(169)	(165)	(647)	(162)	(166)	(163)	(156)	(149)	(146)	(145)	(132)
Less: tax benefit on interest expense	(39)	(10)	(10)	(9)	(10)	(41)	(11)	(10)	(10)	(10)	(8)	(8)	(8)	(9)
Add: income from equity investments	34	9	8	10	7	40	7	13	11	9	11	12	8	7
Adjusted net operating profit after-tax (NOPAT)	\$ 1,837	\$ 453	\$ 457	\$ 468	\$ 459	\$ 1,821	\$ 453	\$ 469	\$ 465	\$ 434	\$ 417	\$ 409	\$ 402	\$ 372
4-quarter trailing adjusted NOPAT	\$ 1,837	\$ 1,837	\$ 1,849	\$ 1,846	\$ 1,821	\$ 1,785	\$ 1,725	\$ 1,662						
Ending capital (see above)	\$ 13,878	\$ 13,878	\$ 13,617	\$ 13,017	\$ 13,248	\$ 12,489	\$ 12,489	\$ 12,306	\$ 12,809	\$ 12,289	\$ 11,663	\$ 11,336	\$ 10,745	\$ 10,758
5-quarter average ending capital	\$ 13,250	\$ 13,250	\$ 12,935	\$ 12,774	\$ 12,628	\$ 12,311	\$ 12,311	\$ 12,081	\$ 11,768	\$ 11,358				
After-tax ROC (4-quarter trailing NOPAT / 5-quarter average capital)	13.9%	13.9%	14.2%	14.5%	14.6%	14.8%	14.8%	14.8%	14.7%	14.6%				

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.

	2012					2011					2010			
	Year	Q4	Q3	Q2	Q1	Year	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Adjusted net income - Praxair, Inc. (a)	\$ 1,681	\$ 414	\$ 419	\$ 429	\$ 419	\$ 1,666	\$ 414	\$ 429	\$ 425	\$ 398	\$ 388	\$ 377	\$ 371	\$ 340
4-quarter trailing adjusted net income - Praxair, Inc. (a)	\$ 1,681	\$ 1,681	\$ 1,691	\$ 1,687		\$ 1,666	\$ 1,640	\$ 1,588	\$ 1,534					
Ending Praxair, Inc. shareholders' equity	\$ 6,064	\$ 6,064	\$ 6,015	\$ 5,615	\$ 5,940	\$ 5,488	\$ 5,488	\$ 5,753	\$ 6,400	\$ 6,165	\$ 5,792	\$ 5,991	\$ 5,452	\$ 5,398
5-quarter average Praxair shareholders' equity	\$ 5,824	\$ 5,824	\$ 5,762	\$ 5,839	\$ 5,949	\$ 5,920	\$ 5,920	\$ 6,020	\$ 5,960	\$ 5,760				
ROE (4-quarter trailing adjusted net income - Praxair, Inc. / 5-quarter average Praxair shareholders' equity)	28.9%	28.9%	29.2%	29.0%	28.4%	28.1%	28.1%	27.2%	26.6%	26.6%				

Adjusted EBITDA and Debt-to-Adjusted EBITDA Ratio - These measures are used by investors, financial analysts and management to assess a company's ability to meet its financial obligations.

Adjusted net income - Praxair, Inc. (a)	\$ 1,681	\$ 414	\$ 419	\$ 429	\$ 419	\$ 1,666	\$ 414	\$ 429	\$ 425	\$ 398	\$ 388	\$ 377	\$ 371	\$ 340
Add: adjusted noncontrolling interests (a)	54	14	12	15	13	51	12	14	14	11	9	11	10	9
Add: interest expense - net	141	35	36	33	37	145	38	36	36	35	28	29	29	32
Add: adjusted income taxes (a)	660	162	164	169	165	647	162	166	163	156	149	146	145	132
Add: depreciation and amortization	1,001	254	248	247	252	1,003	249	256	254	244	240	227	230	228
Adjusted EBITDA	\$ 3,537	\$ 879	\$ 879	\$ 893	\$ 886	\$ 3,512	\$ 875	\$ 901	\$ 892	\$ 844	\$ 814	\$ 790	\$ 785	\$ 741
4-quarter trailing adjusted EBITDA	\$ 3,537	\$ 3,537	\$ 3,533	\$ 3,555	\$ 3,554		\$ 3,512	\$ 3,451	\$ 3,340	\$ 3,233				
Ending net debt (see above)	\$ 7,205	\$ 7,205	\$ 7,028	\$ 6,891	\$ 6,749	\$ 6,472	\$ 6,472	\$ 6,185	\$ 6,039	\$ 5,752	\$ 5,518	\$ 5,006	\$ 4,978	\$ 5,028
5-quarter average net debt	\$ 6,869	\$ 6,869	\$ 6,665	\$ 6,467	\$ 6,239	\$ 5,993	\$ 5,993	\$ 5,700	\$ 5,459	\$ 5,256				
average net debt / 4-quarter trailing adjusted EBITDA)	1.9	1.9	1.9	1.8	1.8	1.7	1.7	1.7	1.6	1.6				

Non-GAAP Measures, cont.

(a) The following table presents adjusted amounts for Operating Profit and Operating Profit Margin, Income Taxes, Effective Tax Rate, Noncontrolling Interests, Net income - Praxair, Inc., and Diluted EPS for the Third Quarter and full year 2012, the Fourth Quarter and full year 2011 and the First Quarter, Fourth Quarter and full year 2010. Additionally, this table presents the percentage change in Diluted EPS Guidance for the full year 2012.

	Year	Third Quarter	Year	Fourth Quarter	Year	Fourth Quarter	First Quarter
	2012	2012	2011	2011	2010	2010	2010
<u>Adjusted Operating Profit and Operating Profit Margin</u>							
Reported operating profit	\$ 2,437	\$ 558	\$ 2,468	\$ 618	\$ 2,082	\$ 505	\$ 479
Add: Pension settlement charge	9	9	-	-	-	-	-
Add: Cost reduction programs	56	56	40	40	-	-	-
Less: Gain on acquisition	-	-	(39)	(39)	-	-	-
Add: U.S. Homecare divestiture	-	-	-	-	58	58	-
Add: Venezuela currency devaluation	-	-	-	-	27	-	27
Total adjustments	65	65	1	1	85	58	27
Adjusted operating profit	<u>\$ 2,502</u>	<u>\$ 623</u>	<u>\$ 2,469</u>	<u>\$ 619</u>	<u>\$ 2,167</u>	<u>\$ 563</u>	<u>\$ 506</u>
Reported sales	\$ 11,224	\$ 2,774	\$ 11,252	\$ 2,796	\$ 10,116	\$ 2,623	\$ 2,428
Adjusted operating profit margin	22.3%	22.5%	21.9%	22.1%	21.4%	21.5%	20.8%
<u>Adjusted Income Taxes</u>							
Reported income taxes	\$ 586	\$ 90	\$ 641	\$ 156	\$ 768	\$ 346	\$ 131
Add: Pension settlement charge	3	3	-	-	-	-	-
Add: Income tax benefit	55	55	-	-	-	-	-
Add: Cost reduction programs	16	16	9	9	-	-	-
Less: Gain on acquisition	-	-	(3)	(3)	-	-	-
Less: Spanish income tax settlement	-	-	-	-	(250)	(250)	-
Add: U.S. Homecare divestiture	-	-	-	-	18	18	-
Add: Repatriation tax benefit	-	-	-	-	35	35	-
Add: Venezuela currency devaluation	-	-	-	-	1	-	1
Total adjustments	74	74	6	6	(196)	(197)	1
Adjusted income taxes	<u>\$ 660</u>	<u>\$ 164</u>	<u>\$ 647</u>	<u>\$ 162</u>	<u>\$ 572</u>	<u>\$ 149</u>	<u>\$ 132</u>
<u>Adjusted Effective Tax Rate</u>							
Reported income before income taxes and ex	\$ 2,296	\$ 522	\$ 2,323	\$ 580	\$ 1,964	\$ 477	\$ 447
Add: Pension settlement charge	9	9	-	-	-	-	-
Add: Cost reduction programs	56	56	40	40	-	-	-
Less: Gain on acquisition	-	-	(39)	(39)	-	-	-
Add: U.S. Homecare divestiture	-	-	-	-	58	58	-
Add: Venezuela currency devaluation	-	-	-	-	27	-	27
Total adjustments	65	65	1	1	85	58	27
Adjusted income before income taxes and ex	<u>\$ 2,361</u>	<u>\$ 587</u>	<u>\$ 2,324</u>	<u>\$ 581</u>	<u>\$ 2,049</u>	<u>\$ 535</u>	<u>\$ 474</u>
Adjusted income taxes (above)	\$ 660	\$ 164	\$ 647	\$ 162	\$ 572	\$ 149	\$ 132
Adjusted effective tax rate	28%	28%	28%	28%	28%	28%	28%

Non-GAAP Measures, cont.

	Year	Third Quarter	Year	Fourth Quarter	Year	Fourth Quarter	First Quarter
	2012	2012	2011	2011	2010	2010	2010
<u>Adjusted Noncontrolling interest</u>							
Reported noncontrolling interest	\$ 52	\$ 10	\$ 50	\$ 11			
Add: Cost reduction programs	2	2	-	-			
Add: Gain on acquisition	-	-	1	1			
Total adjustments	2	2	51	12			
Adjusted noncontrolling interest	<u>\$ 54</u>	<u>\$ 12</u>	<u>\$ 51</u>	<u>\$ 12</u>			
<u>Adjusted Net Income - Praxair, Inc.</u>							
Reported net income - Praxair, Inc.	\$ 1,692	\$ 430	\$ 1,672	\$ 42	\$ 1,195	\$ 133	\$ 314
Add: Pension settlement charge	6	6	-	-	-	-	-
Less: Income tax benefit	(55)	(55)	-	-	-	-	-
Add: Cost reduction programs	38	38	31	31	-	-	-
Less: Gain on acquisition	-	-	(37)	(37)	-	-	-
Add: Spanish income tax settlement	-	-	-	-	250	250	-
Add: U.S. Homecare divestiture	-	-	-	-	40	40	-
Less: Repatriation tax benefit	-	-	-	-	(35)	(35)	-
Add: Venezuela currency devaluation	-	-	-	-	26	-	26
Total adjustments	(11)	(11)	(6)	(6)	281	255	26
Adjusted net income - Praxair, Inc.	<u>\$ 1,681</u>	<u>\$ 419</u>	<u>\$ 1,666</u>	<u>\$ 414</u>	<u>\$ 1,476</u>	<u>\$ 388</u>	<u>\$ 340</u>
<u>Adjusted Diluted EPS</u>							
Reported diluted EPS	\$ 5.61	\$ 1.43	\$ 5.45	\$ 1.38	\$ 3.84	\$ 0.43	\$ 1.01
Add: Pension settlement charge	0.02	0.02	-	-	-	-	-
Less: Income tax benefit	(0.18)	(0.18)	-	-	-	-	-
Add: Cost reduction programs	0.12	0.12	0.10	0.10	-	-	-
Less: Gain on acquisition	-	-	(0.12)	(0.12)	-	-	-
Add: Spanish income tax settlement	-	-	-	-	0.80	0.80	-
Add: U.S. Homecare divestiture	-	-	-	-	0.13	0.13	-
Less: Repatriation tax benefit	-	-	-	-	(0.11)	(0.11)	-
Add: Venezuela currency devaluation	-	-	-	-	0.08	-	0.08
Total adjustments	(0.04)	(0.04)	(0.02)	(0.02)	0.90	0.82	0.08
Adjusted diluted EPS	<u>\$ 5.57</u>	<u>\$ 1.39</u>	<u>\$ 5.43</u>	<u>\$ 1.36</u>	<u>\$ 4.74</u>	<u>\$ 1.25</u>	<u>\$ 1.09</u>

Percentage Change in Adjusted Full Year 2013 Diluted EPS Guidance

	Full Year 2013	
	Low End	High End
Diluted EPS guidance	\$ 5.85	\$ 6.10
2012 adjusted diluted EPS (see above)	\$ 5.57	\$ 5.57
Percentage change from 2012 adjusted amounts	5%	10%