



PRAXAIR NEWS RELEASE

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Praxair Starts Up Hydrogen Facility for The Dow Chemical Company in U.S. Gulf Coast; Signs Long-Term Nitrogen Supply Agreement

DANBURY, Conn., February 1, 2017 – Praxair, Inc. (NYSE: PX) announced it has started up a hydrogen facility that will recover by-product streams from The Dow Chemical Company’s (Dow) Freeport, Texas operations. Under a long-term contract, Praxair is supplying high-purity hydrogen back to Dow in order to meet the company’s needs across Southeast Texas. Additionally, the hydrogen will be used by Praxair to help supply increasing customer demand in the region.

Praxair has also signed a long-term contract with Dow to supply nitrogen to the company for use in its chemical production facility. The nitrogen supply is expected to start in 2019. Dow will use both gases to support the production of a number of specialty chemicals used in several diverse end markets, including automobile manufacturing, coating applications and chemical intermediates.

As part of the Freeport operation, Praxair is processing, recovering and compressing by-product hydrogen from Dow’s ethylene production facilities, which will include the company’s new world-scale ethylene cracker scheduled to come on line in 2017. Praxair’s extensive knowledge and operating experience in processing hydrogen, coupled with the industry-leading efficiency of Dow’s new sources, are enabling hydrogen to be produced to meet industry demands with significantly lower carbon dioxide emissions than by conventional means.

Both gases will be distributed through Praxair’s extensive U.S. Gulf Coast pipeline network to Dow’s Texas City and Freeport facilities and will help meet growing demand from other customers in the region. Praxair already had pipeline access to Texas City and recently extended its U.S. Gulf Coast pipeline systems approximately 46 miles to the Freeport area.

“Freeport is Dow’s largest chemical site in the world and we are proud to be supporting their continued growth in the U.S. Gulf Coast. This opportunity to further serve our customers in the region is why we extended our pipeline to Freeport,” said Dan Yankowski, president of Praxair’s global hydrogen business. “Capturing by-product hydrogen for use in the refining and petrochemical industries is consistent with our mission of making our planet more productive.”

“We are pleased to continue our strong relationship with Praxair through this new project,” said Jack Broodo, president, Dow Feedstocks and Energy. “Their long history of innovation and reliability was key to our decision to expand our relationship and why we chose them as our supplier in Freeport and Texas City, two of our critical manufacturing sites on the Gulf Coast. Additionally, in working with Praxair, we address our strategic vision of developing growth projects that result in environmental benefits to our industry and surrounding communities.”

Praxair's hydrogen pipeline system is supported by multiple hydrogen plants as well as its 2.5 billion standard cubic foot hydrogen storage cavern, which uses patented technology. The cavern has been in commercial operation since 2007. Praxair's robust hydrogen supply system means that it can provide customers with supply reliability and flexibility. Similarly, Praxair's nitrogen pipeline system is built around multiple air separation facilities coupled with an extensive backup capability.

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>> About Praxair

Praxair, Inc., a Fortune 300 company with 2016 sales of \$11 billion, is a leading industrial gas company in North and South America and one of the largest worldwide. The company produces, sells and distributes atmospheric, process and specialty gases, and high-performance surface coatings. Praxair products, services and technologies are making our planet more productive by bringing efficiency and environmental benefits to a wide variety of industries, including aerospace, chemicals, food and beverage, electronics, energy, healthcare, manufacturing, primary metals and many others. More information about Praxair, Inc. is available at www.praxair.com.

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