PRAXAIR
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Investor Teleconference Presentation
Second Quarter 2017



Praxair, Inc.
July 27, 2017

Forward Looking Statement

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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 expected timing and likelihood of the completion of the contemplated business combination with Linde AG, including the timing, receipt and terms and conditions of any required governmental and regulatory approvals that could reduce anticipated benefits or cause the parties to abandon the transaction; the occurrence of any event, change or other circumstances that could give rise to the termination of the business combination agreement; the ability to successfully complete the proposed business combination and the exchange offer, including satisfying closing conditions; the success of the business following the proposed business combination; the ability to successfully integrate the Praxair and Linde businesses; the possibility that Praxair stockholders may not approve the business combination agreement or that the requisite number of Linde shares may not be tendered in the public offer; the risk that the combined company may be unable to achieve expected synergies or that it may take longer or be more costly than expected to achieve those synergies; 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; the impact of potential unusual or non-recurring items; 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 GAAP or adjusted 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 and in the proxy statement/prospectus and the offering prospectus included in the Registration Statement on Form S-4 (which Registration Statement has not yet been declared effective) filed by Linde plc with the SEC which should be reviewed carefully. Please consider the company's forward-looking statements in light of those risks.

Praxair, Inc.

Matthew J. White
Senior Vice President and Chief Financial Officer

2Q17 Global Trends

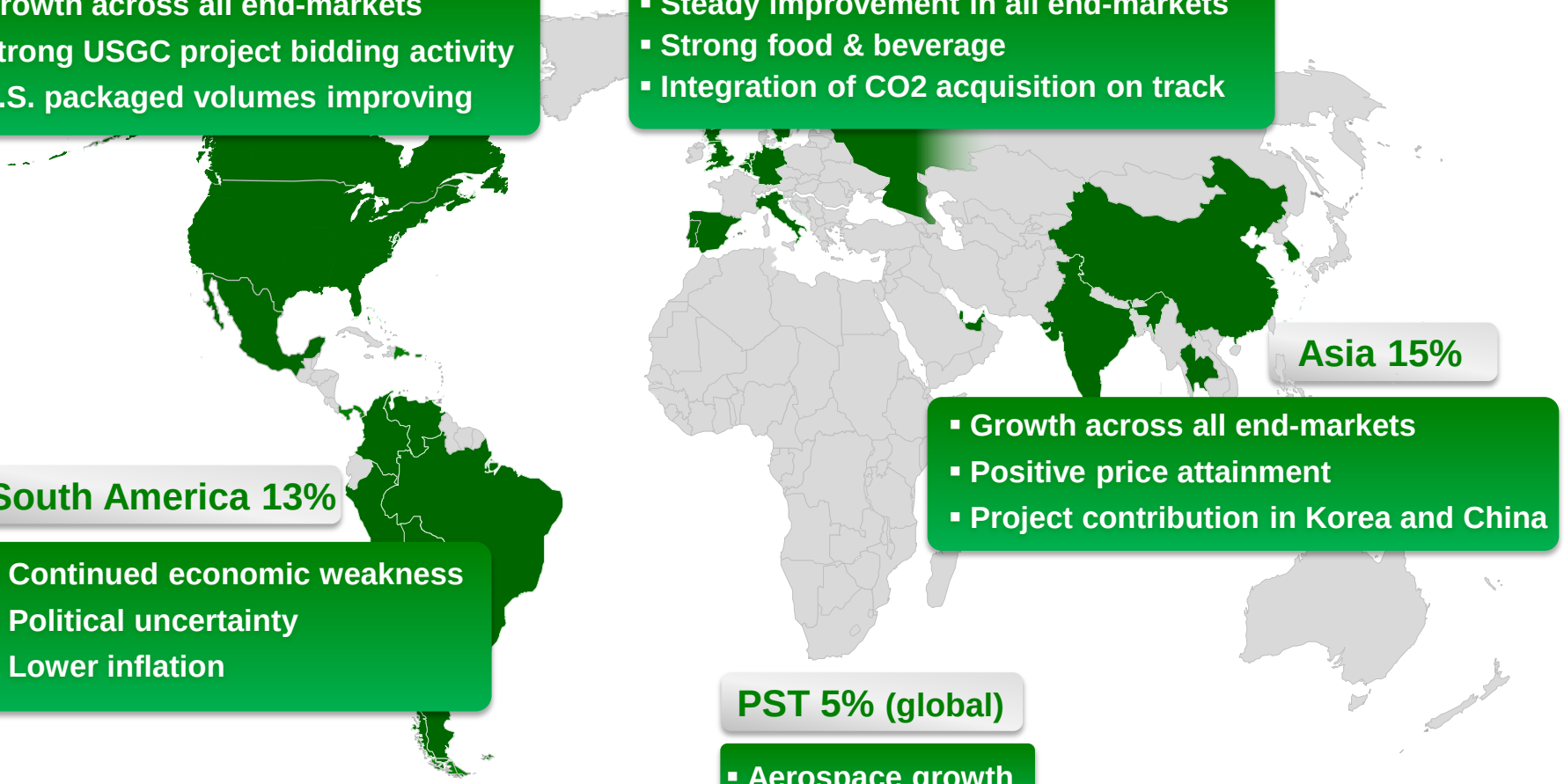
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North America 53%

- Growth across all end-markets
- Strong USGC project bidding activity
- U.S. packaged volumes improving

Europe 14%

- Steady improvement in all end-markets
- Strong food & beverage
- Integration of CO_2 acquisition on track



Asia 15%

- Growth across all end-markets
- Positive price attainment
- Project contribution in Korea and China

South America 13%

- Continued economic weakness
- Political uncertainty
- Lower inflation

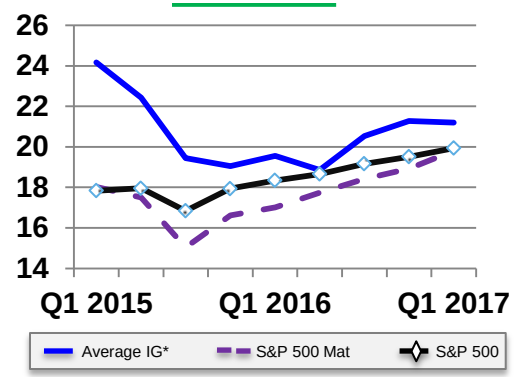
PST 5% (global)

- Aerospace growth

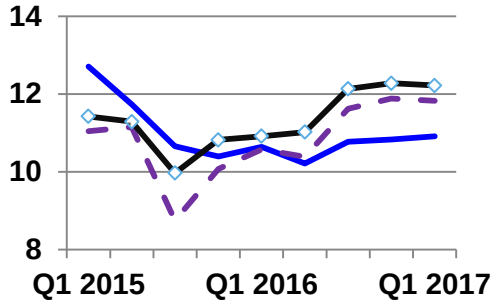
View of Industrial Gas (IG) Valuation

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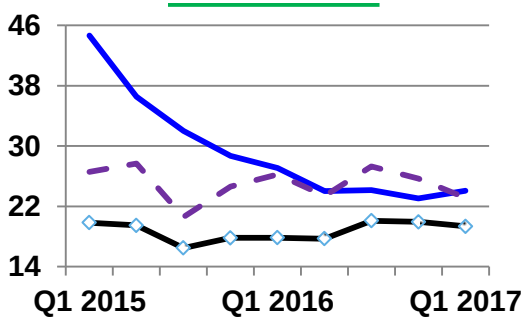
P/E Ratio



P/OCF Ratio



P/FCF Ratio



Value Metric	Earnings	Operating Cash flow	Free Cash flow
Relative IG Valuation	"Expensive"	"Bargain"	"Average"

Accounting | **Cash**

- Traditional P/E ratio shows IG companies with valuation premium to comparable indices
- P/OCF ratio shows IG industries at a discount, likely affected by "capital intensity"
- On a P/FCF, multiple trades in line with indices
- However, not all capex is created equal

Based on cash ratios, IG stocks look "cheaper"

Source: Factset and Bloomberg
* Average IG = Average of publically available information from Praxair, Air Liquide, Linde and Air Products

P/E – stock price relative to adjusted earnings per share
P/OCF – stock price relative to operating cash flow per share
P/FCF – stock price relative to free cash flow per share

Not All Capex Is Created Equal

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Industrial Gases - Capex

- Maintenance and Other
- Growth
  - *Packaged cylinders and merchant tanks*
- Secured Growth
  - *On-site with contractual fixed payments*

Other Industries - Capex

- Maintenance and Other
- Growth

- New disclosures:
  - Backlog Capex = Capex spending for projects >$5 MM with a long-term customer supply contract
  - Base Capex = Total Capex – Backlog Capex
  - Available Operating Cash flow (AOCF) = Operating Cash flow – Base Capex

New metric: Available operating cash flow (AOCF)

Second Quarter Results

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($ MM)	Adj. Second Quarter 2017(1)	Adj. First Quarter 2017(1)	Second Quarter 2016
Sales	$2,834	$2,728	$2,665
Operating Profit	$619	$588	$588
Operating Margin	21.8%	21.6%	22.1%
EBITDA(1)	$922	$887	$880
EBITDA Margin(1)	32.5%	32.5%	33.0%
Diluted EPS(2)	$1.46	$1.37	$1.39
Op. Cash flow	$701	$710	$706
Base Capex(1)	(217)	(233)	(231)
Available OCF(1)	484	477	475
After–Tax ROC(1)	12.1%	12.0%	12.2%

	YOY	2Q vs. 1Q
Sales Growth	+ 6%	+ 4%
Volume	+ 3%	+ 3%
Price / Mix	+ 1%	--
Cost pass-thru	+ 2%	--
Currency	--	+ 1%
Acq/Div	--	--

- **Solid operating leverage YoY**
  Sales +4% ex cost pass-thru, OP +5%
- **YoY volume growth driven by chemicals, metals, electronics, downstream energy and resilient end-markets**
- **Sequential volume growth from food & beverage, energy, electronics and metals**
- **Price attainment in all segments**
- **Project start-ups in China, Korea & Canada**
- **Backlog $1.4B, includes new win in U.S. Gulf Coast**

(1) Non-GAAP measures, other than sales and operating cash flow. See Appendix.

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

Base capex includes maintenance, small growth, safety, cost reduction and other non backlog project capex
Available OCF = operating cash flow minus base capex

2017 Guidance Update

Third-Quarter 2017

- **EPS in the range of $1.40 to $1.46**

Full-Year 2017

- **Adjusted EPS in the range of $5.63 to $5.75***

  +3% to +5%, ex-FX*

  Prior guidance: $5.55 to $5.80

- **CAPEX approximately $1.4B**

Third quarter and full year 2017 guidance does not include transaction costs related to potential Linde merger.

*Non-GAAP measure. See Appendix for reconciliation.

Appendix

North America

($ MM)	Second Quarter 2017	First Quarter 2017	Second Quarter 2016
Sales	$1,505	$1,458	$1,411
Segment OP	$378	$357	$359
Operating Margin	25.1%	24.5%	25.4%

	YOY	2Q vs. 1Q
Sales Growth	**+ 7%**	**+ 3%**
Volume	**+ 2%**	**+ 2%**
Price / Mix	**+ 2%**	**--**
Cost pass-thru	**+ 4%**	**--**
Currency	**- 1%**	**+ 1%**
Acq/Div	**--**	**--**

- **Sales ex. FX & cost pass-thru +4%, OP +5%**
- **YoY volume growth driven by electronics, chemicals, manufacturing, metals and food & beverage**
- **Seq volume growth from food & beverage, electronics, chemicals and energy**
- **Price attainment in merchant and packaged gases**
- **New win in the U.S. Gulf Coast with petrochemical customer**

Europe

($ MM)	Second Quarter 2017	First Quarter 2017	Second Quarter 2016
Sales	$383	$356	$355
Segment OP	$73	$66	$68
Operating Margin	19.1%	18.5%	19.2%

	YOY	2Q vs. 1Q
Sales Growth	**+ 8%**	**+ 8%**
Volume	**+ 4%**	**+ 5%**
Price / Mix	**+ 1%**	**--**
Cost pass-thru	**--**	**--**
Currency	**- 2%**	**+ 3%**
Acq/Div	**+ 5%**	**--**

- **YoY volume growth driven by food & beverage, electronics, chemicals and project start-ups**
- **Seq volumes:**
  - **+ Food & beverage**
  - **– Chemicals due to customer outage**
- **Price attainment in most countries**
- **Carbon dioxide acquisition:**
  - **Acquired in June 2016**
  - **Largely serving resilient end-market**
  - **Integration going as planned**

South America

($ MM)	Second Quarter 2017	First Quarter 2017	Second Quarter 2016
Sales	$373	$369	$358
Segment OP	$63	$64	$70
Operating Margin	16.9%	17.3%	19.6%

	YOY	2Q vs. 1Q
Sales Growth	+ 4%	+ 1%
Volume	- 4%	+ 1%
Price / Mix	+ 1%	+ 1%
Cost pass-thru	+ 1%	+ 1%
Currency	+ 6%	- 2%
Acq/Div	--	--

- YoY volumes:
  - \+ Project start-ups, healthcare
  - − Manufacturing
- Operating margin challenges:
  - Further industrial volume reduction
  - Lower inflation impacting price
  - Unfavorable mix from lower merchant and packaged volumes
- Ongoing actions:
  - Tightly managing cost and capex
  - Focus on resilient end-markets

Asia

($ MM)	Second Quarter 2017	First Quarter 2017	Second Quarter 2016
Sales	$422	$395	$393
Segment OP	$80	$75	$67
Operating Margin	19.0%	19.0%	17.0%

	YOY	2Q vs. 1Q
Sales Growth	+ 7%	+ 7%
Volume	+ 10%	+ 6%
Price / Mix	+ 1%	--
Cost pass-thru	--	--
Currency	--	+ 1%
Acq/Div	- 4%	--

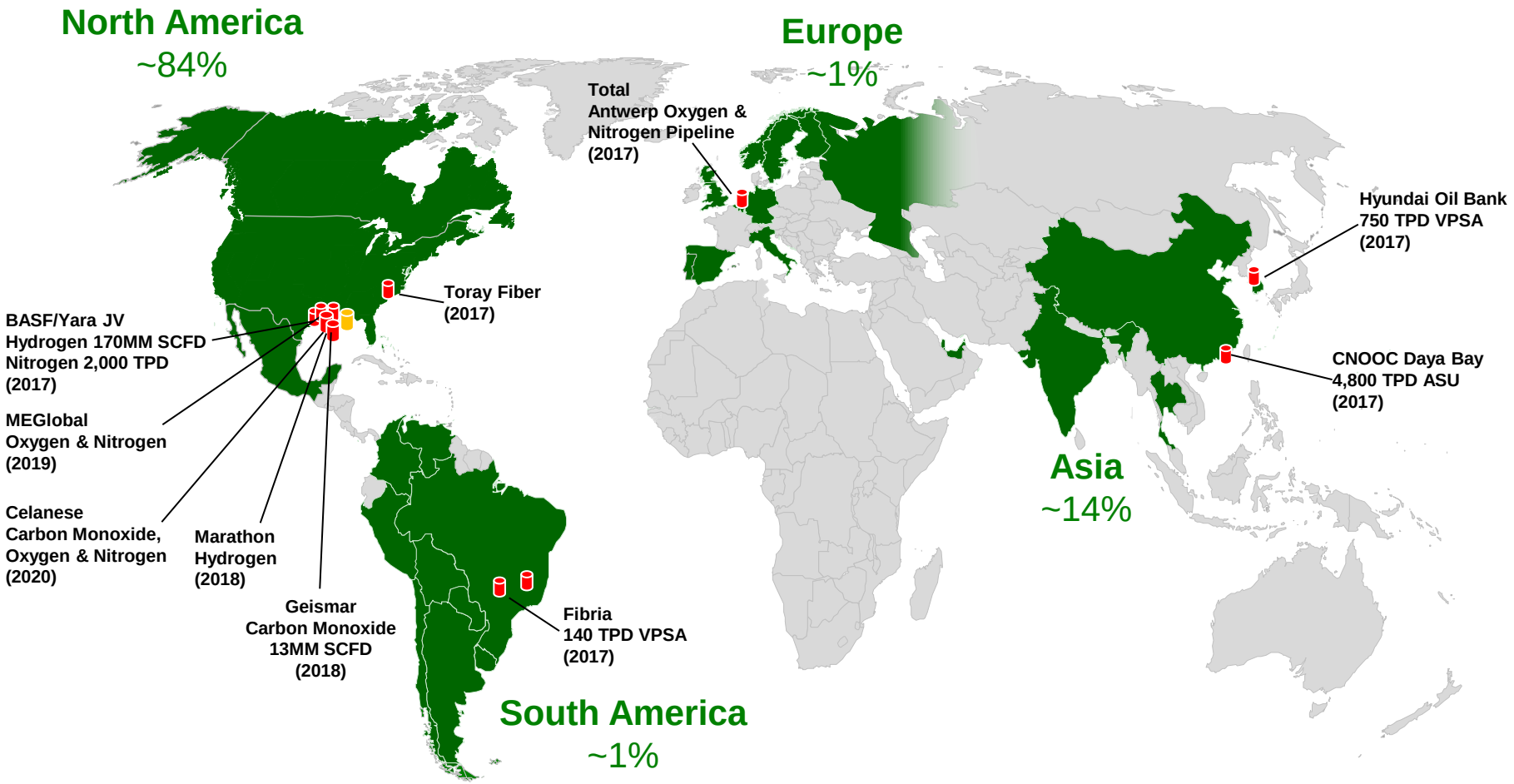
- YoY volumes:
  - + Electronics, metals and chemicals
  - + Manufacturing and downstream energy
  - + Project start-ups
- Seq volumes:
  - + Metals, manufacturing and chemicals
- Price attainment in China and India
- YoY operating leverage driven by sales growth and productivity
- India joint venture divestiture

Surface Technologies

($ MM)	Second Quarter 2017	First Quarter 2017	Second Quarter 2016
Sales	$151	$150	$148
Segment OP	$25	$26	$24
Operating Margin	16.6%	17.3%	16.2%

- **Continued growth in aerospace end-market, offset by weaker energy, primarily industrial gas turbines**
- **YoY margin improvement driven by volume growth**

2Q17 Backlog - $1.4B Capital Expenditures



2Q17 project added to backlog

(XX) Indicates expected startup year

% of backlog capex

ASU – Air separation unit(s)
VPSA – Vacuum pressure swing adsorption
TPD – Tons per day
SCFD – Standard cubic feet per day

Global End-Market Trends

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	2Q17 % of Sales	2Q17 Sales Growth* YOY	2Q17 Sales Growth* Vs. 1Q17	
	Manufacturing (22%)	+ 1%	--	YoY North America
	Metals (17%)	+ 5%	+ 3%	North America and Asia
	Energy (12%)	+ 3%	+ 4%	North America
	Chemicals (10%)	+ 8%	+ 3%	YoY growth in all regions
	Food & Bev (10%)	+ 3%	+ 7%	North America and Europe; Seq seasonality
	Healthcare (8%)	+ 3%	+ 4%	YoY North and South America
	Electronics (9%)	+ 13%	+ 3%	YoY North America, Asia and Europe

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

Strategy

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2015 2016 2017 2018+

Optimize Base Business
- Price Management
- Cash Flow
- Productivity
- Align with market realities

Grow Resilient End-Markets
- Healthcare
- Food & Beverage
- Environmental
- Specialty Gases
- Aerospace

Capitalize on Acquisition / JV Opportunities
- Build geographic density
- Increase presence in resilient end-markets

Execute Backlog & Win New Projects
- U.S. Gulf Coast focus
- Stronger contribution in 2017+

Leverage Cyclical Recovery
- Emerging Markets
- Oil and Metals
- Associated FX tailwind

Grow profitably regardless of the macroeconomic environment

Non-GAAP Measures

PRAXAIR, INC. AND SUBSIDIARIES
SUMMARY NON-GAAP RECONCILIATIONS
(UNAUDITED)

The following adjusted amounts are Non-GAAP measures and are intended to supplement investors' understanding of the company's financial statements by providing measures which investors, financial analysts and management use to help evaluate the company's 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. See the Non-GAAP reconciliations on the next page for additional details relating to the Non-GAAP adjustments.

(Millions of dollars, except per share amounts)

	Sales		Operating Profit		Net Income - Praxair, Inc.		Diluted EPS	
	2017	2016	2017	2016	2017	2016	2017	2016
Quarter Ended June 30								
Reported GAAP Amounts	$ 2,834	$ 2,665	$ 604	$ 588	$ 406	$ 399	$ 1.41	$ 1.39
Transaction costs (a)	-	-	15	-	15	-	0.05	-
Total adjustments	-	-	15	-	15	-	0.05	-
Adjusted amounts	$ 2,834	$ 2,665	$ 619	$ 588	$ 421	$ 399	$ 1.46	$ 1.39
Year To Date June 30								
Reported GAAP Amounts	$ 5,562	$ 5,174	$ 1,186	$ 1,142	$ 795	$ 755	$ 2.76	$ 2.63
Transaction costs (a)	-	-	21	-	21	-	0.07	-
Bond redemption (b)	-	-	-	-	-	10	-	0.04
Total adjustments	-	-	21	-	21	10	0.07	0.04
Adjusted amounts	$ 5,562	$ 5,174	$ 1,207	$ 1,142	$ 816	$ 765	$ 2.83	$ 2.67

(a) Charges in the 2017 first and second quarters for transaction costs related to the potential Linde merger.
(b) Charge to interest expense in the 2016 first quarter related to a bond redemption.

Non-GAAP Measures, continued

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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 financial leverage, return on capital 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 impacts of the 2017 first and second quarter transaction costs, 2016 third quarter cost reduction program and pension settlement, 2016 first quarter bond redemption, 2015 third quarter cost reduction program and pension settlement, and 2015 second quarter cost reduction program and other charges.

Adjusted Amounts

	Year-to-date June 30, 2017	Second Quarter 2017	First Quarter 2017	Year 2016	Third Quarter 2016	First Quarter 2016	Year 2015	Third Quarter 2015	Second Quarter 2015
Adjusted Operating Profit and Operating Profit Margin									
Reported operating profit	$ 1,186	$ 604	$ 582	$ 2,238	$ 497	$ 554	$ 2,321	$ 594	$ 480
Add: Cost reduction program and other charges	-	-	-	96	96	-	165	19	146
Add: Pension settlement charge	-	-	-	4	4	-	7	7	-
Add: Transaction costs	21	15	6	-	-	-	-	-	-
Total adjustments	21	15	6	100	100	-	172	26	146
Adjusted operating profit	$ 1,207	$ 619	$ 588	$ 2,338	$ 597	$ 554	$ 2,493	$ 620	$ 626
Reported percentage change		4%	3%						
Adjusted percentage change		6%	5%						
Reported sales	$ 5,562	$ 2,834	$ 2,728	$ 10,534	$ 2,716	$ 2,509	$ 10,776	$ 2,686	$ 2,738
Adjusted operating profit margin	21.7%	21.8%	21.6%	22.2%	22.0%	22.1%	23.1%	23.1%	22.9%
Adjusted Interest Expense - net									
Reported interest expense - net	$ 79	$ 38	$ 41	$ 190	$ 43	$ 65	$ 161	$ 35	$ 40
Less: Bond redemption	-	-	-	(16)	-	(16)	-	-	-
Adjusted interest expense - net	$ 79	$ 38	$ 41	$ 174	$ 43	$ 49	$ 161	$ 35	$ 40
Adjusted Income Taxes									
Reported income taxes	$ 306	$ 157	$ 149	$ 551	$ 120	$ 133	$ 612	$ 156	$ 131
Add: Cost reduction program and other charges	-	-	-	28	28	-	39	6	33
Add: Bond redemption	-	-	-	6	-	6	-	-	-
Add: Pension settlement charge	-	-	-	1	1	-	2	2	-
Add: Transaction costs	-	-	-						
Total adjustments	-	-	-	35	29	6	41	8	33
Adjusted income taxes	$ 306	$ 157	$ 149	$ 586	$ 149	$ 139	$ 653	$ 164	$ 164
Adjusted Effective Tax Rate									
Reported income before income taxes and equity investments	$ 1,107	$ 566	$ 541	$ 2,048	$ 454	$ 489	$ 2,160	$ 559	$ 440
Add: Cost reduction program and other charges	-	-	-	96	96	-	165	19	146
Add: Bond redemption	-	-	-	16	-	16	-	-	-
Add: Pension settlement charge	-	-	-	4	4	-	7	7	-
Add: Transaction costs	21	15	6	-	-	-	-	-	-
Total adjustments	21	15	6	116	100	16	172	26	146
Adjusted income before income taxes and equity investments	$ 1,128	$ 581	$ 547	$ 2,164	$ 554	$ 505	$ 2,332	$ 585	$ 586
Reported effective tax rate	27.6%	27.7%	27.5%	26.9%	26.4%	27.2%	28.3%	27.9%	29.8%
Adjusted effective tax rate	27.1%	27.0%	27.2%	27.1%	26.9%	27.5%	28.0%	28.0%	28.0%

Non-GAAP Measures, continued

	Year-to-date June 30, 2017	Second Quarter 2017	First Quarter 2017	Year 2016	Third Quarter 2016	First Quarter 2016	Year 2015	Third Quarter 2015	Second Quarter 2015
Adjusted Noncontrolling Interests									
Reported noncontrolling interests	$ 29	$ 14	$ 15	$ 38	$ 5	$ 10	$ 44	$ 12	$ 11
Add: Cost reduction program and other charges	-	-	-	5	5	-	1	-	1
Total adjustments	-	-	$ -	5	5	-	1	-	1
Adjusted noncontrolling interests	$ 29	$ 14	$ 15	$ 43	$ 10	$ 10	$ 45	$ 12	$ 12
Adjusted Net Income - Praxair, Inc.									
Reported net income - Praxair, Inc.	$ 795	$ 406	$ 389	$ 1,500	$ 339	$ 356	$ 1,547	$ 401	$ 308
Add: Cost reduction program and other charges	-	-	-	63	63	-	125	13	112
Add: Bond redemption	-	-	-	10	-	10	-	-	-
Add: Pension settlement charge	-	-	-	3	3	-	5	5	-
Add: Transaction costs	21	15	6	-	-	-	-	-	-
Total adjustments	21	15	6	76	66	10	130	18	112
Adjusted net income - Praxair, Inc.	$ 816	$ 421	$ 395	$ 1,576	$ 405	$ 366	$ 1,677	$ 419	$ 420
Reported percentage change	5%	2%							
Adjusted percentage change	7%	6%							
Adjusted Diluted EPS									
Reported diluted EPS	$ 2.76	$ 1.41	$ 1.35	$ 5.21	$ 1.18	$ 1.24	$ 5.35	$ 1.40	$ 1.06
Add: Cost reduction program and other charges	-	-	-	0.22	0.22	-	0.43	0.04	0.39
Add: Bond redemption	-	-	-	0.04	-	0.04	-	-	-
Add: Pension settlement charge	-	-	-	0.01	0.01	-	0.02	0.02	-
Add: Transaction costs	0.07	0.05	0.02	-	-	-	-	-	-
Total adjustments	0.07	0.05	0.02	0.27	0.23	0.04	0.45	0.06	0.39
Adjusted diluted EPS	$ 2.83	$ 1.46	$ 1.37	$ 5.48	$ 1.41	$ 1.28	$ 5.80	$ 1.46	$ 1.45
Reported percentage change	5%	1%							
Adjusted percentage change	6%	5%							
Cash Income Taxes and Interest									
Income taxes paid				$ 585			$ 420		
Interest paid, net of interest capitalized and excluding bond redemption				$ 173			$ 174		

Full Year 2017 Diluted EPS Guidance

	Full Year 2017 Low End	Full Year 2017 High End
2017 GAAP diluted EPS guidance	$ 5.56	$ 5.68
Add: Q1 and Q2 Transaction costs (excludes future merger transaction costs)	0.07	0.07
2017 adjusted diluted EPS guidance	$ 5.63	$ 5.75
2016 adjusted diluted EPS (see above for full year reconciliation)	$ 5.48	$ 5.48
Adjusted percentage change	3%	5%

Non-GAAP Measures, continued

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	2017		2016				2015			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1

Free Cash Flow (FCF) - Free cash flow is a measure used by investors, financial analysts and management to evaluate the ability of a company to pursue opportunities that enhance shareholder value. FCF equals cash flow from operations less capital expenditures.

Operating cash flow	$ 701	$ 710	$ 726	$ 788	$ 706	$ 553	$ 791	$ 676	$ 710	$ 518
Less: capital expenditures	(325)	(327)	(409)	(376)	(357)	(323)	(387)	(405)	(352)	(397)
Free Cash Flow	**$ 376**	**$ 383**	**$ 317**	**$ 412**	**$ 349**	**$ 230**	**$ 404**	**$ 271**	**$ 358**	**$ 121**

Available Operating Cash Flow (AOCF) and Base Capex - Available operating cash flow is a measure used by investors, financial analysts and management to evaluate the ability of a company to pursue opportunities that enhance shareholder value. AOCF measures operating cash flows available after capital expenditures to maintain or replace existing assets (base capex). AOCF equals cash flow from operations less base capex.

Capex	$ 325	$ 327	$ 409	$ 376	$ 357	$ 323	$ 387	$ 405	$ 352	$ 397
Less: backlog capex (a)	(108)	(94)	(140)	(147)	(126)	(115)	(147)	(152)	(119)	(101)
Base Capex	**$ 217**	**$ 233**	**$ 269**	**$ 229**	**$ 231**	**$ 208**	**$ 240**	**$ 253**	**$ 233**	**$ 296**
Operating cash flow	$ 701	$ 710	$ 726	$ 788	$ 706	$ 553	$ 791	$ 676	$ 710	$ 518
Less: base capex	(217)	(233)	(269)	(229)	(231)	(208)	(240)	(253)	(233)	(296)
Available Operating Cash Flow	**$ 484**	**$ 477**	**$ 457**	**$ 559**	**$ 475**	**$ 345**	**$ 551**	**$ 423**	**$ 477**	**$ 222**

(a) Backlog capex is defined as capital expenditures for projects greater than $5 million with a customer supply contract

Net Debt, Capital and 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	$ 9,367	$ 9,368	$ 9,515	$ 9,842	$ 9,956	$ 9,404	$ 9,231	$ 9,480	$ 9,313	$ 9,360
Less: cash and cash equivalents	(535)	(519)	(524)	(627)	(567)	(221)	(147)	(136)	(136)	(117)
Net debt	8,832	8,849	8,991	9,215	9,389	9,183	9,084	9,344	9,177	9,243
Equity and redeemable noncontrolling interests:										
Redeemable noncontrolling interests	10	10	11	11	12	119	113	169	175	170
Praxair, Inc. shareholders' equity	5,807	5,529	5,021	5,245	5,140	4,888	4,389	4,264	4,964	5,018
Noncontrolling interests	453	436	420	393	407	417	404	380	380	375
Total equity and redeemable noncontrolling interests	6,270	5,975	5,452	5,649	5,559	5,424	4,906	4,813	5,519	5,563
Capital	$ 15,102	$ 14,824	$ 14,443	$ 14,864	$ 14,948	$ 14,607	$ 13,990	$ 14,157	$ 14,696	$ 14,806
Debt-to-capital	**58.5%**	**59.7%**	**62.3%**	**62.0%**	**62.8%**	**62.9%**	**64.9%**	**66.0%**	**62.4%**	**62.4%**

Non-GAAP Measures, continued

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	2017		2016				2015			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1

After-tax Return on Capital and Adjusted 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).

Reported net income - Praxair, Inc.	$ 406	$ 389	$ 406	$ 339	$ 399	$ 356	$ 422	$ 401	$ 308	$ 416
Add: noncontrolling interests	14	15	13	5	10	10	9	12	11	12
Add: interest expense - net	38	41	38	43	44	65	42	35	40	44
Less: tax benefit on interest expense - net *	(11)	(12)	(10)	(12)	(12)	(20)	(12)	(10)	(11)	(12)
Net operating profit after-tax (NOPAT)	**$ 447**	**$ 433**	**$ 447**	**$ 375**	**$ 441**	**$ 411**	**$ 461**	**$ 438**	**$ 348**	**$ 460**
Pre-tax Adjustments:										
Add: Cost reduction program and other charges	-	-	-	96	-	-	-	19	146	-
Add: Pension settlement charge	-	-	-	4	-	-	-	7	-	-
Add: Transaction costs	15	6	-	-	-	-	-	-	-	-
Less: income taxes on pre-tax adjustments	-	-	-	(29)	-	-	-	(8)	(33)	-
Adjusted NOPAT	**$ 462**	**$ 439**	**$ 447**	**$ 446**	**$ 441**	**$ 411**	**$ 461**	**$ 456**	**$ 461**	**$ 460**
4-quarter trailing NOPAT	$ 1,702	$ 1,696	$ 1,674	$ 1,688	$ 1,751	$ 1,658	$ 1,707	$ 1,616	$ 1,700	$ 1,864
4-quarter trailing adjusted NOPAT	$ 1,794	$ 1,773	$ 1,745	$ 1,759	$ 1,769	$ 1,789	$ 1,838	$ 1,879	$ 1,945	$ 1,996
Ending capital (see above)	$ 15,102	$ 14,824	$ 14,443	$ 14,864	$ 14,948	$ 14,607	$ 13,990	$ 14,157	$ 14,696	$ 14,806
5-quarter average ending capital	$ 14,836	$ 14,737	$ 14,570	$ 14,513	$ 14,480	$ 14,451	$ 14,587	$ 14,999	$ 15,460	$ 15,777
After-tax ROC (4-quarter trailing NOPAT / 5-quarter average capital)	**11.5%**	**11.5%**	**11.5%**	**11.6%**	**12.1%**	**11.5%**	**11.7%**	**10.8%**	**11.0%**	**11.8%**
Adjusted after-tax ROC (4-quarter trailing adjusted NOPAT / 5-quarter average capital)	**12.1%**	**12.0%**	**12.0%**	**12.1%**	**12.2%**	**12.4%**	**12.6%**	**12.5%**	**12.6%**	**12.7%**

* Tax benefit on interest expense - net is generally presented using the reported effective rate.

EBITDA, Adjusted EBITDA, EBITDA Margin and Adjusted EBITDA Margin - These measures are used by investors, financial analysts and management to assess a company's profitability.

Reported net income - Praxair, Inc.	$ 406	$ 389	$ 406	$ 339	$ 399	$ 356	$ 422	$ 401	$ 308	$ 416
Add: noncontrolling interests	14	15	13	5	10	10	9	12	11	12
Add: interest expense - net	38	41	38	43	44	65	42	35	40	44
Add: income taxes	157	149	152	120	146	133	163	156	131	162
Add: depreciation and amortization	292	287	285	284	281	272	275	276	278	277
EBITDA	**$ 907**	**$ 881**	**$ 894**	**$ 791**	**$ 880**	**$ 836**	**$ 911**	**$ 880**	**$ 768**	**$ 911**
Adjustments:										
Add: Cost reduction program and other charges	-	-	-	96	-	-	-	19	146	-
Add: Pension settlement charge	-	-	-	4	-	-	-	7	-	-
Add: Transaction costs	15	6	-	-	-	-	-	-	-	-
Adjusted EBITDA	**$ 922**	**$ 887**	**$ 894**	**$ 891**	**$ 880**	**$ 836**	**$ 911**	**$ 906**	**$ 914**	**$ 911**
Reported sales	2,834	2,728	2,644	2,716	2,665	2,509	2,595	2,686	2,738	2,757
EBITDA margin	**32.0%**	**32.3%**	**33.8%**	**29.1%**	**33.0%**	**33.3%**	**35.1%**	**32.8%**	**28.0%**	**33.0%**
Adjusted EBITDA margin	**32.5%**	**32.5%**	**33.8%**	**32.8%**	**33.0%**	**33.3%**	**35.1%**	**33.7%**	**33.4%**	**33.0%**

Sustainable Development Highlights

PRAXAIR
Making our planet more productive™

BEST-IN-CLASS SAFETY PERFORMANCE

SAFETY FIRST

15x BETTER than US OSHA Industrial Average Lost Workday Case Rate

Praxair applications enabled

2X more GHG emissions to be avoided

than were emitted from all its operations

350,000

global beneficiaries from Praxair's Community Engagement Program

145MM

people globally served by water applications

300+ SITES AND 12,500+ EMPLOYEES PARTICIPATED IN PRAXAIR'S

Zero Waste Program

RECOGNITION

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM

2017 WORLD'S MOST ETHICAL COMPANIES® ™
WWW.ETHISPHERE.COM

CDP A LIST 2016 CLIMATE

DiversityInc 2016 TOP 50 COMPANIES FOR DIVERSITY 25 NOTEWORTHY

Forbes | 2016 AMERICA'S BEST LARGE EMPLOYERS
POWERED BY STATISTA

Praxair's Global Giving Program supported **900** organizations in **29** countries around the world

PRAXAIR
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For further information, please contact:

INVESTOR RELATIONS
Phone: (203) 837-2213
Juan_Pelaez@praxair.com

www.praxair.com/investors