

PRAXAIR INC
Form 424B2
May 21, 2009

Table of Contents

**As filed pursuant to Rule 424(b)(2)
Registration No. 333-139328**

CALCULATION OF REGISTRATION FEE

| Title of Each Class of Securities to be Registered | Amount to be Registered | Maximum Offering Price Per Unit | Maximum Aggregate Offering Price | Amount of Registration Fee(1) |
|---|----------------------------|--|--|-------------------------------------|
| Floating Rate Note due 2010 | \$ 500,000,000 | 100% | \$ 500,000,000 | \$ 27,900.00 |

(1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933 (the Securities Act).

Prospectus Supplement**May 20, 2009****(To Prospectus Dated December 14, 2006)**

\$500,000,000

Floating Rate Notes due 2010

Praxair, Inc. will pay interest on the notes quarterly on February 26, May 26, August 26 and November 26 of each year, beginning August 26, 2009. The notes will bear interest at a floating rate equal to LIBOR plus .09% per annum and will mature on May 26, 2010. The notes will not be redeemable prior to maturity. There is no sinking fund for the notes.

Investing in the notes involves risk. See Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2008.

| | Per Note | Total |
|--|----------|----------------|
| Public offering price(1) | 100.00% | \$ 500,000,000 |
| Underwriting discount | .10% | \$ 500,000 |
| Proceeds, before expenses, to Praxair(1) | 99.90% | \$ 499,500,000 |

(1) Plus accrued interest, if any, from May 26, 2009 if settlement occurs after that date.

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Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The notes will be ready for delivery in book-entry form only through The Depository Trust Company on or about May 26, 2009.

Joint Book-Running Managers

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TABLE OF CONTENTS

Prospectus Supplement

| | Page |
|---|-------------|
| <u>Where You Can Find More Information</u> | S-2 |
| <u>Note Regarding Forward-Looking Statements</u> | S-2 |
| <u>The Company</u> | S-3 |
| <u>Use of Proceeds</u> | S-3 |
| <u>Ratio of Earnings To Fixed Charges and Earnings To Fixed Charges and Preferred Stock Dividends</u> | S-4 |
| <u>Description of the Notes</u> | S-5 |
| <u>Certain United States Federal Income Tax Considerations</u> | S-8 |
| <u>Underwriting</u> | S-11 |
| <u>Experts</u> | S-12 |

Prospectus

| | Page |
|--|-------------|
| <u>About This Prospectus</u> | 1 |
| <u>Note Regarding Forward-Looking Statements</u> | 1 |
| <u>The Company</u> | 2 |
| <u>Use of Proceeds</u> | 2 |
| <u>Ratio of Earnings To Fixed Charges and Earnings To Combined Fixed Charges and Preferred Stock Dividends</u> | 3 |
| <u>Description of Capital Stock</u> | 4 |
| <u>Description of Debt Securities</u> | 8 |
| <u>Plan of Distribution</u> | 19 |
| <u>Legal Matters</u> | 20 |
| <u>Experts</u> | 20 |
| <u>Where You Can Find More Information</u> | 20 |
| <u>Incorporation of Certain Documents by Reference</u> | 20 |

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement and the accompanying prospectus is accurate as of the date on the front of this prospectus supplement only. Our business, financial condition, results of operations and prospects may have changed since that date.

References to we , us, our, the Company, and Praxair are to Praxair, Inc. and its subsidiaries unless the context otherwise requires.

S-1

Table of Contents

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the SEC and our common stock is listed on the New York Stock Exchange under the symbol PX. Our SEC filings are available to the public over the Internet at the SEC's web site at <http://www.sec.gov>. You may also read and copy any document we file at the SEC's public reference room at 100 F Street, NE, Washington, D.C. 20549. You can call the SEC at 1-800-732-0330 for further information about the public reference rooms.

The SEC allows us to incorporate by reference the information we file with them, which means we are assumed to have disclosed important information to you when we refer you to documents that are on file with the SEC. The information we have incorporated by reference is an important part of this prospectus supplement and the accompanying prospectus, and information that we file later with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and any future documents we file with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until we sell all of the securities covered by this prospectus supplement and the accompanying prospectus, provided that information furnished and not filed by us under any item of any Current Report on Form 8-K including the related exhibits is not incorporated by reference.

Annual Report on Form 10-K for the fiscal year ended December 31, 2008.

The information responsive to Part III of Form 10-K for the fiscal year ended December 31, 2008 provided in our Proxy Statement on Schedule 14A filed on March 17, 2009.

Quarterly Report on Form 10-Q for the quarter ended March 31, 2009.

Current Report on Form 8-K filed on March 26, 2009.

Our Registration Statement on Form 8A dated June 27, 2002.

You may request a copy of these documents at no cost by writing to us at the following address:

Praxair, Inc.
39 Old Ridgebury Road
Danbury, Connecticut 06810-5113
Attn: Assistant Corporate Secretary
Telephone: (203) 837-2000.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus contain 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.

S-2

Table of Contents

THE COMPANY

Praxair was founded in 1907 and became an independent publicly traded company in 1992. Praxair was the first company in the United States to produce oxygen from air using a cryogenic process and continues to be a major technological innovator in the industrial gases industry.

Praxair is the largest industrial gas supplier in North and South America, is rapidly growing in Asia, and has strong, well-established businesses in Europe. Praxair's primary products for its industrial gases business are atmospheric gases (oxygen, nitrogen, argon, rare gases) and process gases (carbon dioxide, helium, hydrogen, electronic gases, specialty gases, acetylene). The Company also designs, engineers and builds equipment that produces industrial gases for internal use and external sale. The Company's surface technologies segment, operated through Praxair Surface Technologies, Inc., supplies wear-resistant and high-temperature corrosion-resistant metallic and ceramic coatings and powders. Sales for Praxair were \$10,796 million, \$9,402 million and \$8,324 million for 2008, 2007 and 2006, respectively.

Praxair serves approximately 25 industries as diverse as healthcare and petroleum refining; computer-chip manufacturing and beverage carbonation; fiber-optics and steel making; and aerospace, chemicals and water treatment. In 2008, 95% of sales were generated in four geographic segments (North America, Europe, South America and Asia) primarily from the sale of industrial gases with the balance generated from the surface technologies segment. Praxair provides a competitive advantage to its customers by continuously developing new products and applications, which allow them to improve their productivity, energy efficiency and environmental performance.

The Company's principal offices are located at 39 Old Ridgebury Road in Danbury, Connecticut 06810-5113 and its telephone number is (203) 837-2000.

USE OF PROCEEDS

We will use the net proceeds from this offering (i) to repay short-term debt and (ii) for general corporate purposes. Prior to their application, the net proceeds may be invested in short-term investments.

Table of Contents

**RATIO OF EARNINGS TO FIXED CHARGES
AND
RATIO OF EARNINGS TO FIXED CHARGES AND PREFERRED STOCK DIVIDENDS**

The following table sets forth our ratio of earnings to fixed charges and ratio of earnings to fixed charges and preferred stock dividends for the periods indicated:

| | Three Months Ended | | Year Ended December 31, | | | |
|---|-------------------------------|-------------|--------------------------------|-------------|-------------|-------------|
| | March 31, 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
| Ratio of Earnings to Fixed Charges(a) | 8.1 | 7.0 | 7.6 | 7.6 | 6.6 | 6.1 |
| Ratio of Earnings to Fixed Charges and Preferred Stock Dividends(b) | 8.1 | 7.0 | 7.6 | 7.6 | 6.6 | 6.0 |

- (a) For the purpose of computing the ratio of earnings to fixed charges, earnings are comprised of income from continuing operations of consolidated subsidiaries before provision for income taxes and adjustment for noncontrolling interests in consolidated subsidiaries or income or loss from equity investees, less capitalized interest, plus depreciation of capitalized interest, dividends from companies accounted for using the equity method, and fixed charges. Fixed charges are comprised of interest on long-term and short-term debt plus capitalized interest and rental expense representative of an interest factor.
- (b) For the purpose of computing the ratio of earnings to fixed charges and preferred stock dividends, earnings are comprised of income from continuing operations of consolidated subsidiaries before provision for income taxes and adjustment for noncontrolling interests in consolidated subsidiaries or income or loss from equity investees, less capitalized interest, plus depreciation of capitalized interest, dividends from companies accounted for using the equity method, and fixed charges as defined in (a). Fixed charges and preferred stock dividends are comprised of fixed charges as defined in (a) plus preferred stock dividend requirements of consolidated subsidiaries.

Table of Contents

DESCRIPTION OF THE NOTES

In this section entitled Description of the Notes, references to the Company, Praxair, we, our, or us refers to Praxair, Inc., as issuer of the notes and not to any of the subsidiaries of Praxair, Inc.

The following description of the particular terms of the notes supplements, and to the extent inconsistent therewith supersedes, the description of the general terms and provisions of the senior debt securities included in the accompanying prospectus, to which description reference is hereby made.

The notes will be our unsecured general obligations, will be issued under an indenture dated as of July 15, 1992 between Praxair, Inc. and U.S. Bank National Association, as the ultimate successor trustee to Bank of America, Illinois, will be issued only in book-entry form and will mature on May 26, 2010.

We will issue the notes in registered form without coupons in denominations of \$2,000 and whole multiples of \$1,000 in excess thereof. The notes are subject to defeasance under the conditions described in the accompanying prospectus, including the condition that an opinion of counsel be delivered with respect to the absence of any tax effect of any such defeasance to holders of the notes.

Upon issuance, the notes will be represented by one or more global securities that will be deposited with, or on behalf of, DTC and will be registered in the name of DTC or a nominee of DTC. See Description of Debt Securities Global Debt Securities in the accompanying prospectus.

We may from time to time without the consent of the holders of the notes create and issue further notes having the same terms and conditions as these notes so that the further issue would be consolidated and form a single series with these notes.

At March 31, 2009, approximately \$2.8 billion aggregate principal amount of senior debt securities were outstanding under the indenture.

The notes will not be redeemable prior to maturity.

The notes do not contain any sinking fund provisions.

We may at any time purchase notes by tender offer, in the open market or by private agreement, subject to applicable law.

Interest

The notes will bear interest from May 26, 2009 or from the most recent date to which interest has been paid or provided for. We will pay interest on the notes quarterly on February 26, May 26, August 26 and November 26 of each year, and on the maturity date (each, an interest payment date), commencing August 26, 2009 and ending on the maturity date, to the persons in whose names the notes are registered at the close of business on the fifteenth calendar day (whether or not a Business Day) immediately preceding the related interest payment date; *provided, however*, that interest payable on the maturity date shall be payable to the person to whom the principal of such notes shall be payable. Interest on the notes will be computed on the basis of the actual number of days elapsed over a 360-day year. Notwithstanding anything to the contrary in this prospectus supplement, so long as the notes are in book-entry form, we will make payments of principal and interest through the trustee to The Depository Trust Company (DTC).

Interest payable on any interest payment date or the maturity date shall be the amount of interest accrued from, and including, the immediately preceding interest payment date in respect of which interest has been paid or duly provided for (or from and including the original issue date, if no interest has been paid or duly provided for with respect to the notes) to, but excluding, such interest payment date or maturity date, as the case may be. If any interest payment date (other than the maturity date) is not a Business Day at the relevant place of payment, we will pay interest on the next day that is a Business Day at such place of payment as if payment were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the immediately succeeding Business Day, except that if such Business Day is in the immediately succeeding calendar month, such interest payment date (other than the maturity date) shall be the immediately preceding Business Day. If the maturity date is not a Business Day at

S-5

Table of Contents

the relevant place of payment, we will pay interest, if any, and principal and premium, if any, on the next day that is a Business Day at such place of payment as if payment were made on the date such payment was due, and no interest will accrue for the intervening period.

Business Day means any day (1) that is not a Saturday or Sunday and that is not a day on which banking institutions are authorized or obligated by law or executive order to close in The City of New York and, for any place of payment outside of The City of New York, in such place of payment, and (2) that is also a London business day, which is a day on which dealings in deposits in U.S. dollars are transacted in the London interbank market.

Rate of Interest

The interest rate on the notes will be reset quarterly on February 26, May 26, August 26 and November 26 of each year, commencing August 26, 2009 (each, an interest reset date). The notes will bear interest at a per annum rate equal to three-month LIBOR (as defined below) for the applicable interest reset period or initial interest period (each as defined below) plus 0.09% (9 basis points). The interest rate for the initial interest period will be three-month LIBOR, determined as of two London business days prior to the original issue date, plus 0.09% (9 basis points) per annum. The initial interest period will be the period from and including the original issue date to but excluding the initial interest reset date. Thereafter, each interest reset period will be the period from and including an interest reset date to but excluding the immediately succeeding interest reset date; *provided* that the final interest reset period for the notes will be the period from and including the interest reset date immediately preceding the maturity date of such notes to but excluding the maturity date.

If any interest reset date would otherwise be a day that is not a Business Day, the interest reset date will be postponed to the immediately succeeding day that is a Business Day, except that if that Business Day is in the immediately succeeding calendar month, the interest reset date shall be the immediately preceding Business Day.

The interest rate in effect on each day will be (i) if that day is an interest reset date, the interest rate determined as of the interest determination date (as defined below) immediately preceding such interest reset date or (ii) if that day is not an interest reset date, the interest rate determined as of the interest determination date immediately preceding the most recent interest reset date or the original issue date, as the case may be.

Interest Rate Determination

The interest rate applicable to each interest reset period commencing on the related interest reset date, or the original issue date in the case of the initial interest period, will be the rate determined as of the applicable interest determination date. The interest determination date will be the second London business day immediately preceding the original issue date, in the case of the initial interest reset period, or thereafter the applicable interest reset date.

U.S. Bank National Association, or its successor appointed by us, will act as calculation agent. Three-month LIBOR will be determined by the calculation agent as of the applicable interest determination date in accordance with the following provisions:

(i) LIBOR is the rate for deposits in U.S. dollars for the 3-month period which appears on Reuters Screen LIBOR01 Page (as defined below) at approximately 11:00 a.m., London time, on the applicable interest determination date.

Reuters Screen LIBOR01 Page means the display designated on page LIBOR01 on Reuters Screen (or such other page as may replace the LIBOR01 page on that service, any successor service or such other service or services as may be nominated by the British Bankers' Association for the purpose of displaying London interbank offered rates for U.S. dollar deposits). If no rate appears on Reuters Screen LIBOR01 Page, LIBOR for such interest determination date will be determined in accordance with the provisions of paragraph (ii) below.

(ii) With respect to an interest determination date on which no rate appears on Reuters Screen LIBOR01 Page as of approximately 11:00 a.m., London time, on such interest determination date, the calculation agent shall request the principal London offices of each of four major reference banks (which may include affiliates

S-6

Table of Contents

of the underwriters) in the London interbank market selected by the calculation agent (after consultation with us) to provide the calculation agent with a quotation of the rate at which deposits of U.S. dollars having a three-month maturity, commencing on the second London business day immediately following such interest determination date, are offered by it to prime banks in the London interbank market as of approximately 11:00 a.m., London time, on such interest determination date in a principal amount equal to an amount of not less than U.S. \$1,000,000 that is representative for a single transaction in such market at such time. If at least two such quotations are provided, LIBOR for such interest determination date will be the arithmetic mean of such quotations as calculated by the calculation agent. If fewer than two quotations are provided, LIBOR for such interest determination date will be the arithmetic mean of the rates quoted as of approximately 11:00 a.m., New York City time, on such interest determination date by three major banks (which may include affiliates of the underwriters) selected by the calculation agent (after consultation with us) for loans in U.S. dollars to leading European banks having a three-month maturity commencing on the second London business day immediately following such interest determination date and in a principal amount equal to an amount of not less than U.S. \$1,000,000 that is representative for a single transaction in such market at such time; *provided, however*, that if the banks selected as aforesaid by the calculation agent are not quoting such rates as mentioned in this sentence, LIBOR for such interest determination date will be LIBOR determined with respect to the immediately preceding interest determination date.

All percentages resulting from any calculation of any interest rate for the notes will be rounded, if necessary, to the nearest one hundred thousandth of a percentage point, with five one-millionths of a percentage point rounded upward (e.g., 9.876545% (or .09876545) would be rounded to 9.87655% (or .0987655), and all dollar amounts will be rounded to the nearest cent, with one-half cent being rounded upward.

Promptly upon such determination, the calculation agent will notify us and the trustee (if the calculation agent is not the trustee) of the interest rate for the new interest reset period. Upon request of a holder of the notes, the calculation agent will provide to such holder the interest rate in effect on the date of such request and, if determined, the interest rate for the next interest reset period.

All calculations made by the calculation agent for the purposes of calculating interest on the notes shall be conclusive and binding on the holders and us, absent manifest errors.

Defaults and Remedies

Clause 1 of the definition of event of default under the caption Description of the Debt Securities Defaults and Remedies in the accompanying prospectus is revised and applicable to this series of notes as follows:

the Company defaults in any payment of interest on any of the notes when the same becomes due and payable and the default continues for a period of 30 days .

Book-Entry System

We will initially issue the notes in the form of one or more global notes (the Global Notes). The Global Notes will be deposited with, or on behalf of, DTC and registered in the name of DTC or its nominee. Except as set forth below, the Global Notes may be transferred, in whole and not in part, only to DTC or another nominee of DTC. A holder may hold beneficial interests in the Global Notes directly through DTC if such holder has an account with DTC or indirectly through organizations which have accounts with DTC, including Euroclear and Clearstream.

Investors may hold interests in the notes outside the United States through Euroclear or Clearstream if they are participants in those systems, or indirectly through organizations which are participants in those systems. Euroclear and Clearstream will hold interests on behalf of their participants through customers securities accounts in Euroclear s

and Clearstream's names on the books of their respective depositaries which in turn will hold such positions in customers' securities accounts in the names of the nominees of the depositaries on the books of DTC. All securities in Euroclear or Clearstream are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts.

S-7

Table of Contents

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

U.S. Federal Income Tax Considerations

The following summary describes certain U.S. federal income tax consequences of the acquisition, ownership and disposition of the notes. This summary applies to you only if you are a beneficial owner of a note and you purchase the note in this offering at a price equal to the issue price of the notes (i.e., the first price at which a substantial amount of the notes is sold for cash to investors (not including bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers). This summary is based upon the U.S. Internal Revenue Code of 1986, as amended (the Code), Treasury regulations promulgated thereunder, and administrative rulings and judicial decisions thereon, all as in effect or in existence as of the date of this prospectus supplement and all of which are subject to being repealed, revoked or modified, possibly on a retroactive basis, so as to result in U.S. federal income tax consequences different from those discussed below. There can be no assurance that the U.S. Internal Revenue Service (IRS) will not challenge one or more of the tax considerations described herein, and Praxair has not obtained, nor does Praxair intend to obtain, a ruling from the IRS with respect to the U.S. federal income tax considerations resulting from your acquisition, ownership or disposition of the notes.

This summary does not discuss all of the aspects of U.S. federal income taxation that may be relevant to you in light of your particular investment or other circumstances. In particular, this summary deals only with notes held as capital assets within the meaning of Section 1221 of the Code, and does not address special tax situations, such as those of dealers and traders in securities or currencies, financial institutions, insurance companies, regulated investment companies, real estate investment trusts, common trust funds, beneficial owners of the notes holding them as part of a conversion, constructive sale, wash sale or other integrated transaction or a hedge, straddle or synthetic security, beneficial owners of the notes that are subject to the alternative minimum tax, tax-exempt entities, pass-through entities (including partnerships and entities and arrangements classified as partnerships for U.S. federal income tax purposes) and beneficial owners of pass-through entities, U.S. expatriates, and U.S. Holders (as defined below) that have a functional currency other than the U.S. dollar. Finally, this summary also does not address any tax considerations arising under any other U.S. federal tax laws (such as estate or gift tax laws) or the tax laws of any U.S. state or local jurisdiction or any non-U.S. jurisdiction.

This discussion is for general informational purposes only and its is not tax advice. Prospective purchasers of the notes are advised to consult with their tax advisors as to the U.S. federal income tax consequences of the purchase, ownership and disposition of the notes in light of their particular circumstances, as well as any tax consequences arising under any other U.S. federal tax laws or any state, local or other tax laws.

As used herein, a U.S. Holder means a beneficial owner of a note that is, for U.S. federal income tax purposes (1) an individual who is a citizen or resident of the United States, (ii) a corporation (or entity treated as a corporation for such purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is includable in gross income for U.S. federal income tax purposes, regardless of its source, or (iv) a trust if either (x) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) has the authority to control all substantial decisions of the trust, or (y) the trust has a valid election in effect under applicable Treasury regulations to be treated as a United States person. A Non-U.S. Holder means a beneficial owner of a note that is an individual, corporation, estate, or trust and is not a U.S. Holder.

If a partnership (or an entity or arrangement classified as a partnership for U.S. federal income tax purposes) holds the notes, the U.S. federal income tax treatment of a partner in the partnership generally will depend on the status of the

partner and the activities of the partnership, and partnerships holding the notes should consult their own tax advisors regarding the U.S. federal income tax consequences of purchasing, owning and disposing of the notes.

S-8

Table of Contents

U.S. Holders

Special rules apply to debt instruments, such as the notes, that have a maturity of not more than one year:

Stated Interest

The stated interest on a note will be treated as original issue discount (OID) instead of qualified stated interest. An accrual basis U.S. Holder will generally be required to accrue the OID as ordinary income ratably (i.e., in equal daily amounts) or, at the election of such Holder, on a constant yield method (compounded daily). In the case of a debt instrument that provides for stated interest at a variable rate, such as the notes, it appears that the foregoing rules for accruing OID should be applied separately to each accrual period (i.e., generally each interest reset period) based on the actual variable rate applicable to such period. While not free from doubt, it appears that, unless a cash basis U.S. Holder elects to apply the foregoing rules applicable to accrual basis taxpayers, a cash basis U.S. Holder generally should not be required to report any stated interest as income when received, and generally should not be required to accrue any income in respect of OID prior to maturity or a prior disposition of a note. A cash basis U.S. Holder that has not elected to apply the foregoing rules applicable to accrual basis taxpayers will generally be required to defer part or all of any interest expense incurred to purchase or carry a note until the disposition of such note.

Sale, Exchange, Retirement or Redemption of the Notes

Upon a sale, exchange, redemption, retirement or other taxable disposition of a note, an accrual basis U.S. Holder generally should recognize gain or loss in an amount equal to the difference between the amount realized on the disposition and your adjusted basis in the note. An accrual basis U.S. Holder's adjusted basis in a note should equal the cost for the note, increased by any OID previously accrued and decreased by any payment of stated interest previously received. Any such gain or loss will be short-term capital gain or loss. The deductibility of capital losses is subject to certain limitations.

While not free from doubt, based on the treatment of stated interest and OID described above:

Upon a sale, exchange, redemption, retirement or other taxable disposition of a note, a cash basis U.S. Holder generally should recognize gain or loss in an amount equal to the difference between the amount realized on the disposition and your adjusted basis in the note. A cash basis U.S. Holder's adjusted basis in a note should equal the cost for the note, decreased by any payment of stated interest previously received. Any such gain or loss will be short-term capital gain or loss; provided that any gain will be recharacterized as ordinary income to the extent of any OID that accrued through the date of disposition (determined on a ratably basis unless the cash basis U.S. Holder elects to apply a constant yield method (compounded daily)). The deductibility of capital losses is subject to certain limitations.

Non-U.S. Holders

Payments of Interest

Payments of interest (which for purposes of this discussion includes OID) on the notes that are not effectively connected with a U.S. trade or business of the Non-U.S. Holder generally will not be subject to U.S. federal income tax, and will meet the portfolio interest exception, provided that the Non-U.S. Holder (a) does not actually or constructively own 10% or more of the combined voting power of all classes of the Company stock entitled to vote, (b) is not a bank that received the note on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business; (c) is not a controlled foreign corporation with respect to which the Company

is a related person within the meaning of the Code, and (d) has provided a validly completed IRS Form W-8BEN establishing that it is a Non-U.S. Holder (or satisfied certain documentary evidence requirements for establishing that it is a Non-U.S. Holder).

If a Non-U.S. Holder does not qualify for an exemption from withholding tax on interest under the preceding paragraph and the interest is not effectively connected with the Non-U.S. Holder's conduct of a U.S. trade or business, such interest generally will be subject to withholding of U.S. federal income tax at a

S-9

Table of Contents

30% rate unless such Non-U.S. Holder is able to claim a valid exemption or reduction from withholding tax under an applicable income tax treaty.

Sale, Exchange, Retirement or Redemption of the Notes

Subject to the discussion of backup withholding below, any gain realized by a Non-U.S. Holder upon a sale, exchange, redemption, retirement or other taxable disposition of a note, generally will not be subject to U.S. federal income tax, unless such gain is effectively connected with the non-U.S. Holder's conduct of a U.S. trade or business, in which case a Non-U.S. Holder will be taxed as discussed below under **Effectively Connected Income**, or such Non-U.S. Holder is an individual residing in the United States for more than 183 days during the taxable year (and certain conditions are met), in which case a Non-U.S. Holder generally will be subject to a flat 30% U.S. federal income tax on any gain recognized, which may be offset by certain U.S. source losses.

Effectively Connected Income

If interest paid to a Non-U.S. Holder or any gain realized by a Non-U.S. Holder is effectively connected with the Non-U.S. Holder's conduct of a U.S. trade or business, then the Non-U.S. Holder generally will be subject to U.S. federal income tax on that interest or gain in the same manner as if the Non-U.S. Holder were a U.S. Holder (unless an applicable income tax treaty applies otherwise). In addition, if the Non-U.S. Holder is a foreign corporation, the Non-U.S. Holder may be subject to a branch profits tax on its effectively connected earnings and profits attributable to such accrued interest or gain at a rate of 30% (unless an applicable income tax treaty applies otherwise). If accrued interest paid to a Non-U.S. Holder is effectively connected income (whether or not a treaty applies), the 30% withholding tax described above will not apply (assuming an appropriate certification is provided).

Information Reporting and Backup Withholding

In general, if you are a U.S. Holder, information reporting requirements will apply to accruals of OID on, and payments of the proceeds of dispositions (including a retirement or redemption) of, the notes made to you (unless you are an exempt recipient, such as a corporation). You will be required to provide (unless you are an exempt recipient), under penalties of perjury, a certificate containing your name, address, correct federal taxpayer identification number and a statement that you are a United States person and that you are not subject to backup withholding. If you are not an exempt recipient and you fail to provide the required certification, such payments will be subject to backup withholding (currently at a rate of 28%).

In general, if you are a Non-U.S. Holder, payments of interest on, and payments of the proceeds of dispositions (including a retirement or redemption) of, the notes made to you may be subject to backup withholding and related information reporting unless you provide a properly executed U.S. Internal Revenue Service Form W-8BEN or otherwise meet documentary evidence requirements for establishing your status as a Non-U.S. Holder, or you qualify as an exempt recipient.

You should consult your own tax advisor regarding application of backup withholding in your particular circumstances and the availability of and procedure for obtaining an exemption from backup withholding. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules should be allowed as a refund or credit against your U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

Table of Contents**UNDERWRITING**

Under the terms and subject to the conditions set forth in an underwriting agreement dated the date hereof, the underwriters named below have severally agreed to purchase, and we have agreed to sell to them, severally, the respective principal amounts of notes set forth opposite their names below:

| Underwriters | Principal Amount of Notes |
|-------------------------------|--------------------------------------|
| Citigroup Global Markets Inc. | \$ 250,000,000 |
| RBS Securities Inc. | 250,000,000 |
| Total | \$ 500,000,000 |

The underwriting agreement provides that the obligation of the several underwriters to pay for and accept delivery of the notes is subject to the approval of certain legal matters by their counsel and to certain other conditions. The underwriters are committed to purchase all of the notes if any are purchased.

The underwriters propose to offer the notes initially to the public at the public offering price shown on the cover page hereof and to selling group members at that price less a selling concession of 0.075% of the principal amount of the notes. The underwriters and selling group members may reallow a discount of .050% of the principal amount of the notes on sales to other dealers. After the initial offering of the notes, the underwriters may change the offering price and other selling terms.

We estimate that our expenses for this offering will be approximately \$250,000. The underwriters have agreed to reimburse us for a portion of these expenses.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, and to contribute to payments the underwriters may be required to make in respect of any of these liabilities.

The notes are a new issue of securities with no established trading market. We do not intend to apply for listing of the notes on a national securities exchange, but have been advised by the underwriters that they currently intend to make a secondary market in the notes, as permitted by applicable laws and regulations. The underwriters are not obligated, however, to make a market in the notes and any such secondary market making may be discontinued at any time without notice at the sole discretion of the underwriters. Accordingly, no assurance can be given as to the liquidity of, or trading market for, the notes.

In connection with the offering of the notes, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the notes. Specifically, the underwriters may over allot in connection with the offering of the notes, creating a syndicate short position. In addition, the underwriters may bid for, and purchase notes in the open market to cover syndicate short positions or to stabilize the price of the notes. Finally, the underwriting syndicate may reclaim selling concessions allowed for distributing the notes in the offering of the notes, if the syndicate repurchases previously distributed notes in syndicate covering transactions, stabilization transactions or otherwise. Any of these activities may stabilize or maintain the market price of the notes above independent market levels. The underwriters are not required to engage in any of these activities, and may end any of them at any time without notice.

In the ordinary course of their respective businesses, the underwriters and their affiliates have engaged, are engaging and may in the future engage, in commercial banking and/or investment banking transactions with us and our affiliates for which they have received, are receiving and will receive customary compensation, including as arrangers and/or lenders under credit facilities for us and our subsidiaries.

Affiliates of the underwriters own certain of our short-term debt and may receive more than 10% of the net proceeds of this offering. Accordingly, this offering is being conducted in accordance with Rule 5110(h) of the Financial Industry Regulatory Authority.

S-11

Table of Contents

EXPERTS

The financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this prospectus supplement by reference to the Annual Report on Form 10-K for the year ended December 31, 2008 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

S-12

Table of Contents

Prospectus

PRAXAIR, INC.

**Common Stock
Preferred Stock
and
Debt Securities**

We may offer, from time to time, in one or more series:

- shares of our common stock;
- shares of our preferred stock;
- unsecured senior debt securities; and
- unsecured subordinated debt securities.

The securities:

- will be offered at prices and on terms to be set forth in one or more prospectus supplements;
- may be denominated in U.S. dollars or in other currencies or currency units;
- may be offered separately or together with other securities as units, or in separate series;
- may be issued upon conversion of, or in exchange for, other securities; and
- may be listed on a national securities exchange, if specified in the applicable prospectus supplement.

Our common stock is listed on the New York Stock Exchange under the symbol PX .

Our principal offices are located at 39 Old Ridgebury Road in Danbury, Connecticut 06810-5113 and our telephone number is (203) 837-2000.

Investing in these securities involves risk. See Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2005.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The securities may be sold from time to time directly, through agents or through underwriters and/or dealers. If any agent of the issuer or any underwriter is involved in the sale of the securities, the name of such agent or underwriter and any applicable commission or discount will be set forth in the accompanying prospectus supplement.

This prospectus may not be used unless accompanied by a prospectus supplement.

The date of this prospectus is December 14, 2006.

TABLE OF CONTENTS

Prospectus

| | Page |
|--|-------------|
| <u>About This Prospectus</u> | 1 |
| <u>Note Regarding Forward-Looking Statements</u> | 1 |
| <u>The Company</u> | 2 |
| <u>Use of Proceeds</u> | 2 |
| <u>Ratio of Earnings To Fixed Charges and Ratio of Earnings To Fixed Charges and Preferred Stock Dividends</u> | 3 |
| <u>Description of Capital Stock</u> | |