



October 17, 2011

Technical Director Financial Accounting Standards Board 401 Merritt 7 PO Box 5116 Norwalk, Ct 06856-5116

Subject: Presentation of Comprehensive income: Reclassifications of OCI

As background, Praxair, Inc. is a Fortune 300 U.S. - based public company that produces, sells and distributes atmospheric, process and specialty gases, and high-performance surface coatings with 2010 sales of \$10 billion. About 60% of our sales are non-U.S. and we operate in over 40 countries.

We were pleased to see that the FASB added a project to its agenda "Presentation of Comprehensive income: Reclassification of OCI" and we support the re-deliberations. We do not support the FASB's requirement to present reclassifications from AOCI on the face of the financial statements; instead of allowing a footnote option as IFRS does (See our comment letter dated September 17, 2010). Now that we have started our implementation efforts, we are even more concerned with the requirement. We continue to believe the FASB should modify its standard to allow an option for this information to be presented in the footnotes. Also, if still required, we support a delay in the effective date.

As an example: our financial statements are fairly simple in that we only have three components of AOCI: Cumulative translation adjustments (CTA), Derivatives, and Pension/OPEB funded status. In the normal course of business, we have reclassifications from AOCI to net income (including related income taxes). Based on our top-side analysis to date, we believe such reclassifications show up in at least 7 out of the 10 line items that we present on our consolidated income statement. Further, none are significant to an understanding of the income statement or any individual line item:

- 1. Cost of sales amortization of actuarial gains/losses (follows employee costs)
- 2. Selling, general and administrative expenses amortization of actuarial gains/losses
- 3. Depreciation and amortization amortization of deferred gains/losses re: hedging of forecasted purchases of capital -related equipment
- 4. Other income (expenses) CTA
- 5. Interest expense Amortization of deferred gains/losses from debt-related derivatives
- 6. Income taxes Tax impacts of the pre-tax reclassifications
- 7. Noncontrolling interests Minority participations

In our opinion, it just does not make sense to be required to disclose such reclassifications by line item and certainly not on the face of the financial statements, instead of in the footnotes.

Please feel free to call 203-837-2158 or e-mail (chuck_jacobson@praxair.com) with any questions.

Very truly yours,

Charles L. Jacobson

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