



## **Ingersoll-Rand Increases Quarterly Dividend; Plans to Make Pension Contribution**

**Hamilton, Bermuda, August 6, 2003**--The board of directors of Ingersoll-Rand Company Limited (NYSE:IR), a leading diversified industrial firm, today voted an 11.8% increase in the quarterly dividend of the Class A common shares of the company. The directors declared a dividend of 19 cents per Class A common share, payable September 2, to shareholders of record on August 18, 2003, representing a two-cents-per-share increase over the prior quarterly rate.

"With this dividend action, our directors have expressed confidence in the company's prospects," said Herbert L. Henkel, chairman, president and chief executive officer. "We continue to generate strong free cash flow, led by our ongoing commitment to operational excellence. Our strategic focus on driving dramatic growth through innovation and recurring revenues will continue to benefit our future earnings and cash flow, and we anticipate a steadily improving economic outlook and healthier market conditions for our products and services."

The company also announced that it plans to make a voluntary pension contribution of \$150 to \$200 million during the third quarter of 2003. "This voluntary contribution enhances the funding level for current and future needs," Henkel said.

This news release includes "forward-looking statements" that involve risks and uncertainties, which could cause actual results to differ materially from those anticipated in the forward-looking statements. Economic conditions, regulatory approvals, availability of financing and other factors could impact Ingersoll-Rand or Timken and the timing or completion of the sale. Additional information regarding risk factors and uncertainties is detailed from time to time in the company's SEC filings, including but not limited to its report on Form 10-Q for the three months ended March 31, 2003.

IR is a leading innovation and solutions provider for the major global markets of Security and Safety, Climate Control, Industrial Solutions and Infrastructure. The company's diverse product portfolio encompasses such leading industrial and commercial brands as Schlage locks and security solutions; Thermo King transport temperature control equipment; Hussmann commercial and retail refrigeration equipment; Bobcat compact equipment; Club Car golf cars and utility vehicles; PowerWorks microturbines; and Ingersoll-Rand industrial and construction equipment. In addition, IR offers products and services under many more premium brands for customers in industrial and commercial markets. Further information on IR can be found on the company's web site at [www.irco.com](http://www.irco.com).