



## Ingersoll-Rand Outlines Long-term Growth Strategy at the Lehman Brothers Industrial Select Conference

### *Innovation Continues as Fundamental Element of Strategy for 2004*

**Miami, Florida, February 5, 2004** -- Bolstered by a 56 percent year-over-year increase in net earnings from continuing operations for its 2003 fourth quarter, Ingersoll-Rand Company Limited (NYSE:IR) today presented its strategy for long-term growth here at the Lehman Brothers Industrial Select Conference.

"Our 2003 performance validates our business strategy and provided the momentum to generate strong growth in 2004," said Herbert L. Henkel, chairman, president and chief executive officer. "As a result, we expect first-quarter 2004 earnings to be \$0.65 to \$0.75 of diluted earnings per share (EPS). First-quarter earnings from continuing operations are expected to increase by 30 percent to 48 percent, to EPS of \$0.70 to \$0.80.

"Full-year 2004 EPS from total operations is expected to increase by as much as 15 percent to 23 percent to \$3.85 to \$4.10. In 2004, operating margins will improve from higher volumes and operating efficiencies, and free cash flow from operations is expected to exceed \$500 million.

"The strength of our recent performance reflects the transformation of our operations," said Henkel. "We have significantly expanded our service capability, enhanced efficiencies throughout our organization, and expanded our served market through innovation."

At the conference, Henkel described the innovations that are expected to spur continuing growth. These include:

- **Precedent, a completely redesigned golf vehicle from IR's Club Car business unit** that promises to set a new standard in comfort, style and convenience. Precedent is stronger, more agile and more comfortable than prior Club Car models, which were already best in class. The new vehicle also has 50 percent fewer parts than previous products, making it easier and less expensive to manufacture.
- **Several new products by Bobcat Company.** In 2003, Bobcat launched 17 new or redesigned products for the compact-construction equipment market. These products generated more than \$100 million in revenues for 2003. Bobcat plans to launch more than 20 new products in 2004, including updates on major skid-steer and mini-excavator platforms.
- **The continuing evolution of the company's offerings for the security and safety market.** By complementing its technical capabilities with a growing global network of integration services, Ingersoll-Rand's Security and Safety Sector is providing innovative solutions to customers across a range of industries, including port security. In particular, businesses focused on electronic access-control experienced especially strong growth, reporting a 23 percent jump in revenues year-over-year for the 2003 fourth quarter.

"We believe our ability to deliver innovations our customers need is one of the powerful competitive differentiators that will provide the basis for delivering another solid performance in 2004," said Henkel.

Please refer to the company's 2003 fourth-quarter and year-end press release announcement and conference call on the [irc.com](http://www.irc.com) corporate web site for more information.

- Press release: <http://www.shareholder.com/ir/news/20040127-127442.cfm>.
- Conference call: <http://www.shareholder.com/ir/medialist.cfm>.

Ingersoll-Rand 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 refrigeration equipment; Bobcat compact equipment; Club Car golf cars and utility vehicles; PowerWorks microturbines; Ingersoll-Rand industrial and construction equipment; Dresser-Rand turbomachinery and Kryptonite portable security products. 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).

This news release includes "forward-looking statements" that involve risks and uncertainties. Political, economic, climatic, currency, tax, regulatory, technological, competitive and other factors could cause actual results to differ materially from those anticipated in the forward-looking statements. Additional information regarding these 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 quarter ended September 30, 2003.