

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2003

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the transition period from ___ to ___

Commission File No. 1-985

INGERSOLL-RAND COMPANY LIMITED

(Exact name of registrant as specified in its charter)

Bermuda

(State or other jurisdiction of
incorporation or organization)

75-2993910

(I.R.S. Employer
Identification No.)

Clarendon House

2 Church Street

Hamilton HM 11, Bermuda

(Address of principal executive offices)

Registrant's telephone number, including area code: (441) 295-2838

Securities registered pursuant to Section 12(b) of the Act:

Title of each class

Class A Common Shares,
Par Value \$1.00 per Share

Name of each exchange on which registered

New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES NO

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K [X]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act)

YES NO

The aggregate market value of common stock held by nonaffiliates on June 30, 2003 was approximately \$8,026,523,782 based on the closing price of such stock on the New York Stock Exchange.

The number of Class A Common Shares outstanding as of January 31, 2004 was 175,375,557.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's proxy statement to be filed within 120 days of the close of the registrant's fiscal year in connection with the registrant's Annual General Meeting of Shareholders to be held June 2, 2004 are incorporated by reference into Part III of this Form 10-K.

PART I

Item 1. BUSINESS

Ingersoll-Rand Company Limited, a Bermuda company (IR-Limited or the Company), is the successor to Ingersoll-Rand Company, a New Jersey corporation (IR-New Jersey), following a corporate reorganization (the reorganization) that became effective on December 31, 2001. The reorganization was accomplished through a merger of a newly-formed merger subsidiary into IR-New Jersey. IR-New Jersey, the surviving company, continues to exist as an indirect, wholly owned subsidiary of IR-Limited. IR-Limited and its subsidiaries continue to conduct the businesses previously conducted by IR-New Jersey and its subsidiaries. The reorganization has been accounted for as a reorganization of entities under common control and accordingly it did not result in any changes to the consolidated amounts of assets, liabilities and shareholders' equity.

Ingersoll-Rand Company was organized in 1905 under the laws of the State of New Jersey as a consolidation of Ingersoll-Sergeant Drill Company and the Rand Drill Company, whose businesses were established in the early 1870's.

The Company is a leading provider of climate control, industrial solutions, infrastructure development and security and safety products. In each of these markets, the Company offers a diverse product portfolio that includes well-recognized industrial and commercial brands.

Climate Control

This Segment focuses on markets requiring refrigerant-gas compression technology and services to end users and to maintain a refrigeration cycle for protecting food and other perishables. Climate Control includes Thermo King and Hussmann. Hussmann experiences the greatest demand for its products in the third and fourth quarters of the year. This demand results from the customers' seasonal construction cycles and the desire to complete stores prior to the year-end holiday season. Climate Control products include: Thermo King transport temperature control units for truck trailers, small trucks, seagoing containers and air conditioning for buses, and Hussmann refrigerated display cases for supermarkets, delicatessens and other commercial and institutional refrigeration applications.

Industrial Solutions

This sector is composed of a diverse group of businesses focused on providing solutions to enhance customers' industrial efficiency. Industrial Solutions currently consists of the following business segments:

- Air and Productivity Solutions is engaged in the design, manufacture, sale and service of air compressors, microturbines, and industrial tools. It is comprised of Air Solutions and Productivity Solutions, and has been aggregated based primarily on the nature of products and

services, and the nature of the production process. This Segment previously included the Company's Waterjet business unit, which was sold during 2003 and whose results are now included in "Discontinued operations, net of tax".

- Dresser-Rand is engaged in the design, manufacture, sale and service of gas compressors, gas and steam turbines, and generators.

During the first quarter of 2003, the Company sold its Engineered Solutions Business to The Timken Company (Timken). The results of the Engineered Solutions Business, which was part of the Company's Industrial Solutions Sector, have been classified as "discontinued operations, net of tax" for 2003 and for all prior periods.

Infrastructure

This Segment supplies products and services for all types of construction projects, industrial and commercial development, and golf and utility vehicles. Products include Bobcat compact equipment, Blaw-Knox and ABG pavers, Ingersoll-Rand compactors, drilling equipment and portable power products, and Club Car golf and utility vehicles.

On February 19, 2004, the Company announced that it has agreed to sell its Drilling Solutions business unit to Atlas Copco AB, for approximately \$225 million. The transaction, which is expected to be completed in the second quarter of 2004, is subject to regulatory approvals. The Drilling Solutions business manufactures drilling equipment and accessories for the worldwide construction, mining, quarrying, and water-well drilling industries. It had 2003 revenues of approximately \$300 million and employs approximately 950 people.

Security and Safety

This Segment manufactures and markets architectural hardware and access-control products and services to customers seeking to enhance productivity and security for residential, commercial and institutional buildings. Products include locks and locksets, door closers, exit devices, steel doors and frames, power-operated doors, architectural columns and biometric and electronic access control technologies. This Segment previously included the Company's Laidlaw business unit, which was sold during 2003 and whose results are now included in "Discontinued operations, net of tax".

Competitive Conditions

The Company's products are sold in highly competitive markets throughout the world against products produced by both U.S. and non-U.S. corporations. The principal methods of competition in these markets relate to price, quality, service and technology. The Company believes that it is one of the leading manufacturers in the world of air compression systems, construction equipment, transport temperature control products, refrigerated display merchandisers, refrigeration systems and controls, air tools, golf cars and utility vehicles. In addition, the Company believes it is a leading supplier in U.S. markets for architectural hardware products, mechanical locks, and electronic and biometric access-control technologies.

Distribution

The Company's products are distributed by a number of methods, which the Company believes are appropriate to the type of product. Sales are made in the U.S. through branch sales offices and through distributors and dealers across the United States. Non-U.S. sales are made through numerous subsidiary sales and service companies with a supporting chain of distributors in over 100 countries.

Products

Principal products of the Company include the following:

Air balancers	Hydraulic breakers
Air compressors & accessories	Lubrication equipment
Air dryers	Microturbines
Air logic controls	Material handling equipment
Air motors	Paving equipment
Air and electric tools	Piston pumps
Asphalt compactors	Pneumatic breakers
Asphalt pavers	Pneumatic cylinders
Automated dispensing systems	Pneumatic valves
Automatic doors	Portable compressors
Bath fittings and accessories	Portable generators
Biometric access control systems	Portable light towers
Blasthole drills	Portable security products
Compact hydraulic excavators	Refrigerated display cases
Compact tractor-loader-backhoes	Refrigeration systems
Diaphragm pumps	Road-building machinery
Door closers and controls	Rock drills
Door locks, latches and locksets	Rock stabilizers
Doors and door frames (steel)	Rotary drills
Drilling equipment and accessories	Rough-terrain material handlers
Electrical security products	Skid-steer loaders
Electronic access-control systems	Soil compactors
Engine-starting systems	Spray-coating systems
Exit devices	Telescopic material handlers
Extrusion pump systems	Transport temperature control systems
Fastener-tightening systems	Turbo machinery
Fluid-handling equipment	Utility vehicles
Gas compressors	Water-well drills
Golf cars	Winches
Hoists	

These products are sold primarily under the Company's name and also under other names including ABG®, Blaw-Knox®, Bobcat®, Club Car®, Datum®, Dresser-Rand®, Dor-o-Matic®, Falcon®, Glynn-Johnson®, Hussmann®, Johnstone®, Koxka®, LCN®, Legge®, Monarch®, Montabert®, Normbau®, Schlage®, Steelcraft®, Thermo King®, Von Duprin® and Zimmerman®.

During the past three years, the division of the Company's sales between capital goods and expendables has been in the approximate ratio of 79% and 21%, respectively. The Company generally defines as expendables those products that are not capitalized by the ultimate user. Examples of such products are parts sold for replacement purposes.

Additional information on the Company's business and financial information about industry segments is presented in the consolidated financial statements.

Working Capital

The products manufactured by the Company must usually be readily available to meet rapid delivery requirements. Such working capital requirements are not, however, in the opinion of management, materially different from those experienced by the Company's major competitors.

Customers

No material part of the Company's business is dependent upon a single customer or very few customers, the loss of any one of which would have a material adverse effect on the Company's operations.

Operations by Geographic Area

Sales to customers outside the United States accounted for approximately 42 percent of the consolidated net sales in 2003. Sales outside of the United States are made in more than 100 countries; therefore, the attendant risks of manufacturing or selling in a particular country, such as nationalization and establishment of common markets, would not have a significant effect on the Company's non-U.S. operations. Additional information concerning the Company's operating segments is contained in Note 15 of the Company's Annual Report to Shareholders filed as Exhibit 13 and incorporated herein by reference.

Raw Materials

The Company manufactures many of the components included in its products. The principal raw materials required for the manufacture of the Company's products are purchased from numerous suppliers, and the Company believes that available sources of supply will generally be sufficient for its needs for the foreseeable future.

Backlog

The Company's approximate backlog of orders at December 31, 2003, believed by it to be firm, was \$396.8 million for Climate Control, \$163.8 million for Air and Productivity Solutions, \$419.3 million for Dresser-Rand, \$256.3 million for Infrastructure and \$136.0 million for Security and Safety, as compared to \$371.2 million, \$104.2 million, \$778.5 million, \$136.8 million and \$131.2 million, respectively, at December 31, 2002. These backlog figures are based on orders received. While the major portion of the Company's products are built in advance of order and either shipped or assembled from stock, orders for specialized machinery or specific customer application are submitted with extensive lead times and are often subject to revision, deferral, cancellation or termination. The Company estimates that approximately 90 percent of the backlog will be shipped during the next twelve months.

Research and Development

The Company maintains extensive research and development facilities for experimenting, testing and developing high quality products. The Company employs approximately 1,600 professional employees for its research and development activities. The Company spent \$203.9 million in 2003, \$199.3 million in 2002 and \$188.4 million in 2001 on research and development.

Patents and Licenses

The Company owns numerous patents and patent applications and is licensed under others. While it considers that in the aggregate its patents and licenses are valuable, it does not believe that its business is materially dependent on its patents or licenses or any group of them. In the Company's opinion, engineering and production skills, and experience are more responsible for its market position than patents or licenses.

Environmental Matters

The Company continues to be dedicated to an environmental program to reduce the utilization and generation of hazardous materials during the manufacturing process and to remediate identified environmental concerns. As to the latter, the Company currently is engaged in site investigations and remedial activities to address environmental cleanup from past operations at current and former manufacturing facilities.

During 2003, the Company spent approximately \$0.7 million on capital projects for pollution abatement and control, and an additional \$9.3 million for environmental remediation expenditures at sites presently or formerly owned or leased by the Company. It should be noted that these amounts are difficult to estimate because environmental improvement costs are generally a part of the overall improvement costs at a particular plant. Therefore, an accurate estimate of which portion of an improvement or a capital expenditure relates to an environmental improvement is difficult to ascertain. The Company believes that these expenditure levels will continue and may increase over time. Given the evolving nature of environmental laws, regulations and technology, the ultimate cost of future compliance is uncertain.

The Company is a party to environmental lawsuits and claims, and has received notices of potential violations of environmental laws and regulations from the Environmental Protection Agency and similar state authorities. It is identified as a potentially responsible party (PRP) for cleanup costs associated with off-site waste disposal at federal Superfund and state remediation sites. For all sites there are other PRPs and in most instances, the Company's site involvement is minimal.

In estimating its liability, the Company has assumed it will not bear the entire cost of remediation of any site to the exclusion of other PRPs who may be jointly and severally liable. The ability of other PRPs to participate has been taken into account, based generally on the parties' financial condition and probable contributions on a per site basis. Additional lawsuits and claims involving environmental matters are likely to arise from time to time in the future.

Although uncertainties regarding environmental technology, U.S. federal and state laws and regulations and individual site information make estimating the liability difficult, management believes that the total liability for the cost of remediation and environmental lawsuits and claims will not have a material effect on the financial condition, results of operations, liquidity or cash flows of the Company for any year. It should be noted that when the Company estimates its liability for environmental matters, such estimates are based on current technologies, and the Company does not discount its liability nor assume any insurance recoveries.

Employees

There are approximately 42,000 employees of the Company throughout the world, of whom approximately 28,000 work in the United States and 14,000 outside the United States. The Company believes relations with its employees are good.

Available Information

This annual report on Form 10-K, as well as the Company's quarterly reports on Form 10-Q, current reports on Form 8-K and any amendments to all of the foregoing reports, are made available free of charge on the Company's Internet website (<http://www.irco.com>) as soon as reasonably practicable after such reports are electronically filed with or furnished to the Securities and Exchange Commission. The Board of Directors of the Company has also adopted and posted in the Investor Relations section of its website the Company's Corporate Governance Principles and charters for each of the Board's standing committees.

Item 2. PROPERTIES

Manufacturing and assembly operations are conducted in 42 plants in the United States; 1 plant in Canada; 28 plants in Europe; 18 plants in Asia; and 6 plants in Latin America. The Company also maintains various warehouses, offices and repair centers throughout the world.

Substantially all plant facilities are owned by the Company and the remainder are under long-term lease. The Company believes that its plants and equipment have been well maintained and are generally in good condition.

Facilities under long-term lease arrangements are included below and are not significant to each operating segment's total number of plants or square footage.

Climate Control's manufacturing locations are as follows:

	<u>Number of Plants</u>	<u>Approximate Square Footage</u>
United States	11	3,813,000
Non - U.S.	14	3,615,000
Total	<u>25</u>	<u>7,428,000</u>

Air and Productivity Solutions' manufacturing facilities are as follows:

	<u>Number of Plants</u>	<u>Approximate Square Footage</u>
United States	8	983,000
Non - U.S.	12	1,027,000
Total	<u>20</u>	<u>2,010,000</u>

Dresser-Rand's manufacturing facilities are as follows:

	<u>Number of Plants</u>	<u>Approximate Square Footage</u>
United States	3	1,960,000
Non - U.S.	7	1,324,000
Total	<u>10</u>	<u>3,284,000</u>

Infrastructure's manufacturing facilities are as follows:

	<u>Number of Plants</u>	<u>Approximate Square Footage</u>
United States	6	1,965,000
Non - U.S.	6	837,000
Total	<u>12</u>	<u>2,802,000</u>

Security and Safety's manufacturing facilities are as follows:

	<u>Number of Plants</u>	<u>Approximate Square Footage</u>
United States	14	2,082,000
Non - U.S.	14	1,112,000
Total	<u>28</u>	<u>3,194,000</u>

Item 3. LEGAL PROCEEDINGS

In the normal course of business, the Company is involved in a variety of lawsuits, claims and legal proceedings, including commercial and contract disputes, employment matters, product liability claims, environmental liabilities and intellectual property disputes. In the opinion of the Company, pending legal matters are not expected to have a material adverse effect on the results of operations, financial condition, liquidity or cash flows.

In November 2003, the Connecticut Department of Environmental Protection (the "DEP") indicated that it was evaluating an appropriate enforcement response to an alleged noncompliance, which was based on information that the Company voluntarily disclosed. The alleged noncompliance related to the operation of the wastewater treatment plant at the Company's H.B. Ives Division located in New Haven, Connecticut. The Company is negotiating a consent decree with the DEP in order to resolve this matter. The DEP is seeking a monetary penalty and certain changes in the auditing process for the plant.

See also the discussion under Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, Environmental and Asbestos Matters and also Exhibit 13, Note 8, Commitments and Contingencies, to the Consolidated Financial Statements.

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to a vote of the Company's security holders during the last quarter of its fiscal year ended December 31, 2003.

Executive Officers of the Registrant

The following information is included in accordance with the provision of Part III, Item 10.

Name and Age	Date of Service as an Executive Officer	Principal Occupation and Other Information for Past Five Years
Herbert L. Henkel (55)	4/5/1999	Chairman of Board (since May 2000) and Chief Executive Officer (since October 1999), President and Director (since April 1999);(Chief Operating Officer April 1999 - October 1999; Textron, President, February 1999 - March 1999 and Chief Operating Officer, 1998 - March 1999)
Timothy R. McLevish (48)	5/1/2002	Senior Vice President and Chief Financial Officer (since June 2002) (Mead Corporation, Vice President, Chief Financial Officer 1999-2002; Mead Corporation, Vice President, Finance and Treasurer 1999; Mead Corporation, Vice President, Treasurer 1998-1999)
Sharon E. Elliott (52)	5/5/2003	Senior Vice President, Human Resources (since May 2003) (Eastman Kodak, Senior Vice President, Human Resources 2001-2001; Starbucks Coffee Co., Senior Vice President, Human Resources, 1994-2000)
Michael W. Lamach (40)	2/16/2004	Senior Vice President and Sector President, Security and Safety (since February 2004) (Johnson Controls, Inc., Group Vice President & Managing Director Europe/Asia 2003-2004; Group Vice President & General Manager, Asia 2002-2003; Group Vice President & General Manager, Customer Business Units 1999-2002; Vice President & General Manager, Controls Group 1996-1999)
Patricia Nachtigal (57)	11/2/1988	Director (since 1/1/02), Senior Vice President (since June 2000) and General Counsel (Vice President 1988-2000)
Donald H. Rice (59)	2/1/1996	Senior Vice President (since 2001), Global Business Services and Human Resources, (2000 - 2001), (Vice President, Human Resources, 1995-2000)
Randy P. Smith (54)	2/3/2000	Senior Vice President (since June 2000) and Sector President, Climate Control (since 2003) (Security and Safety, President 2000-2003, Vice President, February 2000 - June 2000) (Textron Fastening Systems, President 1998-2000)
Christopher P. Vasiloff (52)	11/1/2001	Senior Vice President and Sector President, Infrastructure Sector (since November 2001); (President, Portable Power, Infrastructure Sector, 2000-2001; Vice President and General Manager Portable Compressor Division and Rotary Recip. Compressor Division, Air Compressor Group, 1996-2000)

Name and Age	Date of Service as an Executive Officer	Principal Occupation and Other Information for Past Five Years
Richard W. Randall (53)	10/1/2002	Vice President and Controller (since October 2002); (President, Engineered Solutions, Industrial, Industrial Solutions Sector, April 2002-September 2002; Vice President, Finance and Sector Controller, Industrial Solutions Sector 2001-2002; Vice President and Controller, Bearings and Components Industrial Productivity Sector; Invensys Vice President/CFO - Siebe Automotive 1995-1999)

No family relationships exists between any of the above-listed executive officers of the company. All officers are elected to hold office for one year or until their successors are elected and qualify.

PART II

Item 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Information regarding the principal market for the Company's common shares and related shareholder matters are as follows:

Quarterly share prices and dividends for the Class A common shares are shown in the following tabulation. The common shares are listed on the New York Stock Exchange.

	Common shares		
	High	Low	Dividend
2003			
First quarter	\$ 45.62	\$ 34.52	\$ 0.17
Second quarter	49.25	38.12	0.17
Third quarter	60.00	46.00	0.19
Fourth quarter	68.19	53.22	0.19
2002			
First quarter	\$ 54.15	\$ 39.42	\$ 0.17
Second quarter	54.40	44.39	0.17
Third quarter	46.35	32.78	0.17
Fourth quarter	47.88	29.69	0.17

The Bank of New York (Church Street Station, P.O. Box 11258, New York, NY 10286-1258, (800) 524-4458) is the transfer agent, registrar and dividend reinvestment agent.

There are no significant restrictions on the payment of dividends. The approximate number of record holders of Class A common shares as of January 31, 2004 was 7,971.

Information regarding equity compensation plans required to be disclosed pursuant to this Item is included in the 2003 Form 10-K Annual Report.

There were no repurchases of the Company's shares during the fourth quarter of 2003.

Item 6. SELECTED FINANCIAL DATA

In millions, except per share amounts

<u>At and for the years ended December 31,</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Net sales *	\$ 9,876.2	\$ 8,891.0	\$ 8,542.0	\$ 8,345.0	\$ 6,508.5
Earnings from continuing operations *	593.5	365.6	180.0	433.7	456.6
Total assets	10,664.9	10,809.6	11,133.8	11,061.1	8,433.3
Long-term debt	1,518.6	2,092.1	2,900.7	1,540.4	2,113.3
Shareholders' equity	4,493.3	3,478.2	3,916.6	3,481.2	3,073.2
Basic earnings per common share: *					
Continuing operations	\$ 3.47	\$ 2.16	\$ 1.09	\$ 2.69	\$ 2.79
Discontinued operations	0.30	0.57	0.40	1.46	0.82
Diluted earnings per common share: *					
Continuing operations	\$ 3.44	\$ 2.15	\$ 1.08	\$ 2.67	\$ 2.76
Discontinued operations	0.30	0.56	0.40	1.45	0.81
Dividends per common share	\$ 0.72	\$ 0.68	\$ 0.68	\$ 0.68	\$ 0.64

* Amounts have been restated to reflect discontinued operations.

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's discussion and analysis of financial condition and results of operations is only included in the 2003 Form 10-K Annual Report, which was filed with the Securities and Exchange Commission on February 27, 2004.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

The Company is exposed to fluctuations in the price of major raw materials used in the manufacturing process, foreign currency fluctuations and interest rate changes. From time to time the Company enters into agreements to reduce its raw material, foreign currency and interest rate risks. To minimize the risk of counter party non-performance, such agreements are made only through major financial institutions with significant experience in such financial instruments.

The Company experiences foreign currency exposures in the normal course of business. To mitigate the risk from foreign currency exchange rate fluctuations, the Company will generally enter into forward currency exchange contracts or options for the purchase or sale of a currency in accordance with the Company's policies and procedures. The sensitivity analysis is a measurement of the potential loss in fair value based on a percentage increase or decrease in exchange rates against the U.S. dollar. Based on the firmly committed foreign currency derivative instruments in place at year end, a hypothetical

change in fair value of those financial instruments assuming a 10 percent increase in exchange rates against the U.S. dollar would result in an unrealized loss of approximately \$23.2 million. These amounts would be offset by changes in the fair value of underlying foreign currency transactions.

The Company maintains significant operations in countries other than the U.S.; therefore, the movement of the U.S. dollar against foreign currencies has an impact on the Company's financial position. Generally, the functional currencies of each of the Company's non-U.S. subsidiaries are its local currency. The Company manages exposure to changes in foreign currency exchange rates through its normal operating and financing activities, as well as through the use of forward exchange contracts and options. The Company attempts, through its hedging activities, to mitigate the impact on income of changes in foreign exchange rates.

With regard to interest rate risk, the effect of a hypothetical 1% increase in interest rates, across all maturities, would decrease the estimated fair value of the Company's long-term debt at December 31, 2003, from \$1,701.1 million to an estimated fair value of \$1,598.3 million.

Reorganization as a Bermuda Company and Related Risk Factors

On December 31, 2001, IR-New Jersey was effectively reorganized as IR-Limited, a Bermuda company (the Reorganization). The Company believes that the Reorganization has enabled it to begin to realize a variety of potential, financial and strategic benefits, including to:

- help enhance business growth;
- create a more favorable corporate structure for expansion of the Company's current business;
- improve expected cash flow for use in investing in the development of higher-growth product lines and higher-growth businesses;
- improve expected cash flow for use in reducing the amount of the Company's debt;
- reduce the Company's worldwide effective tax rate;
- enable the Company to implement its business strategy more effectively; and
- expand the Company's investor base as its shares may become more attractive to non-U.S. investors.

To consummate the Reorganization, IR Merger Corporation, a New Jersey corporation, merged into IR-New Jersey, with IR-New Jersey as the surviving company. Upon the merger, IR-New Jersey became a wholly-owned, indirect subsidiary of the Company, and the outstanding shares of IR-New Jersey common stock were automatically cancelled in exchange for the issue of the Company's Class A common shares. The number of Class B common shares issued had an aggregate value equal to the fair market value of the shares of the subsidiaries transferred (the transferred shares) and the amount of debt issued to the Company based on the market value of IR-New Jersey common stock at the effective time of the merger. Prior to the Reorganization, neither the Company nor IR-Merger Corporation had any significant assets or capitalization or engaged in any business or other activities other than in connection with formation and the merger and related reorganization transactions.

The Reorganization exposed the Company to the risks described below. In addition, the Company cannot be assured that the anticipated benefits of the Reorganization will be realized.

The Reorganization and related transfers of assets could result in a taxable gain.

There is a possibility of U.S. withholding tax if the Internal Revenue Service successfully disputes the value of the transferred shares. Therefore, while the Company believes that neither IR-New Jersey nor

the Company will incur significant U.S. federal income or withholding taxes as a result of the transfer of the transferred shares, its projections are not binding on the Internal Revenue Service. The Company cannot be assured that its anticipated tax costs with respect to the transferred shares will be borne out, that the Internal Revenue Service will not contest its determination, nor that the Internal Revenue Service will not succeed in any such contest.

Certain of the Company's shareholders may be subject to additional tax if the Company or any of its non-U.S. subsidiaries are considered a "controlled foreign corporation" or "CFC" under current U.S. tax laws.

A non-U.S. corporation (a foreign corporation), such as the Company, will constitute a "controlled foreign corporation" or "CFC" for U.S. federal income tax purposes if U.S. shareholders owning (directly, indirectly, or constructively) 10% or more of the foreign corporation's total combined voting power collectively own (directly, indirectly, or constructively) more than 50% of the total combined voting power or total value of the foreign corporation's shares. Following the merger and as of December 31, 2001, IR-New Jersey, through its ownership of the non-voting Class B common shares, owned approximately 45% of the total value of the Company's shares. As a consequence, any Class A common shareholder who is considered to own 10% of the voting power in the Company could cause the Company's non-U.S. subsidiaries or (if the Internal Revenue Service successfully takes the position that the Class B common shares held by IR-New Jersey in the Company are voting shares) the Company itself to be treated as a CFC.

If the Company or any of its foreign subsidiaries are treated as a CFC, this status should have no adverse effect on any of the Company's shareholders who do not own (directly, indirectly, or constructively) 10% or more of the total combined voting power of all classes of the Company's shares or the shares of any of its foreign subsidiaries. If, however, the Company or any of its foreign subsidiaries are treated as a CFC for an uninterrupted period of 30 days or more during any taxable year, any U.S. shareholder who owns (directly, indirectly, or constructively) 10% or more of the total combined voting power of all classes of stock of the Company or the subsidiary on any day during the taxable year and who directly or indirectly owns any stock in the corporation the last day of such year in which it is a CFC will have to include in its gross income for U.S. federal income tax purposes its pro rata share of the corporation's "subpart F income" relating to the period during which the corporation is a CFC.

In addition, if the Company is treated as a CFC, the gain on the sale of the Company's shares realized by such a shareholder would be treated as ordinary income to the extent of the shareholder's proportionate share of the Company's and its CFC subsidiaries' undistributed earnings and profits accumulated during the shareholder's holding period of the shares while the Company is a CFC.

If the U.S. shareholder is a corporation, however, it may be eligible to credit against its U.S. tax liability with respect to these potential inclusions foreign taxes paid on the earnings and profits associated with the included income. A disposition of shares by a U.S. shareholder may result in termination of the Company's CFC status or the CFC status of its foreign subsidiaries.

The Internal Revenue Service and non-U.S. taxing authorities may not agree with the Company's tax treatment of various items relating to the Reorganization.

The Company believes that the Reorganization will help enhance its business growth and cash flow and reduce its worldwide effective tax rate. However, the Company cannot give any assurance as to the amount of taxes it will pay as a result of or after the Reorganization. The amount of taxes it will pay will depend in part on the treatment given the Company by the taxing authorities in the jurisdictions in which it operates.

The Company may become subject to U.S. corporate income tax, which would reduce its net income.

Prior to the Reorganization, IR-New Jersey was subject to U.S. corporate income tax on its worldwide income. After the Reorganization, the earnings of IR-New Jersey and its U.S. subsidiaries continue to be subject to U.S. corporate income tax. The Company believes that as a result of the Reorganization its non-U.S. operations will generally not be subject to U.S. tax other than withholding taxes. However, if the Internal Revenue Service successfully contends that the Company or any of its non-U.S. affiliates are engaged in a trade or business in the U.S., the Company or that non-U.S. affiliate would, subject to possible income tax treaty exemptions, be required to pay U.S. corporate income tax and/or branch profits tax on income that is effectively connected with such trade or business.

Changes in laws or regulations could adversely affect the Company and its subsidiaries.

Changes in tax laws, treaties or regulations or the interpretation or enforcement thereof could adversely affect the tax consequences of the Reorganization to the Company and its subsidiaries. In this connection, bills have been introduced in the United States Congress which, if enacted, could substantially reduce or eliminate the tax benefits resulting from the Reorganization.

There are also proposed legislative and regulatory actions which could reduce or eliminate the ability of the Company or its subsidiaries to enter into contracts with governmental authorities. To date, however, the only laws to have been enacted either do not apply to the Company or will have minimal, if any, impact on its business.

The enforcement of judgments in shareholder suits against the Company may be more difficult than it would have been to enforce shareholder suits against IR-New Jersey.

The Company has been advised that a judgment for the payment of money rendered by a court in the United States based on civil liability would not be automatically enforceable in Bermuda. It has also been advised that with respect to a final and conclusive judgment obtained in a court of competent jurisdiction in the United States under which a sum of money is payable (other than a sum of money payable in respect of multiple damages, taxes or other charges of a like nature or in respect of a fine or other penalty), a Bermuda court would be expected to enforce a judgment based thereon, provided that (a) such courts had proper jurisdiction over the parties subject to such judgment, (b) such courts did not contravene the rules of natural justice of Bermuda, (c) such judgment was not obtained by fraud, (d) the enforcement of the judgment would not be contrary to the public policy of Bermuda, (e) no new admissible evidence relevant to the action is submitted prior to the rendering of the judgment by the courts of Bermuda and (f) there is due compliance with the correct procedures under the laws of Bermuda.

As a result, it may be difficult for a holder of the Company's securities to effect service of process within the United States or to enforce judgments obtained against the Company in U.S. courts. The Company has irrevocably agreed that it may be served with process with respect to actions based on offers and sales of securities made in the United States by having Ingersoll-Rand Company, 200 Chestnut Ridge Road, Woodcliff Lake, New Jersey 07677, be its U.S. agent appointed for that purpose.

A Bermuda court may impose civil liability on the Company or its directors or officers in a suit brought in the Supreme Court of Bermuda against the Company or such persons with respect to a violation of U.S. federal securities laws, provided that the facts surrounding such violation would constitute or give rise to a cause of action under Bermuda law.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

(a) The consolidated financial statements and the report thereon of PricewaterhouseCoopers LLP dated February 4, 2004, except as to Note 17, which is as of February 19, 2004, are included as Exhibit 13 - Ingersoll-Rand Company Limited Annual Report to Shareholders for 2003, filed herewith.

(b) The unaudited quarterly financial data for the two-year period ended December 31, is as follows:

In millions, except per share amounts

	Net sales*	Cost of goods sold*	Operating income*	Net earnings	Basic earnings per common share	Diluted earnings per common share
2003						
First quarter	\$ 2,182.1	\$ 1,678.9	\$ 163.6	\$ 153.2	\$ 0.91	\$ 0.90
Second quarter	2,508.6	1,897.7	217.0	139.3	0.82	0.81
Third quarter	2,519.6	1,921.1	224.3	154.6	0.90	0.88
Fourth quarter	2,665.9	1,973.3	265.2	197.4	1.14	1.12
Year 2003	\$ 9,876.2	\$ 7,471.0	\$ 870.1	\$ 644.5	\$ 3.77	\$ 3.74
2002						
First quarter	\$ 2,001.9	\$ 1,520.1	\$ 149.7	\$ (553.6)	\$ (3.29)	\$ (3.26)
Second quarter	2,252.3	1,720.6	174.7	107.4	0.64	0.63
Third quarter	2,208.2	1,691.5	149.3	89.3	0.53	0.53
Fourth quarter	2,428.6	1,854.4	164.9	183.4	1.08	1.08
Year 2002	\$ 8,891.0	\$ 6,786.6	\$ 638.6	\$ (173.5)	\$ (1.03)	\$ (1.02)

*Amounts have been restated to reflect discontinued operations.

Item 9. CHANGES IN AND DISAGREEMENTS WITH INDEPENDENT ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

Item 9A CONTROLS AND PROCEDURES

The Company's management, including its Chief Executive Officer and Chief Financial Officer, have conducted an evaluation of the effectiveness of disclosure controls and procedures as of the end of the period covered by this Annual Report on Form 10-K. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded as of December 31, 2003, that the disclosure controls and procedures are effective in ensuring that all material information required to be filed in this Annual Report on Form 10-K has been made known to them in a timely fashion. There have been no significant changes in internal controls, or in factors that could significantly affect internal controls, subsequent to the date the Chief Executive Officer and Chief Financial Officer completed their evaluation.

PART III

The information called for by Part III (Items 10, 11, 12, 13 and 14) of Form 10-K will be included in the Company's Proxy Statement for the Company's 2004 Annual General Meeting of Shareholders, which the Company intends to file within 120 days after the close of its fiscal year ended December 31, 2003 and is hereby incorporated by reference to such Proxy Statement, except that the information as to the Company's executive officers which follows Item 4 in this Report, is incorporated by reference into Items 10 and 12, respectively, of this Report.

PART IV

Item 15. **EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K**

(a) 1. and 2.

Financial statements and financial statement schedules

The financial statements, together with the report thereon of PricewaterhouseCoopers LLP, dated February 4, 2004, except as to Note 17, which is as of February 19, 2004, included as Exhibit 13 and the unaudited quarterly financial data included in Part II Item 8(b) are incorporated by reference in this Form 10-K Annual Report. The financial statement schedule listed in the accompanying index should be read in conjunction with the financial statements in such Annual Report to Shareholders for 2003.

Separate financial statements for all 50 percent or less owned companies, accounted for by the equity method have been omitted because no individual entity constitutes a significant subsidiary.

3.

Exhibits

The exhibits listed on the accompanying index to exhibits are filed as part of this Form 10-K Annual Report.

(b)

Reports on Form 8-K

Current Report on Form 8-K (Item 9) dated January 24, 2003, reporting on the Press Release dated January 23, 2003 regarding Fourth Quarter and Year to date 2002 Earnings Release and the Fourth Quarter 2002 Earnings Conference Call Presentation for Ingersoll-Rand Company Limited.

Current Report on Form 8-K (Item 2 and Item 7) dated February 18, 2003 reporting on the sale of its Engineered Solutions Business to Timken, which closed February 18, 2003 and became effective February 16, 2003. It also reported on the amended Stock and Asset Purchase Agreement dated October 16, 2002, between Ingersoll-Rand Company Limited and the Timken Company.

Current Report on Form 8-K (Item 9) dated April 17, 2003 reporting on the Press Release dated April 17, 2003 regarding the First Quarter 2003 Earnings Release and the First Quarter 2003 Earnings Conference Call Presentation for Ingersoll-Rand Company Limited.

Current Report on Form 8-K (Item 5 and Item 9) dated May 29, 2003 reporting on the voting results at the Annual General Meeting of Shareholders of the Company held May 29, 2003.

Current Report on Form 8-K (Item 9) dated July 17, 2003 reporting on the Press Release dated July 17, 2003 regarding the Second Quarter 2003 Earnings Release for Ingersoll-Rand Company Limited.

Current Report on Form 8-K (Item 9) dated October 22, 2003 reporting on the Press Release dated October 22, 2003 regarding the Third Quarter 2003 Earnings Release for Ingersoll-Rand Company Limited.

**INGERSOLL-RAND COMPANY LIMITED
INDEX TO FINANCIAL STATEMENTS
AND FINANCIAL STATEMENT SCHEDULES
(Item 15 (a) 1 and 2)**

	Form <u>10-K</u>
Consolidated Financial Statements:	
Report of independent auditors	*
Consolidated balance sheet at December 31, 2003 and 2002.....	*
For the years ended December 31, 2003, 2002 and 2001:	
Consolidated statement of income	*
Consolidated statement of shareholders' equity	*
Consolidated statement of cash flows	*
Notes to consolidated financial statements	*
Selected unaudited quarterly financial data	**
 Financial Statement Schedule:	
Report of independent auditors on financial statement schedule	See below
Consolidated schedule for the years ended December 31, 2003, 2002 and 2001:	
Schedule II -- Valuation and Qualifying Accounts.	See below

* See Exhibit 13 – Ingersoll-Rand Company Limited Annual Report to Shareholders for 2003.

** See Item 8 Financial Statements and Supplementary Data.

Financial statement schedules not included in this Form 10-K Annual Report have been omitted because they are not applicable or the required information is shown in the financial statements or notes thereto.

**REPORT OF INDEPENDENT AUDITORS ON
FINANCIAL STATEMENT SCHEDULE**

To the Board of Directors and Shareholders of Ingersoll-Rand Company Limited:

Our audits of the consolidated financial statements referred to in our report dated February 4, 2004, except as to Note 17, which is as of February 19, 2004, appearing in the December 31, 2003 Annual Report to Shareholders of Ingersoll-Rand Company Limited and its subsidiaries, the successor company to Ingersoll-Rand Company, (which report and consolidated financial statements are incorporated by reference in this Annual Report on Form 10-K) also included an audit of the financial statement schedule listed in Item 15(a)(2) of this Form 10-K. In our opinion, this financial statement schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

/S/ PricewaterhouseCoopers LLP
PricewaterhouseCoopers LLP
Florham Park, New Jersey
February 4, 2004

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-88580) and S-8 (No. 333-67257, No. 333-35229, No. 333-00829, No. 333-19445, and No. 333-42133) of Ingersoll-Rand Company Limited, the successor company to Ingersoll-Rand Company, of our report dated February 4, 2004, except as to Note 17, which is as of February 19, 2004, relating to the financial statements, which appears in the Annual Report to Shareholders, which is incorporated in this Annual Report on Form 10-K. We also consent to the incorporation by reference of our report dated February 4, 2004 relating to the financial statement schedule, which appears in this Form 10-K.

/S/ PricewaterhouseCoopers LLP
PricewaterhouseCoopers LLP
Florham Park, New Jersey
February 27, 2004

INGERSOLL-RAND COMPANY LIMITED
VALUATION AND QUALIFYING ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001
(Amounts in millions)

Allowances for Doubtful Accounts:

Balance December 31, 2000	\$ 46.1
(*) Additions charged to costs and expenses	15.2
(**) Deductions	<u>9.6</u>
Balance December 31, 2001	51.7
(*) Additions charged to costs and expenses	36.0
(**) Deductions	<u>18.5</u>
Balance December 31, 2002	69.2
(*) Additions charged to costs and expenses	30.7
(**) Deductions	<u>27.1</u>
Balance December 31, 2003	<u>\$ 72.8</u>

(*) "Additions" also include foreign currency translation and business acquisitions.

(**) "Deductions" include accounts and advances written off, less recoveries.

All periods have been restated to reflect discontinued operations.

INGERSOLL-RAND COMPANY LIMITED
INDEX TO EXHIBITS
(Item 15(a))

Description

- 2 Agreement and Plan of Merger, dated as of October 31, 2001, among Ingersoll-Rand Company Limited, Ingersoll-Rand Company and IR Merger Corporation. Incorporated by reference to Amendment No. 1 to Form S-4. Registration Statement No. 333-71642, filed October 30, 2001.
- 2.1 Stock and Asset Purchase Agreement, dated as of October 16, 2002, between Ingersoll-Rand Company Limited, on behalf of itself and certain of its subsidiaries and The Timken Company, on behalf of itself and certain of its subsidiaries. Incorporated by reference to Form 8-K dated October 16, 2002.
- 2.2 Amendment to the Stock and Asset Purchase Agreement, dated as of February 18, 2003, amending the Stock Purchase Agreement, dated as of October 16, 2002, between Ingersoll-Rand Company Limited, on behalf of itself and certain of its subsidiaries and The Timken Company, on behalf of itself and certain of its subsidiaries. Incorporated by reference to Form Schedule 13D, filed March 5, 2003 by Ingersoll-Rand Company.
- 3.1 Memorandum of Association of Ingersoll-Rand Company Limited. Incorporated by reference to Amendment No. 1 to Form S-4 Registration Statement No. 333-71642, filed October 30, 2001.
- 3.2 Amended and Restated Bye-Laws of Ingersoll-Rand Company Limited. Incorporated by reference to Amendment No. 1 to Form S-4 Registration Statement No. 333-71642, filed October 30, 2001.
- 4.1 Certificate of Designation, Preferences and Rights of Series A Preference Shares of Ingersoll-Rand Company Limited. Incorporated by reference to Amendment No. 1 to Form S-4 Registration Statement No. 333-71642, filed October 30, 2001.
- 4.2 Rights Agreement between Ingersoll-Rand Company Limited and The Bank of New York, as Rights Agent. Incorporated by reference to Amendment No. 1 to Form S-4 Registration Statement No. 333-71642, filed October 30, 2001.
- 4.3 Voting Agreement between Ingersoll-Rand Company Limited and Ingersoll-Rand Company. Incorporated by reference to Amendment No. 1 to Form S-4 Registration Statement No. 333-71642, filed October 30, 2001.
- 4.4 Indenture, dated as of August 1, 1986, between Ingersoll-Rand Company and The Bank of New York, as Trustee, as supplemented by first, second and third supplemental indentures. Incorporated by reference to Ingersoll-Rand Company's Form S-3 Registration Statement No. 33-39474 as filed March 18, 1991 and to Form S-3 Registration Statement No. 333-50902 as filed November 29, 2000.

(*) Copies of these exhibits are only included in the 2003 Form 10-K Annual Report, which was filed with the Securities and Exchange Commission on February 27, 2004.

INGERSOLL-RAND COMPANY LIMITED
INDEX TO EXHIBITS
(Item 15(a))
(Continued)

Description

- 4.5 Fourth Supplemental Indenture, dated as of December 31, 2001, among Ingersoll-Rand Company Limited, Ingersoll-Rand Company and The Bank of New York, as trustee. Incorporated by reference to Form 10-K of Ingersoll-Rand Company Limited for the year ended December 31, 2001, filed March 13, 2002.
- 4.6 Credit Agreement dated as of July 2, 2001, among Ingersoll-Rand Company, the banks listed therein, The Chase Manhattan Bank, as Administrative Agent, Citibank N.A., and Deutsche Banc Alex. Brown Inc., as Co-Syndication Agents, and The Bank of Nova Scotia and Bank of Tokyo-Mitsubishi Trust Company, as Co-Documentation Agents. Incorporated by reference to Form 10-Q for the quarter ended June 30, 2001 of Ingersoll-Rand Company, filed August 2, 2001.
- 4.7 Amendment and Waiver, dated as of November 28, 2001, among Ingersoll-Rand Company Limited, Ingersoll-Rand Company, JP Morgan Chase Bank, as Administrative Agent, Citibank N.A. and Deutsche Banc Alex. Brown Inc., as Co-Syndication Agents, and The Bank of Nova Scotia and Bank of Tokyo-Mitsubishi Trust Company, as Co-Documentation Agents. Incorporated by reference to Form 10-K of Ingersoll-Rand Company Limited for the year ended December 31, 2001, filed March 13, 2002.
- 4.8 Credit Agreement, dated as of July 2, 2001, among Ingersoll-Rand Company, the banks listed therein, The Chase Manhattan Bank, as Administrative Agent, Citibank N.A., and Deutsche Banc Alex. Brown Inc., as Co-Syndication Agents, and The Bank of Nova Scotia and Bank of Tokyo-Mitsubishi Trust Company, as Co-Documentation Agents. Incorporated by reference to Form 10-Q for the quarter ended June 30, 2001 of Ingersoll-Rand Company, filed August 2, 2001.
- 4.9 Second Amendment to the Credit Agreement, dated as of June 21, 2002. Incorporated by reference to Form 10-K of Ingersoll-Rand Company Limited for the year ended December 31, 2002, filed March 5, 2003.
- 4.10 Third Amendment to the Credit Agreement, dated June 20, 2003. Filed herewith.*
- 4.12 Amendment and Waiver, dated as of November 28, 2001, among Ingersoll-Rand Company Limited, Ingersoll-Rand Company, JP Morgan Chase Bank, as Administrative Agent, Citibank N.A. and Deutsche Banc Alex. Brown Inc., as Co-Syndication Agents, and The Bank of Nova Scotia and Bank of Tokyo-Mitsubishi Trust Company, as Co-Documentation Agents. Incorporated by reference to Form 10-K of Ingersoll-Rand Company Limited for the year ended December 31, 2001, filed March 13, 2002.

(*) Copies of these exhibits are only included in the 2003 Form 10-K Annual Report, which was filed with the Securities and Exchange Commission on February 27, 2004.

INGERSOLL-RAND COMPANY LIMITED
INDEX TO EXHIBITS
(Item 15(a))
(Continued)

Description

- 4.13 Ingersoll-Rand Company Limited and its subsidiaries are parties to several long-term debt instruments under which in each case the total amount of securities authorized does not exceed 10% of the total assets of Ingersoll-Rand Company Limited and its subsidiaries on a consolidated basis. Pursuant to paragraph 4(iii) of Item 601(b) of Regulation S-K, Ingersoll-Rand Company Limited agrees to furnish a copy of such instruments to the Securities and Exchange Commission upon request.
- 10.1 Management Incentive Unit Plan of Ingersoll-Rand Company. Amendment to the Management Incentive Unit Plan, effective January 1, 1982. Amendment to the Management Incentive Unit Plan, effective January 1, 1987. Amendment to the Management Incentive Unit Plan, effective June 3, 1987. Incorporated by reference to Form 10-K of Ingersoll-Rand Company for the year ended December 31, 1993, filed March 30, 1994.
- 10.2 Reorganization Amendment to Management Incentive Unit Plan, dated December 31, 2001. Incorporated by reference to Form 10-K of Ingersoll-Rand Company Limited for the year ended December 31, 2002, filed March 13, 2002.
- 10.3 Amended and Restated Director Deferred Compensation and Stock Award Plan. Incorporated by reference to Form 10-K of Ingersoll-Rand Company for the year ended December 31, 2000, filed March 20, 2001.
- 10.4 First Amendment to Director Deferred Compensation and Stock Award Plan. Incorporated by reference to Form 10-K of Ingersoll-Rand Company Limited for the year ended December 31, 2001, filed March 13, 2002.
- 10.5 Second Amendment to Director Deferred Compensation and Stock Award Plan. Filed herewith.*
- 10.6 Description of Bonus Arrangement for Sector Presidents of Ingersoll-Rand Company Limited. Filed herewith.*
- 10.7 Description of Bonus Arrangement for Chairman, President and Staff Officers of Ingersoll-Rand Company. Incorporated by reference to Form 10-K of Ingersoll-Rand Company for the year ended December 31, 1993, filed March 30, 1994.
- 10.8 Amended and Restated Form of Change of Control Agreement with Chairman, dated as of December 1, 2003. Filed herewith.*

(*) Copies of these exhibits are only included in the 2003 Form 10-K Annual Report, which was filed with the Securities and Exchange Commission on February 27, 2004.

INGERSOLL-RAND COMPANY LIMITED
INDEX TO EXHIBITS
(Item 15(a))
(Continued)

Description

- 10.9 Amended and Restated Form of Change of Control Agreement dated as of December 1, 2003, with selected executive officers of Ingersoll-Rand Company other than Chairman. Filed herewith.*
- 10.10 Executive Supplementary Retirement Agreement for selected executive officers of Ingersoll-Rand Company. Incorporated by reference to Form 10-K of Ingersoll-Rand Company for the year ended December 31, 1993, filed March 30, 1994.
- 10.11 Executive Supplementary Retirement Agreement for selected executive officers of Ingersoll-Rand Company. Incorporated by reference to Form 10-K for the year ended December 31, 1996, filed March 26, 1997.
- 10.12 Forms of insurance and related letter agreements with certain executive officers of Ingersoll-Rand Company. Incorporated by reference to Form 10-K of Ingersoll-Rand Company for the year ended December 31, 1993, filed March 30, 1994.
- 10.13 Amended and Restated Supplemental Pension Plan, dated January 1, 2003. Incorporated by reference to Form 10-K of Ingersoll-Rand Company Limited for the year ended December 31, 2002, filed March 5, 2003.
- 10.14 First Amendment to the Amended and Restated Supplemental Pension Plan, dated January 1, 2003. Filed herewith.*
- 10.15 Amended and Restated Supplemental Employee Savings Plan, dated January 1, 2003. Incorporated by reference to Form 10-K of Ingersoll-Rand Company Limited for the year ended December 31, 2002, filed March 5, 2003.
- 10.16 First Amendment to the Amended and Restated Supplemental Employee Savings Plan, dated January 1, 2003. Filed herewith.*
- 10.17 Incentive Stock Plan of 1995. Incorporated by reference to the Notice of 1995 Annual Meeting of Shareholders and Proxy Statement dated March 15, 1995. See Appendix A of the Proxy Statement dated March 15, 1995.
- 10.18 Reorganization Amendment to Incentive Stock Plan of 1995, dated December 21, 2001. Incorporated by reference to Form 10-K of Ingersoll-Rand Company Limited for the year ended December 31, 2001, filed March 13, 2002.

(*) Copies of these exhibits are only included in the 2003 Form 10-K Annual Report, which was filed with the Securities and Exchange Commission on February 27, 2004.

INGERSOLL-RAND COMPANY LIMITED
INDEX TO EXHIBITS
(Item 15(a))
(Continued)

Description

- 10.19 Senior Executive Performance Plan. Incorporated by reference to the Notice of 2000 Annual Meeting of Shareholders and Proxy Statement of Ingersoll-Rand Company, dated March 7, 2000. See Appendix A of the Proxy Statement, dated March 7, 2000.
- 10.20 Amended and Restated Elected Officers Supplemental Plan. Incorporated by reference to Form 10-K of Ingersoll-Rand Company for the year ended December 31, 1998, filed March 30, 1999.
- 10.21 First Amendment to Elected Officers Supplemental Plan, dated March 22, 1999. Incorporated by reference to Form 10-K of Ingersoll-Rand Company Limited for the year ended December 31, 2001, filed March 13, 2002.
- 10.22 Second Amendment to Elected Officers Supplemental Plan, dated March 22, 1999. Incorporated by reference to Form 10-K of Ingersoll-Rand Company Limited for the year ended December 31, 2001, filed March 13, 2002.
- 10.23 Third Amendment to Elected Officers Supplemental Plan, dated December 31, 2001. Incorporated by reference to Form 10-K of Ingersoll-Rand Company Limited for the year ended December 31, 2001, filed March 13, 2002.
- 10.24 Fourth Amendment to Elected Officers Supplemental Plan, dated June 9, 2003. Filed herewith.*
- 10.25 Amended and Restated Executive Deferred Compensation Plan. Incorporated by reference to Form 10-K for the year ended December 31, 2000, filed March 20, 2001.
- 10.26 First Amendment to Executive Deferred Compensation Plan, dated December 31, 2001. Incorporated by reference to Form 10-K of Ingersoll-Rand Company Limited for the year ended December 31, 2001, filed March 13, 2002.
- 10.27 Second Amendment to Executive Deferred Compensation Plan, dated February 24, 2004. Filed herewith.*
- 10.28 Incentive Stock Plan of 1998. Incorporated by reference to Appendix A to the Notice of 1998 Annual Meeting of Shareholders and Proxy Statement of Ingersoll-Rand Company, dated March 17, 1998.
- 10.29 Amendment of Incentive Stock Plan of 1998, dated May 2, 2001. Incorporated by reference to Form 10-K of Ingersoll-Rand Company Limited for the year ended December 31, 2001, filed March 13, 2002.

(*) Copies of these exhibits are only included in the 2003 Form 10-K Annual Report, which was filed with the Securities and Exchange Commission on February 27, 2004.

INGERSOLL-RAND COMPANY LIMITED
INDEX TO EXHIBITS
(Item 15(a))
(Continued)

Description

- 10.30 Reorganization Amendment to Incentive Stock Plan of 1998, dated December 21, 2001. Incorporated by reference to Form 10-K of Ingersoll-Rand Company Limited for the year ended December 31, 2001, filed March 13, 2002.
- 10.31 Composite Employment Agreement with Chief Executive Officer. Incorporated by reference to Form 10-K for the year ended December 31, 1999, filed March 30, 2000.
- 10.32 Employment Agreement with Timothy McLevish, Senior Vice President and Chief Financial Officer. Incorporated by reference to Form 10-K of Ingersoll-Rand Company Limited for the year ended December 31, 2002, filed March 5, 2003.
- 10.33 Employment Agreement with Randy Smith, Senior Vice President. Incorporated by reference to Form 10-K of Ingersoll-Rand for the year ended December 31, 2000. Filed March 20, 2001.
- 10.34 Employment Agreement with Sharon Elliott, Senior Vice President. Incorporated by reference to Form 10-Q for the quarterly period ending June 30, 2003, filed August 13, 2003.
- 10.35 Employment Agreement with Michael Lamach, Senior Vice President. Filed herewith.*
- 12 Computations of Ratios of Earnings to Fixed Charges. Filed herewith.*
- 13 Ingersoll-Rand Company Limited Annual Report to Shareholders for 2003. Filed herewith.*
- 21 List of Subsidiaries of Ingersoll-Rand Company Limited. Filed herewith.*
- 31.1 Certification of Chief Executive Officer Pursuant to Rule 13a-14(a) or Rule 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. Filed herewith.*
- 31.2 Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) or Rule 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. Filed herewith.*
- 32 Certifications of Chief Executive Officer and Chief Financial Officer Pursuant to Rule 13a-14(b) or Rule 15d-14(b) and 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. Furnished herewith.*

(*) Copies of these exhibits are only included in the 2003 Form 10-K Annual Report, which was filed with the Securities and Exchange Commission on February 27, 2004.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

INGERSOLL-RAND COMPANY LIMITED

(Registrant)

By: /S/ Herbert L. Henkel
(Herbert L. Henkel)

Chief Executive Officer

Date: February 26, 2004

Pursuant to the requirement of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
<u>/S/ Herbert L. Henkel</u> (Herbert L. Henkel)	Chairman, President, Chief Executive Officer and Director (Principal Executive Officer)	February 26, 2004
<u>/S/ Timothy R. McLevish</u> (Timothy R. McLevish)	Senior Vice President and Chief Financial Officer (Principal Financial Officer)	February 26, 2004
<u>/S/ Richard W. Randall</u> (Richard W. Randall)	Vice President and Controller (Principal Accounting Officer)	February 26, 2004
<u>/S/ Ann C. Berzin</u> (Ann C. Berzin)	Director	February 26, 2004
<u>/S/ George W. Buckley</u> (George W. Buckley)	Director	February 26, 2004
<u>/S/ Peter C. Godsoe</u> (Peter C. Godsoe)	Director	February 26, 2004
<u>/S/ Constance Horner</u> (Constance Horner)	Director	February 26, 2004
<u>/S/ H. William Lichtenberger</u> (H. William Lichtenberger)	Director	February 26, 2004
<u>/S/ Theodore E. Martin</u> (Theodore E. Martin)	Director	February 26, 2004
<u>/S/ Patricia Nachtigal</u> (Patricia Nachtigal)	Director	February 26, 2004
<u>/S/ Orin R. Smith</u> (Orin R. Smith)	Director	February 26, 2004
<u>/S/ Richard J. Swift</u> (Richard J. Swift)	Director	February 26, 2004
<u>/S/ Tony L. White</u> (Tony L. White)	Director	February 26, 2004