Ingersoll-Rand Describes Long-term Growth Strategy at the Morgan Stanley Industrials Conference

--Dresser-Rand Sale Bolsters Transformation of IR into a Highly Diversified Company--

Phoenix, AZ, September 14, 2004--At the Morgan Stanley Industrials Conference, Herbert L. Henkel, chairman, president and chief executive officer of Ingersoll-Rand Company Limited (NYSE:IR), today described Ingersoll-Rand's long-term strategy to build a diversified business that generates consistent financial performance and dramatic growth.

On August 26, Ingersoll-Rand announced that it had agreed to sell its Dresser-Rand business unit to a fund managed by First Reserve Corporation, a private-equity firm, for cash proceeds of approximately $1.2 billion. The sale, which is subject to government regulatory approvals and other customary closing conditions, is targeted to close in the fourth quarter of 2004.

"With the sale of Dresser-Rand, we complete the last of a series of major divestitures in recent years as part of a strategy to transform IR from a capital-intensive machinery manufacturer into a highly diversified industrial company," said Henkel. "Since 2000, we divested several businesses that generally operate in highly cyclical end-markets with approximately $4 billion in aggregate revenues. We have acquired new businesses with strong brands, leading market shares, and excellent future growth prospects. As a result of these transactions, IR now is capable of generating greater revenue growth and cash flow throughout the business cycle, which will lead to more consistent earnings performance.

"With our core business platform now firmly in place, we expect to use the proceeds from the Dresser-Rand sale to continue to pursue bolt-on acquisitions that complement our existing four end segments: Climate Control, Industrial Solutions, Infrastructure, and Security and Safety. Additionally, we expect to use some of the sale's proceeds for stock buy-backs."

Ingersoll-Rand is a leading innovation and solutions provider for the major global markets of Climate Control, Industrial Solutions, Infrastructure, and Security and Safety. 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; 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.

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. In addition, economic and regulatory conditions and other factors could affect the timing or completion of the transaction. 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 quarter ended June 30, 2004.