



## **Ingersoll-Rand Describes Three Core Operating Strategies at the Robert W. Baird 2003 Industrial Conference**

### **-- Discusses Lean Branch Initiative for Building Stronger Branch Operations --**

**Chicago, IL, November 11, 2003** -- Ingersoll-Rand Company Limited (NYSE:IR), a leading diversified-industrial firm, today discussed at an appearance here at the Robert W. Baird 2003 Industrial Conference how the company's pursuit of three core operating strategies is creating a more dynamic, efficient and competitive business.

"Our Dramatic Growth, Operational Excellence and Dual Citizenship strategies serve as the foundation for our recent successes in bringing new product and service innovations to our markets, generating recurring-revenue growth and implementing strategic acquisitions," said Herbert L. Henkel, chairman, president and chief executive officer. "The strong financial results we saw in the 2003 second and third quarters are a direct result of our ability to execute these business strategies.

"We continue to develop new programs and processes to drive progress in each of these areas. For example, under the Operational Excellence strategy, an important new initiative is Lean Branch, a powerful methodology for improving service operations that is based on concepts proven in Ingersoll-Rand's manufacturing facilities," added Henkel.

Ingersoll-Rand is applying the principles of Lean Branch, which is focused on replacing time consuming, outdated or redundant activities with more efficient processes and systems, to diverse operating areas, including back offices, technician productivity, and parts sourcing. Because of its extensive branch network, Hussmann was selected by the company to be the first business unit to implement Lean Branch. Hussmann is the world's leading supplier of refrigeration systems and merchandising display cases for supermarkets, convenience stores and retail outlets. Since rolling out the Lean Branch platform approximately one year ago, Hussmann has consolidated back-office operations and implemented information technologies to automate transactions and enhance service-technician productivity.

The results of Hussmann's Lean Branch initiative have been dramatic: Hussmann's third-quarter 2003 operating earnings have improved 45 percent year-over-year and the business is on target to achieve operating margins of 15 percent throughout its branch network during 2004.

"Through our work at Hussmann, we have developed and refined a methodology that is unique to the Ingersoll-Rand experience," said Henkel. "This is a process that we intend to implement at several business units with the expectation that they too will generate considerable improvements in operating efficiency and improved competitiveness."

In addition to Lean Branch, Henkel also described several recent accomplishments from the 2003 third quarter, including:

- Net earnings increased 73 percent, as compared to the 2002 third quarter, to \$154.6 million, or diluted earnings per share of \$0.88.
- Organic revenues grew 8 percent, an achievement the company attributes to its ability to develop new innovative solutions for its end markets.
- Year-to-date recurring revenues increased by approximately 15 percent compared to last year and comprise approximately 25 percent of total revenues.
- In August 2003, the company acquired the stock of Integrated Access Systems (IAS), including its Geoffrey Industries division. IAS provides specialty security-systems integration solutions that complement Ingersoll-Rand's Security & Safety Sector.
- The company's debt-to-capital ratio on September 30, 2003, was 36 percent, which is in line with the company's long-term ratio goal.

For more information on the company's core operating strategies and Lean Branch initiative, please refer to the company's full presentation for the conference. The presentation is available through the following link on the [irco.com](http://www.irco.com/investorrelations/analysts) corporate web site:

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 June 30, 2003.