Ingersoll-Rand Reaches Settlement of Shareholder Suits

WOODCLIFF LAKE, N.J., December 19, 2001—Ingersoll-Rand Company (NYSE:IR), a leading diversified industrial firm, today announced that it has reached a settlement in principle of the two shareholder lawsuits that attempted to block the company's plan to change its place of incorporation from New Jersey to Bermuda. The two suits, one an individual action and the other a purported class action, are proposed to be settled together as a class action, requiring notice to the class and court approval.

Under the reincorporation plan, which was approved Friday, December 14, by Ingersoll-Rand's shareholders, Ingersoll-Rand Company Limited, a newly formed Bermuda corporation, will become the parent company of Ingersoll-Rand Company. The reincorporation will be completed as planned on December 31, 2001.

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IR is a leading innovation and solutions provider for the major global markets of Security and Safety, Climate Control, Industrial Productivity an 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, Torrington bearings and components, 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.