Ingersoll-Rand Announces Fourth Quarter 2003 Diluted Earnings Per Share Exceeding Prior Guidance

Hamilton, Bermuda, January 23, 2004 - Ingersoll-Rand Company Limited (NYSE:IR), a leading diversified industrial firm, today announced that it expects to report diluted earnings per share of $1.12 for the fourth quarter of 2003, exceeding the upper end of the company's prior projected earnings range. Strong operating performance in all of the company's businesses resulted in revenue growth, operating margins and free cash flow that also exceeded prior expectations. Fourth quarter results do not include a previously anticipated anti-dumping payment from the U.S. Bureau of Customs and Border Protection. The company expects this payment, which will approximate $35 million in pretax benefits (diluted EPS of $0.12), in 2004.

Additional information on fourth quarter and full-year 2003 results will be provided on IR's January 27, 2004, conference call at 9:00 a.m. EST.

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.

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.