Ingersoll-Rand Seeks To Implement Majority Voting for Directors; Establishes Say-for-Pay Consultation Plan with Large Shareholders

Hamilton, Bermuda, December 18, 2007—Ingersoll-Rand Company Limited (NYSE:IR) today announced two actions to enhance its corporate governance practices as part of its ongoing commitment to shareholders. First, the company will seek shareholder approval to amend its bye-laws pertaining to the election of directors in order to implement majority voting in the election of director nominees. The company will submit the recommendation to amend the bye-laws to a shareholder vote in June 2008. An affirmative vote will effect the change to majority voting for the 2009 director elections.

Also, in response to a June 2007 shareholder vote that approved the adoption of a policy providing for an advisory shareholder vote on executive compensation, the company has determined that it will obtain the most meaningful input by meeting with its largest shareholders on an annual basis regarding governance matters, including executive compensation. As a result, during the third quarter of each year, the board leadership, including its chair, lead director, and the chairs of the compensation and corporate governance committees will meet with its largest 25 shareholders (representing over 50% of outstanding shares) to review the company's corporate governance activities and establish a regular dialogue on governance-related topics. In addition, the company will establish an e-mail link to the chair of the Compensation Committee of the company's board of directors, which all shareholders can use to share their comments on executive compensation.

"These actions represent a far better approach to corporate governance matters, especially as they relate to executive compensation, whereas an advisory shareholder vote provides insufficient information regarding the specific concerns shareholders may have," said Herbert L. Henkel, chairman, president and chief executive officer.

"In particular, consulting with our largest shareholders on an annual basis provides a more meaningful alternative to an annual advisory vote on executive compensation and allows a broader discussion about corporate governance matters. We believe these steps will provide shareholders with a stronger voice in their company and greater confidence in Ingersoll Rand's corporate governance."

This news release includes "forward-looking statements" that involve risks, uncertainties and changes in circumstances, which may cause actual results, performance or achievements to differ materially from anticipated results, performance or achievements. 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, 2007.

Ingersoll Rand is a global diversified industrial firm providing products, services and solutions to transport and protect food and perishables, secure homes and commercial properties, and enhance industrial productivity and efficiency. Driven by a 100-year-old tradition of technological innovation, we enable companies and their customers to create progress. For more information, visit ingersollrand.com.