Ingersoll-Rand Completes Sale of its Dresser-Rand Business Unit for $1.2 Billion

Hamilton, Bermuda, October 29, 2004--Ingersoll-Rand Company Limited (NYSE: IR) today announced that it has completed the sale of its Dresser-Rand business unit to a fund managed by First Reserve Corporation, an energy-focused private-equity firm, for cash proceeds of approximately $1.2 billion. Dresser-Rand develops, sells and services large, highly engineered centrifugal and reciprocating compressors, steam and gas turbines, and control systems.

"With the sale of Dresser-Rand, we have largely completed our portfolio transformation to a diversified industrial company," said Herbert L. Henkel, chairman, president and chief executive officer of Ingersoll-Rand. "Since 2000, we have divested several non-core businesses and acquired 30 businesses that fit our global growth strategy. As a result of these transactions, we have substantially transformed our business over the last several years, and believe that all of our businesses today have excellent future growth prospects."

"We believe the platforms now in place -- Security and Safety, Climate Control, Industrial Solutions and Infrastructure -- will allow for substantial future growth in earnings, margins and return on invested capital ," Henkel said. Ingersoll-Rand expects to use some of the proceeds from the sale of Dresser-Rand to pursue growth initiatives, such as bolt-on acquisitions to its core platforms, and stock repurchases.

The results of Dresser-Rand have been classified as "discontinued operations net of tax" for the 2004 third quarter and all prior periods, and the gain on the sale will be reported in discontinued operations for the 2004 fourth quarter. First Reserve Corporation is a private equity fund manager specializing in the energy industry, with more than $4.7 billion under management.

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.

Contact:
Paul Dickard (Media Contact)
(201) 573-3120

Joseph Fimbianti (Analyst Contact)
(201) 573-3113