Ingersoll Rand
Inspiring Progress™

First-Quarter 2018 Results

April 25, 2018

Safe Harbor

This presentation includes “forward-looking statements” which are statements that are not historical facts, including statements that relate to the mix of and demand for our products; performance of the markets in which we operate; our share repurchase program including the amount of shares to be repurchased and timing of such repurchases; our capital allocation strategy including projected acquisitions; the timing of receiving regulatory approvals for our joint venture; our projected 2018 full-year financial performance and targets including assumptions regarding our effective tax rate and other factors described in our guidance. These forward-looking statements are based on our current expectations and are subject to risks and uncertainties, which may cause actual results to differ materially from our current expectations. Such factors include, but are not limited to, global economic conditions, the outcome of any litigation, demand for our products and services, and tax law changes and interpretations. Additional factors that could cause such differences can be found in our Form 10-K for the year ended December 31, 2017, as well as our subsequent reports on Form 10-Q and other SEC filings. We assume no obligation to update these forward-looking statements.

This presentation also includes non-GAAP financial information which should be considered supplemental to, not a substitute for, or superior to, the financial measure calculated in accordance with GAAP. The definitions of our non-GAAP financial information are included as an appendix in our presentation and reconciliations can be found in our earnings releases for the relevant periods located on our website at www.ingersollrand.com. All data beyond the first quarter of 2018 are estimates.

Executing a Consistent Strategy that Delivers Profitable Growth

1. Sustained Growth

Differentiated products and services deliver top-tier revenue growth

+

2. Operational Excellence

Margin improvement and powerful cash flow

+

3. Dynamic Capital Allocation

Reinvestment, dividends, share repurchase and acquisitions

+

4. Winning Culture

Commitment to integrity, ingenuity and engagement

Strong, globally recognized brands | **Leading market shares** | **Well positioned in both geographic and end markets**

Q1 2018 – Off to Strong Start

Many things are going well

- End markets very healthy - strong organic order and revenue growth across segments / geographies / regions
- Industrial segment continues to strengthen — growth / margin expansion ahead of expectations
- China HVAC direct sales strategy performing as expected – exceptional growth, improving financials
- North America Trailer outlook improving
- Achieving positive price at a level consistent with our expectations

Inflationary headwinds increasing

- 20 basis points adjusted operating margin expansion; however persistent rising inflation (tier 1 / tier 2 materials, freight) constraining leverage in Climate segment
- Driving additional pricing / volume / productivity / restructuring actions to help mitigate inflationary headwinds but expect continued negative impact on leverage in 2018

Wild cards disrupting markets / limiting full year visibility

- Tariffs / trade wars / geopolitical uncertainty

<u>On balance</u>, early stages but confident well positioned to exceed top end 2018 revenue / EPS guidance ranges

- Per normal cadence, will provide mid-year 2018 guidance update in conjunction w/ Q2 2018 earnings call

Q1 2018 Strong Organic Bookings and Revenue Growth Across All Businesses

	Organic* Y-O-Y Change	
Climate	**Bookings**	**Revenues**
Commercial HVAC	+	+
- N. America	+	+
- L. America	+	+
- EMEA	+	+
- Asia	+	+
Residential HVAC	+	+
Transport	+	+
Total	+ **11%**	+ **8%**
Industrial		
Compression Tech	+	+
Industrial Products	+	+
Small Elec. Vehicle	+	+
Total	+ **5%**	+ **9%**

*Organic bookings and organic revenues exclude acquisitions and currency

Strong Performance Across Healthy End Markets

Commercial HVAC	• Sustained growth in Global CHVAC markets - Strong equip bookings and revenues w/ outsized growth in parts / service • N.A. CHVAC mkt growth solid – equip/services/ contracting/controls. Institutional growth led by Education, Health Care • EMEA CHVAC markets strong across equip/services with solid lift from Q1 acquisition of ICS Cool Energy (rental services) • China direct sales strategy performing as expected -exceptional growth, improved financials; other Asian markets mixed • *2018 outlook for CHVAC remains solid globally w/ growth expected in all regions. Key economic indicators strong*
Residential HVAC	• Strong revenues and cont'd share gains • Trane Go leading mkt w/ total installed price transparency driving significant lead growth w/ high conversion rates • *Key economic indicators point to continued healthy end mkt in Residential, impacted by tough YOY compares vs 2017*
Transport	• N.A. trailer mkt improving - tight trucking capacity / U.S. regulations / U.S. tax law changes • Total APU growth continues to be a standout. Marine strong, bus / rail mixed but off modest base • Good growth in EMEA truck / trailer and in Asia • *Global Transport business increasingly diversified and resilient. 2018 outlook improving vs initial expectations*
Compression Technologies	• Compression Tech markets showing positive signs consistent w/ industrial production indicators • Q1 bookings and revenue growth led by N.A. and China; outsized bookings growth in services • Strong revenue across short cycle products • *For 2018, expect solid, broad-based mkt growth in end markets and product categories*
Small Elec. Veh. / Industrial Products	• Strong growth in small electric vehicles driven by continued success of consumer vehicle penetration • Strength across the board for Industrial Products' businesses • *2018 shaping up to be another good year for bookings / revenue*

Q1 2018 - Key Takeaways

- Strong operating results
  - Adjusted continuing EPS of $0.70, up 23% year over year driven by gains in both Climate and Industrial
  - Markets broadly receptive to price increases, however persistent inflation remains significant headwind
  - Consistent with company expectations, restructuring was $44M primarily driven by footprint optimization
  - Despite early innings, confident in exceeding high end of annual guidance range on enterprise revenue and EPS

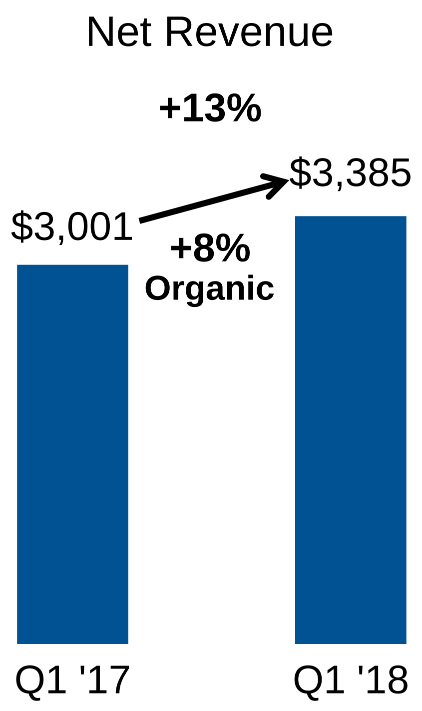
- Strong organic revenue and bookings growth in both segments
  - Industrial organic revenues up 9% with strong growth across the segment
  - Climate organic revenues up 8% with broad-based growth in equipment, controls and services

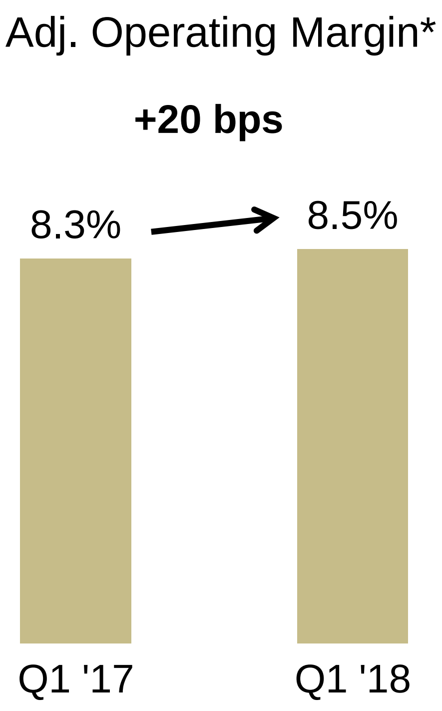
- Industrial business continues to perform ahead of expectations
  - Adjusted operating margins up 190 bps
  - Strong organic revenue growth in Compression Tech particularly in N. A. and Asia

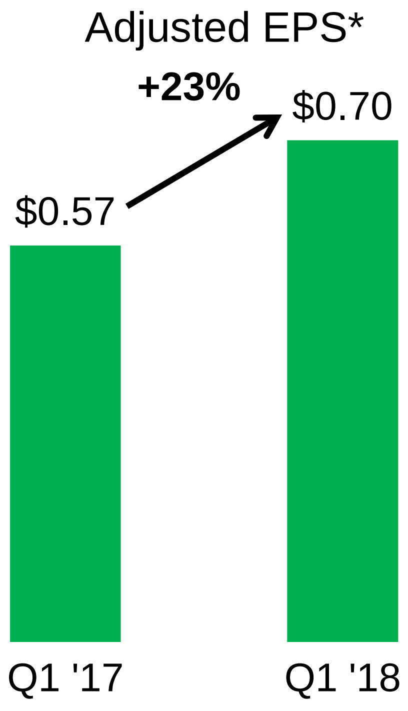
- Balanced capital allocation
  - Paid $112M in dividends; Annualized dividend payout of $1.80 / share; ~2% dividend yield.
  - Repurchased $250M or 2.8M shares
  - Acquisition pipeline remains active; Trane / Mitsubishi Electric JV regulatory approval expected Q2 2018

* Includes certain Non-GAAP financial measures. See the company's Q1 2018 earnings release for additional details and reconciliations.

Q1 2018 Strong Revenue Growth, Margin Expansion and Capital Deployment Delivering 23% EPS Growth







Highlights

- Strong organic revenue growth in virtually all products and geographies
- Operating margin expansion driven by volume/price/productivity; partially offset by inflation headwinds
- Industrial segment achieved price in excess of material inflation
- ~4% FX and ~1% acquisition revenue growth

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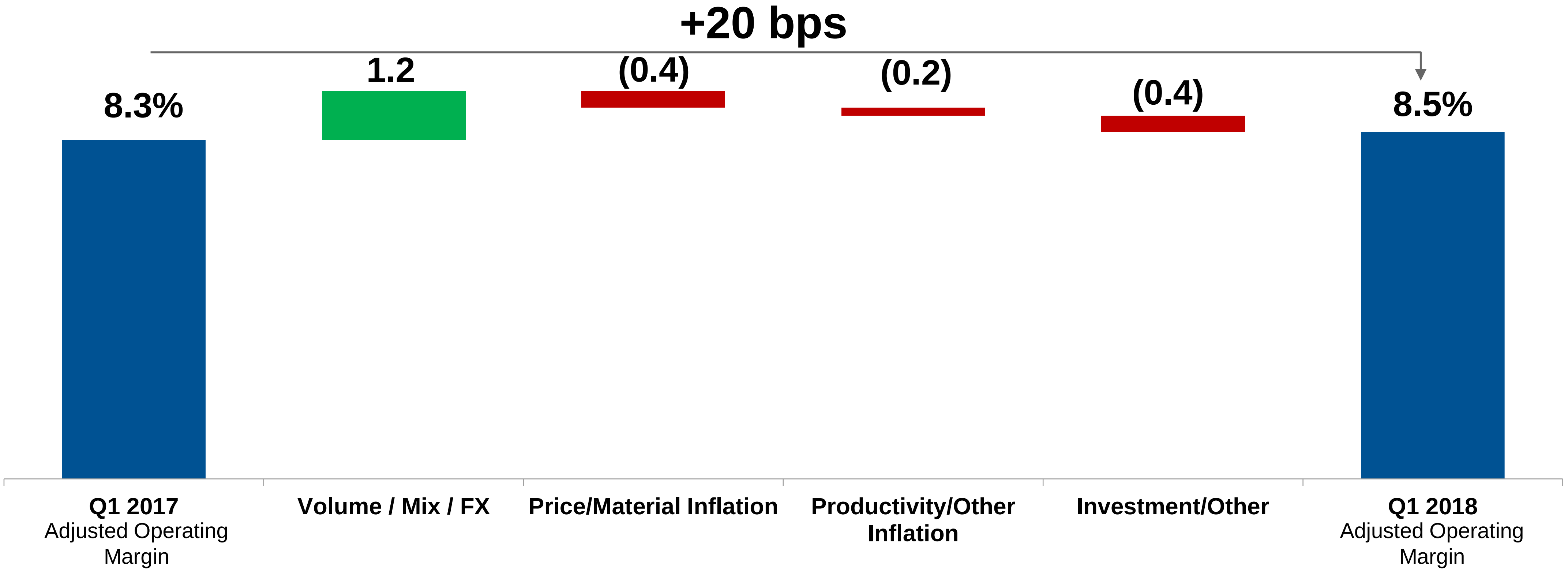
* Includes certain Non-GAAP financial measures. See the company's Q1 2018 earnings release for additional details and reconciliations.

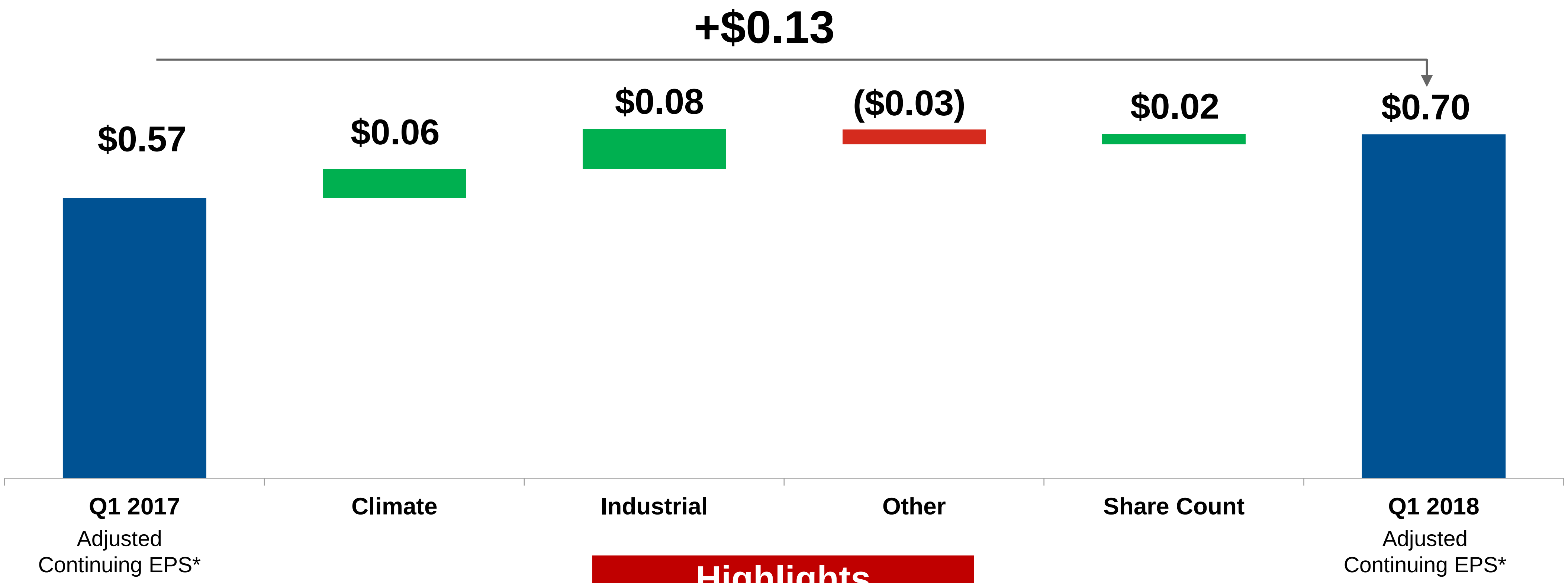
Strong Growth in Both Segments Offsetting Inflation Headwinds



Highlights

- Price / cost improved 40 bps vs. Q4 2017; however inflation remains a headwind
- Op margin expansion from vol / price and productivity partially offset by persistent inflation
- Continued long-term investments in high ROI projects - products, systems, services and channel

Strong Operating Income Growth in Both Segments Driving Adjusted Continuing EPS Higher by 23%



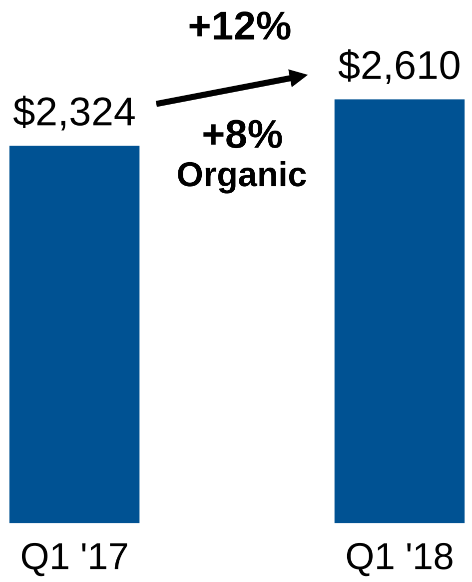
Highlights

- EPS growth driven by operational gains in Climate and Industrial with improvements across the businesses
- Other impacted primarily by higher corporate costs ($0.01) primarily due to stock compensation, discrete interest expense ($0.01) due to debt refinancing and a slightly higher tax rate y-o-y ($0.01)
- Lower share count driven by $1B share buybacks in 2017 and $250M in buybacks in Q1 2018

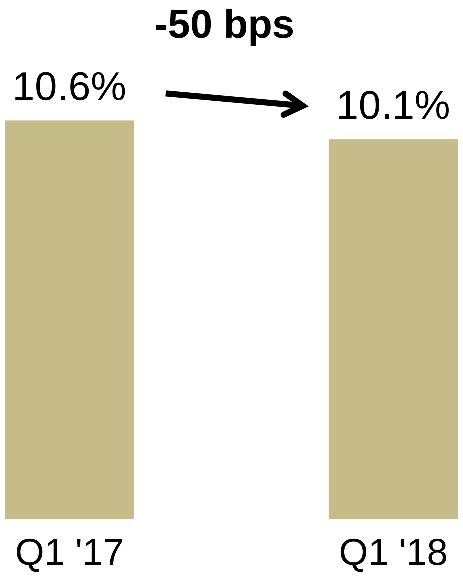
* Adjusted continuing EPS excludes restructuring costs and debt redemption premium and related charges in 2018 and excludes restructuring costs in 2017. See tables in news release for additional information.

Q1 Broad-Based Revenue Growth; Persistent Inflation Headwinds

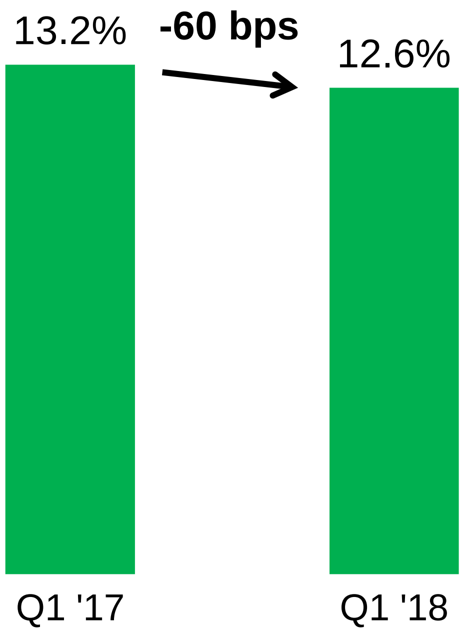
Net Revenue



Adj. Operating Margin*



Adj. OI + D&A %**



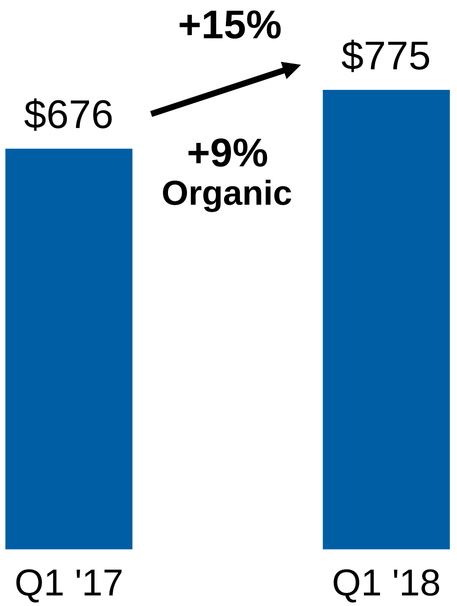
Highlights

- Broad-based revenue growth across all businesses and regions
- Adjusted Operating Margin positive impacts from price / volume / productivity more than offset by increased inflationary headwinds (tier 1 and tier 2 materials and freight)
- China HVAC direct sales strategy performing as expected—exceptional growth, improving financials

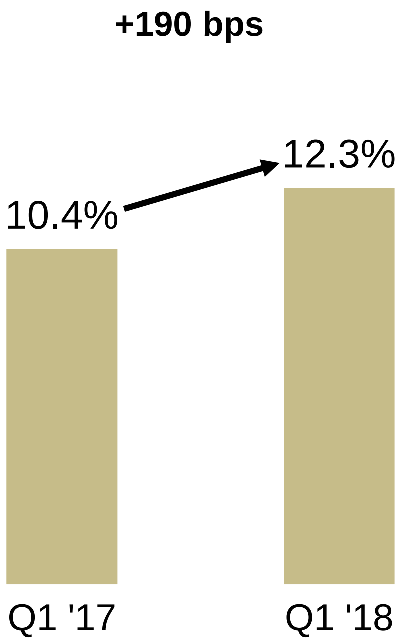
* Adjusted operating margin excludes restructuring in 2017 and 2018. See tables in news release for additional information.
** Adjusted OI + D&A divided by revenue. This excludes restructuring in 2017 and 2018. See tables in news release for additional information.

Q1 Solid Margin Expansion and Revenue Growth

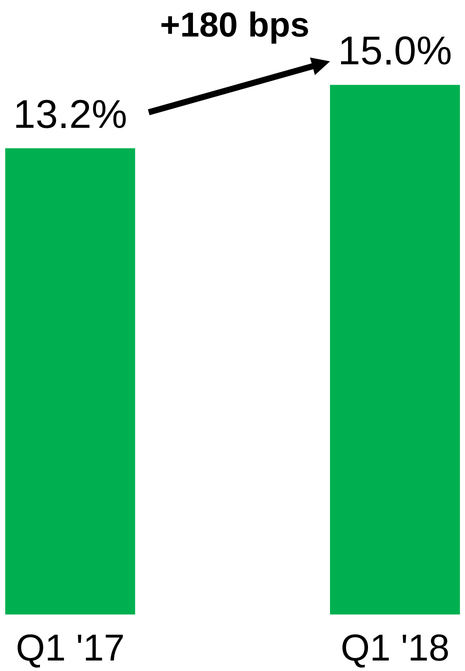
Net Revenue



Adj. Operating Margin*



Adj. OI + D&A %**



Highlights

- Strong revenue growth in all products; North America and Asia were strong while Europe was mixed
- Fundamental business operations improvement fueled by prior period restructuring actions and solid growth delivering significant margin expansion

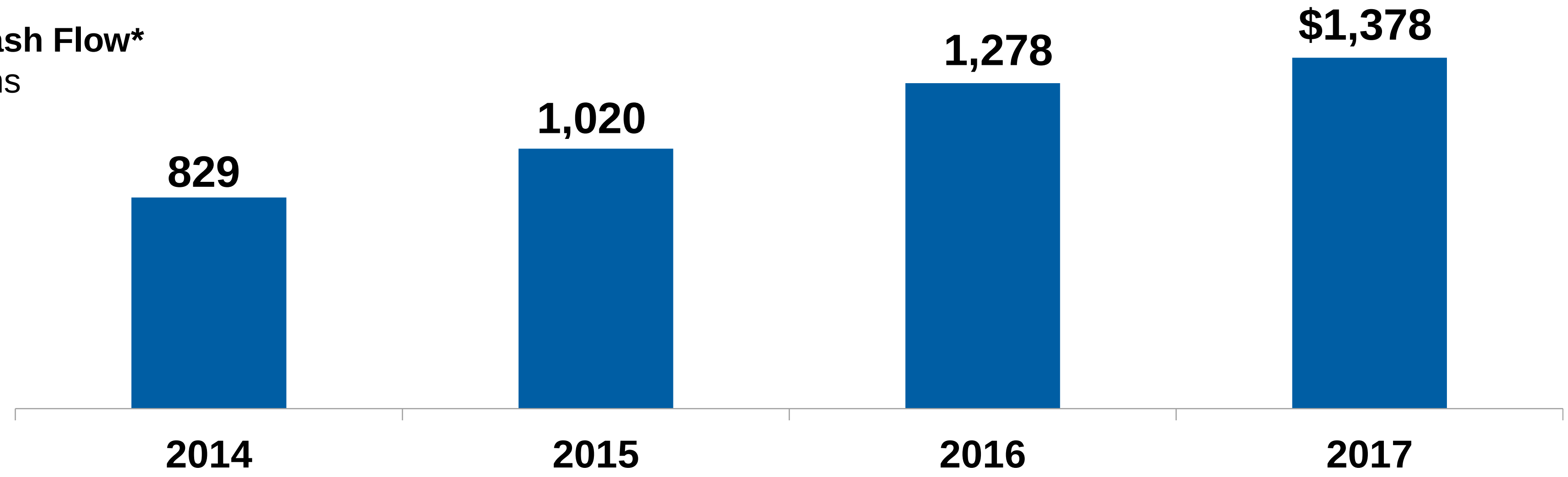
* Adjusted operating margin excludes restructuring in 2017 and 2018. See tables in news release for additional information.

** Adjusted OI + D&A divided by revenue. This excludes restructuring in 2017 and in 2018. See tables in news release for additional information.

Strong Balance Sheet

$Mil	YE 16	Q1 17	Q2 17	Q3 17	YE 17	Q1 18
Cash	1,715	1,322	1,310	1,259	1,549	1,175
Debt	4,070	4,072	4,066	4,063	4,064	4,351
Net Debt	2,355	2,750	2,756	2,804	2,515	3,176

Free Cash Flow*
$ Millions



Highlights

- On target to achieve free cash flow >= net income for FY 2018
- Capex of $53M consistent with plan and focused on plant consolidations, productivity improvements and growth
- Maintained strong balance sheet providing optionality as markets continue to evolve

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* Includes certain Non-GAAP financial measures. See the company's Q1 2018 earnings release for additional details and reconciliations.

Balanced Execution of Dynamic Capital Allocation Strategy in 2018

1 Invest for Growth

- Strengthen the core business and extend product & market leadership
- Invest in new technology and innovation
- Strategic acquisitions pipeline primarily focused on technology, product and channel bolt-ons

2 Maintain Healthy, Efficient Balance Sheet

- Strong balance sheet, maintaining optionality as markets evolve, preserving liquidity and managing leverage
- Maintain BBB investment grade rating

3 Return Capital to Shareholders

- Expect consistent deployment of 100% of excess cash over time
- Dividends of $1.80/share annualized
- Expected dividend growth > = rate of earnings growth going forward
- Repurchased $250M in shares in Q1 2018; shares trading below company’s calculated intrinsic value





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Topics of Interest

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- **Tariffs**
  - We execute an in-region, for-region sourcing and manufacturing strategy
  - >95% of supplies are sourced in the U.S. for U.S. customers
  - Details around tariffs uncertain and negotiations are on-going; continue to monitor
  - Historically, the industry generally recovers price over time

Summary: Expect Strong Revenue, EPS and Free Cash Flow in 2018

Strategy	• Strategy tied to attractive end markets supported by global mega trends
Brands	• Franchise brands and businesses with leadership market positions
Innovation	• Sustained business investments delivering innovation and growth, operating excellence and improving margins
Performance	• Experienced management and high performing team culture
Cash Flow	• Operating model delivers powerful cash flow
Capital Allocation	• Capital allocation priorities deliver strong shareholder returns

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Appendix

Q1 Organic Bookings Up 9%; Revenue Up 8% Year-Over-Year

Organic* Bookings	2016					2017					2018
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1
Climate	6%	6%	4%	10%	6%	6%	3%	5%	7%	5%	11%
Industrial	(5%)	(5%)	(1%)	(1%)	(3%)	9%	5%	5%	12%	8%	5%
Total	**4%**	**3%**	**3%**	**7%**	**4%**	**7%**	**4%**	**5%**	**8%**	**6%**	**9%**

Organic* Revenue	2016					2017					2018
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1
Climate	4%	5%	3%	4%	4%	6%	8%	3%	6%	6%	8%
Industrial	(5%)	(3%)	1%	(3%)	(3%)	1%	2%	(1%)	5%	2%	9%
Total	**2%**	**3%**	**3%**	**2%**	**3%**	**4%**	**7%**	**2%**	**6%**	**5%**	**8%**

*Organic revenues and bookings exclude acquisitions and currency

Non-GAAP Measures Definitions

Organic bookings is defined as reported orders closed/completed in the current period adjusted for the impact of currency and acquisitions. Organic revenue is defined as GAAP net revenues adjusted for the impact of currency and acquisitions.

- Currency impacts on net revenues and bookings are measured by applying the prior year's foreign currency exchange rates to the current period's net revenues and bookings reported in local currency. This measure allows for a direct comparison of operating results excluding the year-over-year impact of foreign currency translation.

Adjusted operating income is defined as GAAP operating income plus restructuring costs in 2018 and 2017. Please refer to the reconciliation of GAAP to non-GAAP measures on tables 3 and 4 of the news release.

Adjusted operating margin is defined as the ratio of adjusted operating income divided by net revenues.

Adjusted continuing EPS in 2018 is defined as GAAP continuing EPS plus restructuring costs and debt redemption premium and related charges, net of tax impacts. Adjusted continuing EPS in 2017 is defined as GAAP continuing EPS plus restructuring costs, net of tax impacts. Please refer to the reconciliation of GAAP to non-GAAP measures on tables 3 and 4 of the news release.

Free cash flow is defined as net cash provided by (used in) continuing operating activities, less capital expenditures, plus cash payments for restructuring. In 2018, the company updated its definition of free cash flow to exclude the impacts of discontinued operations. As a result, free cash flow amounts in prior periods have been restated to conform with the current year definition. Please refer to the free cash flow reconciliation on table 8 of the news release.

Non-GAAP Measures Definitions

Working capital measures a firm's operating liquidity position and its overall effectiveness in managing the enterprises' current accounts.

- Working capital is calculated by adding net accounts and notes receivables and inventories and subtracting total current liabilities that exclude short term debt, dividend payables and income tax payables.
- Working capital as a percent of revenue is calculated by dividing the working capital balance (e.g. as of March 31) by the annualized revenue for the period (e.g. reported revenues for the three months ended March 31) multiplied by 4 to annualize for a full year).

Adjusted effective tax rate for 2018 is defined as the ratio of income tax expense, plus or minus the tax effect of adjustments for restructuring costs and debt redemption premium and related charges, divided by earnings from continuing operations before income taxes plus restructuring costs and debt redemption premium and related charges. Adjusted effective tax rate for 2017 is defined as the ratio of income tax expense, plus or minus the tax effect of adjustments for restructuring costs, divided by earnings from continuing operations before income taxes plus restructuring costs. This measure allows for a direct comparison of the effective tax rate between periods.

Adjusted OI + D&A is defined as adjusted operating income plus depreciation and amortization expense.

Operating leverage is defined as the ratio of the change in adjusted operating income for the current period (e.g. Q1 2018) less the prior period (e.g. Q1 2017), divided by the change in net revenues for the current period less the prior period.