



Third-Quarter 2015 Results

October 27, 2015

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 projected 2015 fourth-quarter and full-year financial performance and assumptions regarding our effective tax rate. 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, demand for our products and services, the impact of currency and tax law changes. Additional factors that could cause such differences can be found in our Form 10-K for the year ended December 31, 2014, Form 10-Q for the quarter ended March 31, 2015, June 30, 2015, and other SEC filings. We assume no obligation to update these forward-looking statements.

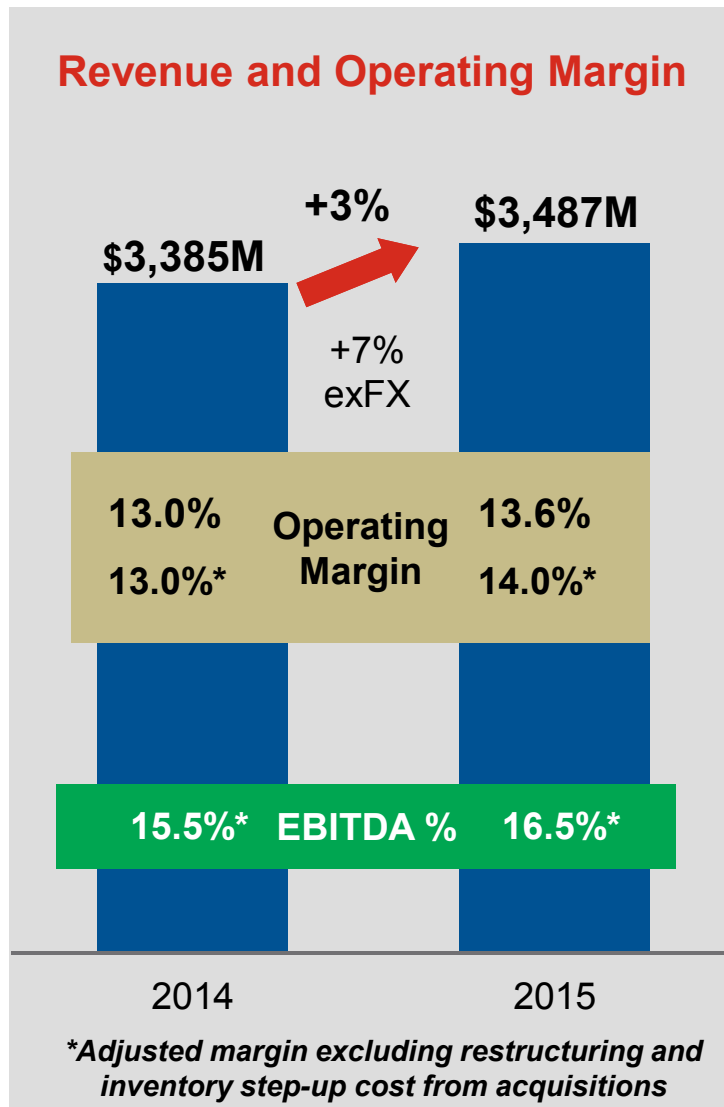
This presentation also includes adjusted non-GAAP financial information which should be considered supplemental to, not a substitute for, or superior to, the financial measure calculated in accordance with GAAP. Further information about the adjusted non-GAAP financial information is included in financial tables attached to the earnings news release that can be found at www.ingersollrand.com.

All data for beyond the third quarter of 2015 are estimates.

Third-Quarter 2015 highlights



Revenue and Operating Margin



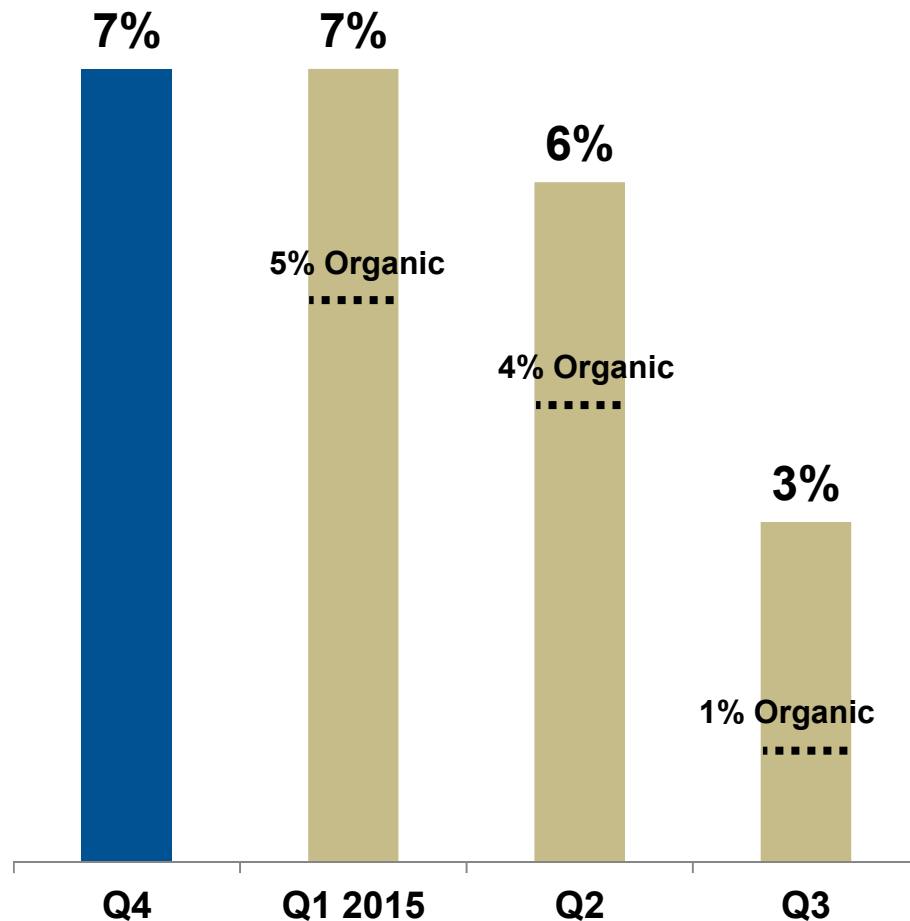
- Adjusted EPS from continuing ops; \$1.21 up by 10%
- Revenue of \$3,487M, up 3%, +7% exFX, organic revenue (exFX and acquisitions) up 6%
 - Strong reported growth in N. America Transport and Residential HVAC
 - Good organic growth in Transport in EMEA and in Commercial HVAC in EMEA, North America and L. America
 - Weaker Industrial markets and softer Asia
- (2%) decline in Q3 bookings, +3% exFX, +1% organic
- Adjusted operating margin 14.0%; up 1.0 percentage points vs. Q3 2014; 45% leverage
- Volume, price and productivity gains partially offset primarily by inflation and negative FX
- Repurchased ~4 million shares for \$233 million

Strong revenue growth in North America HVAC and transport

Quarterly Year-Over-Year Order Change



Orders, % Change Excluding Currency



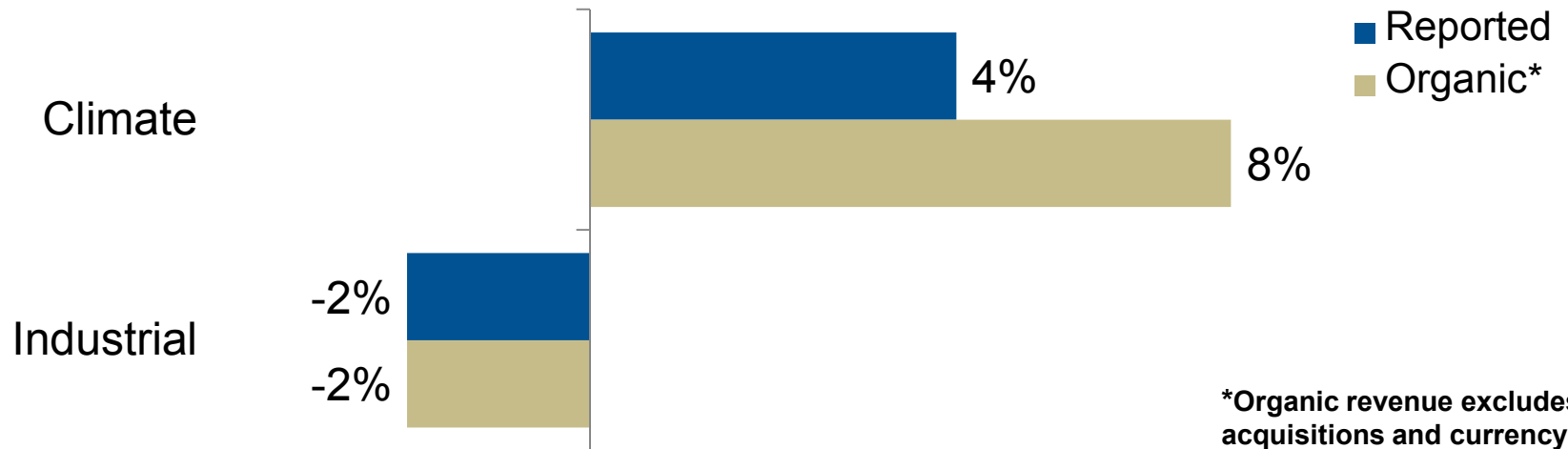
- (2%) decline in Q3 bookings, +3% exFX, +1% organic
- Climate bookings down (2%), (exFx) +3%
 - Commercial HVAC bookings (exFX) up low-single digits; up mid-single digits in Americas; down mid-single digits in Asia; down low-single digits in EMEA
 - Transport bookings declined, primarily due to difficult comparisons with record 2014 orders in N. America
 - Residential booking up mid-teens
- Industrial bookings down (3%), exFX +3%, (4%) organic
 - Air and industrial products organic bookings down mid-single digits
 - Club Car bookings increased low-single digits

Q3 orders up 1% exFX and acquisitions

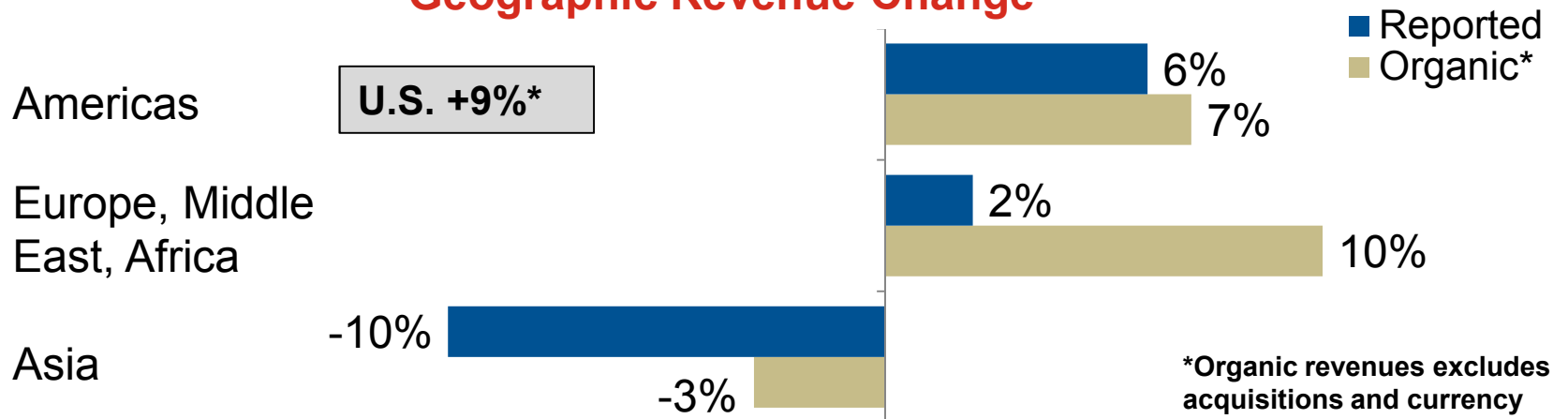
Q3 2015 Revenue Change



Segment Revenue Change



Geographic Revenue Change

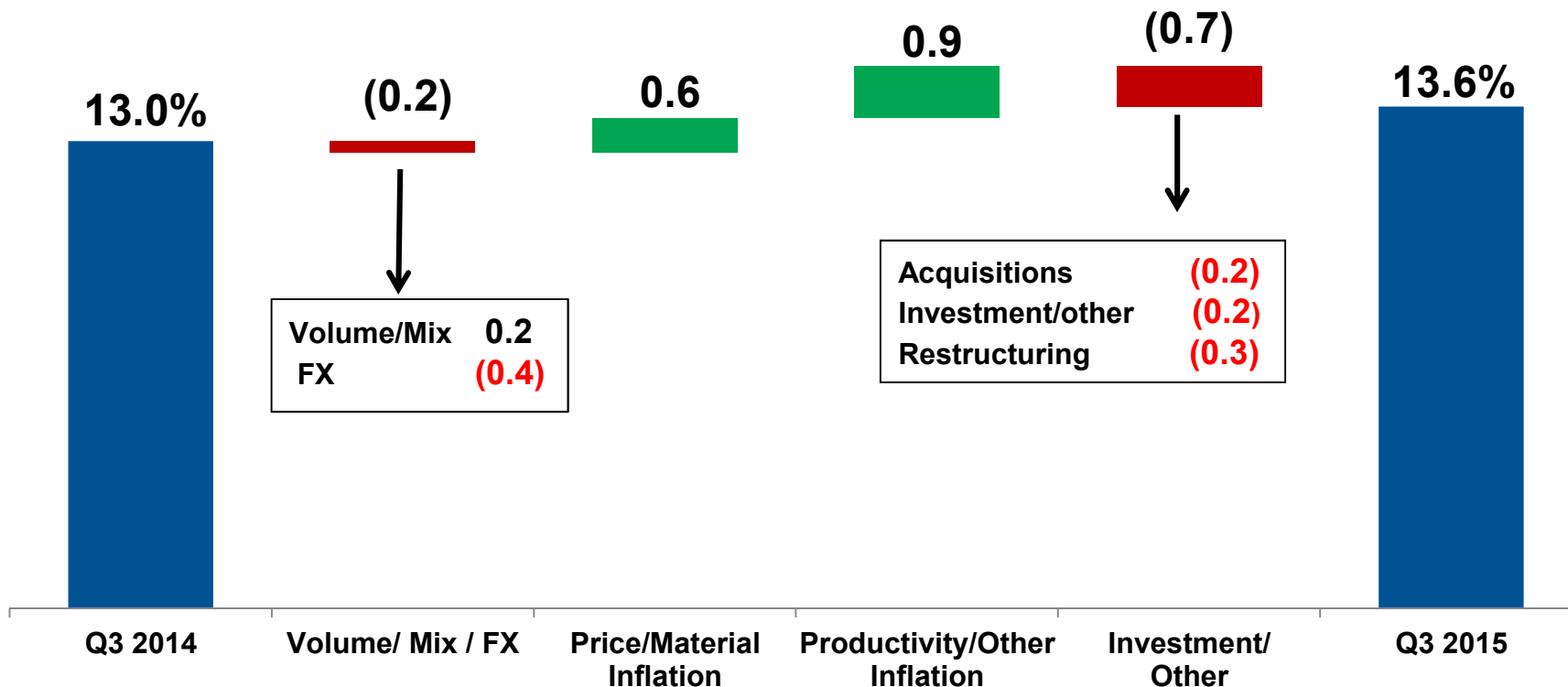


Q3 reported revenue up 3% and up 6% exFX and acquisitions

Q3 2015 Operating Margin



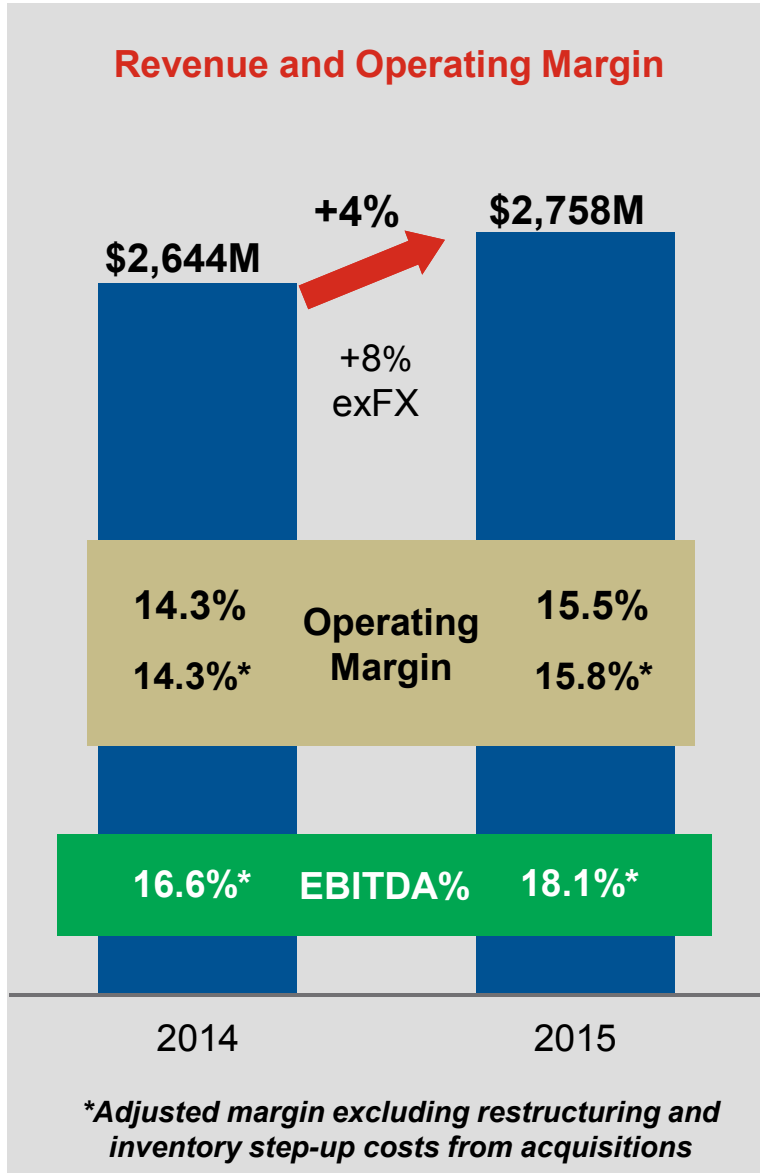
Operating Leverage		
	Reported	Adjusted*
Year-Over-Year Revenue Change	\$102M	\$102M
Year-Over-Year Op. Income Change	\$ 35M	\$ 46M
Leverage	35 %	45%
Organic**Leverage		41%



* Adjusted results exclude restructuring costs and acquisition-related inventory step-up costs

** Organic results exclude restructuring costs, acquisitions and currency

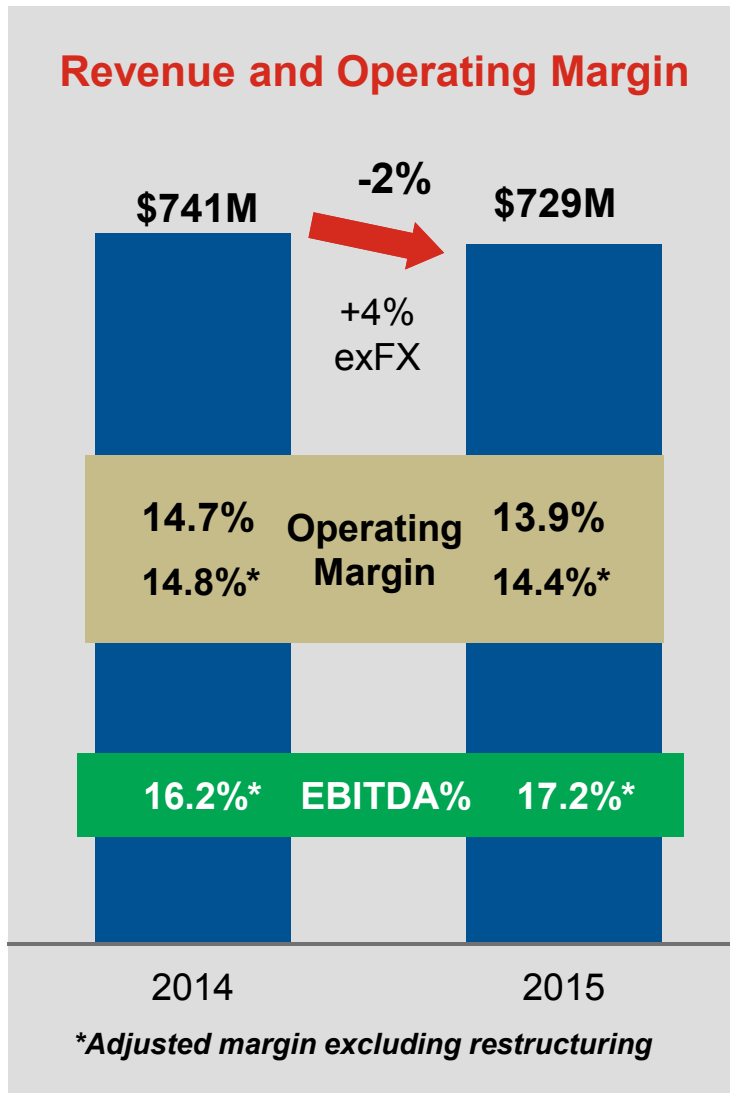
Climate Segment – Q3 2015



- Commercial HVAC revenues up mid-single digits (exFX)
 - Revenues up mid-single digits in the Americas, up high teens in EMEA, flat in Asia
 - Commercial equipment up mid-single digits; growth in both unitary and applied
 - Parts, services, solutions up high-single digits
- Transport revenues (exFX) up low-teens
 - Truck and trailer sales (exFX) up low-teens from strong growth in North America and Europe
 - APU and air & rail transport revenues up significantly compared with 2014; marine equipment flat
- Residential revenues up low teens
- Adjusted operating margins increased 150 basis points; margin gains from increased volumes and productivity, partially offset by inflation and currency

Improved margins in uneven end markets

Industrial Segment – Q3 2015

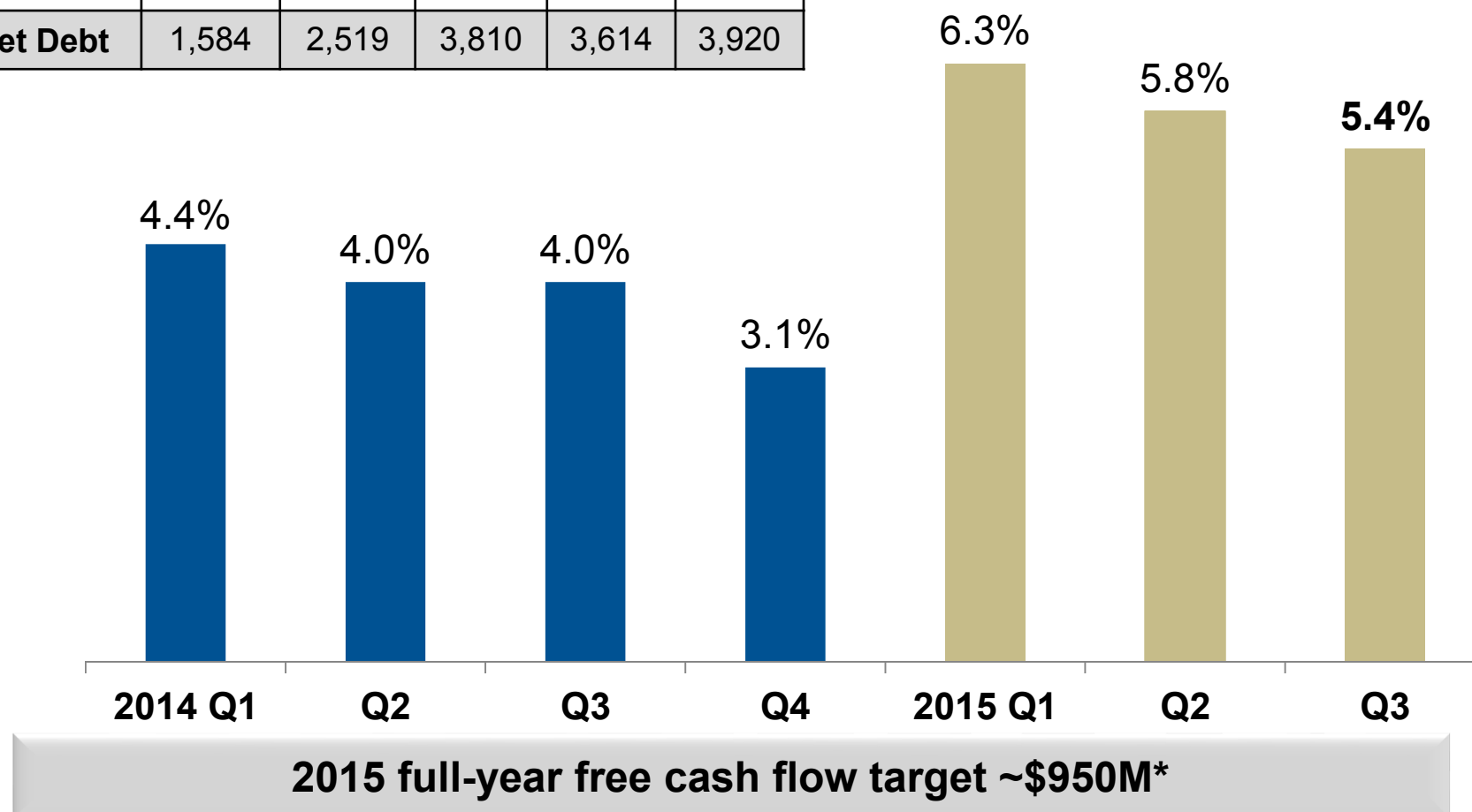


- Industrial organic revenues down 2%
- Air and industrial products organic revenues down mid-single digits; parts and service revenues up mid-single digits
 - Organic revenues down low-single digits in the Americas
 - Up low-single digits in EMEA; significant declines in Asia
- Club Car revenues (exFX) up high-single digits from higher sales of both golf and utility vehicles
- Adjusted operating margin down compared with last year
 - Productivity gains and price were offset by lower volume, negative currency, purchase accounting and inflation
 - Acquisitions and currency were ~190 basis point drag on adjusted earnings

Cost containment actions partially offset soft end markets and currency

Working Capital as a % of Revenues

\$ Millions	YE 13	YE 14	Q1 15	Q2 15	Q3 15
Cash	1,937	1,705	734	780	652
Debt	3,521	4,224	4,544	4,394	4,572
Net Debt	1,584	2,519	3,810	3,614	3,920



*Adjusted free cash flow excludes the impact of the \$375 million IRS agreement and restructuring

Full-Year 2015 Forecast



	Y-O-Y Revenue Change	Markets	Adjusted Operating Margin
Climate – Reported – Organic	~3% ~6 %	<ul style="list-style-type: none"> • Commercial HVAC equipment replacement and aftermarket growing low- to mid-single digits • Transport N. America and EMEA low-teens growth exFx • Continued growth in U.S. residential builder and moderate replacement market demand 	~ 13.0%
Industrial – Reported – Organic	~3% ~(1%)	<ul style="list-style-type: none"> • Softer worldwide industrial new equipment and slow aftermarket growth • Slow growth golf market 	~14.0%*
Total – Reported – Organic	~3% 4% to 5%	Net of currency + acquisitions (1%) to (2%)	~11.0% to 11.5%*

*Includes acquisition operating results plus acquisition-related amortization costs of ~\$24 million and excludes inventory step-up costs of ~\$24 million, primarily in Q1 and Q2, and restructuring expense

Forecast 2015



	Full Year	Q4
Y-O-Y reported revenue change	~ 3%	2.0% to 3.0%
<ul style="list-style-type: none"> Organic Net Currency and Acquisitions 	4% to 5% (1%) to (2%)	2.0% to 3.0% Net zero impact
EPS continuing – reported	\$2.57 to \$2.62*	\$0.87 to \$0.92
– Inventory step-up costs (\$0.06) and Venezuela currency (\$0.16) – add back	(0.22)	(0.01)
– IRS tax agreement – add back	(0.84)	-----
– Restructuring – add back	(0.06)	(0.02)
EPS continuing – adjusted	\$3.69 to \$3.74*	\$0.90 to \$0.95
EPS – discontinued	\$(0.12)	\$(0.03)
Shares – Millions	~268	~266
Ongoing tax rate	~25%	~24%

*Includes acquisitions operating results, acquisition-related amortization costs of ~\$6 million (EPS of \$0.02) per quarter, inventory step-up costs of ~\$24 million (EPS of \$0.06). Also includes ~\$42.6 million of costs (EPS of \$0.16) related to the devaluation of the Venezuelan Bolivar and income tax expense items of \$226.6 million (EPS of \$0.84) from Q2



Appendix

Q4 2015 Guidance Bridge



2014 EPS Continuing Operations	\$0.79
Net Restructuring and Debt refinancing costs	0.01
Operations improvement	0.15 to 0.20
Investments	(0.02)
Currency	(0.08)
Acquisition net impact*	0.02
EPS Continuing Reported	<u>0.87 to 0.92</u>
Restructuring and Venezuela – add back	<u>(0.03)</u>
Adjusted EPS	\$0.90 to \$0.95

*Includes acquisition operating results plus acquisition-related amortization costs of ~\$7 million

Q4 2015 revenue forecast ~\$3.3B; Adjusted EPS \$0.90 to \$0.95

Year-Over-Year Revenue Change



Reported	2013		2014				2015		
	<u>FY</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>FY</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>
Climate	4%	4%	4%	6%	5%	5%	6%	2%	4%
Industrial	Flat	Flat	4%	3%	3%	3%	7%	(1%)	(2%)
Total Ingersoll Rand	3%	3%	4%	5%	5%	4%	6%	2%	3%

Organic	2013		2014				2015		
	<u>FY</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>FY</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>
Climate	4%	5%	4%	6%	7%	6%	9%	5%	8%
Industrial	(1%)	Flat	4%	3%	6%	3%	4%	(4%)	(2%)
Total Ingersoll Rand	3%	4%	4%	6%	7%	5%	8%	3%	6%

Q3 revenue up 6% exFX and acquisitions

