

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15 (d) of The  
Securities Exchange Act of 1934**

**Date of Report** (Date of earliest event reported) — **July 30, 2019**

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**INGERSOLL-RAND PUBLIC LIMITED COMPANY**

(Exact name of registrant as specified in its charter)

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**Ireland**  
(State or other jurisdiction  
of incorporation)

**001-34400**  
(Commission  
File Number)

**98-0626632**  
(I.R.S. Employer  
Identification No.)

**170/175 Lakeview Drive  
Airside Business Park  
Swords Co. Dublin  
Ireland**

(Address of principal executive offices, including zip code)

**+( 353 )(0) 18707400**  
(Registrant's phone number, including area code)

**N/A**  
(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Securities registered pursuant to Section 12(b) of the Act:**

<b>Title of each class</b>	<b>Trading Symbol</b>	<b>Name of each exchange on which registered</b>
Ordinary Shares, Par Value \$1.00 per Share	IR	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2):

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 2.02. Results of Operations and Financial Condition**

On July 30, 2019, Ingersoll-Rand plc issued a press release announcing its second quarter 2019 results. The information in this Form 8-K and the exhibit attached hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities under that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release of Ingersoll-Rand plc dated July 30, 2019.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

INGERSOLL-RAND PLC  
(Registrant)

Date: July 30, 2019

/s/ Susan K. Carter

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**Susan K. Carter, Senior Vice President  
and Chief Financial Officer**

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## EXHIBIT INDEX

**Exhibit No.**

**Description**

99.1 [Press Release of Ingersoll-Rand plc dated July 30, 2019.](#)



News Release

**Ingersoll Rand Reports Strong Second-Quarter 2019 Results,  
Raises Full Year 2019 Adjusted EPS Guidance**

**Highlights (Second quarter 2019 versus second quarter 2018, unless otherwise noted):**

- Continuing EPS of \$1.88, up 3 percent; adjusted continuing EPS\* of \$2.09, up 13 percent
- Strong HVAC and Industrial bookings growth
- Reported and organic revenues\* up 4 percent led by the Climate segment
- Operating margin down 30 bps; adjusted operating margin\* up 80 bps, led by Climate
- Closed on Precision Flow Systems acquisition in Mid-May

\* This news release contains non-GAAP financial measures. Definitions of the non-GAAP financial measures can be found in the footnotes of this news release. See attached tables for additional details and reconciliations.

**Swords, Ireland, July 30, 2019** - Ingersoll-Rand plc (NYSE:IR), a world leader in creating comfortable, sustainable and efficient environments, today reported diluted earnings per share (EPS) from continuing operations of \$1.88 for the second quarter of 2019. Adjusted continuing EPS of \$2.09 excludes restructuring costs of \$26 million primarily related to ongoing footprint optimization and acquisition and Industrial segment separation related costs of \$33 million.

**Second-Quarter 2019 Results**

**Financial Comparisons - Second-Quarter Continuing Operations**

\$, millions except EPS	Q2 2019	Q2 2018	Y-O-Y Change	Organic Y-O-Y Change
Bookings	\$4,446	\$4,549	(2)%	(2)%
Net Revenues	\$4,528	\$4,358	4%	4%
Operating Income	\$651	\$640	2%	
Operating Margin	14.4%	14.7%	(30 bps)	
Adjusted Operating Income*	\$710	\$647	10%	
Adjusted Operating Margin	15.7%	14.9%	80 bps	
Continuing EPS	\$1.88	\$1.82	3%	
Adjusted Continuing EPS	\$2.09	\$1.85	13%	
Restructuring Cost	(\$26.4)	(\$7.1)	(\$19.3)	

“We continue to see strong HVAC markets globally with 2019 shaping up largely as we anticipated when we gave guidance at the beginning of the year,” said Michael W. Lamach, chairman and chief executive officer. “Our disciplined execution of our strategy and business operating system will allow us to successfully navigate the evolving global landscape and deliver another year of top-tier financial performance. This gives

us confidence to increase our fiscal 2019 adjusted continuing EPS guidance from approximately \$6.35 to approximately \$6.40.

We are making good progress against the strategic announcement we made last quarter to combine our Industrial segment and Gardner Denver, creating a premier industrial company while simultaneously creating a leading, pure-play Climate solutions company focused on HVAC and transport refrigeration. Separation, integration planning and Climate business transformation activities are well under way. We expect to complete the separation by early 2020 as planned. We're excited about both of the new, premier businesses and their ability to unlock value for shareholders.

Additionally in the second quarter, we closed on the Precision Flow Systems acquisition and this business is expected to meet the financial objectives we communicated with the announcement."

**Highlights from the Second Quarter of 2019 (all comparisons against the second quarter of 2018 unless otherwise noted)**

- Solid reported and organic revenue growth led by our Climate businesses in virtually all products and geographies.
- Enterprise reported revenue growth included approximately 1 percentage point of growth from acquisitions offset by approximately 1 percentage points of negative foreign exchange impact.
- Enterprise reported bookings and organic bookings\* down 2 percent. Enterprise and Climate bookings growth rates were heavily impacted by difficult comparisons related to exceptional North American Trailer and APU bookings growth in Q2 2018. Excluding Transport bookings, strong underlying organic bookings in most major businesses led to mid-single digit organic bookings growth for both the Enterprise and for the Climate segment.
- Operating margin down 30 basis points; adjusted operating margin up 80 basis points driven by strong price realization, volume growth and productivity partially offset by material inflation, including tariffs, other inflation and continued business investments.

**Second-Quarter Business Review (all comparisons against the second quarter of 2018 unless otherwise noted)**

**Climate Segment:** delivers energy-efficient products and innovative energy services. The segment includes Trane<sup>®</sup> and American Standard<sup>®</sup> Heating & Air Conditioning which provide heating, ventilation and air conditioning (HVAC) systems, and commercial and residential building services, parts, support and controls; energy services and building automation through Trane Building Advantage<sup>™</sup> and Nexia<sup>™</sup>; and Thermo King<sup>®</sup> transport temperature control solutions.

\$, millions	Q2 2019	Q2 2018	Y-O-Y Change	Organic Y-O-Y Change
<b>Bookings</b>	\$3,533	\$3,729	(5)%	(4)%
<b>Net Revenues</b>	\$3,618	\$3,494	4%	5%
<b>Operating Income</b>	\$613.5	\$582.7	5%	
<b>Operating Margin</b>	17.0%	16.7%	30 bps	
<b>Adjusted Operating Income</b>	\$626.9	\$586.9	7%	
<b>Adjusted Operating Margin</b>	17.3%	16.8%	50 bps	

- Revenue up 4 percent with organic revenue up 5 percent. Strong organic HVAC revenue growth in virtually all businesses and regions.
- Climate reported revenue growth offset by approximately 1 percentage point of negative foreign exchange impact.
- Climate bookings down 5 percent and organic bookings down 4 percent. Climate bookings growth rates heavily impacted by the aforementioned exceptional North American trailer and APU bookings in Q2

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2018. Excluding Transport, Climate segment organic bookings were strong, up mid-single digits in the quarter.

- Operating margin improved 30 basis points; adjusted operating margin improved 50 basis points driven by volume growth, strong price realization and productivity; partially offset by inflationary headwinds and continued business investments.

**Industrial Segment:** delivers products and services that enhance energy efficiency, productivity and operations. The segment includes compressed air and gas systems and services, power tools, material handling systems, fluid management systems, as well as Club Car<sup>®</sup> golf, utility and consumer low-speed vehicles.

\$, millions	Q2 2019	Q2 2018	Y-O-Y Change	Organic Y-O-Y Change
<b>Bookings</b>	\$913	\$821	11%	8%
<b>Net Revenues</b>	\$910	\$864	5%	2%
<b>Operating Income</b>	\$110.1	\$121.2	(9%)	
<b>Operating Margin</b>	12.1%	14.0%	(190 bps)	
<b>Adjusted Operating Income</b>	\$130.0	\$122.7	6%	
<b>Adjusted Operating Margin</b>	14.3%	14.2%	10 bps	

- Bookings up 11 percent and revenue up 5 percent. Organic bookings up 8 percent with organic revenue up 2 percent. Strong bookings growth driven by long-cycle projects, services, Asia and Small Electric Vehicles.
- Industrial reported revenue growth included approximately 6 percentage points of growth from acquisitions offset by approximately 3 percentage points of negative foreign exchange impact.
- Operating margin down 190 basis points; adjusted operating margins up 10 basis points driven by volume, pricing and productivity, partially offset by inflationary headwinds and lower mix of short-cycle revenues which tend to have higher margins.

#### Balance Sheet and Cash Flow

\$, millions	Q2 2019	Q2 2018	Y-O-Y Change
<b>Cash From Continuing Operating Activities Y-T-D</b>	\$422	\$415	\$7
<b>Free Cash Flow Y-T-D*</b>	\$345	\$272	\$73
<b>Working Capital/Revenue*</b>	6.7%	5.5%	120 bps increase
<b>Cash Balance 30 June</b>	\$876	\$970	(\$94)
<b>Debt Balance 30 June</b>	\$5,750	\$4,339	\$1,411

- June 2019 year-to-date cash flow from continuing operating activities was \$422 million, consistent with the Company's expectations.
- The Company's full year 2019 free cash flow target remains equal to or greater than 100 percent of adjusted net earnings\*.
- During March 2019, the Company completed a \$1.5 billion senior notes offering. Annual interest on this debt is approximately \$60 million; Approximately \$47 million in 2019.

#### Capital Deployment

- Continued execution of a balanced capital allocation strategy.
- Year to date, the Company has returned approximately \$509 million to shareholders through share repurchases (\$250 million) and dividends (\$259 million).
- In May 2019, the company completed the acquisition of Precision Flow Systems ("PFS") for approximately \$1.45 billion.
- The Company expects to continue to deploy 100 percent of excess cash to shareholders over time.

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## Tax Rate

- Q2 2019 adjusted effective tax rate\* of approximately 20 percent. Full year adjusted effective tax rate guidance of approximately 21 to 22 percent remains unchanged.

This news release 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; restructuring activity; supplier disruption and our expectations for resolving the disruption; our projected 2019 full-year financial performance and targets including assumptions regarding our effective tax rate, tax reform measurement period adjustments 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. Additional factors that could cause such differences can be found in our Form 10-K for the year ended December 31, 2018, as well as our subsequent reports on Form 10-Q and other SEC filings. Forward-looking statements may also relate to our Reverse Morris Trust transaction with Gardner Denver Holdings, Inc. (GDI). These forward-looking statements are based on GDI’s and Ingersoll Rand’s current expectations and are subject to risks and uncertainties, which may cause actual results to differ materially from GDI’s and Ingersoll Rand’s current expectations. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) that one or more closing conditions to the transaction, including certain regulatory approvals, may not be satisfied or waived, on a timely basis or otherwise, including that a governmental entity may prohibit, delay or refuse to grant approval for the consummation of the proposed transaction, may require conditions, limitations or restrictions in connection with such approvals or that the required approval by the stockholders of GDI may not be obtained; (2) the risk that the proposed transaction may not be completed on the terms or in the time frame expected by Ingersoll Rand or GDI, or at all, (3) unexpected costs, charges or expenses resulting from the proposed transaction, (4) uncertainty of the expected financial performance of the combined company following completion of the proposed transaction; (5) failure to realize the anticipated benefits of the proposed transaction, including as a result of delay in completing the proposed transaction or integrating the businesses of GDI and Ingersoll Rand Industrial, or at all, (6) the ability of the combined company to implement its business strategy; (7) difficulties and delays in the combined company and ClimateCo achieving revenue and cost synergies; (8) inability of the combined company and ClimateCo to retain and hire key personnel; (9) the occurrence of any event that could give rise to termination of the proposed transaction; (10) the risk that stockholder litigation in connection with the proposed transaction or other settlements or investigations may affect the timing or occurrence of the proposed transaction or result in significant costs of defense, indemnification and liability, (11) evolving legal, regulatory and tax regimes; (12) changes in general economic and/or industry specific conditions; (13) actions by third parties, including government agencies; and (14) other risk factors detailed from time to time in Ingersoll Rand’s and GDI’s reports filed with the SEC, including Ingersoll Rand’s and GDI’s annual reports on Form 10-K. We assume no obligation to update these forward-looking statements.

This news release 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 and reconciliation to GAAP is attached to this news release.

*All amounts reported within the earnings release above related to net earnings (loss), earnings (loss) from continuing operations, earnings (loss) from discontinued operations, and per share amounts are attributed to Ingersoll Rand’s ordinary shareholders.*

Ingersoll Rand (NYSE:IR) advances the quality of life by creating comfortable, sustainable and efficient environments. Our people and our family of brands - including [Club Car](#)®, [Ingersoll Rand](#)®, [Thermo King](#)® and [Trane](#)® - work together to enhance the quality and comfort of air in homes and buildings; transport and protect food and perishables; and increase industrial productivity and efficiency. We are a global business committed to a world of sustainable progress and enduring results. For more information, visit [ingersollrand.com](http://ingersollrand.com).

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(See Accompanying Tables)

- Table 1: Condensed Consolidated Income Statement
- Table 2: Business Review
- Tables 3 - 6: Reconciliation of GAAP to Non-GAAP
- Table 7: Condensed Consolidated Balance Sheets
- Table 8: Condensed Consolidated Statement of Cash Flows
- Table 9: Balance Sheet Metrics and Free Cash Flow

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**\* Q2 Non-GAAP measures definitions**

**Organic revenue** is defined as GAAP net revenues adjusted for the impact of currency and acquisitions. **Organic bookings** is defined as reported orders in the current period 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** in 2019 is defined as GAAP operating income plus restructuring costs, PFS acquisition-related transaction costs, PFS inventory step-up and backlog amortization and Industrial Segment separation-related cost. Adjusted operating income in 2018 is defined as GAAP operating income plus restructuring costs. 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 earnings from continuing operations attributable to Ingersoll-Rand plc (Adjusted net earnings)** in 2019 is defined as GAAP earnings from continuing operations attributable to Ingersoll-Rand plc plus restructuring costs, PFS acquisition-related transaction costs, PFS inventory step-up and backlog amortization and Industrial Segment separation-related costs, net of tax impacts. Adjusted net earnings in 2018 is defined as GAAP earnings from continuing operations attributable to Ingersoll-Rand plc plus restructuring costs, net of tax impacts and tax reform provisional adjustments. Please refer to the reconciliation of GAAP to non-GAAP measures on tables 3 and 4 of the news release.

**Adjusted continuing EPS** in 2019 is defined as GAAP continuing EPS plus restructuring costs, PFS acquisition-related transaction costs, PFS inventory step-up and backlog amortization and Industrial Segment separation-related costs, net of tax impacts. Adjusted continuing EPS in 2018 is defined as GAAP continuing EPS plus restructuring costs, net of tax impacts and tax reform provisional adjustments. Please refer to the reconciliation of GAAP to non-GAAP measures on tables 3 and 4 of the news release.

**Adjusted EBITDA** is defined as adjusted operating income plus depreciation and amortization expense plus or minus other income / (expense), net.

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**Free cash flow** in 2019 is defined as net cash provided by (used in) continuing operating activities, less capital expenditures, plus cash payments for PFS acquisition-related transaction costs, Industrial Segment separation-related costs and restructuring. Free cash flow in 2018 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. Please refer to the free cash flow reconciliation on table 9 of the news release.

**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 June 30) by the annualized revenue for the period (e.g. reported revenues for the three months ended June 30 multiplied by 4 to annualize for a full year).

**Adjusted effective tax rate** for 2019 is defined as the ratio of income tax expense, plus or minus the tax effect of adjustments for restructuring costs, PFS acquisition-related transaction costs and PFS inventory step-up and backlog amortization, divided by earnings from continuing operations before income taxes plus restructuring costs, PFS acquisition-related transaction costs, PFS inventory step-up and backlog amortization and Industrial Segment separation-related costs. 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 provisional adjustments derived from Tax Reform, 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.

The Company reports its financial results in accordance with generally accepted accounting principles in the United States (GAAP). The following schedules provide non-GAAP financial information and a quantitative reconciliation of the difference between the non-GAAP financial measures and the financial measures calculated and reported in accordance with GAAP.

The non-GAAP financial measures should be considered supplemental to, not a substitute for or superior to, financial measures calculated in accordance with GAAP. They have limitations in that they do not reflect all of the costs associated with the operations of our businesses as determined in accordance with GAAP. In addition, these measures may not be comparable to non-GAAP financial measures reported by other companies.

We believe the non-GAAP financial information provides important supplemental information to both management and investors regarding financial and business trends used in assessing our financial condition and results of operations.

Non-GAAP financial measures assist investors with analyzing our business results as well as with predicting future performance. In addition, these non-GAAP financial measures are also reviewed by management in order to evaluate the financial performance of each segment. Presentation of these non-GAAP financial measures helps investors and management to assess the operating performance of the Company.

As a result, one should not consider these measures in isolation or as a substitute for our results reported under GAAP. We compensate for these limitations by analyzing results on a GAAP basis as well as a non-GAAP basis, prominently disclosing GAAP results and providing reconciliations from GAAP results to non-GAAP results.

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**INGERSOLL-RAND PLC**  
**Condensed Consolidated Income Statement**  
(In millions, except per share amounts)

**UNAUDITED**

	For the quarter ended June 30,		For the six months ended June 30,	
	2019	2018	2019	2018
Net revenues	\$ 4,527.8	\$ 4,357.7	\$ 8,103.7	\$ 7,742.2
Cost of goods sold	(3,094.1)	(2,964.1)	(5,611.4)	(5,384.3)
Selling and administrative expenses	(783.2)	(753.3)	(1,523.3)	(1,474.2)
Operating income	650.5	640.3	969.0	883.7
Interest expense	(64.7)	(50.3)	(115.6)	(123.2)
Other income/(expense), net	3.4	(3.5)	(15.4)	(7.5)
Earnings before income taxes	589.2	586.5	838.0	753.0
Provision for income taxes	(123.3)	(128.0)	(166.3)	(161.0)
Earnings from continuing operations	465.9	458.5	671.7	592.0
Discontinued operations, net of tax	(5.6)	(5.9)	(7.7)	(15.3)
Net earnings	460.3	452.6	664.0	576.7
Less: Net earnings attributable to noncontrolling interests	(4.2)	(4.5)	(8.0)	(8.2)
Net earnings attributable to Ingersoll-Rand plc	<u>\$ 456.1</u>	<u>\$ 448.1</u>	<u>\$ 656.0</u>	<u>\$ 568.5</u>
 <u>Amounts attributable to Ingersoll-Rand plc</u>				
<u>ordinary shareholders:</u>				
Continuing operations	\$ 461.7	\$ 454.0	\$ 663.7	\$ 583.8
Discontinued operations	(5.6)	(5.9)	(7.7)	(15.3)
Net earnings	<u>\$ 456.1</u>	<u>\$ 448.1</u>	<u>\$ 656.0</u>	<u>\$ 568.5</u>
 <u>Diluted earnings (loss) per share attributable to</u>				
<u>Ingersoll-Rand plc ordinary shareholders:</u>				
Continuing operations	\$ 1.88	\$ 1.82	\$ 2.71	\$ 2.32
Discontinued operations	(0.02)	(0.03)	(0.03)	(0.06)
Net earnings	<u>\$ 1.86</u>	<u>\$ 1.79</u>	<u>\$ 2.68</u>	<u>\$ 2.26</u>
 Weighted-average number of common shares outstanding:				
Diluted	244.9	250.1	245.0	251.6

SEE ATTACHED RELEASE FOR ADDITIONAL INFORMATION

**INGERSOLL-RAND PLC**  
**Business Review**  
(In millions, except percentages)

**UNAUDITED**

	For the quarter ended June 30,		For the six months ended June 30,	
	2019	2018	2019	2018
<u>Climate</u>				
Net revenues	\$ 3,617.6	\$ 3,493.8	\$ 6,421.3	\$ 6,103.6
Segment operating income *	613.5	582.7	926.6	843.1
and as a % of Net revenues	17.0%	16.7%	14.4%	13.8%
<u>Industrial</u>				
Net revenues	910.2	863.9	1,682.4	1,638.6
Segment operating income *	110.1	121.2	194.0	181.1
and as a % of Net revenues	12.1%	14.0%	11.5%	11.1%
Unallocated corporate expense	(73.1)	(63.6)	(151.6)	(140.5)
<u>Total</u>				
Net revenues	\$ 4,527.8	\$ 4,357.7	\$ 8,103.7	\$ 7,742.2
Consolidated operating income	650.5	640.3	969.0	883.7
and as a % of Net revenues	14.4%	14.7%	12.0%	11.4%

\* Segment operating income is the measure of profit and loss that the Company uses to evaluate the financial performance of the business and as the basis for performance reviews, compensation and resource allocation. For these reasons, the Company believes that Segment operating income represents the most relevant measure of segment profit and loss.

SEE ATTACHED RELEASE FOR ADDITIONAL INFORMATION

**INGERSOLL-RAND PLC**  
**Reconciliation of GAAP to non-GAAP**  
(In millions, except per share amounts)  
**UNAUDITED**

	For the quarter ended June 30, 2019			For the six months ended June 30, 2019		
	As Reported	Adjustments	As Adjusted	As Reported	Adjustments	As Adjusted
Net revenues	\$ 4,527.8	\$ —	\$ 4,527.8	\$ 8,103.7	\$ —	\$ 8,103.7
Operating income	650.5	59.6 (a,b,c,d)	710.1	969.0	78.6 (a,b,c,d)	1,047.6
Operating margin	14.4%		15.7%	12.0%		12.9%
Earnings from continuing operations before income taxes	589.2	59.6 (a,b,c,d)	648.8	838.0	78.6 (a,b,c,d)	916.6
Provision for income taxes	(123.3)	(8.9) (e)	(132.2)	(166.3)	(11.3) (e)	(177.6)
Tax rate	20.9%		20.4%	19.8%		19.4%
Earnings from continuing operations attributable to Ingersoll-Rand plc	\$ 461.7	\$ 50.7 (f)	\$ 512.4	\$ 663.7	\$ 67.3 (f)	\$ 731.0
<u>Diluted earnings per common share</u>						
Continuing operations	\$ 1.88	\$ 0.21	\$ 2.09	\$ 2.71	\$ 0.27	\$ 2.98
<u>Weighted-average number of common shares outstanding:</u>						
Diluted	244.9	—	244.9	245.0	—	245.0
<u>Detail of Adjustments:</u>						
(a) Restructuring costs		\$ 26.4		\$ 43.5		
(b) PFS acquisition-related transaction costs		10.3		12.2		
(c) PFS inventory step-up and backlog amortization		6.8		6.8		
(d) Industrial Segment separation-related costs		16.1		16.1		
(e) Tax impact of adjustments (a,b,c)		(8.9)		(11.3)		
(f) Impact of adjustments on earnings from continuing operations attributable to Ingersoll-Rand plc		<u>\$ 50.7</u>		<u>\$ 67.3</u>		

SEE ATTACHED RELEASE FOR ADDITIONAL INFORMATION

**INGERSOLL-RAND PLC**  
**Reconciliation of GAAP to non-GAAP**  
(In millions, except per share amounts)  
**UNAUDITED**

	For the quarter ended June 30, 2018			For the six months ended June 30, 2018		
	As Reported	Adjustments	As Adjusted	As Reported	Adjustments	As Adjusted
Net revenues	\$ 4,357.7	\$ —	\$ 4,357.7	\$ 7,742.2	\$ —	\$ 7,742.2
Operating income	640.3	7.1 (a)	647.4	883.7	51.5 (a)	935.2
Operating margin	14.7%		14.9%	11.4%		12.1%
Earnings from continuing operations before income taxes	586.5	7.1 (a,b)	593.6	753.0	68.1 (a,b)	821.1
Provision for income taxes	(128.0)	1.4 (c,d)	(126.6)	(161.0)	(12.0) (c,d)	(173.0)
Tax rate	21.8%		21.3%	21.4%		21.1%
Earnings from continuing operations attributable to Ingersoll-Rand plc	\$ 454.0	\$ 8.5 (e)	\$ 462.5	\$ 583.8	\$ 56.1 (e)	\$ 639.9
<u>Diluted earnings per common share</u>						
Continuing operations	\$ 1.82	\$ 0.03	\$ 1.85	\$ 2.32	\$ 0.22	\$ 2.54
Weighted-average number of common shares outstanding:						
Diluted	250.1	—	250.1	251.6	—	251.6
<u>Detail of Adjustments:</u>						
(a) Restructuring costs		\$ 7.1		\$ 51.5		
(b) Debt redemption premium and related charges		—		16.6		
(c) Tax impact of adjustments (a,b)		(0.2)		(13.6)		
(d) Tax impact for provisional adjustments derived from Tax Reform		1.6		1.6		
(e) Impact of adjustments on earnings from continuing operations attributable to Ingersoll-Rand plc		\$ 8.5		\$ 56.1		

SEE ATTACHED RELEASE FOR ADDITIONAL INFORMATION

**INGERSOLL-RAND PLC**  
**Reconciliation of GAAP to non-GAAP**  
(In millions)  
**UNAUDITED**

	For the quarter ended June 30, 2019		For the quarter ended June 30, 2018	
	As Reported	Margin	As Reported	Margin
<b>Climate</b>				
Net revenues	\$ 3,617.6		\$ 3,493.8	
Segment operating income	\$ 613.5	17.0 %	\$ 582.7	16.7 %
Restructuring	13.4	0.3 %	4.2	0.1 %
Adjusted operating income	626.9	17.3 %	586.9	16.8 %
Depreciation and amortization	64.1	1.8 %	63.2	1.8 %
Other income/(expense), net	(7.0)	(0.2)%	0.7	— %
Adjusted EBITDA *	\$ 684.0	18.9 %	\$ 650.8	18.6 %
<b>Industrial</b>				
Net revenues	\$ 910.2		\$ 863.9	
Segment operating income	\$ 110.1	12.1 %	\$ 121.2	14.0 %
Restructuring/Other **	19.9	2.2 %	1.5	0.2 %
Adjusted operating income	130.0	14.3 %	122.7	14.2 %
Depreciation and amortization ***	23.2	2.6 %	20.3	2.4 %
Other income/(expense), net	0.2	— %	(2.0)	(0.3)%
Adjusted EBITDA	\$ 153.4	16.9 %	\$ 141.0	16.3 %
<b>Corporate</b>				
Unallocated corporate expense	\$ (73.1)		\$ (63.6)	
Restructuring/Other **	26.3		1.4	
Adjusted corporate expense	(46.8)		(62.2)	
Depreciation and amortization	8.1		10.9	
Other income/(expense), net	10.2		(2.2)	
Adjusted EBITDA	\$ (28.5)		\$ (53.5)	
<b>Total Company</b>				
Net revenues	\$ 4,527.8		\$ 4,357.7	
Operating income	\$ 650.5	14.4 %	\$ 640.3	14.7 %
Restructuring/Other **	59.6	1.3 %	7.1	0.2 %
Adjusted operating income	710.1	15.7 %	647.4	14.9 %
Depreciation and amortization ***	95.4	2.1 %	94.4	2.1 %
Other income/(expense), net	3.4	0.1 %	(3.5)	(0.1)%
Adjusted EBITDA	\$ 808.9	17.9 %	\$ 738.3	16.9 %

\*\*Other within Industrial includes PFS inventory step-up and backlog amortization. Other within Corporate includes PFS acquisition-related transaction costs and Industrial Segment separation-related costs.

\*\*\*Depreciation and amortization excludes PFS backlog amortization of \$2.2 million which has been accounted for in the Restructuring/Other line.

SEE ATTACHED RELEASE FOR ADDITIONAL INFORMATION

**INGERSOLL-RAND PLC**  
**Reconciliation of GAAP to non-GAAP**  
(In millions)

**UNAUDITED**

	For the quarter ended June 30,	
	2019	2018
<b>Total Company</b>		
Adjusted EBITDA	\$ 808.9	\$ 738.3
Less: items to reconcile adjusted EBITDA to net earnings attributable to Ingersoll-Rand plc		
Depreciation and amortization ***	(95.4)	(94.4)
Interest expense	(64.7)	(50.3)
Provision for income taxes	(123.3)	(128.0)
Restructuring	(26.4)	(7.1)
PFS acquisition-related transaction costs	(10.3)	—
PFS inventory step-up and backlog amortization	(6.8)	—
Industrial Segment separation-related costs	(16.1)	—
Discontinued operations, net of tax	(5.6)	(5.9)
Net earnings attributable to noncontrolling interests	(4.2)	(4.5)
Net earnings attributable to Ingersoll-Rand plc	\$ 456.1	\$ 448.1

\*\*\* Depreciation and amortization excludes PFS backlog amortization of \$2.2 million which has been accounted for in the PFS inventory step-up and backlog amortization line.

SEE ATTACHED RELEASE FOR ADDITIONAL INFORMATION

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**INGERSOLL-RAND PLC**  
**Condensed Consolidated Balance Sheets**  
(In millions)

	June 30, 2019	December 31, 2018
<b>ASSETS</b>	<u>UNAUDITED</u>	
Cash and cash equivalents	\$ 875.6	\$ 903.4
Accounts and notes receivable, net	3,108.3	2,679.2
Inventories, net	1,950.5	1,677.8
Other current assets	417.1	471.6
Total current assets	<u>6,351.5</u>	<u>5,732.0</u>
Property, plant and equipment, net	1,794.1	1,730.8
Goodwill	6,859.6	5,959.5
Intangible assets, net	4,230.3	3,634.7
Other noncurrent assets	1,432.1	857.9
Total assets	<u>\$ 20,667.6</u>	<u>\$ 17,914.9</u>
<b>LIABILITIES AND EQUITY</b>		
Accounts payable	\$ 1,889.9	\$ 1,705.3
Accrued expenses and other current liabilities	2,461.1	2,259.8
Short-term borrowings and current maturities of long-term debt	829.2	350.6
Total current liabilities	<u>5,180.2</u>	<u>4,315.7</u>
Long-term debt	4,920.6	3,740.7
Other noncurrent liabilities	3,393.9	2,793.7
Shareholders' equity	7,172.9	7,064.8
Total liabilities and equity	<u>\$ 20,667.6</u>	<u>\$ 17,914.9</u>

SEE ATTACHED RELEASE FOR ADDITIONAL INFORMATION

**INGERSOLL-RAND PLC**  
**Condensed Consolidated Statement of Cash Flows**  
(In millions)

**UNAUDITED**

	For six months ended June 30,	
	2019	2018
<b>Operating Activities</b>		
Earnings from continuing operations	\$ 671.7	\$ 592.0
Depreciation and amortization	186.9	187.8
Changes in assets and liabilities and other non-cash items	(437.0)	(365.3)
Net cash provided by (used in) continuing operating activities	421.6	414.5
Net cash provided by (used in) discontinued operating activities	(27.9)	(36.8)
Net cash provided by (used in) operating activities	393.7	377.7
<b>Investing Activities</b>		
Capital expenditures	(116.7)	(163.4)
Acquisition and equity method investments, net of cash acquired, and other	(1,470.6)	(281.5)
Net cash provided by (used in) investing activities	(1,587.3)	(444.9)
<b>Financing Activities</b>		
Short-term borrowings, net	179.0	242.6
Long-term borrowings, net of payments	1,490.4	24.1
Dividends paid to ordinary shareholders	(259.4)	(221.8)
Repurchase of ordinary shares	(250.0)	(500.1)
Other financing activities, net	(0.7)	(36.2)
Net cash provided by (used in) financing activities	1,159.3	(491.4)
Effect of exchange rate changes on cash and cash equivalents	6.5	(21.3)
Net increase (decrease) in cash and cash equivalents	(27.8)	(579.9)
Cash and cash equivalents - beginning of period	903.4	1,549.4
Cash and cash equivalents - end of period	\$ 875.6	\$ 969.5

SEE ATTACHED RELEASE FOR ADDITIONAL INFORMATION

**INGERSOLL-RAND PLC**  
**Balance Sheet Metrics and Free Cash Flow**  
(\$ in millions)  
**UNAUDITED**

	<u>June 30,</u> <u>2019</u>	<u>June 30,</u> <u>2018</u>	<u>December 31,</u> <u>2018</u>
Net Receivables	\$ 3,108	\$ 2,947	\$ 2,679
Days Sales Outstanding	62.6	61.7	62.8
Net Inventory	\$ 1,951	\$ 1,733	\$ 1,678
Inventory Turns	6.3	6.8	6.5
Accounts Payable	\$ 1,890	\$ 1,832	\$ 1,705
Days Payable Outstanding	55.7	56.4	56.7

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	<u>Six months ended</u> <u>June 30, 2019</u>	<u>Six months ended</u> <u>June 30, 2018</u>
Cash flow provided by continuing operating activities	\$ 421.6	\$ 414.5
Capital expenditures	(116.7)	(163.4)
Cash payments for PFS acquisition-related transactions	0.9	—
Cash payments for Industrial Segment separation-related costs	0.8	—
Cash payments for restructuring	38.1	21.0
Free cash flow	<u>\$ 344.7</u>	<u>\$ 272.1</u>

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