

# INGERSOLL RAND CO

## FORM 8-K

(Unscheduled Material Events)

Filed 11/3/2000 For Period Ending 11/3/2000

|             |   |
|-------------|---|
| Address     | 200 CHESTNUT RIDGE RD PO BOX 8738<br>WOODCLIFF LAKE, New Jersey 07677 |
| Telephone   | 201-573-0123  |
| CIK         | 0000050485  |
| Industry    | Auto & Truck Manufacturers  |
| Sector      | Consumer Cyclical   |
| Fiscal Year | 12/31   |

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

**FORM 8-K**

**CURRENT REPORT**

Pursuant to Section 13 or 15 (d) of the Securities Exchange  
Act of 1934

**Date of Report (Date of earliest event reported) September 30, 2000**

**INGERSOLL-RAND COMPANY**

(Exact name of registrant as specified in its charter)

|                          |                          |   |
|--------------------------|--------------------------|---|
| New Jersey               | 1-985                    | 13-5156640                              |
| (State of incorporation) | (Commission File Number) | (I.R.S. Employer<br>Identification No.) |

|  |            |
|--|------------|
| Woodcliff Lake, New Jersey               | 07677      |
| (Address of principal executive offices) | (Zip Code) |

Registrant's telephone number, including area code (201) 573-0123

**INGERSOLL-RAND COMPANY**

**Item 7. FINANCIAL STATEMENTS AND EXHIBITS**

**PRO FORMA FINANCIAL STATEMENTS**

The following financial statements are hereby filed as part of this report:

- 1.) Pro forma income statement for the six months ended June 30, 2000.
- 2.) Pro forma income statements for the years ended December 31, 1999, 1998, and 1997.

**EXHIBITS**

- 12.) Computations of Ratios of Earnings to Fixed Charges.**

**INGERSOLL-RAND COMPANY**

**Item 7. FINANCIAL STATEMENTS AND EXHIBITS**

**PRO FORMA FINANCIAL STATEMENT**

On August 12, 1999, the company announced its intention to dispose of its 49 percent joint venture interest in Dresser-Rand Company (D-R). Accordingly, the company reported the results of D-R as discontinued operations. On October 5, 1999, the joint venture partner, as permitted by the joint venture agreement, elected to sell its 51 percent share of D-R to the company. On February 2, 2000, the company completed the purchase of D-R. The accompanying financial statements reclassify the results of the business of D-R into continuing operations as the disposition has not occurred within one year. In August 2000, the company sold a portion of the D-R business. The company intends to divest the remaining portions of D-R as soon as possible.

**INGERSOLL-RAND COMPANY**  
**CONSOLIDATED PRO FORMA INCOME STATEMENT**  
(in millions except per share figures)

For the six months ended June 30, 2000

|   | As reported | Reclassification<br>entry | Restated  |
|---|-------------|---------------------------|-----------|
| Net sales   | \$4,162.5   | \$ -                      | \$4,162.5 |
| Cost of goods sold  | 3,005.6     | -                         | 3,005.6   |
| Administrative, selling and service<br>engineering expenses         | 539.1       | -                         | 539.1     |
| Operating income  | 617.8       | -                         | 617.8     |
| Interest expense  | (103.5)     | -                         | (103.5)   |
| Other income (expense), net   | (1.2)       | -                         | (1.2)     |
| Minority interests  | (20.1)      | -                         | (20.1)    |
| Results from assets held for<br>sale (net of tax)                   | 0.0         | (13.6)                    | (13.6)    |
| Earnings before income taxes  | 493.0       | (13.6)                    | 479.4     |
| Provision for income taxes  | 170.0       | -                         | 170.0     |
| Earnings from continuing operations                                 | 323.0       | (13.6)                    | 309.4     |
| Discontinued operations (net of tax)                                | (11.6)      | 13.6                      | 2.0       |
| Net earnings  | \$ 311.4    | \$ -                      | \$ 311.4  |
| Basic earnings per common share                                     |             |                           |           |
| Continuing operations   | \$ 2.00     | \$ (0.08)                 | \$ 1.92   |
| Discontinued operations   | (0.07)      | 0.08                      | 0.01      |
|   | \$ 1.93     | \$ 0.00                   | \$ 1.93   |
| Diluted earnings per common share                                   |             |                           |           |
| Continuing operations   | \$ 1.98     | \$ (0.08)                 | \$ 1.90   |
| Discontinued operations   | (0.07)      | 0.08                      | 0.01      |
|   | \$ 1.91     | \$ 0.00                   | \$ 1.91   |
| Average number of common shares outstanding                         |             |                           | 161.7     |
| Average number of outstanding shares for diluted earnings per share |             |                           | 163.1     |

INGERSOLL-RAND COMPANY  
CONSOLIDATED PRO FORMA INCOME STATEMENT  
(in millions except per share figures)  
For the year ended December 31, 1999

|   | As reported | Reclassification<br>entry | Restated  |
|---|-------------|---------------------------|-----------|
| Net sales   | \$7,666.7   | \$ -                      | \$7,666.7 |
| Cost of goods sold  | 5,515.0     | -                         | 5,515.0   |
| Administrative, selling and service<br>engineering expenses | 1,052.4     | -                         | 1,052.4   |
| Operating income  | 1,099.3     | -                         | 1,099.3   |
| Interest expense  | (203.1)     | -                         | (203.1)   |
| Other income (expense), net                                 | (22.3)      | -                         | (22.3)    |
| Minority interests  | (29.1)      | -                         | (29.1)    |
| Results from assets held for<br>sale (net of tax)           | 0.0         | 18.2                      | 18.2      |
| Earnings before income taxes                                | 844.8       | 18.2                      | 863.0     |
| Provision for income taxes                                  | 299.9       | -                         | 299.9     |
| Earnings from continuing operations                         | 544.9       | 18.2                      | 563.1     |
| Discontinued operations (net of tax)                        | 46.2        | (18.2)                    | 28.0      |
| Net earnings  | \$ 591.1    | \$ -                      | \$ 591.1  |
| Basic earnings per common share                             |             |                           |           |
| Continuing operations                                       | \$ 3.33     | \$ 0.11                   | \$ 3.44   |
| Discontinued operations                                     | 0.28        | (0.11)                    | 0.17      |
|   | \$ 3.61     | \$ 0.00                   | \$ 3.61   |
| Diluted earnings per common share                           |             |                           |           |
| Continuing operations                                       | \$ 3.29     | \$ 0.11                   | \$ 3.40   |
| Discontinued operations                                     | 0.28        | (0.11)                    | 0.17      |
|   | \$ 3.57     | \$ 0.00                   | \$ 3.57   |

Average number of common shares outstanding 163.6

Average number of outstanding shares for diluted earnings per share 165.7

INGERSOLL-RAND COMPANY  
CONSOLIDATED PRO FORMA INCOME STATEMENT  
(in millions except per share figures)

For the year ended December 31, 1998

|   | As reported | Reclassification<br>entry | Restated  |
|---|-------------|---------------------------|-----------|
| Net sales   | \$7,384.7   | \$ -                      | \$7,384.7 |
| Cost of goods sold  | 5,387.8     | -                         | 5,387.8   |
| Administrative, selling and service<br>engineering expenses         | 1,027.8     | -                         | 1,027.8   |
| Operating income  | 969.1       | -                         | 969.1     |
| Interest expense  | (224.1)     | -                         | (224.1)   |
| Other income (expense), net   | (15.3)      | -                         | (15.3)    |
| Minority interests  | (23.5)      | -                         | (23.5)    |
| Results from assets held for<br>sale (net of tax)                   | 0.0         | 26.1                      | 26.1      |
| Earnings before income taxes  | 706.2       | 26.1                      | 732.3     |
| Provision for income taxes  | 250.7       | -                         | 250.7     |
| Earnings from continuing operations                                 | 455.5       | 26.1                      | 481.6     |
| Discontinued operations (net of tax)                                | 53.6        | (26.1)                    | 27.5      |
| Net earnings  | \$ 509.1    | \$ -                      | \$ 509.1  |
| Basic earnings per common share                                     |             |                           |           |
| Continuing operations   | \$ 2.78     | \$ 0.16                   | \$ 2.94   |
| Discontinued operations   | 0.33        | (0.16)                    | 0.17      |
|   | \$ 3.11     | \$ 0.00                   | \$ 3.11   |
| Diluted earnings per common share                                   |             |                           |           |
| Continuing operations   | \$ 2.75     | \$ 0.16                   | \$ 2.91   |
| Discontinued operations   | 0.33        | (0.16)                    | 0.17      |
|   | \$ 3.08     | \$ 0.00                   | \$ 3.08   |
| Average number of common shares outstanding                         |             |                           | 163.7     |
| Average number of outstanding shares for diluted earnings per share |             |                           | 165.5     |

INGERSOLL-RAND COMPANY  
CONSOLIDATED PRO FORMA INCOME STATEMENT  
(in millions except per share figures)  
For the year ended December 31, 1997

|   | As reported | Reclassification<br>entry | Restated  |
|---|-------------|---------------------------|-----------|
| Net sales   | \$6,239.1   | \$ -                      | \$6,239.1 |
| Cost of goods sold  | 4,613.0     | -                         | 4,613.0   |
| Administrative, selling and service<br>engineering expenses         | 902.6       | -                         | 902.6     |
| Operating income  | 723.5       | -                         | 723.5     |
| Interest expense  | (135.2)     | -                         | (135.2)   |
| Other income (expense), net   | (6.3)       | -                         | (6.3)     |
| Minority interests  | (3.6)       | -                         | (3.6)     |
| Results from assets held for<br>sale (net of tax)                   | 0.0         | 9.0                       | 9.0       |
| Earnings before income taxes  | 578.4       | 9.0                       | 587.4     |
| Provision for income taxes  | 219.8       | -                         | 219.8     |
| Earnings from continuing operations                                 | 358.6       | 9.0                       | 367.6     |
| Discontinued operations (net of tax)                                | 21.9        | (9.0)                     | 12.9      |
| Net earnings  | \$ 380.5    | \$ -                      | \$ 380.5  |
| Basic earnings per common share                                     |             |                           |           |
| Continuing operations   | \$ 2.20     | \$ 0.05                   | \$ 2.25   |
| Discontinued operations   | 0.13        | (0.05)                    | 0.08      |
|   | \$ 2.33     | \$ 0.00                   | \$ 2.33   |
| Diluted earnings per common share                                   |             |                           |           |
| Continuing operations   | \$ 2.18     | \$ 0.05                   | \$ 2.23   |
| Discontinued operations   | 0.13        | (0.05)                    | 0.08      |
|   | \$ 2.31     | \$ 0.00                   | \$ 2.31   |
| Average number of common shares outstanding                         |             |                           | 163.2     |
| Average number of outstanding shares for diluted earnings per share |             |                           | 164.8     |

EXHIBIT 12

INGERSOLL-RAND COMPANY

**COMPUTATIONS OF RATIOS OF EARNINGS TO FIXED CHARGES**

## (Dollar Amounts in Millions)

|   | Six Months<br>Ended June |           | Years Ended December 31, |         |           |         |
|---|--------------------------|-----------|--------------------------|---------|-----------|---------|
|   | 2000                     | 1999      | 1998                     | 1997    | 1996      | 1995    |
| Fixed charges:  |                          |           |                          |         |           |         |
| Interest expense.....   | \$128.7                  | \$204.5   | \$225.9                  | \$137.5 | \$120.9   | \$ 88.3 |
| Amortization of debt discount and expense..                                 | 3.0                      | 6.7       | 7.0                      | 2.0     | 1.5       | 0.8     |
| Rentals (one-third of rentals).....   | 15.7                     | 23.9      | 23.8                     | 23.3    | 20.3      | 19.5    |
| Capitalized interest.....   | 2.0                      | 4.0       | 4.0                      | 3.2     | 4.6       | 3.5     |
| Equity-linked security charges.....   | 12.7                     | 25.6      | 19.7                     | 0.0     | 0.0       | 0.0     |
| Total fixed charges.....  | \$162.1                  | \$264.7   | \$280.4                  | \$166.0 | \$147.3   | \$112.1 |
| Net earnings from continuing operations                                     | \$309.4                  | \$563.1   | \$481.6                  | \$367.6 | \$342.3   | \$265.7 |
| Add: Minority income of majority-<br>owned subsidiaries.....                | 20.1                     | 29.1      | 23.5                     | 3.6     | 1.5       | 1.8     |
| Taxes on income from continuing<br>operations.....                          | 147.5                    | 299.9     | 250.7                    | 219.8   | 190.7     | 143.2   |
| Fixed charges.....  | 162.1                    | 264.7     | 280.4                    | 166.0   | 147.3     | 112.1   |
| Less: Capitalized interest.....   | 2.0                      | 4.0       | 4.0                      | 3.2     | 4.6       | 3.5     |
| Undistributed earnings (losses) from<br>less than 50% owned affiliates..... | 7.8                      | 19.9      | 26.9                     | 16.2    | (29.1)    | 33.1    |
| Earnings available for fixed charges .....                                  | \$629.3                  | \$1,132.9 | \$1,005.3                | \$737.6 | \$706.3   | \$486.2 |
| Ratio of earnings to fixed charges .....                                    | 3.88                     | 4.28      | 3.59                     | 4.44    | 4.79      | 4.34    |
| Undistributed earnings (losses) from less<br>than 50% owned affiliates:     |                          |           |                          |         |           |         |
| Equity in earnings (losses).....  | \$ 8.9                   | \$ 22.1   | \$ 30.1                  | \$ 18.3 | \$ 29.7   | \$ 35.2 |
| Less: Amounts distributed.....  | 1.1                      | 2.2       | 3.2                      | 2.1     | 58.8      | 2.1     |
| Undistributed earnings (losses) from<br>less-than 50% owned affiliates..... | \$ 7.8                   | \$ 19.9   | \$ 26.9                  | \$ 16.2 | \$ (29.1) | \$ 33.1 |

All amounts have been restated to reflect a reclassification of a portion of discontinued operations to continuing operations for Dresser-Rand Company.

INGERSOLL-RAND COMPANY  
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 thereunto duly authorized.

INGERSOLL-RAND COMPANY  
(Registrant)

Date November 3, 2000

/S/ Steven R. Shawley  
Steven R. Shawley  
Vice President and Controller  
(Principal Accounting Officer)

End of Filing

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